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AFFORDABLE HOUSING FOR SUSTAINABLE CITIES: A NORTH AMERICAN PERSPECTIVE DETROIT METROPOLITAN AREA AND MONTREAL (QUEBEC)

By COURTNEY L. ANDERSON and MARYSE GRANDBOIS¹

ABSTRACT

Housing is an integral part to elevating and maintaining a quality of life to ensure a healthy and productive citizenship. The overwhelming number of citizens in Montreal and the United States who are unable to find housing that is less than 33% of their income stifles the economic progression of individuals and the society in which these individuals live. The ability for cities to dictate their own plans for creating and maintaining affordable housing without mandates from the federal vacillates among the various levels of government with each level having certain positive and negative elements. Although city autonomy can provide tailored solutions, the financial and logistical pitfalls of a narrow city-centered approach to affordable housing will not eradicate the affordable housing crisis in any country. In this paper, specific housing policies of two North American cities in or near Montreal and Detroit are deconstructed to provide insight into the financing and creation of affordable housing and examination of the effect on the sustainability of the areas. This paper compares and contrasts economic development policies initiated by the city of Detroit and their effects on surrounding suburbs with the legal framework of affordable housing in Quebec.

Key Words: Affordable, Montreal, Detroit, development, housing policies

City autonomy can permit a municipality to exert control over its policies, resulting in flexible and tailored programs that serve the needs of its residents. This autonomy can also create challenges to receipt of adequate funding for social

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services. In this paper, specific housing policies of two North American cities in or near Montreal and Detroit are deconstructed to provide insight into the financing and creation of affordable housing and examination of the effect on the sustainability of the areas. This paper focuses on economic development policies initiated by the city of Detroit and their effects on surrounding suburbs. This is contrasted with Part 2 of this paper, which critiques the legal framework of affordable housing in Quebec.

1. Affordable Housing in Detroit

Where you live determines what job centers are in your neighborhood, where your children go to school, your mode of transportation, and the amount of health hazards that affect your quality and longevity of life.² Without a safe, clean shelter, it is near impossible to realize and enforce many other basic human rights.³ Over half of the 40.7 million renters in the United States do not reside in affordable housing,⁴ and this does not even take into account the 610,042 people in the US who are homeless on any given night.⁵ However, the right to housing does not exist in many countries, and a number of these countries that do explicitly recognize housing as a right, do not have a clear enforcement mechanism for this right. The United States has instituted mechanisms to assist with making housing available to people who are unable to afford housing. In the United States, affordable housing is defined as housing that requires the occupants to pay no more than 30% of the household income for the rent or mortgage.⁶ Although many families and individuals have found these policies to be helpful, there is still a need to increase the inventory and quality of affordable housing.⁷

The genesis for public housing in the United States was the 1937 Housing Act.⁸ This act was designed to provide subsidized housing for low-income and

² Michelle Wilde Anderson, *Cities Inside Out: Race, Poverty, and Exclusion at the Urban Fringe*, 55 UCLA L. REVIEW 1095

³ Michelle Wilde Anderson, *Cities Inside Out: Race, Poverty, and Exclusion at the Urban Fringe*, 55 UCLA L. REVIEW 1095

⁴ National Low Income Housing Coalition, *Out of Reach 2013* available at http://nlihc.org/sites/default/files/oor/2013_OOR.pdf pages 3 and 5

⁵ The U.S. Department of Housing and Urban Development, *The 2013 Annual Homeless Assessment Report (AHAR) to Congress*, page 6, available at <https://www.hudexchange.info/resources/documents/ahar-2013-part1.pdf>

⁶ National Low Income Housing Coalition, *Out of Reach 2013* available at http://nlihc.org/sites/default/files/oor/2013_OOR.pdf http://nlihc.org/sites/default/files/oor/2013_OOR.pdf page 4

⁷ See generally http://nlihc.org/sites/default/files/oor/2013_OOR.pdf

⁸ The Housing Act of 1937 (Pub.L. 75-412, 50 Stat. 888, enacted September 1, 1937)

working class individuals that was decent, safe and affordable⁹ and the occupants were mostly white Americans who worked in blue-collar jobs located in urban centers.¹⁰ Following the passage of this legislation, the number of high rise public housing buildings increased, and became homes for minority families and individuals.¹¹ "White flight" that occurred from cities to suburbs from the 1950s through the 1990s reduced populations in cities, which reduces the amount of tax dollars in these areas.¹² As a result, social services, employment opportunities, and public schools deteriorated. This public and private disinvestment greatly contributed to disproportionately high amounts of crime and violence, and, further, caused substandard conditions in the structures themselves.¹³ Federal, state, and local officials decided that destroying these structures would be the most efficient method of eradicating the concentrated poverty and socioeconomic ills that accompany it.

