Innovation in Rental Housing: What can Halifax Planners Learn from Other Cities?

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Rental Housing in Canadian Cities:
Barriers and Solutions to Implementation

- Research study funded through SSHRC Insight Development Grant, 2017-2020
- Goals:
  - catalyze new municipal policies and programs in rental housing through policy learning
  - synthesize knowledge from case study cities on barriers and solutions to rental housing protection and development through systematic case comparison

Research Questions

- What are the barriers to implementation and protection of rental housing in Canadian cities?

- How have municipal planners, housing providers, and developers overcome these barriers to implement solutions to the protection of existing and implementation of new rental housing?

- What is the role of the new National Housing Strategy in supporting development or preservation of rental housing in municipalities?

Methodology

Phase 1 (September 2017-September 2018)

Phase 2 (September 2018-July 2019)

Policy Analysis

Examine the plans, policies, and strategies of 15 Canadian municipalities

Survey

Ask municipal planners, developers, housing organization staff about barriers and solutions in the 15 municipalities
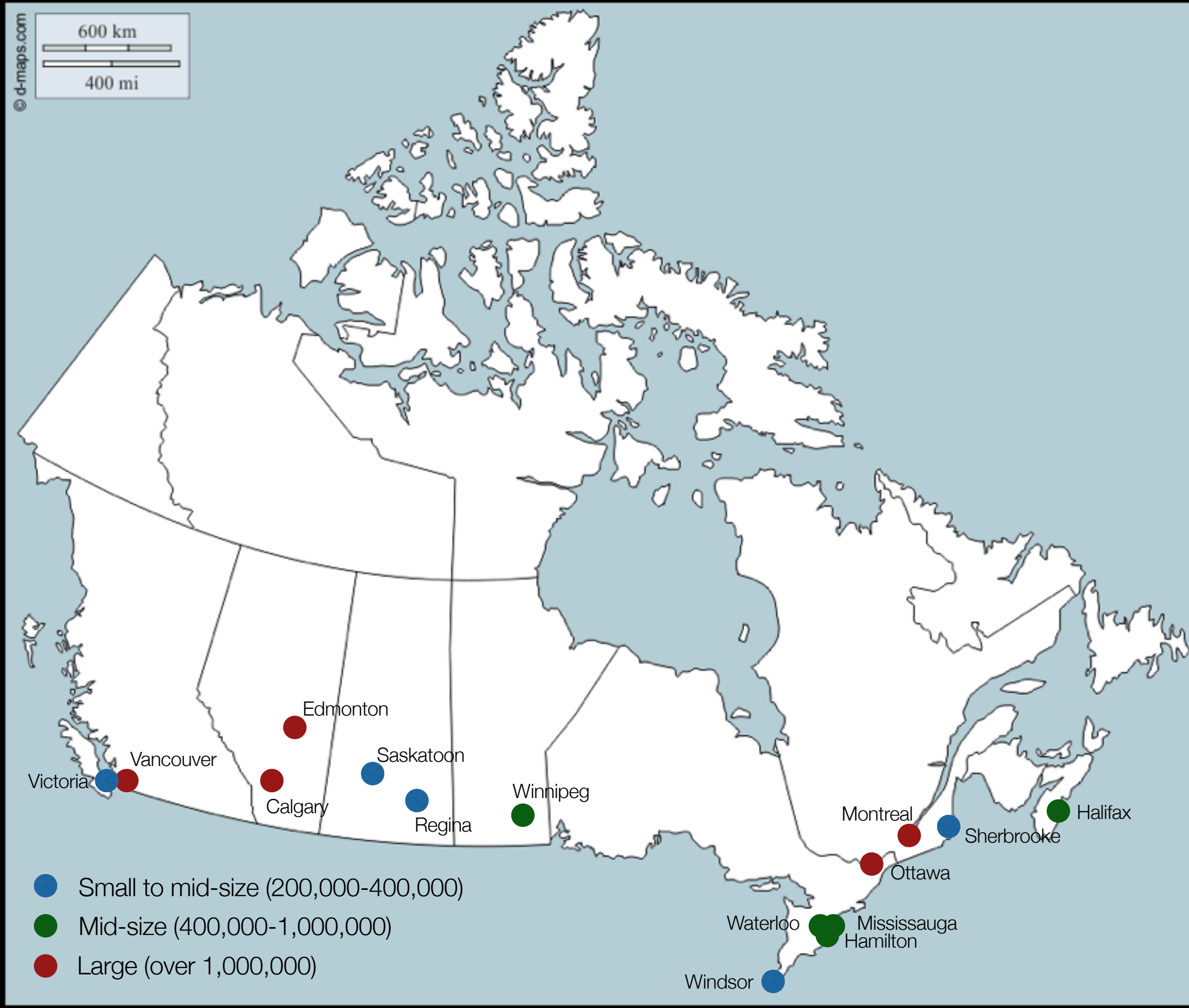
Meta-Analysis

