



BRIEFING NOTE

Housing and Development Innovations Act: *Homes for All Albertans*

August 13, 2019

WHAT: Develop enabling legislation for a Housing and Development Innovations Act to empower land developers and homebuilders to invest in Alberta's economy, create jobs, and address housing needs for all Albertans.

WHY: Address the UCP Campaign Platform commitments to jobs and the economy:

- Make housing affordable and accessible for Albertans.
- Address specialized housing for seniors.
- Reduce regulatory burden on home builders.
- Create jobs and support skilled trades programs.
- Provide municipal autonomy; ensure transparency; attract investment and development.
- Enable public-private partnerships (P3) for affordable housing projects.
- A smarter approach to innovation (manufacturing, environmental, upskilling).

WHEN: Enact enabling legislation in the 2019 fall session

SUMMARY:

BILD Alberta is championing the Housing and Development Innovations Act: Homes for All Albertans to ensure that every Albertan has a place to call home that they can afford and that those most vulnerable have a safe space when they need it most.

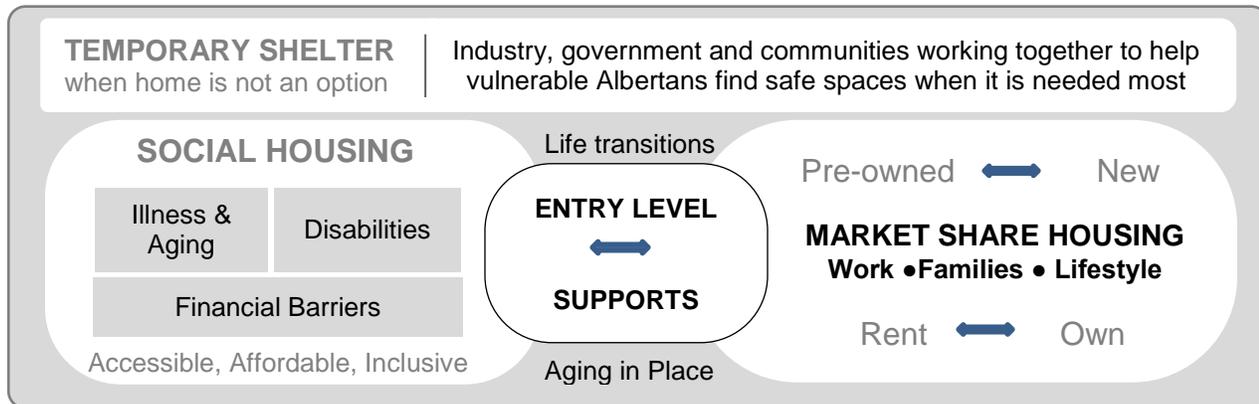
BILD Alberta is focused on the development of this enabling legislation to encompass the full life cycle of housing options in social and market share; including a collaborative approach to temporary / emergent shelter needs. The strategy allows for innovation in housing including, but not limited to, home / workspaces, multiuse and multigenerational housing, advanced care needs and lifestyle choices. The proposed act supports and encourages private and public building of new housing across the spectrum and refurbishments of existing housing to meet current demands.

BILD Alberta members are home builders, land developers, professional renovators, municipal services, industry stakeholders and community housing organizations. The industry represents over 117,000 jobs and \$8 billion in wages annually. The act will improve business predictability, foster investment certainty, and in turn bring innovative thinking to building complete communities and ensuring a diverse mix of affordable, accessible and inclusive housing options throughout Alberta.

The United Conservatives, Alberta Strong & Free campaign platform included commitments to jobs, the economy and a specific section, *Making Housing Affordable and Accessible for Albertans*. Enacting this legislation would meet many campaign promises, reinforce the residential construction industry as a key engine in the economy, and facilitate collaboration across government, industry and stakeholders for innovative approaches to housing challenges.

Enacting enabling legislation in the 2019 fall session would be the catalyst to the develop a holistic housing strategy in 2019-2020, ensuring Alberta is a leader for housing innovations, as compared to Ontario, Saskatchewan and Manitoba, and advances policies that integrate with the National Housing Strategy and its 10-year \$40-Billion funding pool.

HOUSING SPECTRUM IN ALBERTA



PROPOSED CONCEPTS IN ENABLING LEGISLATION:

Every Albertan deserves a safe and affordable home. Enabling this legislation could include the following provisions:

- Establish an **Alberta Housing and Development Council** to bring stakeholders together for government consultation for intelligence, impact analysis, and policy development.
- Implement an Affordability Impact Assessment for regulations under review or consideration.
- Address mortgage rules by working with Alberta-based financial institutions for Alberta-responsive mortgage options.
- Create benchmarks for transparency and accountability for industry investment and municipal autonomy.
- Establish priorities for Social Housing P3 projects.
- Define a strategy for skilled workforce development.

POLICY OUTCOMES:

- Recognizes housing and land development – new construction and renovations - as a distinct Alberta industry sector creating jobs and economic prosperity.
- Preserves housing as a vital tenet of a healthy society – similar to health and education.
- Enshrines the principles of affordability, accessibility and choice
- Recognizes the full spectrum of housing, including emergent needs and transitions between social and market share.
- Integrates housing options in new, pre-owned, rental and owned housing.
- Safeguards consumer protection through programming and standards.
- Ensures replacement for MSI funding reflects a commitment for continued investment by the housing and development industry.
- Supports innovation as a key driver in a future-focused strategy that goes beyond traditional types of housing and residential construction practices/methods.

