

AGENDA

COUNCIL WORKSHOP

**Monday, February 11, 2019
7:00 p.m.
Committee Room, Municipal Hall
355 West Queens Road,
North Vancouver, BC**

Council Members:

Mayor Mike Little
Councillor Jordan Back
Councillor Mathew Bond
Councillor Megan Curren
Councillor Betty Forbes
Councillor Jim Hanson
Councillor Lisa Muri



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COUNCIL WORKSHOP

7:00 p.m.
Monday, February 11, 2019
Committee Room, Municipal Hall,
355 West Queens Road, North Vancouver

AGENDA

1. ADOPTION OF THE AGENDA

1.1. February 11, 2019 Council Workshop Agenda

Recommendation:

THAT the agenda for the February 11, 2019 Council Workshop is adopted as circulated, including the addition of any items listed in the agenda addendum.

2. ADOPTION OF MINUTES

2.1. January 14, 2019 Council Workshop

p. 7-12

Recommendation:

THAT the minutes of the January 14, 2019 Council Workshop meeting are adopted.

3. REPORTS FROM COUNCIL OR STAFF

3.1. Housing Affordability Definitions: A Brief Overview and Scenarios

p. 15-59

File No. 16.6480.30/003.000

Recommendation:

THAT the February 4, 2019 joint report from the Senior Community Planner and Manager – Development Services entitled Housing Affordability Definitions: A Brief Overview and Scenarios is received for information.

4. PUBLIC INPUT

(maximum of ten minutes total)

5. ADJOURNMENT

Recommendation:

THAT the February 11, 2019 Council Workshop is adjourned.

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MINUTES

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**DISTRICT OF NORTH VANCOUVER
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 7:05 p.m. on Monday, January 14, 2019 in the Council Chambers of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor M. Little
Councillor J. Back
Councillor M. Bond
Councillor M. Curren
Councillor B. Forbes
Councillor J. Hanson
Councillor L. Muri

Staff: Mr. D. Stuart, Chief Administrative Officer
Mr. G. Joyce, General Manager – Engineering, Parks & Facilities
Mr. D. Milburn, General Manager – Planning, Properties & Permits
Mr. A. Wardell, General Manager – Finance/CFO
Mr. R. Danyluk, Manager – Financial Planning
Mr. D. Desrochers, Manager – Engineering Projects & Development Services
Mr. B. Dwyer, Manager – Development Services
Mr. J. Gordon, Manager – Administrative Services
Mr. S. Ono, Manager – Engineering Services
Ms. J. Paton, Manager – Development Planning
Ms. J. Ryder, Manager – Real Estate & Properties
Ms. M. Welman, Manager – Strategic Communications & Community Relations
Ms. A. Reiher, Confidential Council Clerk

1. ADOPTION OF THE AGENDA

1.1. January 14, 2019 Council Workshop Agenda

MOVED by Councillor MURI

SECONDED by Councillor CURREN

THAT the agenda for the January 14, 2019 Council Workshop is adopted as circulated.

CARRIED

2. ADOPTION OF MINUTES

2.1. September 25, 2018 Council Workshop

MOVED by Councillor MURI

SECONDED by Councillor BACK

THAT the minutes of the September 25, 2018 Council Workshop meeting are adopted.

CARRIED

2.2. November 6, 2018 Council Workshop

MOVED by Councillor MURI
SECONDED by Councillor BACK

THAT the minutes of the November 6, 2018 Council Workshop meeting are adopted.

CARRIED

2.3. November 13, 2018 Council Workshop

MOVED by Councillor MURI
SECONDED by Councillor BACK

THAT the minutes of the November 13, 2018 Council Workshop meeting are adopted.

CARRIED

2.4. November 20, 2018 Council Workshop

MOVED by Councillor MURI
SECONDED by Councillor BACK

THAT the minutes of the November 20, 2018 Council Workshop meeting are adopted.

CARRIED

2.5. November 26, 2018 Council Workshop

MOVED by Councillor MURI
SECONDED by Councillor BACK

THAT the minutes of the November 26, 2018 Council Workshop meeting are adopted.

CARRIED

3. REPORTS FROM COUNCIL OR STAFF

3.1. Pace of Development

File No. 13.6480.30/001.002.000

Mr. Dan Milburn, General Manager – Planning, Properties & Permits, provided an overview of the pace of development in the District of North Vancouver with a focus on single family and multi-family developments. He discussed the definition of pace of development, influences on development pace, current policies and statistics, and illustrations of historical and projected pace of development. He also commented about the options available to Council for responding to the active rezoning applications in the District.

Mr. Milburn commented that the pace of development can be expressed as:

- The amount of development by square feet or the number of units approved by Council that are under construction or occupied in a given amount of time; or,
- The type of development or location as in one of the four key growth centres identified in the Official Community Plan (OCP) such as Lions Gate-Marine, Lynn Valley, Lynn Creek or Maplewood.

Mr. Milburn described how the pace of development can be seen from various perspectives, such as:

- Change, uncertainty and risk;
- Construction impacts;
- Land use impacts;
- Costs and service demands;
- Changing community needs;
- Identified issues; and,
- Renewal and revitalization.

Mr. Milburn presented a graph demonstrating the steps and timelines involved in a site development for a townhouse, apartment or condo building. He reported that after the OCP adoption in 2011, the District undertook a process of Town and Village Centre Planning for key growth centres as well as a review of Edgemont Village.

Mr. Milburn reported that the pace of development results from supply and demand influences and that only a few of these influences are directly controlled by the District. Other influences are controlled by:

- Broad societal forces, such as population changes;
- Regional growth trends;
- Regulation and policies of other levels of government;
- Existing site conditions and constraints;
- Private individuals making decisions about their lands; and,
- Market conditions.

He discussed the role of Council in regards to land zoning and commented that regional growth impacts the congestion of highways, bridges, parks and open spaces. He further discussed the future population demands estimated by the OCP in 2011 and the current OCP policies adopted by previous Councils.

Mr. Milburn reported that of all approved units, 86% are located in the four key town centres and commented about the housing continuum, the OCP objective of residential unit growth of 10,000 net new units and the estimated demand for various types of non-market and market housing units. He discussed the historical census data regarding the District's population growth.

Mr. Milburn further discussed the historical and projected pace of single-family and multi-family developments in the District based on previous Council decisions and presented maps showing the locations of construction. He reported that from the adoption of the OCP, an average of 6 to 8 single-family infill lots are approved per

year and that an average of 135 single family new construction permits are issued per year.

He discussed the aging housing stock and presented a map of homes constructed from 1950 to 1990 which may require alteration or complete re-build in the future. Mr. Milburn discussed multi-family units and noted that the vast majority of developments are on private land.

In response to a question from Council, staff advised that the projected pace of development (residential units, population and jobs) in the OCP are estimates only and that of all the single-family home permits, 75% of the homes proposed a secondary suite.

In response to a question from Council, staff advised that these OCP projections are estimates only for planning purposes and are not considered targets.

In response to a question from Council, staff advised that the Regional Growth Strategy was adopted by the previous Council

In response to a question from Council, staff advised that there are approximately 20,000 single-family homes and that an average of 6 to 8 new single-family home infill lots are created per year.

In response to a question from Council, staff advised that market conditions determine the pace of development.

In response to a question from Council, staff advised that there are regulatory controls in the rezoning process that direct construction to occur during a certain timeframe and that control the concurrent construction of services.

In response to a question from Council, staff advised that any project that has an active zoning application is considered instream.

In response to a question from Council, staff advised there are 4,000 multi-family units proposed in the current active zoning applications.

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

- Commented about the population growth estimates of the OCP and the challenges of pace of development;
- Discussed the affordability of single family homes, their construction and impact on the community;
- Commented about traffic congestion on the North Shore bridges;
- Commented about the transportation infrastructure on the North Shore and that it should be included in the pace of development;
- Commented about the Land Sale Program that was implemented in 1975 to develop the community;
- Commented about the Canada Mortgage and Housing Corporation versus District of North Vancouver court case in 2000 where the Supreme Court of Canada ruled in favour of the District;

- Suggested that priority should be given to housing for the disabled, seniors and the homeless;
- Commented that forested areas should be protected from development, that construction practices should be environmentally friendly and commented on the need to reduce green house gas emissions;
- Discussed the creation of employment opportunities;
- Commented about child care needs;
- Suggested that maps depicting development be interactive including information about the address, unit type mix, parking allotment, construction dates and cost-benefit analysis;
- Expressed concern about transportation and road infrastructure issues on the North Shore;
- Commented about the declining national growth rate;
- Commented about social housing and a policy that allows Council to actively prioritize housing for rental and non-market housing;
- Expressed that there should be a review of the OCP;
- Requested information regarding a 2009 survey of traffic calming measures in the Kirkstone area; and,
- Requested a list of Community Amenity Contributions as of 2011, the projects they are related to and where the funds were disbursed.

Councillor MURI left the meeting at this point in the proceedings. (9:11 p.m.)

4. PUBLIC INPUT

4.1. Mr. John Hunter, 300 Block Roche Point Drive:

- Commented about the North Shore demographics, traffic congestion and housing affordability; and,
- Suggested that operating costs were also a reason the District stopped selling land under the Land Sale Program.

Councillor MURI returned to the meeting at 9:14 p.m.

4.2. Mr. Peter Teevan, 1900 Block Indian River Crescent:

- Commented about the housing continuum graphs provided in the staff report and suggested that further details could be provided; and,
- Commented about traffic congestion issues.

4.3. Mr. John Miller, 1600 Block Tatlow Avenue:

- Expressed concern that the information provided to the public in the agenda varied from that presented by staff;
- Stated that a project at 1700 Block Marine Drive and 1600 Block Tatlow commenced in 2017; and,
- Suggested that the pace of development impacts should not focus solely on multi-family developments but should also include other types of development.

4.4. Mr. Lyle Craver, 4700 Block Hoskins Road:

- Suggested that the District should explore if it can restrict developers that have not yet built on their land;

- Commented about the *Federal Income Tax Act* and house depreciation;
- Spoke about a transportation tax that was levied in 2004 and suggested that transportation and construction plans should be reviewed; and,
- Spoke favourably about the OCP.

4.5. A District Resident:

- Commented about active rezoning applications and suggested that housing targets are almost met;
- Questioned how development may be steered from market to non-market housing; and,
- Spoke about the retention of affordable housing.

5. ADJOURNMENT

MOVED by Councillor MURI

SECONDED by Councillor HANSON

THAT the January 14, 2019 Council Workshop is adjourned.

CARRIED
(9:34 p.m.)

Mayor

Municipal Clerk

REPORTS

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AGENDA INFORMATION	
<input checked="" type="checkbox"/> Council Workshop	Date: <u>Feb. 11, 2019</u>
<input type="checkbox"/> Finance & Audit	Date: _____
<input type="checkbox"/> Advisory Oversight	Date: _____
<input type="checkbox"/> Other:	Date: _____



The District of North Vancouver REPORT TO COMMITTEE

February 4, 2019
File: 13.6480.30/003.000.000

AUTHOR: Natasha Letchford, Senior Community Planner and Brett Dwyer, Manager Development Services

SUBJECT: Housing Affordability Definitions: A Brief Overview and Scenarios

RECOMMENDATION:

THAT the report titled *Housing Affordability Definitions: A Brief Overview and Scenarios* dated February 4, 2019, from the Senior Community Planner and the Manager Development Services be received for information.

REASON FOR REPORT:

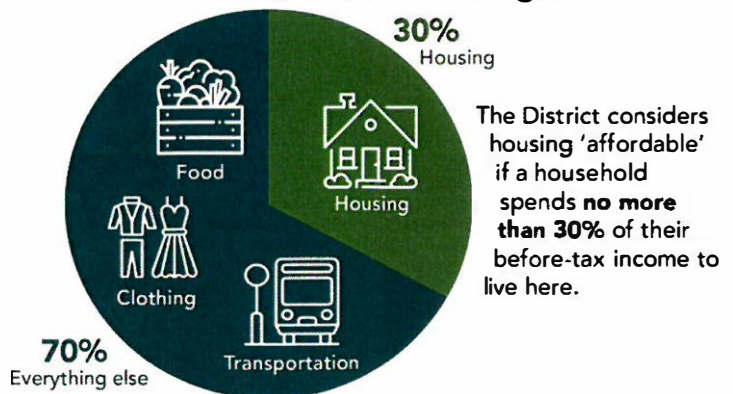
Following the Council Workshop on the Pace of Development on Monday January 14, 2019, Council asked staff to report back with greater clarity on housing affordability definitions.

This report will provide a brief overview of the definition of affordable housing, four fact based narratives illustrating the housing challenges faced by North Vancouver residents; the three levers available to municipalities to impact housing affordability, and the current provincial and federal funding opportunities.

SUMMARY:

For the purposes of federal and provincial funding, housing is considered affordable if it costs no more than 30% of before-tax household income.¹ The District of North Vancouver uses the Federal and Provincial definition of affordable housing.

What is Affordable Housing?