The federal government assisted with funding the destruction of public housing that was carried out at the local level.¹⁴ However, the federal government did not require that the housing units that were destroyed be equally replaced.¹⁵ Rather, many municipalities implemented a voucher program.¹⁶ This voucher program allows for qualifying individuals and families to secure homes from private landlords who may, but are not obligated to, accept the vouchers, which serve as government payments for rent. This Housing Choice Voucher Program has become the default method of public housing, which many have criticized as yielding the same, if not worse, socioeconomic results as the first round of public housing units.

⁹ The Housing Act of 1937 (enacted September 1, 1937)

¹⁰ JA Stoloff, US Department of Housing and Urban Development Office of Policy Development and Research, A Brief History of Public Housing (1) (available at http://reengageinc.org/research/brief_history_public_housing.pdf)

¹¹ John Atlas and Peter Dreier, Public Housing: What Went Wrong (1994), available at <http://www.nhi.org/online/issues/77/pubhsg.html>

¹² Sam Joseph Dennis, *African-American Exodus and White Migration, 1950-1970*. New York, Garland, 1989, and William H. Frey, *The New White Flight American Demographics*. April 1994, 40-52.

¹³ John Atlas and Peter Dreier, Public Housing: What Went Wrong (1994), available at <http://www.nhi.org/online/issues/77/pubhsg.html>

¹⁴ 24 CFR 970 available at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_8089.pdf

¹⁵ Section 18 of the United States Housing Act of 1937, as amended, by Section 531 of the Quality Housing and Work Responsibility Act (QHWRA) of 1998, (P.L. 105-276), (3)

¹⁶ U.S. Department of Housing and Urban Development, Housing Choice Voucher Program Guidebook, 2-1 – 2-3, available at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_11746.pdf

1.1-Detroit's Need for Economic Development

The city of Detroit and its surrounding suburbs are currently experiencing affordable housing issues in addition to other adverse socioeconomic factors that illustrate the pervasive and cyclical effect that housing can have on economic stability.

Detroit was the fastest growing city early in the 20th century, boasting a population of 2 million in the 1950s¹⁷. The urban area was a hub of industrial and manufacturing activity, where people flocked to secure employment and stability. This increased population raised the cost of living, and priced many low-income individuals out of the city¹⁸. Unable to afford housing, these individuals sought refuge in the surrounding suburbs. In the past fifty years, Detroit has lost 50% of its population.¹⁹ The flight from the urban core resulted in a decreased tax base, which is a primary factor in the dramatic decrease of the city's budget, leaving Detroit on the cusp of bankruptcy.²⁰ This financial emergency has resulted in legislation allocating the state of Michigan the power to oversee and control fiscal matters of the city.²¹ The residents remaining continue to feel the burden of the downturn. Detroit's poverty rate hovers around 35%, and over 10% of the city's residents are unemployed.²² The city of Detroit is undoubtedly in need of projects to increase its tax base, employment opportunities, and to address its position as one of the unhealthiest places in America.

¹⁷ CNN Wire Staff, *Detroit Loses a Staggering 25% of its population in a Decade* (2011), available at <http://www.cnn.com/2011/US/03/22/michigan.detroit.population/>

¹⁸ Joel Kurth, Mike Wilkinson and Louis Aguilar, *Six Decades in Detroit: How Abandonment, Racial Tensions and Financial Missteps Bankrupted the City*, *The Detroit News* (2013), available at <http://www.detroitnews.com/article/20131004/METRO01/310040001>

¹⁹ Jeff Gerritt, *Dave Bing says There'll be Incentives for Detroiters to Move*, *Center for Community Progress*, December 9, 2010, available at <http://www.communityprogress.net/other-news-pages-30.php?id=104>, and *United State Census, and 2000-2010 Census Data*, available at www.census.gov

²⁰ Matt Helms, *Detroit Mayor Bing Signs City Budget Cutting \$250 Million*, *Detroit Free Press*, June 1, 2012, available at <http://www.freep.com/article/20120601/NEWS01/120601051/Detroit-Mayor-Bring-signs-city-budget-cutting-250-million>

²¹ Monica Davey, *Mayor of Ailing Detroit Resists Outside Takeover*, *New York Times*, March 7, 2012, available at http://www.nytimes.com/2012/03/08/us/mayor-of-ailing-detroit-resists-outside-takeover.html?_r=0

²² Khalil AlHajal, *Detroit has Half the Median Income, Three Times the Poverty Rate of the Nation, New Census Numbers Show*, *MLive*, September 21, 2012, available at http://www.mlive.com/news/detroit/index.ssf/2012/09/detroit_has_half_the_median_in.html

