

# **Affordable Housing: An Investment**

The Report of The Task Force on Housing Affordability

## Message from the Chairs

June 5<sup>th</sup>, 2008

Honourable Donna Harpauer,  
Minister of Social Services  
Legislative Building  
Regina, Saskatchewan

We are pleased to present the final report of the Task Force on Housing Affordability, and would like to thank you for the opportunity to review the issue of housing affordability in the province of Saskatchewan.

The mandate of the Housing Affordability Task Force was to examine, and provide recommendations, on the following issues:

- Improving housing affordability and security for those least able to afford rising housing costs;
- Increasing capacity in the housing system to encourage the creation of affordable housing; and
- Examining how best to facilitate the long term monitoring, policy development and provisions of affordable housing in Saskatchewan.

The Task Force Chairs undertook this project with the intent of making it solution-based. We clearly stated to every group and individual we met with that we were looking for their ideas, input and solutions to address the housing affordability challenge. This approach met with a very favorable response by all participants. Participants also voiced their appreciation for the opportunity to share their concerns and provide input, via the Task Force, to the provincial government on this issue.

It was agreed by both Chairs that the need for this study was four years overdue. It became apparent throughout the work of the Task Force that the housing affordability challenges being experienced in the province today are the result of a failure by the previous provincial government to plan for population and economic growth in our province.

The lack of planning for affordable housing has delayed the development and implementation of much-needed solutions by municipalities and community based organizations which might have eased housing pressures in the regions of our province. It

was also reflected in the general comments we heard from stakeholders concerned about the lack of planning capacity within government and between government and housing stakeholders.

The Task Force frequently heard concerns from housing stakeholders about the poor communication and lack of engagement between the provincial government and local municipal governments, housing authorities and community based organizations. The frequency of the comments led the Task Force to believe that, in addition to increasing the supply of affordable housing and providing better assistance to those most in need, Saskatchewan needs a new and proactive model for planning and delivering affordable housing support to local communities, community organizations and individuals in need.

As our report indicates, the problems and solutions to the housing affordability challenge go beyond bricks and mortar; they speak to the need for broader solutions to many of the social challenges experienced by people in our province.

We feel that this report accurately reflects the information and solutions that the Task Force received. We would like to thank the many organizations and individuals who took time out of their busy schedules to make a presentation or submission to the Task Force. This report is theirs, and we hope we have captured their thoughts and concerns.

Sincerely,



Ted Merriman



Bob Pringle

## Executive Summary

The report of the Task Force contains 36 recommendations to address the current affordable housing challenge in Saskatchewan and a suggested timetable for implementation.

The Task Force learned through its consultations and the submissions it received, housing affordability is becoming an increasing challenge for many individuals and families across the province. The Task Force heard that there is a lack of supply of market rental housing and dedicated social housing across the province. The Task Force also heard about the difficulties those individuals receiving social assistance benefits or living on a fixed income experience, as well as the housing affordability challenges low income earners face.

The Task Force believes that all three levels of government have important roles to play in creating an environment that will increase the supply of market based rental accommodation and dedicated affordable social housing. Accordingly, the Task Force recommends tax changes to reduce or eliminate disincentives to build more market rental housing, tax incentives to stimulate the construction of dedicated affordable housing and the contribution of surplus public land and buildings to affordable housing projects where appropriate.

The Task Force recognizes that it will take time to build new market rental and affordable social housing. To provide assistance to those who are most vulnerable in our province while the supply of housing catches up to demand, the Task Force recommends increasing the social assistance housing allowance and rental housing supplement and indexing them to the cost of living. The Task Force also recommends additional measures to reduce taxes or expand housing benefits for low income earners.

The Task Force heard from renters about the importance of being able to plan for rent increases. The Task Force therefore recommends that the period of notice prior to a rent increase be increased from three months to six months, and that rental increases during the period of a lease be prohibited unless specifically contained in the lease agreement.

The Task Force learned that in addition to the common challenges of housing supply and affordability being experienced across the province, municipalities have very specific and unique affordable housing needs.

In its current form, the Saskatchewan Housing Corporation has not been as effective as it could be in addressing the broader affordable housing concerns in the province. Nor is it effectively working with municipalities to address specific local housing concerns. The Task Force therefore recommends changes to the governance structure of SaskHousing to ensure housing stakeholders have more input into the direction and operations of the corporation. The Task Force also recommends that SaskHousing becomes the focal point and coordinating agency within government on initiatives to support affordable housing.

## **Executive Summary: Task Force Recommendations and Suggested Timetable for Implementation**

### **Immediate**

- ✓ Increase the shelter allowance for social assistance recipients and index it to the cost of living.
- ✓ Increase the Saskatchewan Rental Housing Supplement and index it to the cost of living.
- ✓ Ensure that communities are accurately categorized for the purpose of establishing social assistance shelter cost allowance rates.
- ✓ Encourage municipalities to equalize tax rates between multi-unit residential buildings and single-family dwellings.
- ✓ Encourage municipalities to streamline bylaws for the creation of secondary suites.
- ✓ Increase the income threshold for seniors to qualify for social housing.

### **Short-term**

- ✓ Reduce income taxes for low to moderate income earners or consider expanding the Saskatchewan Rental Housing Supplement to include single adults or couples without children, to ensure seniors and low to moderate income earners are better able to afford rental housing.
- ✓ Introduce new provincial tax incentives designed to stimulate the supply of affordable housing such as, but not limited to, eliminating the PST on building materials specifically used to build affordable housing.
- ✓ Support accelerated private construction of market rental housing and the rapid development of affordable housing capacity through provincial government commitments to purchase and reserve a percentage of units in new buildings for affordable housing.
- ✓ Ensure public agencies and all three levels of government dedicate a portion of surplus land and buildings for affordable housing use, where appropriate.
- ✓ Amend the *Residential Tenancies Act* to require landlords to provide six months notice prior to a rent increase on month-to-month rental accommodation, and prohibit rent increases in leased rental accommodation other than those agreed to by the landlord and tenant as part of a lease agreement.

- ✓ Enhance partnerships with community based and First Nations and Metis organizations to create integrated place based housing solutions as part of broader community revitalization efforts.
- ✓ Increase the number of emergency shelters and transitional spaces in the province
- ✓ Create an “Emergency Tenant Fund” to provide repayable short-term assistance to renters who are having difficulties making payments.
- ✓ Engage the federal government to restructure tax laws around income derived from rental units along with increasing the capital cost allowance on rental units.
- ✓ Assist post-secondary institutions to increase the supply of student housing on or near post-secondary campuses.
- ✓ Incorporate best practices and innovative design models when creating affordable housing for seniors and individuals with special-needs.
- ✓ With municipalities, ensure the Saskatchewan Housing Corporation develops the necessary information tools and statistical resources to accurately identify and forecast affordable housing needs to achieve measurable goals and objectives.
- ✓ Incorporate energy efficient building practices into affordable housing whenever possible.

### **Medium-term**

- ✓ Work with the federal government to ensure a new affordable housing agreement and additional federal funding for affordable housing is in place prior to the conclusion of the existing five year federal-provincial affordable housing agreement in 2009.
- ✓ Transform the Saskatchewan Housing Corporation to make it the single point and coordinating agency for affordable housing across the provincial government, as well as programs and initiatives throughout government that can provide further support for affordable housing.
- ✓ Change the governance structure of the Saskatchewan Housing Corporation to a board comprised of housing stakeholders across the province, including representation from municipalities.
- ✓ Improve coordination between the Saskatchewan Housing Corporation, municipalities and local housing authorities to develop long-term planning and the development of affordable housing units that meet the specific housing needs in communities.

