

AGENDA

COUNCIL WORKSHOP

Monday, July 11, 2016

7:00 p.m.

Committee Room, Municipal Hall

355 West Queens Road,

North Vancouver, BC

Council Members:

Mayor Richard Walton

Councillor Roger Bassam

Councillor Mathew Bond

Councillor Jim Hanson

Councillor Robin Hicks

Councillor Doug MacKay-Dunn

Councillor Lisa Muri



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DISTRICT

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COUNCIL WORKSHOP

7:00 p.m.
Monday, July 11, 2016
Committee Room, Municipal Hall,
355 West Queens Road, North Vancouver

AGENDA

1. ADOPTION OF THE AGENDA

1.1. July 11, 2016 Council Workshop Agenda

Recommendation:

THAT the agenda for the July 11, 2016 Council Workshop be adopted as circulated.

2. ADOPTION OF MINUTES

3. REPORTS FROM COUNCIL OR STAFF

3.1. Rental and Affordable Housing Strategy

File No. 13.6480.03/003.000

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Continuation of discussion: Dan Milburn, Acting General Manager – Planning, Properties & Permits, and Sarah Dal Santo, Section Manager – Planning Policy

4. PUBLIC INPUT

(maximum of ten minutes total)

5. ADJOURNMENT

Recommendation:

THAT the July 11, 2016 Council Workshop be adjourned.

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REPORTS

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ATTACHMENT E

Rental and Affordable Housing Strategy



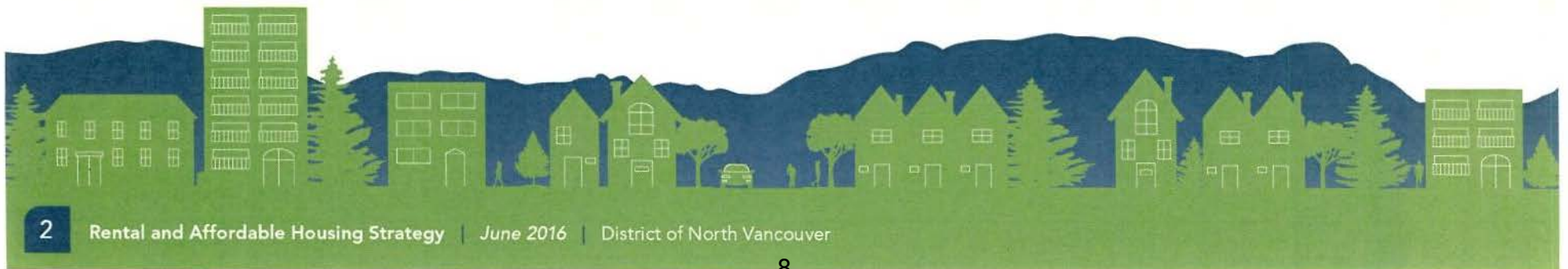
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Updated June 2016

ATTACHMENT E

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Executive Summary

House prices have increased drastically in relation to household incomes within the last 10 years. This disparity, which has been felt region-wide, has triggered what some would call an affordable housing “crisis” where many residents are struggling to pay for this basic necessity of life. Adding to this complex challenge, residents in the District of North Vancouver (District) face an aging purpose built rental housing stock that is under pressure of redevelopment, low apartment vacancy rates, and relatively limited housing choices that are dominated by single detached homes.

Addressing these affordable housing challenges head on requires the coordination and collaboration of diverse community partners. This Rental and Affordable Housing Strategy has been developed with the input of District residents, non-profit housing providers, housing agencies, and development industry representatives and as is intended to guide the community, developers, Council, and staff towards a set of common goals and measures to address affordable housing needs in the District. It also supplements and provides additional detail to inform existing housing policies in the Official Community Plan, Centres Implementation Plans, and other relevant Corporate Policies.

This Strategy identifies 6 key goals or areas of focus for rental and affordable housing in the District. These goals and their associated policies are summarized as follows:



Executive Summary Continued

1. Expand the supply and diversity of housing

- Continue to encourage diversity and growth of housing in town and village centres and in accordance with OCP and Centre Implementation Plan policies.
- Ensure that housing supply includes a diverse mix of built forms and unit sizes to accommodate the needs of families and other households.

2. Prioritize the retention of affordable housing outside centres

- Prioritize maintenance, restoration, and retention of existing older rental buildings outside of centres.
- Continue to enforce acceptable standards of maintenance for rental properties.
- Continue to apply strata rental protection policies.

3. Enable the replacement of existing housing with conditions

- Provide rental replacement at a ratio which may be less than 1:1 as long as affordable housing units are provided for low and moderate income households;
- Ensure affordable units that are integrated as part of market housing development; and
- Include a diverse mix of unit sizes, including 3+ bedrooms for families.
- Prioritize redevelopment within town and village centres where residents will have ready access to frequent transit, commercial, and other community services.

4. Minimize impacts to tenants

- Where redevelopment is being considered, work with land owners and developers to explore a phased approach to development to minimize impacts to existing tenants.
- Encourage existing purpose built rental redevelopment projects to provide a tenant assistance package to aid tenants in the search for new housing.

5. Expand the supply of new rental and affordable housing

- Expand the supply of rental and affordable rental housing in a manner that is consistent with the OCP, and enables low and moderate income households to access frequent transit, community services, retail, and employment within walking distance from their residences.
- Encourage and consider innovative ways to deliver rental and affordable housing.
- Consider on a case-by-case basis density bonus zoning as a mechanism to increase the amount of affordable housing. Acknowledge that there are limited locations where this may be appropriate based on OCP policies related to traffic, infrastructure, urban design objectives, and other community concerns.
- Consider incentivising affordable housing with parking relaxations in town and village centres that are part of the frequent transit network.
- Ensure a diversity of unit sizes in rental and affordable housing to accommodate the needs of families, seniors, first time homebuyers, students, those with cognitive and mobility challenges, and other households.



- Require all multi-family residential projects undergoing rezoning to contribute to the provision of affordable housing by:
 - Providing land dedicated for affordable housing (typically larger sites);
 - Providing a cash in lieu community amenity contribution towards an Affordable Housing Opportunities fund (typically smaller sites);
 - Including a portion of affordable rental or ownership units as part of the project;
 - Some combination of the above, as appropriate for the site.