ECONOMIC IMPACTS OF RESIDENTIAL CONSTRUCTION:

Region	Year	Housing Starts	Jobs	Wages	Built Investment Value
Alberta	2017	29,457	121,201	\$8.3 Billion	\$18.6 Billion
	2018	26,085	117,903	\$8.0 Billion	\$17.7 Billion
Calgary Region	2017	11,534	46,935	\$3.2 Billion	\$7.2 Billion
	2018	10,971	46,194	\$3.1 Billion	\$7.0 Billion
Cold Lake	2017	57	309	\$21 Million	\$47 Million
	2018	19	177	\$12 Million	\$26 Million
Edmonton Region	2017	11,435	44,558	\$3.0 Billion	\$6.9 Billion
	2018	10,038	47,330	\$3.2 Billion	\$7.1 Billion
Grande Prairie	2017	194	1,073	\$73 Million	\$162 Million
	2018	167	1,021	\$69 Million	\$151 Million
Lethbridge	2017	769	3,291	\$225 Million	\$504 Million
	2018	560	2,811	\$190 Million	\$419 Million
Medicine Hat	2017	140	1,059	\$72 Million	\$157 Million
	2018	346	1,401	\$95 Million	\$207 Million
Red Deer	2017	331	1,769	\$121 Million	\$267 Million
	2018	272	1,482	\$100 Million	\$217 Million
Wood Buffalo	2017	1,625	5,468	\$373 Million	\$851 Million
	2018	562	2,119	\$143 Million	\$318 Million

STAKEHOLDERS:

There is a diverse mix of government, industry and community stakeholders that can inform, contribute to, and are impacted by fragmentation of housing systems in Alberta.

Provincial Government	Industry
Municipal Affairs	Alberta Construction Assn
Service Alberta	Alberta Forest Products Assn
Seniors and Housing	Concrete Alberta
Advanced Education	Alberta Road Builders and Heavy Construction
Labour	Alberta Real Estate Assn
Environment	Alberta Construction Safety Assn
Transportation	Community
Municipal Government	Habitat for Humanity
Alberta Urban Municipalities Assn	CAREERS
Rural Municipalities Assn	Resolve (Calgary)
Edmonton Municipal Regional Board	Alberta Community Builders (Seniors & Disabilities)
Calgary Regional Board	Community Housing Affordability Collective (Calgary)

ASSUMPTIONS/CONSIDERATIONS:

- Alberta can be a leader – best and first - in housing development and innovations – considering impacts on jobs, economy, affordability, and environmental leadership by establishing a Housing and Development Ministry.
- Alignment across departments on a full spectrum housing strategy could also point to value in the Red Tape Reduction strategy for efficiencies.
- Fall budget announcements may be difficult for Albertans – A focus on housing could demonstrate a commitment to working with industry to bolster the economy, create jobs, and address homes for all Albertans.
- Enacting the proposed legislation required little to no government investment. This legislation is a gateway to a commitment from industry to invest in innovations, consider P3s, design complete communities, and build homes that Albertans want, when and where they need them.

BACKGROUND:

Housing Affordability Federally

The Government of Canada announced a 10-year, \$40-Billion National Housing Strategy. The vision is, “Canadians have housing that meets their needs, and they can afford. Affordable housing is a cornerstone of sustainable, inclusive communities and a Canadian economy where we can prosper and thrive.”

Housing: Province-by-Province

Each province has a ministry responsible for housing, however, much of the focus is on affordable housing, rather than housing affordability throughout the spectrum.

Saskatchewan, Manitoba, Ontario, and British Columbia have recognized and detailed issues related to affordability. Ontario and British Columbia are focused on costs of both homeownership and rental affordability in their respective major cities – Toronto and Vancouver.

The Ontario Government recently released “*More Homes, More Choice: Ontario’s Housing Supply Action Plan May 2019*” which has as its vision, “All Ontarians can find a home that meets their needs and their budget.”

The plan includes:

- cutting red tape to make it easier to build the right types of housing in the right places; improving the development approvals processes;
- removing layering of approvals and permits to make costs more predictable and encourage the development of more and different types of housing;
- make housing more affordable (from ownership to rental), and;
- promote innovation.

Further, Ontario is making changes to development charges to reduce the costs to build priority housing types, like second units; fully cover municipalities’ waste diversion costs, and make the costs of development clear from the outset.

Saskatchewan may be the only province to have developed, and implemented, a more holistic housing strategy, with its “*A Strong Foundation – A Housing Strategy for Saskatchewan*” initiated in 2011, with an 8-year timeline.

Housing Ministries Across Canada

There are no stand-alone ministries for housing in any provincial legislature.

BC – Municipal Affairs and Housing

AB – Seniors and Housing

SK – Social Services (Saskatchewan Housing Corporation)

MN – Families (Manitoba Housing and Renewal Corporation aka Manitoba Housing)

ON – Municipal Affairs and Housing

QC – Municipal Affairs and Housing

NB – Social Development (New Brunswick Housing Corp)

NS – Community Services (Housing Nova Scotia)

PEI – Social Development and Housing

NL – Children, Seniors and Social Development (Newfoundland and Labrador Housing Corp)

Housing Ministry – Alberta's History

Housing was a stand-alone ministry from 1982-86.

- Seniors and Housing 2015-present
- Municipal Affairs 2011-2015
- Municipal Affairs and Housing 2006-2011
- Municipal Affairs 1986-2006
- Housing 1982-1986
- Housing and Public Works 1975-1982