

Housing Nova Scotia

2022 - 2023

# Action Plan





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# Executive Summary

Housing is the foundation for safe, connected communities and for promoting social and economic progress. The Province of Nova Scotia, through Housing Nova Scotia (HNS), has entered into a nine-year cost-matched funding agreement with Canada Mortgage and Housing Corporation (CMHC) with planned investments of provincial and federal funding exceeding \$500 million (Bilateral Agreement).

Nova Scotia's first Action Plan covered the first three years of the Bilateral Agreement (2019/20 through 2021/22) (the 'First Action Plan'). During the First Action Plan period, Nova Scotia addressed housing need for over 10,000 units, surpassing its targets and making a difference in the lives of Nova Scotians at a time when Nova Scotia is experiencing a significant shortage of adequate affordable housing.

Taking into account recent elections and the timing of key federal and provincial government decisions and budget processes, CMHC has authorized provinces and territories to issue a one-year Action Plan for 2022/23, followed by a three-year Action Plan covering 2022/23 through 2024/25. This is Nova Scotia's one-year Action Plan for 2022/23.

In 2022/23, over \$55 million will be invested to improve the lives of Nova Scotians and specifically advance shared outcomes under the National Housing Strategy (NHS)<sup>1</sup>. HNS estimates the initiatives in this Action Plan will reduce housing need for nearly 900 households in the next year, and that initiatives funded through the Bilateral Agreement will have reduced housing need for over 19,000 households by 2027/28.

Key strategic priorities for 2022/23 include:

- Rapidly increasing the supply of affordable housing by investing in new construction;
- Continuing to preserve and stabilize existing social and community housing stock; and
- Supporting transformation of the community housing sector to ensure long-term sustainability and increase its capacity to meet demand.

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<sup>1</sup> All estimates and figures included in this Action Plan are subject to budget approvals.

This Action Plan describes the context in which current housing programs are delivered and identifies the areas where NHS funds will support additional or enhanced programming to meet specific needs. The Action Plan will allow HNS to improve the lives of low-income and vulnerable Nova Scotians by leveraging and matching federal funding to advance the objectives of the NHS as well as Nova Scotia's strategic priorities.

The actions and outcomes described in this Action Plan are only those associated with housing initiatives and funding requirements under the Bilateral Agreement, and do not include the entire suite of programs and funding the province delivers. Subject to budget approval, Nova Scotia will invest in and deliver additional initiatives to address local need and advance provincial housing priorities.

# Section 1. Nova Scotia Context

Working in collaboration with our partners, Housing Nova Scotia (HNS) supports thousands of Nova Scotians each year by investing in housing programs and services for households in need across the housing spectrum and providing safe, affordable homes to more than 17,500 tenants in provincially-owned and managed public housing units.

## Population and Household Trends

There is currently a significant shortage of adequate, affordable housing to meet the needs of Nova Scotians, which is disproportionately affecting individuals living on low-income, many of whom are from vulnerable groups or marginalized and racialized communities. Notable trends include:

- **Population growth.** Nova Scotia's population continues to increase, reaching 992,055 in July 2021, the highest population on record and an increase of 26,673 since the beginning of 2019, driven in part by high rates of interprovincial migration<sup>2</sup>. Housing supply in Nova Scotia has not kept pace with demand.
- **Demographic shifts.**
  - (a) **Aging population** – It is anticipated that by 2030, more than one in four Nova Scotians will be aged 65 and over<sup>3</sup>, and that proportion will be higher in smaller, rural communities. During the First Action Plan period, Nova Scotia experienced more seniors down-sizing and switching to rental units, increasing pressure on the rental market.
  - (b) **Immigration** – In 2021, net interprovincial migration was positive for the sixth consecutive year, and Nova Scotia welcomed 3,536 new immigrants<sup>4</sup>. This is slightly lower than levels for the past 5 years, likely due to the COVID-19 pandemic.
- **Household composition.** In 2019, non-elderly singles represented 12.1% of Nova Scotia's population, and single parent families represented 18.5% of all families in Nova Scotia. Both of these groups are more likely to have low incomes and experience difficulty accessing suitable affordable housing. Further, 30% of Nova Scotians aged 15 years and older are living with a disability<sup>5</sup>, the highest proportion in Canada, highlighting the importance of increasing the supply of accessible units.

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<sup>2</sup> [Nova Scotia Department of Finance - Statistics - Annual Population Estimates](#)

<sup>3</sup> [Nova Scotia Affordable Housing Commission: \*Charting a new course for affordable housing in Nova Scotia\*](#)

<sup>4</sup> [Nova Scotia Department of Finance - Statistics - Annual Population Estimates](#)

<sup>5</sup> [Nova Scotia Affordable Housing Commission: \*Charting a new course for affordable housing in Nova Scotia\*](#)

- **Household incomes and employment rates.** In Nova Scotia, the real median after-tax household income was \$59,500 in 2019, 16.5% below the national median of \$69,300.<sup>6</sup> Low-income people below the poverty line comprise 12.1% of Nova Scotians, which is the second highest rate in Canada. Further, 37.3% of non-elderly singles have incomes below the poverty line.<sup>7</sup>

