HANDBOOK

A Toolkit for Local Electeds Climate Action

HOUSING (UN)AFFORDABILITY

A part of the Housing Security Handbook Section

Table of Contents

Stay tuned for the up-to-date version of this resource!

This document is undergoing fact checks and updates... you will be able to access the new version in September 2025.

Introduction

Smart climate policies should ensure that affordable housing doesn't become out of reach, particularly for those most marginalized. The term "affordable" has different meanings to different people. What may be considered affordable to one person, may not be affordable to another. Thus, "affordable rents" are *not* affordable for many households. Additionally, unaffordability spans household expenses other than rent, such as ability, age, childcare, and transportation among many other factors.

Did you know Climate Caucus offers an "Ask Us Anything' service for elected officials in the network?

You could ask questions like "can you help me find this resource?" "Do you know of funding for X?" "Do you have examples of X policy language?" or "can you connect me with an expert in X?"

Send us your questions here!

The Equity Issues:

Housing unaffordability...

- Makes it difficult for families to meet their needs;
- Fosters illegal living arrangements, promoting unsanitary and unsafe living conditions;
- Stops tenants from advocating for their rights for fear of losing housing.

These issues are then exacerbated in communities with higher land values, such as resort communities (**Housing Affordability Webinar Don Lidstone, 2021**).

Pushbacks

"Not In My Back Yard" (NIMBY) attitudes:

Plans for new social and affordable housing developments often provoke strong reactions from the local community. These stem from a number of reasons, including the fear of how such projects will impact the conditions of their neighbourhood (e.g., physical environment, stigmatization of social housing).

Response:

- Engage and facilitate dialogue with local communities on the integration of community housing into the neighbourhood.
- See our Community Engagement Handbook to learn more about its importance and impact.

Resources:

- CMHC - Understanding Social Inclusion and NIMBYism in Providing Affordable Housing

Possible Initiatives

---

*Resource expertise level: ■ Green = beginner ■ Blue = intermediate
◆ Black = advanced ◆◆ Double black = expert

****Climate Caucus has ranked the following initiatives from beginner to expert, based on Complexity to implement, Staff time & expertise and Political capital. Please note, these rankings are our own best judgements.*

Encourage sustainable socially mixed, or mixed-income, neighbourhoods.

- Promote sustainable development and reduce the distance between places of employment and places of residence. This also reduces the carbon emitted as well as cost of transportation
- Avoid social segregation and break the cycle of poverty: large concentrations of poverty in a single area can diminish the opportunities of low-income residents to improve their situation

Evaluate the opportunity to **purchase and renovate existing buildings for the creation of social and community housing** in neighbourhoods where the potential for new construction is low and market conditions, particularly the vacancy rate, are favourable.

Review parking regulations and requirements in new residential projects,

- Take into account residents' needs for parking and the accessibility of public transportation.
- Parking spaces occupy a great deal of space and sometimes result in a reduction of the number of housing units that can be built on a given site, as well as increase rents.
- Parking also reduces the area available for green spaces and may cause environmental problems due to stormwater drainage.

Encourage community amenity contributions (CACs) and density bonus zoning.

- CACs are amenity contributions agreed to by the developer and municipality as part of a rezoning process initiated by the developer.
- Amenity contributions could be community amenities, affordable housing and financial contributions towards infrastructure that cannot be obtained through development cost charges, such as recreation facilities or a fire hall. Density bonus zoning provides the develop build a higher level of density, if they provide certain amenities or affordable housing.
- Learn more about the risks, challenges and recommended practices for CACs and density bonus zoning here.

Measures to curtail the impacts of financialization of rental housing markets

- by limiting the ability of large capital funds (including Real Estate Income Trusts – REITS) to purchase 'distressed' rental housing assets. REITs' expansion in the housing market exposes more tenants to landlords who are motivated to displace existing tenants in favour of wealthier ones. This process feeds gentrification, poverty, and homelessness.
- Waive or reduce capital cost charges and building permit fees.
- Prioritize applications with potential for affordable housing in the development queue.

Increase density - Increase supply

- This can occur by:
    - Incentivizing infill development
    - Allowing suites in basements, over garages; allow carriage homes
    - See our handbook on Accessory Dwelling Units for more information

Require a % of adaptable housing units

- Adaptable housing is designed and built so that accessibility features can be added more easily and inexpensively after construction. This will benefit anyone whose mobility is limited due to age, disability, or illness, making it easier for them to function more independently in their own home.
- Coordinate diverse funding sources.