Determine the similarities/ differences across the cases and the analytically generalizable trends and policy lessons

Policy Learning Workshop

Share the policy solutions with municipal planners, provincial planning staff, developers, and housing organization staff in Halifax

The Case Studies

The 15 cities were chosen for their population size and range of approaches to rental housing policy, plans, and programs

Barriers

- Lack of collaboration between housing providers, municipalities, provincial and federal governments
- No real political will to support rental housing
- Difficulty enforcing standards/policies
- Lack of public support for rental housing, multifamily housing, increased density

Policy Comparison

COMMON TO ALL	COMMON TO SOME	UNCOMMON TO MOST	UNIQUE
• Rent supplements • Renovation/ rehabilitation programs • Policies encouraging secondary suites	• Condominium conversion policies • Reduction/elimination of development fees • Capital grants for new rental units • Sale of municipal land for affordable housing • Inclusionary zoning • Property tax exemptions	• Municipal development corporations • Plans emphazing affordable housing near transit • Housing reserve funds • Land banks	• Vancouver: Rental 100 Secured Market Rental Housing Policy, Foreign Buyers' Tax, Vacancy Tax By-Law • Saskatoon Rental Development Program • Province of Québec AccèsLogis program • Province of Manitoba Rental Housing Construction Tax Credit Program

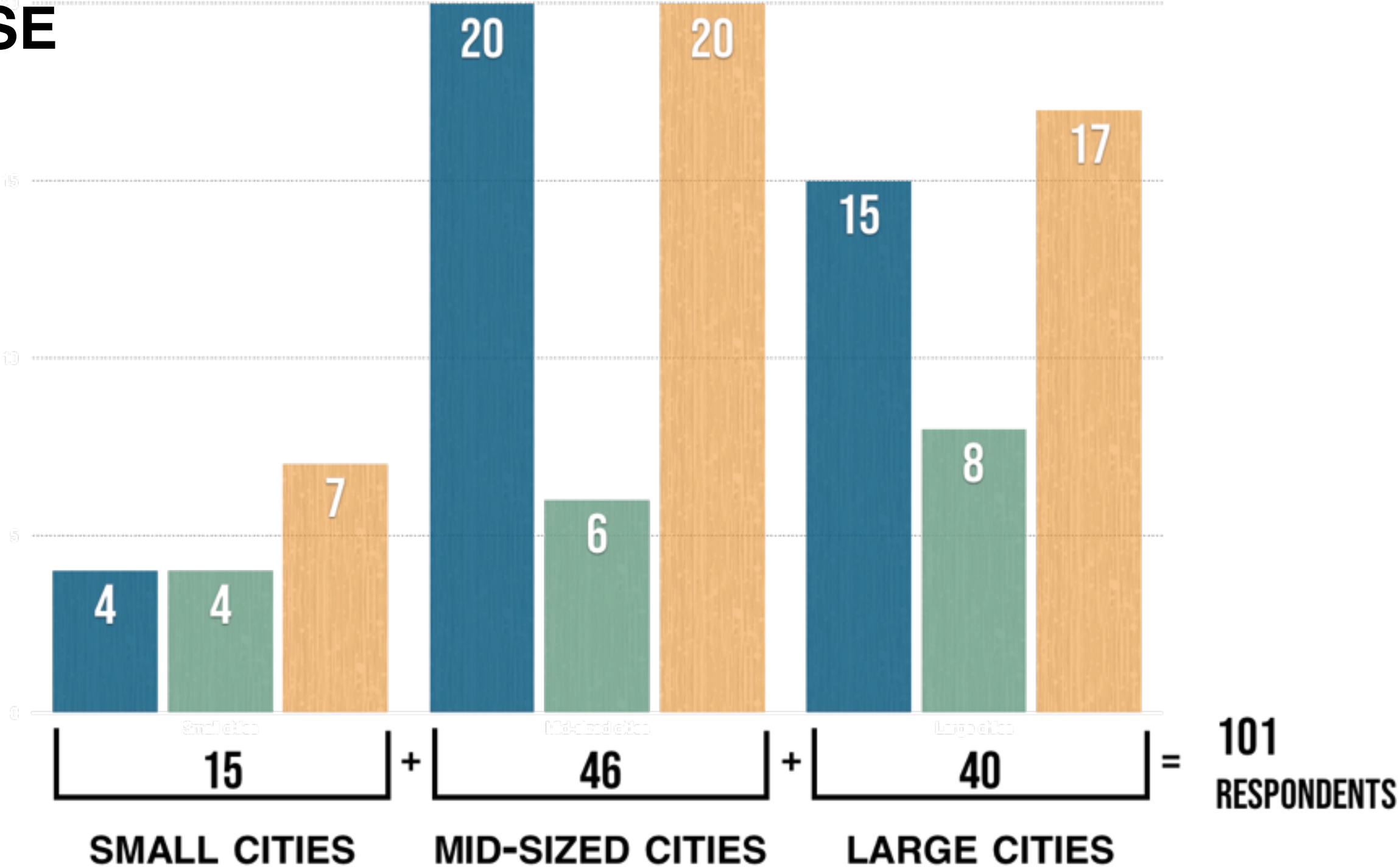# Policy Comparison: Innovative Approaches

