BC NPHA

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Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

Prepared by BC Non-Profit Housing Association

List of Recommendations

- **Recommendation 1:** Expand capital investments through Build Canada Homes with targeted investments to increase the supply of affordable homes for households with incomes below $50K.
- **Recommendation 2:** Ensure housing investments include sustained investments for Indigenous-led housing to maintain deeply affordable homes and culturally responsive supports.
- **Recommendation 3:** Implement a streamlined renewal or extension process for operating agreements set to expire in the near term to maintain affordability and prevent displacement in existing community housing.

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By: BC Non-Profit Housing Association

Submitted: May 21, 2026

Introduction

BC Non-Profit Housing Association (BCNPHA) is pleased to provide this submission to the Standing Committee on Finance prior to Budget 2027, and we are grateful for the opportunity to ensure upcoming budget discussions and decisions continue to prioritize effective solutions to Canada's housing crisis. The housing affordability crisis will not be solved by supply alone and requires deeply affordable homes that will remain affordable in the long-term. Non-profit housing providers bring shovel-ready projects, community knowledge, and decades of experience stewarding public investment to keep homes affordable for people most in need.

For decades, BC's non-profit housing sector has been a national leader in the delivery of affordable housing. A strong non-profit housing sector delivers deep levels of affordability, sustains a large and highly skilled workforce and supports GDP growth. In BC alone, investments to meet affordable housing need have the potential to increase GDP by $46B. However, economic uncertainty and constrained funding are now threatening the long-term viability of many affordable housing providers and homes for the people they serve. BC is not unique in this regard; non-profit housing providers across Canada face many of the same challenges at a time when housing instability is worsening. Despite recent growth in overall housing supply, progress in housing is fragile and continued progress depends on continuity, trusted partnerships, and predictable investment.

The recommendations below identify practical budget actions to ensure housing investments through Budget 2027 are impactful and targeted so progress made in housing reaches those most in need and protects the most affordable type of housing – the affordable homes we already have.

Recommendations

1. **Expand capital investments through Build Canada Homes with targeted investments to increase the supply of affordable homes for households with incomes below $50K.**

The initial $13B in capital investments through Build Canada Homes (BCH) is a welcome renewal of federal support for affordable housing. While BCNPHA recognizes the progress reflected in these investments, further investment is necessary to achieve meaningful affordability outcomes. The initial BCH investment is being quickly allocated to viable

projects, demonstrating both the sector's readiness to build, and the scale of unmet housing need nationwide.

BCH's use of an income-based approach to define affordability is a meaningful step toward delivering homes that are truly affordable. Given current development conditions, reaching the level of affordability needed will be difficult without significant, targeted government investment, particularly for low-income households. Over 4M households in Canada have an annual income below $50K. In BC alone, 12,500 new affordable homes are needed each year for the next 10 years specifically for households with incomes under $50K. Without targeted investments to increase deeply affordable supply, these households will be left behind. Homelessness prevention is far less expensive than homelessness intervention.

BC has experienced firsthand that even when overall rental supply increases, any affordability gains are modest and rarely reach households with the greatest need. Despite the recent temporary softening of rental markets and increased vacancy rates, only about 1-2% of rental units affordable to lower-income households were vacant in 2025. There has also been a stall in housing starts, and the modest improvements in the rental markets seen nationally are likely temporary given the rapidly changing global economy and the significance of immigration for Canada's economic prosperity. Canada could face a worsening affordability crisis despite overall housing supply increases unless truly affordable housing is prioritized through BCH.

Canada's housing crisis reflects decades of underinvestment in non-market housing and an overdependence on private-market delivery, which is key to achieving overall supply targets but does little to address the affordability challenges experienced by an increasing number of households in Canada. Investment in the sector that is mission driven toward affordability is the single most effective solution to the housing crisis over the long term. Aligning BCH investments with affordability needs and positioning non-profit housing providers as primary development partners is fundamental to achieving BCH's goals and sustaining meaningful levels of housing affordability over the long term. In order to build on current progress in housing, BCH must refine the current affordability terms and prioritize investments in truly affordable housing by stating clear public targets for investments in non-profit housing and the levels of affordability that will be created.

2. Ensure housing investments include sustained investments for Indigenous-led housing to maintain deeply affordable homes and culturally responsive supports.

In addition to targeted investments for low-income households in general, Indigenous housing need must be addressed specifically in future housing spending. Indigenous peoples represent approximately 5% of Canada's population but account for 28–35% of people experiencing homelessness nationally.