6. Partner with other agencies to deliver affordable housing

- Pursue funding partnerships with the Federal and Provincial Governments to deliver affordable housing.
- Partner with not for profit agencies to develop housing that meets community needs.
- Consider the use of District land, where appropriate, to contribute towards and leverage other funding for the development of non-market housing.



Need for a Rental and Affordable Housing Strategy

As guided by the District's Official Community Plan (OCP), increasing housing choices to meet the diverse needs of residents of all ages and incomes is a key objective for the community.

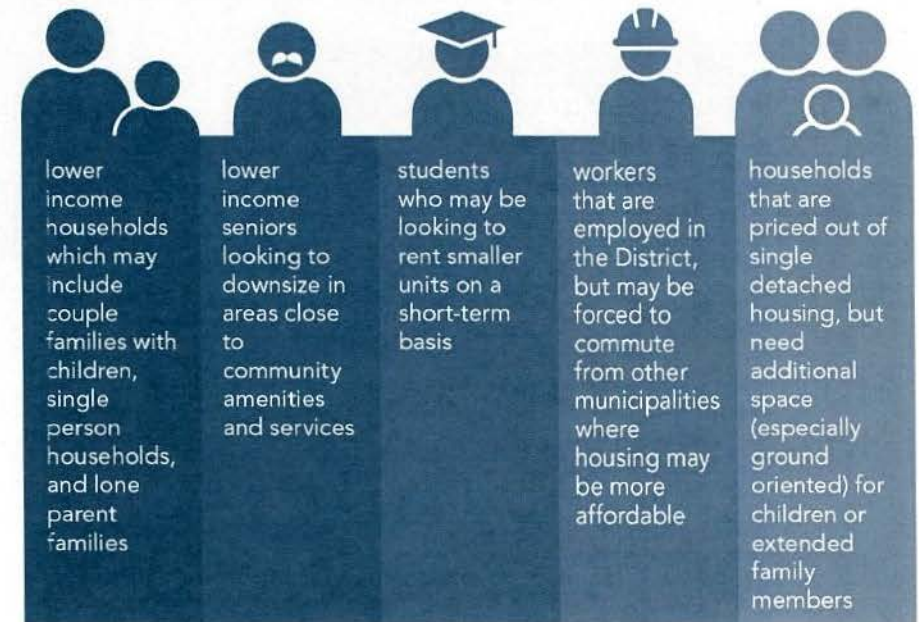
The OCP also identifies the need for a rental and affordable housing strategy to address the housing needs of low to moderate income earning households.

While important strides have been made to increase the type and tenure of housing through revitalization and mixed use redevelopment of the designated town and village centres; the need for rental and affordable housing continues to be a growing concern for the District, and other municipalities region wide.

Emerging interest in redeveloping existing rental, older strata, and fractional interest multi-family residential properties in the District has prompted concerns from Council over the potential loss of more affordable housing units and the displacement of lower to moderate income residents.

Affordable housing scarcity and low rental vacancy rates (0.7% average from 2005 - 2014) have made finding suitable and affordable housing challenging for many households in the District, and particularly those with lower incomes.

There is an ongoing need for more affordable market rental and ownership housing choices for:



Intent of this Strategy

As informed by Council and community input, this Rental and Affordable Housing Strategy builds a common understanding of the housing needs and challenges in the District and provides direction to meet the housing needs of low to moderate income households. It also recognizes the important role of partnerships in collaborating to provide affordable housing.

This strategy is intended to guide developers, community, Council, and staff towards achieving the estimated demand for rental and affordable housing in the District. It supplements and provides additional detail to inform existing housing policies in the OCP, centres implementation plans, and other relevant corporate policies.



Policy Context

The **Local Government Act** requires that Official Community Plans indicate the approximate location, amount, type, and density of residential development required to meet anticipated housing needs over a period of at least 5 years; and include housing policies respecting affordable housing, rental housing, and special needs housing.

The **Metro Vancouver Regional Growth Strategy** (Metro 2040 – Shaping Our Future) requires local governments to develop complete, mixed use, transit oriented communities and to prepare housing action plans that assess housing supply and demand, identify strategies to meet projected housing needs, mitigate or limit the loss of existing rental housing stock where appropriate, and encourage the supply of new rental housing. The Draft Regional Affordable Housing Strategy presents five (5) key goals to address the rental and affordable housing needs of low to moderate income earning households and the Regional Homelessness Plan gives direction to end homeless in the region.

The **District's Official Community Plan** (OCP) directs 75 - 90% of new residential units to key growth centres, and includes key housing objectives and policies that provide direction to:

- increase housing choice/diversity and affordability across the full continuum of housing;
- enable people to remain in the community and to meet changing community needs;
- attract young families with affordable and appropriately sized family housing;

- locate housing closer to jobs, services, and transit;
- encourage the retention of existing, and the development of new rental housing units; and
- work with community partners and senior levels of government to provide for non-market housing.

The OCP also identifies a target to 2030, of a net increase in rental housing in the District. Other housing related policies include:

- Community Amenity Policy (2016)
- Accessible Design Policy for Multi-Family Residential (2015)
- Coach House amendment to the Zoning Bylaw (2014)
- Centre Implementation Plan Housing Policies (2013)
- Strata Rental Protection Policy (2013)
- Multi-Family Rental Housing Demolition Notice (2003)
- Standard of Maintenance Bylaw (1997)
- Secondary Suites amendment to Zoning Bylaw (1997)
- Strata Rental Conversion Policy (1995)
- Housing Policy (1995)

