



October 21, 2016

National Housing Strategy Team  
Canada Mortgage and Housing Corporation (CMHC)  
700 Montreal Road  
Ottawa, ON K1A 0P7

Dear National Housing Strategy Team:

On behalf of Alberta's 271 urban municipalities, we are pleased to provide the attached submission to your consultation on the development of a national housing strategy. We appreciate the opportunity to provide feedback into this important initiative.

Sincerely,

A handwritten signature in blue ink that reads 'Lisa Holmes'.

Lisa Holmes  
AUMA President

Enclosure

cc: The Honourable Jean-Yves Duclos, Minister of Families, Children and  
Social Development Canada

## **AUMA's Response to the National Housing Strategy Discussion Guide and Questionnaire**

### Vision

A vision for Canada's National Housing Strategy could be: All Canadians have access to housing that meets their needs and they can afford. Housing is the cornerstone of building sustainable, inclusive communities and a strong Canadian economy where we can prosper and thrive.

**Q. Is this vision a step in the right direction? Does it achieve our goals? Does it make sense for you and your family?**

**A. AUMA supports the proposed vision for the national housing strategy.**

### Principles

The National Housing Strategy will be developed according to ten core principles:

Results-based:

1. Environmentally sustainable: we want housing to contribute to a cleaner environment and support a greener tomorrow.
2. Performance tied to results: we measure our performance; evaluate our outcomes; and base our decisions on the best evidence of what works.
3. Self-reliance: we seek to support greater self-reliance for individuals, families and housing providers, where possible.
4. Fiscally responsible: we seek fiscally responsible housing responses and leverage support from others.
5. Flexibility: we recognize that there is no one-size-fits-all solution to addressing housing needs.
6. Community-centred: we believe housing should be community-based and consider access to public transit, proximity to work, amenities, and services.
7. Economic stability: we want a stronger housing system that supports stability in the Canadian economy and helps withstand fluctuations in the economic cycle.

Process-based:

1. Innovation: we encourage innovative new approaches.
2. People-centred: we remember that people are at the heart of all housing solutions.
3. Collaboration: we value collaboration and build respectful relationships.

**Q. Are these the right principles? Are any principles missing?**

**A. AUMA supports the proposed principles and suggests adding a principle around transparency that speaks to the need for access to clear and timely information for housing system users, providers, and Canadians.**

## Themes for discussion

The goal of a National Housing Strategy is to create solutions to our most important housing challenges. To develop the strategy, we will explore a wide range of themes and issues. This includes the following themes.

### *Sustainability*

1. Environmental sustainability
  - Housing has a big impact on our environment. Sustainable solutions are needed. New approaches can build more resilient homes and communities. Reducing energy consumption in housing will also help Canada reach its climate change goals. How can we build a greener future through housing?
2. Social housing renewal
  - Canada's investment in social housing is an important asset for all Canadians. Much of our social housing stock is aging and in need of repair and renewal. Long-term government subsidies that have supported our social housing are also set to expire by 2038. As a result, many of the low-income individuals and families who live in these buildings may lose the safe and affordable places they call home. In addition, there are also opportunities to make Canada's affordable and social housing sector more financially viable and less reliant on government funding.
  - How can we build a strong and financially healthy affordable housing sector that attracts private investors, increases the supply of affordable housing, ensures that our investment in affordable housing is "paid forward" to future generations, and renews Canada's social housing to promote well-being and socially-inclusive communities?
3. Creating a better quality of life
  - Housing is more than shelter. It helps Canadians gain access to important socio-economic opportunities, including jobs, education and services. Moving from social to market housing is possible for some. What approaches can help?
4. Economic growth and stability
  - In light of overall household debt levels and sustained period of low interest rates, what alternate financing approaches can ensure Canadians continue to have access to housing finance across the country that both meets their needs, and they can afford (e.g. shared-equity mortgages; loan-to-income ratio, etc.)?
5. Supportive institutions and regulations
  - Strong housing institutions and effective regulations and laws are needed to meet the housing needs of Canadians. Better integration and alignment of policies, programs and regulations across all levels of government will help achieve better housing outcomes for Canadians. What changes are required?