Increasing general supply alone will not resolve the crisis if investments do not reach households in deepest need and include targeted support for Indigenous-led housing. Indigenous-led housing combines deep affordability with wraparound and culturally grounded supports to promote stability, healing, and long-term well-being for Indigenous peoples. For centuries, Indigenous people have been subject to colonial policies which were intended to alienate them from their culture and families, resulting in

intergenerational trauma and marginalization. Given this complexity it is imperative that future housing solutions recognize the centrality of Indigenous culture in housing to support reclamation and healing.
There are three key areas the Federal government must prioritize to support Indigenous-led housing:

- Include dedicated and sustained investments for Indigenous-led housing in the National Housing Strategy 2.0 to develop new supply and address long-needed investments in capital maintenance and retrofits for existing Indigenous-led housing.
- Establish a specific Indigenous-led housing funding stream through Build Canada Homes with clear targets for investment and affordability levels.
- Move quickly to implement the recently reallocated $2.8B for Indigenous housing, with a clear and transparent rollout plan developed in partnership with Indigenous governments and housing providers.

Indigenous-led housing providers are uniquely positioned to maintain deep affordability for families and multigenerational households while advancing Indigenous self-determination in housing, consistent with the United Nations Declaration on the Rights of Indigenous Peoples, including Article 23. Delivering on existing commitments and embedding Indigenous-led housing as a permanent, well-funded pillar of Canada's housing system is essential to advancing reconciliation, increasing affordability, and upholding the rights of Indigenous peoples.

3. Implement a streamlined renewal or extension process for operating agreements set to expire in the near term to maintain affordability and prevent displacement in existing community housing.

In addition to targeted investments for new housing supply, there is also a need to protect existing affordable housing stock and ensure long-term affordability. There is great risk in building on crumbling foundations. While BCNPHA looks forward to the rollout of the Canada Rental Protection Fund, there are other much needed pathways to protecting existing stock within the sector. Some of the affordable homes currently at risk are those that were built and have remained deeply affordable under Federal long-term operating agreements but are soon set to expire. These agreements provide predictable subsidies that enable non-profit providers to offer deeply affordable housing to low-income households. Without action from the Federal government, thousands of vulnerable people will lose their homes. As housing affordability, cost of living, and economic uncertainty worsens, now is not the time for the Federal government to withdraw their support from these programs and homes.

In BC alone, the agreements that support 13,000 affordable homes are set to expire by 2030; including 1,300 homes by 2028 subsidized through Urban Native Housing, a program that provides 100% deeply affordable housing for Indigenous families across the province. Of the operating agreements set to expire in the near-term in BC, almost all are federally devolved funding programs. These homes represent a significant portion of rent-geared-to-

income (RGI) units, family housing, seniors housing, and Indigenous housing. Without ongoing subsidies, some of these homes will remain viable at current or marginally adjusted rents, but concerningly many rents may need to be dramatically increased to cover operational costs. Thousands of families are at risk of losing their homes if a solution cannot be found. Buildings that include mostly RGI units, are operated by small providers, or are in poor condition due to deferred maintenance will be most at risk.

The expiry of operating agreements represents both a risk and an opportunity: without coordinated action, people will lose homes, overall affordability will erode and assets will deteriorate, but with the right support, non-profit housing providers can stabilize and reinvest in these critical community assets for decades to come. The Federal government can provide this support through coordinated action with provinces and long-term solutions, beginning with a streamlined renewal or extension process to prevent immediate loss of deeply affordable housing.

Conclusion

Adequate, dependable funding enables non-profit housing providers to do exactly what governments ask of them: assemble land, secure zoning, and bring forward shovel-ready projects to deliver homes quickly and affordably for those who need them most. As mission-driven organizations, with decades of experience delivering and managing affordable housing, BC's non-profit housing providers are uniquely positioned to scale quickly, apply decades of modern methods of construction expertise, steward public investment responsibly, and ensure long-term affordability.

BC's non-profit housing providers are ready to partner in the delivery of the federal government's affordability objectives and ensure investments in housing are impactful. In the upcoming budget, the above recommendations will protect existing community housing, accelerate the delivery of new homes for households most in need, and ensure investments made in housing achieve needed levels of affordability. BCNPHA welcomes the opportunity to work with the federal government and provincial partners to implement these recommendations.

About BC Non-Profit Housing Association

BC Non-Profit Housing Association (BCNPHA) has been the provincial umbrella organization for the non-profit housing sector for more than 30 years. Our vision is a safe, secure, and affordable home for everyone in BC. BCNPHA serves our sector through education and professional development, research and advocacy, and asset management services. BC's 800 non-profit housing providers manage more than 80,000 affordable homes in over 3,500 buildings across the province.

BCNPHA's office is on the unceded territories of the xʷməθkʷəyəm, Skwxwú7mesh, and səlililwətaʔɬ Nations. Our work takes place across the ancestral lands and unceded territories of more than 200 First Nations in BC.