



National Housing Collaborative
Collectif pancanadien pour le logement

National Housing Collaborative

Vancouver Sounding – June 28, 2016

Hosted by United Way Lower Mainland and BC Rental Housing Coalition

Attended by:

Stewart Anderson (Vancity); **Thom Armstrong** (Cooperative Housing Federation of BC); **Jill Atkey** (BC Non-Profit Housing Association); **Sandy Burpee** (Tri-Cities Homelessness & Housing Task Group); **Jeff Calbick** (United Way of the Lower Mainland); **Bob de Wit** (Greater Vancouver Home Builders Association); **Margaret Eberle** (Metro Vancouver); **Kira Gerwing** (Vancity); **Penny Gurstein** (University of British Columbia); **David Hutniak** (Landlord BC); **Katie Hyslop** (Tye); **Paul Kershaw** (University of British Columbia); **Don Littleford** (Metro Vancouver Housing Corporation); **Grant McKenzie** (Our Place Society); **Kaye Melliship** (Greater Victoria Housing); **Kristi Rivait** (Ready to Rent BC); **Kishone Roy** (BC Non-Profit Housing Association); **Ron Schuss** (Dorset Realty); **David Silva** (Aboriginal Housing Management Association BC); **Daniel Sturgeon** (Simon Fraser University); **Yves Trudel** (United Way of the Lower Mainland)

Key messages:

- The system currently encourages speculative investment in housing; a key role for the federal government is to regulate markets to diminish the benefit of speculative investment in housing.
- The BC not-for-profit housing sector is ready and keen to take more entrepreneurial approaches to affordable housing development.
- Experience of trauma is a major cause of homelessness; homelessness itself is traumatizing; eliminating homelessness is primarily about healing, and reversing patterns of trauma.

Summary:

The meeting began with an orientation of the NHC's work and process to date. Participants were impressed at the volume of work the NHC had achieved in a short time. One participant remarked that the homelessness outcomes articulated by the NHC closely correspond with aims of a group of BC organizations working in the subject. The group observed the drastic increase in the number of conversations across the housing sector at present. They briefly discussed the merits of this surge of activity. The group agreed that through sustained discussion between organizations and across regions, greater clarity and broad consensus around the issues and desired outcomes for housing is emerging. To build on this momentum, they expressed the desire for the NHC to continue coordinating with organizations across the country, first to ensure the NHC's recommendations are informed by regional priorities, and then to align advocacy efforts towards the national housing strategy.

Then participants discussed three topics, each focused around one priority area identified by the NHC: affordability, supply and homelessness. Participants divided into three smaller groups to facilitate conversation. All three groups discussed each of the three topics in turn, sharing



the results of their conversations in plenary before turning to the next topic. What follows is a summary of their discussions:

Affordability:

The group observed the deep interconnectedness between supply and affordability. They advised that increasing supply is necessary, but not necessarily sufficient, to resolve affordability challenges. Ultimately, many participants said, incomes have stagnated and have not kept pace with the increase cost of housing. Many noted that in this regard, housing acts as a bell-weather to broader economic trends. They suggested income supports, more flexible income supports, and better aligning social assistance benefits with the cost of housing as solutions to directly address the shortfall in income for many people.

That said, many participants pointed to dysfunctions in the housing system that have exacerbated affordability issues. They described the rapid increase in home prices encouraging speculation. As one participant put it, “if the purpose of the housing system is to provide return on capital, our market is doing great. If the purpose is to house people we’ve got problems”.

They noted the system encourages speculative investment in housing, and suggested a key role for the federal government to regulate markets and the amount of return investors can earn from increased home prices by targeting price growth and taxing profits over the target amount. Through this or other measures, they emphasized the need to raise barriers to speculative investment in housing.

A few participants suggested increased flexibility to encourage a wider range of living situations, such as co-living, shared ownership and shared equity models. They proposed the Innovation Fund should target piloting new models of tenure, built form, and development.

There was general agreement across all groups that the system is biased against renters. As one participant said, “as a renter – even a well-off, privileged one – you pay more for less, and you get treated worse”. The group agreed incentives for purpose built rental are needed, and many also suggested supporting renters directly through tax credits for rents paid.

Many participants highlighted the importance of a strong not-for-profit sector to ensure affordability. They emphasized the need to expand the supply of stock available for the minimum possible rents, as opposed to the opposite. Other participants suggested potential savings could be earned through widespread tenant education programs focused on reducing the number of evictions. They noted the legal and administrative costs associated with responding to damages and evictions could be avoided through improved tenant relations and education.

