

Tools that municipalities can use to facilitate the creation of social and community housing in their territories and limit the loss of private affordable housing

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Note: a very important factor for tools 1 to 4 to be successful is their timing compared to revisions of official plans and zoning by-laws. In fact, they should be implemented before changes in the existing legislation increase the value of specific properties or areas, for example by authorizing more lucrative use (e.g., from industrial to residential) or denser development. There are regional orientations affecting land values that local authorities cannot control, like those for major public transit. Yet, municipalities should use the general principle of cooling down the cost of land within their territories. For nonprofit actors the biggest barrier in developing social and community housing is increasingly more the purchase of properties, not least because the available government funds are often proportional to construction costs and/or the number of produced units, regardless of the cost of land.

1 – Expropriation

REF: *Act respecting land use planning and development*, CQLR c A-19.1,
<https://canlii.ca/t/55fb6>, 145.41.5

Under Quebec planning law there are several conditions, like vacancy and deterioration, for which a municipality can expropriate a real property. Additionally, the provincial [Expropriation Act](#) authorizes governments of all levels to expropriate land for public purposes, and there is growing consensus that social and community housing meet this requirement. The current draft of the CMM's [Politique métropolitaine d'habitation](#) included expropriation among the tools that municipalities should consider to acquire expensive properties (p. 26). Once a property is expropriated, municipalities can sign long-term leases re-sell to non-profit actors to recover from acquisition costs and loss of tax revenue. Covenants imposing perennial non-profit use should be part of these agreements.

2 – Land purchase

In favorable market conditions, municipalities can buy land on the market as any private actors. Montreal's [Right of First Refusal](#) by-law facilitates this task by prioritizing all public administrations on the island when preselected properties are on sale. At the same time, municipalities have no control over the selling prices. Thus, they should use this tool with discretion to reduce speculation, for example by informing only the interested landowners while keeping their lists confidential. Similarly, this tool should be used in a gradual and distributed fashion to avoid spatial and temporal concentrations that can increase prices.

3 – Affordable, social, or family housing inclusionary by-laws

REF : *Act respecting land use planning and development, CQLR c A-19.1*,
<https://canlii.ca/t/55fb6>, 145.30.1

Like Montréal's [Métropole mixte](#), any municipality can introduce inclusionary housing by-laws, whereby a portion of developments include social or community housing. To be noticed that Montréal has so far failed in terms of *actual* inclusion, both because of the city's limited financial capacity to purchase turnkey units, and the overestimation of monetary contributions (which developers are free to opt for) in times where construction costs were rising. This suggests the preference for a system that focuses on reserving land in large sites (and that explores land assembly opportunities with neighboring sites) to provide enough room for a proper and spatially independent nonprofit housing project. Monetary contribution should be accepted only when the above is impossible and should require special authorization. Finally, communication about the proposed by-law should be free of misunderstanding. For example, it is conventionally assumed that Montréal requires that 20% of the units being social or community housing while, in fact, this percentage applies to the number of market units (for an final contribution of 16.7%).

4 – PPCMOI (*Projets particuliers de construction, de modification ou d'occupation d'un immeuble*)

REF : *Act respecting land use planning and development, CQLR c A-19.1*,
<https://canlii.ca/t/55fb6>, 145.36-40

This tool allows the derogation of zoning by-laws on an application basis, provided that a municipality has a dedicated by-law in place. While, in general, citizens have the right to ask for a referendum as part of PPCMOI approvals, social and community housing projects are exempted (see 123.1. in the planning act). For the inclusion of these housing projects, it's important that zoning by-laws are restrictive enough to cool down property values and, toward the same goal, that a demand for a PPCMOI can be submitted across the entire municipal territory. Among its criteria or performances of approval, the by-law should include long term affordable housing targets (and not just aspects concerning the form, use, and access of buildings). The limit of the tool is that, given its exceptionality, it's more expensive to pursue, and applicants need approval from most of the elected officials. A way to facilitate social and community housing projects it would be to exempt from procedural fees, at least in case of rejection.

5 – Reuse of public surplus land

Local municipalities often own underused land (e.g., parking lots) that can be leased or sold for social and community housing purposes, as done in [Verdun](#). Covenants for perennial non-profit use should be used.

6 – Letters in support of community/social housing projects.

These are often required by government funding agencies to finance specific projects. It's essential that local administrators are fast and collaborative in providing them.

The creation of social and community housing remains limited unless private rental housing is kept affordable. In addition to housing law enforced by the [Quebec's Housing Tribunal](#), local municipalities can leverage planning tools and regulations to facilitate affordability and counter the loss of private affordable rental housing.

7 – Rental zoning

REF : *Act respecting land use planning and development*, CQLR c A-19.1, <https://canlii.ca/t/55fb6>, 145.31-35

Local municipalities can restrict the use of residential and mixed-use areas to rental purposes. This measure can be particularly effective in already affordable rental areas where buildings risk to be converted into condominium structures. In Montréal, working class neighborhoods such as Rosemont and Verdun have been ravaged by these types of conversions. In conjunction with provincial housing legislation, exceptions can still allow homeowners and their family members to occupy units in these properties. Yet, attention must be paid to the clauses of this kind of by-law. For example, exceptions for undivided condominiums made conversions continue regardless.

8 – Tenant's relocation strategy for rezoning projects

While municipalities have no power in refusing permits for 'as-of-right' renovation and rebuilding that follow evictions, the approval of rezoning projects is conditional to several performances depending on local by-laws. These can include, as in the case of Montréal, the 'social and cultural components' of proposals. Despite the weak consideration that has been given to this scope, local municipalities can fulfill it by requiring a tenant's relocation strategy. This should include proofs-supported information about how agreements between landowners and tenants were reached.

9 – Interdiction of units' merge and subdivision

Local municipalities can further limit loss of affordable rental housing by passing by-laws that interdict the merge and subdivision of units within buildings, as done by [several boroughs in Montreal](#). Again, exceptions about the number of units in one building and their size can water down the initial purpose of the by-law, thus should be considered carefully in any specific context.

10 – Interdiction of short-term rental activity

Short term rental activity is responsible for removing affordable rental options (see [link](#)). Municipalities can interdict this use of properties and perform inspections based on the online database of corporate providers.

11 – Mandatory rent registry

Publicly accessible and publicized by local municipalities on their website, rent registries discourages abusive rent increases. Montreal is about to introduce a mandatory register for properties including at least 8 units (see [link](#)).

12 – Increased building inspection

Increasing the number of inspections facilitates the preservation of housing in good conditions, enhances local knowledge about the housing stock, and generates revenues from fines. A telephone line and email address can be created and publicized.

Document created in Tiohti:áke on August 8, 2022.