

**DISTRICT OF NORTH VANCOUVER  
COUNCIL WORKSHOP**

Minutes of the Council Workshop of the Council for the District of North Vancouver held at 5:01 p.m. on Monday, December 1, 2015 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

**Present:** Mayor R. Walton  
Councillor R. Bassam  
Councillor M. Bond  
Councillor J. Hanson  
Councillor R. Hicks  
Councillor L. Muri

**Absent:** Councillor D. MacKay-Dunn

**Staff:** Mr. B. Bydwell, General Manager – Planning, Properties & Permits  
Mr. D. Milburn, Deputy General Manager – Planning & Permits  
Mr. J. Gordon, Manager – Administrative Services  
Ms. J. Paton, Manager – Development Planning  
Ms. L. Brick, Deputy Municipal Clerk  
Ms. S. Dal Santo, Section Manager – Planning Policy  
Mr. P. Chapman, Social Planner  
Ms. C. Archer, Confidential Council Clerk

**Also in**

**Attendance:** Ms. M. Eberle, Senior Housing Planner, Metro Vancouver Regional District  
Mr. D. Littleford, Director, Regional Housing, Metro Vancouver Regional District

As Mayor Walton will be departing partway through the meeting and the Acting Mayor is absent, it was deemed appropriate to appoint a presiding member to take the Chair upon his departure.

**MOVED by Councillor MURI**  
**SECONDED by Councillor BOND**  
THAT Councillor BASSAM be appointed Presiding Member.

**CARRIED**

**1. ADOPTION OF THE AGENDA**

**1.1. December 1, 2015 Council Workshop Agenda**

**MOVED by Councillor MURI**  
**SECONDED by Councillor BOND**  
THAT the agenda for the December 1, 2015 Council Workshop be adopted as circulated, including the addition of any items listed in the agenda addendum.

**CARRIED**

## 2. ADOPTION OF MINUTES

### 2.1. November 2, 2015 Committee of the Whole Minutes

**MOVED by Councillor MURI**  
**SECONDED by Councillor BOND**

THAT the minutes of the November 2, 2015 Committee of the Whole meeting be adopted.

**CARRIED**

### 2.2. November 9, 2015 Committee of the Whole Minutes

**MOVED by Councillor MURI**  
**SECONDED by Councillor BOND**

THAT the minutes of the November 9, 2015 Committee of the Whole meeting be adopted.

**CARRIED**

## 3. REPORTS FROM COUNCIL OR STAFF

### 3.1. Draft Regional Affordable Housing Strategy

File No. 13.6480.30/003.000

Mr. Dan Milburn, Deputy General Manager – Planning & Permits, briefly reviewed Council's affordable and rental housing discussion to date, noting that Council has provided the following feedback:

- Partners such as Metro Vancouver need to be involved in the discussion;
- Time is needed to properly address the issue;
- The financial impacts of District actions must be understood;
- Any action taken by the District must address the needs of families, seniors, those with low incomes, renters and others;
- Fill gaps in housing supply; and,
- Interest was expressed in learning more about the operations of a housing corporation and the costs involved.

Mr. Milburn provided an overview of the goals for the sessions on affordable and rental housing:

- The current session will cover the draft Metro Vancouver Housing Strategy, Metro Vancouver Housing Corporation and District goals and targets for affordable housing;
- The next session on December 8, 2015 will focus on strategies and actions;
- Public consultation is planned for early 2016; and,
- Recommendations will be brought forward following the public consultation process.

Ms. Margaret Eberle, Senior Housing Planner, Metro Vancouver Regional District, reported that housing affordability is a very significant issue throughout the region. Developing and managing housing is a complex process involving many stakeholders. The effect of housing on the regional economy is a matter of

increasing concern as high housing costs and low vacancy rates affect the ability of workers to find housing near workplaces. The Regional Affordable Housing Strategy (RAHS) is being updated because the housing market has changed significantly over the past 10 years.

Ms. Eberle reported on the annual housing demand estimates for Metro Vancouver, noting that an additional 12,000 ownership units and 6,500 rental units are required per year. Of the rental unit demand, 2,200 are low income rental, 2,500 are low-to-moderate income and 1,800 are market rental.

The goals from the previous RAHS adopted in 2007 were:

- Increase the supply and diversity of modest-cost housing;
- Eliminate homelessness; and,
- Meet the needs of low income renters.

Ms. Eberle reported on Metro Vancouver's accomplishments since the adoption of the 2007 RAHS:

- Municipal Housing Action Plans;
- Parking reductions;
- Density is being increased appropriately in Town Centres;
- Infill housing such as secondary suits and laneway housing is permitted in more municipalities; and,
- The purpose-built rental supply is increasing as municipalities are providing more incentives for developers.

Ms. Eberle reviewed the RAHS update process, noting that input from member municipalities and other stakeholders is being received until the end of January and will be incorporated into the final strategy, which is expected to be submitted to the Metro Vancouver Board by late spring 2016. As with the previous version, the new RAHS is mainly focused on the rental side of the housing continuum, though it does touch on entry-level home ownership.

The draft vision for the RAHS is a "diverse and affordable housing supply that meets the needs of current and future regional residents." The draft goals are:

1. Expand the supply and diversity of housing to meet a variety of needs;
2. Preserve and expand the rental housing supply;
3. Meet housing demand estimates for low and moderate income earners;
4. Increase the rental housing supply along the Frequent Transit Network; and,
5. End homelessness in the region.