INCREASINGLY UNIQUE

- Secondary suites—Calgary and Vancouver allow them across the city; Winnipeg, Saskatoon, Victoria, and Edmonton provide significant funding to create units
- Fee exemptions for non-profits building affordable housing—Vancouver, Waterloo, and Hamilton specifically offer them to rental developers; Ottawa, Edmonton, and Hamilton require long-term affordability
- Exemption of property taxes for non-profit developers—Saskatoon exempts taxes for up to 10 years for new rental projects
- Municipal development corporations (Hamilton, Victoria, Vancouver, and Saskatoon)
- Plans connecting low-income or rental housing to transit infrastructure (Waterloo, Edmonton, Montreal, and Vancouver)—Vancouver is the most explicit
- Housing reserve funds (Victoria, Vancouver, and Saskatoon)
- Land banks (Saskatoon, Victoria, and Montreal)—Saskatoon is the oldest
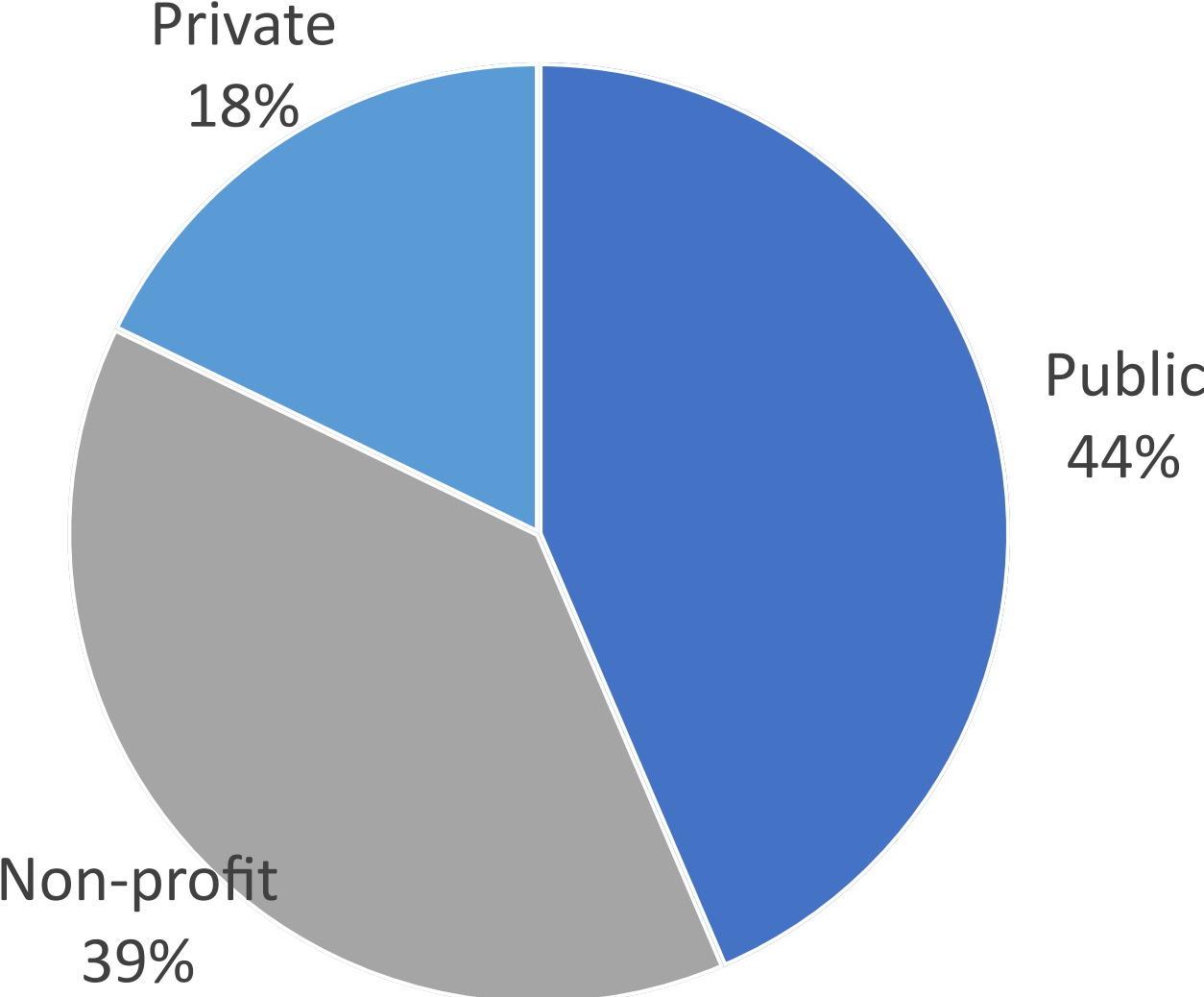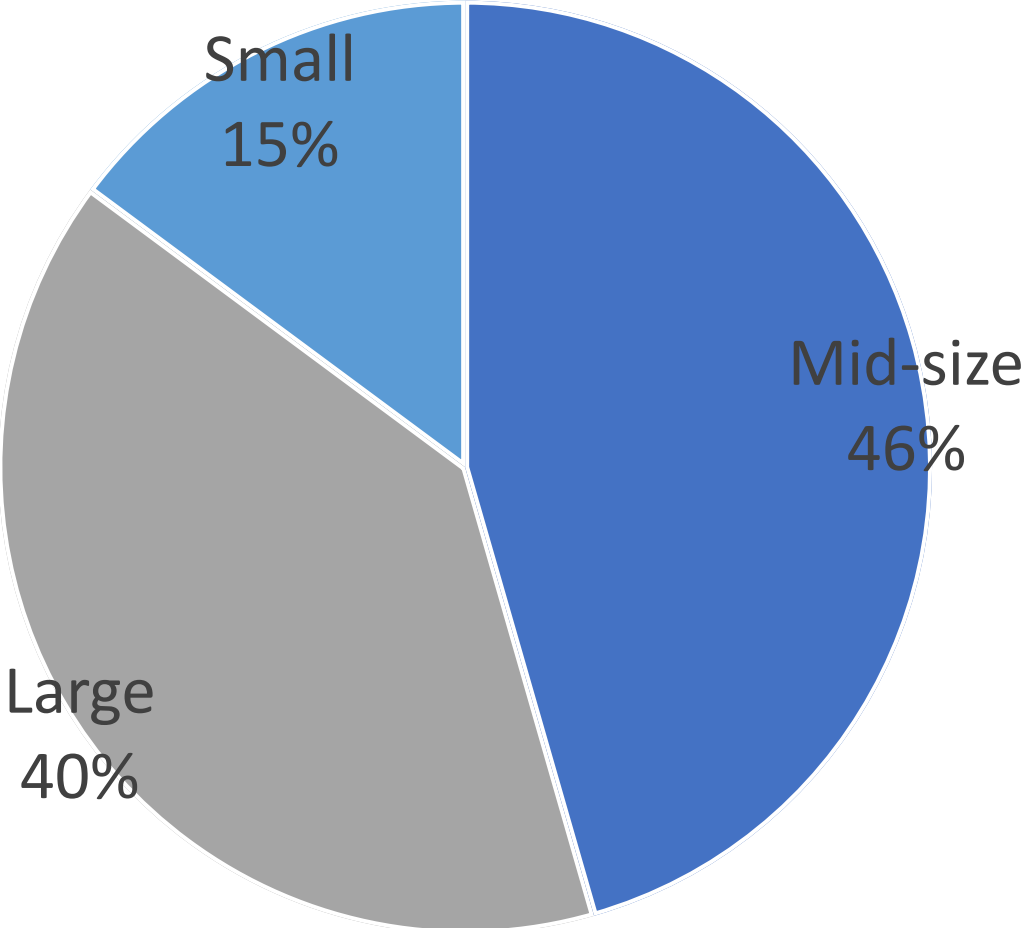
Policy Comparison: Innovative and Unique Approaches