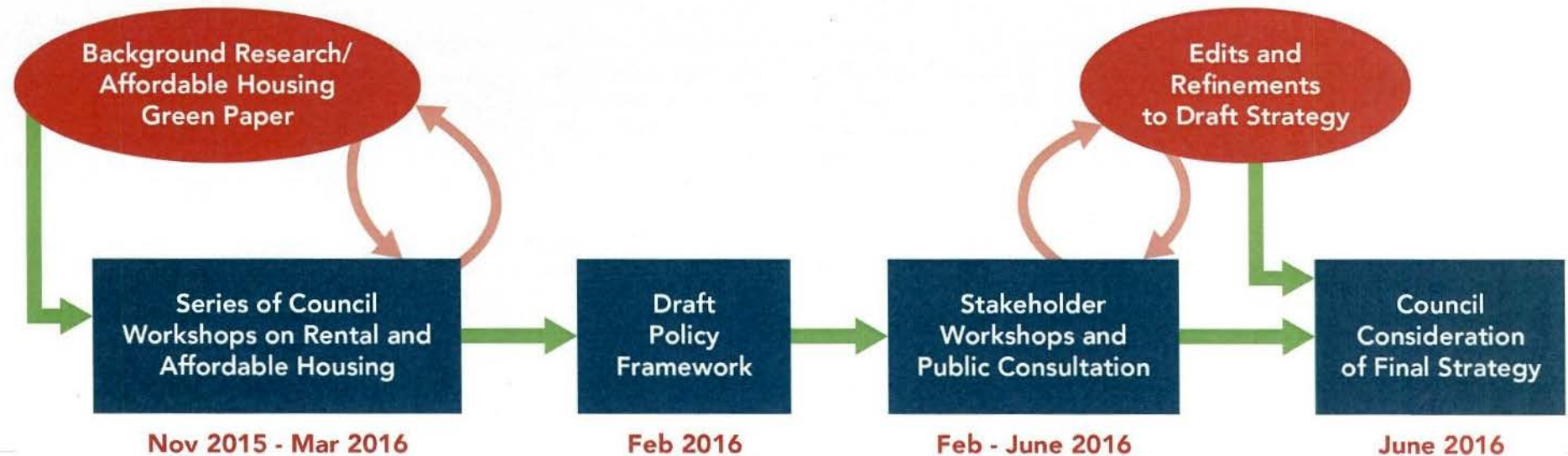


Development of the Strategy

This Rental and Affordable Housing Strategy has been shaped by housing research, data from OCP-related forums on housing, a series of workshops with Council, online and in-person public surveys, and stakeholder feedback. In February - March 2016, the District hosted a number of workshops with non-profit organizations, housing providers/agencies, and development industry representatives (45 participants representing 32 organizations) to gather feedback on the draft strategy.

In May 2016, NRG Research Group conducted telephone interviews with a representative sample of 400 residents, and carried out onsite interviews with 289 more residents. An additional 83 online survey responses were submitted by members of the community via the District's website.

Planning and Engagement Process to Develop the Strategy:



Key Housing Challenges in the District



High Housing Costs Relative to Income

While District residents are amongst the highest income earners in the region, median household incomes (reported at \$87,322 according to 2011 Statistics Canada National Household Survey) has not kept pace with the rapidly growing land values and house prices. The benchmark price of a detached home in North Vancouver increased from \$944,800 to \$1,322,300 (40%) over a 10 year period from Dec 2011 – Dec 2015 (GV Real Estate Board, Price Index Reports). By comparison, median household incomes in the District have increased 14% from \$76,525 in 2000 to \$87,322 in 2010 (Statistics Canada Census).



Aging Purpose Built Market Rental Housing Stock and Lack of Renewal

Purpose built market rental units in the District are a key source of more affordable, larger rental housing for moderate and lower income households and families. The vast majority of the District's existing purpose rental housing stock was constructed in the 1960s and 1970s. Since that time, the absence of gradual renewal of purpose built market rental housing has contributed to the affordable housing shortfall in the District.



Older Purpose Built Rental is under Development Pressure

A rental housing inventory (Coriolis, 2012) identified that, in the absence of municipal policies to protect the existing rental stock, a significant number of rental units are at moderate to high risk of development. High land values and unused development capacity under existing zoning and land use designations were sighted as key factors contributing to redevelopment pressure.



Potential Displacement of Existing Tenants

Redevelopment and renovation of older rental units can lead to displacement of existing tenants. While the Residential Tenancy Act requires developers to offer displaced tenants a minimum of 2 months' notice and 1 months' rent, additional measures are needed to assist tenants in their relocation efforts.





Sustained Low Rental Vacancies

A residential vacancy rate of 2.0% - 3.0% is generally considered

to be indicative of a healthy, balanced rental housing market. Vacancy rates in the District have remained consistently low for some time and the 10 year (2005 - 2014) average is 0.7% (Canada Mortgage and Housing Corporation (CMHC) Rental Report).



Need for More Housing Choices

Discussions with community members,

relevant stakeholder and industry groups during the OCP engagement process and since, has underscored the ongoing need for more affordable market rental and ownership housing choices across the continuum of housing to meet the changing needs of our community.



Expiring Operating agreements for Non-Profit Housing

A critical issue facing non-profit housing societies nation-wide, is the expiration of housing operating agreements. Once the operating agreements expire, the society will assume greater control over the operations and management of the buildings, but will also take on greater financial risk and may be vulnerable where major project renovations and repairs are needed.



Growing Population of Vulnerable Households at Risk of Homelessness

There are an estimated 1520 (17%) households in core need* and spending at least half of their household income (INALH) on housing in the District (CMHC). These households are considered to be in dire housing need and at risk of homelessness. Couple families with children, single person households without children, and lone parent families accounted for the largest portions of INALH households. In 2014 there were an estimated 119 homeless people counted on the North Shore.

**See page 17 for details.*



Housing Terminology

Non-Market housing: Refers to any housing that is not provided by the market. It includes social housing, transitional and supportive housing, or any other form of housing where a government subsidy is provided. This housing is typically managed directly by a government agency, a non-profit, or co-op housing organization. Non-market housing can include temporary accommodation such as shelters and safe houses and low-income rental housing with or without supports for residents, as well as low income ownership housing.

Emergency Shelters: Emergency shelters provide single or shared bedrooms or dormitory type sleeping arrangements with varying levels of support to individuals. Emergency shelters play an important role in responding to homelessness, but are not a long-term solution to housing. The North Shore has an estimated 140 emergency and shelter beds.

Transitional Housing: Transitional housing, also referred to as second stage housing, can include a stay of anywhere between 30 days to two or three years. Transitional housing provides access to services and supports needed to help individuals improve their situation and is viewed as an interim step on the housing continuum.

