



ADMINISTRATIVE REPORT

Report Date: September 28, 2016
Contact: Kathleen Llewellyn-Thomas
Contact No.: 604.871.6858
RTS No.: 11637
VanRIMS No.: 08-2000-20
Meeting Date: October 19, 2016

TO: Standing Committee on City Finance and Services

FROM: General Manager of Community Services in consultation with the General Manager of Planning, Urban Design, and Sustainability

SUBJECT: Endorsement of the 2016 Regional Affordable Housing Strategy

RECOMMENDATION

- A. THAT Council formally endorse the 2016 Regional Affordable Housing Strategy (as outlined in Appendix A) as a collaborative approach to addressing regional housing needs.
- B. THAT the Mayor write a letter (further outlined in Appendix B) to all Metro Vancouver Mayors requesting immediate action to address affordable housing issues in the region, including:
 - full endorsement of the Regional Affordable Housing Strategy;
 - increasing much-needed rental housing supply and ensuring measures are in place to prevent the net loss of existing affordable rental housing stock;
 - a renewed commitment to end homelessness and respond to the rising rate of homelessness and a growing incidence of encampments across Metro Vancouver;
 - advancing the regional Urban Aboriginal Strategy to address the housing and wellness for the estimated 40,000-60,000 urban Aboriginal people living in the region; and finally
 - an invitation to all Metro Vancouver mayors to attend a Regional Housing Summit, to take place on October 28, 2016 as part of the City of Vancouver's "re:address" housing summit and conference October 24 - 29, 2016.

REPORT SUMMARY

The Metro Vancouver Board approved the 2016 *Regional Affordable Housing Strategy* -- hereafter referred to as RAHS -- in May 2016 (see Appendix A). The Chair of the Metro Vancouver Board is seeking formal endorsement from all member municipalities in the region. Vancouver City Council members and Staff were consulted for the Draft RAHS, which was presented to Council in January 2016. The purpose of this report is to:

1. Describe the newly adopted 2016 RAHS and seek endorsement from Vancouver City Council; and
2. Provide an update on the City's current initiatives, including the Reset of the Housing and Homelessness Strategy, outlining how the City will help achieve the goals set out in the RAHS.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- Regional Growth Strategy (2011) *Metro Vancouver 2040: Shaping Our Future*
- Housing & Homelessness Strategy 2012-2021 (2011)
- Final Report of the Mayor's Task Force on Housing Affordability (2012)
- Regional Context Statement Official Development Plan (2013)
- Draft Regional Affordable Housing Strategy (2015)

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

Vancouver is facing an unprecedented housing crisis, with the lowest rental housing vacancy rate of any major city in Canada, as well as the highest rents. Low availability and high costs have put affordable, suitable, and long-term homes out of reach for many local residents. If un-addressed, this means potential serious negative implications for Vancouver's diversity, health, and growth long-term.

The affordable housing crisis in Vancouver is tied to affordability challenges in the region. Housing markets are regional in nature and the lack of affordable housing is not just negatively impacting livability and sustainability in the City, but in Metro Vancouver as a whole. People ranging from young families to new immigrants to seniors are faced with difficult choices as housing costs for both homeownership and rental housing continue to rise.

The development of the RAHS was an important process that brought together key stakeholders and partners to identify strategies, goals and actions necessary to collaboratively address complex housing issues in Metro Vancouver. As the core city in the region, Vancouver is a critical partner in addressing regional housing pressures. Vancouver has used all available tools to create more affordable housing choices to meet the needs of our diverse population, from middle income families the most vulnerable residents. Over the last five years, the City has enabled over 13,000 units of new rental housing. Vancouver also has the strongest rental replacement and tenant protection policies in the region, which help to preserve existing affordability and protect renters from the impacts of redevelopment.

Vancouver has stepped up to address the affordability crisis in the City and region. Now more than ever, regional housing leaders must also commit to addressing this crisis. Governments are responding on a municipal, regional, provincial and national

level. The City has recently launched a Reset of the Housing and Homelessness Strategy to further identify action and efforts that will impact affordability in Vancouver. The Region has responded with a newly updated RAHS. And the federal government is bringing forward a National Housing Strategy -- the first in over 30 years. Coordination and partnerships between all level of governments and stakeholders in both the non-profit and private sectors will be critical to address this housing crisis.

REPORT

Background/Context

The Affordable Housing Challenge: Vancouver and the Region

Access to affordable housing is foundational to the social and economic health of the Metro Vancouver region. Affordable rental and ownership housing choices are critical to retaining a skilled and diverse workforce that can contribute economically to the region. They are also critical to maintaining a healthy and diverse population, including families, seniors, and students.

The well-documented housing affordability challenges in Vancouver and surrounding municipalities therefore have serious implications for the health of the region. Rising rents and ownership costs in the Lower Mainland have meant unprecedented challenges for local residents, from young people to the region's most vulnerable citizens. As a result, local residents face a difficult choice regarding whether to leave the region or remain in unsuitable or unsustainable housing conditions.

Metro Vancouver 2040: Shaping our Future

Metro Vancouver is a regional body comprised of 21 municipalities, one treaty First Nation and one electoral area. Members of Metro Vancouver worked together to develop a comprehensive and collaborative approach for urban growth through a regional growth strategy titled *Metro Vancouver 2040: Shaping our Future* (2011). This strategy focuses on land use policies to guide the future development of the region and support the economy, transportation network, environment and creation of complete communities within a sustainable framework.

A Regional Context Statement (RCS) is required by all member municipalities to demonstrate how the municipalities' plans and policies support the goals, strategies and actions of *Metro Vancouver 2040*. The RCS also includes municipal population, dwelling and employment projections. In 2013, the Metro Board approved Vancouver's RCS Official Development Plan.

Table 1: Total Population, Dwelling Unit and Employment Projections (*Metro Vancouver 2040* - Table A.1, Vancouver Regional Context Statement, 2013 - Table 1)

	Population		Dwelling Units		Employment	
	2011	2041	2011	2041	2011	2041
Metro Vancouver	2,356,000	3,443,000	890,000	1,423,000	1,209,000	1,773,000
City of Vancouver	617,200	765,000	265,100	362,000	406,000	505,000

The Regional Affordable Housing Strategy

The RAHS is a supporting plan to advance the “complete community” goals of *Metro Vancouver 2040* and to provide leadership on regional housing issues. The RAHS was developed collaboratively with input from member municipalities and various stakeholders such as private and non-profit housing sector, business and community groups, and senior governments. In Vancouver, the RAHS will supplement the RCS and the City’s existing policies and plans to tackle affordable housing issues, from both a city and regional perspective.

In January 2016, Council received the Draft 2016 RAHS for information and Council generally supported it. Metro Vancouver Staff made revisions based on input from member municipalities and stakeholders, and the final RAHS was adopted on May 27, 2016 by the GVRD Board of Directors. Please see Appendix C for more information on the process, summary of input from stakeholders, and changes made to the final RAHS.

In June, Mayor and Council received a letter from Greg Moore, Chair of the Metro Vancouver Board seeking Council’s endorsement for the 2016 RAHS as a collaborative approach to addressing regional housing needs (see Appendix D).

Strategic Analysis

RAHS PRIORITY GOALS AND KEY VANCOUVER ACTIONS

Access to affordable housing is an important foundation to meeting the needs of a growing and diverse population. The RAHS identifies five priority goals to address regional housing needs and recommends actions by key players such as local, provincial, and municipal governments, as well as private and non-profit developers, health authorities and TransLink. The five goals are:

1. Expand the supply and diversity of housing to meet a variety of needs
2. Expand the rental supply and balance preservation of existing stock with redevelopment while supporting existing tenants
3. Meet housing demand estimates for very low and low income earners
4. Increase the rental housing supply along the Frequent Transit Network
5. End homelessness in the region.

Meeting these goals requires sustained and focused effort from all partners, including the provision of resources, development of policies and plans, and a commitment to work collaboratively. As the core city in the region, Vancouver is committed to doing its part to address housing affordability challenges. The following section describes the priority goals of the newly adopted RAHS and summarizes the actions that the Vancouver is taking to achieve these goals.

Goal 1: Expand the supply and diversity of housing to meet a variety of needs

People of all ages and income are continuing to move to the region, seeking economic opportunities and access to social and cultural amenities. Ensuring there is adequate housing to meet the needs of a growing population is critical. Most of the new housing supply in the region is ownership housing (e.g. strata) developed by the private

market. While this is an important source of supply, a wider variety of housing forms (e.g. ground oriented housing) and tenures targeted to a diversity of income and population are necessary to ensure the region is livable and continues to thrive.

Key Vancouver Actions

More choices for families

Creating affordable housing options for families to stay in Vancouver is critical to ensuring a socially diverse city and strong economy. Currently, less than one per cent of the City's existing rental stock includes three bedrooms, and only three per cent of the overall housing stock is in ground-oriented forms (e.g. rowhouses, townhouses, etc.). Key actions recently undertaken to support housing for families include:

- **More two and three bedroom units in apartments:** In July 2016, Council adopted the *Family Room Housing Mix Policy* to increase the supply of family housing in multi-family buildings. The policy requires a minimum of 35% family units (two and three bedroom units) in both strata and market rental rezoning developments. The policy goes further to require a minimum of 10% three bedroom units in strata projects.
- **More ground-oriented housing options:** The recently approved Marpole and Grandview-Woodland community plans create new zones that allow diverse ground-oriented housing such as duplexes, townhouses, and rowhouses.
- **Alternative forms of ownership:** In April 2016, Council approved in principle the goals of an Affordable Home Ownership pilot program to provide an additional housing option along the housing continuum.

Emerging actions - tax on empty homes

In March 2016, the City commissioned a comprehensive study using anonymized Hydro data that found 10,800 homes were left empty for a year or more. In September 2016, Council approved a proposed approach to an empty homes tax. The main goal of the tax is to incentivize owners to put homes into the rental market at a time when Vancouver's vacancy rate is at critically low levels.

Goal 2: Expand the rental supply and balance preservation of existing stock with redevelopment while supporting existing tenants

Rental housing is a key focus of the RAHS - it includes both purpose-built apartment buildings and secondary forms, such as laneway houses, infill, basement suites, and rented condominiums. Rental housing is a more affordable option than homeownership and provides housing targeted to workers, recent immigrants, young people, seniors, and students. The ongoing shortage of rental housing compared with demand significantly impacts the region as is demonstrated by Metro Vancouver's vacancy rate decreasing over the last six years to its current low of 0.8%.¹ Increasing all forms of rental housing is critical to the region's diversity and economic health.

¹ CMHC Rental Market Report, 2015

The RAHS also notes the importance of the existing rental stock. It recommends gradual redevelopment of the aging purpose-built stock to occur without a net loss in the overall rental supply, while ensuring tenant relocation plans are in place to mitigate the impacts of redevelopment.

Key Vancouver Actions

Rental housing is an important part of the City's housing stock; 51% of households in Vancouver are renters. Increasing much needed supply while preserving the affordability of the existing stock is a key priority for this Council. Renters make up over 50% of Vancouver's households. Vancouver provides nearly half (45%) of the rental housing in the Metro Vancouver and more than a quarter (26%) of the rental housing for all of British Columbia.² Renting makes it possible for low and moderate income households to live in Vancouver.

Vancouver is a leader in the region in piloting new municipal tools, approaches, and actions, both to increase rental supply and to preserve the existing stock. In addition, the City has recently enhanced its policies, with the strongest in the Province, to protect tenants against the impacts of redevelopment.

Increasing rental supply

Since 2010, the City has approved over 5,700³ new units of secured market rental housing through the recently approved community plans, major rezonings, and the Rental 100 program, which offers a menu of incentives to enable the private sector to develop new rental housing. Two-thirds of those units are now under construction or completed.

Since 2012, Vancouver has issued over 4,000⁴ permits for secondary suites and laneway houses. These units contribute to the supply of rental, while adding important diversity across all neighbourhoods.