Prohibit or discourage black window units.

- These units are often empty for most of the year. They are bought by investors that do not primarily reside in the municipality.

Working with local financial institutions

- to develop a methodology around credit-worthiness for consumers that goes beyond the traditional beacon score assessment which does not serve newcomers or those without established credit.

Reduce property taxes on eligible affordable housing units

Require affordable housing as a community amenity contributions on rezonings

- Community Land Trusts. Examples:
  - Fraserview Housing Co-op Vancouver
  - Vernon Community Land Trust

Acquire municipal land by donation, purchase, expropriation

- Enter a lease or contract with a partner to develop/operate housing. Partners can be First Nations, non-profit organizations, or business corporations.

Examples:

City of Montreal, Quebec: "Strategy for the inclusion of affordable housing in new residential projects"

As the Québec law currently does not allow for the mandatory inclusion of affordable housing, also known as "inclusionary zoning", Montreal has created incentive-based programs to support the production of affordable homes. Montreal's Inclusion Strategy aims to:

- Encourage the development, on large sites, of a wide variety of housing options, responding to the different needs and incomes of Montrealers;
- Facilitate the creation of social and community housing;
- Stimulate the production of dwellings affordable for first-time homeowners.

Outcomes between 2006-2018:

- More than 70 inclusionary agreements signed and pending.
- Projects presenting an eventual development potential of 45,000 residential units, including:
  - >6,500 social and community housing units
  - An equal number of affordable co-ownership units and private rental units
- >$8,000,000 has flowed through the inclusionary contribution fund.

City of Edmonton, Alberta: "City Policy C601 - Affordable Housing Investment Guidelines"

Approved by City Council in January 2019, Edmonton's Affordable Housing Investment policy governs the City's approach to prioritizing investments in affordable housing. It also aims to enhance transparency, predictability, and consistency in the City's capital affordable housing grant funding and land dedication process. It sets a target of 16% affordable housing for all neighbourhoods, including a combination of permanent supportive housing, social housing, and affordable units.

The Policy applies to instances where the City:

- Provides grant funding to an external organization for the purpose of enabling the development of new or rehabilitation of existing affordable housing units;
- Contributes land or buildings at below appraised market value to an external organization for the purpose of affordable housing;
- Acquires land or buildings for the purpose of enabling the development of new affordable housing units; and,
- Makes decisions regarding the use of eligible City-owned land or buildings surplus to other municipal needs for the purpose of enabling the development of new affordable housing.

City of Edmonton, Alberta: "Secondary Suites Grant Funding Program"

increase opportunities for secondary suites, starting in 2006, Edmonton has worked with private developers and homeowners to fund the development or improvement of over 1,000 new secondary suites to help maximize the use of existing building stock. The Secondary Suites Grant Funding program provides matching funding to property owners to construct or upgrade new or existing secondary suites. In exchange for the grant funding, homeowners enter into an agreement to rent the suite out at a below-market rate for five years.

District of Whistler, British Columbia: Whistler Housing Authority

Whistler is an outdoor recreational municipality with high land values. The Whistler Housing Authority partners with the community to provide and sustain a range of housing options for those residing in Whistler.

See also this webinar on housing affordability policies in Whistler:

- Webinar

- Slides

City of Victoria, British Columbia: "Inclusionary Housing and Community Amenity Policy"

On top of an affordable housing crisis, Victoria faces increased pressures on community amenities due to increasing residential densities on market strata developments. Victoria's Inclusionary Housing and Community Amenity Policy was adopted in June 2019 to balance the need for new inclusionary housing units or payments in lieu against the proposed development's ability to provide community amenity contributions (CACs). The value of expected CACs is limited to a reasonable fixed amount per square foot of increased density, or a negotiated CACs amount equals to 75% of the value of the increased density.