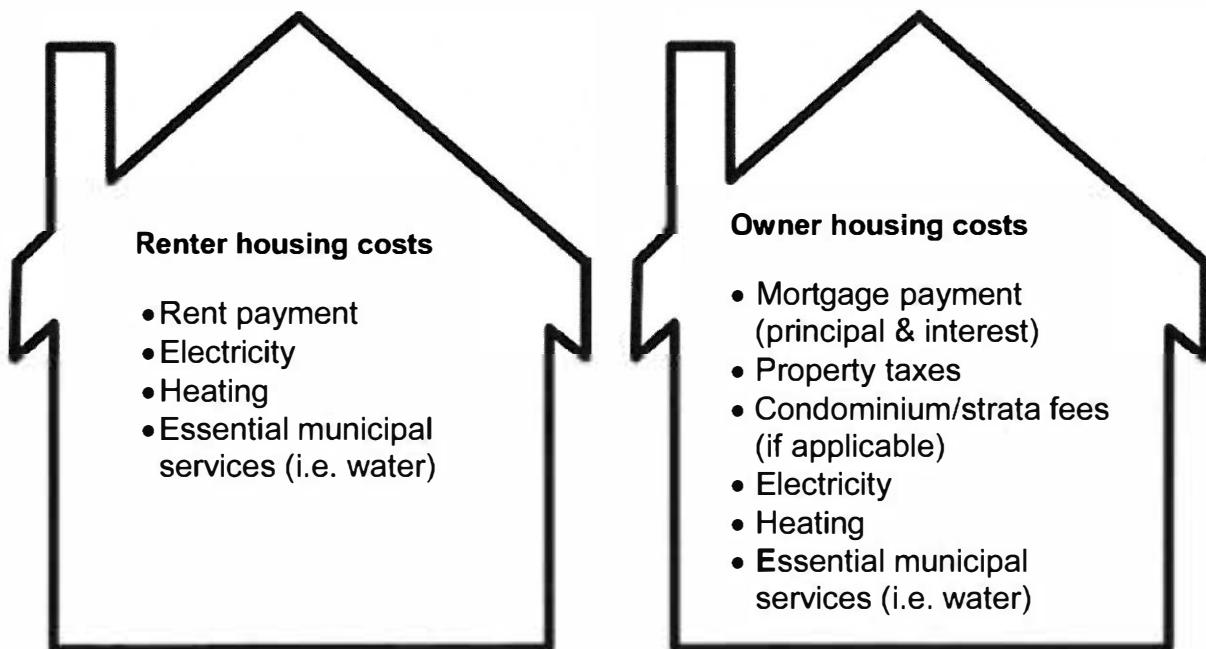
¹ BC Housing (2019). Glossary. <https://www.bchousing.org/glossary>

For example, if a household's annual income (before tax) is \$100,000, then the maximum they should be spending per month on housing is \$2,500 or \$30,000 per year. It is important to note that housing decisions impact other living costs; for example, less expensive housing further away from work and/or childcare means that transportation costs may be higher.

The purpose of this report is to provide a clearer picture of who can afford what type of housing in the District of North Vancouver; in other words, where people fall on the housing continuum. The housing continuum shows the wide variety of housing available to people and ranges from safe houses to single family home ownership. To better understand what spending 30% of one's income looks like in the District this report will describe four representative families in their search for housing. This report will provide an overview of some of the various housing categories on the housing continuum, and include a brief discussion of the three 'levers' available to Council: density bonus zoning, provision of District owned land, and community amenity contributions (CACs). Finally, there will be a high level summary of the Provincial and Federal funding available for housing.

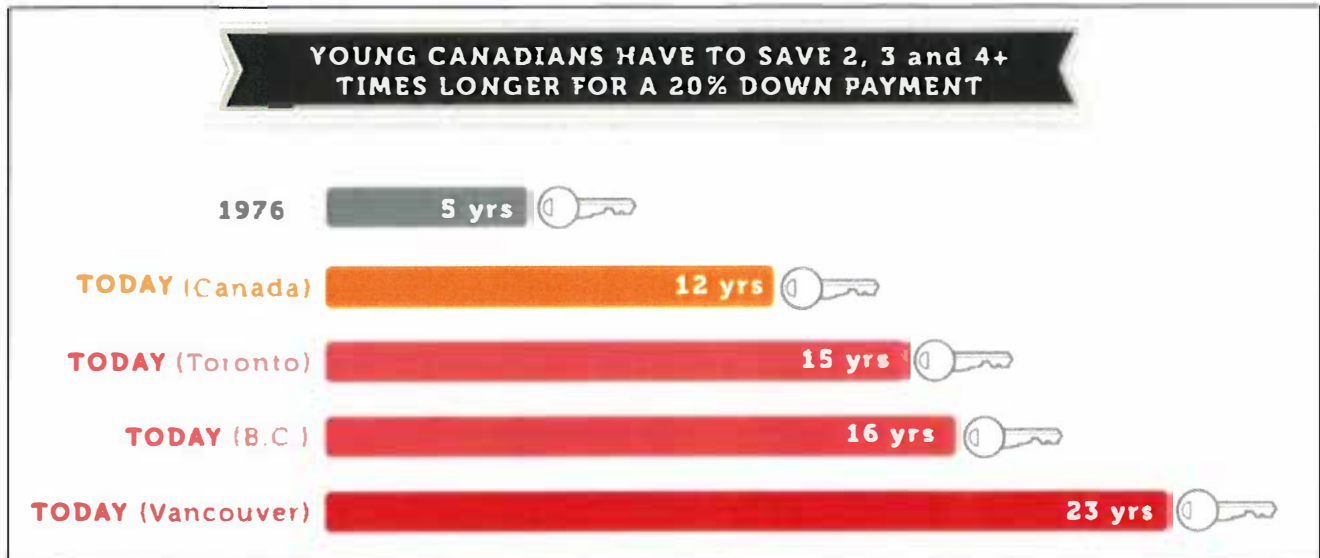
BACKGROUND:

As is well established, it is harder to purchase a home now than it was 40 years ago, or even 10 years ago. It is not just home ownership that is out of reach for many, but rents have increased, and vacancy rates have dropped. The associated costs of renting a home and owning a home are different as indicated in the graphic below.

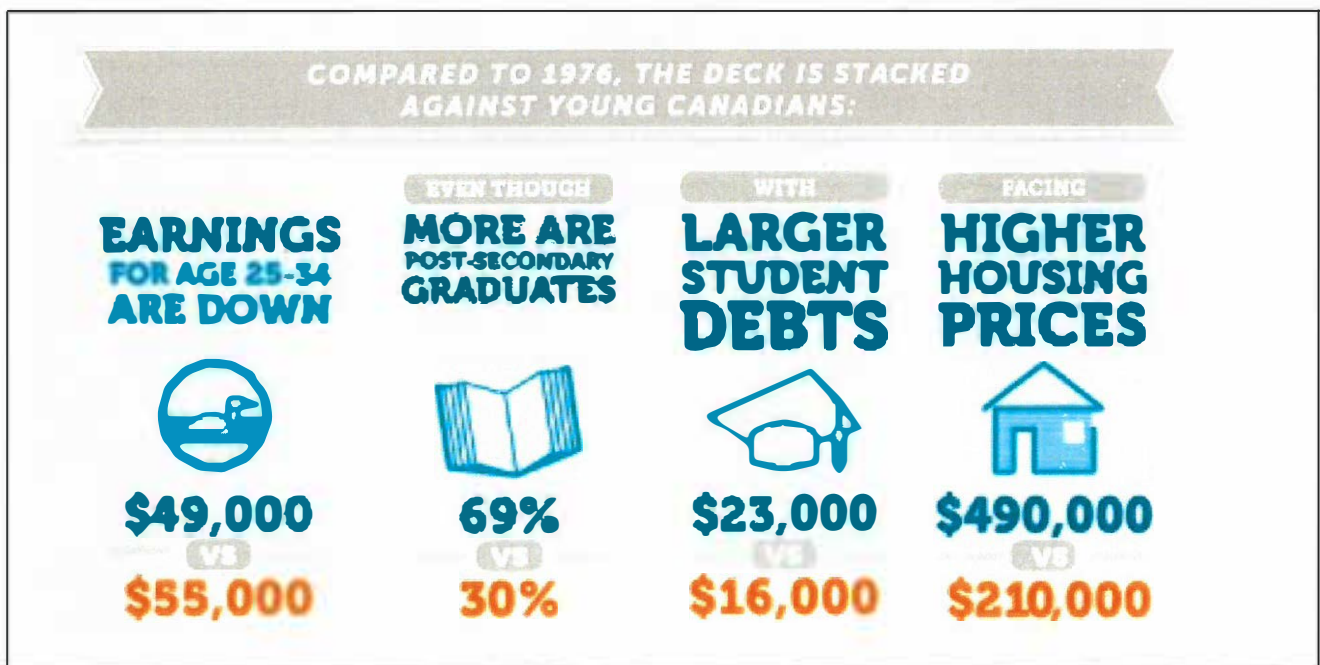


Source: CMHC

The following infographics illustrate the historical changes in housing affordability in Canada. While the data provided is not specific to the District of North Vancouver, it provides a picture of the trends that our municipality is facing.



Source: Generation Squeeze (2017)³

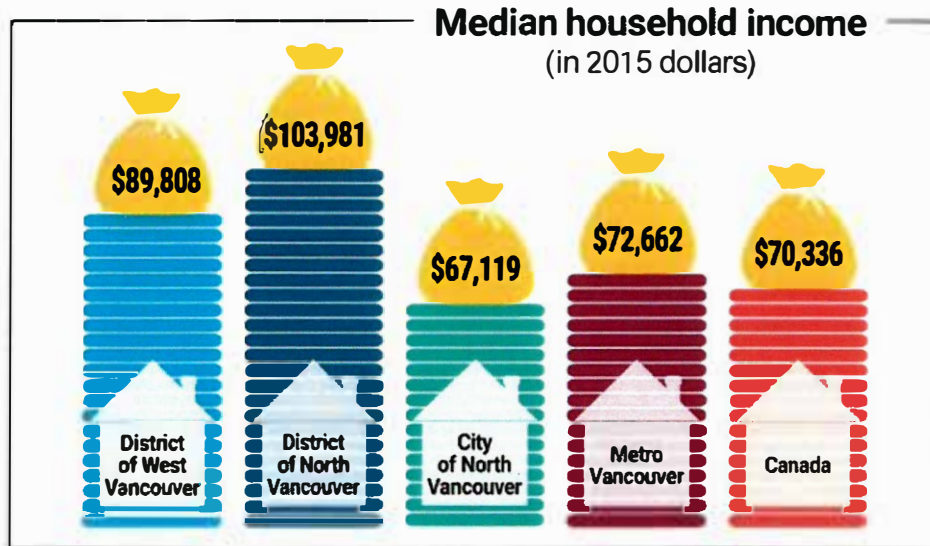


Note: 1976 dollar values vs 2015 values adjusted for inflation.⁵

³ Code Red: Rethinking Canadian Housing Policy. Dr. Paul Kershaw, UBC. https://www.gensqueeze.ca/rethinking_canadian_housing_policy. CMHC 2015 Rental Market Report, Canadian Rental Housing Index, Statistics Canada, Vancity.

⁵ Dr. Paul Kershaw UBC School of Population and Public Health (2017). "How our Economy Fails Young People." Primary sources include CMHC 2015 Rental Market Report, Canadian Rental Housing Index, Statistics Canada, Vancity.

The District of North Vancouver has one of the highest median household incomes in Metro Vancouver. However; even with high incomes, it is proving difficult for people here to find housing.



Source: North Shore News (2015). Census reveals North Shore incomes.

REPRESENTATIVE FAMILIES

One of the District’s eight broad goals in the Official Community Plan (OCP) is to: *“Encourage and enable a diverse mix of housing type, tenure and affordability to accommodate the lifestyles and needs of people at all stages of life.”* Understanding the housing continuum and where different people land on it will help understand how to achieve the OCP’s housing goal.

In an effort to better understand the impact of high housing costs on residents and would-be residents of North Vancouver, staff describe four representative families. These are not based on actual scenarios or real people, but are rather probable situations based on the data collected for housing and incomes by the Canada Census. These show just four of the myriad of scenarios people face when trying to find housing.

The data used for our sample families’ incomes is taken from either 2016 Canadian Census data via Statistics Canada or from industry reports such as the Canadian Institute for Health Information. The cost of housing is taken from the Metro Vancouver Housing Data Book. The stories below illustrate how families can move up and down the housing continuum depending on their circumstances.

The housing continuum, while it is not perfect, strives to capture and define all the various housing types. Theoretically, someone may move up and down into the various types of housing depending upon their circumstances. The following image shows the approximate income levels that are required to find housing at each level of the housing continuum. It is important to note that circumstances vary widely and that making a certain income does not guarantee where one will be on the housing continuum.

This graphic is intended as an illustration rather than a precise indicator of where various incomes fall on the housing continuum.

