

Housing is on the Line

How public transit can help tackle Canada's housing crisis

Information Backgrounder

This report explores the integration of public transit and housing policies in Canada. It emphasizes the role of public transit in shaping housing development, improving affordability, and reducing greenhouse gas emissions. The report presents a series of policy recommendations aimed at federal, provincial, and municipal governments, as well as transit agencies and other partners. The proposed measures focus on activating land, evolving the mandate of transit authorities, ensuring inclusivity, streamlining processes, and maximizing government investments. The goal is to unite the efforts of all levels of government and the private sector to create more equitable, affordable, and sustainable communities.

Challenges

Housing Affordability: Canada faces a persistent housing crisis with escalating costs, making it difficult for many Canadians to find affordable homes. The lack of affordable housing affects individuals and families, pricing many out of the housing market.

Transit Access: Access to transit is crucial for promoting economic development, reducing greenhouse gas emissions, and enhancing social equity. The separation between housing and transit planning often results in new developments without adequate transit services and transit projects without the residential density needed to maximize ridership.

Climate Change: Reducing greenhouse gas emissions is a critical global challenge. Sustainable urban planning that encourages transit use and minimizes car dependence is essential to combat climate change. A lack of affordable, transit-adjacent housing often leads to longer commutes and increased operating costs, both of which pose challenges to individual and transit agency efforts to reduce emissions.

Government Responsibility: Responsibilities related to housing and transit are split across federal, provincial, and municipal governments, creating policy inefficiencies, and making it challenging to ensure sufficient housing supply and funding for transit.

Recommendations – Five Themes

1. Activate Land

- Prioritize building housing and supportive infrastructure near transit-accessible areas using federal funding programs.
- Change legislation to permit land banking and parceling within 800 meters of a transit station or higher-order transit corridor.
- Pass enabling legislation for municipalities to address speculation in areas with new transit investments.
- Establish an 800-meter buffer around key transit stations and high frequency transit corridors for housing and supporting infrastructure.

2. Evolve the Mandate of Transit Authorities

- Require consideration for overbuild at transit stations.
- Create a real estate strategy focused on key transit sites.
- Upzone parking lots for Transit-Oriented Development (TOD) and eliminate parking minimums within TOD areas.
- Develop a Transit and Housing Affordability Index.

3. Ensure Inclusivity

- Implement a GST/HST and PST tax rebate for purpose-built rentals and non-market housing within TOD areas.
- Pass enabling legislation to provide municipalities with additional tools to address displacement.
- Implement tenant protection and relocation policies in TOD areas.

4. Streamline Processes

- Support municipalities by funding dedicated planning staff teams to accelerate the approval of TOD development applications.
- Pass legislation to require municipalities to designate TOD areas.
- Reform appeals processes and consider declaring TODs provincial interests.
- Maintain development cost charges for transit capital.
- Proactively rezone land in TOD areas, including implementing minimum density targets.

5. Maximize Investments

- Increase funding share to incentivize regional collaborations.
- Undertake performance-based allocation for transit projects.
- Explore location-efficient mortgages.
- Fund operating costs for new transit capital projects.

Opportunities

Permanent Public Transit Fund

The proposed federal Permanent Public Transit Fund offers an opportunity for enhancing the integration of housing and public transit in Canada. The program, scheduled to come online in 2026, offers stability and predictability to transit funding, enabling long-term planning and cost-effective investments in transit infrastructure. The federal government has signalled that integrating housing supply considerations will be an important co-benefit of this program. This can incentivize provinces and municipalities to boost housing supply, ensuring alignment between public transit and housing needs.

Transit-Oriented Development (TOD)

Transit-Oriented Development (TOD) lies at the core of housing and public transit integration. By intensifying development around key transit stations and higher-order transit corridors, TOD presents an opportunity to create accessible, affordable, and sustainable communities. Embracing TOD means maximizing development potential at transit stations, implementing real estate strategies for key transit sites, and eliminating parking minimums within TOD areas. This approach can lead to vibrant neighborhoods where residents easily access jobs, retail, and recreation, promoting better health and environmental outcomes while reducing transportation costs and greenhouse gas emissions.

Collaboration and Policy Alignment

Achieving the integration of public transit and housing is a collective endeavor that necessitates collaboration among various stakeholders, including federal, provincial, and municipal governments, the private sector, and community partners. Ensuring policy alignment among these stakeholders is essential to unite in purpose and forge a harmonious vision for Canadian cities. By harnessing public transit to shape housing development, affordability, and sustainability, governments can drive economic growth, reduce greenhouse gas emissions, and create inclusive communities that cater to all Canadians. Recognizing the opportunity for unified action is vital in realizing these outcomes.

Read the Full Document

English: <https://cutaactu.ca/housingisontheline-en>

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