As of November 2021, Nova Scotia's employment was 0.7% above the pre-COVID employment level of February 2020, and also represented the highest level of full-time employment since 1976.<sup>8</sup>

- **Vacancy and rental rates.** The availability of rental housing across Nova Scotia is constrained. The private rental market is concentrated in the Halifax Regional Municipality (HRM) which represents 86% of the overall provincial private rental market.<sup>9</sup> In many cases, low- and moderate-income households, especially in rural Nova Scotia, may not have access to affordable rental housing in their local area. The provincial rental vacancy rates during the last three years were:
  - 2018 – 2.0%
  - 2019 – 1.4%
  - 2020 – 2.1%

The average rent in Nova Scotia has increased 9.8% since 2018, up to \$1,117/month.<sup>10</sup> The average rental rate for a one-bedroom apartment in Halifax increased 4.1% in 2020.<sup>11</sup> The continued rise in rental rates places increased demand on the affordable housing system.

- **Rising housing prices.** Current average home prices impose a significant barrier to home ownership for low-income households.
  - The cost of new houses went up 11.6% between April 2020 and April 2021, more than twice the percentage increase from the previous year.
  - The average price of homes sold in the first eleven months of 2021 was \$361,828, which represents an increase of 25.1% from the first eleven months of 2020.

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<sup>6</sup> CMHC Data Tables: [median-income-after-tax-renter-owner-total-2006-2019-en.xlsx \(live.com\)](#)

<sup>7</sup> [Nova Scotia Department of Finance - Statistics - Canadian Income Survey, 2019](#)

<sup>8</sup> [Nova Scotia Department of Finance – Statistics – Labour Market Trends](#)

<sup>9</sup> [Nova Scotia Affordable Housing Commission: Charting a new course for affordable housing in Nova Scotia](#)

<sup>10</sup> CMHC Rental Market Survey

<sup>11</sup> [Nova Scotia Affordable Housing Commission: Charting a new course for affordable housing in Nova Scotia](#)

- **Home ownership.**

- There is a high degree of vulnerability in the housing market in Halifax due to a combination of overheating, price acceleration, and overvaluation conditions.<sup>12</sup>
- As of 2016, 68.7% of households in Nova Scotia owned their homes, 30.7% were renters, and 0.6% lived on-reserve. The proportion of renter households was highest in Halifax (39.8%) and lower in smaller communities outside HRM where there are more homeowners.<sup>13</sup>

## Gender-Based Analysis Plus (GBA+)

Nova Scotia invests in housing programs and services across the housing spectrum. Women continue to be over-represented among households in housing need. For example:

- 67% of households in public housing are female-led;<sup>14</sup>
- Approximately 15% of households in public housing are lone-parent families and of those, 93% are female-led;
- Two-thirds of public housing units are seniors' units, of which 62% are female-led;
- Approximately 64% of households receiving support under the Canada-Nova Scotia Targeted Housing Benefit (CNSTHB) are female-led;
- Approximately 19% of households receiving support under the CNSTHB are lone-parent families; of these, 91% are female-led.

Child poverty in Nova Scotia is linked to the degree of access that households have to suitable and affordable housing. In 2019, Nova Scotia had a child poverty rate of 11.7%.

## Core Housing Need

Core housing need is an indicator used to reflect the number of low-income households who could not access affordable, suitable, adequate housing without spending 30% or more of their total household income on housing. In 2018, 45,100 households (11.4%) in Nova Scotia are in core housing need, representing a decrease from 2016 (12.8%) and close to the national average of 11.6%. Of the households in core housing need in Nova Scotia, 34% are homeowners and 66% are renters, which remains unchanged from 2016.