- ✓ Streamline the Saskatchewan Housing Corporation's current portfolio of programs to be more user friendly and client focused.
- ✓ Consider supplementing the current HomeFirst program with a more aggressive use of alternative options such as life leases that promote the acquisition of long-term stable housing for low income families and seniors.
- ✓ Revise provincial legislation to enable municipalities to incorporate inclusionary zoning, so that a percentage of newly constructed housing is designated and maintained as affordable housing.
- ✓ Lower the education portion of property taxes.
- ✓ Recognize that the provision and preservation of safe, clean and healthy housing is a mutual responsibility shared between landlords and tenants, and ensure that when public tax dollars are provided to tenants to access housing that these mutual responsibilities are fulfilled.
- ✓ Review the journeyman to apprenticeship ratio for skilled labour to ensure there are sufficient tradespersons to construct new housing in the province.
- ✓ Ensure skilled tradespersons in the homebuilding trade are a priority in Saskatchewan's immigration strategy.
- ✓ Accelerate the number of apprentices and skilled tradespersons being graduated by SIAST, First Nations post-secondary institutions and regional colleges to address the labour shortage, and support public-private partnerships to build capacity in the skilled homebuilding trades.
- ✓ Recognize the growing pressure that increased oil heating costs are having on residents in the North and rural areas.

### **Long-term**

- ✓ Review the delivery of Social Services to better meet the needs of clients, and enhance support for life skills training.
- ✓ Provide resources for municipalities for long-term strategic planning focused on including affordable housing in their community plans.
- ✓ Work with provincial housing providers to establish a registry of rental units and encourage shared efficiencies between providers.
- ✓ Explore additional methods and tax incentives for generating private capital pools for affordable housing.

## The Affordable Housing Challenge

Saskatchewan is currently enjoying the benefits of a strong and growing economy. New families are moving to the province and more people are staying in Saskatchewan. While the benefits of a growing economy mean more jobs for people and higher wages, it is also the case that Saskatchewan's economic momentum and population growth has resulted in rapidly increasing housing costs over a short period of time.

The average resale home price in Saskatchewan increased by almost 42 per cent between September 2006 and September 2007. In Saskatoon, housing prices rose nearly 50 per cent over the same period. What was once considered an inexpensive province in which to acquire a house now ranks within the national average.

RBC Economics notes that Saskatchewan now holds the top spot on growth across all key housing indicators, including housing starts, house prices, residential building permits and resale activity. Saskatchewan saw a 62 per cent increase in housing starts last year, and Saskatchewan is the only province expected to see an increase in housing starts in 2008.

Despite construction growth in the new housing sector, the number of overall rental households has not increased significantly over the past decade, and in fact the number of apartment rental units declined in both Regina and Saskatoon over the past decade.

Since 1997, the number of overall rental households in Regina has grown slightly from 18,000 to 22,000 while in Saskatoon the number has actually fallen from 31,000 to 29,000. These figures include all rental units.

Overall, both Regina and Saskatoon saw the number of apartment units for rent decline over the past decade. Regina saw a net loss of approximately 500 rental apartment units between 1997 and 2007. Saskatoon saw a more dramatic decrease, with the number of apartment units declining from over 17,000 units in 1997 to just over 13,500 units last year.

Increased economic momentum and population growth in a province that has not seen significant new apartment buildings built over the last two decades has yielded the predictable result of low vacancy rates and rising rental costs as rental housing supply decreases.

According to the CMHC Market Survey, vacancy rates have declined dramatically to a low of 1.2 per cent province wide last year. The lowest vacancy rates were in Saskatoon at 0.6 per cent, the highest in Yorkton at 2.3 per cent. From 2006 to 2007 urban rental rate increases have ranged from a low of 7.1 per cent in Prince Albert to a high of 13.7 per cent in Saskatoon. Average rental rates for a two bedroom apartment range now range from \$542 to \$710 per month.

The combination of limited rental housing supply and rising rental rates have resulted in individuals and families dedicating a greater percentage of their monthly income to housing.

As far back as six years ago, Canada Mortgage and Housing Corporation (CMHC) statistics suggested that there were 37,160 households that had unacceptable housing circumstances (CMHC, 2001). These are families deemed to be living in core housing need as defined by national standards. Sixty-six per cent of these families will be facing an income problem in relation to their housing, three per cent are living in poor quality housing, twelve per cent are in overcrowded housing and nearly twenty per cent are facing multiple challenges.

Housing affordability figures are compiled every five years and new numbers for 2006 are expected to be released in the next few weeks.

### ***Affordable Housing: A Growing Challenge***

While Saskatchewan's most vulnerable people have long experienced challenges finding safe and affordable housing, the sudden and rapid increase in housing costs over the last number of years have accelerated these challenges and expanded the number of people who now find themselves facing significant difficulties accessing affordable housing.

In smaller rural communities, the Task Force heard that there are no homes available and the ability to build new housing is negatively impacted by competition for tradespersons to build the homes. In many cases the challenge is compounded by a lack of land and/or infrastructure to support new home construction. In urban centres there is major pressure to meet increasing demand. As a result, more and more families are finding it difficult to meet the rising cost of housing.

## A Snapshot of Affordable Housing in Saskatchewan Today

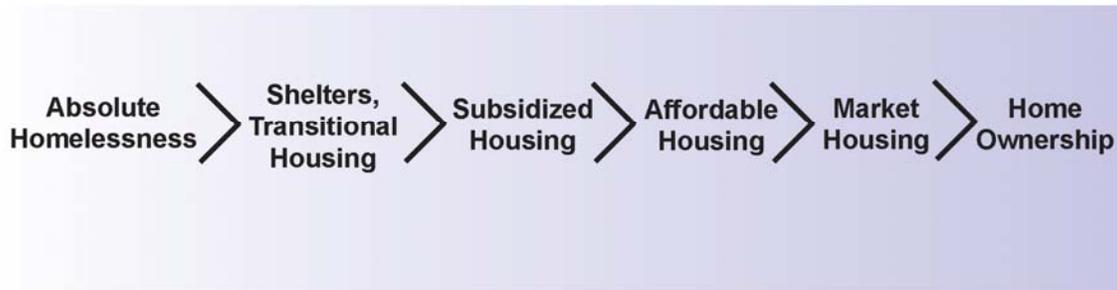
### *Affordable Housing Defined*

While “affordable” is a relative term, the common definition of “affordable” housing used by the Canadian Mortgage and Housing Corporation is when the cost of shelter does not exceed 30 per cent of gross household income. The U.S Department of Housing and Urban Development also use this benchmark stating, “families who pay more than 30 per cent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.” In addition to the 30 per cent benchmark, it is important to note that many jurisdictions use the term “critical housing need,” to define households that spend more than 50 per cent of their gross income in housing costs.

### *The Housing Continuum*

The housing continuum is used to identify and act as a guide for navigating the housing spectrum and understanding the affordable aspect of the market.

## The Housing Continuum



As the housing continuum shows, people move along the continuum from homelessness to home ownership. A well balanced market requires a healthy mix of all types of housing. It is therefore of significant concern when the supply of market housing, as indicated by the decline in apartment units for rent in Regina and Saskatoon, not only fails to keep pace with population growth but actually declines.

### *SHC and the Role of Government in Providing Affordable Housing*

The Saskatchewan Housing Corporation (SHC) is the primary vehicle for current provincial government initiatives to address social and affordable housing. These efforts are most often undertaken in partnership with municipalities, First Nations, Métis and community based organizations.

SHC’s portfolio consists of approximately 31,000 social and affordable rental and home owner units in more than 300 communities across the province. The rental units have a regular turnover cycle. According to a 2006 SHC study, the average length of tenancy

for these units was 7.2 years for seniors and 4.4 years for families.

As of December 31, 2007 SHC's social and affordable housing rental portfolio has a vacancy rate of a little over three per cent. This does not include chronic vacancies, which are those units which have been vacant for six months or longer.

The following table highlights the geographic distribution of the SHC housing inventory, including equity investments made through community based organizations and municipalities.