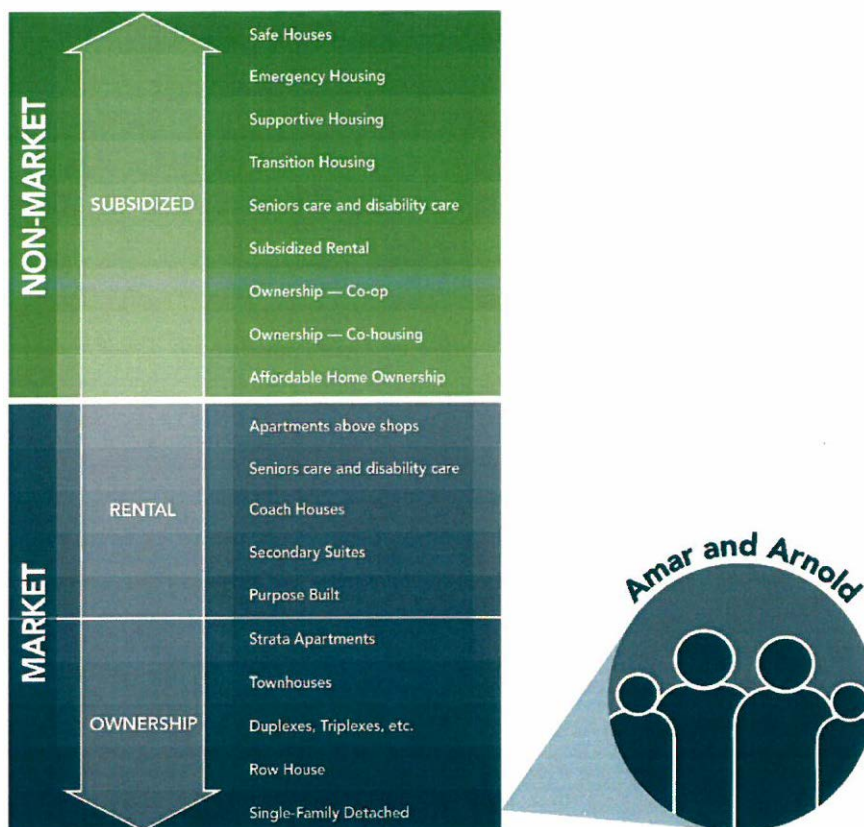
HOUSING CONTINUUM

			Cost of Unit	Minimum Income Required
NON-MARKET	↑ SUBSIDIZED ↓	Safe Houses		
		Emergency Housing	\$0 ¹	\$0 ¹
		Supportive Housing		
		Transition Housing		
		Seniors care and disability care	~\$1K - \$1,400/mo	~\$40K - \$56K/yr ²
		Subsidized Rental	~\$900 - \$1,100/mo ²	~\$36K - \$44K/yr
		Ownership — Co-op	~\$550 - \$1K/mo ⁴	~\$22K - \$40K/yr
		Ownership — Co-housing	~\$850K ⁵	~\$126K/yr ⁵
		Affordable Home Ownership	~\$543K - \$1.5M ⁶	~\$81K - \$226K/yr
MARKET	↓ RENTAL OWNERSHIP ↑	Apartments above shops	~\$1,553/mo	~\$62K/yr
		Seniors care and disability care	~\$4,800 - \$7,800/mo	~\$192K - \$312K/yr
		Coach Houses		
		Secondary Suites	~\$1,553/mo	~\$62K/yr
		Purpose Built		
		Strata Apartments	~\$603K	~\$102K/yr ⁷
		Townhouses		
		Duplexes, Triplexes, etc.	~\$1M	~\$169K/yr ⁸
		Row House		
Single-Family Detached	~\$1.68M	~\$251K/yr ⁹		

See attachment 3 for Notes and Assumptions

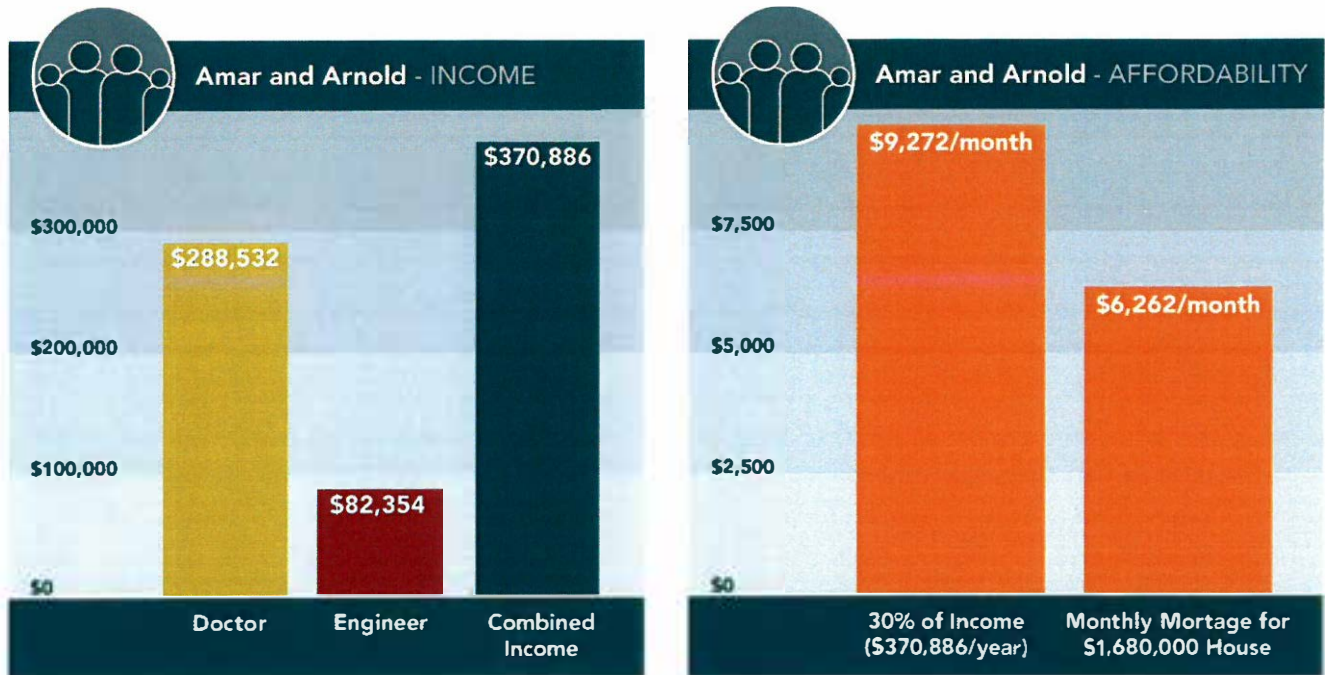
**Family A: Amar and Arnold
 (Housing Continuum: home ownership)**

Amar has recently completed her residency in paediatrics at the Hospital for Sick Children in Toronto. Amar and her husband Arnold, with their two children, are excited to move back to Amar's hometown of North Vancouver. Unfortunately, her two siblings have since moved away to the Okanagan and Vancouver Island where they were able to buy a home, but Amar's parents are still in their family home in Grand Boulevard. Amar has just started her new job as a paediatrician at Lions Gate Hospital and will be making \$288,532 per year.⁶ Her husband, a mechanical engineer, was unable to find work in North Vancouver, but found a job with a mining company in downtown Vancouver making \$82,354 per year.



Amar and Arnold would love to buy a home in Lynn Valley because then they could both transit to work, and on non-rainy days, biking to work would be an option. Lynn Valley would be ideal as it is close to the mountain bike trails they love, and not too far from Amar's parents who are eager to be close to their two young grandchildren. Amar and Arnold were able to come up with a 20% down payment of \$338,000 through a combination of a small amount of savings – most of their money has gone to medical school tuition - and a large gift from Arnold's parents who sold their home in Point Grey.

⁶ Source: Physicians in Canada (2016). Summary Report.
https://secure.cihi.ca/free_products/Physicians_in_Canada_2016.pdf



They are able to purchase a home in Lynn Valley for \$1.68 million which is the benchmark price for a single family home in North Vancouver.⁷ Fortunately for them, their housing costs are less than 30% of their before tax household income so they will be able to start putting money aside for their children's post-secondary education.

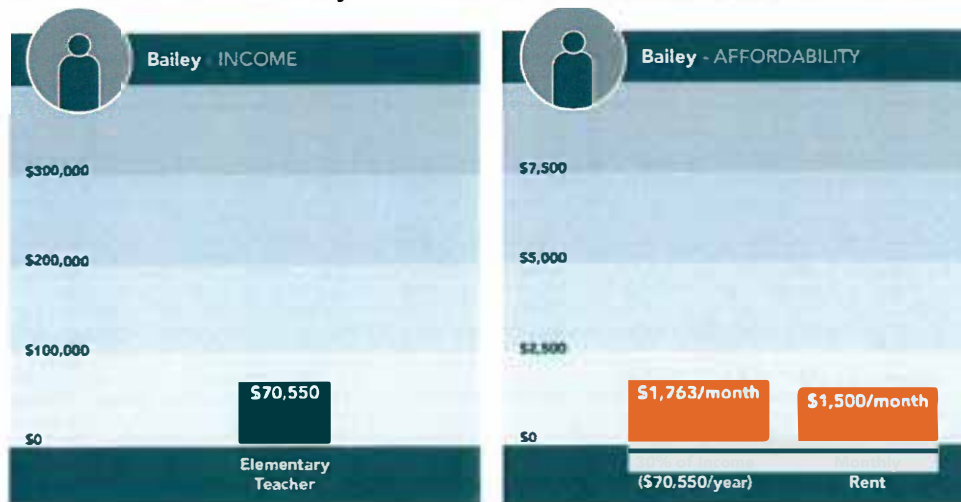
⁷ Real Estate Board of Greater Vancouver

Family B: Bailey (Housing Continuum: secondary suites)

Bailey is a grade 3 teacher at Highlands Elementary School. She has been teaching for five years as a teacher on call and just secured her first full time temporary position as a grade 3 teacher. Her current salary is \$70,550 per year. She found a relatively bright secondary suite for rent near Edgemont Village for \$1,500⁸ a month. She is paying less than a lot of her colleagues who are renting places for \$1,800 to \$2,000 a month and spending more than 30% of their income on rent. Bailey's rent works out to slightly less than 30% of her income so she has an extra \$263 per month to put towards her student loans.



Overall, Bailey feels lucky to have found a place to live so close to her work as the vacancy rate in North Vancouver is only 1.7% (2018), which is up slightly from 0.9% (2017) yet still far below the 2-3% vacancy rate a balanced market should have.⁹ Unfortunately, Bailey's one



year temporary position at Highlands Elementary School ended and she has not found a new job. She only has limited savings and she cannot afford to continue paying rent. Bailey made the difficult decision to move back in with her parents while she

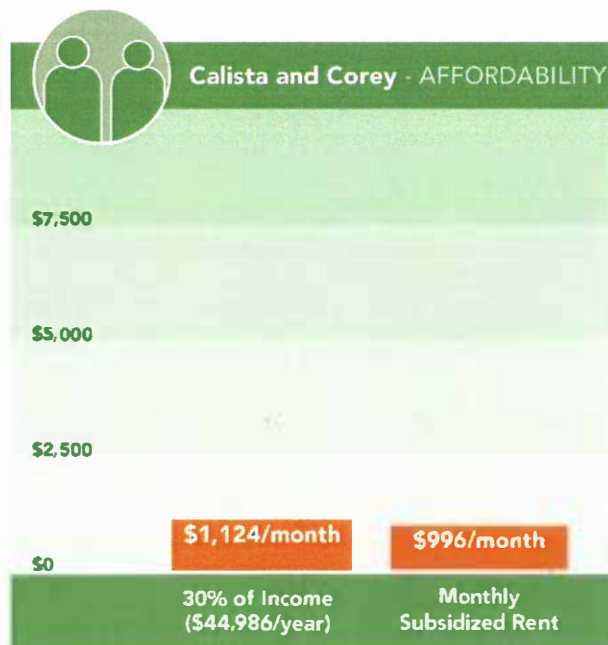
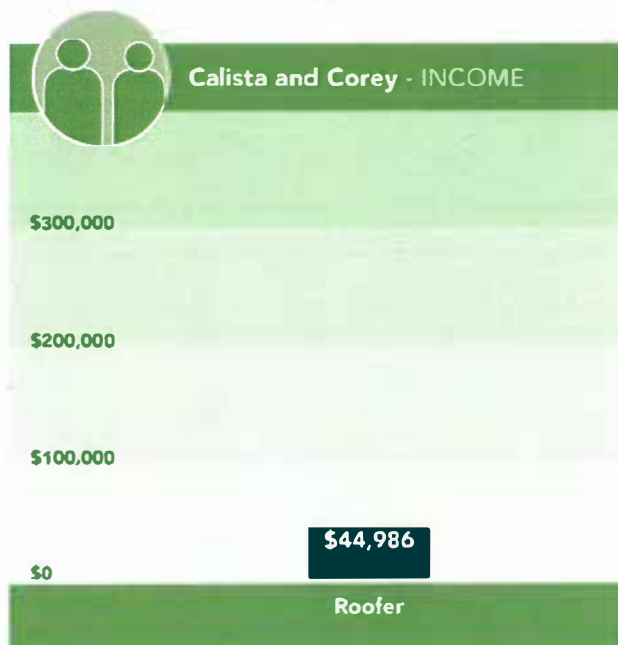
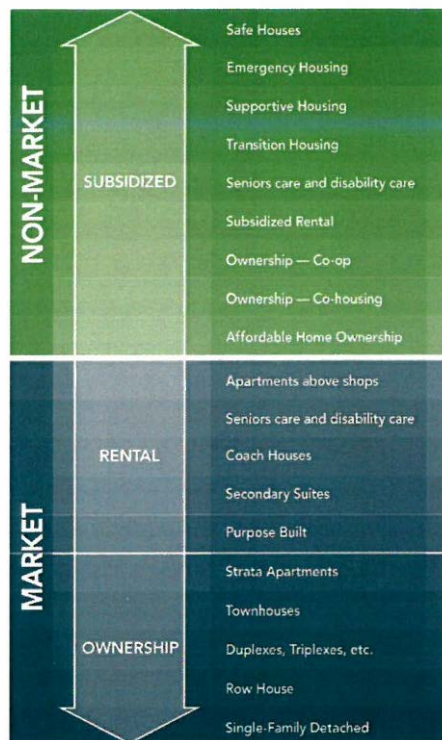
⁸ Note: Benchmark rate for a 1 bedroom apartment in North Vancouver is \$1,533 per month. Source: Metro Vancouver (2019). Metro Vancouver Housing Data Book. http://www.metrovancouver.org/services/regional-planning/PlanningPublications/MV_Housing_Data_Book.pdf. Primary source is CMHC regional housing data.