Importance of existing rental stock and renters

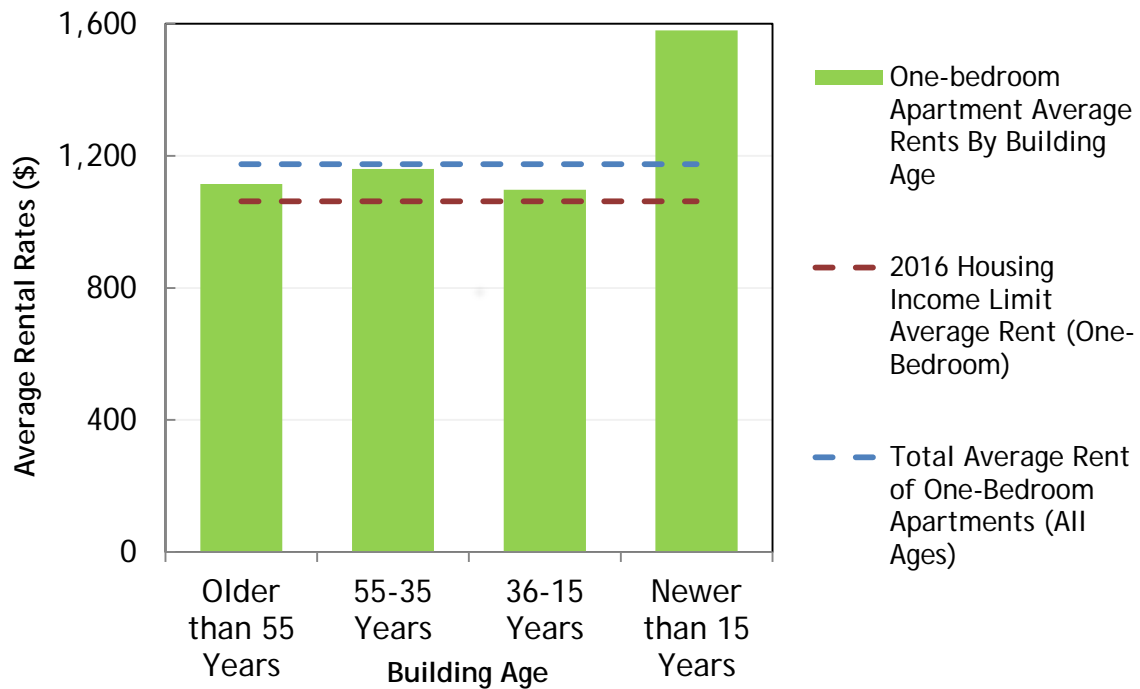
The City's existing older rental housing stock is important to Vancouver residents, because it provides some of the most affordable housing in the city. Figure 2 below demonstrates the average rents for one-bedroom apartments by building age. The vast majority of these rental buildings were constructed before 1980. Rents in the older stock are comparable to one-bedroom social housing units, or Housing Income Limits (HILs), which is used by BC Housing to determine eligibility for social housing.

² National Housing Survey, 2011

³ City of Vancouver, as of June 30, 2016

⁴ City of Vancouver, as of June 30, 2016

Figure 2: Private Apartment Average Rents in the City of Vancouver by Building Age



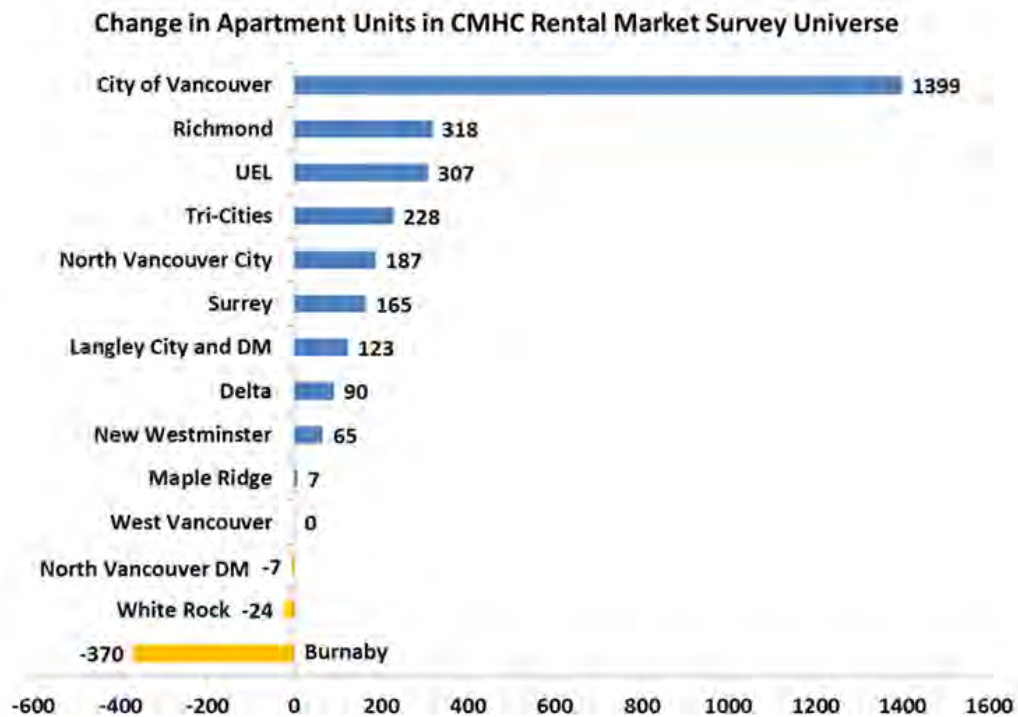
Source: CMHC Market Rental Report, October 2015.

As such, the protection of the existing rental stock continues to be one of the most important priorities for Vancouver. Approved in 2007, the Rental Housing Stock ODP provides that protection by requiring one-for-one replacement of rental units in certain multi-family areas of the City.

Monitoring Loss of Purpose-Built Rental Housing Stock

Staff note with concern that not all municipalities in the region have rental replacement policies, resulting in the net loss of rental in some areas, as illustrated in Figure 3 below. Vancouver’s efforts to balance retention of existing affordable housing with the need to increase supply become counterproductive if other municipalities do not at a minimum require rental replacement upon redevelopment. One key action in the RAHS is a commitment by Metro Vancouver to monitor the purpose-built rental stock to identify areas where rental housing is being lost and to alert decision-makers to the vulnerability of these units. Staff are hopeful that this monitoring will be helpful in preventing the loss of much needed rental housing in the region.

Figure 3: Net Change in Rental Stock across the Region, 2010-2015



Source: CMHC Market Rental Survey: 2010-2015.

Protecting tenants

In December 2015, Council approved enhancements to the Tenant Relocation and Protection Policy, including increased compensation, improved relocation options, and a right of first refusal at discounted rents. The policy responded directly to concerns voiced by renter groups impacted by redevelopment.

Goal 3: Meet housing demand estimates for very low and low income earners

As incomes become increasingly decoupled from housing prices, protecting the existing low-income housing stock and providing housing for low income and vulnerable populations is critical. A key challenge in the region is to address the gap in supply of housing to low income households (earning under \$50,000/year). Between 2011 and 2014, the RAHS identified a shortfall of 1,600 rental units targeted to incomes under \$50,000. Partnerships with other levels of governments are required in order to meet the estimated demand set out in RAHS. The looming expiry of non-profit and cooperative housing agreements has created uncertainty in the non-profit housing sector in term of their ability to continue to provide below-market units after their federal subsidies end.

Key Vancouver Actions

Partnerships and contribution of land

In February 2016, the City committed \$250 million in City-owned land for the development of affordable housing in partnership with Provincial and Federal governments. This represents the single biggest commitment in affordable housing in Vancouver's history. By securing funding from senior levels of government, these sites could deliver over 3,500 units of affordable housing over the next five years.

Social housing

The city continues to deliver affordable rental and social housing through inclusionary zoning, density bonuses, and the use of Community Amenity Contributions, and Development Cost Levies. Since 2011, the City has approved 1,570 units of new social housing. In addition to the delivery of units, the City has allocated \$10 million in grants in the 2015-2018 Capital Plan to non-profit developers to construct affordable housing.

Vancouver Affordable Housing Agency

Council created the Vancouver Affordable Housing Agency in June 2014 to enable new affordable housing in Vancouver by leveraging City land and through innovative partnerships with private developers, charitable and/or non-profit organizations, and senior levels of government. The goal is to build more affordable housing units and deepen affordability wherever possible, including units targeted to low income and vulnerable populations.

Aboriginal Housing and Wellness Strategy

Vancouver was founded on the unceded territory of the Musqueam, Squamish and Tsleil-Waututh First Nations. Vancouver is strengthened by Aboriginal culture and values, lived and practiced by both on- and off-reserve Aboriginal residents. The City has intensified our intention and commitment to strengthening relationships with both on and off-reserve Aboriginal partners through City of Reconciliation initiatives, including a Memorandum of Understanding with First Nations and the Metro Vancouver Executive Aboriginal Council (MVAEC), establishing Council-to-Council meetings and working under the advisement of the Urban Aboriginal People's Advisory Committee.

As the urban Aboriginal population grows, the City remains dedicated to addressing the short and long-term needs of Aboriginal residents in partnership with Aboriginal agencies. The Aboriginal population is one of the fastest growing populations in Canada, with many moving to urban areas. Conservative estimates indicate over 50,000 Aboriginal residents in Metro Vancouver, with over 18,000 (20%) living in Vancouver. There is great disparity between Aboriginal and non-Aboriginal residents - 55% of Aboriginal residents own their home in the region compared to 66% of non-Aboriginal residents. In 2016, over 38% of the homeless population in Vancouver identified as Aboriginal compared to only 2.5% of the City's population.⁵

⁵ Vancouver Homeless Count, 2016

Vancouver City Council has endorsed the Urban Aboriginal Strategy called *Towards an Urban Aboriginal Housing & Wellness Strategy for Metro Vancouver (2015 -2020)*. The Strategy was developed by the Metro Vancouver Aboriginal Executive Council (MVAEC). It describes the specific needs of indigenous people, and identifies a target for 1,500 new social housing units across the region. Principled engagement with municipalities and other levels of government is urgently needed to address the need for urban Aboriginal housing and wellness. To this end, Vancouver has committed to work in partnership with Aboriginal agencies on a portfolio of four sites, with the objective to deliver over 600 units of new social housing units.

Goal 4: Increase the rental housing supply along the Frequent Transit Network (FTN)

Transportation costs add additional burden to already high housing costs. Working households living in areas well served by transit or close to their place of employment have lower transportation costs. Providing affordable housing options in transit-oriented locations can improve affordability and ensure availability of workforce housing needed to sustain an economically prosperous region.

Key Vancouver Actions

Many transit routes in Vancouver are already identified in the FTN. Locating housing near transit has been a long standing practice in Vancouver. The Cambie Corridor Plan focuses on opportunities to integrate residential development with transit, while supporting the City's goals relating to environmental sustainability, livability, and affordability. The public benefit strategy for the Cambie Corridor includes 50% of community amenity contributions allocated towards increasing affordable housing supply near the Cambie Corridor.

The recently approved Joyce-Collingwood Station Precinct Plan (July 2016), enables the creation of a more compact mixed-use walkable development around the SkyTrain Station, including more opportunities for social housing and family housing.

Future planning work and investment in rapid transit along the Broadway Corridor is also planned, subject to partnerships with senior levels of government.

Goal 5: End homelessness in the region

Homelessness is a growing issue within the region and is not confined to municipal boundaries. The last regional homeless count in 2014 found 2,777 people (65% within City of Vancouver) who were homeless living across the region. Homelessness has tragic consequences not only for the individual, but also for communities and is unacceptable in a region as wealthy as ours. While local governments have limited tools to respond appropriately to the increasing number of individuals experiencing homelessness as witnessed in the increasing numbers of street homeless and encampments throughout the region, municipalities play an important role in addressing the needs of the homeless and at-risk populations, through service provision and the development of land use, housing and social policies. The role of Metro Vancouver as convenor is important in coordinating actions between municipalities and advocating to senior levels of governments and health authorities for support to address this growing crisis.

Key Vancouver Actions

Ending homelessness is a key priority in Vancouver. The City's last homeless count in March 2016 found 1,847 people who were living in the street or in shelters. The following is a summary of key actions that City has taken in recent years to provide supports, advocacy, and housing for our most vulnerable citizens.

Temporary Winter Shelter Strategy

Since 2008, the City has partnered with the Provincial government to open temporary winter shelter beds during the coldest, wettest months of the year to ensure the street homeless have an opportunity to come inside. The shelters are open the end of November through to the end of April and connect shelter guests to much needed housing and support services. Since 2009, over 1000 shelter clients have been transitioned into more permanent housing.

