

City of Saint John

Governance Reform for Housing Study

Growth Committee Update – Nov. 19, 2024



Governance Reform Timeline

- Sept 26/22** Common Council Resolved that the City Manager investigate the creation of a Municipal Housing Entity (MHE) for the City of Saint John to implement the Affordable Housing Action Plan and any other initiatives that may address the housing crisis in Saint John.
- Oct 3/22** Common Council adopted the Affordable Housing Action Plan, which included Action 6, b) “the City will investigate in 2023 potential governance enhancements that could accelerate the outcomes of the Affordable Housing Action Plan”
- Apr 11/23** Growth Committee gave direction to staff to delay investigation of governance reform in favour of the City making an application to CMHC for the Housing Accelerator Fund (HAF), which included Initiative 8 – Governance Reform.
- Jan/24 to Aug/24** The City signed a HAF Agreement. An RFP was issued in May to select a qualified consultant. SHS was selected to conduct a gap analysis of the current non-profit housing sector and investigate possible governance reform models, including an MHE.

The Study Process – Key elements

Purpose:

To investigate, at the municipal level, possible governance reform models, including a Municipal Housing Entity, to achieve the City of Saint John's goals related to improving housing affordability, while balancing fiscal constraints.

- **Part A – Existing Conditions Assessment and Gap Analysis (Sept. 2024 to Nov. 2024)**
 - Profile of housing providers, programs and policies
 - Preferred future – towards a more ideal system
 - Identify functional gaps
- **Part 2 – Housing Governance Reform Analysis (Nov. 2024 to March 2025)**
 - Confirming objectives/criteria
 - Identify and evaluate potential models
 - Develop recommendations and report out

The Big Picture: Housing Hierarchy & Mandated Roles

Federal

- National Housing Strategy and associated initiatives
- CMHC programs, research and data

Provincial

- Social Development and Housing NB as primary leads
- Various other functional areas related to housing and homelessness

Regional

- Regional Service Commissions (newer entities)
- Agencies, Boards, Commissions and organizations (Public & Non-profit)

Municipal

- Land use planning and approvals
- Growth management and disposition of local lands

The Big Picture: Current Context

Federal

- Midway through NHS, a generational investment
- Myriad of initiatives, some more effective than others
- Expansion of different partnership arrangements
- Launch of HAF to kickstart supply and foster systemic changes
- Complementary other policy initiatives to spur development/affordability

