

News Release

New Brunswick Housing Corporation

New housing strategy provides rent bank and direct financial assistance

29 June 2023

MONCTON (GNB) – A rent bank and direct financial assistance to tenants are two of the new initiatives being taken to support people struggling to stay in their current home under the newly released *NB Housing Strategy: Housing for All*.

The strategy focuses upon preventing residents from becoming unhoused and identifies \$500 million over three years in new and previously committed funding by the provincial government and its strategic partners such as Habitat for Humanity and Ability New Brunswick.

“We heard many great ideas and perspectives from a wide range of stakeholders involved in the housing sector,” said Social Development Minister Jill Green who is also minister responsible for the New Brunswick Housing Corporation. “We heard about the importance of looking at successful initiatives from other provinces like rent banks, increased funding to non-profit organizations and for more accessible housing, collaboration and co-operation among stakeholders, and about other issues that impact housing development such as labour shortages.”

Based on the input from stakeholders, four pillars of the strategy were developed with each having a series of initiatives aimed at balancing immediate needs while also laying a strong foundation to meet future needs. The four are:

- A healthy and competitive housing market
- More affordable homes for low-to-mid-income earners
- A safe home for vulnerable New Brunswickers
- Strong foundation for the province’s housing system

The strategic initiatives are designed to work together to achieve four key housing targets:

- Increase housing starts with a target of 6,000 per year.
- Have no more than 15 per cent of New Brunswick households spend more than 30 per cent of income on shelter costs.
- Create conditions to hold annual rent increases at an average of 2.5 percent and the percentage change in average home prices to 4.8 per cent.
- Decrease the number of households in need of subsidized housing to 7,500 by 2026 from the current waiting list of more than 11,000.

The new Rent Bank, a program that has proven successful in other provinces, will receive a \$3 million investment over the next two years from the government to support up to 750 renter households annually to avoid eviction or obtain new rental accommodations. The rent bank will provide small, short-term loans to low-to-mid-income renter households to help reduce the risk of eviction due to arrears or overdue utilities. These loans can also help those in need of a first months' rent or a security deposit to secure a unit.

In addition, a new direct to tenant rental benefit will be created with an annual investment of \$22 million. This new benefit will provide rental assistance to families and seniors and will help to decrease the subsidized housing waitlist. The benefit will also allow persons with disabilities to sustain and access safe housing options that best meet their needs.

“The *Housing for All* strategy is a strong foundation for a focused housing pathway for New Brunswick,” said Haley Flaro, executive director of Ability New Brunswick. “The focus on accessible housing is a direct response to our high rate of disability and aging population and the need to ensure sustainable housing models. Ability NB is grateful to be a housing partner.”

The strategy also includes increased funding to current programs like the Affordable Rental Housing Program to increase the number of accessible-affordable units; removing barriers to development through initiatives like the new Small Community Housing Infrastructure fund, and an action plan to increase the supply of skilled trades professionals.

Developed with input from hundreds of stakeholders through engagement sessions and a housing summit, the strategy lays out a 10-year pathway intended to build a strong foundation to meet housing needs.

The strategy takes into consideration a number of factors which impact housing in the province such as record-setting population growth after years of decline or stagnation; changing preferences for accommodations; and labour and cost pressures that have limited the market's ability to respond.

“Together, we will reverse a crisis that began many years ago and has left many New Brunswickers struggling to maintain safe and affordable homes for themselves and their families,” said Green. “By working together, we will continue to move forward, attracting new residents, economic growth and new opportunities for all.”

29-06-23