Supportive Housing: Refers to housing that includes on-going supports and services to assist those who cannot live independently. There is no time limit on the length of stay for supportive housing.

Social Housing: Social housing refers to housing built under senior government housing programs and is designed to accommodate households with low to moderate incomes in core housing need. Non-

profit housing is delivered and managed by an organization (municipality, society) on a non-profit basis, and where the rent (or housing charge) is subsidized, often on a “rent geared to income” system.

Co-operative Housing: Co-ops are housing communities where members elect a board of directors to make decisions on management and operations. Members do not own equity in their housing. If they move, their home is returned to the co-op, to be offered to another individual or family who needs an affordable home.

Low End Market Rental: Refers to independent living, market rental housing that is available at a reduced, income adjusted rental rate to qualifying mid to lower income residents. Individual residents may receive government assistance.

Low End Market Ownership: Refers to independent living, market ownership housing that is available at a reduced, income adjusted market rate to qualifying mid to lower income residents. Individual residents may receive government assistance.

Market Rental Housing: Includes purpose-built rental housing as well as housing supplied through the secondary rental market including secondary suites in single family homes, coach houses, and private rental of apartment and ground oriented strata units.

Market Home Ownership: Market home ownership refers to the full spectrum of privately owned housing including privately owned attached apartments, ground oriented housing, duplex, triplex, etc. and detached single family homes.



Focus for this Strategy

Policies and actions in this strategy aim to address the needs of low and low to moderate income earning households earning 30 - 50% and 50 - 80%, respectively, of the District's median household income.

This area of focus coincides predominantly with the low end market rental and market rental housing segments of the District's housing continuum which includes income geared rental, purpose built rental, and private strata rental units in multi-family residential buildings. This strategy also recognizes the need for affordable entry level market ownership to help bridge the gap from renting to owning a home.



Key Area of Focus for Rental and Affordable Housing Strategy

Non-Market Housing			Market Housing			
Emergency Shelters & Transitional Housing	Supportive Housing	Social and Co-op Housing	Low End Market Rental	Market Rental Housing	Entry Level Market Ownership	Market Home Ownership

Low to Moderate Income Households

Note: This focus is not intended to replace, but to complement other District initiatives in other areas of the housing continuum. For example, the District has been successful in partnering with government and non-profit agencies in the delivery of transitional and supportive housing. This work is anticipated to continue as opportunities present, and in response to community need.



Snapshot of Rental Housing in the District

Rental housing in the District occurs in several different forms as shown in the table below. Note that rental of private strata apartments and townhouses, as well as single detached rental is dynamic and will change from month to month. While these numbers are estimates, they provide a sense of the relative proportions of rental housing in the District. Private strata rental units here are assumed to be approximately 29% (CMHC Rental Market Report 2014) of apartment units.

Secondary Suites	Purpose Built Market Rental	Private Strata Apartment Rental	Private Duplex/Townhouse Rental	Single Detached Home Rental	TOTAL Market Rental Units
4,500*	1,270	850	900	1,500	9,020
50%	14%	9%	10%	17%	100%

Table 1. Breakdown of market rental units in the District by type (2014). (From CMHC Rental Reports, Metro Vancouver Housing Data Book and District property assessment data)
*Estimated number of registered and non-registered secondary suites in the District.

Secondary Suites

In 1997 our Zoning Bylaw was amended to allow secondary suites in all zones, with some exceptions. Secondary suites now account for a significant portion of the affordable rental housing stock in the District. Coach houses, as a detached form of secondary suites, were enabled by the District in late 2015. On average secondary suites have lower rents than purpose built rental apartments. In addition, rental incomes from secondary suites help make single detached home ownership more affordable. Looking to the future, it is anticipated that the majority of rebuilt single family homes will include a secondary suite.

Purpose Built Market Rental Housing

These units are a key source of more affordable, larger rental housing for moderate and lower income households and families. Since 2011, there have been an estimated 332 new purpose built rental buildings and units that are complete, under construction, or approved. Of these approximately 80 units (Seylynn Village, Mill House, The Residences) will be new affordable rental units. New market seniors rental units account for an additional 319 units (Cedar Springs, Edgemont Seniors Living, and Larco). In 2015, the relative proportions of purpose built rental units by unit size were as follows: 19% bachelor units, 36% 1 bedroom, 33% 2 bedroom, and 12% 3+ bedroom units (MV Housing Databook, 2016).

Private Strata Apartment Rentals

Regionally there has been a modest increase in the number of new purpose built rental units over the past 10 years. However, the rental condominium market has grown considerably. Private condominium rentals represent an increasingly significant portion of the rental housing stock in the region (Metro Vancouver Housing Databook, 2016). In 2014, strata rental apartments accounted for an estimated 850 units or 9% of the total market rental stock in the District. This share of the rental housing inventory is anticipated to grow with redevelopment of our town and village centres.

Non-Market Rental

Besides market rental, there are approximately 682 units of government subsidized non-profit housing, and 288 co-operative housing units in the District (2015).



Cost of Rental Housing in the District

Rental Rates

During the period from 2005 to 2015, median monthly purpose built rents in the District rose from \$825 to \$1,206 representing an increase of \$381 or 46%. In 2015, the average rents for purpose built market rental apartments (i.e. excludes secondary suites and privately rented condos) in the District were as follows.

	Bachelor	1-Bed	2-Bed	3+ Bed
2015	\$953	\$1,173	\$1,348	\$1,560

Table 2. Average Purpose Built Apartment Rents in the District by Unit Size
Source CMHC Canadian Housing Observer and CMHC regional housing data as reported in the MetroVancouver Housing Data Book (2016).

Within the spectrum of rental unit types, rents can range considerably.

