

**Submission to the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities regarding the design and rollout of the Government of Canada's proposed Housing Accelerator Fund**

**June 20, 2022**

Habitat for Humanity Canada (Habitat Canada) and our 49 local Habitats across Canada are pleased to share our recommendations with this committee.

Habitat Canada is committed to helping families build strength, stability, and independence through affordable homeownership. Safe, decent, and stable housing can improve employment, health, and education outcomes, and have benefits that transcend generations.

**Recommendations**

***Housing Accelerator Fund (the "Fund")***

Habitat Canada welcomes the federal government's commitment to help local governments speed up the creation of new and needed housing supply. We recognize how essential it is for municipalities to have the policy tools and resources they need to make significant investments in affordable housing in partnership with the housing sector. Federal investments risk stalling if they are not accompanied by coordinated efforts and support to help modernize municipal and provincial policies and regulations to increase housing supply. To ensure maximum impact from this important investment, we make the following recommendations:

- CMHC should work with a range of stakeholders including housing providers as it determines how to use the Fund to improve municipal capacity to address the biggest challenges of builders and developers. Some examples identified by our local Habitats include:
  - Speeding up zoning and permit approvals through increased staffing or process improvements. According to a 2020 national study by the Canadian Home Builders' Association, development approvals are taking an average of 1.5 to 2-years to obtain, and more in some cases<sup>i</sup>;
  - Inclusionary zoning policies; and
  - Favourable access to municipal lands that become available, especially in well-serviced areas.
  
- Reflect Federal Budget 2022 commitments by ensuring that a portion of the Fund investments are directed to affordable housing and ensure that a range of non-market projects, are eligible for funding. We need solutions targeted to increasing specific supply at all points on the housing continuum and that includes affordable homeownership not only affordable rental or community housing. There are significant and quantifiable societal benefits when families have access to affordable homeownership. For example, on average, Habitat generates a minimum of \$175,000 -

\$200,000 of benefits to society per home. These benefits come in the form of reduced reliance on social housing and food banks, better educational and employment outcomes, and improved health.<sup>ii</sup>

- Consider how the proposed Fund can be used to leverage market rate development to support affordable housing development. For example, allow municipalities to access additional funding to offset development charges if they commit to providing other fee waivers for affordable housing developments.

Habitat was pleased to see Federal Budget 2022 recognize the need for smaller and rural communities to also benefit from the Housing Accelerator Fund; we support calls by FCM and others to ensure that there are processes for accessing funds that reflect the capacity in smaller communities and allow them access to dedicated funds without having to compete with investments in large urban centres. This would be especially important for any investments in the north and remote communities. There continues to be significant poverty and housing challenges in rural communities, often hidden, that should be considered in the use of the proposed Fund.

### ***Federal Lands Initiative (“FLI”)***

Improved access to affordable land is essential to increasing the supply of affordable housing in Canada. Habitat Canada has recommended the following measures related to land:

- Introduce a new property acquisitions program to provide grants and loans to enable community providers to purchase and refurbish available properties for affordable purchase and rental, and to support land assembly.
- Act on the Minister for Housing and Diversity and Inclusion’s mandate to enhance the Federal Lands Initiative and consider extending this initiative to allow for the exchange of surplus lands held by other orders of government.
- Ensuring that federal programs to support affordable housing are flexible enough to include creative arrangements to access land, such as long-term land leases.

While there may be potential in the Federal Lands Initiative and in the model it uses to assess and make land available, its underperformance to date - creating only 1600 units of a target of 4000 - is concerning<sup>iii</sup>. Habitat Canada makes the following additional recommendations:

- Create a transparent and publicly available database of surplus municipal, provincial, and federal land.
- Provide more detail on the assessment and suitability of available lands for affordable housing.
- Ensure that most surplus lands are being directed to affordable and deeply affordable housing. This may require changes to the terms and conditions of the program to allow properties to be transferred into the FLI program for less than fair market value, and to redirect some FLI funds to developing affordable housing or remediating land or structures.



We build strength, stability, and self-reliance.

- Given the industrial or commercial nature of many surplus lands, provide other federal funding to support the expansion of needed public infrastructure, community and social services for surplus lands areas designated for affordable housing, and consider a fund to support the potential costs of remediation where that is not completed before the land is disbursed.

Habitat Canada appreciates the opportunity to help shape the proposed Housing Accelerator Fund and other programs related to expanding Canada's affordable housing supply. We value our partnership with CMHC and look forward to continuing to collaborate to help ensure everyone in Canada has a safe and decent home they can afford.

If you have any questions or wish to discuss further, please contact Alana Lavoie, National Director of Government Relations.

### **About Habitat for Humanity Canada**

Founded in 1985, Habitat for Humanity Canada is a national charitable organization working towards a world where everyone has a decent and affordable place to call home. Habitat Canada brings communities together to help families build strength, stability, and independence through affordable homeownership. With the help of volunteers, Habitat homeowners and 49 local Habitats working in every province and territory, we provide a solid foundation for better, healthier lives in Canada and around the world. Habitat for Humanity Canada is a member of Habitat for Humanity International, which was established in 1976 and has grown to become a leading global nonprofit working in more than 70 countries. For more information, please visit [www.habitat.ca](http://www.habitat.ca).

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<sup>i</sup> <https://www.chba.ca/municipal-benchmarking>

<sup>ii</sup> <http://www.habitat.ca/photos/custom/BCG-Transforming-Lives-May-2015.pdf/>

<sup>iii</sup> <https://distribution-a617274656661637473.pbo-dpb.ca/c14c97d8ca19d3036782918415de2bd3c976a66ed53e0030daf83b206c8d36e1>