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REGIONAL PLAN REVIEW ISSUE PAPER

AFFORDABLE HOUSING

HALIFAX

July 2021

INTRODUCTION

As a regulator of development, HRM plays a significant role in where and how housing can be developed. Our land use provisions impact housing supply, housing types and densities. While the provision of affordable housing is often noted as the responsibility of the Province, HRM acknowledges it is a shared responsibility. The provincial government plays a large role in providing services to support those in need of housing, including rent supplements, emergency shelters and public housing. However, HRM plays an important part in supporting affordable housing through land use policies in our Regional Plan and Community Plans, requiring the inclusion of affordability through incentive or bonus zoning, through financial support and by providing the use of surplus land for future development. Over the past several years, HRM's role in supporting and encouraging affordable housing has increased steadily.



DEFINING AFFORDABLE HOUSING

The [Halifax Regional Municipality Charter](#) defines affordable housing as “housing that meets the needs of a variety of households in the low to moderate income range”. The broad nature of this definition exemplifies how affordable housing encompasses a wide range of housing types that can address deep affordability for our most vulnerable populations, as well as a moderate affordability for our working population. This is further demonstrated through the housing continuum which shows how affordable housing can be provided by the private, public and not-for-profit sectors as well as all forms of housing tenure (i.e. rental, ownership and cooperative ownership). It also includes temporary as well as permanent housing.

Affordable housing is most often tied to housing that addresses “Core Housing Need” or whether a low to moderate income household is living in a dwelling that is considered:



- Suitable: housing meets the needs of the residents (for example has enough bedrooms for the size and composition of the household);
- Adequate: housing does not require major repairs and the building complies with minimum occupancy standards; or
- Affordable: housing/shelter costs (including utilities) are less than or equal to 30% of a household's total before-tax income.

The 2016 census showed 25.5% of HRM households spent more than 30% of their income on housing. When focusing on rental households the percentage increases to 43.3%. Since 2016, HRM's vacancy rate has steadily decreased as rents and housing prices have steadily increased, compounding issues associated with affordability.

PROVINCIAL AFFORDABLE HOUSING COMMISSION

As the housing crisis has worsened and become more apparent, in November 2020, the province announced the creation of the Nova Scotia Affordable Housing Commission. The Commission was tasked to engage with experts and stakeholders across the province to learn more about the current state of affordable housing and find sustainable, long-term solutions that build on the commitments made by the province under the National Housing Strategy. The Commission is comprised of 17 senior leaders representing all 3 levels of government, the private development and non-profit housing sector and academia. Since November, the Commission has engaged with housing experts throughout the country and underwent extensive community consultation. On May 31, 2021 the Commission submitted [17 recommendations](#) to the Minister of Infrastructure and Housing. Recommendations range from exploring new models for the provision of public housing, providing more authority to municipalities, developing a provincial housing strategy and keeping better data. Recommendations are to be provided in the short, medium or long term time frames, with 4 immediate recommendations requiring a \$25 million investment, to be completed within 100 days.

HRM HOUSING PAST

HRM has a long history of supporting affordable housing through our community grant program and non-profit tax relief program. However, over the past decade we have increased our role and presence in the discussion of affordable housing.



Housing and Homelessness Partnership

In 2013, HRM was a founding partner of the [Housing and Homelessness Partnership](#) (HHP), a collaborative of nine partners from the three levels of government, the private sector and non-profit organizations in Halifax. The Partnership's Charter includes the mandate to “end homelessness and housing poverty in Halifax” by addressing policy and systemic issues. The HHP acknowledges that affordable housing and homelessness cannot be solved by any single group or any single solution and that all partners need to work together.

HRM has collaborated with members of the HHP on several initiatives including the 2015 Housing Needs Assessment, 5 – Year Strategic Plan and supporting municipal Housing First projects. While the HHP has served an important role in collecting information and establishing collective priorities, it has been integral in developing working relationships between the groups involved. This is important for HHP initiatives as well as initiatives of individual partners.

HRM Affordable Housing Work Plan

The HHP's 5 Year Strategic Plan focused on 3 key goals for maintaining and creating affordable housing in Halifax:

- increase the supply of affordable housing options that meet people's needs;
- reduce the number of residents living in core housing need; and
- foster a strong housing sector.

In response, HRM developed the [Affordable Housing Work Plan](#) which outlined key areas where the Municipality could contribute to meeting the goals of the 5 Year Strategic Plan. As a result of the work plan, in the fall of 2020, HRM Regional Council approved several affordable housing initiatives, including:

- [Region Wide Amendments for Secondary and Backyard Suites](#)
- [Multi Year Tax Relief for Non-Profits](#)
- [Waiver of Majority of Municipal Related Construction Fees for Non-Profit Affordable Housing Developments](#)
- [Approval of the Affordable Housing Grant Program](#)
- [Approval of the Affordable Housing Surplus Land Category](#)

HRM HOUSING PRESENT

While 2020 did see the approval of several affordable housing initiatives, there are still several projects we continue to pursue and hope to present to Council in the near future.

Rapid Housing Initiative

The [Rapid Housing Initiative](#) (RHI) is a federally funded program with the aim of developing 3,000 new permanent housing units across the country over the next year. HRM was allocated \$8.7 million to develop a minimum of 28 units/rooms. On November 23, 2020 Regional Council approved the funding for 3 affordable housing projects by Adsum for Women and Children; Mi'kmaq Native Friendship Centre and North End Health Community Association for a total of 52 deeply affordable units/rooms. Developments are to be completed by the end of the year and occupied by March 2022.