**SHC Inventory in Major Urban Centres  
at December 31, 2007**

<b>Centre</b>	<b>Social</b>	<b>Affordable</b>	<b>Equity Investment</b>	<b>Total</b>
Estevan	299	128	2	<b>429</b>
Humboldt	172	52	1	<b>225</b>
Lloydminster	190	143	11	<b>344</b>
Melfort	209	114	0	<b>323</b>
Melville	176	117	0	<b>293</b>
Moose Jaw	799	441	57	<b>1297</b>
North Battleford	401	320	4	<b>725</b>
Prince Albert	820	550	163	<b>1533</b>
Regina	2676	2715	333	<b>5724</b>
Saskatoon	2359	2202	678	<b>5239</b>
Swift Current	264	54	0	<b>318</b>
Weyburn	306	128	1	<b>435</b>
Yorkton	286	190	4	<b>480</b>
<b>Total</b>	<b>8957</b>	<b>7154</b>	<b>1254</b>	<b>17365</b>
<b>Total Inventory</b>	<b>17288</b>	<b>11286</b>	<b>2007</b>	<b>30581</b>
<b>% of Hsg. Units in Major Urban Centres</b>	<b>51.81</b>	<b>63.39</b>	<b>62.48</b>	<b>56.78</b>

The SHC social housing rental portfolio totals just over 15,000 social housing units including more than 10,100 seniors social housing units and nearly 4,900 family social housing units.

The SHC rental portfolio also includes over 3,400 affordable housing units of which over 550 are senior affordable housing units (including 200 Life Lease units); and approximately 2,850 family affordable housing units.

SHC provides affordable housing assistance under a number of programs, including programs that encourage home ownership and remote housing. SHC provides financial assistance to community based organizations, co-operatives, First Nations and Métis organizations and municipalities to undertake community housing projects. SHC also

provides affordable rental housing to low-income seniors and families, while supporting the establishment and operation of tenant associations.

***Housing Assistance Provided through Social Assistance and the Rental Housing Supplement***

In addition to providing the funding and support for specific social housing units, the Ministry of Social Services provides portable housing benefits to low income persons and families through social assistance and the rental housing supplement.

Clients in receipt of social assistance benefits receive a specific housing allowance as part of those benefits. The maximum available amount for this benefit varies by community.

For example, current social assistance shelter rates for a single parent with two children range from \$370 - \$470 per month depending on the rent they pay and the community in which they live. In addition to the basic shelter rate, families receiving social assistance can access the Saskatchewan Rental Housing Supplement Program. A family of three may be eligible to receive an additional payment up to a maximum of \$134 per month. If one of the family members (adult or child) identifies a disability that produces a recognized housing impact, they may be eligible to receive up to a total of \$201/month when combined with the Family Housing Supplement.

Low income working families and individuals with disabilities may also be eligible for the Rental Housing Supplement Programs, depending on their level of income. These allowances compare with average 2007 two bedroom apartment rental rates ranging, based on geography, between \$542 to \$710 per month.

## The Housing Affordability Task Force: What We Heard

The Task Force consulted with individuals, organizations, municipal representatives and housing stakeholders in communities across the province. The Task Force heard from 16 communities across Saskatchewan. The Task Force also requested, and received, written submissions from interested parties. Finally, the Task Force sought out submissions and initiated consultations in areas where it believed further input was needed to identify solutions to the affordable housing challenge.

The level of participation from communities was indicative of the urgency of the problem. It was evident the need for affordable housing is a community-wide issue that has impact across social and economic boundaries.

### **Putting the Pieces of the Affordable Housing Puzzle Together**

The mandate of the Task Force on Housing Affordability was solution based. Throughout the consultation process, the Task Force was concerned with finding innovative ways to tackle the shortage of affordable housing in Saskatchewan. Listening to numerous presentations from individuals and groups, the Task Force started to recognize constant themes.

#### ***Traditionally Marginalized Groups Continue to Face Housing Pressures***

The Task Force identified specific groups within the housing continuum that are facing the greatest housing pressures in Saskatchewan. A common challenge amongst those facing housing pressures resides within the income envelope. People who are caught and unable to increase their income through traditional means have a very difficult time in an expanding housing market.

Those with the greatest need – persons receiving social assistance, seniors with a limited income, persons with special needs, First Nations and Métis and new Canadians – face some of the greatest housing challenges and are most at-risk of being displaced from their current housing.

#### **Persons Receiving Social Assistance Benefits**

Current housing allowances and supplements delivered by the Ministry of Social Services are not keeping pace with the realities of the marketplace. People in need of income assistance are diverting money dedicated for food towards shelter. Making ends meet is a true challenge for this group.

#### **Persons with Special Needs**

Persons experiencing physical or cognitive challenges are also at risk in a rapidly escalating housing market. The need for special housing is also a problem for this group, as the supply is not keeping up with the demand.

### Low to Moderate Income Seniors on Fixed Incomes

Seniors on a fixed income are at a unique disadvantage in a quickly escalating real estate market. When rents increase, their fixed income makes it incredibly difficult to absorb this increased cost. Furthermore, the Task Force heard in many communities that seniors would like to move to more suitable locations, however, there is a lack of appropriate accommodations for them.

### First Nations and Métis

First Nations and Métis make up just under 15 per cent of Saskatchewan's population, yet represent 23 per cent of people living with a core housing need.

### Recent Immigrants

People immigrating to this province face many housing barriers. With the low vacancy rates and traditional barriers faced by immigrants, housing is a serious challenge.

### Persons Without Fixed Housing

As the Task Force heard, "couchsurfing" and "familystacking" are realities. It was identified that there is a large number of people in the province who are virtually homeless because they are forced to double up accommodations with either friends or family, and then are forced to keep moving to avoid detection.

In Saskatoon, the Task Force heard the distressing story of one family consisting of two sisters, a grandmother and 17 children living in a two bedroom apartment. In Yorkton, the Task Force heard from community based organizations that approximately 400 children are "couchsurfing" in that community, making them essentially homeless.

### ***Addressing the Needs of Single Individuals, the Working Poor and Students***

Single people appear to be falling through the cracks because of gaps in current housing programs. The reality is that some people who are gainfully employed are not able to afford housing. This group has been referred to as the working poor; people below the poverty line but not on social assistance.

For the most part, single working individuals do not qualify for additional housing assistance from the provincial government. In some cases, the Task Force heard of young, single women choosing to have children just so they can have access to housing and greater housing benefits.

Any crisis would cause individuals in this group serious financial setbacks, and possibly force them towards social assistance. The Task Force heard from many communities that this group is growing and needs our help. As their shelter costs increase, more of their household budget is consumed with housing costs, which means there is not enough left for other necessities.

While eligible for student loans which provide a degree of income support, students are also facing housing challenges. Like other lower income individuals, students are vulnerable to rapid rent increases and the shortage of available market rental

accommodation. The lack of available student housing on post-secondary campuses in our province is making the student housing problem worse. The national average for on campus housing is between 15 and 20 per cent. In Saskatchewan, this number is estimated to be six per cent, which would suggest a shortage of on campus housing for students compared to the rest of Canada.

### ***Lack of Available Housing Creates Barriers to Moving Across the Housing Continuum***

There is a reoccurring housing issue in many communities involving a swelling of occupancy at the entry level of housing. Many people in entry level housing are unable to move across the continuum, as they can neither afford it, nor find anything suitable to meet their needs. Essentially, Saskatchewan is facing a compressed property ladder.

This challenge has created a situation where first-time homebuyers cannot easily access the home ownership real estate market. As a result, they stay in rental accommodation longer, which then results in fewer available rental accommodations and higher rents for those who are most vulnerable.

### ***Lack of Affordable Market Rental Housing***

It was discovered through consultations that few market apartment buildings have been built in the province for nearly two decades. This directly coincides with the lack of supply of affordable housing in the province today.

Causes for the lack of new rental construction over the past two decades are numerous, but can be grouped around two issues: barriers caused by taxation and rising construction costs.