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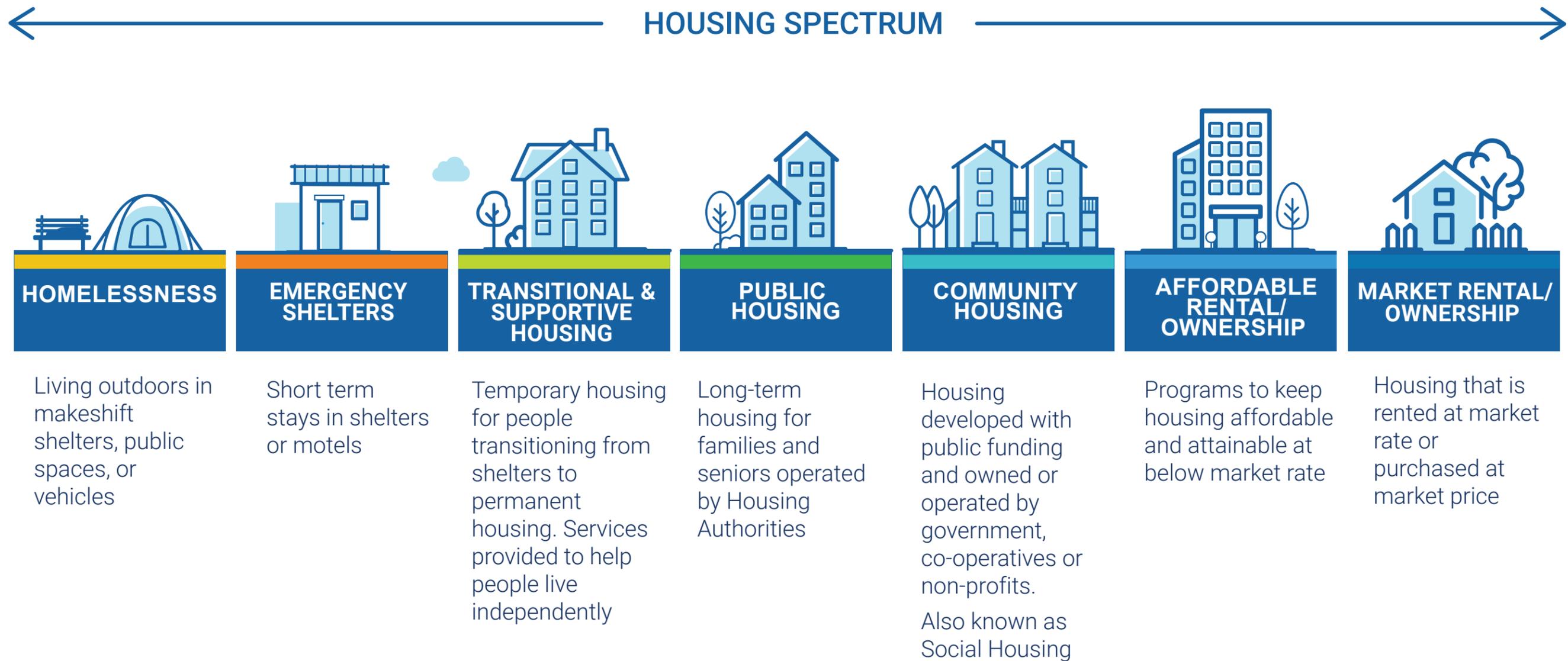
<sup>12</sup> *CMHC Housing Market Assessment – Canada and Metropolitan Areas - September 2021*

<sup>13</sup> *CMHC Housing Market Information Portal – Housing Stock – Nova Scotia*

<sup>14</sup> *“Female-led” refers to households in which the main leaseholder is female*

## Addressing Housing Need

HNS programs, including those that will receive funding through this Action Plan, are designed to advance both provincial priorities and NHS objectives, including ensuring an appropriate balance between initiatives that will reduce housing need (i.e. home repair and adaptation programs) and those which will eliminate housing need (i.e. Rent-Geared-to-Income (RGI) social housing units). The following graphic provides a high-level summary of the programs offered by HNS or in partnership with other departments to address housing need across the housing spectrum.



\*DCS – Department of Community Services

## Strategic Housing Priorities for Nova Scotia

In Fall 2020, the Minister of Municipal Affairs and Housing created the Nova Scotia Affordable Housing Commission (the Commission) with a mandate to examine the state of affordable housing in Nova Scotia and identify meaningful actions to improve the supply of, and access to, affordable rental housing. The Commission's Spring 2021 report, [Charting a new course for affordable housing in Nova Scotia](#), highlighted the significance of the current affordable housing shortage and made 17 recommendations to improve access to affordable housing. Nova Scotia has committed to implementing these recommendations, which build upon Nova Scotia's commitments under the NHS, including the initiatives outlined in Nova Scotia's First Action Plan. In October 2021, Nova Scotia released its short-term housing plan ([A Healthy Nova Scotia: Solutions for Housing and Homelessness](#)). The plan builds on the work of the Commission and commits to the following immediate actions in response to the current housing crisis:

- (1) Work with partners to quickly increase housing supply in Nova Scotia:
  - a. Invest in new housing
  - b. Approve more projects more quickly
  - c. Free up provincial land for housing
  - d. Provide more tools for municipalities
  - e. Attract more skilled trades people
  - f. Plan for transportation needs.
- (2) Bridge the gap to protect renters while new supply is created – Nova Scotia has extended the cap on rental rate increases of 2%/year to December 31, 2023, and introduced new measures to protect tenants against evictions for renovations.
- (3) Work with partners to help people experiencing homelessness.
- (4) Continue focused efforts to improve housing outcomes – Nova Scotia has committed to continue implementing Commission recommendations and to release an updated housing strategy in Fall 2022.

Nova Scotia has already made significant investments and announcements in support of these priorities, and this Action Plan is focused on continuing to advance these provincial priorities in alignment with NHS principles and objectives.

## Consultation

HNS understands the value of drawing on the strengths of Nova Scotia's communities to solve housing challenges and improve options for vulnerable Nova Scotians. Since the release of the National Housing Strategy, the Province has consulted with businesses, not-for-profit organizations, and municipalities through various channels, and the input received has informed the planned initiatives described in this Action Plan.

### Municipal Consultations – Affordable Housing Initiatives

In June 2020, the Nova Scotia Department of Municipal Affairs and Housing (DMAH) hosted a series of virtual consultations with municipalities to discuss potential policies and plans related to several matters affecting local government, including affordable housing.

