ARTICLE | THE INTERSECTION OF HOUSING AFFORDABILITY AND CLIMATE ACTION

CAYO COSTA, JORGE GARZA

Photo credit: Spencer Watson

The climate and housing affordability crises are inextricably intertwined. Evidence shows that climate change continues to compromise the housing and living circumstances of communities, having profound impacts on the well-being of all. This is particularly the case for the most disadvantaged and marginalized groups who feel its effects the most acutely. Communities across Canada are developing promising solutions to build more equitable, resilient and future-ready neighbourhoods, from inclusionary zoning to retrofitting. This article explores the impacts of climate change and housing affordability on communities, provides examples of solutions to address this interconnected challenge and presents a list of guiding questions to take action at the community level.

HOUSING AFFORDABILITY IN A CHANGING CLIMATE

Canada has a housing crisis. Individuals and families are struggling to keep up with skyrocketing housing costs. The average rent for a two-bedroom home in Canada increased to $1,167 in 2021, which is a 3% rise from $1,128 in 2020, and the average house price in 2021 was $678,091, which is up 25% from 2020. Another recent report showed that the average house price across the country increased by

20.9%, between January 2021 and January 2022. Debt loads in Toronto, Vancouver, Victoria, and Hamilton were high enough that households could be considered financially vulnerable. In this context of financial uncertainty, a concrete plan for housing affordability appeared as a top issue for 78% of Canadians in the last federal election. As prices go up, Canada loses housing that once counted as affordable, and it's happening at a staggering rate. A recent episode of the Fifth Estate at CBC showed that Canada lost more than 300,000 affordable units between 2011 and 2016, which is the equivalent of losing every household in Hamilton. This is particularly concerning given the substantial number of tenants who are paying unaffordable rents in many cities and towns. According to a study, 46 percent of tenants in Canada would not be able to pay next month's rent if they were to stop working. The same study shows that women have been more severely impacted by the housing affordability crisis, especially during the beginning of the pandemic as many of them experienced unemployment while also having to deal with rising food and housing costs. In March 2020, women accounted for two-thirds of all job losses. Among workers aged 25 to 54 years, women represented 70 percent of all job losses. Another study draws attention to the fact that Indigenous and racialized communities are impacted by environmental racism, and this issue is interlaced with segregation and access to affordable housing. Indigenous homelessness in major urban areas ranges from 20-50% of the total homeless population, which is 11 times the national average.

Young families have also been finding themselves priced out of the market. From 2020 to 2021, Toronto lost about 15,000 children under 10, along with 21,000 adults between 25 and 44, to other areas of Ontario. The same phenomenon is experienced by lower- and middle-income households that are impacted by the lack of affordable options for homeownership and rental housing, which contributes to suburban sprawl. A study on commuting within Canada's largest cities shows that by moving into more affordable areas with sparse public transit, individuals and families become more reliant on car-centered neighborhoods, contributing to increasing transportation emissions. This situation is particularly concerning in Toronto and Montreal, as both cities continue to experience record-high population losses to surrounding areas. In this context of suburban growth, a report from Environment and Climate Change Canada shows that between 1990 and 2019, greenhouse gas emissions from the transport sector grew by 54%.

While the lack of homes to meet demand is one of the main causes of the rise in housing costs, the commodification of those few homes that are being built is a key factor driving up prices. The launch of Canada's National Housing Strategy in 2017 represents a 10-year, $72 billion plan to help reduce homelessness and improve housing affordability. The plan provides a much-needed government response to this issue. However, national guidelines sometimes do not work in the provincial context, which can limit the capacity of both federal and provincial agencies to act at the speed and scale that is needed to address this issue.