While the majority of participants saw the opportunity for the federal government to assert leadership to empower other orders of government, they were somewhat divided on the extent



to which the federal government could reasonably assert power. Many suggested the legislative framework around infrastructure and housing needs to be revisited to link federal investment to specific conditions. They proposed to make these conditions much stricter, mandating outcomes as opposed to tying funding to processes. Many participants cited infrastructure spending for transportation as an area that would benefit from greater federal conditions, noting whenever new transit is constructed affordable housing gets pushed out of the surrounding area. They said connecting transit funding with outcomes ensuring affordable housing surrounding new transit would improve the value of public expenditures.

While supportive of the idea, other participants expressed doubt that strict conditions for federal transfers would be practicable. They noted that after a prolonged absence of federal leadership in housing, provinces and municipalities have developed skills and expertise that ought to be respected and supported.

Other ideas were offered over the course of the conversation. These include: a tax credit program for purpose built rental; GST provisions for NFP developers; tying investment to leverage private capital; substituting the CAC program with municipally-issued tax credits; a land bank; tying rental support to the person as opposed to the unit; and community land trusts.

Supply:

The group discussed the challenges of achieving sufficient supply from a variety of angles. Some participants highlighted the opportunity to increase supply by repurposing public lands, or vacant public buildings such as decommissioned public schools. Others added that repurposing public buildings might be an interesting mechanism to ensure the built form of housing responds to demographic change.

Other participants proposed other ideas for improving the built form. Participants suggested row housing and fee simple townhouses as a few best practices, but encouraged the NHC to consider alternatives that aim at improving quality, increasing variety as well as increasing density. There was broad agreement among all participants that mixed-income housing options are essential for healthy communities, and policy interventions should aim to ensure its development.

Some discussions focused on improving the development process to increase supply. Participants underscored pre-development as a phase of the process requiring improvement, particularly raising equity. Many noted while construction financing is readily available, pre-development financing is more difficult to attain. They pointed to the lack of requirements on the major five banks to allocate capital to various asset classes, and suggested the Community Reinvestment Act in the US, which requires banks to lend in particular neighbourhoods, might be a model to explore.



Some groups stated the NFP sector is held to different standards of risk than for-profit development. They noted that CMHC as a financier of non-market housing has been historically risk-averse, limiting the entrepreneurialism of the sector. One participant remarked that the NFP sector is now prepared for bolder action, saying “The BC not-for-profit sector has innovated, we are prepared to leverage federal dollars better than in 1970”.

There was also a discussion about the housing sector’s role in reducing GHG emissions, and corresponding consequences for affordability. Many put it as a stark tradeoff: lower GHG emissions for higher construction costs. Some noted that while upfront prices may be higher, the savings in energy costs over time compensate over time.

Homelessness:

Vancouver and Victoria in particular are experiencing a crisis of homelessness. Participants emphasized that homelessness has reached emergency proportions in many places across Canada. The problem requires concerted and immediate action, in the same way as the country would respond to other emergency situations such as natural disasters.

The group discussed the underlying causes of homelessness. Participants acknowledged the complex causes of homelessness, but highlighted experience of trauma, especially childhood trauma, has an extremely high correlation with both drug abuse, and homelessness. The group agreed that resolving homelessness is primarily about reversing patterns of trauma.

Diminishing the number of children in state care, and improving the experience for those who must be removed from their families, upstream mental health supports, and reconciliation were suggested as essential elements of the solution to homelessness. They maintained an outcomes-focused approach would be needed to bridge silos between departments – especially housing, justice and health - as well as across jurisdictions.

Participants were unequivocal that more shelters would not be the solution to homelessness. Many noted that under current policy, shelters become de facto housing for many people. One participant observed, “we spend twice as much on shelters as we spend on new housing”.

Additional information is required to fully understand the breath and depth of homelessness in Canada. Participants raised the need to better understand and quantify the ‘hidden homeless’ – particularly youth, seniors, and women.

All participants agreed that both political leadership and public education are needed to make gains for Canadians experiencing homelessness. Participants suggested a virtuous cycle is possible: political leadership can set the tone and help people understand the complexity relating to homelessness; and the more Canadians understand the causes leading to homelessness, the greater will be their demand to address them.