In consultation with housing experts and service providers, four options aimed at increasing the supply of affordable housing across the province were discussed:

1. Secondary and backyard suites
2. Modular housing
3. Inclusionary zoning
4. Shared housing

Overall, municipalities indicated a high degree of support for each of these options, and strategies for implementing them and overcoming local challenges were discussed. On November 5, 2021, Nova Scotia amended the *Municipal Governments Act* and the *Halifax Regional Municipality Charter* to allow municipalities to regulate affordable housing within developments, permitting municipalities to introduce inclusionary zoning requiring affordable housing contributions through the development or subdivision process if desired. This is an important tool that municipalities, in collaboration with the Province, can use to help foster growth in the community housing sector.

New supply initiatives delivered by HNS and funded through this and future Action Plans will support projects that align with the options and opportunities identified by municipalities.

## Nova Scotia Affordable Housing Consultation

In 2020 and early 2021, Nova Scotia conducted significant stakeholder consultation in connection with the work of the Nova Scotia Affordable Housing Commission. The Commission received input from over 2,000 Nova Scotians and 35 housing experts, including:

- 1,200 survey responses
- Over 400 data inputs from the public via the online portal, including 84 written submissions (51 from individuals, 28 from organizations and 5 from community representatives)
- 400 participants in virtual workshops and focus groups

The results of this stakeholder consultation helped inform provincial priorities and shape both the Province's short-term housing plan and this Action Plan. The key themes that emerged from the consultation related to:

- Reducing barriers to creating new supply by reducing costs and streamlining approval/development processes and making it easier for developers to access funding.
- Expand and transform social housing (including community housing, provide affordability support for very low-income households and vulnerable populations or marginalized communities).
- Improving collaboration among levels of government, and between sectors and players in the housing sector.
- Making sure that programming and supports are responsive to local needs.
- Creating more supports for tenants and for landlords to improve the landlord/tenant relationship.
- Need for more accurate and local data, that is shared among partners.

Municipalities were well-represented in the consultation process. Municipal representatives participated in focus groups and 44 municipalities across Nova Scotia completed the online survey. Key suggestions from municipalities included: addressing housing data constraints; increasing collaboration between the province and municipalities; providing provincial guidance and resources to support municipalities in addressing affordable housing; increasing flexibility and resources to fund and/or incentivize affordable housing development; and increasing current funding for housing programs and grants. Nova Scotia's investments in new housing supply initiatives through this Action Plan will align with municipal feedback and help address the affordable housing shortages they face.

## Support of National Housing Strategy Outcomes

### Livable and Inclusive Communities

HNS supports the development of safe, affordable housing that supports social inclusion that meets the diverse needs of Nova Scotians by facilitating access to the services and supports necessary to maintain successful housing outcomes, including family and community, health and social services, education, transit, and employment opportunities.

One of the key strategic priorities to create livable and inclusive communities is to support development of mixed-income housing, which also contributes to the long-term sustainability of the affordable housing market. During 2022/23, HNS will invest in new supply of mixed-income housing developments through new supply initiatives.

HNS will also increase its investment in the Canada-Nova Scotia Targeted Housing benefit program to provide more households with portable rent supplements, which will promote mixed-income communities and allow recipients to choose a home that meets their needs, including proximity to necessary social services, family supports, transit, education, and employment.

### Accessibility

Maintaining and increasing the supply of accessible, affordable housing units is an important area of focus in Nova Scotia, especially given the high percentage of Nova Scotians living with a disability and the Province's aging demographics. HNS is working to maintain and increase the availability of accessible housing units by:

- Investing in social housing repair and renewal work which may include retrofits to increase accessibility (estimated 40 public housing units will receive accessibility upgrades with 10 of these converted to barrier-free in 2022/23);
- Working with partners in the community housing and private sectors to encourage accessible design and accessibility features in the development of new affordable housing supply; and
- Continuing to provide grants to low-income homeowners to complete necessary repairs and adaptations, including accessibility adaptations to help vulnerable populations remain in their homes.

## Energy Efficiency, Environmental Sustainability & Employment Benefits

HNS is committed to developing innovative approaches to long-term public housing sustainability and exploring opportunities to improve the energy efficiency of its affordable housing stock. This includes continued collaboration with partners across government and in the public and private sectors to advance innovative energy efficiency and environmental sustainability initiatives.

In 2022/23, HNS will continue to invest in repair and renewal of the existing public housing stock, which may result in reductions in energy consumption and greenhouse gas emissions.

In addition, through its new supply initiatives, HNS will work with housing providers to encourage new affordable housing projects to follow energy efficient principles. Some new supply initiatives prioritize applicants who demonstrate a commitment to exceed minimum energy efficiency requirements.

HNS' continued investments in public, community, and affordable housing renewal and construction of new affordable housing are anticipated to positively impact GDP and to help create jobs in the construction sector.