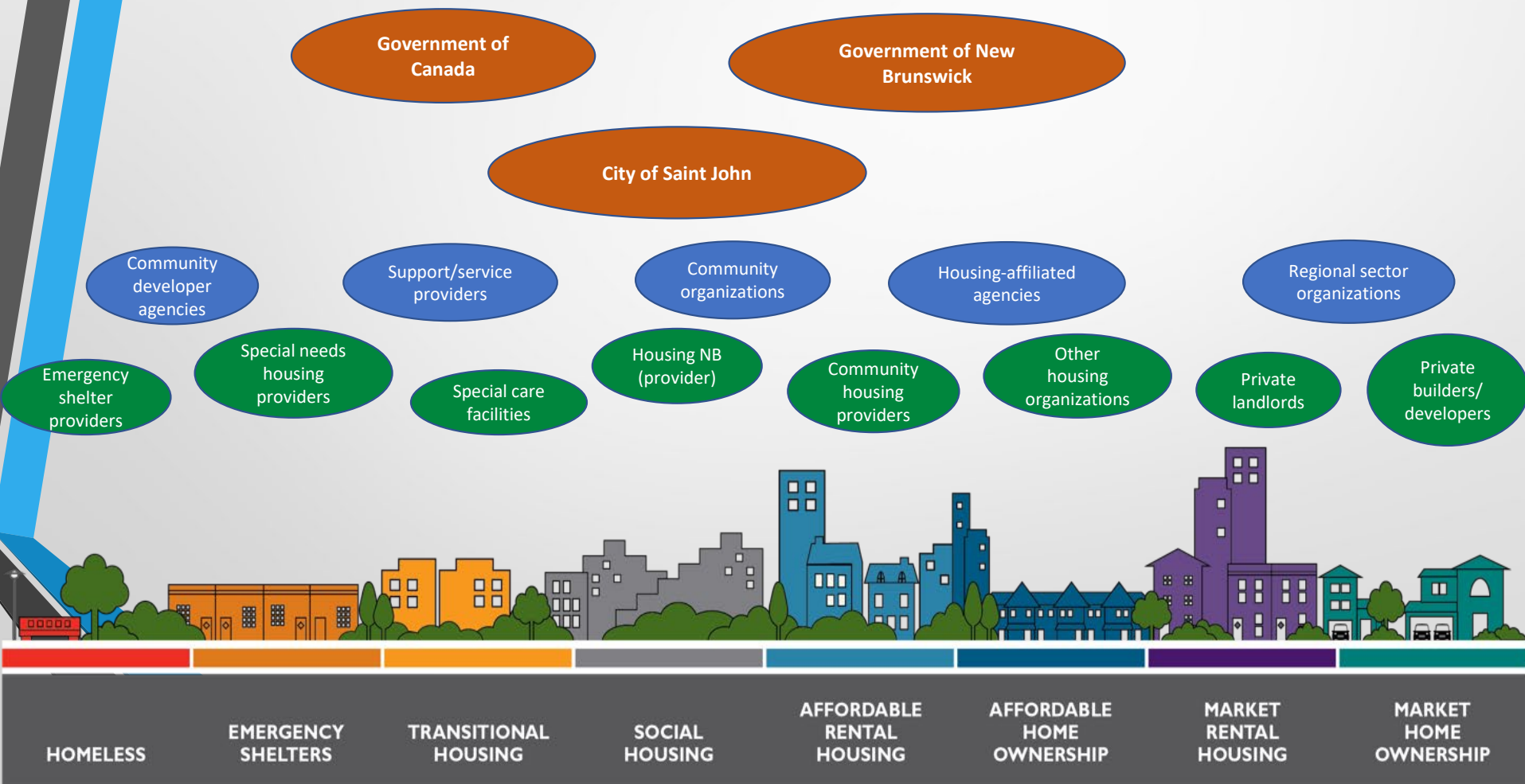
Provincial

- Adoption of New Brunswick Housing Strategy – A Home for Everyone (2019-2029)
- Shift in Housing NB role to more active crown corporation
- Emergence of initiatives to address homelessness
- Establishment of RSC's with social-oriented mandate
- Regional Development Corp. seeding grants (in-direct)

Local Landscape: Current Context

- Affordable Housing Action Plan (2022) adopted
- Some modest progress on Action Plan strategies
- Sustained pressures in the housing market
- Finite housing supply and tightening affordability
- Notable expansion of encampments and unhoused
- More community partners pursuing options to address housing & homelessness
- More established housing presence at the City
- Funding secured and rolled out for RHI projects
- HAF funding secured and moving forward with multiple initiatives
- A number of housing projects are 'in the pipeline', including supportive units
- Created functional role for homelessness response
- Adoption of 'Housing for All' homeless strategy (2024)

Local Landscape: The Housing Ecosystem



Local Landscape: Housing proponents

Traditional community housing providers

- Saint John NPHC
 - Existing – 500+ units (owned)
 - In-process – n/a
 - Planning - 100+ units
- Housing Alternatives/ Rehabitat
 - Existing – 900+ units (owned or managed)
 - In-process - 30 units
 - Planning - 60 units

Other housing providers

- Kaleidoscope Social Impact
 - Existing – 6 beds (temp.)
 - In-process – 51 units
 - Planning – continued expansion + advancing Building SJ Fund (\$\$)
- Outflow Shelter
 - Existing – 67 beds
 - In-process – 9 units
 - Planning – 6 units
- Habitat for Humanity
 - Existing – +/- 20 units
 - In-process – 2 units
 - Planning – 6 units

Local Landscape:

The broader community

Notable other entities

- Housing NB (SJ only)
 - Existing - +/- 1,200 units
 - Rent Supp. - +/- 900 units
 - Planning – up to 80 units
- Steepleview Developments (NP)
 - Existing – 85 units
 - Planning – 56 units
- Other locals (existing units)
 - SJ Homelessness Hub - 60 beds
 - Coverdale - 21 bed shelter + Rose House (12 transitional units)
 - Partners for Youth – 10 beds

Private sector

- Fundy Harbour Group (Fundy Quay)
 - Mixed rentals planned (new construction w/ affordable)
- W/L Holdings (99 King St.)
 - Mixed rentals planned (new construction w/ affordable)
- Vacant to Vibrant
 - 24 units in progress (renovation/rehab.)