Supportive housing

The City is actively pursuing opportunities with non-profits and government partners to create additional supportive housing units in neighbourhoods throughout the city. The City, BC Housing, and Streethome Foundation entered into an MOU in 2007 and as a result, 1,500 units of permanent supportive housing units have been enabled, of which over 1,400 units are completed and tenanted. These units have been targeted to street and sheltered homeless, and have helped meet the housing needs of our most vulnerable residents. Without this stock, the level of homelessness in our city would most certainly be higher.

The City has also enabled additional innovative supportive housing projects, including 93 supportive housing units currently under construction across three additional projects.

Single Room Occupancy (SRO) Hotel Strategy

SROs are often the last resort before homelessness for many vulnerable citizens. In addition to the Single Room Accommodation By-law (2003) that protects the existing low-income housing stock, the SRO strategy approved as part of the Downtown Eastside Plan (2014), includes a number of actions to improve conditions and livability of the SRO stock while maintaining affordability and ensuring tenants have adequate supports. This includes increasing protection for tenants and improving livability through coordinated enforcement of the City's health and safety bylaws. The City provides funding to advocates at First United Church to support tenants in resolving conflicts with their landlords and to assist them through the residential tenancy arbitration process. Funding has also been provided to ensure the Residential Tenancy Branch is able to maintain an office in the Downtown Eastside.

The City has also provided \$900,000 in grants to three non-profit housing providers for the upgrade of SRO rooms.

The City continues to advocate for Provincial action to create a special category for SROs that would tie SRO rents to the room, rather than to the tenant, to slow the pace of rent increases due to the higher turnover rate in this stock. The City has also requested an increase in the shelter component of income assistance in order to improve management

and building condition, while continuing to ensure the stock remains accessible to vulnerable populations.

Key concern: a Regional Homelessness Plan

Ending homelessness in the region requires a strong, coordinated regional strategy, starting with full endorsement of the Regional Homelessness Plan (RHP) and commitment of resources from all levels of government. The RHP was developed in 2014 and Staff is concerned that it remains in draft form due to a lack of funding to implement the plan. The next steps outlined in the RHP include developing an implementation plan, estimating costs, and preparing a final plan for endorsement. It is important that this work moves forward quickly to address the growing needs of our most vulnerable residents. Regional coordination is critical to bring governments, stakeholders, and partners together to address the systemic drivers of homelessness.

MEETING FUTURE NEEDS - HOUSING DEMAND ESTIMATES

To meet the needs of the future population, Metro Vancouver has updated their housing demand estimates, forecasting a rental housing demand of 54,000 units over the next 10 years (2016-2026). The following table summarizes the 10-year housing demand estimates in the region and for the City of Vancouver:

Table 2: Updated Housing Demand Estimates, 2016-2026

Housing Demand Estimates	Total Rental Demand	Very Low Income	Low Income	Moderate Income	Above Moderate Income	High Income
Metro Vancouver	54,000	23,500	11,200	8,700	4,800	5,800
City of Vancouver	12,800	5,910	2,340	1,930	1,120	1,450

Notes: Very Low Income is < \$30,000/year; Low Income is \$30,000-\$50,000/year; Moderate Income is \$50,000 - \$75,000/year; Above Moderate Income is \$75,000-\$100,000/year; High Income is > \$100,000/year.

The City actions described in this report demonstrate how it will work towards meeting its projected rental demand. Vancouver leads the region in enabling new rental supply and since 2012 has enabled over 13,000 units of new affordable rental homes. In order to meet the housing need for low and very low income households, partnerships with senior governments, non-profit societies, and other stakeholders will be necessary. The Reset of the City's Housing and Homelessness Strategy will include policies, tools and innovative partnerships to meet and exceed the housing demand estimates prepared by Metro Vancouver.

NEXT STEPS - RESET OF VANCOUVER'S HOUSING AND HOMELESSNESS STRATEGY

Vancouver's affordability challenges are inextricably tied to broader forces facing global cities. Vancouver is in the company of cities around the world - including San Francisco, Sydney and London - that have become increasingly desirable places to live. These cities' dynamic local economies, innovation, and cultural diversity draw new residents and robust economic activity. However, with this growth has also come the rapid commodification of housing, driving unprecedented challenges for local residents in accessing the private housing market. Younger generations in particular are being left behind in this rapidly

escalating housing market crisis. A critical problem is how to ensure that today's young people, moderate-income residents, and future generations can afford to stay long-term and contribute to the vibrancy of our city and region.

The City is now midway through its 10-year Housing and Homelessness Strategy. Over this time, there have been successes and lessons learned. The aim of the Reset is to update the Strategy, including an analysis of demand drivers in international housing markets and the impacts of housing affordability policies and programs in other cities, the potential impact on the Vancouver housing market, and considerations for the region. Anticipated deliverables include 5 and 10 year action plan including new targets, policy directions, metrics and goals, and an implementation strategy for how these will be achieved. The City will accomplish this through sharing knowledge and seeking input from partners and stakeholders locally, regionally, provincially, nationally and globally.

Since launching the Reset, a series of initial themes have emerged through consultation with partners in five Creative Advisory groups and a Mayor's External Advisory. These include:

- a shared "City Vision" for housing affordability with set priorities across the continuum from homelessness to affordable home ownership;
- new tools for housing delivery targeting resources to preserving our existing housing stock and delivering new supply;
- making design innovation the new norm - leveraging design principles to advance goals of affordability, sustainability, and reconciliation;
- working to become a 'networked' City that champions affordability, engaging the next generation of households around a vision for Vancouver's future; and
- defining a new role for cities in the context of a new National Housing Strategy - leveraging opportunities to elevate major cities and regions as players in the country's housing system.

The City is currently poised to intensify its engagement through its Re:Address housing summit and conference week (October 24 - 28, 2016), with opportunities throughout the week for the public and local partners to engage and network with international speakers and guests on the topic of housing affordability in global cities. For more information, please see: <http://readdress.ca/>

A synthesis of all of the recommendations through these engagements will be submitted to the federal government as part of the City of Vancouver's National Housing Strategy recommendations.

NATIONAL HOUSING STRATEGY

Concurrent with the reset of the Housing and Homelessness Strategy, is the opportunity to engage the federal government on its commitment to develop a National Housing Strategy. A National Housing Strategy provides an opportunity to redefine the role of cities and regions as part of a comprehensive strategy to address national housing needs, while also connecting housing to broader social, economic, and infrastructure goals at all levels of government. The City's advocacy for a National Housing Strategy has emphasized several key goals that are also aligned with the goals of the RAHS, including developing a systems-oriented approach to addressing drivers of homelessness, investing in affordable non-market housing, and advancing the housing needs of the 'missing middle'.

Implications/Related Issues/Risk (if applicable)

Financial

The City uses a variety of enabling tools to leverage affordable housing in partnership with senior governments and private and/or non-profit housing partners:

Contributions through Development - As part of market residential and/or mixed use development, there may be opportunities to secure "turn-key" non-market housing to the City through voluntary community amenity contributions and/or inclusionary zoning policies. Non-profit housing partners can operate and maintain the housing projects at prescribed affordability over the lease term (typically 60 years).

City Land Contributions - The City leverages long term land leases to housing partners at below market rent for 60 years or longer for the purpose of creating new affordable housing. Partners may be involved in operating non-market housing or the comprehensive development and long term operational responsibility, depending on the nature of the partnership with the City.

Capital Grants - The City allocates per door grants to non-profit partners to enhance viability and affordability of their non-market housing projects, as well as to encourage delivery of supportive housing and family units.

Development Cost Levies (DCL's) Waivers/Exemptions - Social housing projects are exempt from DCLs. Secured market rental projects may qualify for DCL waiver if the development meets the various affordability criteria under the applicable DCL by-law such as initial rent levels, construction costs and unit size.

Property Tax Exemptions - Supportive housing, if designated by the Province as a Class 3 property, is subject to special valuation rules that reduce the assessed value to a nominal amount and are effectively exempt from property taxes.

As part of the Housing Strategy Re:set, staff will report back on the implementation and financial strategies to deliver the City's share of the regional target.

CONCLUSION

In summary, the 2016 RAHS is a comprehensive regional strategy that strives to provide a renewed vision, goals, strategies and actions for addressing affordable housing challenges. This 2016 RAHS is aligned with Council's housing goals and objectives to end homelessness and to create more affordable housing options for all residents through collaboration, partnerships, innovation and implementing a combination of municipal tools. The City has plans and policies in place that meet the expected municipal actions included in the RAHS and is continually striving to lead in developing innovative affordable housing options. In addition, the Reset of Vancouver's Housing and Homelessness Strategy will meet and exceed the RAHS estimated housing demand for Vancouver.

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Regional Affordable Housing Strategy





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PART ONE: INTRODUCTION

1.1. WHY A REGIONAL AFFORDABLE HOUSING STRATEGY?

An affordable and diverse housing supply is an important foundation for meeting the needs of a growing population. In a region with high and rising housing costs like Metro Vancouver, an affordable and diverse housing supply is also critical to the region's future prosperity. Housing choices that include a mix of homeownership and rental opportunities across housing types, sizes and price points are essential to accommodate a diverse workforce and to create a future for all regional residents. The Greater Vancouver Regional District Board has adopted the *Regional Affordable Housing Strategy* (RAHS) to provide leadership on regional housing needs, and to advance the complete community goals of *Metro Vancouver 2040: Shaping Our Future (Metro 2040)*, the regional growth strategy adopted in 2011. This is the second iteration of the Regional Affordable Housing Strategy; the first was adopted by the Board in 2007.

This *Regional Affordable Housing Strategy* provides a renewed vision, and shared goals, strategies and actions for tackling the housing affordability challenge in Metro Vancouver. As a federation of twenty one municipalities, a treaty First Nation and an electoral area, the region shares an economy and housing market. While the market does a good job of housing most residents, and in fact 95% of all Metro's housing stock is provided through the market, it is not able to do so at a price everyone can afford. This fact is particularly true for very low and low income households earning under \$50,000 per year. Past experience shows that senior levels of government must play a role if there is to be a greater supply of housing that is within the means of this population group. Now the problem of affordability has spilled over to residents with higher income levels, including those seeking entry-level homeownership

1.2. ROLES AND RESPONSIBILITIES

This strategy recognizes that increasingly complex housing issues demand more innovative strategies and greater collaboration. The strategy outlines actions for Metro Vancouver and recommended actions for other key housing stakeholders such as local, provincial and federal governments, private and non-profit developers, health authorities and TransLink.

Government policy at all three levels influences the housing system. The provincial mandate for housing policy, land management, transportation, social welfare, and health services and the federal government responsibility for immigration, fiscal and monetary policies mean both are key influencers of housing demand and supply. In addition, provincial and federal housing and homelessness funding programs have traditionally had a significant bearing on the production of new housing that is affordable

for very low and low income households. In recent years, there has been limited senior government funding for new affordable housing supply, which seriously impacted the region's ability to meet estimated housing demand for very low and low income households. As of spring 2016, both the provincial and federal governments have committed to re-investing in new affordable housing, providing welcome resources.

Local governments' chief role lies in ensuring an adequate supply of residential land to meet housing demand through the land use planning and regulatory process, within the context of local and regional housing demand. There are other opportunities for municipal action to address housing affordability, for example, through advocacy and incentives to the private market. And, it is recognized that local



conditions vary from one municipality to another in the region and that local governments have the authority to determine the appropriate response.

Metro Vancouver, as the federation of 21 municipalities, one Electoral Area and one Treaty First Nation, employs the following roles to advance regional goals and strategies and to support its members to achieve their goals.

- *Provide mixed income housing* through Metro Vancouver Housing Corporation (MVHC), a separate wholly owned non-profit housing organization.
- *Set policy direction* through the regional growth strategy *Metro 2040* and the *Regional Affordable Housing Strategy*.
- *Research, collect and analyse data* to support regional and municipal housing policy goals and promote best practices.
- *Convene* municipal politicians and staff on housing issues of regional and local concern.
- *Advocate* to senior governments for tools, policies and resources to support regional housing needs.
- *Use fiscal measures* such as the waiver of Greater Vancouver Sewerage and Drainage District Development Cost Charges for affordable rental housing.