Detroit Works Project will focus on continued investment in targeted areas of the city.²³ The Project will focus on nine population centers in Detroit where they will create high density, mixed-use communities, and provide incentives for residents to relocate to these areas from more sparsely populated surrounding communities.²⁴ Although no one will be forced to move, the message Mayor Bing has conveyed is that the residents outside of these core areas, "need to understand that they're not going to get the kind of services they require."²⁵

Given that there are nearly 200,000 vacant units in Detroit²⁶ and the city budget has decreased by a quarter of a billion dollars from 2012 to 2013, this development plan will likely provide much-needed tax revenue and innovative land use design to Detroit. However, the financial incentives and increased employment opportunities will also draw residents from the suburbs to the city of Detroit. This resource depletion will negatively affect the physical and human elements of the suburbs. Departing suburbanites will leave behind vacant homes, and reduce the tax dollars that can be allocated for social services and development projects.

1.2- Collateral Consequences of Economic Development in Detroit

It follows that revitalization based on these concepts will deplete resources from the neighborhoods outside of Detroit, recreating the cycle of investment and disinvestment in the suburbs which will mirror the abandonment partially to blame for the downfall of Detroit's economy. Many residents have been involuntary displaced to these neighborhoods from larger cities following the development and gentrification of these major metropolitan areas. Though a number of deleterious effects will result from this sequence of events, the health of the suburb will suffer greatly. The populations that live in certain suburbs near Detroit are low-income communities without access to the resources of metropolitan areas. These individuals are impoverished racial and ethnic

²³ Jeff Gerritt, Dave Bing says there'll be Incentives for Detroiters to Move, Center for Community Progress, December 9, 2010, available at <http://www.communityprogress.net/other-news-pages-30.php?id=104>

²⁴ Jeff Gerritt, Dave Bing says there'll be Incentives for Detroiters to Move, Center for Community Progress, December 9, 2010, available at <http://www.communityprogress.net/other-news-pages-30.php?id=104>

²⁵ Jeff Gerritt, Dave Bing says there'll be Incentives for Detroiters to Move, Center for Community Progress, December 9, 2010, available at <http://www.communityprogress.net/other-news-pages-30.php?id=104>

²⁶ U.S. Department of Housing and Urban Development, Vacant and Abandoned Properties: Turning Liabilities into Assets, available at <http://www.huduser.org/portal/periodicals/em/winter14/highlight1.html>

minorities with limited access to health care, and who are unemployed or underemployed.

Four suburbs of Detroit Michigan have demographics reflective of low-income and high-income suburbs. Warren, Michigan is a suburb of Detroit, and is mostly white. While the average income in Detroit is \$27,862, the median income in Warren is \$41,006.²⁷ The racial divide is evident between the two cities, despite the fact that Warren is located a mere 16 miles from Detroit. The white population in Warren is 77.1%, and 13.4% of the suburb's population is black.²⁸ In Detroit, 82.7% of the residents are black, and 10.6% of the city's population is white.²⁹ This is exemplified by Inkster, Michigan, another suburb situated approximately 16 miles from Detroit. Inkster's population is 77.2% black and 16.8% white, and the median income in this suburb is \$26,729.³⁰

Inkster illustrates that neither segregation nor the concentration of poverty that inevitably accompanies segregation are unique to large metropolitan areas. These are social injustices that are afflicting the suburbs of America, with devastating effects to the health and progression of low-income and minority residents. Warren and Inkster exemplify the adverse effects that accompany concentration of impoverished minorities, whether this concentration is in inner cities or in the suburbs.

Inkster, Michigan will need to provide its residents with resources so that the flight out of the city does not increase when Detroit's development projects are complete. Approximately 16% of Inkster's population has left since 2000 and the current population is approximately 24,857.³¹ The overall population decline has devastated Inkster's human and financial capital, which is why preservation of resources is vital to the health and economic progression of the city. The unemployment rate in Inkster is 17.7%, surpassing the alarmingly high Detroit unemployment rate. This high unemployment rate is undoubtedly a contributing factor to Inkster's poverty rate of 35.7%. Inkster's population has decreased by over 15% between 2000 and 2010.³² The estimated median household income also

²⁷ Inkster, Michigan City Data available at <http://www.city-data.com/city/Warren-Michigan.html>

²⁸ Warren, Michigan City Data available at <http://www.city-data.com/city/Warren-Michigan.html>

²⁹ United States Census available at <http://quickfacts.census.gov/qfd/states/26/2622000.html>

³⁰ Inkster, Michigan City Data available at <http://www.city-data.com/city/Inkster-Michigan.html>