	Older Secondary Suite	Older Purpose Built Rental Apartment	New Purpose Built Rental Apartment	New Private Strata Rental Apartment
2-bed rent	\$1,300+	\$1,450	\$1,800 - \$2,200	\$2,200 - \$2,500

Table 3. Estimated rent for 2 bedroom unit (Rental Listings, 2015)

Impact of Transportation Costs on Housing Burden

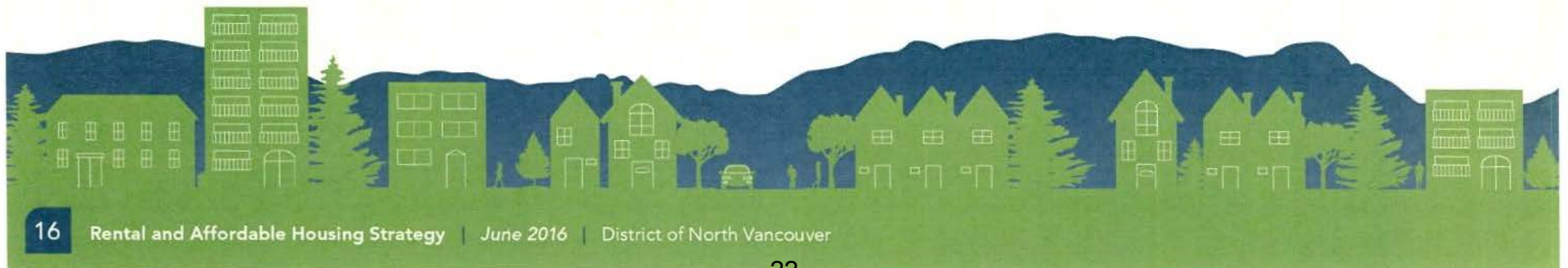
A Metro Vancouver study (Housing and Transportation Cost Burden Study: A new way of looking at affordability, 2015) assessed the impacts to housing affordability when transportation costs are considered along with housing costs.



Findings show that North Shore residents pay some of the highest housing and transportation costs in the region. Furthermore, relative to income levels, North Shore renters face a higher overall cost burden than owners.

Providing options for low to moderate income households to live in transit-oriented locations can substantially improve overall affordability. Initiatives to strengthen the alignment of land use, affordable housing and transportation, and investment in transit infrastructure are encouraged.

Through OCP implementation, the District is also seeking to promote new job growth in our key centres and employment lands to enable more District residents to work closer to home and thereby reduce their transportation costs.



Estimated Demand for Rental and Affordable Housing

Current Need

The number of District households in core need* and spending at least half of their households income (INALH) on housing provides an estimate of the current affordable housing demand in the District.

**A household is considered to be in core need if their housing is inadequate (e.g. needing major repairs), unsuitable (e.g. not enough bedrooms), and unaffordable (e.g. exceeds 30% of gross household income).*

Households in Core Need and INALH:

Total Households	Renter Households	Owner Households
1,520	680	840

Table 4. Renter and owner households in core need and spending at least half of the income on housing (2011 Census data).

According to the BC Housing Waitlist for Social Housing, in 2015 there were 606 households on the waitlist in North Vancouver (District and City). Of these, 242 (40%) were seniors, 101 (17%) were persons with disabilities and 263 (43%) were families and other households. Regionally, the waitlist for senior's social housing and for accessibly designed housing units for persons with disabilities has increased substantially in the past few years.

Projected Need

The Metro Vancouver 2040 Regional Growth Strategy (MV 2040) and the Regional Affordable Housing Strategy (MV RAHS) provide two sets of estimates for calculating the 10 year future demand for rental and affordable housing in the District.

	Low income Households	Low to Moderate Income Households	Moderate and Above Income Households	Total Rental Demand
MV 2040: (2011)	500	500	400	1,400
MV RAHS (2016)	440	120	130	700

Table 5. Metro Vancouver 2040 (2011) MVRHS (2016). Total rental demand under the MVRHS may not add up due to rounding.

Using these metrics as a guide, and given the need to address current affordable housing needs, this Rental and Affordable Housing Strategy estimates that the demand for all rental housing in the next 10 years is between 700 – 1,400 units and the demand for affordable rental units for low and low to moderate income households in the next 10 years is between 600 – 1,000 units. This translates to building an estimated 60 – 100 affordable rental units per year.



Estimate to 2030: Applying this rate over the next 14 years (2016 – 2030) the District could expect to have an estimated 840 – 1,400 net new, affordable rental units by 2030.



Affordability for Low to Moderate Income Households



According to CMHC, housing is generally considered to be “affordable” when a household spends no more than 30% of their gross household income on shelter costs (rent, mortgage payments, property taxes, strata fees, and heating costs). For the purposes of this Rental and Affordable Housing Strategy, housing affordability is focussed on the needs of low to moderate income earning households.

Rental thresholds for new affordable rental units are to be established at the time of rezoning and typically through a signed Housing Agreement. Useful sources of affordability rates include the CMHC Affordability Levels and the BC Housing Income Limits (both published annually). Potential renters will be income tested by the non-profit or other agency responsible for operating the affordable units.

The tables below estimate affordable monthly housing costs for low to moderate income households, both renters and owners, in the District. Median household incomes are based on 2011 Statistics Canada census data.

Renters

RENTER HOUSEHOLDS	Gross Annual Income	Affordable Monthly Housing Cost	Estimated Rents (typical 2-bed unit) (Rental listings, 2015)
Median Household Income (MHI) for all Renters in DNV	\$51,700	\$1,293	New Purpose Built Market Rental = \$1,800 - \$2,200 New strata rental unit = \$2,200 - \$2,500
Low to Moderate Income Households (earning 50% - 80% of MHI)	\$25,850 - \$41,360	\$646 - \$1,034	Older Purpose Built Market Rental Unit = \$1,451
Low Income Households (earning < 50% of MHI)	< \$25,850	< \$646	Secondary Suite = \$1,300

Table 6. Estimated affordable monthly costs for low to moderate income renter households.

Owners

OWNER HOUSEHOLDS	Gross Annual Income	Affordable Monthly Housing Cost	Estimated Mortgage (REBGV House Price Index, June 2015)
Median Household Income (MHI) for all Owners in DNV	\$97,656	\$2,441	Mortgage based on 10% down payment, 4% interest over 25 years. Note that additional mortgage insurance costs may apply.
Low to Moderate Income Households (earning 50% - 80% of MHI)	\$48,828 - \$78,125	\$1,221 - \$1,953	Townhouse Price = \$650,100 Monthly Mortgage = \$3,078
Low Income Households (earning < 50% of MHI)	< \$48,828	< \$1,221	Apartment Price = \$370,600 Monthly Mortgage = \$1,754

Table 7. Estimated affordable monthly costs for low to moderate income owner households.



