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Public engagement on permanent public transit funding

Submission to Infrastructure Canada

September 24, 2022

On behalf of the Canadian Home Builders' Association (CHBA), we are pleased to submit recommendations into Infrastructure Canada's permanent public transit funding.

Since 1943, CHBA has been the voice of Canada's residential construction industry. Representing one of the largest industry sectors in Canada, our membership is made up of some 9,000 member firms from coast to coast, including home builders, renovators, land developers, trade contractors, product and material manufacturers, building suppliers, warranty and insurance providers and related services.

The Association has long supported transit-oriented development and an ability to bring market-rate housing of all forms online faster will go a long way to address the affordability and supply issues many centres, big and small, are currently facing. Densification around transit nodes is key to the future success of Canadian cities. CHBA welcomes the recognition by the federal government, and this consultation, that public transit and active transportation are closely connected to housing affordability and that it is a prime opportunity to build more housing supply by allowing communities to build more densely.

Two measures the federal government has announced this year will go a long way to address this issue. The first being the announcement of new permanent public transit funding of \$5.9 billion over five years and \$3 billion per year ongoing starting in 2026-27. The second was announcing the in the federal budget that providing \$750 million in 2021-22 to support municipalities address public transit shortfalls would be conditional upon provincial and territorial governments committing to match the federal contribution and to accelerate their work with the municipalities to build more homes for Canadians.

However, as municipalities hold the key to unlocking more housing supply, it is important, now and in the future, to ensure that they are actively removing the barriers to growing more transit-oriented development. CHBA would like to provide recommendations on how best to address the challenges and opportunities to build vibrant and walkable communities with quick and easy access to transit, shopping, and other amenities.

- 1. Leverage federal infrastructure funding to increase housing supply – including for market-rate housing.**

This is an important lever the federal government has at its disposal to incentivize the building of more housing stock. The federal government was previously able to come to agreement with the province of Ontario to fund public transit projects that included the condition of building affordable housing near transit corridors. This type of funding agreement should be expanded to specifically include mention of market-rate housing. While it has already been announced that the federal government is making funding for public transit shortfalls conditional upon municipalities matching funding and accelerating building more homes, CHBA also recommends that this be the model for permanent public transit funding. Specific metrics and targets around the provision of more housing supply should be articulated and monitored.

2. Permanent Public Transit Funding to support the design of the Housing Accelerator Fund (HAF) to include addressing barriers to transit-oriented development.

In order to effectively follow through with increasing housing supply, and therefore assisting with housing affordability, it is critical that the barriers to building near transit be removed. The government's proposed Housing Accelerator Fund (HAF) intends to help address some of these barriers.

CHBA calls on Infrastructure Canada to coordinate with the Canada Mortgage and Housing Corporation (CMHC) on the design of the Housing Accelerator Fund (HAF). The intention of the fund is to help boost market-rate supply and address impediments to development. These impediments include NIMBYism against higher density, including around transit stations, where higher density makes the most sense. Permanent public transit funding should address these barriers to help Canadian cities wisely build in, up and out, which also includes building more missing-middle homes that meet the evolving needs of Canadians.

3. Use Benchmarking to Measure Success

To ensure permanent public transit funding is being allocated and implemented in ways that will address housing supply and affordability, there needs to be proper benchmarking. CHBA recommends that Infrastructure Canada develop metrics, then track and measure success for transit-oriented development, particularly where it comes to additional market-rate housing supply. The results should be publicly reported annually.

If developed and distributed properly, permanent public transit funding is a key opportunity to address housing supply and affordability. Should there be any need for further explanation of CHBA's positions and recommendations, please do not hesitate to contact Nicole Storeshaw, Director, Government Relations at nicole.storeshaw@chba.ca or 613-230-3060 ext. 241.

Sincerely,



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