### *Affordability*

1. Affordable lands and financing
  - Housing is driven by demand and supply factors. How can housing supply challenges be better addressed to meet the needs of future demand across Canada, including the needs of future homeowners.
2. Affordability pressures in cities
  - The individual choice of homeownership and rental may vary from market to market. How can data and evidence-based policy making support a better understanding of the drivers

- between the choice of homeownership and market rental? Is there a need to better balance homeownership and rental options in all markets across Canada?
3. New and renewed rental housing
    - Rental housing is home to 30% of Canadians. Canada needs a greater supply of new affordable rental housing, including through increased private sector involvement and the maintenance and preservation of our existing rental housing stock. Supporting more affordable rents can help reduce poverty and grow the middle class. In many cities, developers are building more condos than affordable rental units. In addition, existing rental housing is aging and in need of repair. How can we support a stable supply of rental housing that is affordable?
  4. First-time home buyers
    - First-time buyers (FTBs) with mortgages accounted for just over 40% of all home sales from 2010 to 2014. What factors have an impact on first-time buyer access to housing over the next decade compared to the last decades? For example how does level of income, house prices and interest rates impact access to housing? Is homeownership within reach?

#### *Inclusivity*

1. Low-income and vulnerable Canadians
  - About 20% of Canadians require assistance to meet their housing needs. Some groups have distinct needs that require unique solutions, including: the homeless, recent immigrants, lone-parent families, persons with disabilities, victims of family violence, seniors and Indigenous households. What new approaches can make a difference?

#### *Flexibility:*

1. Use of data-based evidence
  - Housing initiatives and approaches should be built on the best evidence available and the achievement of desired outcomes. We need to close data gaps to better inform our decisions and policies. Actions need to be measured and tied to results to ensure success.
2. Continuum of housing options
  - People's housing preferences and choices continue to evolve. How can future homeownership options meet changing preferences (single detached to multi-unit/high density/sustainable options)?

**Q. Are these the housing topics you want to talk about? What important housing topics have we missed?**

**A. AUMA agrees with the proposed themes for discussion, and suggests adding the following themes:**

- a) **Clarification and coordination of roles and responsibilities**
  - **The national housing strategy should clarify roles and responsibilities for all levels of government, as well as private and non-profit community stakeholders, with respect to policy, planning, funding, and delivery for housing supports and services.**
  - **The strategy should also identify how housing systems interact with other public systems such as health and corrections. There is currently a disjointed approach to planning, funding, monitoring, and delivering housing and related support**

services; integrating some of these processes will result in better outcomes for Canadians in housing need.

**b) Prevention**

- **Prevention strategies should be discussed. Over 9,400 people have been housed since the implementation of the provincial plan to end homelessness in Alberta, but there is still high demand for emergency shelters across the province. More action is needed to support people to remain in their current homes and/or divert them from entering into homelessness. Strategies are also required to prevent people from being released from provincial systems (e.g. health, justice) into homelessness or precarious housing.**

**c) Lack of income**

- **Lack of income is a pervasive issue underlying problems of housing affordability and, as such, initiatives focused only on the housing part of this issue can have only limited effect. There is a need to examine the problem of inadequate income as part of the affordability issue, as well as remedy inadequacies in existing income support programs that contribute directly to affordability problems.**

**d) Determination of housing affordability and need**

- **AUMA acknowledges that assessing housing need and ability to pay is complex. Traditionally, affordability has been based on a ratio of housing costs to total household income. A household paying 30 per cent or more of its pre-tax income for housing is considered to have affordability problems. In addition to this measure being somewhat arbitrary, it can also be misleading. Although a high shelter-cost ratio is a valid indicator of housing affordability problems in some households, in other households, it may stem from a choice based on spending priorities.**
- **AUMA believes that the development of the national housing strategy is an opportunity to discuss and reach consensus on a Canadian definition of housing affordability and need, as part of a larger discussion on what an adequate standard of living looks like in Canada.**

Outcomes

The success of the National Housing Strategy depends on whether it will create better outcomes and real results for families, communities, and the economy. An initial set of high-level outcomes confirms what we are setting out to achieve.

As a next step, we will develop specific targets for these outcomes. This will help ensure we are on the right track.

We will work with Indigenous peoples to tailor outcomes that meet their unique needs.

This includes changes for the better for a wide range of social, fiscal and environmental issues.