- Vancouver's Rental 100 offers a package of incentives to developers to build 100% rental buildings that will stay rental for 60 years or for the life of the building

- Vancouver's Foreign Buyers' and Vacancy Tax By-Laws aim to bring more condo units into the secondary rental market

- Saskatoon's Rental Development Program (in partnership with the Province) provides up to 70% of the cost of new affordable rental units

- Québec's AccèsLogis program crowdsources public, community, and private resources to create permanent rental housing for low- to middle-income households

- Manitoba's Rental Housing Construction Tax Credit Program allows developers to earn tax credits if at least 10% of the units are affordable and remain affordable for five years

SURVEY RESPONSES

PRACTITIONER PERCEPTIONS

SUCCESS IN PROTECTING RENTAL HOUSING   • SUCCESS IN CREATING RENTAL HOUSING

	Overall	City Size			Sector		
		Small	Mid-sized	Large	Public	Non-profit	Private
Setting targets	Neutral	Mixed Success	Neutral	Neutral	Neutral	Neutral	Neutral
Achieving targets	Neutral	Neutral	Disagree/Strongly Disagree	Neutral	Neutral	Mixed Success	Mixed Success
Success	Mixed Success	Disagree/Strongly Disagree	Mixed Success	Disagree/Strongly Disagree	Mixed Success	Disagree/Strongly Disagree	Mixed Success

Legend:
- Agree/Strongly Agree
- Neutral
- Disagree/Strongly Disagree
- Mixed Success

PRACTITIONER PERCEPTIONS

SUCCESS IN PROTECTING RENTAL HOUSING   • SUCCESS IN CREATING RENTAL HOUSING

	Overall	City Size			Sector		
		Small	Mid-sized	Large	Public	Non-profit	Private
Setting targets	🟩	🟩	🟩	🟩	🟩	🟩	🟨
Achieving targets	⬜	⬜	⬜	⬜	⬜	🟥	🟨
Success	🟩	🟩	🟨	🟩	🟩	🟥	🟥

🟩 Agree/Strongly Agree   ⬜ Neutral   🟥 Disagree/Strongly Disagree   🟨 Mixed Success

PRACTITIONER PERCEPTIONS
BARRIERS OVERCOME

- Increased cross-sector collaboration and communication

- Increased capacity building

- Political leadership/will has increased

- Increased appreciation of the need for rental housing, better able to address NIMBY