³¹ United States Census available at <http://inkster.areaconnect.com/statistics.htm> US Census 2000 and <http://quickfacts.census.gov/qfd/states/26/2640680.html>

³² <http://censusviewer.com/city/MI/Inkster>

declined during this period, indicating that those who could afford to leave Inkster have done so.³³

The year 2005 was the first year that there were more recorded instances of poverty in American suburbs than in metropolitan cities.³⁴ The 2000 census showed that 442 out of 2,308 nonmetropolitan counties had poverty rates of at least 20% with the highest incidences of poverty concentrated within African American or Hispanic communities.³⁵ The causes and effects of the suburb's economic decline and racial segregation are non-linear, and a layer of complication is added when the reverberating effects of development in Detroit amplify these underlying determinants. The Inkster/Detroit comparison illustrates how affordable housing issues in low-income neighborhoods can cause a decline in quality of life. Further, it shows how the autonomy of cities, and the lack of federal involvement in many housing policies often precludes a regional approach. Therefore, the negative spillover of one city's policy is often assumed by a neighboring locality.

Montreal is starkly different than Detroit in its approach, yet the adverse consequences are just as prevalent. Montreal is concentrating its social housing programs at the city level. The dearth of federal participation presents a set of challenges to the country to which the United States should pay close attention, given the US federal government's declining attention and financial support to the lack of affordable housing.

2. Affordable Housing in Montreal

As we now know, housing affordability overlaps with environmental issues, both of which must be addressed to ensure sustainable communities. Lack of affordability contributes to urban sprawl and pollution and increases transportation costs and greenhouse gas emissions. In consequence, affordable housing, defined as a ratio of income to housing costs, has become part of the cities social

³³ <http://www.city-data.com/city/Inkster-Michigan.html> Income decreased from \$35,950 in 2000 to \$26,729 in 2012.

³⁴ The Brookings Institution, *Two Steps Back: City and Suburban Poverty Trends 1995-2000* (2006), page 4, available at http://www.brookings.edu/~media/research/files/reports/2006/12/poverty%20berube/20061205_citysuburban.pdf

³⁵ <http://www.census.gov/main/www/cen2000.html>

infrastructure as well as a central component of social policies and a planning imperative.³⁶

In general acceptance, it means that *people who make between 60% and 120% of the average mean income in a locality should not spend more than 30% of their gross household income for housing*³⁷. This definition does not differentiate between home owners and tenants, nor between people with low income or moderate income, nor between cities, therefore the concept does not rally all the social actors of the housing sector.³⁸ On Montreal island, for instance, 65.6 % of the inhabitants are tenants.³⁹ In 2011, there were 487,770 tenants households in the city of Montreal, and 40.3% of them paid more than 30% of their income in rent.⁴⁰ In this paper, we will consider all categories of subsidized housing for tenants, both affordable (for people with moderate income) and social housing (for people with low income).

Even if approaches vary and differ sensibly between the two countries, the United States and the Canadian provinces present similarities despite considerable differences in local autonomy. Cities are created by a higher level and exercise delegated regulatory powers in both countries, but they have much more autonomy and a court-protected record in US.⁴¹ However, the subsidized part of the housing sector reaches 6% in both countries, which is considerably less than in European cities.⁴²

The relative lack of autonomy of Canadian cities explains why the nonprofit sector is so closely involved in social housing policies in several provinces, especially in Quebec, where, since the retreat of the federal government

³⁶ L. Evans, *Moving towards sustainability : City-regions and their infrastructure*, CANADIAN POLICY RESEARCH NETWORKS, 2007, p. 2-3.

³⁷ P. Gurstein, *Affordable Housing as a Sustainability Strategy: Policy Implications for Canadian Cities*, in S. Gill and R.K. Dhawan (eds.), VOLUME ON CANADIAN STUDIES, PANCS, Brisbane, 2012, p. 2.

³⁸ Marie-Josée Corriveau, *Front d'action populaire en réaménagement urbain* (FRAPRU), Telephone interview, 27 May 2014.

³⁹ *Profil statistique en habitation*, Direction de l'habitation, Ville de Montréal, 2009 (reedition 2013).

⁴⁰ In Quebec, there are 479 800 tenants paying more than 30% of their income in rent; 227 900 of them pay 50 % or more. *Enquête nationale auprès des ménages*, Statistique Canada, 2011.

⁴¹ J. Mah, *Local Politics and Inclusionary Housing in Three Large Canadian Cities*, 20 CANADIAN JOURNAL OF URBAN RESEARCH (2011), p. 59.