TransLink's mandate is to provide a regional transportation system that moves people and goods and supports the regional growth strategy, as well as provincial and regional environmental objectives and the economic development of the region. TransLink works with partner agencies toward integrated land use and transportation planning and policy, and ensuring the system is physically and financially accessible. The *Regional Transportation Strategy Strategic Framework* recognizes that the transit system is essential to providing affordable access to opportunity and services for all regional residents, including those with the least means (Policy 2.4). In addition, by aligning the locations of transit with the location of people and jobs, overall household transportation costs can be better managed. The Strategic Framework encourages affordable and rental housing along the Frequent Transit Network (Policy 3.1).

Reflecting the collaborative nature of the Metro Vancouver federation, Metro Vancouver staff have worked with member municipalities through the Regional Planning Advisory Committee and its Housing Subcommittee to update the *Regional Affordable Housing Strategy*. This process included broad stakeholder consultation with the private and non-profit housing sectors, community agencies, TransLink, and provincial and federal governments at key points in the update process.

1.3. WHAT HAS BEEN ACCOMPLISHED SINCE THE FIRST STRATEGY?

Since the original *Regional Affordable Housing Strategy* was adopted in 2007, some progress has been made. There is an enhanced collective awareness of the housing affordability issue, and regional and local governments have taken some important steps to address it. For example, Metro Vancouver has:

- Advanced awareness of the importance of rental housing through the Rental Housing Supply Coalition.
- Adopted housing policies and regional and municipal housing demand estimates within *Metro 2040* (2011).
- Completed foundational research on rental housing to ensure there is a good understanding of the purpose built rental housing inventory, and the risk of redevelopment.
- Completed *Metro 2040 Implementation Guideline #3: What Works: Affordable Housing Initiatives in Metro Vancouver Municipalities*, providing guidance on the use and effectiveness of municipal measures for affordable housing.
- Created provisions to waive Greater Vancouver Sewerage and Drainage District Development Cost Charges for affordable rental housing developments.
- Achieved rezoning approval to redevelop Heather Place, an existing Metro Vancouver Housing Corporation housing site in Vancouver. It will create an additional 150 units of mixed-income housing.
- The *Metro Vancouver Housing and Transportation Cost Burden Study: a New Way of Looking at Affordability*, research that broadens the dialogue about affordability.

Municipalities have:

- Adopted Housing Action Plans that demonstrate how municipalities plan to achieve the estimated local housing demand, including that for low and moderate income households.
- Implemented zoning measures in support of housing diversity and affordability, such as permitting secondary suites and/or laneway houses in single-family zoned areas subject to certain conditions, allowing accessory dwelling units in duplexes, reducing parking requirements in areas close to transit, and providing small lot zones, etc.
- Facilitated new supportive and transitional housing for vulnerable populations by providing municipal land at low or no cost through Memorandums of Understanding with the province .
- Used housing reserve funds to lever the development of new non-profit housing by providing grants, purchasing land for non-profit use, and reducing or waiving permit fees.
- Granted additional density to residential developers in exchange for either on-site affordable housing units or fees in lieu of these units.
- Set targets for market rental housing and affordable housing, including preservation of existing affordable housing, in transit corridors.
- Set strategic expectations for transit station areas to accommodate a mix of land uses and housing types, and, on larger sites, new on-site purpose built rental housing units.
- Offered incentives to owners and developers to retain, renew, and enhance the purpose built market rental housing supply.

1.4. METRO 2040 AND THE REGIONAL AFFORDABLE HOUSING STRATEGY

Metro 2040 provides the overall growth management framework for the region and for the Regional Affordable Housing Strategy. *Metro 2040* coordinates and aligns regional land use and transportation planning, and directs growth to Urban Centres and in Frequent Transit Development Areas (FTDAs). The plan calls for over two-thirds of residential and employment growth to occur in these transit rich locations. Importantly, TransLink’s plans and strategies reinforce this concentration of growth for efficient transit service. Goal 4 of *Metro 2040* aims to create complete communities, and one of the strategies for doing this is through policy support for an affordable and diverse housing supply. RAHS is a strategy focused on a single component of growth – housing – and it is intended to provide further direction to implement *Metro 2040*.

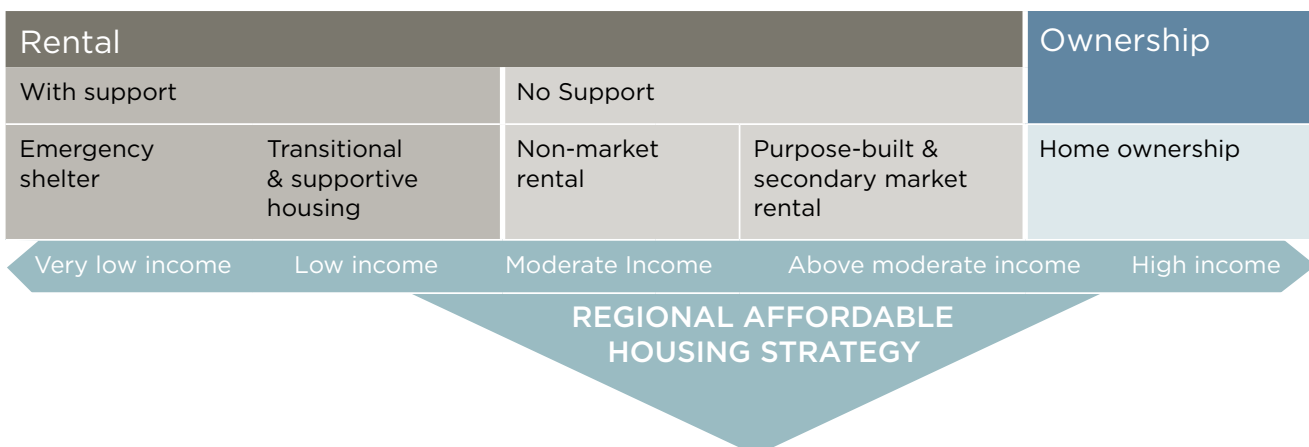
The RAHS relies on Regional Context Statements (RCSs) as one means of implementation. RCSs are the link between Official Community Plans and the regional growth strategy; they are developed by municipalities in collaboration with Metro Vancouver, adopted as part of Official Community Plans and accepted by the Metro Vancouver Board. RCSs demonstrate how local aspirations as expressed in municipal plans align with and support the vision for the future of the region as expressed in *Metro 2040*.

Specifically, RCSs identify what local policies and strategies are in place to address housing needs, as well as confirm the intent to complete and implement a Housing Action Plan. Housing Action Plans, or their equivalents, direct municipal action to address local priorities for housing supply, diversity and affordability within their jurisdiction.

1.5. A RENTAL HOUSING FOCUS

The housing continuum depicts the main elements of the housing supply, including different housing types, tenures and presence of support services (if any) (Figure 1). It also reflects a range of incomes or affordability levels. The main focus of the *Regional Affordable Housing Strategy* is on rental housing – non-market rental and market rental housing – the central part of the housing continuum, as this is the part of the continuum that the market is unable to address adequately. While some regional coordination on homelessness has occurred in the past, this role is presently being redefined by a leadership group of homeless agencies and funders. It is expected that they will seek to coordinate resources around the left side of the continuum for homeless or formerly homeless persons. This strategy also addresses the homeownership part of the continuum, where there are now significant affordability concerns. The *Regional Affordable Housing Strategy*’s strategic focus for homeownership is to encourage housing diversity and choice, particularly for entry-level home ownership options.

FIGURE 1: HOUSING CONTINUUM AND RENTAL HOUSING FOCUS



1.6. VERY LOW AND LOW INCOME HOUSEHOLDS

Affordability is a measure of the ability to pay for housing. It relates the price or cost of housing to household income. Housing is considered affordable when monthly housing costs (rent or mortgage payments including property taxes, strata fees, and heating costs) consume less than 30% of before tax (gross) household income. Housing affordability concerns are invariably associated with households that have very low and low incomes as they face difficulties affording market rates. Households with higher incomes may choose to pay more than 30% and still live comfortably.



Metro Vancouver's regional median household income (RMHI) in 2011 was \$63,000 per year. Half of regional households had incomes above \$63,000, and half of households' incomes were below it. Of the six largest metropolitan regions in the country, Metro Vancouver has the second lowest median household income, trailing Calgary, Edmonton, Ottawa and Toronto.

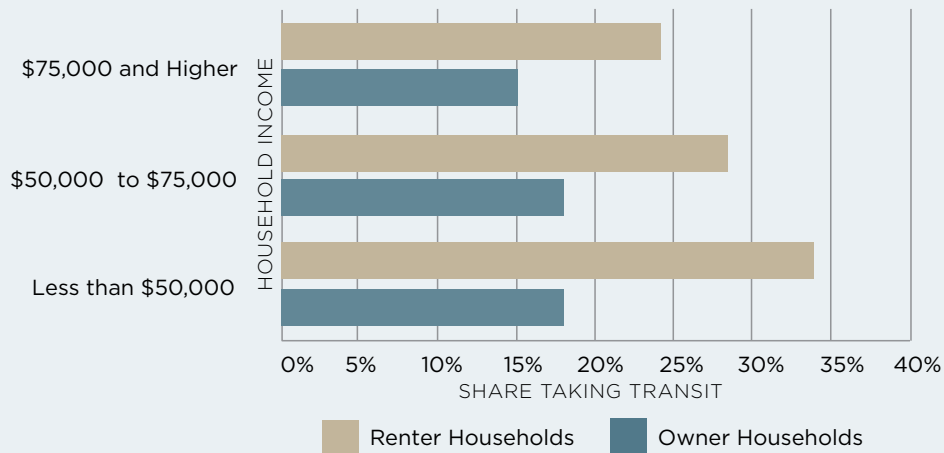
The Strategy focuses on the housing needs of very low and low income households recognizing that the market generally does not do so. Very low income households are those earning 50% or less of the regional median, approximately \$30,000 per year. Low income households earn between 50 and 80% of RMHI or between \$30,000-50,000 per year and moderate income households earn 80-120% of RMHI. Table 1 shows the amount that each household income segment can afford to pay for housing. Different household types and sizes will have different incomes and housing costs; for example a family household will have higher housing costs than a single person household.

TABLE 1: HOUSEHOLD INCOME CATEGORIES METRO VANCOUVER

Household Income Categories	Share of regional median household income RMHI (\$63,000)	Annual household income range	Affordable monthly housing payment
Very low income households	<50% RMHI	<\$30,000/yr	Less than \$750/mo
Low income households	50%-80% RMHI	\$30,000-\$50,000/yr	\$750-1,250/month
Moderate income households	80% -120% RMHI	\$50,000-\$75,000/yr	\$1,250-1,875/month
Above moderate income households	120% - 150% RHMI	\$75,000-\$100,000	\$1,875 -\$2,500/month
High income households	150% RHMI plus	\$100,000 plus	\$2,500/month plus

Source: Metro Vancouver Housing Demand Estimates 2016-2026. Dec 2015.
Income based on 2011 National Household Survey.

CHART 1: SHARE OF HOUSEHOLDS USING TRANSIT BY HOUSEHOLD TENURE AND INCOME IN METRO VANCOUVER



Source: NHS 2011.

1.7. THE AFFORDABLE HOUSING AND TRANSIT CONNECTION

While households choose where to live for all kinds of reasons, the housing affordability and transit connection is an important consideration. For many working households, transit is a necessity to get to work. Chart 1 shows the relationship between transit use, housing tenure and household income in Metro Vancouver. In general, renters are more likely than owners to take transit to work. In particular, renter households earning less than \$50,000 per year depend on transit the most. Ideally then, affordable rental housing should be located near frequent transit.

Transit-oriented development is viewed as one of the top policy approaches for making land available for affordable housing “at the right location”³; for example, where access to public transit links residents to employment and services. Good locations for affordable housing should include access to transit. While transit service levels vary across the region and access to any level of service can be beneficial, the highest quality access is provided by TransLink’s Frequent Transit Network (FTN) (Figure 2).