The housing affordability crisis is deeply interconnected to the climate crisis. How governments choose to tackle the lack of affordable housing will have serious consequences on Canada's efforts to limit greenhouse gas emissions. The lack of bold actions to address both issues can have grave effects in terms of exposing a community to extreme weather hazards, continuing to fuel cost of living and urban

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sprawl, affecting local carbon footprint levels and increasing natural resources exploitation. Such consequences end up affecting Canada's population in unequal ways, severely impacting women, low-income households, youth, Indigenous and racialized communities, and exacerbating societal and systemic inequalities that already run deep. These groups are more vulnerable to evictions and face limited housing choices which often are in deteriorating conditions, prone to natural disasters, and far from essential services. By prioritizing housing diversity in existing neighborhoods, cities can rely on walkable neighborhoods and transit-oriented developments, which contributes to inclusion and to the reduction of energy consumption for urban dwellers.

Communities are called to move forward and collaborate to develop holistic approaches that embed equity in tackling the climate crisis while enabling affordable housing for all. The housing crisis represents a challenge and an opportunity to develop sustainable, resilient and equitable alternatives to living together so that future generations can coexist in harmony with nature. Adopting a justice-based and a rights-based approach is critical to addressing the ongoing housing affordability and environmental crises.

2021 floods in Abbotsford, BC. Photo credit: Jonathan Hayward/The Canadian Press

DEVELOPING A BOLDER VISION FOR HOUSING AFFORDABILITY IN CANADA

In a 2019 article to the Office of the High Commissioner for Human Rights at the United Nations, Leilani Farha highlighted how the housing sector around the world has been transformed by the global market

and the financialization of housing, as governments and the economy continue to treat housing as a vehicle for wealth and investment rather than a social good.

As we envision just and equitable transition pathways to a zero carbon future, the public sector needs to take a leadership role in collaboration with communities to develop a bolder vision for housing affordability that treats housing as a human right, taking into consideration the unequal impacts of the ousing and climate crises, and accelerating a transition to a future in which no one is left behind.

> " **I believe there's a huge difference between housing as a commodity and gold as a commodity. Gold is not a human right, housing is.** "
>
> – Leilani Farha

The magnitude of the housing and climate crises requires collaboration at all levels of government as both crises are the result of deep systemic inequalities in Canada that are at the same time fueled by the current global economy. Climate migration is an example of the unequal impact of climate change globally with repercussions in communities as millions of residents are displaced from their homes by climate change.

The influx of new residents puts added pressure not only in big cities that are already unable to meet current demand for affordable housing, but also in small and mid-sized cities that are experiencing rapid growth and urban sprawl as individuals and families search for a place to call home.

What does collaboration across all levels of government look like in response to these two crises? A 2017 Evergreen report of London as a mid-size city in transition shows the potential of implementing a place-based approach in enabling community transformation. This approach is supported by planning, policy and governance frameworks that contribute to leveraging resources, developing innovative partnerships and policies such as basic income pilots, and strengthening local capacity to implement provincial and federal programs. While collaboration between governments is critical to support the development of regulatory frameworks that promote affordable housing and sustainability, communities have a role to play in building relationships, seeking out opportunities for collaboration, and fostering regular communications across sectors. The collective impact framework is a proven, structured approach to enabling cross-sector collaboration around a specific, complex issue. Communities in Canada and the United States have already applied collective impact to address homelessness, and there is potential in integrating this framework to support just and equitable transitions in communities. Another example is the Calgary-based Solutions Lab, which promotes a collaborative process whereby an interdisciplinary group of people come together to explore the factors that may influence the liveability and sustainability of affordable housing projects.

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Adopting a holistic vision of the housing affordability and climate crises requires a recognition of the global dimension of these challenges. Launched by the United Nations in 2015, the Sustainable Development Goals (SDGs) provide an integrated approach for communities to embed sustainability, equity and partnership development into decision-making. The 17 goals, 169 targets and 232 indicators, along with the SDG-aligned Canadian Indicator Framework, provide a comprehensive framework for local governments and communities to track progress and evaluate the impact of local, regional and pan-Canadian interventions. A guide for advancing the SDGs at the community level, released in 2021, contains a host of ideas and resources for communities looking to localize the goals.