⁴² J. Hackworth, J. *The durability of roll-out neoliberalism under centre-left governance: The case of Ontario's social housing sector*, 81 STUDIES IN POLITICAL ECONOMY (2008), p. 7.

from new social housing in 1993, social and affordable housing has gradually become a responsibility of the cities. In result, developments in social housing did not result from strong policies, but were rather generated by NGOs' pressures and partnerships between institutions, private sector and nonprofit organizations. To illustrate that, we will first examine the social and affordable housing legal framework in Montreal agglomeration (outlined in part 2.1) and then, the different programs and projects aiming at ensuring public housing in the city of Montreal (outlined in part 2.2).

2.1-Affordable housing in Montreal: the legal framework

2.1.1 Federal and provincial joint programs

The *National Housing Act* is the starting point of social housing in Canada; enacted in 1944, it increased federal provision for housing and, from 1949, authorized the conclusion of federal-provincial joint programs of public housing, giving the federal government a leading role in the sector.⁴³ In these footsteps, the *Central Mortgage and Housing Corporation* was created in 1946 to provide housing to war veterans and to manage the federal housing programs.⁴⁴ To qualify for these programs, in 1951, the Montreal City Council approved a loan of 1.5 million dollars to eliminate substandard housing. It was followed by the creation of the *Office de l'habitationsalubrede Montréal* in 1957, aimed at eliminating substandard apartments.⁴⁵

The first social housing project in Quebec, Habitations Jeanne-Mance, was realized in Montreal in 1958, offering 788 apartments to rent after the demolition of several unhealthy houses. The Habitations Jeanne-Mance comprised of 28 buildings on 7,7 hectares in what is now the Quartier latin, Montreal downtown. The project cost more than 10 million dollars, financed at 75% by the federal government (Central Mortgage and Housing Corporation) and 25% by the city of Montreal, with a 1 million dollar grant from the Quebec government.⁴⁶ This project was the first and largest project of urban renovation in Quebec.⁴⁷

⁴³For a history of Canada lending programs:

www.canadamortgage.com/articles/learning.cfm?DocID=37

⁴⁴www.cmhc.ca/en/corp/about/hi/index.cfm

⁴⁵<http://archivesdemontreal.ica-atom.org/montreal-quebec-office-municipal-de-lhabitation-salubre;isaar>

⁴⁶Corporation d'habitation Jeanne-Mance, www.chjm.ca

⁴⁷After 65 years, it is now under a second renovation, having returned to a state of urban decay in the recent years. The modernization project (2012-2022) won several prizes since 2011. www.chjm.ca

The province of Quebec created the *Société d'habitation du Québec* in 1967 to realize its part of the federal-provincial joint programs in social housing, and build a park of HLM.⁴⁸ Planning and projects were entirely conducted by the State, in a public and centralized process without any participation or consultation of the stakeholders. Moreover, many people living in the HLM felt *stigmatized* and *marginalized*, being housed by charity and deprived of rights.⁴⁹

In 1973, the *Société d'habitation du Québec* changed its centralized approach to launch a first housing program for cooperatives and nonprofit organizations. At the same time, the federal government amended its criteria to include more social groups, offering nonprofit organizations better access to financing through a renewed Canada Mortgage and Housing Corporation.⁵⁰ The following years marked an increased role of the nonprofit organizations in the sector, particularly in Ontario, Quebec and British Columbia, where *housing units built by cooperatives and nonprofit organizations reached 80 percent of all new social housing at the end of the 1980s*.⁵¹

In Quebec, a new era started in 1986 when the federal government turned to the *Société d'habitation* the entire administration of the programs, before leaving all the sector of public housing to the provinces in 1993.⁵² At first, it gave a blow to social housing in Quebec, where the province had no sufficient funds to launch new programs and even to continue to provide funds to existing programs. However, over the following years, two consequences occurred: it induced new developments in the nonprofit sector due to NGOs' public pressures, which contributed to the reinforcement and the mix of social housing programs. Without any change in their legal status, cities became the main providers of social housing in Quebec while the civil society got organised to fight for more affordable housing.

⁴⁸ *Loisur la société d'habitation du Québec*, S. Q. 1966-1967, c. 55, art. 2.

⁴⁹ Y. Vaillancourt & M.-N. Ducharme, *Le logement social, une composante importante des politiques sociales en reconfiguration : État de la situation au Québec*, CAHIERS DU LARREPS, (2000), p. 16.

⁵⁰ M.J. Bouchard & M. Hudon, *Le logement coopératif et associatif comme innovation sociale émanant de la société civile*, 32 PAPERS IN POLITICAL ECONOMY (2005), p. 17. available at : <http://interventionseconomiques.revues.org/856>

⁵¹ Id. Y. Vaillancourt & M.-N. Ducharme, *Social Housing : a Key Component of Social Policies in Trans-formation : the Quebec Experience*, CALEDON INSTITUTE OF SOCIAL POLICIES, sept. 2001, p. 10.