3 McKinsey Global Institute. October 2014. A blue print for addressing the global affordable housing challenge.

For the purposes of this Strategy, a good transit location is defined as being located within walking distance of the FTN. For rapid transit FTN, this is generally defined as locations within 800 metres walking distance of a rapid transit station. For non-rapid transit FTN, this is generally defined as a location within 400 metres distance of an FTN bus stop. Figure 3 illustrates this concept.

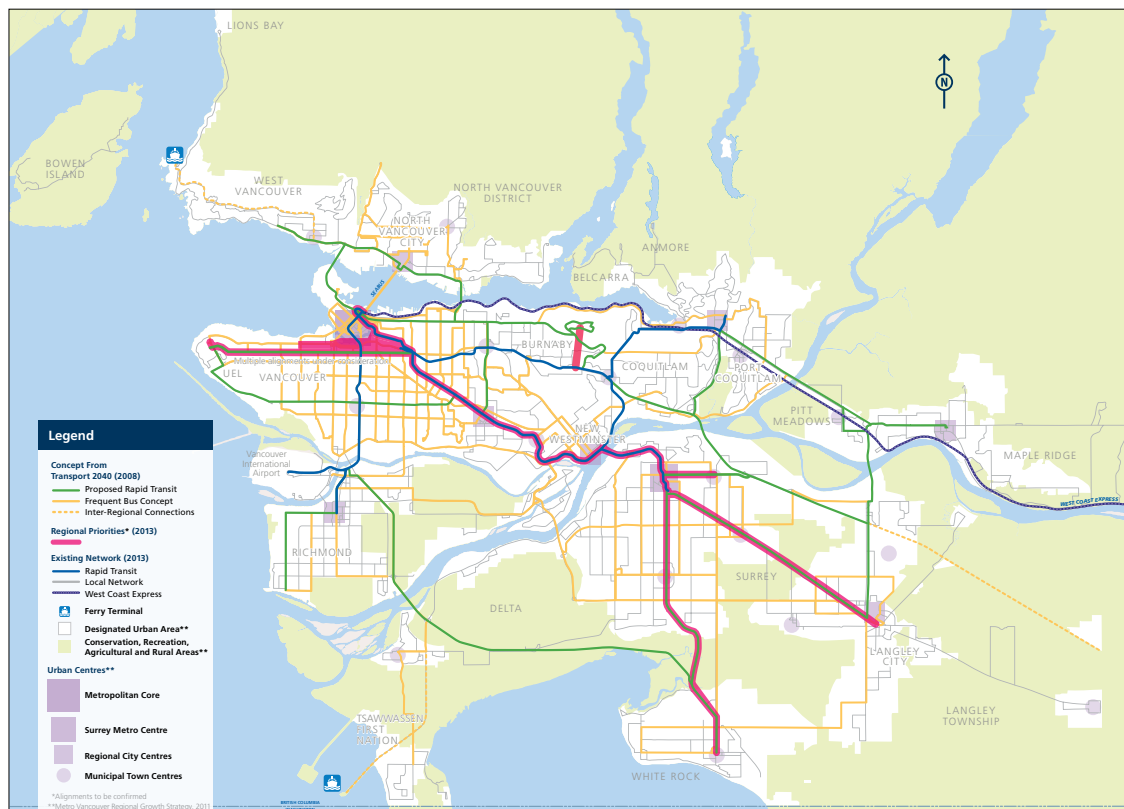
But the region is diverse. Walkability and transit service levels (frequency, coverage and vehicle capacity) can vary greatly within a municipality. Good transit locations for affordable housing in some neighbourhoods and communities may need to be defined more broadly to recognize the variations and permit flexibility.

Generally, being in close proximity to transit stations and stops translates to better access and convenience for residents. But the competition for access can

drive up the land value for parcels near these transit passenger facilities, making affordable housing development financially unfeasible. This is particularly the case for parcels near FTN rapid transit stations, more so than near FTN bus stops. The challenge for public policy is to maintain a broad and realistic outlook for new housing opportunities within reasonable proximity to the FTN.

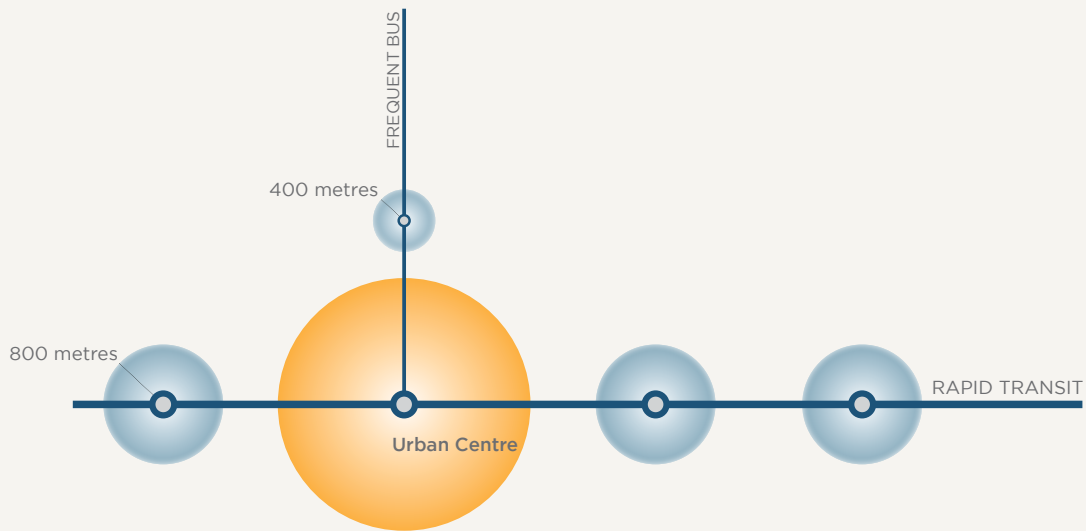
The Frequent Transit Network is the region's network of corridors where transit service runs at least every 15 minutes in both directions throughout the day and into the evening, every day of the week. Rapid transit Frequent Transit Network operates in an exclusive right of way and is typically rail (though can be bus), whereas non-rapid transit Frequent Transit Network (typically bus) operates in mixed traffic.

FIGURE 2 : REGIONAL TRANSPORTATION NETWORK, 30-YEAR CONCEPT FROM TRANSPORT 2040 (2008) WITH REGIONAL PRIORITIES (2013) TO BE CONFIRMED IN THE RTS IMPLEMENTATION PLAN



Note: Following completion of the Implementation Plan, these investment maps will be updated to show additional agreed-upon regional priorities. © South Coast British Columbia Transportation Authority doing business as Translink. All rights reserved.

FIGURE 3 : PROXIMITY TO FREQUENT TRANSIT NETWORK



Given that they are often a focus for FTN services, Urban Centres as defined in *Metro 2040 – Metro Core*, Surrey Metro Centre, Regional City Centres

and Municipal Town Centres - are good locations for affordable housing, as are Frequent Transit Development Areas.



2. PART TWO: THE CHALLENGE

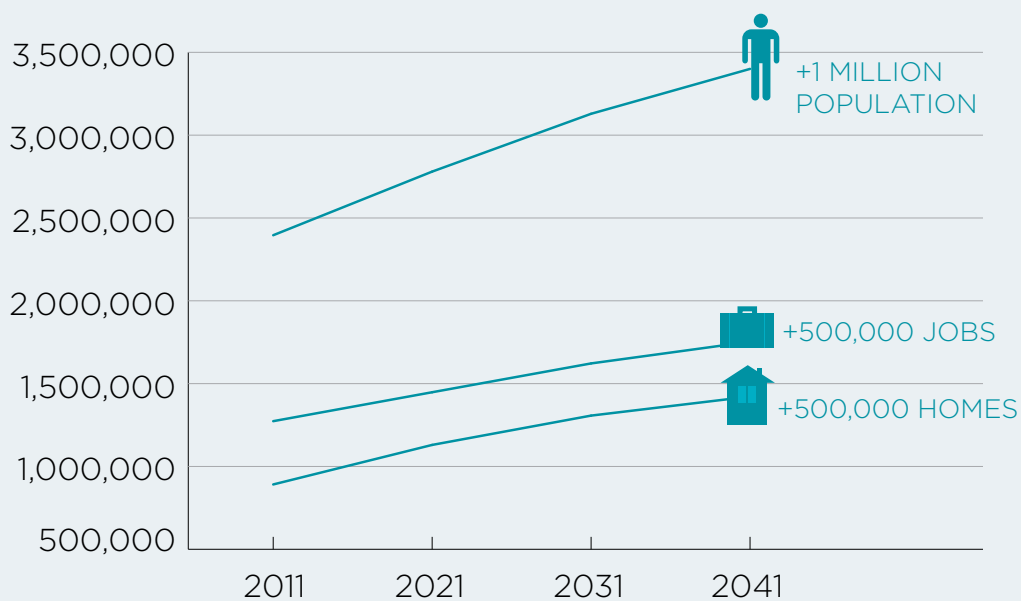
2.1. REGIONAL GROWTH TRENDS

Metro Vancouver is growing rapidly. The region is a destination for nearly 35,000 additional people per year, or another 1 million people by 2040. This reality means a growing demand for new homes, roughly 500,000 additional homes over the next 30 years.

Given present trends, the future population will be increasingly diverse and it will become older. As well, the aboriginal population is one of the fastest growing populations in the region, with many people moving to urban areas to pursue employment, education and city life.



CHART 2: A GROWING REGION



Source: *Metro 2040*. Appendix A, Table A1.

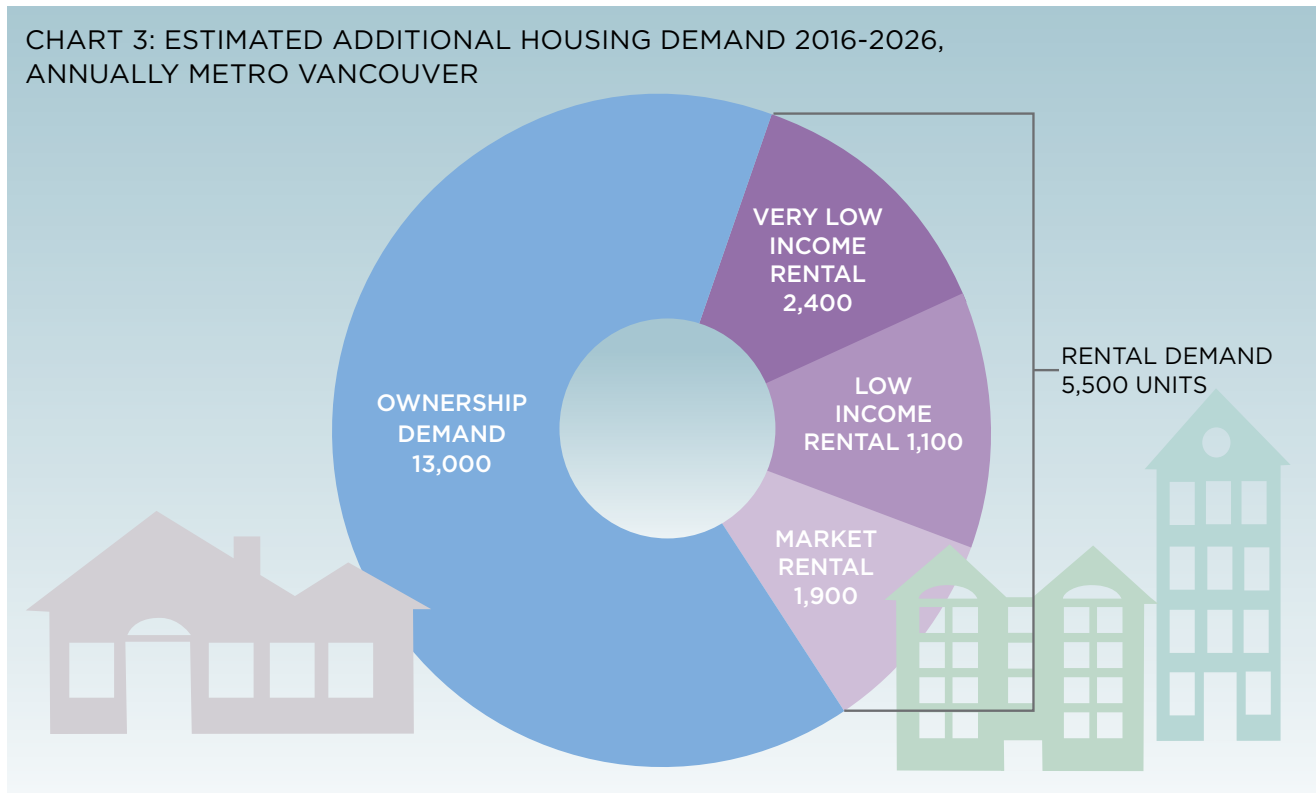
2.2. ESTIMATED REGIONAL HOUSING DEMAND

To meet this population growth, Metro Vancouver forecasts additional housing demand of approximately 18,000 units per year over the next ten years. It expects that based on past trends, about two thirds or 13,000 households every year will continue to be able to make the necessary trade-offs to buy a home. Rental housing demand is estimated at 5,500 new units each year over 10 years. Of these rental units, about two thirds are estimated to be for very low and low income

households or 3,500 units per year. The remaining demand is for 1,900 rental units per year for moderate and higher income households who can afford to pay market rents.⁴

⁴ Metro Vancouver has prepared updated housing demand estimates for the period 2016-2026 in consultation with municipalities using recent Census and National Household Survey data and a cohort survival model. See Metro Vancouver Regional Planning, Metro Vancouver Housing Demand Projections – Overview of Assumptions and Methodology, Dec 2015.