See table on following page for examples of outcomes. By working together, we can set the stage for better outcomes in all of these areas over the short, medium and longer terms. Establishing indicators and targets to track our progress is an important next step. Let us know which of these outcomes is most important to you.

| Theme                        | Goal   | Examples of possible outcomes:   |  |   |
|------------------------------|--|--|--|---|
|                              |  | Short-term   | Medium-term  | Long-term   |
| Environmental sustainability | Housing and communities are healthy, resilient, and contribute to Canada's climate change goals. | Reduced energy consumption in housing.   | Greater integration of sustainable technologies and practices.   | Greenhouse Gas (GHG) emissions from housing sector are reduced.   |
| Social sustainability        | Housing is a foundation for improved life prospects and equal access to opportunities.           | Housing facilitates access to education, jobs and services.  | Households move along the housing continuum.   | Housing increases opportunities and prospects of Canadians.   |
| Financial sustainability     | Canada has a strong housing system that supports economic stability and growth.                  | Efficient construction, operations, financing and maintenance lower costs and improve performance. New construction and renovation/retrofit activity spurs jobs in the construction sector. Housing-related debt for Canadians is moderated. | Efficiency in federal investments is enhanced. Housing activity is an economic multiplier on the broader economy and supply chain. Continuity in housing investment supports economic stability. | Canada benefits from a strong, innovative and self-reliant housing sector. Housing contributes to employment, a stable financial system and a strong economy. Canada's economy can rely on the strength and resiliency of the housing system. |
| Affordability                | Canadians have housing that they can afford, and that meets their needs.                         | Enhanced affordability for homebuyers in high priced housing markets.  | Proportion of households in housing need reduced by x%.  | All Canadians have access to adequate housing that they can afford.   |

|             |  |   |  |   |
|-------------|--|---|--|---|
| Inclusivity | Housing contributes to social inclusion and wellness for all Canadians.              | More units for low and modest income people in mixed income housing developments.<br>More home adaptations for independence.<br>More Canadians who are homeless or at risk of homelessness have access to housing and related supports. | Social inclusion in neighbourhoods is improved. Housing is accessible, visitable, adaptable to life changes and reflects the principles of universal design.<br>Systems are in place to prevent homelessness and support the economic and social inclusion of individuals who have experienced, or are at risk of, homelessness. | Poverty in Canada is reduced by x%.<br>Seniors and persons with disabilities may live independently in their homes within their communities.<br>Homelessness in Canada is rare, brief and non-recurring.<br>Women and children successfully transition to safe and independent living in their communities following incidences of domestic violence. |
| Flexibility | Canadians have access to housing options that meet their diverse and changing needs. | Policy responses are flexible to meet the diverse and changing needs of Canadians across the country.   | Communities have housing options that meet the diverse and changing needs of Canadians.  | Canada has well-functioning, dynamic housing markets.   |

**Q. Are these the right outcomes?**

**A. AUMA generally supports the proposed goals for the national housing strategy.**

For social sustainability, a sample medium-term outcome is that “Households move along the housing continuum”. Although AUMA agrees that the strategy should seek to support greater self-reliance for individuals, families, and housing providers, where possible, it is important to acknowledge that not all Canadians will be able to attain independent housing, market housing, and/or homeownership.

Given the impact of inadequate housing on health, the national housing strategy may want to include a goal and outcomes related to adequate housing and improved health outcomes.

With respect to outcomes and indicators in general, AUMA suggests that the strategy include clear targets and timelines, and regular monitoring of progress to ensure accountability. Actions and funding must be both long-term and predictable.

**Q. Do you have any other comments?**

**A. AUMA supports a comprehensive, long-term approach to housing and homelessness that aligns local, provincial, and national policies and initiatives.**

Working in partnership with the municipal sector and provincial governments, the federal government should include in the proposed National Housing Strategy:

- Predictable and long-term subsidies for rent-geared-to-income units affected by expiring operating agreements to protect vulnerable households.
- Predictable capital investment in repair/renewal and new construction of social housing.
- Expanded investment in the construction of new social and affordable housing, whether through the Investment in Affordable Housing Framework or another delivery mechanism.
- Continued and expanded investment in the Homelessness Partnering Strategy, while ensuring it provides maximum flexibility to local communities to fund the initiatives that reflect local needs and priorities.
- Expansion of affordable rental housing, urban Aboriginal housing and northern housing.