

**Bill #2**  
**Inclusionary Housing Act**  
Moved by: Registrar General

**WHEREAS** “Canada’s house prices have grown nearly three times that of household income since 2000.”<sup>1</sup>

**WHEREAS** “About 35 percent of Toronto's population rents, but only six per cent of the housing supply added between 2011 and 2016 was rentals.”<sup>2</sup>

**WHEREAS** “increased neighbourhood diversity allows a wider range of residents to invest themselves in the community”<sup>3</sup>

**THEREFORE HER MAJESTY, BY AND WITH THE CONSENT OF THE YOUTH PARLIAMENT OF MANITOBA, ENACTS AS FOLLOWS:**

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**Purpose**

1. The purpose of this Act is to
  - a. Establish **HOME**;
  - b. Outline mixed-income housing requirements;
  - c. Create enforcement measures for non-compliance by private developers;
  - d. Establish subsidies for private developers, small businesses and corporations.

**Definitions**

2. The following terms shall be defined for the purposes of this Act:
  - a. **Affordable housing:** Housing units limited to occupancy by individuals whose household income does not exceed a certain level
    - i. Affordable housing costs no more than 30% of household before-tax income, in accordance with the city’s cost of living
  - b. **Market-rate housing:** Housing units whose cost is solely determined by supply and demand within the housing market. This is the “default” type of housing available.

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<sup>1</sup> Cox, Wendell, & He, Ailin. *Canada's Middle-Income Housing Affordability Crisis*. Winnipeg, Manitoba: Frontier Centre for Public Policy, June 2016. (pp. 5-10).

<sup>2</sup> Tencer, Daniel. “6 Things Canada Could (But Won't) Do To Solve The Housing Crisis.” *HuffPost Canada*, HuffPost Canada, 6 May 2019, [www.huffingtonpost.ca/2019/05/04/canada-housing-crisis-solutions\\_a\\_23721633/](http://www.huffingtonpost.ca/2019/05/04/canada-housing-crisis-solutions_a_23721633/).

<sup>3</sup> Mckenzie, Kevin Hinton & Ryan. “Rich Folk Poor Folk: Mixed-Income Housing.” *BCBusiness*, Canada Wide Media Limited, 7 Mar. 2011, [www.bcbusiness.ca/rich-folk-poor-folk-mixed-income-housing](http://www.bcbusiness.ca/rich-folk-poor-folk-mixed-income-housing).

- c. **Mixed income developments/neighbourhoods:** Developments that serve households at low-, middle-, and high-income levels. They combine both affordable housing and market-rate housing.
- d. **Private developers:** Property developers within the private sector who acquire buildings or land to construct or refurbish.
- e. **Major city:** A city in Canada with a population of at least 40,000 people
- f. **Rent control:** A government restriction on the amount and rate that rent can be raised by each year.

### **Establish HOME**

- 3. The Housing Organization for Mixed-income Equity [**HOME**] is hereby established as a public oversight agency within all major cities in Canada

### **Mandate and Powers of HOME**

- 4. **HOME**'s mandate is to
  - a. Define mixed-income housing requirements;
  - b. Establish rent controls on mixed-income housing developments;
  - c. Establish enforcement measures for non-compliance; and
  - d. Provide incentives and subsidies to developers and local businesses
- 5. **HOME** will require cities to undertake a study of housing needs in that city, and based on those results develop guidelines to implement inclusionary housing
  - a. These studies are required to be completed within 1 year and updated every 5 years
- 6. **HOME** provides oversight to both public housing and private developers.

### **Affordable housing requirements**

- 7. Based on the results of a city's study, **HOME** will:
  - a. Require that all new housing developments be mixed-income housing.
    - i. 30-50% of units must satisfy affordable housing standards, in accordance with the city's cost of living.
    - ii. Profits generated from that development's market-rate units can be used to subsidize the affordable units.
  - b. Require that developments must include at least 40% for-ownership housing.
- 8. These regulations will be enforced in:
  - a. Low-income neighborhoods;
  - b. City centres; and
  - c. Suburbs.

### **Establishing rent controls**

- 9. **HOME** will establish a rent control in all major Canadian cities.
  - a. Rent prices in these cities cannot be raised by more than 10% over a 3-year period.

## **Enforcement**

10. Failure of cities to comply with the regulations of **HOME** will result in substantial fines.
  - a. Failure to complete their studies of housing needs within one year will result in a fine of 1% of that city's annual property tax revenue.
  - b. Failure to comply with Clauses 7-9 will result in a fine of \$5000-\$10,000 per housing project violating **HOME** guidelines.
11. Failure of private developers to comply with regulations implemented by **HOME** may result in:
  - a. A fine of 5% of developers' annual revenue for first offence, and increasing by 5% for each repeated offence
  - b. An outright denial of the housing project after the third offence.

## **HOME Subsidies and Incentives**

12. **HOME** will offer government-funded grants to private developers to fund projects including, but not limited to:
  - a. Grocery stores
  - b. Shops and entertainment
13. A 10% tax credit will be offered to small businesses and corporations who establish a store-front in mixed-income neighborhoods