CHART 3: ESTIMATED ADDITIONAL HOUSING DEMAND 2016-2026, ANNUALLY METRO VANCOUVER



2.3. MISMATCH BETWEEN RENTAL HOUSING DEMAND AND SUPPLY

The market is largely meeting the estimated demand for ownership housing, but prices are rising, particularly for desirable single-detached homes. Purpose-built market rental supply is also beginning to grow once again, thanks to changing market conditions and innovative municipal incentive programs, but this has not been able to catch up to the significant unmet demand. The secondary rental market also continues to expand (i.e. investor owned rented condominiums, secondary suites, and laneway houses), but more is needed, as vacancy rates remain low. Not unexpectedly, given high land and construction costs and lack of government funding, there has been less progress in achieving estimates for additional housing affordable for very low income and low income households.

thirds of the estimated rental housing demand for households earning under \$50,000/year, was met with new supply.⁵ This is the overall regional picture; the situation in each municipality may be different.

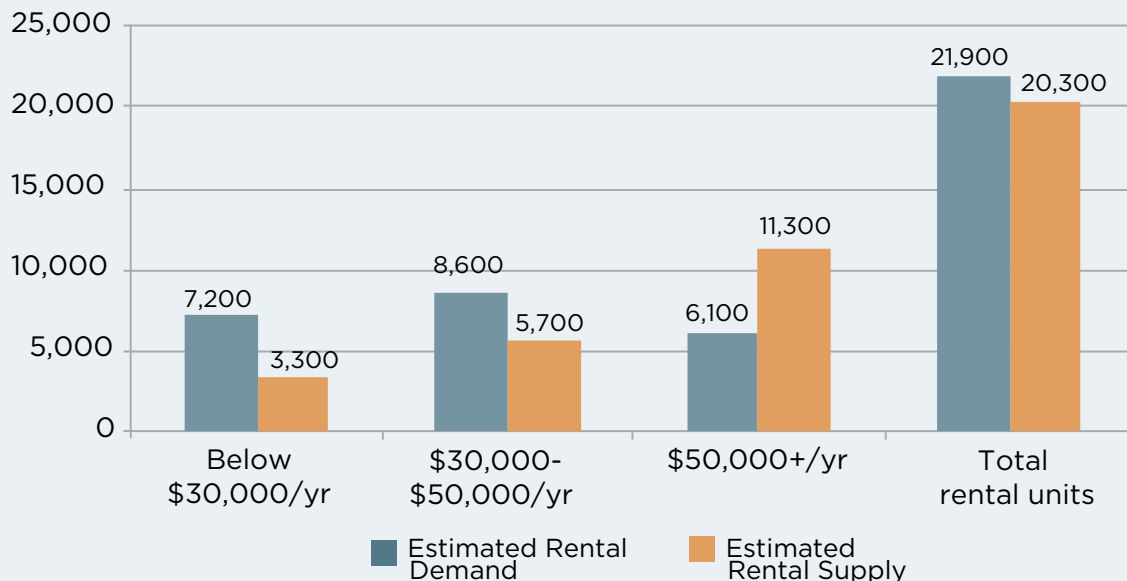
Provincial government rent supplements help to make existing rental housing more affordable for some low income households. Between 2011 and 2014, the province added almost 2,700 new rent supplements for low income households in Metro Vancouver mainly through the Rental Assistance Program (RAP) for families and Shelter Aid for Elderly Renters (SAFER) for seniors.⁶ These programs help low income households meet their rental housing needs in the market place by providing them with additional income to pay market rents.

Chart 4 shows that in the recent period from 2011 to 2014 and using broad estimation techniques, new rental supply fell short of rental demand by about 1,600 units overall, and that only about half to two-

⁵ Performance in this period has likely been impacted by the lagged effects of the financial crisis, when housing starts fell dramatically. Completions do not measure units committed or under construction. See Appendix 2 for estimation method

⁶ Rent Supplements. BC Housing. Research and Corporation Planning Department. Unit Count History Pivot Table. March 31 of each year. Net increase in the number of rent supplements per year in Metro Vancouver. As of March 31, 2014, 15,175 households in the region received a rent supplement

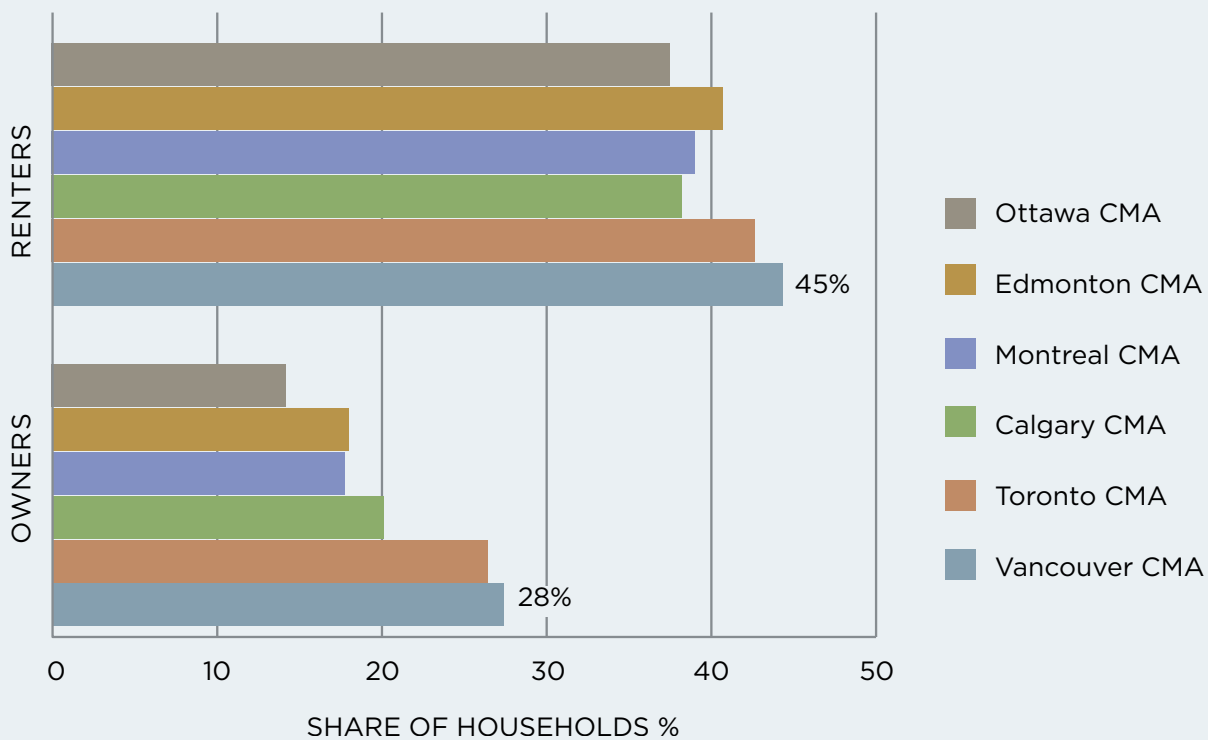
CHART 4: ESTIMATED RENTAL DEMAND AND SUPPLY BY INCOME 2011-2014 METRO VANCOUVER



But rent supplements (which do not create new units and instead rely on the existing housing supply) can be inflationary, with the unintended consequence of placing pressure on moderately priced rental units. Rent supplements increase demand by enhancing recipients' ability to pay for rent, allowing very low income households earning under \$30,000 or \$35,000 per year to pay more for rent than they could afford with their income alone, drawing from the supply of higher cost units. When rent supplements are considered, the net result is that over 80% of low income housing demand is met over the period, while only 35% of low-to-moderate income demand is supplied.

One impact of this imbalance is that some households pay more for housing than they can afford, exceeding the 30% affordability threshold. Chart 5 shows that about 45% of Metro Vancouver renter households had a housing cost burden of 30% or more in 2011, and they were significantly worse off than owners. In fact, a greater share of Metro Vancouver households had a housing cost burden exceeding 30% than in any other city in Canada.

CHART 5: SHARE OF HOUSEHOLDS EXCEEDING 30% HOUSING COST BURDEN 2011

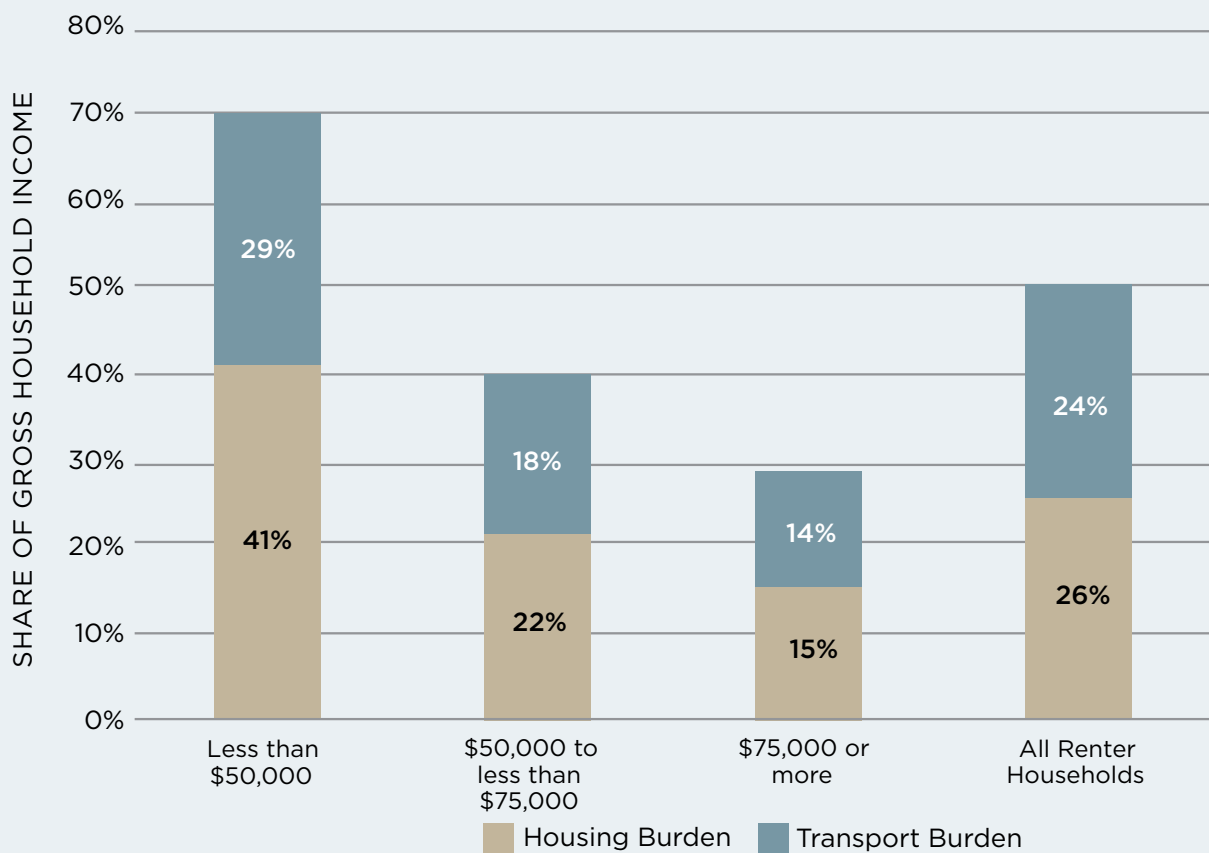


2.4. THE HOUSING AND TRANSPORTATION COST BURDEN

Transportation costs add to a household's housing cost burden, and can combine to make affordable living in this region a challenge. The *Metro Vancouver Housing and Transportation Cost Burden Study (2015)* found that working households (households with a least one member in the employed labour force) living in areas well served by transit or close to their job have relatively low transportation costs, whereas households in other locations may face higher transportation costs. It showed that living near frequent transit can make it easier to absorb relatively high housing costs.

