

**Bill #2**  
**The Affordable Housing Supply Act**  
Moved by: Minister of Revenue

**WHEREAS** Canada has a shortage of affordable housing crisis, requiring an additional 3.5 million affordable housing units by 2030 to restore housing affordability;<sup>1</sup>

**WHEREAS** reform of land use regulations and zoning are effective in increasing the supply of affordable housing units;<sup>2</sup> and

**WHEREAS** housing tax reform including specific tax incentives are effective in increasing the supply of affordable housing units.<sup>3</sup>

**HIS MAJESTY, by and with the advice and 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 **HOUSING** with the mandate set out in section 4;
  - (b) End overly-restrictive zoning practices in Canada;
  - (c) Increase affordable housing supply in Canada;
  - (d) Incentivize urban density; and
  - (e) Reduce the financial burden of housing on lower income Canadians.

**Definitions**

- 2** The following definitions apply in this Act.
- (a) **Zoning**: Laws enacted by municipalities and planning districts to regulate the use and development of land and buildings.

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<sup>1</sup> Canada's Housing Supply Shortage: Restoring affordability by 2030. Canada Mortgage and Housing Corporation. June 23, 2022.  
<https://www.cmhc-schl.gc.ca/blog/2022/canadas-housing-supply-shortage-restoring-affordability-2030>.

<sup>2</sup> Calder, Vanessa B. "Zoning, Land-Use Planning, and Housing Affordability." Cato.org, October 18, 2017.  
<https://www.cato.org/policy-analysis/zoning-land-use-planning-housing-affordability>.

<sup>3</sup> Li, Jinyan. "Chapter Five Tax Reform: A Missing Piece in Canada's National Housing Policy." *Dangerous Opportunities*, 2021, 101–30. <https://doi.org/10.3138/9781487533267-007>.

- (b) **Unit:** Any structure or part of a structure, including but not limited to a single-family home or apartment which can be used as a home residence.
- (c) **Vacant land:** Any land that does not have at least one permanent occupant.
- (d) **Single-family zoning:** Any residential land use zone that imposes the requirement that dwellings on the land within be constructed only for single families.
- (e) **Commercial zoning:** A land use zone that accommodates commercial occupants.
- (f) **Multi-family zoning:** A residential land use zone with no limit to the amount of occupants a dwelling can accommodate.
- (g) **Mixed use zoning:** A land use zone that accommodates both commercial and residential occupants.
- (h) **Affected Cities:** Any city with a population of more than 100,000
- (i) **Permanent Occupant:** One or more individuals who reside on a property as a primary residence more than 75% of the year, pursuant to an agreement with the property owner or as the property owner.
- (j) **Attached Unit:** A unit located within a building containing two or more units.
- (k) **Canada Revenue Agency:** The federal agency responsible for Canadian tax administration.

### **Establishing HOUSING**

**3** The Housing Options Underpinning Scalability in Neighbourhood Growth [**HOUSING**] is hereby established.

### **Mandate and powers of HOUSING**

- 4** The mandate of **HOUSING** is to
- (a) Establish national land use zoning in accordance with this act;
  - (b) Ensure enforcement of all provisions within this act; and
  - (c) Support municipalities with reduction of permit backlogs.

### **Structure of HOUSING**

- 5** The Director of **HOUSING** shall be appointed at the discretion of the Premier and is responsible for overseeing the creation, employee acquisition, training, and functions of the following departments
- (a) A legal department responsible for the enforcement of this act at all levels; and
  - (b) A permit processing department responsible for supporting municipalities by
    - (i) Processing permit applications at the request of the local authority responsible for any affected cities in accordance with relevant laws.

### **National Land Use Zoning Designations**

**6** The following land use zoning designations are available under this act and are collectively referred to as National Land Use Zoning:

**(a) Multifamily Land Use Zone**

- (i) Occupants of land with this designation must do so for residential purposes.
- (ii) Land with this designation has no restrictions on the amount of residential occupants it may accommodate.

**(b) Mixed Land Use Zone**

- (i) The primary occupant of land with this designation must do so for commercial purposes; however
- (ii) Additional residential occupants are permitted.

**7** National Land Use Zoning requirements take precedence in the event of conflict with any local laws or zoning.

### **National Land Use Zoning Implementation**

**8** Effective February 1st, 2024, all land located within cities of 100,000 or more residents are hereby subject to National Land Use Zoning; and

**9** Pursuant to the effective date in Section 8, all land meeting any the following criteria located within affected cities are designated as Multifamily Land Use Zones and thereby subject to the requirements in Section 6.

- (a) Residential purpose land with any single-family zoning requirements.
- (b) Affected by any municipal or residential laws in any manner, restrict the maximum number of permanent occupants that a dwelling located within may accommodate.

**10** Pursuant to the effective date in Section 8, all land meeting any the following criteria located within affected cities are designated as Mixed Land Use Zones and thereby subject to the requirements in Section 6.

- (a) Non-industrial, commercial purpose land affected by municipal or provincial requirements which prevent additional occupancy by residential occupants.

### **Requirements for obtaining permits**

**11** Effective March 1st, 2024, any permit application for land with a National Land Use Zoning designation may be approved only if at least one of the following criteria is met

- (a) The application for a new construction for a structure which accommodates at least two distinct occupants;
- (b) The application is for a renovation or addition to an existing structure that can accommodate two or more distinct occupants; or includes the construction of an additional unit capable of housing another distinct occupant;
- (c) The purpose of the permit is not for cosmetic change or increasing a structure's living space; or

- (d) The land is owned by an educational institution, registered non-profit, or registered charity.

### **Application process for permits**

- 12** Permit applications affected by Section 11 shall be processed by the normally responsible local authority as designated by the local government relevant to the property within each permit application; however
  - (a) The total amount of fees charged in processing any building permit application must not exceed \$1000.00 Canadian dollars; and
  - (b) Processing times for any permit application must not exceed 30 business days; and
  - (c) In the event that processing is not completed by the 31st business day then the applicant may proceed immediately with the activities outlined in the application.

### **Tax credits for owners of attached units**

- 13** Owners of attached units may apply for the following tax credits, pursuant to Section 16, should they fulfill the associated requirements:
  - (a) A yearly, non-refundable \$300 tax credit for an attached unit located within a building containing two or more units;
  - (b) A yearly, non-refundable \$600 tax credit for an attached unit located within a building containing three to four units; or
  - (c) A yearly, non-refundable \$900 tax credit for an attached unit located within a building containing five or more units.
- 14** A maximum of one tax credit may be claimed per unit.
- 15** Rented rooms and units used as university or college residence are not eligible to receive any tax credits.
- 16** Tax credits under Section 13 will be administered annually by the Canada Revenue Agency in accordance with this act; and the Canada Revenue Agency will create and administer application processes at its discretion.

### **Taxation of vacant land**

- 17** Vacant land with a National Land Use Zoning designation will be taxed at an annual rate of 3% of its assessed value; and this tax will be administered and enforced by the Canada Revenue Agency.
- 18** For the purpose of Section 17, assessed value is as determined by the local government authority responsible for property taxation in the jurisdiction where the affected property is located.