As we have learned from exploring place-based approaches, collective impact and the SDGs, addressing complex issues like housing affordability and climate change requires a whole-community approach that engages everyone in addressing multiple problems at once. Multisolving is an approach that is emerging from the field of climate action and provides practical tools to help communities address interconnected issues. Communities in Canada and abroad are already exploring research, tools and stories through a multisolving lens to help accelerate climate action locally.

ADOPTING HOLISTIC SOLUTIONS TO ADDRESS HOUSING AFFORDABILITY AND CLIMATE

Moving beyond policy recommendations and towards action-oriented solutions that have multiple positive impacts is critical to responding effectively to the housing affordability crisis while ensuring climate justice and ecological wellbeing. When we adopt holistic solutions that address multiple challenges at once, we can reduce greenhouse gas emissions while advancing other SDGs, particularly in situations of complexity and rapid urbanization. Below are five examples of solutions that communities are exploring to address the housing affordability and climate crises.

Converting vacant buildings into affordable housing units

Vacant buildings have emerged in the downtown cores of many Canadian cities as remote work has become a necessity during the COVID-19 pandemic. Research has shown the potential of strengthening the local economy and supporting community resilience through the conversion or adaptation of vacant office buildings for social purposes. In Calgary, HomeSpace partnered with local organizations to launch Canada's first office tower converted into affordable housing. In Montreal, the City has a 2017-2022 Heritage Action Plan, in which it acknowledges the importance of converting vacant buildings for social purposes to protect heritage buildings and ensure access to essential community needs. Montreal has several examples of former vacant buildings that are contributing to support community resilience, including Projet Young, a temporary occupation of a vacant building for social entrepreneurs; Bâtiment 7, a community hub in a former industrial site, and the Royal Victoria Hospital, a heritage Hospital building turned into a shelter for refugees. As communities explore opportunities to convert vacant buildings for social purpose, it is important to assess regulatory frameworks and make room for flexible zoning bylaws that create more vibrant and equitable neighbourhoods.
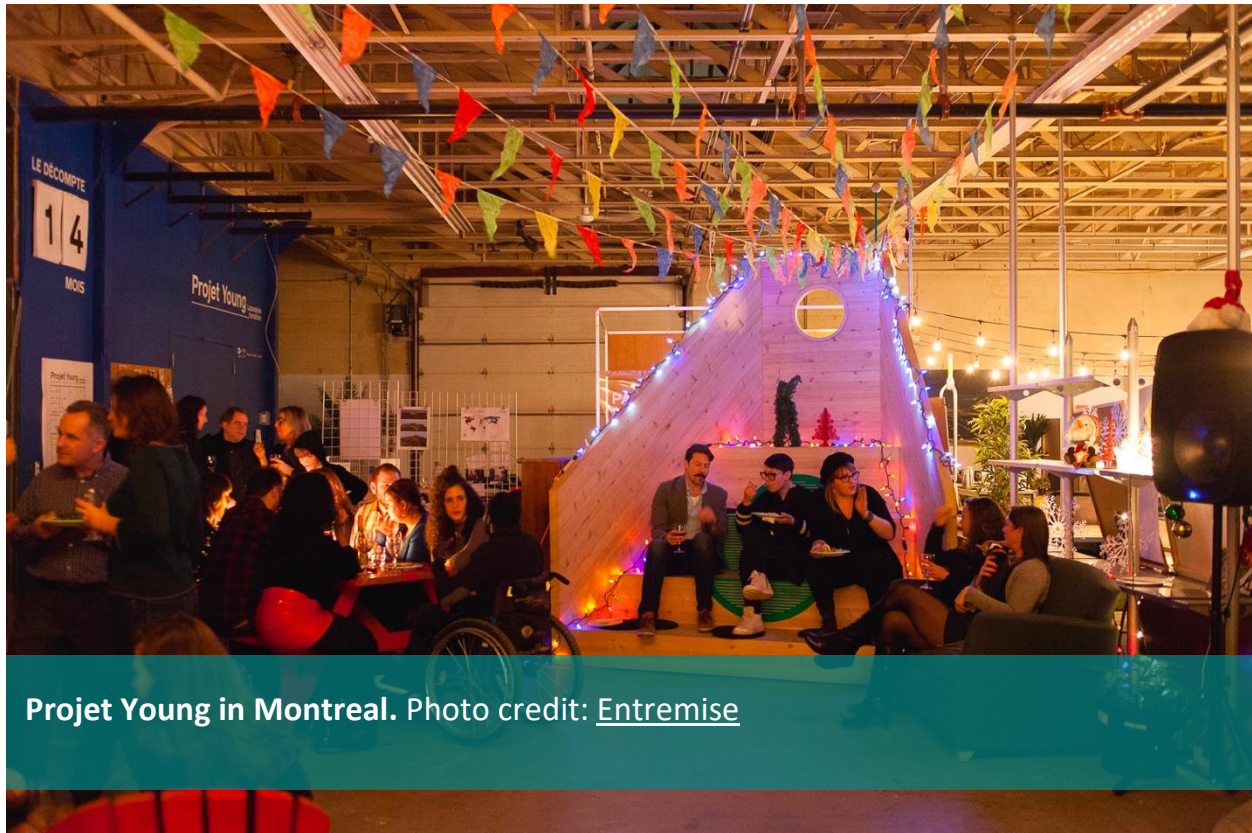
Projet Young in Montreal. Photo credit: Entremise