The Task Force heard that municipal policies which tax multi-residential buildings at a higher rate than residential housing act as a disincentive for constructing new apartment rental units. This negatively impacts the return on investment for developers and owners wishing to acquire and develop rental property.

Federal government tax policies regarding capital gains serve as a disincentive to own and build rental property. A number of organizations across the country, including the Canadian Federation of Municipalities (FCM), the Canadian Real Estate Association, the Canadian Home Builders Association and the Canadian Federation of Apartment Associations have called on the federal government to improve tax treatment for rental properties. As the FCM has noted, changes to the federal tax code between 1972 and 1988 have made it progressively less attractive to build rental housing. The FCM is calling on the federal government to adopt a series of tax measures to address the barriers to investment in rental properties, including allowing for the deferral of capital gains tax and recapture of depreciation if proceeds of a sale are reinvested in rental development.

High education property taxes also represent another cost for building owners. Because the costs of taxes to building owners are passed on to renters, these policies contribute to higher rents.

In addition to tax issues, the Task Force heard that rising construction and material costs are making it less economically feasible to build rental housing. At the same time rising costs are also making it difficult for cities to provide serviced land.

### ***Role of the Saskatchewan Housing Corporation***

The Saskatchewan Housing Corporation (SHC) has a well-maintained stock of affordable housing in many communities, and contributes financial resources to support the development of new affordable housing. The Saskatchewan Housing Corporation also works with local housing authorities, First Nations, Métis and community based organizations to provide social housing for marginalized individuals. While SHC's stock of housing is in good shape and is filling the need for many individuals, current demand is outstripping supply.

The Task Force heard from local authorities that one way to address the affordable housing challenge is through an improved Saskatchewan Housing Corporation which works to fast track construction of affordable housing across the province.

The Task Force also heard numerous concerns from community groups about projects that had been rejected by Saskatchewan Housing Corporation. Community groups and housing authorities felt that SHC was not structured in a manner that provided the most efficient delivery of affordable housing onto the marketplace. Furthermore, it was expressed that SHC's current programs are no longer meeting the needs of those they were designed to serve and that SHC needs to be more responsive to housing stakeholders and the rapid pace of change in the housing market.

### ***Support Services can be as Important as Housing***

The Task Force heard that support services around housing are just as important as providing a roof over their heads. Many problems and evictions can be averted by having a support system in place.

### ***Need for More Predictable Rent Increases***

Rent controls and the issue of multiple rent increases emerged during the Task Force's consultations. The consensus that emerged was that rent controls have not worked in other jurisdictions and in fact are counter-productive to solving the supply issues impacting affordable housing. Rent controls limit investment, which acts to limit supply and causes deterioration of the housing stock.

The timing of notice for rent increases was also raised as a concern. Currently, Saskatchewan only requires three months notice prior to a rent increase. This was identified as too short a period of time to find new accommodations or to make the necessary changes in a person's finances. The three month notice period also means that renters can face multiple increases annually.

### ***Heating Costs in the North Require Special Assessment***

The Task Force heard from Northern Saskatchewan residents that the cost of heating oil can exceed the cost of rent in some cases.

***Affordable Housing is Needed to Sustain Saskatchewan's Economic Momentum***

All of the communities the Task Force visited agreed that Saskatchewan was at the beginning of a period of sustained economic momentum, and solutions to address the affordable housing problem need to come sooner rather than later. Communities agreed that without an adequate supply of housing it will be difficult to sustain significant population and economic growth. Furthermore, many communities were concerned about where new workers moving to the province were going to live, given a lack of available housing.

The Task Force heard that many municipalities are struggling to get enough serviced land to supply the demand for housing. The Saskatchewan Growth Initiative Fund was recognized by many municipalities as a benefit to meeting this challenge. However, many developers believe they could address the affordable housing challenge better if serviced land were available.

***Affordable Housing is a Multi-Faceted Challenge that Requires Early Intervention***

A multi-faceted approach is required to address the affordable housing issue. It was agreed that there is no single solution to the housing challenges facing the province. A level of flexibility is required for each region or community to address their unique needs.

The Task Force learned from other jurisdictions that early intervention is key. The Task Force also believes in the philosophy that suggests fixing homelessness and affordable housing is an investment rather than a cost. It also maintains that housing is a concern of three levels of government. The federal government has historically provided necessary resources to address affordable housing. However, the current federal housing funding agreement with the provinces is set to expire in 2009. The non-renewal of a federal-provincial agreement would seriously reduce the resources available to address the affordable housing problem.

## The Housing Affordability Task Force: What We Learned

### *The Importance of Accurate Data and Problem Identification*

While the specific policy tools and tactics utilized by any given jurisdiction to address affordable housing issues may vary, the common starting point must be an accurate understanding of where current gaps exist. This ‘needs assessment’ must be derived and supported by accurate timely data to allow for the development of measurable goals and objectives. An online U.S. resource for state and local housing policy, sums this up well:

The standard "needs assessment," which looks at the extent to which different population segments are facing housing affordability and quality challenges, is a core component of this analysis, but it is important not to stop there. Other components include: an analysis of expected demographic trends and future demand for housing; an investigation of the root causes of the housing challenges faced by the community, including any obstacles preventing the market from responding to demand; and an inventory of the assets and programs currently available to help the community address these challenges.

(source: <http://www.housingpolicy.org> )

One of the key things the Task Force learned when looking at Saskatchewan’s affordable housing challenges and current strategies in comparison to other jurisdictions, is that the Government of Saskatchewan and most Saskatchewan municipalities lacked the data necessary to accurately begin to establish specific housing targets and strategies. This is essential to address today’s affordable housing needs and plan for the future.

Much of the data that does exist is generated or directly derived from the Canada Mortgage and Housing Corporation (CMHC). CMHC statistics provide a useful reference point to understand the overall housing picture in Saskatchewan and major communities. However, it cannot by itself provide the specific information that is needed to identify the unique affordable housing needs of a given vulnerable population in a region or community. Nor can it provide the more crucial pieces of information needed for a community to begin to forecast future affordable housing needs.

It is critical that the Government of Saskatchewan begin to work with municipalities, housing authorities and housing stakeholders to define and quantify the scope of housing needs across the province.

### *The Experience of Other Jurisdictions: Early Intervention is Key*

What became apparent was that early intervention by all levels of government is necessary in order to be successful. Also, the longer a jurisdiction waited to meet their affordable housing needs, the greater the overall end cost to government.

For example, the city of Calgary has identified 3,500 homeless people in its jurisdiction. To combat the problem, the city is initiating a 10 year plan to solve homelessness at a cost of \$1 billion. One important lesson the city of Calgary learned during its study is that it costs taxpayers more to manage homelessness than it would to solve it. For its part, the

United States Interagency Council on Homelessness has reported that 10 per cent of the chronic homeless consume 50 per cent of the resources spent to manage homelessness.

In its report, *Ending Homelessness in Calgary*, the City of Calgary cited case studies from U.S. cities revealing the following cost findings:

- Reno, Nevada – Reno Police Department followed three chronically homeless individuals. Two of the three accounted for \$120,000 and \$200,000 respectively in hospital expenses during a one year period.
- Boston, Massachusetts – The Boston Health Care for the Homeless Program tracked 119 people who were chronically homeless for 5 years. These individuals had more than 18,000 hospital visits costing on average \$1,000 per visit.
- San Diego, California – Fifteen chronically homeless individuals were tracked by the University of California at San Diego examining their use of mental health and substance abuse services, law enforcement interventions and incarceration. The total cost to the system was \$3 million, or \$200,000 per person.

#### ***Other Jurisdictions' Experience with Increasing the Supply of Affordable Housing***

Many communities across Canada and North America are working to expand affordable housing units in an escalating real estate market.