⁹ Source: Metro Vancouver (2019). Metro Vancouver Housing Data Book (see link above).

looks for other teaching jobs in North Vancouver and elsewhere in BC where the cost of living would be lower and where she may be able to afford to buy a townhouse or an apartment.

**Family C: Calista and Corey
 (Housing Continuum: subsidized rental)**

Calista and Corey have lived in North Vancouver for years. Corey is a roofer and works for a company based out of Burnaby and makes \$44,986 per year. Calista left her job at the garden store last year to be with her disabled mother full-time. Calista and Corey feel fortunate that they were able to get a place in a newly constructed non-market rental building in North Vancouver¹⁰ where rent is set at 65% of market rate and is only \$996 per month. Unfortunately, Calista and Corey are separating. Neither Calista nor Corey will be able to afford the current median market rate of

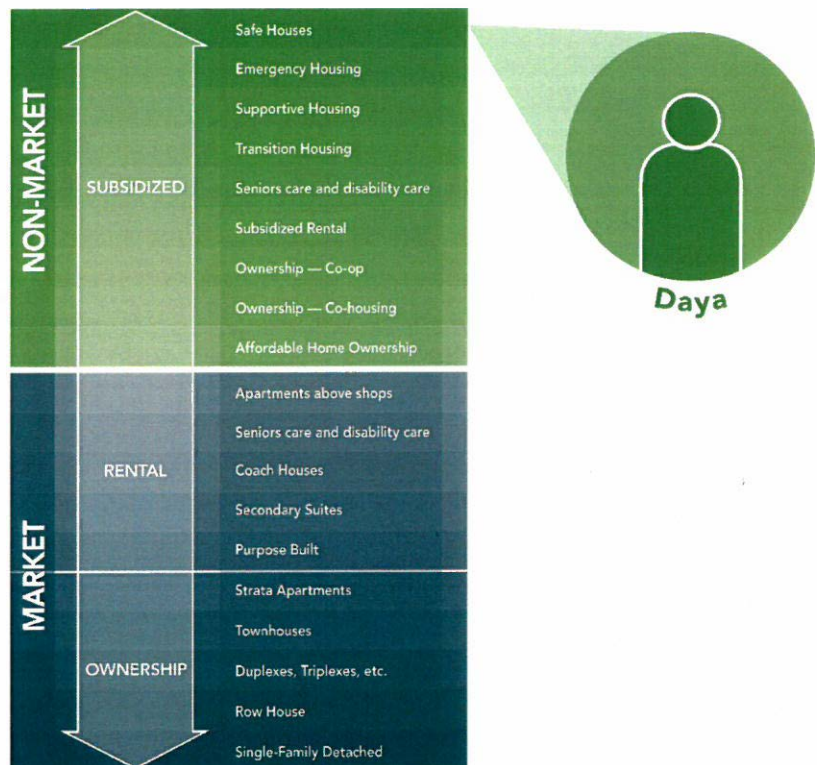


¹⁰Note: Values based on the anticipated rents for Maplewood Plaza which is currently under construction.

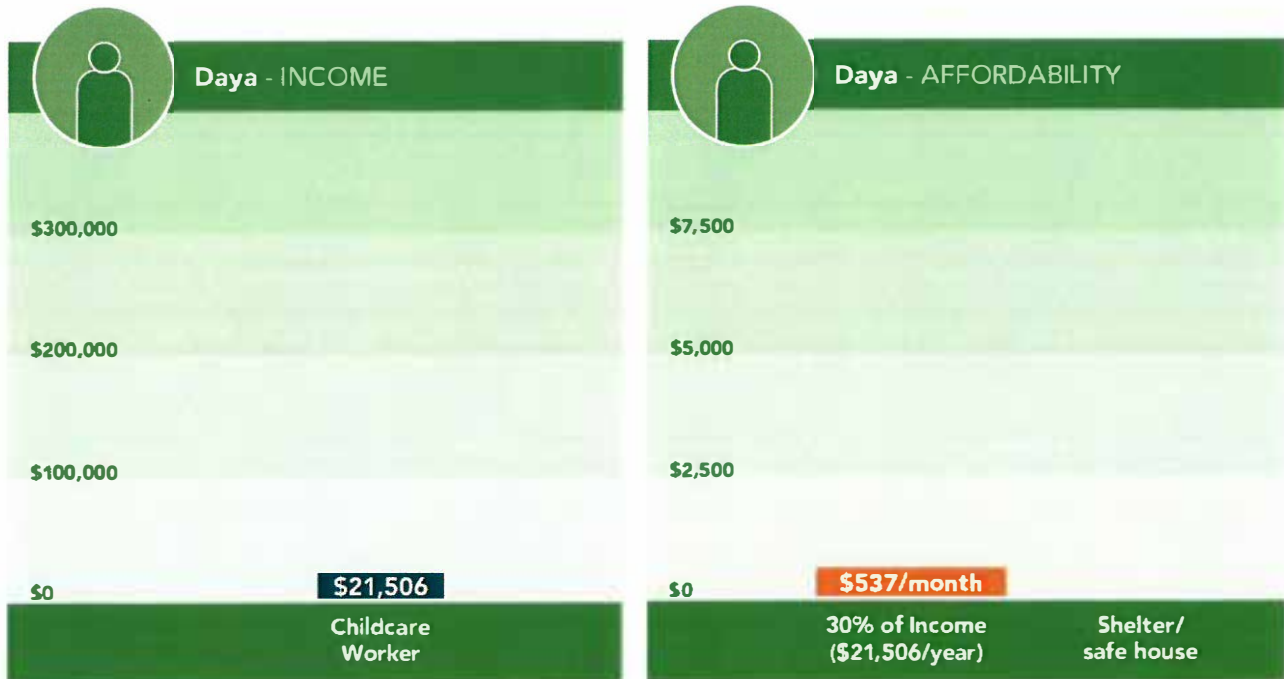
\$1,533¹¹ for an apartment in North Vancouver and have decided to continue to live together for now. Calista is trying to get subsidized senior’s care for her mother; however, there are currently 294 seniors on the waitlist for spaces in North Vancouver¹² and only 279 senior’s care and disability care spaces in all of the District of North Vancouver.¹³ A couple of her mother’s friends who were left without a home after a flood and were able to apply for Shelter Aid for Elderly Renters and have since moved to subsidized units in Vancouver, Burnaby, Langley, or West Vancouver.¹⁴

Family D: Daya (Housing continuum: safe houses)

Daya has unexpectedly found herself living in a safe house in North Vancouver. She never thought she would find herself in a safehouse, but as a childcare worker making \$21,506 per year, it was her only option when she decided to flee an abusive relationship. She isn’t paying anything for rent at the safe house, but knows she will have to find a place at some point as most safe houses will typically provide shelter for 30 days. In order to only spend 30% of her income she can afford to spend \$537 per month on housing. It is impossible to find a place on her own at this price so she is hoping perhaps another woman or two from the safe house might be able to pool their resources with her to share a one bedroom place. Alternatively, she can use 50% - 75% of her income on housing but will have to reduce her other spending. She is not optimistic, and is overwhelmed at the prospect of trying to find housing in North Vancouver.

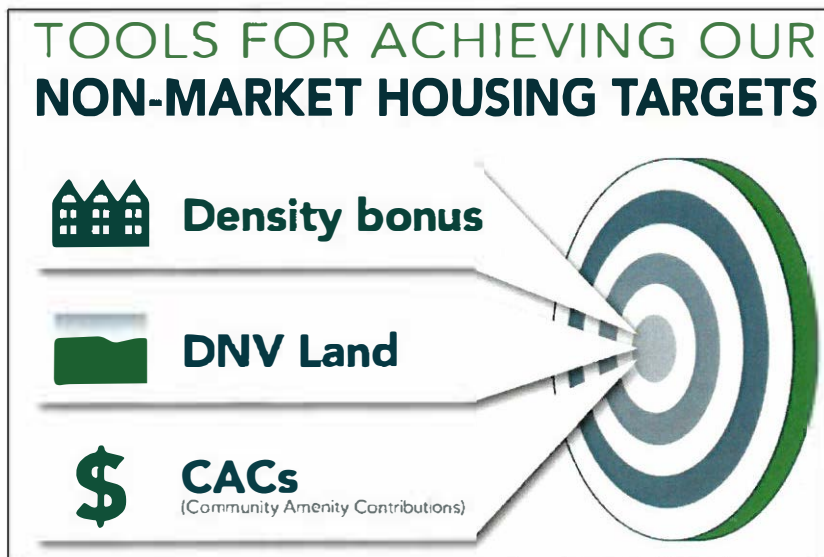


¹¹ Source: Metro Vancouver (2019). Metro Vancouver Housing Data Book. http://www.metrovancouver.org/services/regional-planning/PlanningPublications/MV_Housing_Data_Book.pdf. Primary source is CMHC regional housing data.
¹² Source: Metro Vancouver (2019). Metro Vancouver Housing Data Book (see link above).
¹³ Source: District of North Vancouver (2019).
¹⁴ Source: North Shore News (2019). Ice-cream social cheers up Deep Cove fire evacuees, many still 'homeless'. <https://www.nsnews.com/community/neighbourhoods/ice-cream-social-cheers-up-deep-cove-fire-evacuees-many-still-homeless-1.23620174>



WHAT CAN MUNICIPALITIES DO?

One of the goals of improving access to housing is to help people move up the housing continuum. Being able to move a family up the housing continuum can help others move up on the housing continuum; for example, if a family can move from market rental to ownership then there is now another unit available for rent in our tight rental market. While addressing the housing affordability crisis will require a concerted effort by all levels of government, municipalities have direct control over the following levers: density bonus, municipal-owned land, and community amenity contributions (CAC).



The following is a brief description of each of the levers:

- **Density Bonus Zoning:** a tool that permits developers to build more floor space (bonus density) than normally allowed, in exchange for amenities and affordable housing needed by the community. Typically, the developer would build the affordable housing units and then they would be operated by BC Housing, a non-profit, or another group. An example of using a density bonus to secure housing is the Lynn Valley United Church redevelopment. The OCP amendment and rezoning bylaw for the project were adopted in 2014. Through the negotiations for the project, the District secured four units which were then sold at a reduced rate to the North Shore Disability Resource Centre (NSRDC) who operate the units as rental units for residents with disabilities; as well as \$300,000 to facilitate childcare within the neighbourhood; and, \$155,000 worth of public art. The rezoning of the property permitted a change in use (from public assembly to a comprehensive development zone permitting a mix of institutional (church) and multi-family residential uses). The permitted density under the original zoning was 1.0 FSR and the new zoning permitted a density of approximately 1.5 FSR; in other words, a density bonus of 0.5 FSR.
- **Community Amenity Contributions (CAC):** are negotiated amenity contributions agreed to by the developer and local government as part of a rezoning process initiated by the developer. Community amenity contributions typically include the provision of amenities, affordable housing and/or financial contributions towards amenities. The agreed-to contribution is obtained by the local government, if the local government decides to adopt the rezoning bylaw. For example, the 24 unit townhouse at 1103 Ridgewood Dr. (Boffo) provided a \$157,460 community amenity contribution. The parameters of what the money can be spent on is laid out in the zoning bylaw and includes public art; park and trail improvements; the affordable housing fund; or, other public realm infrastructure improvements.
- **Municipal-Owned Land:** the District provides District owned land for housing, typically to leverage funding from provincial and federal governments for a specific housing project. Alternatively, the District could sell parcels of land and then use that money to buy larger and/or more strategic property as it becomes available, such as in town centres or along transit corridors. The District would provide land in the form of a long term lease for a nominal amount. Leasing land allows the District to allocate lands to achieve its housing objectives while retaining ownership of the land. The Sanford Affordable Housing project at the corner of Oxford and Orwell streets, is a project under consideration and subject to public process, which may deliver approximately 90 units of family oriented housing. CMHC and BC Housing are also providing support.