## Section 2. Action Plan Initiatives (2022/23)

This Action Plan demonstrates the Province's long-term commitment to serve the most vulnerable Nova Scotians and to build safe, connected communities. This involves enhancing programs across the housing spectrum; partnering with private sector and community housing providers to improve access to affordable housing; creating communities that maximize people's economic and social well-being; and ensuring housing is sustainable for generations to come. HNS' actions in 2022/23 will build on efforts and investments under the First Action Plan with the objective of increasing the overall supply of affordable housing and continuing to ensure long-term sustainability of public housing and support sustainability and growth in the community housing sector.

Nova Scotia's co-operative and non-profit (community) housing sector is small and remains concentrated in the Halifax Regional Municipality (HRM). During the First Action Plan, Nova Scotia made investments to stabilize the sector and position it for future transformation and growth, including by investing in affordability support, infrastructure repair, and providing capacity-building grants for activities such as portfolio management and redevelopment, governing and operating reviews, and identifying strategic partnerships. While these investments were effective in preserving the supply of social and community housing and building some capacity for future growth, further support is required to position Nova Scotia's community housing sector for successful expansion, especially outside the HRM. In this Action Plan, Nova Scotia will continue to focus on increasing the availability of affordable housing in partnership with both private and community housing sectors, while continuing to increase the capacity of non-profit and co-operative housing providers to take advantage of expansion opportunities and meet affordable housing demand in the coming decade.

### Action Plan Initiatives

Cost-matched funding is determined through an annual budget process and will be finalized each fiscal year. Therefore, funding and targets are estimates, with actual funding and targets to be identified through the reporting process. Any excess cost-matched funding in this Action Plan may be used in subsequent years to satisfy future cost-matching requirements. Further, all projects and programs identified under the HNS-delivered Initiatives are subject to continuous review based on community needs and operational viability.

In 2022/23, HNS will assist nearly 900 new households in housing need through federal and provincial funding under the NHS Agreement, via three funding streams as outlined in the Agreement: NS Priorities Initiative, Canada Community Housing Initiative, and Canada-Nova Scotia Housing Benefit.

The actions and outcomes described in this Action Plan are only those associated with housing initiatives and funding requirements under the Bilateral Agreement, and do not include the entire suite of programs and funding HNS delivers. Subject to budget approval, Nova Scotia will invest in and deliver additional initiatives to address local need and advance provincial housing priorities.

## A. Nova Scotia Priorities Housing Initiative

During 2022/23 Nova Scotia Priorities Initiatives funding will be directed to activities that increase and maintain the overall supply of affordable housing.

By the end of 2027/28, provincial and federal investments through the Nova Scotia Priorities Initiative will assist an estimated 6,800 households in housing need.

In 2022/23, the Nova Scotia Priorities Housing Initiative is expected to support the development of 178 new affordable rental housing units, preservation of 47 existing affordable housing units, and continuation of rent supplement funding for over 100 units, through the following programs and activities.

### **Expansion – New Supply Initiatives**

HNS will use Nova Scotia Priority Initiatives funding to provide capital contributions to fund new construction of affordable housing. Rental rates must be below the average market rate in the area and must remain affordable for a minimum of 15 years. Some new supply initiatives prioritize projects that target vulnerable populations and demonstrate a commitment to energy efficiency and accessibility in the application review process. Mixed-income and multi-partner approaches are also encouraged.

In 2022/23, HNS investments will support the development of an estimated 178 new units:

- Construction of approximately 155 new affordable units in partnership with private and community housing sectors.
- Provincial contributions to support projects receiving federal funding outside the Bilateral Agreement, including the National Co-Investment Fund resulting in new supply of approximately 23 new affordable units.

Due to the small size, concentration in the HRM, and limited capacity of the community housing sector, investments in expansion during the First Action Plan focused on increasing availability of affordable rental housing in both the private and community housing sector. Investments during the first Action Plan (up to September 30, 2021) created approximately 198 new units in the community housing sector and 208 new units in the private sector.

While investments during the First Action Plan began to position the sector for future transformation and growth, the community housing sector is not yet capable of meeting the current demand for affordable housing supply in Nova Scotia on its own. Therefore, in 2022/23, HNS must continue to partner with the private sector through these new supply initiatives to create new rental housing for households in housing need. HNS actively supports interested community housing entities through the application process for our new supply initiatives, and community housing sector applications are prioritized in the evaluation process. HNS is also continuing to invest in building capacity and transforming the community housing sector to meet future demand, including through the Community Housing Transformation and Infrastructure program (described below) with the objective of increasing the community housing sector's contribution towards affordable housing expansion in the future.

### **Preservation**

Nova Scotia Priorities Initiatives funding will also be invested to ensure the preservation of over 45 units in 2022/23 through the Rental Residential Rehabilitation Assistance Program, which provides financial assistance to landlords to improve the condition and preserve the affordability of existing affordable rental units for low-income tenants.

### **Affordability Support**

Funding for over 100 rent supplements committed in the First Action Plan will continue.