One of the challenges of creating a regional housing strategy is finding a balance between what can be asked of senior levels of government and what can be done by local government.

Ms. Eberle expanded on goals two and three, noting that strategies to achieve these goals include:

- Facilitating the construction of new rental housing;
- Making retention and maintenance of existing purpose-built rental housing more attractive so that redevelopment is less financially attractive;
- Ensuring relocations are responsive to tenant needs where older rental stock is being replaced by redevelopment;

- Supporting organizations that operate non-market housing such as non-profit societies and cooperatives as they are losing subsidies and operating agreements; and,
- Advocating for support from Provincial and Federal governments for assistance with meeting housing needs.

New developments since the draft RAHS was completed include updating the housing demand estimates and draft performance measures. The newly elected Federal government had a significant housing platform as part of their campaign, therefore the policy and funding strategy could change as a result. The RAHS was developed without assuming any support from the Federal government aside from basic rent subsidies. Policy is not needed to assist those who can already afford housing, so the discussion was around those making less than \$30,000 per year. As prices rise, this threshold is getting closer to \$50,000 per year.

In response to a question from Council, Ms. Eberle advised that if the market is left to itself, redistribution of residents is inevitable, but government can have an influence. The market will push people into smaller units and push people to live further away from where they work. Council expressed concern that businesses might relocate if workers are hard to find.

Mr. Don Littleford, Director of Housing, Metro Vancouver Regional District, provided an overview of how the Metro Vancouver Housing Corporation (MVHC) operates and the housing situation in the region, advising that a housing system is a form of social engineering.

MVHC provides about 3,500 units of mixed income rental housing in the region. About seventy percent of the tenants are market tenants and thirty percent are subsidized. The funds for the subsidized tenants come from the tenants paying market rent, not from the local tax base.

MVHC is a non-profit society operating in eleven municipalities with forty-nine sites. They pay full municipal taxes, utilities and other expenses. Units are larger housing for families to avoid squeezing out family spaces.

Subsidies are given based on the difference between thirty percent of income and market rent. Applicants for subsidies must provide information on their family composition, income and assets and then requalify annually. The system is rigorous to ensure only qualified tenants receive subsidies.

MVHC development decisions are based on:

- Capital cost;
- Equity vs debt financing;
- Operating cost;
- Financing amount and interest rates;
- Operating revenue based on the number of units and the amount of subsidies;
- Free land is a requirement, either owned outright by MVHC or leased at a nominal rate; and,

- Density and the ability to sell some of it in order to generate funds to service debt and build housing.

Mr. Littleford provided an overview of the MVHC Heather Place housing project being built near Vancouver General Hospital. He noted that the site had existing purpose built housing and tenants were provided with relocation packages and were able to relocate over a long period of time, which reduced the impact.

In response to questions from Council and staff, Mr. Littleford advised that:

- The cost of relocating tenants, including foregone revenue from holding suites for tenants relocating from one side to the other, was about \$200,000;
- There are four MVHC buildings in the City of North Vancouver and none in the District of North Vancouver or the District of West Vancouver;
- The City of North Vancouver waived DCCs and CACs;
- Not many people move out of the subsidized program;
- The percentage of subsidized units ranges from fifteen to thirty percent, depending on how many MVHC can afford to include;
- Annual reporting requirements for subsidies include Notices of Assessment, pay slips and bank account information;
- Scale economy is needed to deal with the administrative burden of income checking for subsidized tenants as well as maintenance costs;
- Future expenses such as roof and elevator replacement and maintenance costs are carefully tracked and many are predictable;
- Secondary suites have met much of the housing demand not being met by apartments, but the supply of homes that will add suites is running out;
- The amount of land that can be developed is finite, but there is room above the land that can be used by adding density;
- A housing corporation is not the only model; there are other kinds of non-profits and co-operatives;
- It is problematic to try to engage the development community in affordable housing because they do not want to be involved in running housing;
- Both free land and cash gained by selling density are required to allow the corporation to provide subsidized units;
- The higher the market rents are, the more subsidized housing can be provided;
- A progressive property purchase tax is a potential solution to raising funds to build more housing; and,
- Reducing parking spaces reduces building costs.

Council discussion ensued and the following comments and concerns were noted:

- Where to build new purpose-built rental housing if the areas designated for higher density already have rental buildings and single family housing to be retained;
- Losing residents because they are being priced out of the area is a concern;
- Tradespeople are no longer able to afford to live in the District;
- Foreign ownership has inflated real estate prices across the region;

Mayor Walton left the meeting at 6:34 pm and Councillor Bassam assumed the Chair.

- Individuals are buying multiple units in new developments and many units are sitting empty;
- Concern about stratas and other building owners opting to redevelop rather than maintain buildings; and,
- Tenants displaced by relocation have nowhere to go and will not be able to afford new units.

#### 4. PUBLIC INPUT

**Mr. Corrie Kost, 2800 Block Colwood Drive:**

- Commented on the need for legislation to impose standards of maintenance on rental units; and,
- Commented on the increase in land values.

**A District resident:**

- Commended Council for addressing affordable housing.

**A District resident:**

- Requested clarification of a Council comment on building ahead of the demand curve.

Council clarified that if not enough housing is built to meet the increasing demand, prices will increase.

#### 5. ADJOURNMENT

**MOVED by Councillor BOND**

**SECONDED by Councillor HANSON**

THAT the December 1, 2015 Council Workshop be adjourned.

**CARRIED**

(7:02 pm)

Absent for Vote: Mayor WALTON

---

Mayor

---

Municipal Clerk