



Healthy, affordable housing infrastructure can be a solution for redevelopment of brownfield sites in urban areas.

STRATEGIC REDEVELOPMENT

Can brownfields be part of a national housing strategy?

By Marlene Coffey and Grant Walsom

On November 22, 2017, the Canadian government made a historic commitment to improve the issues of affordable housing in Canada by launching the country's first ever National Housing Strategy. This \$40 billion, 10-year plan for Canada includes new and previously committed federal investment, low-interest financing and predicted provincial cost sharing.

Given that virtually all urban areas across Canada are seeing unprecedented pressures on rental affordability, the National Housing Strategy is a long-overdue and welcomed program for the non-profit and community housing sector. It is also welcomed by municipal governments across Canada that are consistently struggling to ensure that the affordable and community housing needs are met along with the needs of other aging and often under-funded infrastructure. The affordable and community housing infrastructure within the municipal landscape can be overlooked in favour of other priorities such as water, sewer, roads, transit etc. The National Housing Strategy assists to ensure that the affordable housing infrastructure does not fall to the bottom of the list of priorities.

A major component of the National Housing Strategy is the recently launched National Housing Co-Investment Fund which will provide approximately \$13.2 billion in direct financial contributions and low-interest loans over the next decade.

This program, which will be administered through the Canadian Mortgage and Housing Corporation (CHMC), will be delivered through two streams: new construction and repair/renewal of existing affordable housing. The National Housing Co-Investment Fund is aimed at using existing assets to leverage the funding, and successful applicants will be required to secure contributions from another level of government (i.e. provincial and/or municipal) for their projects. It is important to note that this contribution does not necessarily have to be financial but could also include in-kind contributions such as

three strategic directions. Unfortunately, the recommendations have not translated in removing many of the barriers for brownfield redevelopment issue in Canada. The Canadian Brownfields Network recently commissioned a survey of Canadian brownfield practitioners that has delivered a failing grade for the progress made on the NRTEE 2003 recommendations. With this failing grade, changes need to be considered and new strategies need to be employed for the Canadian brownfield issue.

One of the Strategic Directions identified in the 2003 NRTEE Brownfield Strategy

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land, accelerated approval processes, tax rebates, or waived charges and fees.

In 2003, National Roundtable on The Environment and Economy (NRTEE) formulated a Strategy for Canadian Brownfield Redevelopment in a document entitled "Cleaning up the Past, Building the Future: A National Brownfield Redevelopment Strategy for Canada." This document presented a series of 14 recommendations for implementation within

was to apply strategic public investments to address up-front costs for Brownfield Redevelopment. The NRTEE also identified all three levels of government (federal, provincial, and municipal) as responsible in applying this strategic direction. Could the National Housing Co-Investment Fund become a catalyst for the next phase of brownfields redevelopment in Canada?

To answer that question, we need to understand the Fund's eligibility

requirements and application approval process a little better. Within the CMHC application process, one of the priorities in ranking proposed funding and financing applications is the proximity to transit, amenities, and community supports. Many of Canada's existing brownfield properties are located within urban centres and downtown cores where infrastructure networks are already established as well as transit systems, amenities, and community support features such as hospitals, community centres, and social assistance support networks. Another potentially promising feature of the CMHC application process is the inclusion of new construction and/or conversion from a non-residential use to affordable multi-residential in the list of eligible projects for funding consideration. Again, brownfield properties are typically non-residential properties that were formerly industrial uses and are now underutilized with some form of contamination from the historical uses. However, without an incentive and financial driver, these properties sit vacant and can represent problems for the community.

We can, and will, realize the benefits of the National Housing Co-Investment Fund and its intentions, hopefully to its full

potential. However, if brownfield properties can be considered within the strategy, the benefits realized will be even greater. When considering the triple-bottom line concepts of sustainability, the benefits become clear. The affordability of the housing developments more than satisfies the social aspects. The environmental aspects can be realized through the remedies employed for the contamination, reuse of land assets, and creating homes in urban centres where reduction of greenhouse gases from commuting will be realized, to name a few. The economic aspects can be realized by the access to the co-investment funds and other brownfield incentives currently in place in many municipalities.

Perhaps the municipal governments could assist in identifying potential candidate sites where not-for-profits and private affordable housing developers could apply for the co-investment financing funds and create a two-fold benefit to the community. Further, ensuring that local tax-incentives, brownfield development funds, and reduced development charges are available along with the National Housing Co-Investment Fund for the proposed affordable housing developments should assist in making some

of Canada's more challenging brownfield sites attractive. Strong municipal support for the affordable housing initiatives on brownfield sites would also go a long way in securing the co-investment funds for local solutions.

It remains to be seen whether the implementation of the National Housing Co-Investment Fund, and the National Housing Strategy more widely, will actually translate into significant affordable home construction. Strategies such as the National Housing Strategy and 2003 NRTEE Brownfield Redevelopment Strategy require commitment to partnerships, communication, flexibility, and champions at all levels of government. Further, the commitments need to be continue beyond changes in government and remain non-partisan. 🍁



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