

## **Housing Affordability**

### **Our Housing Crisis**

Housing accessibility and affordability continues to be a [major source of anxiety for people living in Metro Vancouver](#). Our City is one of the most expensive in which to live and our riding one of the most expensive areas within the City. In fact, Vancouver is one of the most expensive cities in the world to live. While we may be the envy of many for living in [the sixth “most liveable city in the world,”](#) we are in the unenviable position of ranking second among cities with the least affordable housing in the world when you consider the cost of housing as a percentage of income. It is not surprising then that in 2018, an [Insights West poll](#) found that 90% of Metro Vancouver residents overwhelmingly agree the region is facing a housing crisis.

The anxiety over affordable housing has been compounded by other issues of concern in the region, including foreign ownership and money-laundering. How much these issues have a direct effect on Vancouver’s housing situation is not clear. Whether real or perceived, it does underline the need for more studies and quality data to support evidence-based policy development in addressing Vancouver’s housing situation in a comprehensive manner. What we do know is that the issue of affordable housing is a question of supply and not demand. Accordingly, policies need to focus on increasing the supply.

So what we can do about supply? Simply put we need an increase in our city’s housing options, both to rent or to own. This includes more options for affordable rental units, whether co-ops, private, or public. For ownership, we do need more densification combined with improved transit. We need more starter homes so people can afford to get into the market and then move up the property ladder while still being able to live within the City.

### **Moving Forward Together**

The good news is our City is making progress and all levels of government recognize that housing affordability is a big issue. However, there is still a need to significantly increase the supply of housing. This happens faster when there are partnerships between the City, the Province and the federal

government and where policies and investments are coordinated and complementary.

Some of the policy options to increase affordability and supply include tax incentives to spur more construction, cash infusions to address critical housing needs, and improved policies to support important steps in re-establishing the federal government's active participation in developing a sustainable model for housing affordability in Canada.

Certainly, the announcement of [Canada's National Housing Strategy \(NHS\)](#) in 2018 was an important step forward in looking comprehensively at the housing issues. I was pleased to have been a part of the government when this was announced. The NHS is a 10-year plan with a \$40-billion budget that was recently increased to \$55+ billion. It sets out bold outcomes: reducing chronic homelessness by 50 per cent, building 125,000 new affordable housing units, and repairing 300,000 others. While the NHS and subsequent bi-lateral agreements with the Province and City to provide long-term, predictable funding for housing are welcome, the federal government has much more work to do in implementing policy strategies to complement the financial commitments that will be applied over the next decade. Most importantly, investments need to be made now for critical housing needs and not pushed further out in the budget cycle. As your Independent MP it will be one of my roles to help ensure this is done.

### **More Housing Options**

With respect to the implementation of a housing strategy tailored to our City, last month, the Greater Vancouver Board of Trade (BoT) issued a report entitled [More Homes, More Choices](#). The Report makes several recommendations to a recently-formed federal and provincial "Expert Panel on the Future of Housing Supply and Affordability" and is worth reading. The BoT proposes an expanded federal approach to increasing housing options in Greater Vancouver, noting in particular that the federal government has the ability to "unlock more housing—especially rental housing—by using a broader set of tools within their toolkit."

Key recommendations outlined in the Report include:

- Coordinate current federal housing and transit investments and consider additional incentives or requirements to encourage more housing near rapid transit;
- Make changes to the Income Tax Act to support new rental construction;
- Explore creative ways to encourage new rental units within existing zoning, such as a tax credit for building new rental or laneway homes; and,
- Double down on efforts to unlock federal lands and allocate proceeds from federal developments to support regional housing investments.

The Report presents a solid set of viable solutions that address areas where the federal government can take a more active role in moving the dial on housing options for our City. The recommendation to align the NHS and public transit funding, for example, is pertinent to Vancouver Granville, which is home to a major portion of the Millennium Line Broadway Extension Project. By building on the model of the Project's [\*Supportive Policies Agreement\*](#) between the City and Translink, which factors in an affordable housing strategy as plans for the transit expansion are developed, the federal government can encourage effective land use and transportation decisions. In a June 2019 Ipsos poll, 83% of Vancouver residents agree, “we need to approve more diverse housing options close to both existing and new transit stations/hubs.”

The BoT's Report also encourages unlocking federal land—and the proceeds from federal land to reinvest in housing needs in the region. An example of this is the Heather Street Lands project in the heart of our riding. The joint venture partnership between the Canada Lands Company (CLC) and the MST Partnership (a partnership of the Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation) is a unique collaboration that is optimizing federal lands for the social and economic benefits of the community. With the CLC and MST each holding a 50% beneficial interest in the Heather Street Lands, this historic partnership has already achieved a significant milestone with last year's unanimous approval of the Heather Street Lands Policy Statement by the City of Vancouver. This envisions the creation of a sustainable new neighbourhood that will be a place to welcome and connect all people and cultures, and share the traditions, culture and values of the Musqueam, Squamish, and Tsleil-Waututh Peoples. This unique partnership could be a model for sustainable development projects in

our region. Currently, the Heather Street Lands are home to the New Beginnings temporary modular housing project, operated by Lu'ma Native Housing Society. The two buildings were a response from the BC government to address the immediate needs, as identified through Vancouver's annual homeless count, of the city's most vulnerable people experiencing homelessness, as identified by Vancouver's annual homeless count. As a result, 98 housing units have been made available through the project, with priority given to Indigenous residents experiencing homelessness. The project is yet another example of how collaborative partnerships across all levels of government and key community stakeholders can result in effective solutions that address urgent needs while advancing sustainable housing projects in our city.

Finally, the BoT Report also outlines a number of ways where the federal government can open up housing options for our region, including its control of key levers such as monetary policy, mortgage financing rules, loan insurance, and tax policy. I caution, though, that we need to be careful and not focus on policies that increase demand and which actually make housing less affordable. We have to get the balance right. Policies that result in it being easier to get a mortgage (for example by reducing the stress tests, or increasing the amortization period, or policies that support government loans to help people make a down payment and so on), only increases the ability of people to pay more and this drives up prices. In my view, this is economically unsound policy given the already far too high level of household debt in Canada.

### **My Commitment**

It is clear from nearly everyone I have talked to in our City that Vancouver's housing insecurity and lack of affordability are threats to the well-being of residents, and to the health of our society and economy as a whole. While we are making progress on the housing front we can not wait any longer to advance and implement real and meaningful solutions through policies that can impact the quality of life of people who have limited or no access to a home, or are in danger of losing the home they already have. We have to hold all levels of government to account and ensure they are maximizing their efforts, doing their part, and working collaboratively with all partners to implement solutions with urgency. My commitment to you is to do just that as your Independent Member of Parliament.