Working owner households with mortgages have an estimated housing and transport cost burden (as a percent of their gross income) of 40%; working renters have a higher cost burden of 49%. Renter households with incomes under \$50,000 per year have the highest cost burdens of all households, spending 67% of their gross household income on housing and transportation costs. Providing housing options for low to moderate income households to live in transit-oriented locations can improve overall affordability, and ensure the availability of workforce housing needed for a regional prosperity. New transit investments in the region can improve overall affordability by reducing reliance on automobiles and the associated costs.

CHART 6: HOUSING AND TRANSPORTATION COST BURDEN BY INCOME FOR RENTERS

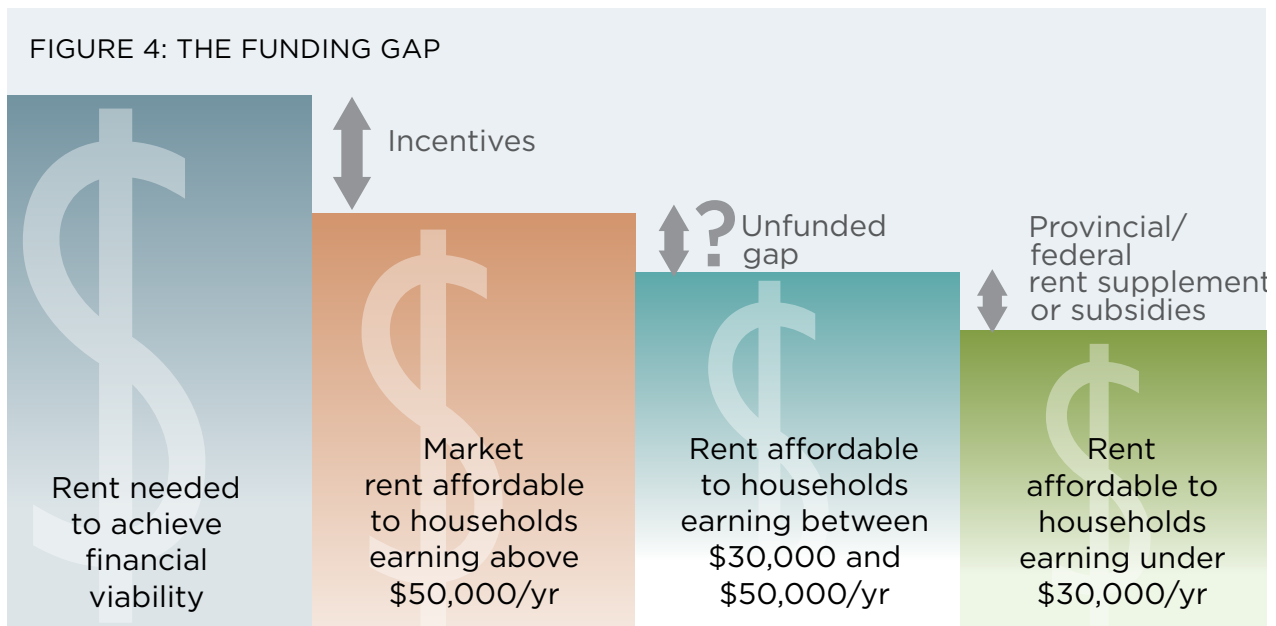


Source: The Metro Vancouver *Housing and Transportation Cost Burden Study: A New Way of Looking at Housing Affordability* May 2015

2.5. THE FUNDING GAP AND SENIOR GOVERNMENT FUNDING

Very little new purpose built market rental housing has been developed over the past 25-30 years as it has not been financially viable. While new purpose built market rental is being developed today, new units tend to be more expensive than older existing purpose built rental housing. It is more difficult to create rental housing that is affordable to households earning between \$30,000 to \$50,000 per year. Rent supplements help those earning under \$30,000 per year to afford market rents, if they qualify. New rental housing for low income earners of \$30,000 - \$50,000 per year requires further assistance in the form of subsidies or grants from provincial and/or federal government to achieve affordability.

The actions proposed in the *Regional Affordable Housing Strategy* aim to facilitate all forms of rental housing, with a focus on new rental housing affordable for households earning between \$30,000 and \$50,000 per year, assuming the continued availability of provincial rent supplements to make these units affordable households earning below \$30,000 that qualify.





PART THREE: THE STRATEGY

The Regional Affordable Housing Strategy begins with a shared regional vision reflecting *Metro 2040's* broad objectives. It is structured around five goals depicting desired future housing outcomes. Each goal is supported by strategies that are intended to advance that goal. Specific actions follow for Metro Vancouver, for implementation either through Regional Planning, by Metro Vancouver Housing Corporation or the Homelessness Partnering Strategy Community Entity. This is followed by recommended actions for municipalities to be implemented as appropriate, through Official Community Plans, Regional Context Statements, and Housing Action Plans, as well as other plans, policies and programs. Finally, there are recommended actions for the provincial and federal government, the private and non-profit development industry, TransLink and health authorities, where appropriate.

3.1 VISION

A diverse and affordable housing supply that meets the needs of current and future regional residents.

3.2 GOALS AND STRATEGIES

Table 2 summarizes the five goals and the strategies for advancing each goal. This is followed by a re-statement of each goal and associated strategies, with specific actions for each goal.

TABLE 2: GOALS AND STRATEGIES

Goals		Strategies
GOAL 1	Expand the supply and diversity of housing to meet a variety of needs.	1.1 Diversify the housing supply in terms of unit and lot size, number of bedrooms, built form and tenure
		1.2 Improve the clarity of development approval processes while ensuring quality outcomes
		1.3 Address community opposition to new residential development
		1.4 Plan for the special housing needs of specific populations
		1.5 Enhance understanding of the housing market to improve housing policy
GOAL 2	Expand the rental supply and balance preservation of existing stock with redevelopment while supporting existing tenants	2.1 Expand the supply of rental housing, including new purpose built market rental housing
		2.2 Make retention and maintenance of existing purpose built market rental housing more attractive
		2.3 Ensure that tenant relocations are responsive to tenant needs
GOAL 3	Meet housing demand estimates for very low and low income earners	3.1 Facilitate new rental housing supply that is affordable for very low and low income households
		3.2 Support non-profit and cooperative housing providers to continue to operate mixed income housing after operating agreements expire
		3.3 Facilitate non-profit and cooperative housing providers to create new mixed income housing through redevelopment or other means.
		3.4 Advocate to provincial and federal governments for housing and income support programs to meet housing needs
GOAL 4	Increase the rental housing supply along the Frequent Transit Network	4.1 Expand awareness of the affordable housing and transit connection
		4.2 Plan for transit station areas, stop areas and corridors to include rental housing affordable for a range of income levels
		4.3 Encourage mixed income rental housing near the Frequent Transit Network
GOAL 5	End homelessness in the region	5.1 Expand housing options to meet the needs of homeless people in the region
		5.2 Promote measures that prevent at risk individuals from becoming homeless
		5.3 Advocate to the provincial and federal government for support to meet the housing needs of the homeless

GOAL

1

EXPAND THE SUPPLY AND DIVERSITY OF HOUSING TO MEET A VARIETY OF NEEDS

The market provides most of the housing supplied in the region, three-quarters of it home-ownership. This goal recognizes that to meet the growing and changing needs of the diverse population, it is desirable that the market continue to produce new supply at a pace that meets demand and with a wider variety of housing forms and tenures at a range of price points. This includes meeting the diverse and special needs of specific populations, including Urban Aboriginals and an aging population. Specifically, it acknowledges that the single-detached home is increasingly out of reach for families in some parts of the region and that alternative ground-oriented home-ownership options are required to meet evolving consumer needs and ability to pay. Easing the concerns of residents about new development can help to ensure that the market is able to supply new housing in a timely fashion, as would enhancing clarity about development approval processes. This goal also recognizes that the regional housing market is impacted by global and national trends and that a better understanding of these trends can help improve policy and planning responses.

STRATEGIES:

- Strategy 1.1: Diversify the housing supply in terms of unit and lot size, number of bedrooms, built form and tenure
- Strategy 1.2: Improve the clarity of development approval processes while ensuring quality outcomes
- Strategy 1.3: Address community opposition to new residential development
- Strategy 1.4: Plan for the special housing needs of specific populations
- Strategy 1.5: Enhance understanding of the housing market to improve housing policy

ACTIONS:

Metro Vancouver, through its Regional Planning role, will:

- a. Update the *Metro 2040* housing demand estimates in consultation with municipalities, including by family type if possible, and monitor and report on progress towards achievement of these estimates.
- b. Work with housing stakeholders to promote public awareness and understanding of the need to accommodate population growth with increased density and housing diversity, emphasizing that increased supply brings benefits to our respective communities and the best practices for accommodating this growth using examples and strategies from here and elsewhere.
- c. Prepare an *Implementation Guideline for Municipal Housing Action Plans* to provide best practice guidance on the form and content of these plans.
- d. Research, collect, acquire and analyse data to support municipal housing policy including undertaking related transportation and parking studies:
 - i. Explore financial and regulatory barriers, and opportunities for expanding the supply and variety of ground-oriented and medium density ownership housing choices such as infill housing, townhouses, duplexes with accessory dwellings, and cottage housing.
 - ii. Explore best practices in mechanisms to expand home ownership that is affordable for entry-level home buyers, such as cooperatives, co-housing, rent-to-own options, and new forms of shared ownership and the post occupancy satisfaction of residents of these projects.
 - iii. Explore best practices in addressing community opposition for all types of housing along the housing continuum.
 - iv. Convene a regional working group of industry and government stakeholders to obtain data to

better understand the drivers of housing demand in the region (i.e. equity versus income, foreign and investor ownership of residential property, incidence of speculation, and vacant, unoccupied or second units).

- e. Advocate to the provincial and federal governments to collect and report reliable data about the sources and nature of regional housing demand.
 - i. If warranted, advocate for measures to counteract adverse impacts of external demand, vacant units and/or speculation.
 - ii. If appropriate, request that senior governments identify ways that foreign investment could be directed to enhance housing supply and affordability in Metro Vancouver, for example, through investment in new purpose-built rental housing, or by directing additional fees or taxes towards affordable housing.
- f. Offer workshops/seminars/speakers on housing topics of common concern.
- g. Work with stakeholders to develop and advance regional housing policy directions for the urban Aboriginal population, seniors, persons with disabilities and other populations, as warranted.
- h. Work with partners to create an accessible and adaptable housing registry or other means to assist persons with disabilities and seniors to find appropriate housing to live independently.
- i. Identify surplus and underutilized public lands and explore mechanisms that could be used to make these sites available for affordable housing development

Municipalities will consider, through plans, policies and programs:

- j. Monitoring and reporting on progress towards achievement of *Metro 2040* housing demand estimates.
- k. Demonstrating how Housing Action Plan policies and initiatives are intended to work towards achieving *Metro 2040* housing demand estimates, recognizing that senior government assistance is required.

- l. Using zoning and regulatory measures to expand the variety of types, tenure and built form of ground-oriented ownership and rental housing (i.e. coach houses/laneway houses, semi-detached and duplexes, micro units, townhouses including freehold townhouses, secondary rental market housing options such as accessory dwelling units in duplexes and townhouses, and other forms of infill and intensification.)
- m. Encouraging a diversity of housing forms in proximity to the Frequent Transit Network including medium density ground oriented options in station shoulder areas.
- n. Promoting family friendly housing, as applicable, through policies for multi-family housing options with 3 or more bedrooms.
- o. Enhancing clarity about intended land use and permitted density for future development through neighbourhood or area planning or other means.