⁵² Except for ad hoc programs, as, for instance, the *Agreement for investment in Affordable Housing 2011-2014* (in the city of Montreal, it contributed to the renovation of Maison Sainte-Catherine, a shelter for women in difficulty, in 2013).

2.1.2 Montreal by-laws and policies

Since the creation of the *Office d'habitation de Montréal* in 1969, the city of Montreal manages provincial policies and creates social housing programs according to the city of Montreal Charter.⁵³ The social mix has always been a concern. The first period, when it received federal-provincial funding, Montreal had a strategy of distributing social housing through different neighbourhoods, while revitalizing various parts of the city. Over the years, it did not lead to frequent concentration, thus "ghettoization" was mostly avoided, and it also permitted the city to mitigate more easily the cuts in funding despite being less fiscally capable.⁵⁴ The Montreal mix pattern is also due to the scale of the projects: very few of them count more than 100 dwellings, and there is a majority of small projects easily integrated in the urban fabric.⁵⁵

In 2005, the city of Montreal, having then undertaken a series of transformations (after a merger in 2002 and before a de-merger in 2006) adopted a *strategy for the inclusion of affordable housing in new residential projects*, which is still a central element of its planning. The strategy sustained one of the first objectives of the *Montreal Master Plan*: to favour the production of 60,000 to 75,000 new housing units by 2014, 30% of which are to be affordable.⁵⁶ Considered as *a condition to sustainable development, a way to avoid social segregation and to break the cycle of poverty, and a way to enable people to stay in their neighbourhoods (sustainable communities)*, social mix was an objective.⁵⁷ To attain it, the inclusionary strategy set that 15% of new housing units built in Montréal were to be social or community housing, and 15% were to be affordable and built by the private sector.

Funding affordable housing was then also planned at the regional level. The *Communauté métropolitaine de Montreal* was already funding social housing

⁵³ where the project relates to ... housing intended for persons requiring assistance, protection, care or lodging, particularly within the framework of a social housing Program implemented under the Act respecting the *Société d'habitation du Québec*, s 89(4) Charter of the city of Montreal (L.R.Q., C-11.4).

⁵⁴ Laboratoire d'étude de l'architecture potentielle, *Rethinking and Redefining Social Housing in the Montreal's City Centre* (2007) <http://www.lcap.umontreal.ca/index.php?id=1&lang=en>

⁵⁵ Louise Hébert, Director of communications, OMHM, Telephone interview, 26 May 2014.

⁵⁶ City of Montréal Master Plan, 2004, Objective 2.

www2.ville.montreal.qc.ca/plan-urbanisme/pdf/plan_extrait/041123_2_1.pdf

⁵⁷ *Strategy for the inclusion of affordable housing in new residential projects*, Ville de Montréal, 2005, p. 6.

since its creation in 2001.⁵⁸ In 2008, the *Communauté métropolitaine de Montréal* launched a five-year action plan to encourage, coordinate and fund affordable housing across Greater Montreal.⁵⁹

However, Quebec Law and the Montreal Charter do not allow mandatory *inclusionary zoning*. Therefore, the provisions requiring private developers to include affordable housing as part of projects must remain an incentive and applied on a voluntary basis. The city of Montreal Action Plan “aimed to maximize its capability to intervene while working within the powers it has under current legislation”.⁶⁰ Despite the conclusion of effective partnerships for affordable housing, the 2005 and 2008 objectives have not been reached in the timeframe previously set (2014). Funds were insufficient and new developments were fewer than planned, but at the same time poverty had risen, and the programs were unable to respond to the crucial housing needs of the poorest people.

2.2 Affordable housing in Montreal: a partnership

2.2.1 The programs and actors

The *Office municipal d'habitation de Montréal* (OMHM) manages four categories of dwellings for the city of Montreal: the low-rent housing (HLM), the rent supplement program (PSL), the AccèsLogis program and the affordable housing program (LAQ). *Designed to provide housing solutions for low and moderate income Montreal households*, these programs are realized through funding by the federal and provincial governments and the Communauté métropolitaine de Montréal. The OMHM also provides a referral service for homeless people that depends entirely on the city of Montreal. Here are some figures on rent and financing extracted mainly from the OMHM website:

-Tenants pay 25% of their income as rent under the **low-rent housing program (20,810 units)**. The program's operating deficit is paid by the federal government (55%), the Québec government (35%) and the Communauté métropolitaine de Montréal (CMM) (10%). The majority of tenants are women. There are 10,000 young people under the age of 18, a majority of people are living alone (61% of

⁵⁸ Communauté métropolitaine de Montréal, 2001. <http://cmm.qc.ca/logement-social/competence/> L'accès à un logement de qualité pour chaque ménage de la Communauté urbaine de Montréal (2005)

⁵⁹ *Plan d'action métropolitain pour le logement social et abordable*, 2009-2013 (2008).