The city of Vancouver has traditionally experienced supply side pressures for affordable housing. It addressed this situation by implementing a strategic plan that provided the incentives for the creation of affordable housing units.

For instance, the City of Vancouver has a three-fold approach that provides for affordable housing. The city will lease city-owned land to non-profit housing providers, make capital grants to individual projects and negotiate with developers to provide affordable housing units in their plans. Vancouver found that leasing land made economic sense for most affordable housing projects because it lowered the initial costs substantially.

The Province of Ontario implemented a plan to increase its supply of affordable housing. Partnering with the Government of Canada in a joint program geared towards municipalities, the province's strategy encompasses rental and supportive housing, a rent supplement / housing allowance, northern housing and homeownership.

It is worth noting that in order to participate in components of Ontario's strategy, municipalities must ensure that municipal property taxes for the rental and supportive housing projects are set at an effective rate equal to or lower than the single-owned residential rate for the area. Municipalities are also encouraged to incorporate energy efficient measures in their plans.

In summary, many jurisdictions faced with similar affordable housing challenges see prevention as the key, and view it as an investment rather than a cost. These jurisdictions

are addressing their affordable housing needs through specific, strategic initiatives that increase the supply of affordable housing.

### ***Conceptual and Physical Housing Models***

The Task Force examined a number of conceptual and physical models for affordable housing.

It should be noted that many organizations and housing providers within Saskatchewan are already using these concepts with success. Unfortunately there is no easy mechanism to share success stories with other housing providers across the province. Communication across government and between housing providers as to what works and what does not is important to achieving success.

### ***Conceptual Models***

#### Housing First

Experts have stated that the chronic homeless consume a large amount of government services. To address this situation, the program known as “Housing First” has been used. “Housing First” means that the most destitute individuals in a community – those considered the chronic homeless – receive homes first. The “Housing First” principle incorporates the theory that 10 per cent of the chronic homeless use 50 per cent of the homeless resources. Putting these people in housing first is the most effective way to address the challenge and save government resources over the long term.

The city of Portland, Oregon is following and implementing the “Housing First” principle. What they learned is that their homeless numbers dropped and the cost of government services has declined, saving the city and municipality millions.

#### Life Lease

In many communities the concept of a life lease is working extremely well, especially in the city of Yorkton. This concept is particularly attractive to seniors as it allows them to live in a residence without a large capital outlay. Participants make a larger initial payment when they assume residence and then pay a small monthly fee. What makes the concept unique is that a person can leave whenever they wish and receive their initial payment back.

#### Co-op model

The co-op model of homeownership is working for many non-profit organizations. Advocates claim the key to its success is the support services that encompass the program and the end result of people owning their own home. The co-op program allows people to receive ownership of their residence in a defined period of time, usually 5 years. Participants receive education and support during the time period before the title is transferred.

### Assisted Homeownership

Moving people toward home ownership has been found to be successful in many communities. Initiatives such as low or no-down payments and favourable term financing have made these projects successful.

### Rentbanks

A rentbank is being used in the city of Toronto to prevent evictions and other problems related to rent collection. The rentbank allows people to borrow from a modest fund and then repay the short-term debt through monthly installments.

### *Physical Models*

#### Concrete Homes

A Canadian company is working to mass produce concrete homes out of its plant in Chile. The company predicts it can produce 12 homes per week, which would allow for a quick injection of affordable housing into the marketplace.

#### Farm in the Dell

People with cognitive challenges have unique needs when it comes to housing. *Farm in the Dell* was developed for people with cognitive challenges to have a safe, secure residence for as long as they wish. The concept involves a working farm where the residents grow crops and share the profits of the operation. This model is being used with success in Helena, Montana.

#### Modular and Ready To Move Homes

Part of the challenge facing the development of affordable housing is the time and cost of construction. Housing that is already physically constructed and ready to move onto serviced land is another way to address the need for housing quickly.

#### Regina St. Joseph School – Maple Leaf Estates

Saskatchewan Housing Corporation successfully refurbished a retired school site and made it into affordable housing units. The use of an existing site for affordable housing is an effective way to address cost pressures. The plan included a focus on energy efficiency and is located in the city's core.

#### L'Arche Home For Individuals With Intellectual Disabilities

In the L'Arche model, staff assistants live in a home with individuals with intellectual disabilities. The home places great emphasis on building community and on building friendships and relationships. This is facilitated by the live in model. Everyone contributes as they are able to the life of the house.

## A Strategic Direction to Meet the Affordable Housing Challenge

The Task Force heard there is no one single solution to the affordable housing challenge. Other jurisdictions had a similar experience. In order to successfully address the challenge of affordable housing, there has to be a sharing of responsibility across three levels of government, public agencies and communities. Each group must bring something to the table in order to ensure that projects are initiated and completed in a timely manner.

The Task Force on Housing Affordability was mandated to examine three primary issues. Each component has a pressing and unique element that requires innovative solutions.

### *Improve Housing Affordability and Security*

As indicated previously, people on a fixed income have the most difficulty coping with the escalating costs of the rental market. Without the ability to increase their income, more of their monthly budget goes towards shelter. These are the people that are on the frontlines of increased rental rates and need improved housing affordability and security.

Portable housing benefits provided directly to individuals and used to rent market-based housing are recognized across the country as one of the best tools governments can use to meet the needs of the most vulnerable. Current income assistance programs provided through the Ministry of Social Services target many of those experiencing housing affordability challenges.

The key problem with both the social assistance housing allowance and the rental housing supplement is that they have failed to keep pace with the rising cost of rent. Any strategy by the provincial government to assist the most vulnerable should include increases to the social assistance housing allowance and rental housing supplement. Furthermore, both of the supplements should have a mechanism in place to ensure there is a dedicated increase annually, such as an increase to keep up to the cost of living per year.

Low to moderate income individuals and families who are working are having difficulty in the current real estate market. The rental housing supplement, which is also available to low to moderate income working families, also needs to be increased and possibly expanded to include single individuals and childless couples. The Task Force heard that low income single and childless couples are falling through the cracks because there are no programs to assist them in meeting rising rental costs. Again the issues facing this group fall within the income envelope. If they had more money in their pocket each month through lower taxes or public benefits, they could better meet their housing costs.

Securing the shelter needs of Saskatchewan people is a theme that the Task Force heard very early in the consultation process. New and innovative ways are needed that allow people to have a sense of security regarding their shelter.

One straightforward way to provide this security of shelter is to put a stop to preventable problems before they occur. Emergencies can occur that prevent people from making a rent payment. Instead of evicting an individual, the Task Force promotes the idea of having an emergency fund which gives people short-term assistance and is repaid in set monthly installments.

The housing continuum begins with emergency shelter and transitional spaces. In Saskatchewan, current emergency shelter spaces are full many nights of the week. In some cities like North Battleford, emergency shelter spaces do not exist. There is a need in the province to ensure an appropriate number of emergency and transitional spaces. The Task Force believes that moving people through the Housing Continuum is the only proven way to accommodate everyone's shelter needs.

Many groups and individuals said the current system of notice for a rent increase does not allow for enough time for individuals and families to investigate means to increase their income or find a more affordable housing situation. The current notice period required before a rent increase in Saskatchewan is three months. The Task Force believes that the notice period prior to a rent increase needs to be increased.

The Task Force heard during its consultations that rental housing entails a mutual sense of responsibility between the landlord and tenant. The provision and preservation of safe, healthy and affordable housing is in the interests, and is the responsibility, of both the landlord and tenant. The Task Force heard from renters who stated that their current accommodations were substandard: holes in the walls, black mold, no windows, etc. In some cases, these are accommodations rented from private landlords but paid for by social assistance shelter allowances provided by the Ministry of Social Services. As well, the Task Force heard from organizations and individuals that tenants can be very hard on properties and that there is in some instances no respect given to the landlord's property, including in publicly held/subsidized properties.

It is not enough that housing be "affordable." The goal must be to increase the supply of safe and healthy affordable housing in Saskatchewan.