NOTE: The limited availability of household income data (provided every 5 years) creates challenges for comparing income to house prices and rental rates that are available monthly or annually.

Adjusting median household income levels by the annual rate of inflation has been suggested as one potential solution to this issue.

For comparison purposes, CMHC 2016 Affordability Levels for a two-bedroom unit in the Vancouver region are as follows:

Level/Percentile	Monthly Rental Rate
Level 1 (80th)	\$1,700
Level 2 (65th)	\$1,430
Level 3 (50th)	\$1,238

2016 Housing Income Limits (BC Housing) Annual income required to afford average rent for a private market unit in Vancouver.

bachelor	\$38,500
1 bedroom	\$42,500
2 bedroom	\$52,000
3 bedroom	\$64,500



Key Rental and Affordable Housing Goals

As informed by community needs and the housing context, this strategy identifies six key goals that provide a framework for rental and affordable housing policies and action plans.

1 Expand the Supply and Diversity of Housing

2 Prioritize the Retention of Affordable Housing Outside Centres

3 Enable the Replacement of Existing Housing with Conditions

4 Minimize Impacts to Tenants

5 Expand the Supply of New Rental and Affordable Housing

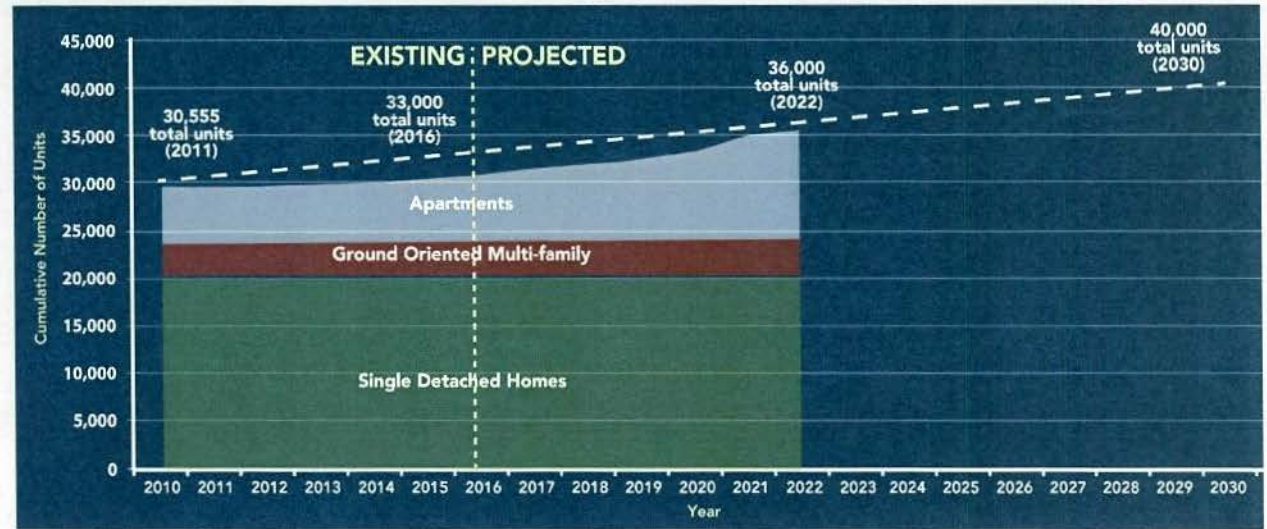
6 Partner with Other Agencies to Deliver Affordable Housing



1. Expand the Supply and Diversity of Housing

A healthy supply and diversity of housing types encourages competitive pricing for dwelling units and provides choices for residents in meeting their housing needs. Housing diversity should encompass a variety of housing forms, tenure, unit sizes, and meet applicable accessibility standards.

The OCP anticipates 10,000 net new units in the District to 2030. As we move towards 2030, the District will remain a suburban community largely characterized by single detached housing. However, redevelopment of our town and village centres will result in an increase in the number of apartment and ground oriented forms of housing.



Policy

1. Continue to encourage diversity and growth of housing in town and village centres and in accordance with OCP and Centre Implementation Plan policies.
2. Ensure that housing supply includes a diverse mix of built forms and unit sizes to accommodate the needs of families and other households.

Action Plan

1. As guided by the OCP, seek ways to increase housing diversity in our town and village centres and along key corridors to enable more residents to live closer to transit, services, amenities and employment.
2. Continue to apply the Strata Rental Protection and Accessible Design Policy for Multi-Family Residential Apartments policies.



2. Prioritize the Retention of Existing Affordable Housing Outside Centres

The vast majority of dwellings in the District are owned versus rented (19% rental households to 81% owner households based on 2011 census stats). As rising land values place home ownership out of reach for more and more residents, retaining and growing our rental stock remains a key community objective.



Policy

1. Prioritize maintenance, restoration, and retention of existing older rental buildings outside of centres.
2. Continue to enforce acceptable standards of maintenance for rental properties.
3. Continue to apply strata rental protection policies.

Action Plan

1. Update the Standard of Maintenance Bylaw to provide additional clarity on maintenance best practices.
2. Work with community partners and other agencies to develop solutions to retain non-profit, social, and co-operative housing potentially impacted by expiring operating agreements.



3. Enable the Replacement of Existing Housing with Conditions

Existing purpose built market rental housing provides a key source of more affordable, larger rental housing for moderate and lower income households and families. Primarily created through Federal government housing incentives, most of the District's existing purpose rental housing stock was constructed in the 1960s and 1970s.

Since that time, the lack of a gradual renewal of the purpose built market rental housing stock has contributed to the current affordable housing shortfall in the District. In the absence of municipal policies to protect the existing rental stock, many of these buildings are under development pressure given high land values and unused development capacity under existing zoning and land use.

Policy

1. Provide rental replacement at a ratio which may be less than 1:1 as long as affordable housing units are provided for low and moderate income households.
2. Ensure affordable units that are integrated as part of market housing development.
3. Include a diverse mix of unit sizes, including 3+ bedrooms for families.
4. Prioritize redevelopment within town and village centres where residents will have ready access to frequent transit, commercial, and other community services.