- Introduced incentives and tools for developers

- New funding from CMHC will enable preservation of non-profit and co-op housing

Bringing it all Together: Meta-Analysis

Policy Strength/ Intent	Funding	Inter-Governmental Collaboration	Local Partnerships/ Collaboration	Land Use Planning	Public/ Political Support	Unique Local Characteristics

- Integrating the policy analysis, survey, and Census data from each city
- Looking for similarities/differences between the cases, using these themes

Meta-Analysis

Policy Strength/ Intent

Land Use Planning

- Municipal and housing plans with strong implementation strategies actually work to increase housing supply (e.g. Victoria, Calgary). Annual monitoring and reporting of unit numbers is critical, otherwise targets are empty

- Enabling policies are useful (e.g. sale of municipal land to non-profits), more useful when they are paired with funding (e.g. secondary suites funding in Edmonton, Saskatoon) and they are enforced (e.g. condo conversion). This requires both political will and adequate capacity

- Quick development/revision of policies is necessary in a crisis situation (e.g. Hamilton's condo conversion moratorium, Saskatoon's rental shortage)

Meta-Analysis

Funding

Inter-Governmental Coordination

Local Collaboration/ Partnerships

- Municipalities that have good relationships with their provincial governments invariably have more streamlined and coordinated rental funding programs (e.g. Edmonton's Cornerstones program, Montreal's AccèsLogis, Winnipeg/Manitoba's Rental Housing Tax Credit)

- Small-scale municipal funding programs can be very successful, e.g. (e.g. Calgary's Housing Incentive Program for non-profits using municipal land)

- Long-term, local partnerships are useful in addressing complex affordable housing needs (e.g. Calgary's Community Housing Affordability Collective)

- Unique collaborations may be necessary in dire situations (e.g. in Vancouver, a partnership between VanCity, BC Housing, and the City funded the new modular housing to address homelessness)

Meta-Analysis

Public/ Political Support

- Targeted programs to educate the public can increase acceptance of multifamily housing (e.g. Edmonton, Mississauga)
- Support from City Councillors is critical in advancing municipal initiatives on rental housing—some cities have been able to take on a leadership role (e.g. Calgary, Montreal, Vancouver) while others feel that rental housing is up to the market to provide (e.g. Waterloo, Windsor)

Meta-Analysis

Unique Local
Characteristics

- Edmonton is experiencing conversions from condos (and hotels) to rentals due to low vacancy rates, demand for rental and aging stock built in the 60s and 70s
- Halifax has long seen a tendency towards rental housing development; Montreal and Sherbrooke benefit from a cultural preference for rental housing
- Victoria has very strong non-profit organizations with the capacity to undertake real estate development

Conclusions

- **Barriers**: lack of funding; lack of collaboration/communication; inflexible government programs; lack of resident support; difficulty enforcing standards/policies
- **Policies**: more innovative policies had stronger wording and were often tied to funding programs. Some cities are more apt to innovate due to specific conditions or crises, and smaller/larger cities seem to be better at monitoring unit numbers and success at achieving targets than mid-sized
- **Overcoming the barriers**: some cities have seen increased cross-sector collaboration/communication, capacity building, and political will; appreciation of the need for rental housing; introduction of incentives/tools
- **Overall**: cities have had more success with building new rental compared to preserving existing rental housing. Given the limited capacity of municipal governments, many have built partnerships to address their needs for more units

What's Next?

- Policy learning workshop with people working on housing policy and development of rental housing

- If you're in the Halifax area and you want to participate, please email: samiya.dottin@dal.ca

- Project updates are at: http://renthomas.ca/research/rental-housing-in-canadian-cities/

MacEachen
INDEPENDENT. INFORMED.

BARRIERS AND SOLUTIONS TO RENTAL HOUSING POLICY PROTECTION AND IMPLEMENTATION

A policy learning workshop hosted by The MacEachen Institute for Public Policy and Governance and Dr. Ren Thomas.

Participants in this workshop will explore rental housing policy ideas from around Canada in an effort to develop their own approaches that could aid in the protection and provision of rental housing in Halifax.

JUNE 12, 2019
9:00 AM - 1:00 PM

DALHOUSIE UNIVERSITY

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