⁶⁰ *Id.*, p. 15 s.

the units) and there is a large group of immigrants (over 40% of the tenants). Half of the public housing stock is reserved for seniors.

-The **Rent supplement program** includes 3 different categories of housing funded by the governments and the Communauté métropolitaine de Montréal. These apartments are rented to people who meet eligibility criteria. This fund is also used to cover emergencies and to help people to rent apartments on the private market. (8,419 units).

- **AccèsLogis Québec** sustains the partnership of public, community and private resources to build public housing for low and moderate income households and tenants with special needs (123 units built in 2013 and 67 units under construction).

-The **Logement abordable Québec program (LAQ)** is designed for people with moderate incomes. These apartments are offered first to public housing tenants and households on public housing waiting lists at below-market prices. The federal and provincial governments and the Communauté métropolitaine de Montréal subsidize 70% of building construction costs. Once built, the housing program must be self-financing. (1699 units)⁶¹

There are currently 57,843 social housing units in Montreal metropolitan area, and the public housing stock comprises 21,555 HLM (37%), 13,630 cooperatives (24%), 16,105 nonprofit organizations (28%) and 6,757 other public housing (12%).⁶² The city of Montreal, with the lion's share, counts 1.7 million residents while half of the Quebec population (3.8 million people) live in the metropolitan area (2011).

Recently, the private sector has become less reluctant to build social housing, to compensate the general tendency to market stagnation in the selling of rental units. But the promoters have no obligation to comply with the Montreal strategy on affordable housing, and the city has no power to enforce its regulations on mix, or mixed-income housing. In April 2014, the Montreal newspaper *The Gazette*, noted: "At present, the city only has the power to negotiate with a

⁶¹ <http://www.omhm.qc.ca/en/our-housing-programs> Informations verified and completed by Louise Hébert, director of communications, telephone interview, op.cit.

⁶² 55 932 are situated in the city of Montreal (2013) Répartition 2014 des logements sociaux sur l'île de Montréal, http://ville.montreal.qc.ca/pls/portal/docs/PAGE/MTL_STATS_FR/MEDIA/DOCUMENTS/R%C9PARTITION%202014%20DES%20LOGEMENTS%20SOCIAUX%20ET%20COMMUNAUTAIRES.

promoter to include social housing in a new development if the promoter has to ask the city for a zoning change."⁶³ Montreal has recently asked for more powers and a special status, which the city of Toronto obtained from the province of Ontario.

The public housing sector in the city of Montreal has been largely developed by the cooperatives and nonprofit organizations that received support and funding from the governments. Created to put pressure on the governments in the 1970s, these NGOs are now ironically the main actors of the public housing sector. The city of Montreal relies mostly on them since the adoption of the affordable housing strategy (2005) and increased its confidence with the conclusion of *partnerships with the social economy for community-based sustainable development* in 2009.⁶⁴

Over the years, the cooperatives, the nonprofit organizations and the associations of tenants have mitigated and compensated for the lack of autonomy and the weak funding of the city. Without them, especially without the *Front d'action populaire en réaménagement urbain* (FRAPRU), the housing programs would not have reached the same figures, even if it is difficult to assess their contribution to struggle against poverty.

2.2.2 The *Front d'action populaire en réaménagement urbain* (FRAPRU)

Community-based organizations do exist in several cities and states in Canada and the United States but not to the same degree and same intensity as the housing sector in Quebec.⁶⁵ Together with public institutions, these NGOs became the social housing main actors since the end of federal government funding in the 1990s.

The consequences of the federal government withdrawal from the housing sector are still palpable. According to the FRAPRU, the freezing of the *Canada Mortgage and Housing Corporation* budget (1993) has deprived Quebec

⁶³ *Projet Montréal wants more power to allow city to create social housing*, THE GAZETTE, 24 April 2014

<http://www.montrealgazette.com/business/Projet+Montr%C3%A9al+wants+more+power+allow+city+create+social+housing/9772072/story.html>

⁶⁴ City of Montreal, *A SOCIAL ECONOMY : PARTNERSHIP FOR COMMUNITY BASED SUSTAINABLE DEVELOPMENT*, 2009, Housing, p. 27.