Retrofitting

Retrofitting older buildings is an effective way to reduce environmental impacts and energy consumption, while also improving quality of life and generating employment opportunities for the community. There are several retrofitting practices that can contribute to making older buildings more energy-efficient, such as replacing the roof, adding or rearranging windows for increased daylight, and replacing heating, ventilation and air conditioning systems with renewable technologies. We can lower energy costs, reduce maintenance requirements, increase the value and energy performance of the buildings, and reduce our environmental footprint.

Since 2016, Sustainable Building Canada has been working on a net-zero energy program, the Energiesprong, originally developed in the Netherlands, with a focus on the social housing sector. In addition to upgrading energy-consuming systems (e.g. recladding, switching out the mechanical systems, adding solar panels), the program intends to industrialize the process through the use of prefabrication and off-site assembly, which promote rapid deployment.

Recently, in 2019, the Federation of Canadian Municipalities has launched through the Green Municipal Fund the Sustainable Affordable Housing initiative. The new program aims to support municipal providers, not-for-profit organizations, and housing co-ops to retrofit existing affordable housing units, or construct new ones to net-zero standards, lowering greenhouse gas emissions.

EarthNet, the new social action network for the environmental movement, recently launched the Retrofits Hub as a virtual space for knowledge sharing, connections and collaboration among retrofit experts in Canada and around the world.

Passive houses

One of the most forward-thinking initiatives to meet both environmental and housing affordability goals is the use of passive approaches for design and construction to significantly reduce energy consumption, resulting in lower energy costs for owners and tenants.

McQuesten Lofts, an example of affordable housing that follows passive house standards in Hamilton.
Photo credit: TreeHugger/Invizij Architects

Most Canadian homes are not designed using passive principles; they often have inefficient shapes, are generally not oriented towards the sun, and experience significant shading, particularly during the winter. Passive design refers to "any technologies, construction methods or other strategies that increase energy efficiency, reduce operating costs and improve indoor environmental quality, without the need for expensive and overly complex mechanical or energy systems". There are several high-performance labels and standards to support passive design interventions, including the Leadership in Energy and Environmental Design (LEED®), with certification programs delivered by Canada Green Building Council (CaGBC), and the Canadian Home Builders' Association's Net Zero Energy Housing Labelling Program.

