



*Tabled by me reader of
the Third Party-with leave
K Hawley George
March 7, 2024*

HOUSE OF ASSEMBLY
Newfoundland and Labrador

James Dinn, M.H.A.
District of St. John's Centre

March 7, 2024

Fred Hutton, Minister
Housing
Government of Newfoundland and Labrador
P.O. Box 8700
Confederation Building
St. John's NL
A1B 4J6

Re: First Steps Towards Solving the Housing Crisis

Dear Minister Hutton,

Congratulations on your appointment to Cabinet as the new Minister for Housing. As a former advisor to the Premier, you are certainly aware of the fact that the province is currently facing a housing crisis that is unprecedented since our time in Confederation. Skyrocketing rent and interest payments, record-low vacancy rates, a lack of supportive services for vulnerable people, and rising numbers of those facing homelessness; these are just some of the symptoms of inadequate focus on and investment in housing by both the federal and provincial governments over the past four decades.

We have made note that provincial government has not taken a leadership role in dealing with the housing crisis. It certainly does not help that your government has been very slow to react to the crisis, and that when it has, the measures proposed have been underfunded and inadequate to meet the demand. You are therefore beginning from an even more disadvantageous position. I realize that it will take you some time to get familiar to the portfolio, and as with any new job, there is usually a steep learning curve.

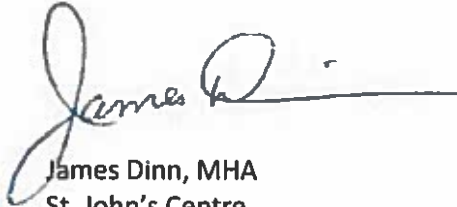
I've also noticed that the Premier has yet to provide you with a mandate letter. So in the spirit of collaboration, feel free to borrow some of our own ideas as first steps you could take to solve the housing crisis in our province:

- 1) Design and properly fund a "housing first" policy that actually works for those experiencing homelessness, existing social housing tenants with complex needs, and the community as a whole.
 - o Bring community partners together to map out a set of streamlined procedures to assist those experiencing homelessness once they reach out to seek help, so that there is a well-designed, rapid-response safety net that they can turn to in times of crisis.

- Once completed, make sure to back this strategy up with the resources required to make it work.
- 2) Expand the funding made available through the revived the First-Time Homebuyer Program, to help more young families and others achieve stability and security.
 - 3) Rein in the Real Estate Income Trusts (REITs) and unscrupulous landlords by amending legislation to:
 - Become the last jurisdiction in Canada to end the practice of no-cause evictions;
 - Set annual maximum rent increases, based on inflation, municipal taxes, and the building consumer price index, while seeking a fair balance between the rights of the landlord and those of the tenant; and
 - Tighten loopholes in the existing regulations to prevent frivolous use by landlords of “renovictions” and conversion of apartments to condominiums in an effort to evade rent stabilization measures.
 - 4) Self-finance new public housing builds through the NLHC that will offer affordable rents substantially below market rates, without adding to the debt.
 - As a Crown Corporation operating on behalf of the public interest, the NLHC is well-placed to take on this project because:
 - Unlike private developers, the NLHC does not have to calculate profit margins when setting rents, driving down the cost they have to recoup by large margin;
 - Costs will also be reduced as government can borrow at a rate lower than private investors;
 - As a Crown Corporation, the NLHC amortizes its property at a rate of 40 years, significantly longer than the private sector, so the cost of borrowing can be spread out over more time;
 - Any borrowing by the NLHC does not count toward the total public debt; and
 - All new builds will be NLHC owned-and-operated, meaning that its equity will grow over time, and then can be used to fund other projects.
 - 5) Help municipalities, the community sector, and co-operative and co-housing groups scale up the supply of affordable housing units by:
 - Creating a fund to provide applicants with grants and repayable loans, for the construction of affordable housing significantly below market rates.
 - The fund could also be used by such groups to acquire existing properties, whose rents they will then freeze at affordable rates.
 - Setting up a land bank consisting of properties currently owned by the province, as well as Crown Land, for exclusive use by municipalities, community organizations, co-operatives and co-housing projects.
 - Selected properties will then be transferred to the proponents as 99-year land-lease communities, for a modest annual fee.

Finally, both the United Nations and the federal Liberal government have recognized housing as a human right. Last month, the National Housing Advocate also called on provincial governments to do the same. Therefore, I ask that you introduce legislation during the spring sitting of the House to recognize housing as a human right. It would commit government to take on a more proactive and ambitious role in housing. Legislation would also be a cost-free first step that would earn the approval of housing advocates and those seeking a place in which to live.

Sincerely,

A handwritten signature in black ink that reads "James Dinn". The signature is fluid and cursive, with a long horizontal line extending to the right from the end of the name.

James Dinn, MHA
St. John's Centre
Leader, NL NDP