## National Housing Strategy Objectives

In 2022/23 NS Priorities Housing Initiative funding will be used to advance NHS objectives as follows:

NHS Objective	Nova Scotia Priorities Housing Initiative Items
Promote social inclusion through mixed-use, mixed-income housing	<ul style="list-style-type: none"> <li>• New supply initiatives prioritize funding to projects creating mixed-use, mixed-income housing.</li> </ul>
Address housing needs of vulnerable groups	<ul style="list-style-type: none"> <li>• Expanding overall supply ensures variety of housing available in different locations, contexts and price points, to best meet needs of all Nova Scotians, including particular needs of vulnerable groups.</li> </ul>
Support projects specifically targeting the unique needs of women and girls	<ul style="list-style-type: none"> <li>• New supply initiatives prioritize projects with accessible units</li> </ul>
Preserve affordability of units for low-income households	<ul style="list-style-type: none"> <li>• Increased supply decreases market pressure and can serve to reduce prices and household need overall.</li> <li>• New construction projects funded by HNS must include affordable units, and projects that commit to exceeding minimum affordability requirements are prioritized, which will reduce housing need, including for low-income households.</li> <li>• 47 Existing affordable units preserved through the Rental Residential Rehabilitation Assistance Program</li> <li>• Over 100 existing rent supplements are continued</li> </ul>
Modernize social housing to achieve long-term sustainability, including achieving greater social inclusion, energy efficiency and financial sustainability	<ul style="list-style-type: none"> <li>• Initiatives focused on increasing the supply of affordable housing will support greater social inclusion, and HNS will work with providers to ensure units are designed and built with energy efficiency principles and to accessibility requirements in the provincial building code</li> <li>• New supply initiatives prioritize mixed-income projects that can demonstrate a plan for long-term financial sustainability and commitment to energy efficiency and accessibility.</li> </ul>
Expand social housing over the term of the agreement	<ul style="list-style-type: none"> <li>• 178 new affordable units created through new supply initiatives, including provincial investment in projects receiving federal funding outside the Bilateral Agreement, including the National Co-Investment Fund.</li> </ul>

## B. Canada Community Housing Initiative (CCHI)

Preserving existing social and community housing is a key priority for Nova Scotia. As of March 31, 2019, there were 11,615 social housing units still under administration related to the Social Housing Agreement (SHA), including provincially-owned public housing units and units that are owned and managed by non-profit and co-operative housing providers. These units, and any units intended to replace them for the purposes of the Bilateral Agreement, are collectively referred to as Nova Scotia’s “Social Housing Baseline”.

During 2022/23 programs and activities funded through Canada Community Housing Initiative funding will be used to: maintain and preserve Nova Scotia’s social and community housing supply (including Urban Native Housing), through affordability support and repair and renewal; improve accessibility in public housing units; and invest in capacity building and transformation initiatives to prepare the community housing sector for long-term sustainability and growth. The investments will result in reduced housing need for almost 500 households in 2022/23. By the end of 2027/28, HNS estimates that provincial and federal investments through the Canada Community Housing Initiative will assist over 6,500 households in housing need.

### **Public Housing Renewal and Accessibility**

The expiration of federal operating agreements under the SHA combined with the additional pressure of an aging housing stock make it challenging to continue to deliver the depth of rental subsidies needed to support vulnerable citizens, while also ensuring provincially-owned stock is financially sustainable. To support long-range housing outcomes for the Province, HNS will invest funds in public housing to continue to offer these units as part of the Province’s portfolio of social housing and will work with non-profit and co-operative housing providers to ensure that units continue to be offered at affordable rental rates.

Building on the significant progress achieved during the First Action Plan period, in 2022/23 HNS will invest CCHI funding to repair and renew almost 90 public housing units to preserve or improve their condition, and upgrade accessibility for 40 public housing units, of which 10 will be converted to barrier-free. These investments will help ensure public housing units remain available to low-income and vulnerable Nova Scotians in the long-term.

## **Public Housing Sustainability & Transformation**

In 2022/23, HNS will also invest in projects to transform the public housing sector to prepare it for long-term operational and financial sustainability.

## **Urban Native Renewal and Operating Support**

HNS is committed to preserving 111 Urban Native units that form part of the Social Housing Baseline and repairing them to Good Condition. Urban Native units are located across the province, and are owned and managed by Tawaak Housing, a not-for-profit aboriginal housing organization.

During the First Action Plan period, HNS invested in the repair of approximately 65 Urban Native units, and provided affordability support to 45 Urban Native units for which federal operating funding under the SHA had expired. In 2022/23, HNS will invest to repair 14 additional Urban Native Units to Good Condition. In addition, HNS will provide operating support to ensure these units and other Urban Native units which previously received funding under the SHA can continue to be available to low-income tenants.

## **Community Housing Transformation and Growth**

In 2022/23, HNS will continue efforts initiated during the first Action Plan period and make further investments towards transforming the community housing sector to ensure financial stability and enable successful expansion to meet demand in the long-term. Specifically, in 2022/23, HNS will invest CCHI funding in the Community Housing Transformation & Infrastructure Program to provide funding to community housing organizations to undertake projects that will support long-term transformation and sustainability, including: infrastructure upgrades that will stabilize asset condition and improve sustainability, asset management planning, portfolio planning, amalgamation, redevelopment, and transformation to mixed-use and mixed-income developments. HNS investments in community housing transformation initiatives will impact an estimated 61 community housing units in 2022/23.