### ***Increase the Supply of Housing***

Governments at all levels have a role to play in the creation of more affordable housing. The analogy is that of a chain; each link on its own is not as effective as when linked together. Providing more supply of affordable housing in the province of Saskatchewan requires each level of government to bring something to the table.

In order to make housing more affordable, a significant increase in the supply of housing is needed. While government funded or constructed social housing is an important part of the affordable housing mix, market rental accommodation is how most renters access housing.

As the Task Force heard, there has been little market rental apartment construction in Saskatchewan over the past 20 years. This is consistent with the situation across Canada.

Therefore it is little surprise that when housing sale prices rise and Saskatchewan's economy and population grows, there will be a resulting shortage of market rental housing which will cause the cost of rent to rise.

A multi-faceted strategy is needed to encourage the construction of new market based rental accommodation and affordable housing.

A commitment to tax fairness for rental property by all levels of government would assist in the development of new market rental units. The Task Force also heard that bylaws for creating secondary suites are cumbersome and over-regulated. Furthermore, they differ between municipalities. Regulatory streamlining and positive changes to reduce taxes are two types of incentives that can help to produce more housing.

All levels of government can assist in making affordable social housing developments more cost effective by using resources more efficiently and effectively. The cost of land is a significant barrier to most affordable housing projects. Therefore, a concerted effort by all three levels of government and public agencies to release surplus land and buildings or surplus school sites for affordable housing would make the cost of construction more affordable and reduce the costs to housing recipients.

The provincial government can also play a leadership role in partnering with the private sector to facilitate the creation of affordable housing. New growth tax incentives to stimulate the creation of new affordable social housing will serve to increase existing supply. Agreements that reflect the government's willingness to purchase a percentage of finished units or reserving said units from the private sector would also assist in accelerating the creation of affordable housing. Furthermore, the Task Force believes the provincial government should examine incentives that create private capital pools dedicated to affordable housing.

### ***A New Model for Affordable Housing Solutions***

Saskatchewan already has the unique advantage of having a provincial housing entity in existence. The future role of the Saskatchewan Housing Corporation will be a key factor in addressing the affordable housing challenge.

The current corporate structure and mandate of Saskatchewan Housing Corporation should be revised to better reflect the needs of the communities it serves. Currently, there is no representation from housing stakeholders or municipalities in the corporation's governance. Changing this structure of the organization by placing it under the direction of a board that represents housing stakeholders across the province will allow it to better anticipate and meet affordable housing needs across the province.

The Saskatchewan Housing Corporation and its clients would also benefit from an enhanced mandate that allowed it to coordinate and facilitate housing related issues across government.

There needs to be more proactive assembling of the data needed to accurately measure the specific affordable housing needs of vulnerable persons in our communities. This can be done by working with municipalities and local housing authorities to determine the resources, tools and specific housing models necessary to meet their unique needs.

Finally, the urgency of the affordable housing challenge in the province requires a more aggressive approach to fast tracking affordable housing projects once specific needs have been identified.

Following the chain analogy, the Task Force cannot stress enough the importance of having three levels of government working together on the affordable housing file. The federal – provincial agreement currently in place is set to expire in 2009. The Task Force recommends that the provincial government work with the federal government to ensure that affordable housing is a priority.

In order to aid municipalities and help them play their part, the Task Force urges the provincial government to provide municipalities with resources that allow them to incorporate long-term strategic planning into their community plans. Revising provincial legislation to provide municipalities with the tools to designate a percentage of housing in new housing development as affordable would also be valuable.

#### ***Further Considerations***

In order to address the affordable housing crisis, a ‘wraparound’ approach to the problem is necessary. The Task Force heard from many communities that support services around housing can be just as important as the bricks and mortar.

The Task Force heard from communities across the province that, for many of those most in need, the deficit in housing is related directly to the delivery of Social Services. For instance, the Ministry of Social Services is frequently renting substandard housing for its clients. These residences are not inspected before the tenant moves in; therefore, the condition is never recorded. The Task Force heard a number of complaints about rental accommodations that had mold or holes in the wall.

A one-stop window would help in housing people on social assistance. The Task Force heard from individuals on assistance that the process to rent a house and acquire assistance is complex and cumbersome. In one situation, the Task Force heard the case of an individual who was denied a rental unit by a landlord because there was no letter of guarantee for a damage deposit from Social Services. However, Social Services would not release the damage deposit letter until the individual had a rented unit; essentially, creating a no-win situation for the individual. These types of situations cannot be allowed to continue.

The theme of support services surrounding housing as a necessity is prevalent. Putting support services from the Ministry of Social Services closer to the client would be an effective way to gain success in keeping people in housing.

## The Housing Affordability Task Force: Recommendations

### Improve Housing Affordability for Those Most in Need

The inadequacy of current shelter benefits is reflected in the growing number of individuals who are appealing current shelter allowance amounts because their rent exceeds the maximum benefit provided by the Ministry of Social Services. Therefore the government should explore mechanisms to ensure that shelter allowances and the rental housing supplement keep pace with housing cost increases. This could be achieved through regular review of shelter rates and the rental housing supplement or indexation of these benefits to the cost of living.

**Recommendation:**

- ✓ **Increase the shelter allowance for social assistance recipients and index it to the cost of living.**
- ✓ **Increase the Saskatchewan Rental Housing Supplement and index it to the cost of living.**

Throughout its consultations, the Task Force heard about the impact that rising rental costs are having on low to moderate workers. Low income seniors in both subsidized social housing or living in market rental accommodations are also experiencing challenges paying the rent each month.

The provincial government needs to take action that will increase the incomes of low income earners. This can best be achieved by reducing income taxes. Alternatively, the rental housing supplement, which is currently restricted to couples and individuals with children, could be expanded to include single individuals and couples without children.

**Recommendation:**

- ✓ **Reduce income taxes for low to moderate income earners or consider expanding the Saskatchewan Rental Housing Supplement to include single adults or couples without children, to ensure seniors and low to moderate income earners are better able to afford rental housing.**
- ✓ **Increase the income threshold for seniors to qualify for social housing.**

It is essential that all communities are accurately grouped when the Ministry of Social Services designates maximum shelter allowances within a geographic area. For instance, the town of Warman outside of Saskatoon is grouped by Social Services with other rural communities, when in fact housing costs in Warman are closer to those in Saskatoon.

**Recommendation:**

- ✓ **Ensure that communities are accurately categorized for the purpose of establishing social assistance shelter cost allowance rates.**

## **Improve Housing Security**

While increasing benefits and / or reducing taxes will assist in making housing more affordable, there is also a need to improve the security that housing provides. This means ensuring that renters have access to safe, clean and healthy housing.

The Task Force believes that extending the notice period prior to a rent increase and ensuring that rent increases be explicitly outlined in situations where rental accommodation is leased, can provide better predictability for renters without negatively impacting rental housing supply.

**Recommendation:**

- ✓ **Amend the *Residential Tenancies Act* to require landlords to provide six months notice prior to a rent increase on month-to-month rental accommodation, and prohibit rent increases in leased rental accommodation other than those agreed to by the landlord and tenant as part of a lease agreement.**
- ✓ **Recognize that the provision and preservation of safe, clean and healthy housing is a mutual responsibility shared between landlords and tenants, and ensure that when public tax dollars are provided to tenants to access housing that these mutual responsibilities are fulfilled.**

Increasing the supply of emergency and transition housing is one step to strengthen the housing safety net. Another emergency need could be met, as other jurisdictions have done, through the creation of a rentbank, which provides short-term assistance to renters experiencing financial difficulty. This assistance is then repaid by the individual over a period of time. Such a program would be geared towards individuals and families experiencing circumstances that limit their ability to pay their rent in a given month, and would not be intended to provide long-term income support.