Affiliated

- SJ Land Bank

Local Landscape: The City

Programs

- RHI program delivery
- HAF – various initiatives
 - North end secondary plan
 - Housing concierge program
 - Unlocking gentle density
 - Capital affordable housing
 - Leveraging public/residential land
 - Zoning bylaw reform
 - E-permitting
 - Governance review
- Affiliated initiatives
 - Implementation of the SJ Affordable Housing Action Plan
- Dangerous & vacant building program

Tools/Incentives

- Targeted HAF grants (construction challenges, missing middle, revitalizing rental stock)
- Affordable housing soft cost grant
- Affordability housing grant
- Urban development incentive

Policy and regulation

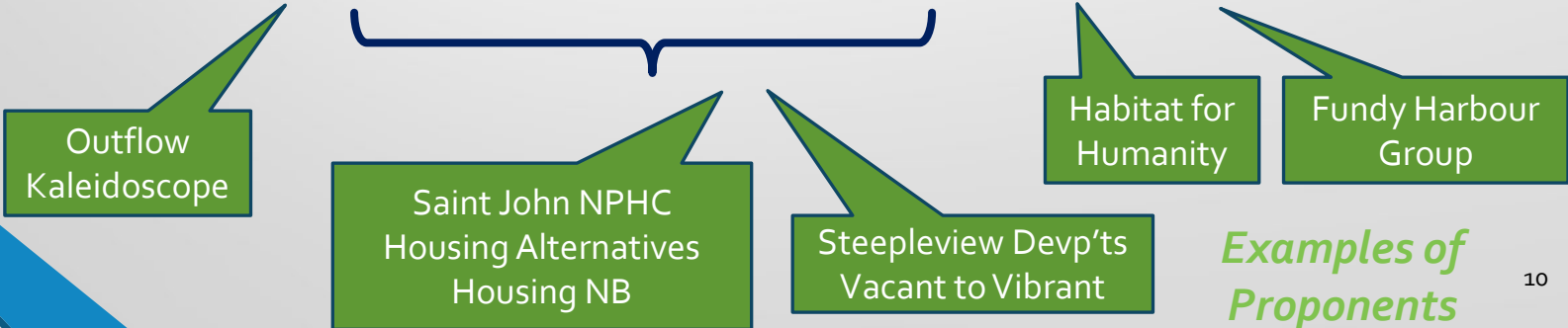
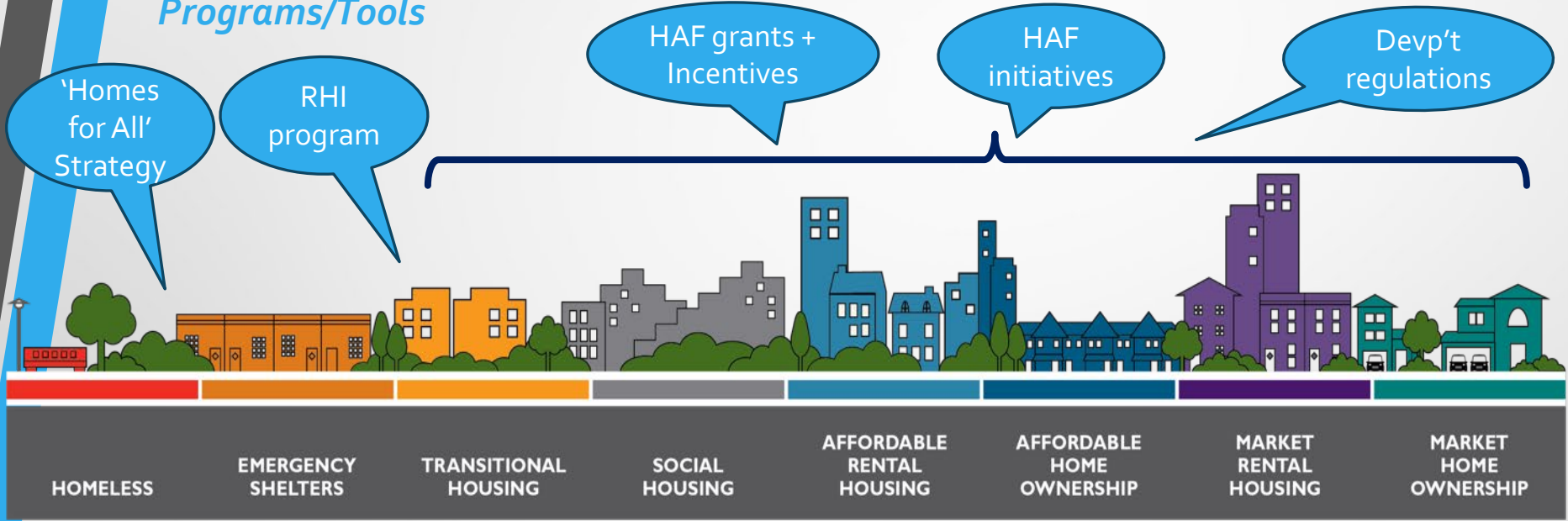
- Development regulations
- Streamlined approvals and processes (One-stop development shop)
- Property standards enforcement