## **Community Housing Operating Support**

While transformation efforts are underway, the community housing sector continues to require support to ensure that existing units continue to be offered at affordable rental rates to low-income households, particularly as federal operating subsidies under the 1997 Social Housing Agreement expire. Therefore, in 2022/23 HNS will also use CCHI funding to provide operating support to community housing providers to preserve and maintain affordability of affordable units, reducing housing need for an estimated 250 households.

## National Housing Strategy Objectives

In 2022/23, Canada Community Housing Initiative funds will be used to advance NHS objectives as follows:

NHS Objective	Canada Community Housing Initiative Items
<p>Promote Social Inclusion through mixed-use, mixed-income housing</p>	<ul style="list-style-type: none"> <li>Community Housing Transformation &amp; Infrastructure Program provides funding for transformation to mix-used and mixed-income developments owned by non-profit housing providers</li> </ul>
<p>Address Housing Needs of vulnerable groups</p>	<ul style="list-style-type: none"> <li>Renovations to existing public housing units to improve accessibility</li> </ul>
<p>Support Projects specifically targeting the unique needs of women and girls</p>	<ul style="list-style-type: none"> <li>Repair and renewal of Urban Native Housing units</li> </ul>
<p>Preserve affordability of units and promote greater financial sustainability, asset management and social inclusion of the stock</p>	<ul style="list-style-type: none"> <li>Investments in improving the long-term sustainability of social housing stock through building repair/renewal; investments in interiors; preventative maintenance; energy efficiency improvements</li> <li>Maintaining 11,615 Social Housing units</li> <li>Public Housing Transformation</li> </ul>
<p>Modernize Social Housing to achieve long-term sustainability, including achieving greater social inclusion, energy efficiency and financial sustainability</p>	<ul style="list-style-type: none"> <li>Significant investments in Community Housing Infrastructure &amp; Transformation, including support for amalgamation, portfolio planning, and transformation to mixed-use and mixed-income developments to ensure long-term sustainability and social inclusion.</li> </ul>
<p>Expand Social Housing</p>	<ul style="list-style-type: none"> <li>CCHI funding for 2022/23 will be focused on preserving and modernizing Social Housing. Expansion will be achieved primarily through investments in new supply funded through the NS Priorities Housing Initiative.</li> </ul>

## C. Canada-Nova Scotia Targeted Housing Benefit

In Nova Scotia, Canada Housing Benefit (CHB) funding is delivered through the Canada-Nova Scotia Targeted Housing Benefit (CNSTHB) program. The CNSTHB is a portable, direct-to-household benefit which provides housing supports to reduce housing need. Funding is prioritized to identified vulnerable groups and is not tied to a particular housing unit; it is portable and moves with the recipient, providing decision-making power, autonomy, and flexibility to relocate to housing that meets their needs. HNS delivers the program in alignment with NHS objectives, including prioritizing vulnerable populations, addressing emergency or short-term needs, and improving recipient autonomy.

The CNSTHB launched in October 2020. Between October 2020 and September 30, 2021, CNSTHB funding assisted 3,203 households in Nova Scotia, 73% of which were in severe core housing need and 27% of which were in core housing need. Building on the success of the program during the First Action Plan period, in 2022/23, HNS will continue funding for existing program recipients and add an estimated additional 160 households to the program. By the end of 2027/28, HNS estimates that provincial and federal investments through the CNSTHB will assist over 6,100 households in housing need.

### **Target Client Groups and Prioritization**

CNSTHB funding is provided through four program streams to ensure it will be directed to vulnerable populations identified in the NHS and those which are unique to Nova Scotia. A portion of CNSTHB funding is directed to each of the following vulnerable populations:

#### **1. Renter households in a target vulnerable group:**

- a. Households at-risk of homelessness
- b. Seniors (age 58+)
- c. Non-Elderly Singles (under age 58 with no dependants)

Renter households who are at-risk of homelessness due to very low incomes, seniors, and non-elderly singles are among the most vulnerable populations in core housing need in Nova Scotia.

#### **2. Households experiencing homelessness**

A portion of CNSTHB funding will be dedicated for use by local agencies with Housing Support Workers who assist clients experiencing homelessness to find suitable and adequate affordable housing.

### 3. Households in an expiring rent supplement

Households receiving a rent supplement under an expiring legacy program will be at-risk of homelessness once their rent supplement expires. A portion of the CNSTHB is therefore dedicated to transition those supplements into the successor portable benefit program.

### 4. Homeowners in Severe Core Housing Need

Homeowners in Nova Scotia represent 34% of households in core housing need. Of these, only a small proportion are in severe core housing need, spending more than 50% of income on shelter costs. The CNSTHB can provide some assistance to these households to off-set housing costs. However, NS has experienced low uptake for this program stream since its launch, despite marketing campaigns. The Homeowner program stream of the CNSTHB will be reviewed in 2022-23. While that work is being undertaken, the planned investment for this program stream will be adjusted accordingly and a portion of it will be redistributed to other CNSTHB program streams. Existing clients in the Homeowner stream will continue to receive the subsidy and the application window for this program stream will remain open. Homeowners in housing need will also continue to be able to access other programs delivered through the Province, including the suite of Home Repair/Adaptation programs.