Municipalities will often use a combination of these levers on every project in order to achieve their goals.

FUNDING OPPORTUNITIES

Building BC: Community Housing Fund

The Province of British Columbia announced a significant investment in housing affordability in 2018: more \$7 billion over 10 years delivered via its 30-point housing plan. The first round of funding from the Building BC: Community Housing Fund is now complete and was based on projects that could deliver “30 – 50 – 20.” The Province was looking for proposals that reflected the following mix of rents and incomes:

- *30% of the units will be for households with middle incomes* (These are defined as household incomes up to \$71,200 for homes with less than two bedrooms, or up to \$104,000 for homes with two or more bedrooms.)¹⁵
- *50% Rent geared to income* (Rents are based on Housing Income Limits (HILS) – for example, in 2018, the HILS for a 2-bedroom unit is a household income of \$58,000¹⁶)
- *20% of the units will be for households with low incomes* (Households requiring a deeper level of subsidy, such as seniors on fixed incomes and those receiving income assistance. These are incomes up to \$30,000, depending on unit size. Maximum income assistance for a shelter unit is \$375 per month¹⁷)

The window for applying for grants under the initial call is now closed. The Province of BC has not yet indicated when the next call for proposals will be, but it is anticipated to be in 2020. The criteria for the next call for proposals is not yet known, but will likely be similar to what was sought in the first call for proposals. The Province is looking for applications from non-profit housing providers or for-profit firms that partner with non-profit societies. Wholly owned municipal housing providers are also invited to apply. Municipalities can provide support and funding to successful recipients of Building BC: Community Housing Fund grants.

Funding from the Provincial Government would most likely apply to market rental and non-market subsidized housing on our Housing Continuum.

¹⁵ Backgrounder 2 – Community Housing Fund Unit Mix. Source: BC Housing (2018). Building BC: Community Housing Fund. <https://www.bchousing.org/partner-services/funding-opportunities-for-housing-providers/building-BC-community-housing-fund> and CMHC (2018). Primary Rental Market Statistics. <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/Profile?geoid=2410&t=3&a=6>

¹⁶ Source: BC Housing (2018). Building BC: Community Housing Fund. <https://www.bchousing.org/partner-services/funding-opportunities-for-housing-providers/building-BC-community-housing-fund>

¹⁷ Source: Province of British Columbia (2017). Income Assistance Rate Table. <https://www2.gov.bc.ca/gov/content/governments/policies-for-government/bcea-policy-and-procedure-manual/bc-employment-and-assistance-rate-tables/income-assistance-rate-table>.

National Housing Strategy

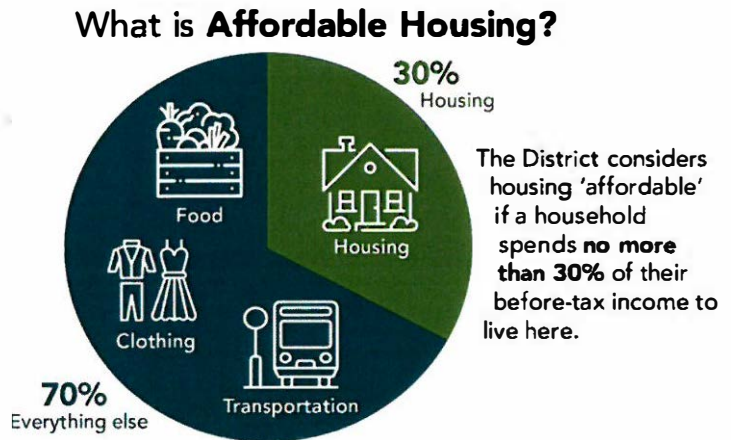
The Federal plan includes a commitment of \$40 billion over 10 years to build 100,000 housing units across the country. The plan prioritizes those people who need housing the most including women and children fleeing family violence, seniors, Indigenous peoples, people with disabilities, and those with mental health and addiction issues, veterans, and young adults.

The in-take for funding applications to the CMHC programs is ongoing. CMHC provides construction financing for rental housing via a \$2.5 billion dollar fund for low-cost loans. In the February 2018 budget this fund was boosted to \$3.75 billion over the next three years. The CMHC rental housing program provides financing at better rates and at longer terms than the private banking industry.

Funding from the Federal Government would most likely apply to non-housing on our Housing Continuum.

CONCLUSION:

The purpose of this report is to help clarify what affordable housing means to different family types. The District's definition of affordable housing matches that of the federal and provincial governments and is "no more than 30% of a household's before tax income to be spent on shelter." Simply put, affordable housing is relative - what is affordable will vary with income.



Respectfully submitted,


Natasha Letchford
Senior Community Planner

Brett Dwyer
Manager Development Services

Attachment 1: Glossary of Non-Market Housing Terms

Attachment 2: Glossary of Other Housing Terms

Attachment 3: Notes and Assumptions on Housing Continuum Income Levels

REVIEWED WITH:					
<input type="checkbox"/> Community Planning	_____	<input type="checkbox"/> Clerk's Office	_____	External Agencies:	
<input type="checkbox"/> Development Planning	_____	<input type="checkbox"/> Communications	_____	<input type="checkbox"/> Library Board	_____
<input type="checkbox"/> Development Engineering	_____	<input type="checkbox"/> Finance	_____	<input type="checkbox"/> NS Health	_____
<input type="checkbox"/> Utilities	_____	<input type="checkbox"/> Fire Services	_____	<input type="checkbox"/> RCMP	_____
<input type="checkbox"/> Engineering Operations	_____	<input type="checkbox"/> ITS	_____	<input type="checkbox"/> NVRC	_____
<input type="checkbox"/> Parks	_____	<input type="checkbox"/> Solicitor	_____	<input type="checkbox"/> Museum & Arch.	_____
<input type="checkbox"/> Environment	_____	<input type="checkbox"/> GIS	_____	<input type="checkbox"/> Other:	_____
<input type="checkbox"/> Facilities	_____	<input type="checkbox"/> Real Estate	_____		
<input type="checkbox"/> Human Resources	_____	<input type="checkbox"/> Bylaw Services	_____		

Attachment 1: Glossary of Non- Market Housing Terms

District staff have developed the following glossary of terms to help ensure consistency when discussing housing. These definitions are informed by best practices, the Government of BC, Canadian Mortgage and Housing (CMHC), Metro Vancouver, non-profit organizations, and other municipalities.

Affordable Housing

as defined by the District of North Vancouver

Housing is considered affordable when 30 per cent or less of your household's gross income goes towards paying for your housing costs.

Affordable Housing

as defined by Provincial and Federal Government

- 1) **CMHC:** In Canada, housing is considered “affordable” if it costs less than 30% of a household’s before-tax income. Many people think the term “affordable housing” refers only to rental housing that is subsidized by the government. In reality, it’s a very broad term that can include housing provided by the private, public and non-profit sectors. It also includes all forms of housing tenure : rental, ownership and co-operative ownership, as well as temporary and permanent housing
- 2) **BC Housing:** Housing is considered affordable when 30 per cent or less of your household’s gross income goes towards paying for your housing costs.

Affordable Housing:

Housing is considered affordable when 30 per cent or less of your household's gross income goes towards paying for your housing costs.

Subsidized Housing

This is long-term housing with rent geared to income (30% of household total gross income, subject to minimum rent based on # of people) for people who permanently reside in British Columbia when applying, with gross household income below a certain limit.

Below-market rental housing:

Below-market rental housing is housing with rents equal to, or lower than, average rates in private-market rental housing.

Co-operative housing:

A co-op is a type of housing that residents own and operate as part of a membership.

Emergency shelter:

Immediate, short-stay housing for people who are homeless or at risk of becoming homeless.

Group homes:

A type of housing with supports for people with special needs such as severe mental and physical disabilities.

High-barrier shelter:

An emergency shelter that has a number of requirements for entry, for example sobriety.

Homeless rent supplements:

A type of rent supplement that BC Housing provides to people who are homeless or at risk of homelessness.

Homeless, at risk of homelessness:

An individual or family that does not have a permanent address or residence.

Household (core):

Term used by BC Housing for funding applications. A core household is an applicant for funding, spouse (if applicable) and dependent children.

Housing Income Limits HILs:

Dollar amounts that represent the maximum annual income, before taxes, that a household can earn for suitable housing in their location. Average market rent for an appropriately sized unit in the private market. In 2016 Vancouver =

1. Bachelor: \$38,500
2. 1 bdrm: \$42,500
3. 2 Bdrm: \$52,000
4. 3 Bdrm: \$64,500
5. 4+ Bdrm: \$68,500

Housing Needs Categories:

1. Applicants facing a severe risk to health and/or safety, such as homelessness or living in a homeless shelter
2. Applicants with serious health/medical/social needs, such as risk of homelessness, fleeing domestic abuse, living in severely inadequate housing or transitioning to a more independent living situation
3. Applicants whose housing need is moderate compared with the two previous categories, such as living in temporary or inadequate accommodation
4. Applicants with a specialized housing need or low housing need, such as living in marginally crowded housing
5. Applicants for the low-end market units found in some subsidized buildings

Income assistance:

Social assistance, social security or another form of payment that the provincial or federal government provides to people in need who don't have any other resources.

Low income:

Household earnings in relation to housing. BC Housing uses different ways to describe low income, depending on the program or service it relates to.

Lower-end-of-market housing:

A type of housing where the housing provider calculates rent according to rental market conditions.

Low and Moderate Income Limits:

a. For residential units with less than two (2) bedrooms, a gross household income that does not exceed the median income for families without children in B.C., as determined by BC Housing from time to time based on data provided by Statistics Canada. **For 2017, this figure is \$71,810.**

b. For residential units with two (2) or more bedrooms, a gross household income that does not exceed the median income for families with children in B.C., as determined by BC Housing from time to time based on data provided by Statistics Canada. **For 2019, this figure is \$107,000.**

Market rent:

A rent amount that is generally similar to the rent of other units in the private (non-subsidized) housing market.

Minimal-barrier/Low-barrier shelter:

An emergency shelter that has few requirements for entry.

Non-profit housing:

A housing development that a community-based, non-profit housing partner owns and operates.

Rent Affordability Limits:

A maximum rent value that your property can be, in relation to the average rents in your area.

Rent geared to income:

A type of subsidized housing where the housing provider matches your rent to how much income you earn.

Rental Assistance Program:

A type of rent supplement program that BC Housing offers to eligible low-income families.

Safe homes:

A type of temporary housing for women and children fleeing violence, where a transition house is not available in the community.

Second-stage housing:

Second-stage housing is housing for women and children fleeing violence who have completed a stay in a transition house or safe home. Stays can be up to 18 months.

Severe core housing need: households spending 50% of their income or more on housing

Shelter Aid For Elderly Renters (SAFER):

A type of rent supplement program that BC Housing offers to eligible low-income older adults and people with disabilities.

Single-room-occupancy (SRO) hotel:

A type of housing, typically a single room in a building with shared bathrooms and kitchens.

Social housing:

A housing development that the government or a non-profit housing partner owns and operates.

Subsidized housing:

A type of housing for which the provincial government provides financial support or rent assistance.

Suitable housing:

Suitable housing has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for:

- each cohabiting adult couple;
- unattached household member 18 years of age and over;
- same-sex pair of children under age 18;
- and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a bedroom.

Supportive housing:

A type of housing that provides on-site supports and services to residents who cannot live independently.

Transition houses:

A type of temporary housing for women and children fleeing violence. A safe, anonymous place to stay with food, staff and services.

Transitional housing:

A type of housing for residents for between 30 days and three years. It aims to transition individuals to long-term, permanent housing.

Women's Transition House and Supports Program:

A type of program that provides housing and support services for women and their dependent children who are fleeing violence. The program includes safe homes, transition houses and second-stage housing.

Attachment 2: Glossary of Other Housing Terms

Assisted Living:

A type of housing for seniors and people with disabilities that includes on-site hospitality and personal-care support services.

Housing with supports:

Housing that includes on-site services such meals, housekeeping, health care, counselling and others.

Senior:

An adult aged 55 years or older. BC Housing programs, partners and housing providers may define a senior by a different age.

Seniors Supportive Housing:

A type of housing for seniors and people with disabilities that includes on-site hospitality but not personal-care support services.

Service provider:

An individual, group or organization that helps with a person's needs related to health and housing.

Sharer:

A renter who occupies the same residence as the members of your core household, but is included in the tenancy you have with your landlord.