⁶⁵ J. L. Boucher, *Pauvreté, fragilités individuelles et habitat*, 32 PAPERS IN POLITICAL ECONOMY (2005), available at : <http://interventionseconomiques.revues.org/862>

of 65,000 social dwellings in 20 years.⁶⁶ Over the recent years, the situation has worsened. The 2014 federal budget does not cover social housing and the *Agreement for Investment in Affordable Housing 2011-2014* ended without renewal. Since the adoption of the federal budget in February 2014, the FRAPRU has led a campaign to alert the population on its consequences on affordable and social housing.⁶⁷

Created in 1978 to fight for the preservation of the HLM stock and threatened neighbourhoods, the FRAPRU soon realized that its mission meant to fight for the right to housing and for all types of nonprofit social housing: cooperatives, nonprofit organizations or HLM. Its first victory was the construction of 900 apartments with the redevelopment of the Angus Shops site in Rosemont (Montreal), a successful project still quoted as an example of community-based management and social mix in Montreal housing.⁶⁸ Since the end of the 1980s, the third sector has not only created new social and affordable housing units but has also taken over public housing, mainly for homeless and for the poorest people.⁶⁹ The Montreal tradition of social mix, resulting from lack of public funding, was continued under the NGOs' strategy based on existing social ties between tenants.⁷⁰

In 2014, the right to housing is still far from an enforceable right in Quebec. The consequences of the violation of the right to housing are now impacting other fundamental rights (right to health, right to life) because of the interdependence and interrelatedness of these human rights.⁷¹ The FRAPRU actions and campaigns are motivated by the policies shortcomings and the lack of response by the private sector, which still tends to build more condominiums than HLM.⁷²

⁶⁶ FRAPRU, *Campagne face à Ottawa*, <http://www.frapru.qc.ca/ottawa/>

⁶⁷ Id. For instance, 14 000 dwellings in Canada will be deprived of funds at the end of the year.

⁶⁸ A. Germain, *The Struggle to belong : Dealing with diversity in 21st century urban settings*, Amsterdam, 2011, p. 3.

<http://www.rc21.org/conferences/amsterdam2011/edocs/Session%2010/10-2-Germain.pdf>

⁶⁹ Y. Vaillancourt & M.-N. Ducharme, *Social Housing : a Key Component of Social Policies in Trans-formation : the Quebec Experience*, CALEDON INSTITUTE OF SOCIAL POLICIES, p. 16

⁷⁰ A. Germain, *The Struggle to belong : Dealing with diversity in 21st century urban settings*, op. cit., p. 2.

⁷¹ *Urgence en la demeure*, RAPPORT DE LA COMMISSION POPULAIRE INTINÉRANTE SUR LE DROIT AU LOGEMENT, mars 2013, p. 7.

http://www.frapru.qc.ca/wp-content/uploads/2013/11/Rapport_commission_final_web.pdf

⁷² <http://www.frapru.qc.ca/a-propos/historique/> Verified and completed with a telephone interview with Marie-Josée Corriveau, FRAPRU, 27 May 2014.

Poverty and homelessness have increased, with consequences on people, neighbourhood communities and cities.

Over the recent months, the FRAPRU has intensified its campaigns, asking for the creation of 50,000 new social housing units in five years in Quebec.⁷³ This would add more than 20,000 units to Montreal social housing park, an increase of 35%. However, it would barely cover the need as there are more than 22,000 households on the waiting lists.⁷⁴ In the meantime, the city of Montreal may obtain a new status with more autonomy and more fiscal powers, which would facilitate planning and give teeth to the strategy of affordable housing, but the housing programs would still need financial contributions from the governments.

Conclusion

The United States and Montreal represent but a fraction of negative consequences that arise due to a lack of affordable housing, particularly when the dearth of affordable housing is attributed in part to cities leading housing policy as opposed to the federal government. Detroit, Michigan and its surrounding suburbs illustrates that a housing policy that is beneficial to a specific municipality may negatively impact cities nearby. Although the likely population flight from Inkster due to developmental changes in Detroit may be unintentional, without a regional approach, or an integrated housing plan that contemplates the interests outside of a single city, this consequence is unavoidable. Policies are instituted in Montreal to increase affordable housing, but the lack of federal funding will still result in a gap between the available supply and the demand. Funding and oversight are integral roles of the federal government. Housing is an integral part to elevating and maintaining a quality of life to ensure a healthy and productive citizenship. Although autonomy can provide tailored solutions, the financial and logistical pitfalls of a narrow city-centered approach to affordable housing will not eradicate the affordable housing crisis in any country.

⁷³ <http://www.frapru.qc.ca/50-000/>

⁷⁴ Only 2 000 units are available each year.

<http://www.omhm.qc.ca/analyse-classement-de-la-demande-delaiss-attente>