### National Housing Strategy Objectives

The Canada-Nova Scotia Targeted Housing Benefit will address NHS objectives as follows:

NHS Objective	Canada – Nova Scotia Targeted Housing Benefit Items
<p>Promote Social Inclusion through mixed-use, mixed-income housing</p>	<ul style="list-style-type: none"> <li>• Promotes income diversity and mixed income-communities</li> <li>• Promotes social inclusion by permitting recipients to live in communities that best suit their needs.</li> </ul>
<p>Address Housing Needs of vulnerable groups</p>	<ul style="list-style-type: none"> <li>• Four program streams specifically designed to target the benefit to identified vulnerable groups in Nova Scotia.</li> </ul>
<p>Support Projects specifically targeting the unique needs of women and girls</p>	<ul style="list-style-type: none"> <li>• Women are over-represented in households in housing need, including homelessness. Targeting funding to households waiting for public housing and those experiencing homelessness should enable more women to access housing supports.</li> </ul>

# Section 3. Required Indicators and Outcomes

CMHC and Nova Scotia agree to the following Expected Overall Targets related to PT delivered funding under the Bilateral Agreement with respect to this Action Plan. All targets are estimates only, and subject to revision. Actual funding and targets will be identified through the reporting process.

**Table 1: Targets and Outcomes for Expected Results Overall**

Outcome	Expected Results	2022/23 Target & Funding (\$M)		2019/20 – 2027/28 Target
Maintain/ Increase Social Housing supply	Units Continue to be Offered in Social Housing	2,708	\$5.266	8,580
	Expansion Social Housing Units overall by 15%	178	\$12.948	2,032
	No net loss of Urban Native Social Housing units available to low-income households	65	\$0.096	106
Repair Existing Stock	At least 20% of existing Social Housing Units repaired	89	\$4.000	3,774
	Retained Urban Native Social Housing Units are repaired to good condition	14	\$2.237	111

**Notes:**

- “Units continue to be offered in social housing” reflects the number of social housing units for which the operating agreement under the SHA matures each year, net of Urban Native units. It includes 2,773 units, of which 65 are Urban Native and 631 are co-operative and non-profit. The 10-year total of 8,686 (8,580 units continued to be offered in social housing plus 106 Urban Native social housing units) units does not reflect the total 11,615 units in the baseline because operating agreements will continue to expire through 2034.
- Expansion of rent-assisted units includes new supply of affordable rental units in both the private and community housing sectors along with units created under the Rapid Housing Initiative. This will allow HNS to achieve a 17.5 per cent expansion target over the baseline by 2027/28.

Table 2: Expected number of households for which Housing Need will be addressed by Initiative

Initiative	2022/23 Target	2019/20 – 2027/28 Target
Nova Scotia Priorities Housing Initiative	225	6,877
Canada Community Housing Initiative	491	6,581
Canada Housing Benefit	160	6,171
<b>Total</b>	<b>876</b>	<b>19,629</b>

## Section 4. Required Targets for Indicators

Table 3: Planned Cost-Matching Per Initiative

Initiative	2022/23 (\$M)
Nova Scotia Priorities Housing Initiative	\$9.850
Canada Community Housing Initiative	\$10.766
Canada Housing Benefit	\$10.553

Table 4: Planned Funding and Indicators to Achieve Overall Targets – Number of Households for which Housing Need is Addressed

Indicator: Number of households for which Housing Need is addressed	2022/23 Target and Funding (\$M)		2019/20 – 2027/28 Target
	#	(\$M)	
New Construction	178	\$17.448	2,095
Repaired/Renewed	251	\$17.177	9,383
Affordability Assistance <i>Project Based Subsidy</i>	287	\$2.717	1,676
<i>Affordability Assistance to the household</i>	160	\$15.490	6,475
<b>Total</b>	<b>876</b>	<b>\$52.832</b>	<b>19,629</b>

**Notes:**

- New construction includes new units built through capital contributions under new supply programs.
- The repaired/renewed figure in this table differs from the figures reported in the Targets and Outcomes for expected results overall table, because the table on page 18 reflects only existing social housing and Urban Native units. This table includes those units as well as: public housing accessibility improvements; Rental Repair & Rehabilitation Program; and the Community Housing Sector Transformation Program.
- Affordability Assistance to Households includes funding for the Canada-Nova Scotia Targeted Housing Benefit, rent supplements and affordability support for community housing sector units.

**Table 5: Planned Funding and Indicators to Achieve Overall Targets – Housing Units Considered Accessible**

Indicator: Housing Units considered accessible	2022/23 (\$M)		2019/20 – 2027/28 Target
	Units	(\$M)	
New	10	\$0.850	90
Repaired/Renewed			
<b>Total</b>	<b>10</b>	<b>\$0.850</b>	<b>90</b>

**Notes:**

- 10 existing public housing units will be converted to barrier-free units. There are additional, planned projects to improve accessibility in 40 existing public housing units to meet client need, especially for seniors who require adaptations, not included in the above table.