Housing and homelessness

- Coordinating local response under provincial umbrella
- Actioning the SJ 'Homes for All' strategy

Local Landscape: Active areas and gaps

Examples of Programs/Tools



Examples of Proponents

Local Landscape:

Observations around gaps

- Proponents are accessing housing and incentives programs, both locally and at other levels
- They are pursuing development and have had some progress to date, more projects in the pipeline or planning stages
- Diversity in types of housing being developed across the affordability spectrum, oriented to different groups/needs
- Emergence of more supportive forms at smaller scale in response to homelessness issues
- Overall focus tends to be on development of new units, less so on renovation/rehabilitation of existing stock
- Limited engagement with private sector generally and in terms of activity in the mid-market

Stakeholder observations:

Overview

- Drawn from Key Informant interviews with:
 - A cross-section of community stakeholders involved with housing development – public + private (8)
 - City staff working in key areas related to housing (5)
- General observations
 - Recent infusion of external funding is helping to foster housing activity and the creation of new units, not as much in area of reno/rehab
 - City facilitation of programs and approvals is having an overall positive effect, but coordination is required
 - Efforts to streamline and support development are welcome but limited appetite for additional bureaucracy
 - There remains a lack of clarity around defined roles, responsibilities, coordination and alignment within the local housing system

Stakeholder observations:

Perspectives on current City role

Challenges

- Assuming some programs more troublesome than expected, others less so
- Coordination internally between departments is better but still room to improve
- Private sector engagement remains a work in progress
- Homelessness has 'absorbed a lot of oxygen in the room'
- Questions linger about having the necessary resources to get the job done

Opportunities

- Clear support for delivery of incentives and pre-development assistance
- Project facilitation and applicant advice are welcome
- More collaborative and inclusive engagement with community partners
- Connecting partners and development proponents
- Providing leadership/planning to address issues, focus on priorities
- Advocacy to higher levels of government

Stakeholder observations:

Perspectives on Community role

Challenges

- Capacity & knowledge among smaller proponents is lacking
- Program rules not always suitable, especially for smaller project realities
- General system awareness & coordination among stakeholders
- Limits to financial resources and ability to assume risk

Opportunities

- Established proponents' ability to continue delivering housing
- Newer proponents are getting more actively involved
- More options to access social investment and land
- Interest in broader mix of housing types being developed
- More room for dialogue and engagement with City

Stakeholder observations: Perspectives on Municipal Entity

Challenges

- Not resourced for discretionary work
- Concerns about added layers in a relatively small but established ecosystem (i.e. diverting resources)
- Having meaningful community say and autonomy in setting agenda/direction
- Limited City housing experience 'on the ground', reliant on partners
- Risk of shift in focus away from community capacity/investment

Opportunities

- Formalizing role would provide clarity on service boundaries/focus
- Continuity and alignment with existing City functions
- Access to City resources

Stakeholder observations: Other Perspectives

Challenges

- System issues with coordination and awareness
- Structure and mis-alignment of certain government programs and initiatives

Opportunities

- RSC's may provide greater access to provincial RSSF \$'s
- Heighten awareness and attention to housing issues

What this points to...

Emerging directions

- There is a role for municipal government in housing, but it should be scoped
- Stakeholders are wary of adding more bureaucracy to the system
- Concerns about ability to sustain role in absence of senior government funding
- Working with partners more collaboratively would yield more beneficial results

Unknown factors

- RSC's and the role they will have regarding housing and homelessness
- Possible shift in provincial perspectives on housing role with new government
- Implications of a federal election on the current offering of federal programs in the future

What this points to...

Areas of consensus on role

- Facilitation and project approvals
- Fostering partnerships, connecting stakeholders
- Advocating with other levels of government
- Being strategic in planning and leadership, public education
- Providing incentives, marshalling available resources
- Do NOT be a developer entity or owner/operator

Divergent opinions on role

- Long term engagement on homelessness
- Degree to which municipality should take on risk
- Level of municipal investment
- Scope of accountability measures
- Degree and focus of capacity building

Next steps in process

- Establishing governance principles
- Determining evaluation criteria
- Defining prospective models for evaluation