Action Plan

1. Work with developers to ensure that rental replacement advances achievement of rental and affordable housing goals and estimated demand.
2. Provide guidance to developers on unit sizes, mix, and affordability in response to community profiles and community need.



4. Minimize Impacts to Existing Tenants

Redevelopment pressures and potential demolition of older multi-family rental buildings has raised concerns for potentially displaced renters who may face significant challenges in meeting their affordable housing needs in a low vacancy rate climate.

The Tenant Assistance Policy outlines procedures to assist current tenants in finding alternative and affordable accommodation.

Such procedures may include providing advance notice to tenants, assistance with relocation, moving cost allowance, right of first refusal in the new building, long term tenant bonus, and/ or other measures.



Policy

1. Where redevelopment is being considered, work with land owners and developers to explore a phased approach to development to minimize impacts to existing tenants.
2. Encourage existing purpose built rental redevelopment projects to provide a tenant assistance package to aid tenants in the search for new housing.

Action Plan

1. Develop a Tenant Assistance Policy, to be applied at rezoning, to provide assistance for tenants where existing rental buildings are to be redeveloped.



5. Expand Supply of New Rental and Affordable Housing

While retention of existing rental, where appropriate, is important, the District needs a supply of new rental and affordable housing to meet the projected needs of all District residents to 2030. The majority of this new housing is anticipated to be provided in key growth centres as delineated in the OCP.

Policy

1. Expand the supply of rental and affordable rental housing in a manner that is consistent with the OCP, and enables low and moderate income households to access frequent transit, community services, retail, and employment within walking distance from their residences.
2. Encourage and consider innovative ways to deliver rental and affordable housing.
3. Consider on a case-by-case basis density bonus zoning as a mechanism to increase the amount of affordable housing. Acknowledge that there are limited locations where this may be appropriate based on OCP policies related to traffic, infrastructure, urban design objectives, and other community concerns.
4. Consider incentivising affordable housing with parking relaxations in town and village centres that are part of the frequent transit network.
5. Ensure a diversity of unit sizes in rental and affordable housing to accommodate the needs of families, seniors, first time

homebuyers, students, those with cognitive and mobility challenges, and other households.

6. Require all multi-family residential projects undergoing rezoning to contribute to the provision of affordable housing by:
 - Providing land dedicated for affordable housing (typically larger sites);
 - Providing a cash in lieu community amenity contribution towards an Affordable Housing Opportunities fund (typically smaller sites);
 - Including a portion of affordable rental or ownership units as part of the project;
 - Some combination of the above, as appropriate for the site.

Action Plan

1. Continue to monitor the number, size, and affordability of existing and new affordable units by area, on an annual basis and compare to projected demand estimates.
2. Develop an Affordable Housing Opportunities Fund with appropriate policy to guide its use.
3. Explore opportunities for density bonus zoning and height adjustment for the delivery of affordable housing.
4. Explore opportunities for additional parking reductions for affordable rental apartments located in frequent transit development areas.



6. Partner with Other Agencies to Deliver Affordable Housing

Partnering with other agencies is essential to achieving affordable housing demand for low and low to moderate income households in the District. The various operational models and mandates of these agencies will influence the way in which the District's is able to leverage funding and find suitable partners to operate various affordable housing projects (see summary of potential partners).

The District is also interested in having identified projects at the ready to take advantage of Federal and Provincial funding, where available.



Policy

1. Pursue funding partnerships with the Federal and Provincial Governments to deliver affordable housing.
2. Partner with not for profit agencies to develop housing that meets community needs.
3. Consider the use of District land, where appropriate, to contribute towards and leverage other funding for the development of non-market housing.

Action Plan

1. Develop shovel-ready affordable housing projects in partnership with community stakeholders, private developers, and public agencies in anticipation of future funding opportunities.
2. Issue an expression of interest to gauge housing providers' needs and interest in purchasing and/or operating affordable housing units.
3. Identify priority District owned lands that may be suitable for affordable housing projects, and/or to provide funds through sale towards an Affordable Housing Opportunities Fund.

Potential Affordable Housing Partners

Federal Government

Based on “Real Change: Affordable Housing for Canadians” the newly elected Federal government will be taking steps to support affordable and rental housing in the following ways:

- investing in social infrastructure, including affordable housing and seniors facilities (helping to build more housing units, refurbish existing ones, renew current co-operative agreements, and provide operational funding support for municipalities);
- increasing the new residential rental property rebate on the GST to 100 percent, eliminating all GST on new capital investments in affordable rental housing; and
- directing the CMHC and the new Canada Infrastructure Bank to provide financing to support construction by the private sector, social enterprises, co-ops, and the not-for-profit sector of new, affordable rental housing for middle and low-income Canadians.

Provincial Government

The BC government has pledged to allocate \$355-million over the next five years to construct and renovate more than 2,000 units of affordable housing. BC Housing works in partnership with other levels of government, community, and private partners to provide housing for those in greatest need. BC Housing programs provide rental assistance, facilitate development of new affordable housing for low income families, and emergency and subsidized housing for low income families and the disabled. Through the Provincial Homelessness Initiative, BC Housing also facilitates the development of housing with integrated support services to help vulnerable families and individuals who are homeless or at risk of homelessness. As a CMHC recognized lending agency, BC Housing can

provide construction financing, and will also buy units for mortgaging by another agency.

MV Housing Corporation

The Metro Vancouver Housing Corporation derives 88% of its funding from tenant rents, laundry, and parking, and the remainder from BC Housing subsidy and CMHC mortgage interest subsidy. The Corporation currently owns 49 sites around the region with 3,500 units of which 33% are subsidized based on a mixed income model of market and subsidized units. The ratio of market units depends on the required level of subsidy needed for below market rental units.

Developers

The development community has a key role to play in supporting municipal objectives for rental and affordable housing through land development, community amenity contributions, addressing needs of tenants, and in creating innovative ideas to advance affordable housing.

Non-Profit Agencies

Non-profit agencies are typically the organizations responsible for operating and maintaining the affordable housing units, administering income screening of tenants, and pursuing grant opportunities to leverage government funding.