Attachment 3: Notes and Assumptions on Housing Continuum

HOUSING CONTINUUM

		Cost of Unit	Minimum Income Required	
NON-MARKET	↑ SUBSIDIZED	Safe Houses		
		Emergency Housing	\$0 ¹	
		Supportive Housing		
		Transition Housing		
		Seniors care and disability care	~\$1K - \$1,400/mo	~\$40K - \$56K/yr ²
		Subsidized Rental	~\$900 - \$1,100/mo ³	~\$36K - \$44K/yr
		Ownership — Co-op	~\$550 - \$1K/mo ⁴	~\$22K - \$40K/yr
		Ownership — Co-housing	~\$850K ⁵	~\$126K/yr ⁵
		Affordable Home Ownership	~\$543K - \$1.5M ⁷	~\$81K - \$226K/yr
MARKET	RENTAL	Apartments above shops	~\$1,553/mo	~\$62K/yr
		Seniors care and disability care	~\$4,800 - \$7,800/mo	~\$192K - \$312K/yr
		Coach Houses		
		Secondary Suites	~\$1,553/mo	~\$62K/yr
		Purpose Built		
	OWNERSHIP	Strata Apartments	~\$603K	~\$102K/yr ⁷
		Townhouses		
		Duplexes, Triplexes, etc.	~\$1M	~\$169K/yr ⁸
		Row House		
Single-Family Detached	~\$1.68M	~\$251K/yr ⁹		

- 1 - Provides care for people of all income levels. However, there may be costs associated with certain housing programs or options.
- 2 - Shelter Aid for Elderly Renters (SAFER) Program caps incomes at \$40K, other seniors' subsidy programs cap incomes at \$58K.
- 3 - The rents identified are for the low-income category and do not reflect subsidies for moderate-income earners. The range of incomes that qualify for subsidies according to the 2018 Housing Income Limits (HILS) can be as high as \$83K/yr, depending on the on the number of dependents and bedrooms required.
- 4 - Cost of monthly payments, after purchasing a share (typically range from \$1,000-\$7,000 which is refundable once you leave the co-op. Prices are for 1-bdrm units in the District.
- 5 - Assumes two households co-investing in a single-family home and purchasing the property at the benchmark price of \$1.6M. Income required assumes 20% down payment of \$170K per couple.
- 6 - Assumes discount of 10% below market price for an apartment and a single-family detached.
- 7 - Based on mortgage payments (assuming 20% down payment of \$121K) and ~\$300 in strata fees/mo. Excludes annual property taxes.
- 8 - Includes mortgage payments (assuming 20% down payment of \$210K) and ~\$300 in strata fees/mo. Excludes annual property taxes.
- 9- Includes mortgage payments (assuming 20% down payment of \$337K). Excludes annual property taxes.



Housing Affordability Definitions: A brief Overview and Scenarios

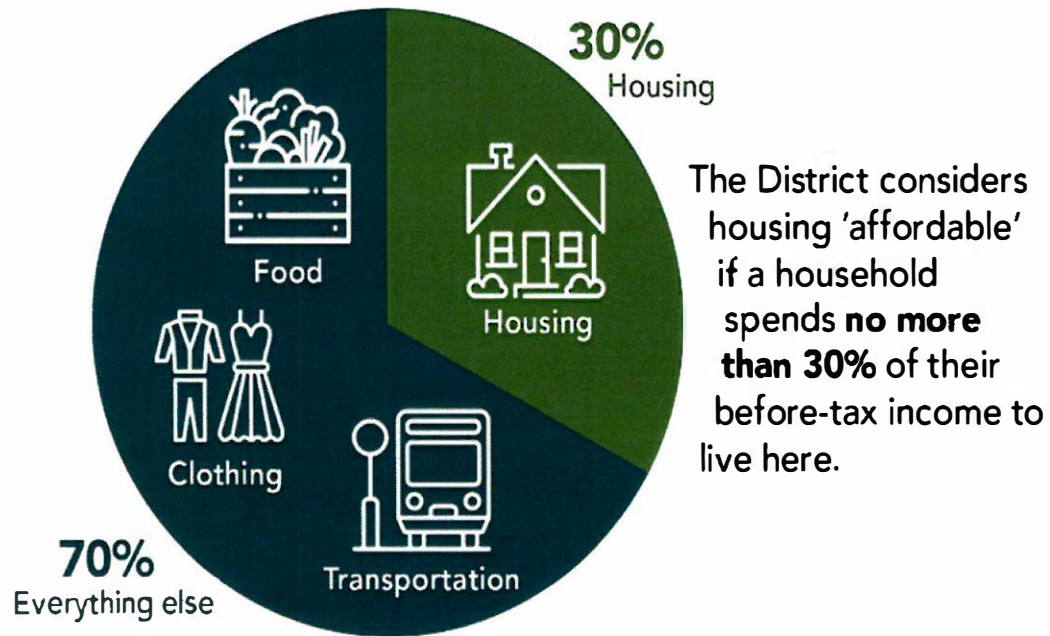
Natasha Letchford and Brett Dwyer

Council Workshop

February 11, 2019

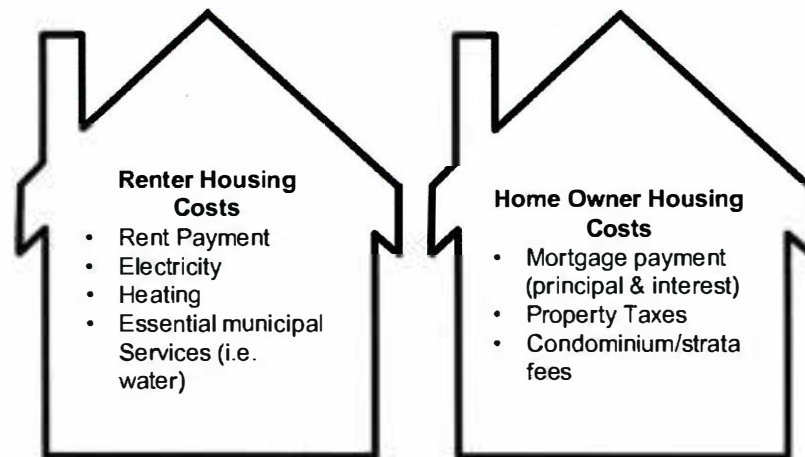


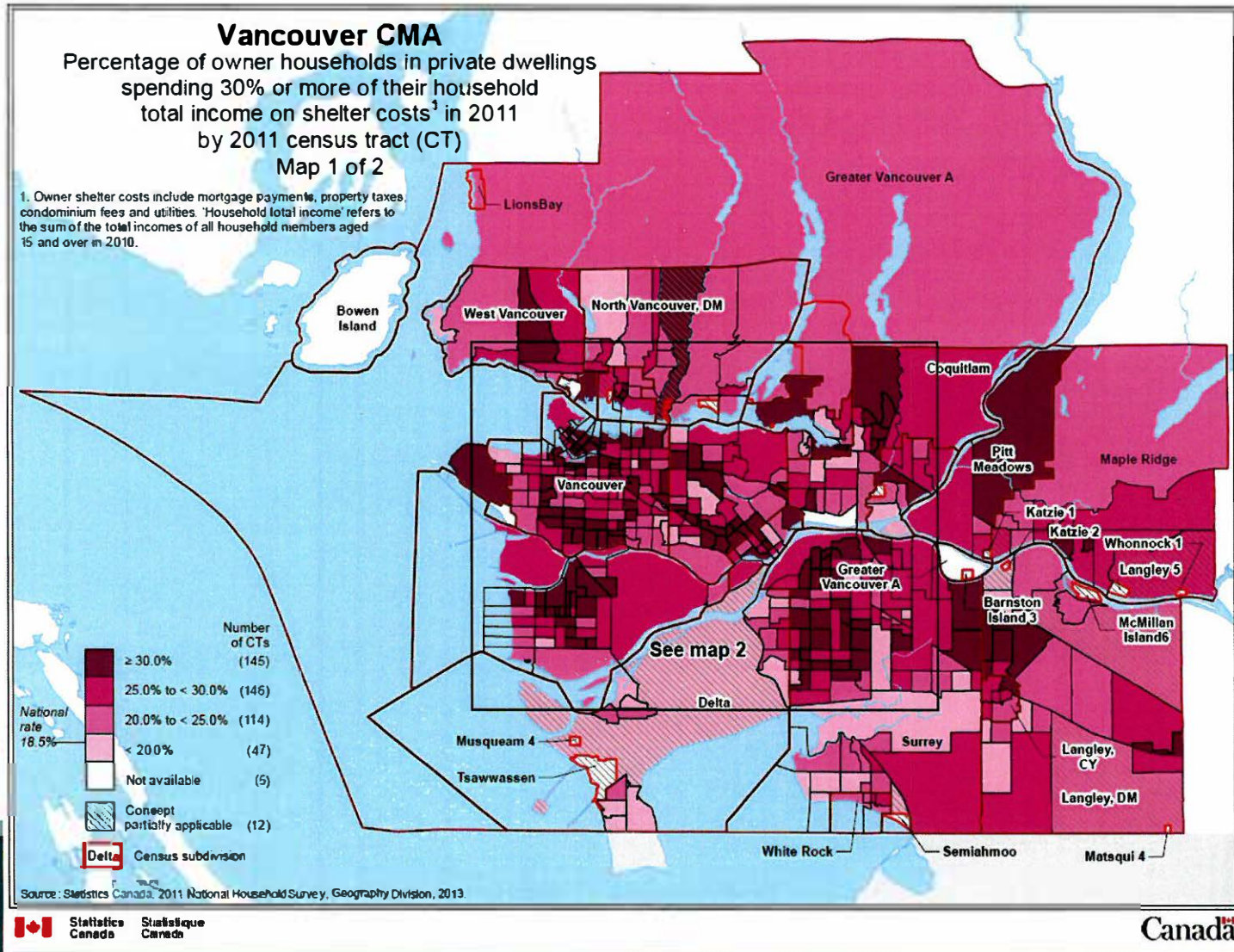
What is **Affordable Housing**?

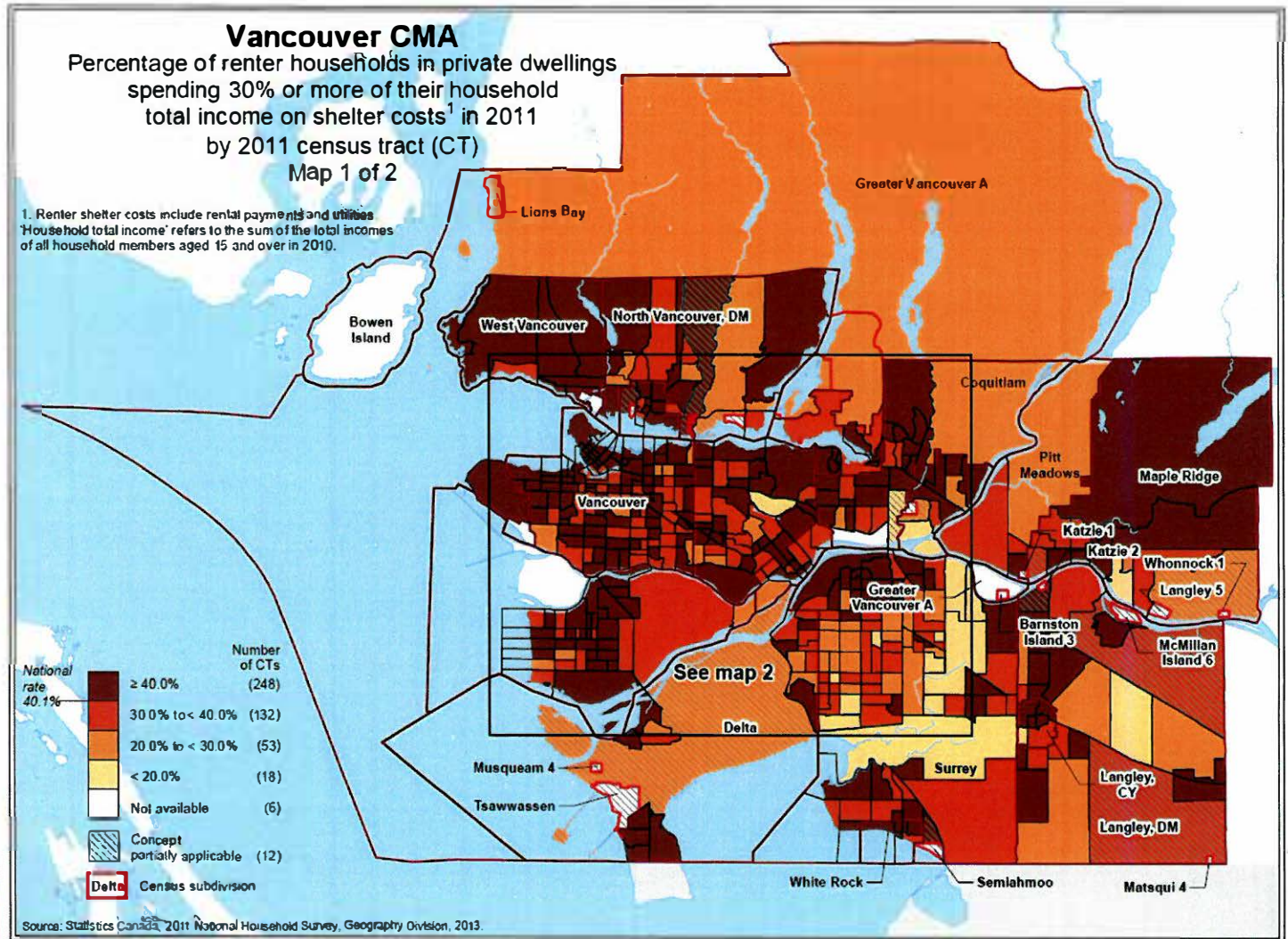


The District considers housing 'affordable' if a household spends **no more than 30%** of their before-tax income to live here.