**Recommendation:**

- ✓ **Increase the number of emergency shelters and transitional spaces in the province**
- ✓ **Create an “Emergency Tenant Fund” to provide repayable short-term assistance to renters who are having difficulties making payments.**

## **Provide Incentives to Increase the Supply of Affordable Housing**

The best way to address the rising cost of rental housing and meet the needs of those requiring more affordable housing is to increase the supply of both social housing and market based rental accommodation. The Task Force therefore recommends that the provincial government introduce new growth tax incentives to stimulate the construction of new affordable housing.

The new housing project which will soon be underway at the St. Mary’s School site in Saskatoon demonstrates the importance of mixed use housing development. Affordable social housing will be built alongside homes that will be sold for ownership, in an effort to build a more sustainable neighbourhood. By “buying into” mixed use housing developments to secure a portion of new developments for affordable housing use, the provincial government can accelerate the supply of affordable housing in areas where it is needed. This strategy also has the effect of providing developers with a guaranteed return on a portion of the units they are building for an extended period of time, and therefore increases the financial viability of a housing development project. Affordable housing units bought by the provincial government can then be turned over to community based or First Nations organizations to manage.

**Recommendation:**

- ✓ **Introduce new provincial tax incentives designed to stimulate the supply of affordable housing such as, but not limited to, eliminating the PST on building materials specifically used to build affordable housing.**
- ✓ **Support accelerated private construction of market rental housing and the rapid development of affordable housing capacity through provincial government commitments to purchase and reserve a percentage of units in new buildings for affordable housing.**

## **Reduce Federal, Provincial and Municipal Taxes and Regulations that Discourage the Construction of Rental Housing**

In Saskatchewan and across Canada, federal, provincial and municipal tax structures and taxation levels have served as disincentives for developers to build new market rental accommodation.

The Task Force recommends that the provincial government lobby the federal government to reduce the tax barriers inhibiting investment in rental properties, including allowing for the deferral of capital gains tax and recapture of depreciation if proceeds of a sale are reinvested in rental development.

The provincial government and municipal governments can also reform taxes that serve as a disincentive to ownership of rental properties and contribute to the cost of rents that are passed on to tenants. The provincial government should reduce the education portion of property taxes. Municipalities should take action to ensure apartments are taxed at the same rate as homes. Because secondary suites provide a valuable source of rental accommodation, steps should be taken to streamline bylaws to make it easier to create secondary suites.

### **Recommendation:**

- ✓ **Encourage municipalities to equalize tax rates between multi-unit residential buildings and single-family dwellings.**
- ✓ **Engage the federal government to restructure tax laws around income derived from rental units along with increasing the capital cost allowance on rental units**
- ✓ **Lower the education portion of property taxes.**
- ✓ **Encourage municipalities to streamline bylaws for the creation of secondary suites.**

## **Undertake Innovative Use of Government Resources**

Dedication of surplus public land and buildings to the construction of affordable housing would help to lower the cost of development, and by extension reduce the price of the housing units when they are sold. All public agencies and levels of government should be encouraged to look at options for dedicating surplus buildings and land at a low or significantly reduced cost where appropriate, to facilitate the development of more affordable housing in our cities.

While government has a significant role to play in providing direct funding for the construction of new affordable and social housing, the development of tax incentives that

would allow private investors to pool capital to invest in affordable housing developments is another option that the provincial government should consider.

**Recommendation:**

- ✓ **Ensure public agencies and all three levels of government dedicate a portion of surplus land and buildings for affordable housing use, where appropriate.**
- ✓ **Explore additional methods and tax incentives for generating private capital pools for affordable housing.**

### **Address Specific Affordable Housing Needs**

During its consultations and discussions, the Task Force heard about the need to ensure that specific housing needs, such as those experienced by students and persons with disabilities, were met. In many cases, this means ensuring that the design and location of projects meet the unique needs of housing recipients. In other cases, specifically the need for more student housing, the issue is ensuring that there is sufficient housing capacity to meet demand. As well, the Task Force heard that First Nations, Métis and community based organizations play a valuable role in identifying specific housing needs, partnering in the development and management of projects and ensuring that affordable housing projects support the broader needs of the community.

**Recommendation:**

- ✓ **Assist post-secondary institutions to increase the supply of student housing on or near post-secondary campuses.**
- ✓ **Enhance partnerships with community based, First Nations and Métis organizations to create integrated place-based housing solutions as part of broader community revitalization efforts.**
- ✓ **Incorporate best practices and innovative design models when creating affordable housing for seniors and individuals with special-needs.**

## **A New Model for Affordable Housing: Strengthen the Role and Responsibility of the Saskatchewan Housing Corporation**

Unlike other provinces which lack a central provincial housing agency, Saskatchewan is fortunate to have in place a central agency to coordinate and facilitate the development of affordable housing. However, it became clear throughout consultations with stakeholders that a more effective central housing agency in the province is necessary to address the affordable housing challenge in Saskatchewan.

The Task Force therefore recommends that the provincial government undertake the following changes to the Saskatchewan Housing Corporation to make it more effective.

### **Recommendation:**

- ✓ **Transform the Saskatchewan Housing Corporation to make it the single point and coordinating agency for affordable housing across the provincial government, as well as programs and initiatives throughout government that can provide further support for affordable housing.**
- ✓ **Change the governance structure of the Saskatchewan Housing Corporation to a board comprised of housing stakeholders across the province, including representation from municipalities.**
- ✓ **Improve coordination between the Saskatchewan Housing Corporation, municipalities and local housing authorities to develop long-term planning and the development of affordable housing units that meet the specific housing needs in communities.**
- ✓ **With municipalities, ensure the Saskatchewan Housing Corporation develops the necessary information tools and statistical resources to accurately identify and forecast affordable housing needs to achieve measurable goals and objectives.**
- ✓ **Streamline the Saskatchewan Housing Corporation's current portfolio of programs to be more user friendly and client focused.**
- ✓ **Consider supplementing the current HomeFirst program with a more aggressive use of alternative options such as life leases that promote the acquisition of long-term stable housing for low income families and seniors.**
- ✓ **Incorporate energy efficient building practices into affordable housing whenever possible.**

## **Align Federal, Provincial and Municipal Affordable Housing Efforts**

An integrated housing affordable strategy requires the cooperation and commitment of all levels of government to work together, understanding that each level of government has an important and unique role to play in facilitating housing affordability.

For its part, the federal government has a pivotal role to play in ensuring that it provides adequate funding support for affordable housing. In addition to its role as a funding provider for affordable housing and housing supplements to low income individuals, the provincial government can also play a more proactive role by working with municipalities to ensure that new housing developments include affordable housing provisions as part of the housing mix. At the municipal level, a concerted effort to make affordable housing a priority through planning, regulatory streamlining and innovative programs such as the City of Saskatoon's land bank are all positive actions that help to contribute to increasing the supply of affordable housing in Saskatchewan.

### **Recommendation:**

- ✓ **Revise provincial legislation to enable municipalities to incorporate inclusionary zoning, so that a percentage of newly constructed housing is designated and maintained as affordable housing.**
- ✓ **Provide resources for municipalities for long-term strategic planning focused on including affordable housing in their community plans.**
- ✓ **Work with the federal government to ensure a new affordable housing agreement and additional federal funding for affordable housing is in place prior to the conclusion of the existing five year federal-provincial affordable housing agreement in 2009.**
- ✓ **Work with provincial housing providers to establish a registry of rental units and encourage shared efficiencies between providers.**

## **Further Considerations: Address the Labour Shortage in the Housing Construction Industry**

To ensure that there is a sufficient supply of workers in the homebuilding industry to build more affordable social housing and market rental accommodation, the provincial government needs to accelerate the recruitment, retention and development of skilled workers.