Exploration of Key Rental and Affordable Housing Tools



Local governments have first-hand knowledge of the housing needs within their respective communities, the ability to set policies and regulations governing land use zoning, and to review and make decisions about development application approvals, and hence are well positioned to play an active role in addressing local housing issues.

A Metro Vancouver study “What Works: Affordable Housing Initiatives in Metro Vancouver Municipalities (2016) provides an overview of which municipal actions and tools have the best results, and highlights successes made and lessons learned in specific case studies.

This section provides additional detail on key tools identified in this Rental and Affordable Housing Strategy.



Land Dedication for Affordable Housing (see Goal 3)

Larger multi-family residential redevelopment sites that require rezoning present an opportunity for the District to negotiate with development proponents to dedicate a portion of land to the District for an affordable housing building. Obtaining affordable housing through land dedication has a substantially lower or no impact on the funds available for community amenities depending on whether the affordable housing units are included in the overall project density. The District may retain ownership of this dedicated land and work in partnership with a development agency and/or non-profit housing provider to construct the affordable housing units. Alternatively, the affordable housing building could be built by the developer as part of the overall development project, and then sold to a non-profit housing provider, at cost. The ongoing operation and administration of the affordable rental housing units would rest with the non-profit housing provider.

Cash Contribution Towards an Affordable Housing Fund (see Goal 3)

While a limited number of larger multi-family residential sites may be able to provide land and/or built affordable housing units, smaller sites may contribute to affordable housing by making a monetary community amenity contribution (CAC) to an Affordable Housing Fund. The value of the CAC contribution would be determined during the rezoning application and review process.

Inclusion of Affordable Housing Units (see Goal 3)

Proponents of multi-family residential projects may choose to contribute to affordable housing by constructing a portion of new multi-family residential as affordable units. This approach has been employed in The Residences and Mill House projects. This approach encourages integration and social inclusion of affordable units into a market housing project. In addition, having affordable rental units built, rather than receiving cash in lieu places available rental replacement units on the market and available to tenants sooner than if the funding was directed to an Affordable Housing Fund. The dispersed nature and small number of units may pose operational challenges for some housing agencies and non-profits organizations.



Incentives to Encourage Rental and Affordable Housing



Besides regulatory and policy tools, local governments may also use a number of incentives to encourage provision of affordable housing. Amongst other items, the Local Government Act enables:

- use of zoning and regulatory mechanisms to encourage affordable housing through density bonus zoning and reduced parking regulations; and
- waiving fees and charges for specified purposes such as affordable housing.

Opportunities for potential consideration and application of these incentives in the District, is described below.

Density Bonus

On a case-by-case basis, Council in its discretion may choose to consider

a zoning bylaw amendment to enable an increase in density where the proposed development is otherwise consistent with the objectives and policies in the OCP. Some local governments have developed policy and/or identified suitable sites for density bonus to enable the development of affordable housing. This approach could be considered inside key centres, but may have limited application outside of centres where increased density may not be appropriate.



Reduced Parking Requirements

Underground parking is expensive and where feasible reduced parking requirements can significantly lower overall project costs. In conjunction with transportation demand management measures, reduced parking rates of up to 0.75 per unit plus visitors parking for rental apartments are in effect for Lynn Creek Town Centre and Lions Gate Village Centre which are located on the Frequent Transit Network (FTN) with bus service every 15 minutes. Potential consideration of further parking reductions for affordable rental housing may be explored.

Waiving Application Fees and Development Cost Charges (DCCs) for Affordable Housing

Waiving fees can serve as an incentive to encourage affordable housing by helping to reduce overall project costs. This approach may be applied on a case-by-case basis, at Council's discretion, and is typically reserved for non-market housing only. DCC waivers should be applied judiciously as removal of these fees can displace these costs to other development projects.



Implementing this Rental and Affordable Housing Strategy

This section includes a number of action plans needed to support the successful implementation of this strategy. As part of implementation, staff will monitor the District's housing inventory over time, and use this information to adjust housing form and affordability demand estimates to better respond to changing community needs.

Goal	Action Plan Item
1. Expand the supply and diversity of housing	<ol style="list-style-type: none"> 1. As guided by the OCP, seek ways to increase housing diversity in our town and village centres and along key corridors to enable more residents to live closer to transit, services, amenities, and employment. 2. Continue to apply the Strata Rental Protection Policy to remove restrictions on the supply of private strata rental units. 3. Continue to apply the Accessible Design Policy for Multi-Family Residential Apartments to increase the supply of universal and accessible designed units to meet the needs of families, persons with disabilities, and frail seniors.
2. Prioritize the retention of affordable housing outside centres	<ol style="list-style-type: none"> 1. Update the Standard of Maintenance Bylaw to provide additional clarity on maintenance best practices. 2. Work with community partners and other agencies to develop solutions to retain non-profit, social, and co-operative housing potentially impacted by expiring operating agreements.
3. Enable the replacement of existing housing with conditions	<ol style="list-style-type: none"> 1. Work with developers to ensure that rental replacement advances achievement of rental and affordable housing goals and estimated demand. 2. Provide guidance to developers on unit sizes, mix, and affordability in response to community profiles and community need.
4. Minimize impacts to existing tenants	<ol style="list-style-type: none"> 1. Develop a Tenant Assistance Policy, to be applied at rezoning, to provide assistance for tenants where existing rental buildings are to be redeveloped.
5. Expand supply of new affordable rental and affordable housing	<ol style="list-style-type: none"> 1. Continue to monitor the number, size, and affordability of existing and new affordable units by area, on an annual basis and compare to projected demand estimates. 2. Develop an Affordable Housing Opportunities Fund with appropriate policy to guide its use. 3. Explore opportunities for density bonus zoning and height adjustment for the delivery of affordable housing. 4. Explore opportunities for additional parking reductions for affordable rental apartments located in frequent transit development areas.
6. Partner with other agencies to deliver affordable housing	<ol style="list-style-type: none"> 1. Develop shovel-ready affordable housing projects in partnership with community stakeholders, private developers, and public agencies in anticipation of future funding opportunities. 2. Issue an expression of interest to gauge housing providers' needs and interest in purchasing and/or operating affordable housing units. 3. Identify priority District owned lands that may be suitable for affordable housing projects, and/or provide funds through sale towards and Affordable Housing Opportunities Fund.