Rental vs Owned Costs







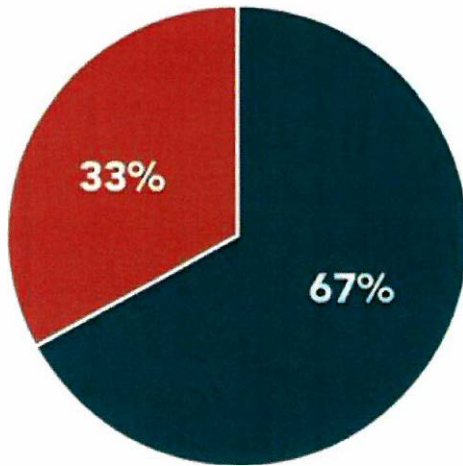
What this means in the District

Of all owner households in the District, currently **89% spend 30% or less on housing**

Approximately 11% of owner households spend 30% or more on housing.

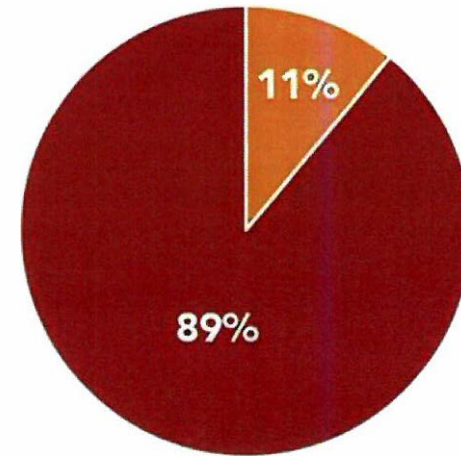
By contrast, **67% of renter households spend 30% or more** on housing costs
And only 33% of renter households spend less than 30% of housing

Renter Occupied Households



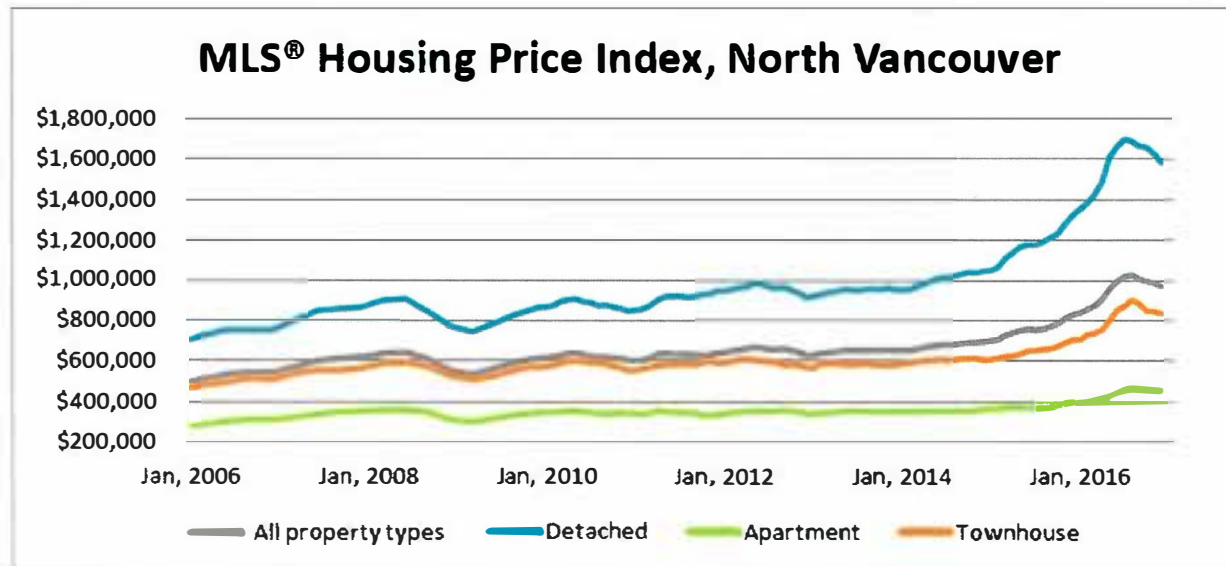
- Spending more than 30% of income on housing
- Spending less than 30% of income on housing

Owner Occupied Households



- Spending more than 30% of income on housing
- Spending less than 30% of income on housing

District Context



Source: Real Estate Board of Greater Vancouver. North Vancouver includes District and City.



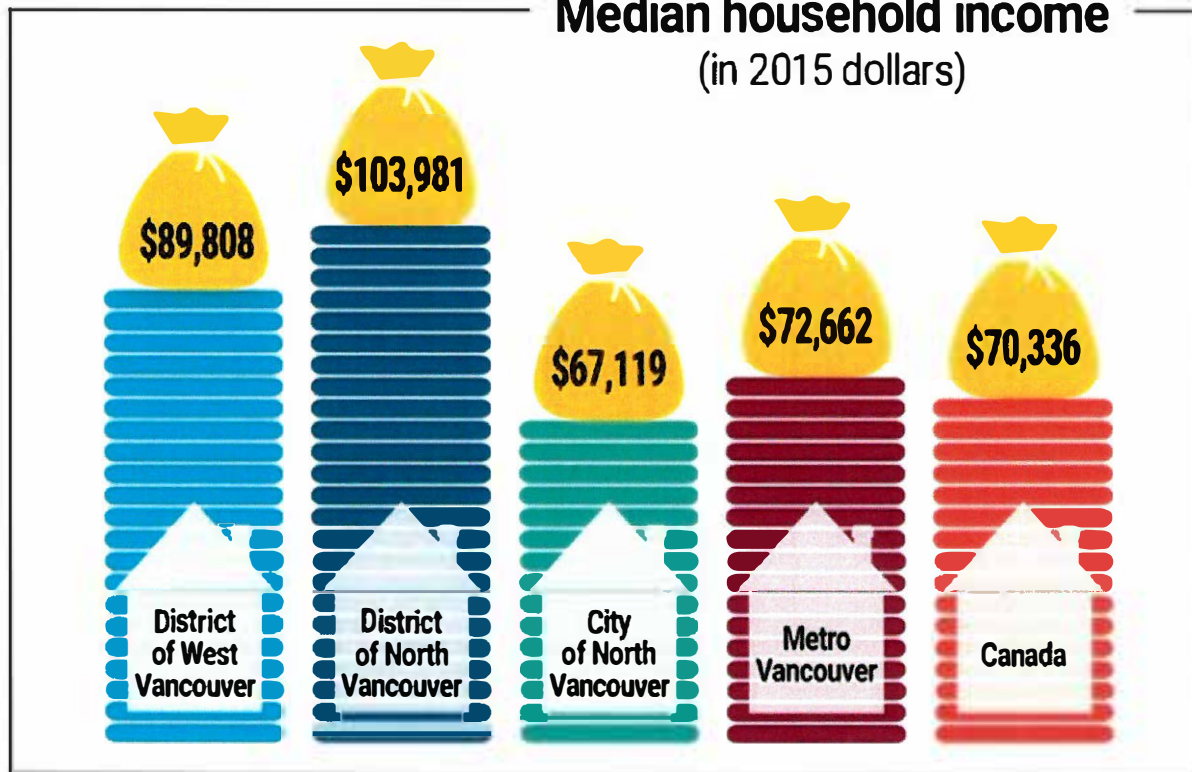
**District 2018
Vacancy Rate**

1.7%

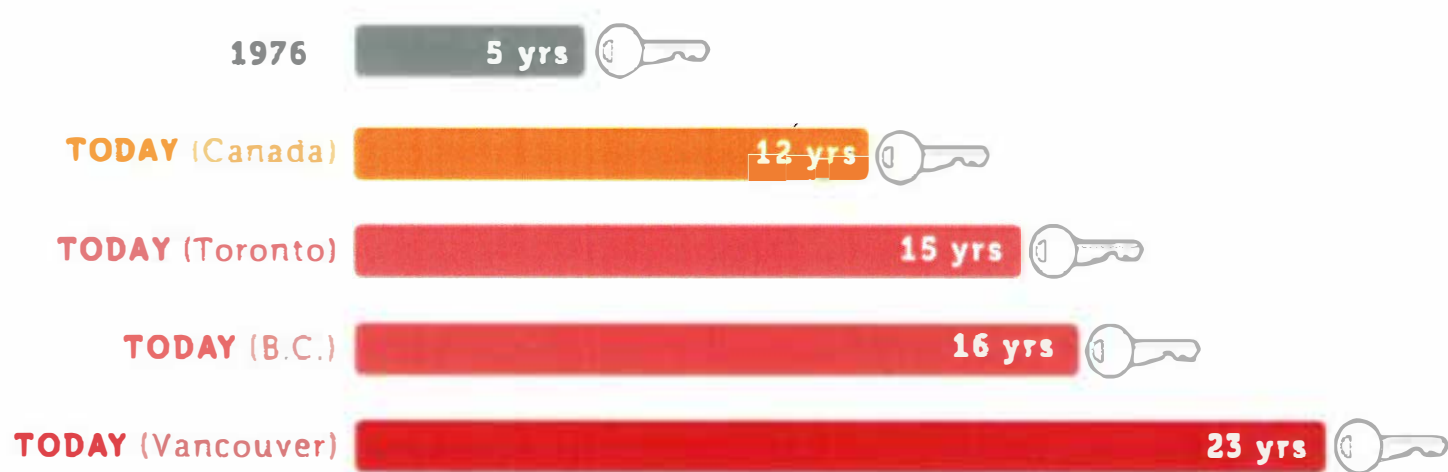
**Balanced Market
Vacancy Rate**

2-3%

Median household income (in 2015 dollars)

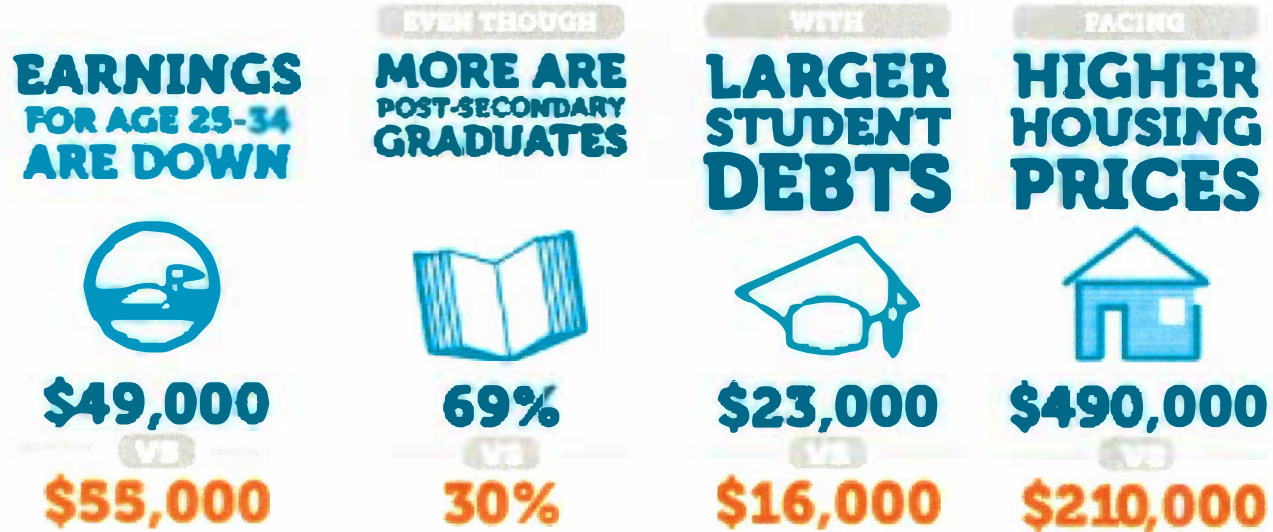


**YOUNG CANADIANS HAVE TO SAVE 2, 3 and 4+
TIMES LONGER FOR A 20% DOWN PAYMENT**



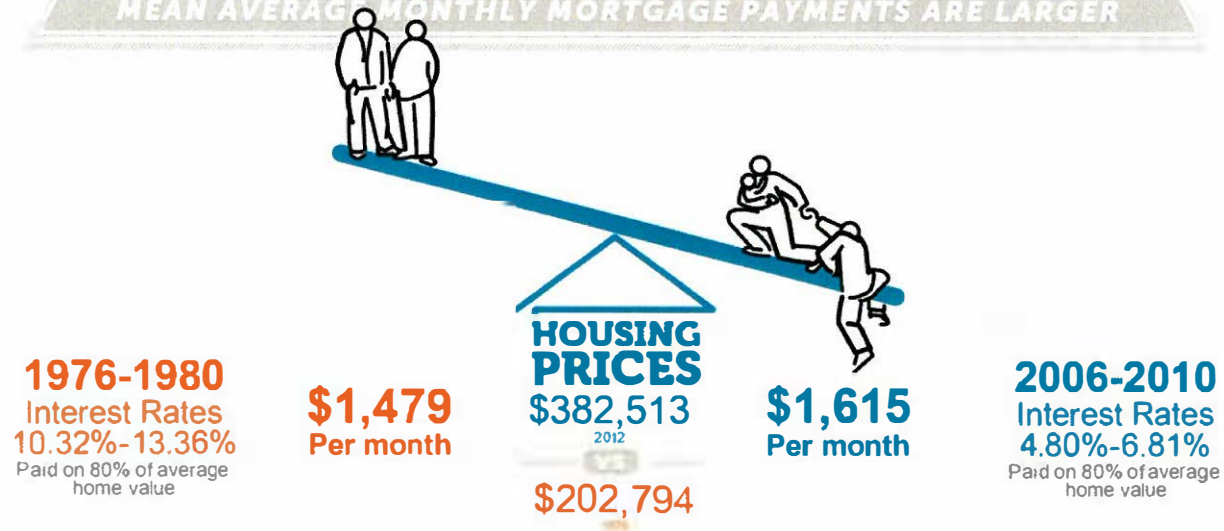
Source: Generation Squeeze. Dr. Paul Kershaw, UBC