**Recommendation:**

- ✓ **Review the journeyman to apprenticeship ratio for skilled labour to ensure there are sufficient tradespersons to construct new housing in the province.**
- ✓ **Accelerate the number of apprentices and skilled tradespersons being graduated by SIAST, First Nations post-secondary institutions and regional colleges to address the labour shortage, and support public-private partnerships to build capacity in the skilled homebuilding trades.**
- ✓ **Ensure skilled tradespersons in the homebuilding trade are a priority in Saskatchewan's immigration strategy.**

**Further Considerations: Address the Continuum of Needs of Social Assistance Recipients and Low Income Earners**

A concerted effort to expand access to affordable housing will make an enormous difference to those individuals and families who are struggling to make ends meet. However, access to affordable housing is one part of a broader strategy to improve the lives of Saskatchewan people. The Task Force heard that the provision of social services, including housing, needs to better meet the needs of clients.

**Recommendation:**

- ✓ **Review the delivery of social services to better meet the needs of clients, and enhance support for life skills training.**
- ✓ **Recognize the growing pressure that increased oil heating costs are having on residents in the North and rural areas.**

## **Appendix 1 – Task Force on Housing Affordability Consultations**

Weyburn City Council  
Community Low Income Centre (Weyburn)  
Weyburn Housing Authority  
Lackey Realty  
Weyburn Group Homes Association  
Estevan Housing Authority  
Hirsch Construction  
Estevan Salvation Army  
Century 21 Realty Yorkton  
Yorkton Ad-Hoc Housing Committee  
Yorkton Dreambuilders School  
Yorkton Transitional Housing  
Yorkton Housing Corporation  
Yorkton City Council  
Prairie Home Developments  
Yorkton Housing Authority  
SIGN Yorkton/ CBOs  
Swift Current City Council  
Swift Current Housing Authority  
SW Crisis Services  
SC Handicap Homes  
Century 21 Professional Realty  
Prince Albert City Council  
Prince Albert Housing Authority  
Prince Albert Landlords Association  
Prince Albert Branch of Community Living Association  
Riverbank Development Corporation  
Prince Albert Community Housing Authority  
Northern Spruce Housing (Prince Albert Grand Council)  
North Battleford Town Council  
My First Home Inc.  
Battlefords Tribal Council  
Metis Housing Lloydminster  
President of Metis Housing Saskatchewan  
Lloydminster Housing Authority  
Lloydminster Chamber of Commerce Sub-committee on Affordable Housing  
Dr. Ryan Walker, Professor, University of Saskatchewan  
Carlton Trail REDA  
Saskatoon Homebuilders Association  
University of Saskatchewan Administration  
Saskatoon Food Bank  
Saskatoon Friendship Inn  
Don't We Count As People

Saskatoon City Council  
SOS Overnight Shelter  
Moose Jaw City Council  
Kerrobert Assisted Living Program  
Macklin Assisted Living Program  
Wilkie Assisted Living Program  
Unity Assisted Living Program  
Moose Jaw Housing Authority  
Moose Jaw GMAC Realty  
Regina Housing Authority  
Aids Programs South Saskatchewan (Red Ribbon Place)  
Namerind Housing Corporation  
Regina Anti-Poverty Ministry  
Regina Homebuilders Association  
Regina City Council  
Deb Higgins, MLA Moose Jaw Wakamow  
David Forbes, MLA Saskatoon Centre and Opposition Housing Critic  
Canadian Mental Health Association (Sask. Branch)  
Silver Sage Housing Corporation  
Saskatchewan Voice of People With Disabilities  
Regina Core Community Association  
Global International Community Help Association  
Saskatoon Housing Initiatives Partnership (SHIP)  
SIAST  
Quint Development Corp  
Association of Saskatchewan Realtors  
Habitat for Humanity  
Saskatoon Homebuilders Association  
Menno Homes  
Passion For Action Against Homelessness  
University of Saskatchewan Students Union  
Sasknative Rentals  
Saskatoon Health Region  
Saskatoon Antipoverty Coalition  
Equal Justice For All  
Saskatoon Housing Authority  
ISTEP  
McNab Park Community Association  
La Ronge Town Council  
La Ronge Regional Housing Authority  
Saskatoon Ukrainian Community

**Unable to attend**

Estevan City Council  
Parkland Housing  
FSIN  
North Battleford Housing Authority  
Battleford Town Council  
Carleton Housing  
Souls Harbour Rescue Mission  
Saskatoon Salvation Army  
Saskatoon Metis Housing  
Tom Jackson  
Gabriel Housing

**Appendix 2 –Written Submissions Received**

<b>Organization:</b>	<b>Date:</b>
Affordable New Home Development Foundation	13-May-08
Canadian Mental Health	2-Apr-08
CFIB	20-May-08
City Council-Saskatoon	22-Apr-08
City of NB	13-May-08
Co-operative Housing Federation of Canada	15-May-08
Coordinators of Psychiatric Rehabilitation and Residential Services, Regional Health Authorities	23-Apr-08
Cosmo Industries	8-Apr-08
Equal Justice for All	14-Apr-08
Families United Saskatoon	15-May-08
Habitat for Humanity	14-May-08
Homebuilders	7-May-08
Homelessness Committee- City of Regina	15-May-08
Housing Development and Affordable Housing in Regina	15-May-08
I-STEP	23-Apr-08
MJ Housing Authority	6-May-08
Menno Homes	16-Apr-08
Metis Housing Corp.	11-Apr-08
Metis Housing Corp.	12-May-08
Namerind	7-May-08
NDP Opposition	8-May-08
P.A Branch Association for Community Living	1-Apr-08
Passion for Action against Homelessness	28-Apr-08
Passion for Action against Homelessness	14-May-08
Poor Families Outside of Riversdale	7-Apr-08
Regina Anti-Poverty Ministry	15-May-08
Red Ribbon Place Society Inc.	2-Apr-08
Saskatchewan Association for Community Living	3-Apr-08
Saskatoon Overnight Shelter	3-Apr-08
Sasknative Rentals	5-May-08
SHIP	6-May-08
SIAST	15-May-08
SIGN (on behalf of Yorkton Ad-hoc Housing Committee)	4-Apr-08

SSAI	20-May-08
University of Saskatchewan	9-Apr-08
Wolseley District Affordable Housing for Seniors	20-May-08
Yorkton Housing Corporation	4-Apr-08
Yorkton Transitional Homes for Youth	4-Apr-08
Resident of Regina	2-Apr-08
Resident of Saskatoon	3-Apr-08
Resident of Saskatoon	3-Apr-08
Resident of Saskatoon	3-Apr-08
Resident of Regina	3-Apr-08
Resident of Saskatoon	9-Apr-08
Resident of Swift Current	10-Apr-08
Resident of Regina	16-Apr-08
Resident of Saskatoon	16-Apr-08
Resident of Saskatoon	18-Apr-08
Resident of Carlyle	21-Apr-08
University of Saskatchewan Professor	22-Apr-08
Resident of Christopher Lake	24-Apr-08
Resident of Saskatoon	5-May-08
Resident of Regina	13-May-08
Resident of Wolseley	20-May-08
Resident of Regina	23-May-08

### **Appendix 3 – Background Materials**

Calgary's 10 Year Plan to End Homelessness

City of Calgary, Community & Neighbourhood Services, Policy and Planning  
*Ending Homelessness in Calgary*

CMHC Market Survey

Federation of Canadian Municipalities  
*Sustaining the Momentum: Recommendations for a National Action Plan on Housing and Homelessness*

*Housing First: An Investment With a Return to Prosperity*  
Alberta Affordable Housing Task Force Report

*Housing Matters BC*  
A Housing Strategy For British Columbia

Metro-Vancouver Affordable Housing Strategy

Canada-Ontario Affordable Housing Program

RBC Economics – Housing Affordability

*Rental Housing Trends in Toronto: Should Conversions of Rental Buildings to Condominiums be Prevented?*

Saskatchewan Housing Corporation Study

TD Economics  
*Affordable Housing in Canada: In Search of a New Paradigm*