On June 30, 2021 the federal government announced a [2nd round](#) of RHI funding. HRM was again selected as a municipality that would receive funding through the Cities Stream.

Rental Registration By-law

Staff are developing a [rental registration by-law](#) which will require all residential rental units within the municipality to be registered. The registration requirement will apply to

both large apartment buildings and single unit income properties and will help ensure rental units and properties meet minimum occupancy standards and are safe to live in.

Shared Housing

Staff are developing an approach to remove barriers for shared housing – a single term to include special care facilities, supportive housing and single room occupancies. Staff will propose amendments to municipal planning documents to establish a consistent region-wide approach to shared housing, which will allow the use throughout residential neighbourhoods.

Short Term Rentals

[Short term rentals](#) (STR) are temporary overnight accommodations rented out by property owners or tenants, typically for a few nights or weeks. Over the past few years, the prevalence of STRs have grown through the popularity of online platforms such as Airbnb, VBRO and HomeAway. Staff are working on proposed amendments to the Regional Plan and community plans to establish consistent region-wide policies, definitions and regulations for short-term rentals in residential neighbourhoods, and developing a short-term rental registration requirement.

Municipal Role in Housing

In response to a motion from Regional Council, staff are preparing a report that reviews our current role in housing and assesses options for requesting more responsibility in the delivery of social housing, including transferring the provincial responsibilities of Housing Nova Scotia in the Halifax region to the Municipality.

Land Use Regulation

Land use planning policy and regulations are continually reviewed. The [Regional Plan Review](#) and the Secondary Plan & By-Law Simplification Program (which includes the [Centre Plan](#), and will include the future Suburban and Rural Plans) are important land use planning projects that update and simplify development rules which in turn can streamline the process to increase housing supply.

HRM HOUSING FUTURE

While recently approved and forthcoming initiatives will support the development and retention of affordable housing, it is appreciated that our work must continue to evolve should we wish to meet the HHP's goal of ending homelessness. While work through the Regional Plan Review and Secondary Plan & By-law Simplification Program will help ensure our planning policy can help address the needed housing supply, staff continue to explore further initiatives specific to housing affordability. The following section outlines some initiatives that staff are exploring to better understand their impact on affordability and of the feasibility of implementing in HRM. Some initiatives will require legislative amendments from the province while others can be explored under existing rules.



Interim Density Bonus Program

Density Bonusing programs (also known as Bonus Zoning or Incentive Zoning) allow the Municipality to require public benefits that are connected to the development and will contribute to the public realm and livability of the area. In 2019, [Centre Plan Package A](#) introduced a density bonus program to the Regional Centre where the provision of affordable housing is identified as a required public benefit. However, there is currently no density bonusing program outside of the Regional Centre. As a result, there is no tool to consistently collect public benefit for developments within our suburban and rural areas.

While a full density bonusing program is considered a significant undertaking, staff are exploring an interim density bonus program for areas outside of the Regional Centre until formal program is adopted through Suburban and Rural Plans. This initiative is further discussed in the [Density Bonusing Issue Paper](#).

Explore Municipal Community Land Trust or Municipal Development Corporation

A Community Land Trust (CLT) is a model of taking lands off the private market with the intent of preserving long-term affordable housing. Municipal CLTs can make land available to affordable housing providers at long term-low cost leases. A Municipal Development Corporation (MDC) focuses on the development of municipal land. MDC's can effectively leverage municipal real estate assets to develop affordable housing that is in line with city objectives and appropriately adapted to local contexts.

Update Housing Needs Assessment

The 2015 [Halifax Housing Needs Assessment](#) identified housing requirements in the Municipality based on housing supply, demand and estimates of future supply and demand trends over a five- and ten-year period. While the information was integral in establishing recent housing policies, the information is now dated. In the years since it was created, HRM has experienced significant population growth. An updated Housing Needs Assessment would help track the success of housing related initiatives since 2015 and would help guide future housing policy.

Explore Policies to Support No Net Loss

“No net loss” housing policies require residential redevelopments to incorporate the previously existing (and often more affordable) residential units into the new development. The idea of “no net loss” is central to policy discussions on affordable housing, pointing out that when faced with a shortage of affordable housing it is not enough to build new housing if the existing stock (which tends to be more affordable than new stock) is being lost.

Explore Inclusionary Zoning Program

Inclusionary Zoning is a planning tool that includes policies, by-laws and programs that requires private market developments to include a percentage or portion of the new units as affordable housing units. While inclusionary programs are typically associated with mandatory programs, some are voluntary and are based on incentives meant to offset the cost of housing. Affordable units can be required to be maintained as affordable for a set period or may be required to be affordable in perpetuity.

Explore Expanding Financial Incentives and Support

Government funding support for affordable housing developments is one of the most effective ways to reduce housing costs and increase the supply of affordable housing. While HRM has recently expanded financial support to non-profit housing developments, there have been requests to expand financial incentives to support the development of affordable housing by the private sector. This can help encourage private/non-profit partnerships or incentivize the retention of existing affordable units when completing renovations.

For more information about HRM’s affordable housing initiatives, please visit:

www.halifax.ca/about-halifax/regional-community-planning/affordable-housing

HAVE YOUR SAY!

Find out more about the Regional Plan Review and send us your feedback on the project webpage:

www.shapeyourcityhalifax.ca/regional-plan

Questions? Email us: regionalplan@halifax.ca