COMPARED TO 1976, THE DECK IS STACKED AGAINST YOUNG CANADIANS:



Source: Generation Squeeze. Dr. Paul Kershaw, UBC

EVEN WITH LOWER INTEREST RATES TODAY, HIGHER HOME PRICES
MEAN AVERAGE MONTHLY MORTGAGE PAYMENTS ARE LARGER



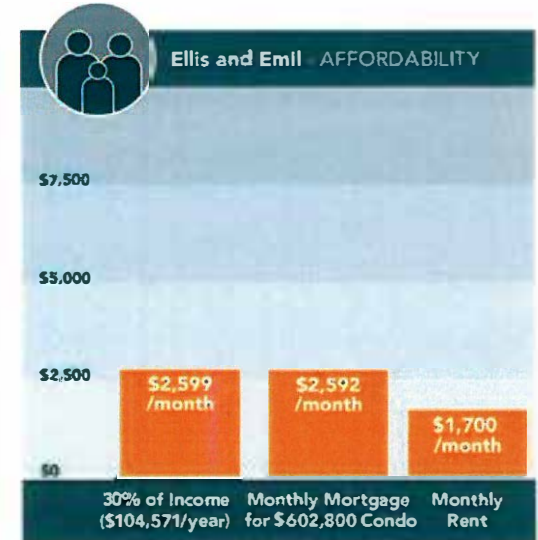
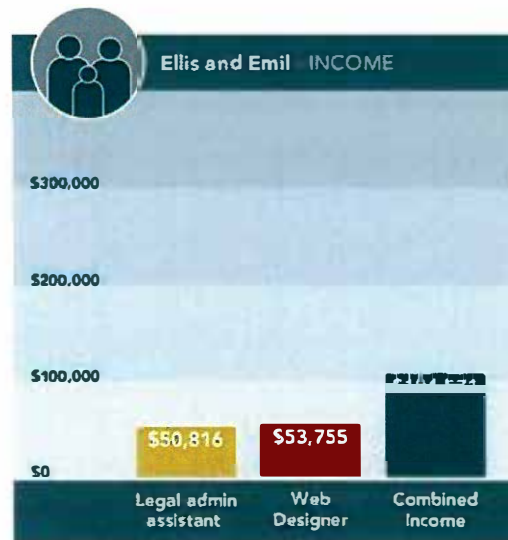
(NOTE: FIGURES ARE AVERAGE AND ADJUSTED FOR INFLATION)

Source: Generation Squeeze. Dr. Paul Kershaw, UBC

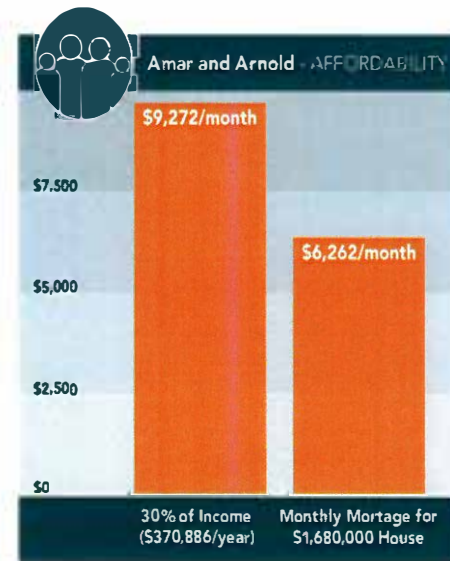
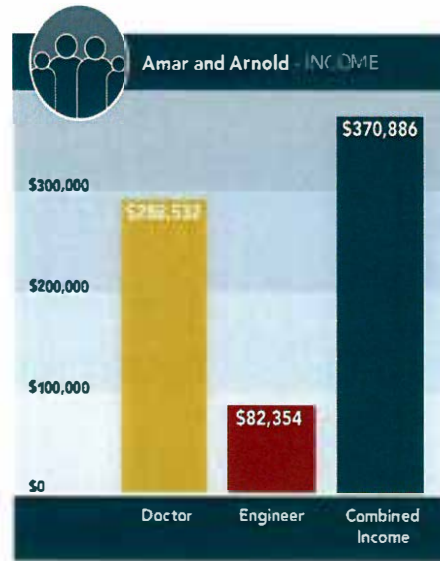
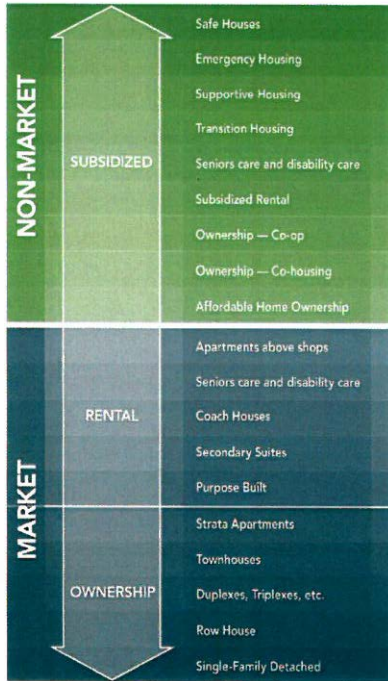
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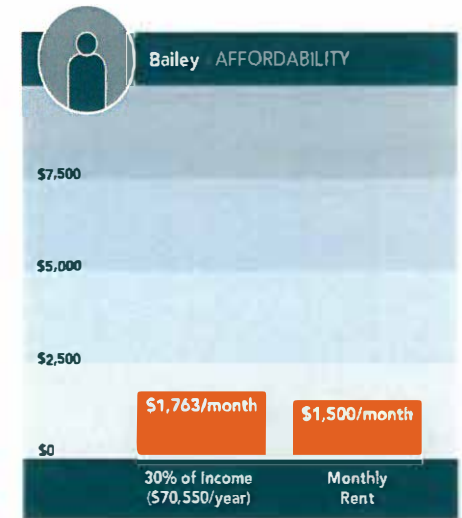
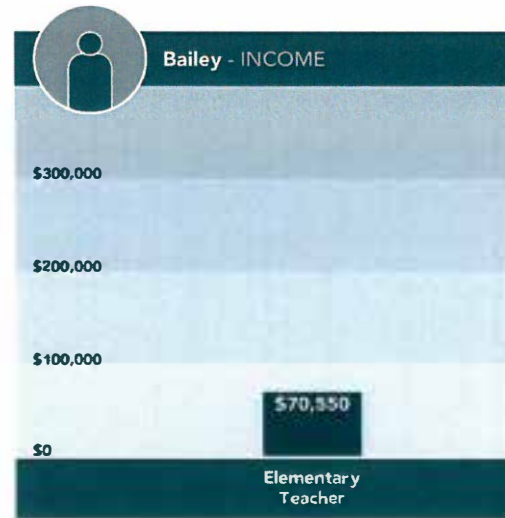
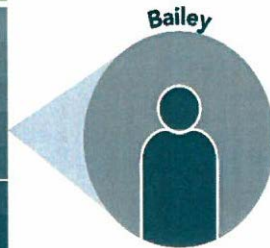
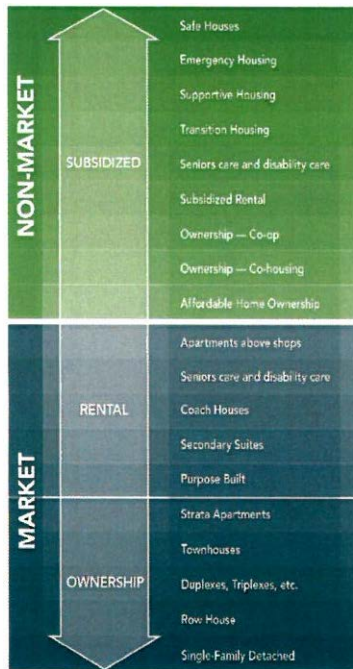
Family "Median Income" \$104,571/year



Family A: Amar and Arnold (home ownership)



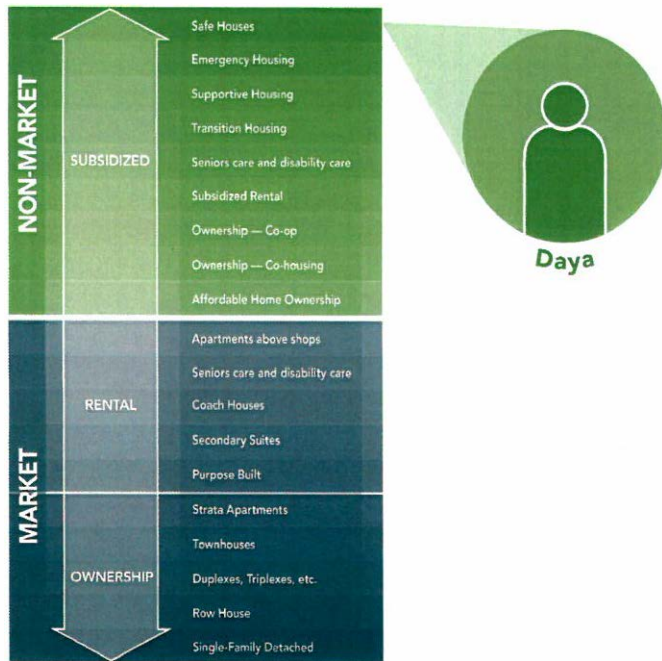
Family B: Bailey (secondary suite)



Family C: Calista and Corey (subsidized rental)



Family D: Daya (Safe House)



TOOLS FOR ACHIEVING OUR NON-MARKET HOUSING TARGETS



Density bonus



DNV Land



CACs
(Community Amenity Contributions)



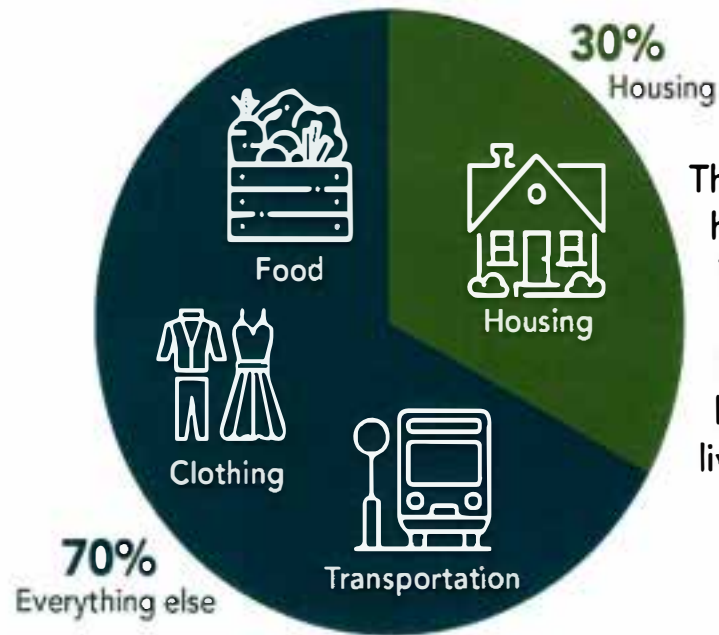
BC Community Housing Fund
\$7 billion over 10 years



National Housing Strategy
\$40 billion over 10 years



What is **Affordable Housing**?



The District considers housing 'affordable' if a household spends **no more than 30%** of their before-tax income to live here.

355 West Queens Road
North Vancouver, BC
V7N 4N5

604-990-2311



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