City of Burnaby, British Columbia: "Adaptable Housing Policy"

The Adaptable Housing Policy require developments in all areas of Burnaby to supply:

- 20% of single-level units as adaptable in new market and non-market, multi-family developments which employ interior corridors or exterior passageways to access the dwelling units;
- 100% of single-level units as adaptable in new market and non-market purpose-built, seniors-oriented multi-family developments which employ interior corridors or exterior passageways to access the dwelling units; and
- A 1.85 square metres (approximately 20 square feet) Floor Area Exemption is available for every adaptable housing unit provided in both market and non-market housing developments, including seniors-oriented housing.

City of Montreal, Quebec: "Right of First Refusal" Program

As part of the City's plan to build 12,000 more social and affordable housing units by 2021, the City will buy properties to develop them into social housing. "Right of First Refusal" means that the City will have, before anybody else, the chance to buy land or buildings in areas where rental housing is particularly scarce. Read more here.

City of Calgary, Alberta: Partnership with a Local Financial Institution, Calgary Dollars

Calgary Dollars is supported by the City's Family and Community Support Services funding. This model of municipal public banking creates local credits to address issues of affordable housing and poverty. Municipal service expenditures that are related to affordable housing can be reduced in absolute terms and becomes a justification for accepting C$ in lieu of CDN$ for partial payment of property taxes. Calgary Dollars can be used by residents to pay a portion rent in some buildings and with local businesses. Read more here.

City of Calgary, Alberta: Clean Energy Improvement Program

The Clean Energy Improvement Program is a financing program designed to make energy efficiency and renewable energy upgrades more accessible to homeowners through PACE. The objectives of the Clean Energy Improvement Program in Calgary include:

- Offer an innovative financing mechanism to support property owners to go beyond current energy standards and complete retrofits to reduce GHG emissions and generate energy cost savings.
- Generate opportunities for energy efficiency and renewable energy professionals to participate in a City of Calgary program and provide services to Calgary property owners.
- Provide a foundation for low carbon financing in The City of Calgary to drive economic growth and create jobs.

Read the Bylaw here.

Housing Department Size and Municipal Tools For Affordable Rental Units:

The size of municipal housing departments is important to consider when prioritizing affordable housing initiatives. The table below is intended to help gauge what tools are possible with the number of city staff that your municipality has dedicated to affordable housing.

City	City staff dedicated to new affordable rental housing (Full-Time	Tools Used

	Employment)	
Calgary, Alberta	14	• Discounted sale of city-owned land to non-profit housing providers. • Expediting proposals with development specialists • Development fee rebates and ideation grants
Edmonton, Alberta	20	• Capital incentives (up to 25% of total capital cost) • Mandatory turn-key (In qualifying developments, must offer to sell 5% of units to the City at 95% of market value, which are retained as affordable) • Cash in-lieu option for above: 15% of market value of those units • Below-market sale of city land
Halifax, Nova Scotia	1.5	• Land donation • Capital incentives • Tax exemptions for non-profit developers • Density bonuses
Hamilton, Ontario	9	• Capital incentives • Planning and administrative fee rebates • Use of city-owned land (case-by-case basis)
Montreal, Quebec	24	• Capital incentives • Land capture: City purchases land to be resold for social housing, captures land through Inclusionary Strategy, and has first right of refusal on properties put up for sale
Regina, Manitoba	2	• Capital incentives ($20,000 per door) • Five-year tax exemption
Saskatoon, Saskatchewan	1.2	• Below-market sale of city land • Capital incentives (point-based system) • Tax abatement • Expediting proposals (yellow sticker)
Sudbury, Ontario	0.75	• Density bonuses and lowered parking requirements • Capital incentives • Development fee rebates

		• Land banking proposal
Surrey, British Columbia	0.75	• Fast-tracking and assisting the development process • Establishing an Affordable Housing Reserve by charging affordable housing contributions to non-rental developments
Vancouver, British Columbia	50	• Capital incentives to non-profit developers • Use (but not sale) of City-owned land • Fast-tracking development process • Density Bonuses • Fee exemptions • Empty Homes Tax recirculated into capital incentives for affordable housing
Winnipeg, Manitoba	1.1	• Land donation (case-by-case basis) • Capital incentives (case-by-case basis) • Planning fee exemptions (case-by-case basis)

Data taken from the Canadian Centre for Policy Alternatives (2021)

Climate Caucus Resources:

Climate Caucus Municipal Grants List - detailed list of relevant municipal grants

Policies and Resources Library - list of motions, bylaws, council reports and briefing notes