In addition to passive design solutions, frameworks and guides are emerging to help ensure that new multifamily residential buildings include both climate mitigation and adaptation design solutions. Developed by researcher Ilana Judah in partnership with the University of British Columbia, BC Housing and the Pacific Institute for Climate Solutions, the Integrated Building Adaptation and Mitigation Assessment (IBAMA) framework helps design and development teams identify solutions to increase a building's resilience to climate hazards and prioritize effective adaptation strategies while also optimizing GHG emissions reduction for the building. In the long term, IBAMA has the potential to

influence building codes and standards to promote best practices for mitigation and adaptation in Canada's construction industry.

Inclusionary zoning

Another approach to ensuring that cities increase the supply of affordable housing and promote mixed-income, inclusive communities is inclusionary zoning. This planning tool, normally used by local decision-makers, is a law, regulation or voluntary incentive to encourage or require developers to reserve a percentage of the new units for lower-income residents. Additionally, by promoting inclusionary zoning in denser and existing neighborhoods, we ensure lower-income residents' access to public amenities, opportunities and transit, reducing distances and car dependence. Recently, the City of Toronto has adopted an Inclusionary Zoning Policy that requires a minimum percentage of new private residential developments to include affordable housing units to create mixed-income housing and address housing affordability. Still under discussion, the city of Mississauga aims to require a parcel of units at affordable rates in new developments located in projected major transit areas.

Alongside inclusionary zoning, there are other examples of policies and programs that can help keep homes affordable and prevent urban sprawl due to rising costs. One such program is Canmore Community Housing's Vital Homes Program, which provides homes at below-market rates to eligible community members and uses resale and rental price formulas, indexed to inflation, to ensure that the investment and prices are retained for future residents.

Backyard homes

To meet emerging housing demand, cities across Canada are expanding permissions to allow residents to build backyard homes on existing properties. Separated and detached from the main house, the backyard homes, also called garden suits or infill houses, could increase the supply and type of housing available. It also enables new residents to access existing infrastructure and services, making them viable and more efficient. This tool is therefore a useful solution to address both affordable housing and climate action. Based in Edmonton, Calgary, and Winnipeg, the Canada Backyard Housing Association has been advocating for the implementation of backyard housing through educational workshops, webinars and events. The requirements for building a backyard home depend on each city's zoning bylaws. In Edmonton, for example, every unit must provide its kitchen, bathroom, bedroom and living space, while in Victoria they are intended to be long-term rental housing, prohibiting vacation rentals.

Related to backyard homes is the tiny homes movement, which is gaining traction in Canada and worldwide. Tiny homes (typically defined as units under 400 square feet) are by definition more affordable and are also associated with a much lower carbon footprint. One study of 80 people who downsized to tiny homes across the US found that their ecological footprints were reduced by about 45%, on average.

TAKING ACTION LOCALLY

Given the complexity of the housing affordability and climate crises, translating frameworks and policies into actions can sometimes seem daunting. Inspired by this article on climate justice and housing affordability, as well as the insights from adopting a collective impact and multisolving lens, below are some initial questions to consider in mobilizing local leadership and developing community solutions to address housing affordability and the climate crisis:

- How are your project's goals supporting both social and environmental justice to strengthen community wellbeing?
- Have you engaged with your local governments and other key stakeholders involved in the policy processes?
- How active has your community been in addressing housing affordability and climate issues?
    - In what ways has the community engaged in developing local solutions?
    - What are the opportunities to improve how we work together?
    - How are we committing to building trust?
- How are we co-leading with equity seeking communities and how are we putting them at the front of the line when allocating resources?

Photo credit: Tim Mossholder

Dive deeper
- Learn more about Community Climate Transitions.
- Find out more about the Climate Transitions Cohort and sign up for our newsletter to stay tuned to latest updates, events and publications.

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