Proposed Provincial Government Actions;

- p. Provide a cost effective and timely process for considering changes to the Building Code that would promote innovation in affordable housing.

Proposed Non-profit and Private Sector Development Partner Actions:

- q. Work with municipalities to facilitate an effective and efficient development approval process.
- r. Work with municipalities to establish bedroom mix objectives to ensure an adequate supply of family friendly housing.
- s. Bring forward innovative development applications that meet the needs of families using alternate forms, densities and tenures.

Proposed Health Authority Actions:

- t. Plan for and fund suitable housing and support services for frail seniors, persons with severe and persistent mental health issues and other vulnerable populations including the homeless.

GOAL

2

EXPAND THE RENTAL SUPPLY AND BALANCE PRESERVATION OF EXISTING STOCK WITH REDEVELOPMENT WHILE SUPPORTING EXISTING TENANTS

Market rental housing, consisting of purpose-built units and secondary forms of rental housing, such as secondary suites, laneway units and rented condominiums, is a critical component of the housing continuum and is usually more affordable than the least cost ownership option. It provides housing for recent immigrants, temporary workers, young people, seniors and students. And, as homeownership prices rise, a secure rental housing supply is a more valuable resource. Ensuring that this supply continues to grow is fundamental to the Strategy, as it will enable gradual redevelopment of the existing, aging purpose-built stock to occur without reducing rental supply. This goal also recognizes that rent supplement programs are dependent upon a growing rental supply to provide an adequate number of units and to avoid inflationary pressures. This strategy devotes special attention to purpose-built market rental housing as an especially valuable component of the rental supply due to the security of tenure it offers tenants, and its vulnerability to redevelopment as condominiums. Preserving the existing purpose built rental stock is the least cost approach for affordable rental housing. However, as this is not realistic over the long-term for all buildings, ensuring phased or gradual redevelopment with suitable tenant relocation policies to mitigate tenant impacts, will help to ensure an adequate supply of rental accommodation, while supporting very low and low income tenants.



STRATEGIES:

- Strategy 2.1: Expand the supply of rental housing, including new purpose built market rental housing
- Strategy 2.2: Make retention and maintenance of existing purpose built market rental housing more attractive
- Strategy 2.3: Ensure that tenant relocations are responsive to tenant needs

ACTIONS:

Metro Vancouver, through its Regional Planning role will:

- a. Monitor the purpose-built rental housing supply, including in transit-oriented locations, to identify areas where rental housing is being lost or gained, to alert decision-makers to the vulnerability of the purpose built rental supply.
- b. Expand the information base about the rental supply including rents for vacant units, and better understanding of the difference between purpose built rental housing and other forms of secondary rental housing.
- c. Inform the provincial and federal governments of gaps in rental housing supply by income level and advocate for specific measures to address funding gaps for very low to moderate income housing (i.e capital funding, subsidies, tax incentives or other measures).
- d. Develop an *Implementation Guideline on Municipal Measures to Expand and Sustain the Purpose Built Rental Supply* profiling measures such as transferring density, innovative infill, energy upgrades, parking reductions, and purchase by non-profits.
- e. Research and identify best practices in tenant relocation policies and strategies.

Municipalities will consider, through plans, policies and programs:

- f. Offering incentives and using tools that will help make development of new purpose-built market rental housing financially viable (i.e. parking reductions, fee waivers, increased density, and fast-tracking) as needed.
- g. Offering incentives and using tools to preserve and sustain existing purpose-built market rental housing (i.e. reduced parking, increased density for infill development, transfer of density, one for one replacement policies, standards of maintenance bylaws) as needed.
- h. Facilitating non-profit housing organizations to purchase existing rental buildings for conversion to non-profit operation.
- i. Supporting efforts to reduce rental operating costs by improving energy performance of purpose-built rental buildings through the use of energy efficiency incentives offered by Fortis and BC Hydro, such as energy advisors, energy audits, demonstration projects etc.
- j. Establishing bedroom mix objectives to accommodate families in new condominiums and purpose built rental housing.
- k. Providing clear expectations and policies for increasing and retaining the purpose-built market rental housing supply.
- l. Requiring tenant relocation plans as a condition of approving the redevelopment of existing rental housing.
- m. Ensuring that developers notify tenants impacted by redevelopment of their rights under the *Residential Tenancy Act*.

Proposed Provincial Government Actions:

- n. Review all provincial taxes and assessment practices, including property transfer tax, to ensure they do not impede the delivery of rental housing.
- o. Review *Residential Tenancy Act* provisions for relocating tenants in a redevelopment situation with a view to enhancing provisions (i.e. moving expenses, notification, reduced rent, free month's rent) to mitigate the impact of relocation and to enable tenants to find suitable alternative accommodation.

Proposed Federal Government Actions:

- p. Reinstate federal tax incentives to stimulate new purpose-built market rental supply.
- q. Institute a new direct lending program with affordable rates for new purpose built rental housing as advocated by the Federation of Canadian Municipalities (FCM).
- r. Offer an Eco-energy Tax Credit to encourage small apartment building owners to invest in = retrofits as advocated by Federation of Canadian Municipalities (FCM).

GOAL

3

MEET HOUSING DEMAND ESTIMATES FOR VERY LOW AND LOW INCOME EARNERS

This goal focuses on strategies and actions to address the gap in the supply of housing affordable to very low and low income households earning under \$50,000 per year. While existing market rental housing can form a source of supply for very low income households who may be receiving rent supplements, this goal aims to catalyse the assets and resources of the non-profit and cooperative housing sector to continue to provide and to increase the supply of mixed income non-profit rental and cooperative housing for very low to low income households. The pending expiry of non-profit and cooperative housing operating agreements may pose a challenge for some agencies, as providers will no longer receive a subsidy from government to support below market units. It also recognizes that delivering and operating mixed income housing in today's funding environment is complex, requires partnerships and significant municipal and non-profit capacity. This goal recognizes the unique opportunity for Metro Vancouver Housing Corporation to expand its stock of mixed income housing.



STRATEGIES:

- Strategy 3.1 Facilitate new rental housing supply that is affordable for very low and low income households
- Strategy 3.2 Support non-profit and cooperative housing providers to continue to operate mixed income housing after operating agreements expire
- Strategy 3.3 Facilitate non-profit and cooperative housing providers to create new mixed income housing through redevelopment or other means
- Strategy 3.4 Advocate to provincial and federal governments for housing and income support programs to meet housing needs

ACTIONS:

Metro Vancouver, through its Regional Planning role, will:

- a. Support and advocate for the renewal of expiring non-profit and cooperative housing operating agreements, including ongoing subsidy for low-income households.
- b. Research and communicate best practices in the municipal development approval process for non-profit and cooperative housing providers and developers.
- c. Review Greater Vancouver Sewerage and Drainage District Development Cost Charge by-law waiver conditions for affordable rental housing to ensure the waiver can assist in the creation of new affordable rental housing by reflecting current funding arrangements and that it is consistent with municipal practices, as much as possible.
- d. Consider making surplus sites in suitable locations owned by Metro Vancouver and affiliated agencies available to the Metro Vancouver Housing Corporation to develop additional mixed income housing.

- e. Explore with municipalities, non-profits (including MVHC), the private sector and other stakeholders, the need for and options for managing the property, the tenants, and the agreements for affordable housing created through municipal policies, including consideration of a model like A Regional Coalition for Housing (ARCH) in East King County, Washington
- f. Advocate to the provincial and federal government for specific measures to address funding gaps for very low to low income housing (i.e. capital funding or subsidies for new non-profit and cooperative housing, rent supplements for single persons, and tax incentives for sale of purpose built rental housing to non-profit housing organizations).
- g. Explore new sources of funding/equity capital for Metro Vancouver Housing Corporation to be able to increase the supply of mixed income rental housing.



Metro Vancouver Housing Corporation (MVHC) Actions:

- h. Work with municipal partners to identify suitable Metro Vancouver Housing Corporation sites for redevelopment at higher density to increase the supply of mixed income non-profit rental housing, providing that adequate municipal incentives and/or other funding is available.
- i. Explore the sale of surplus or underutilized Metro Vancouver Housing Corporation sites with proceeds reinvested into other sites that offer greater opportunity to supply more affordable housing units.
- j. Explore with municipalities opportunities on municipal sites for expanding the supply of mixed income non-profit rental housing.
- k. Consider management of affordable rental units obtained by municipalities through inclusionary housing policies, providing the units can be managed by Metro Vancouver Housing Corporation on a cost-effective basis.
- l. Create a tenancy management package providing MVHC estimated fees for services to manage, on a cost recovery basis, various aspects of affordable housing units obtained through municipal policies.
- m. Explore making available for relocating tenants of redeveloping non-profit and purpose built market rental projects rental housing from within MVHC's existing portfolio of market rental units.



Municipalities will consider, through plans, policies and programs:

- n. Offering incentives to non-profits and cooperatives for proposed new mixed income housing (i.e. parking reductions, fee waivers, increased density, and fast-tracking) to assist in making these housing options financially viable.
- o. Clearly stating expectations and policies for development of new non-profit rental and cooperative housing
- p. Ensuring a portion of amenity contributions or payments in lieu are allocated for housing affordable to low and moderate income households.
- q. Allocating housing reserve fund monies to affordable housing projects based on clearly articulated and communicated policies.
- r. Working with non-profit and cooperative housing providers to address issues related to expiring operating agreements, including renegotiating or renewing municipal land leases, if applicable, with suitable provisions for affordable housing, facilitating redevelopment at higher density, and/or other measures, as appropriate

Proposed Non-profit, Cooperative and Private Sector Development Partner Actions:

- s. Consider forming partnerships with other private and non-profit housing developers, faith based organizations and/or municipalities to develop new mixed income non-profit housing.

Proposed Provincial Government Actions:

- t. Work with residential development industry stakeholders to improve the administration of air space parcels.

- u. Expand the eligibility of provincial rent supplements to other populations, including single persons.
- v. Increase Rental Assistance Program (RAP) and Shelter Aid for Elderly Renters (SAFER) rent and/or income threshold levels in Metro Vancouver, to account for rising rent levels.
- w. Create new capital funding options to increase the supply of non-profit and cooperative housing, particularly in transit-oriented locations.
- x. Provide support for non-profit housing societies wishing to build their capacity to develop new non-profit housing

Proposed Federal Government Actions:

- y. Provide rent supplements or ongoing subsidies for low-income tenants in existing cooperative and non-profit housing projects with expiring operating agreements.
- z. Institute a rental housing protection tax credit to preserve existing purpose built rental units through their sale to non-profit housing organizations as advocated by the Federation of Canadian Municipalities.



GOAL

4

INCREASE THE RENTAL HOUSING SUPPLY ALONG THE FREQUENT TRANSIT NETWORK

This goal supports the regional priority for residential development along the Frequent Transit Network, a key objective of *Metro 2040*, which sets a target of 68% of residential growth within Urban Centres and Frequent Transit Development Areas. The goal also addresses the high housing and transportation cost burden borne by renter households who are living in locations that are not well served by transit by focusing new rental and non-market housing in these locations. The strategies for this goal recognize that despite higher land costs in these locations, transit station areas, transit stops and Frequent Transit Development Areas (FTDAs) provide an opportunity to meet the rental housing needs of mix of household income levels, particularly as some existing rental supply in these areas is being lost to redevelopment. To the extent that Urban Centres are a focus of transit and walkability, they are also attractive locations for rental housing and non-market housing. It is recognized that municipalities are in different positions with respect to existing and new transit infrastructure and service levels, and that different approaches will have to be employed. This goal suggests that locations near the FTN are preferred for affordable housing, recognizing that more affordable housing is desirable regardless.

STRATEGIES:

- | | |
|--------------|--|
| Strategy 4.1 | Expand awareness of the affordable housing and transit connection |
| Strategy 4.2 | Plan for transit station areas, stop areas and corridors to include rental housing affordable for a range of income levels |
| Strategy 4.3 | Encourage new purpose built rental housing near the Frequent Transit Network |

ACTIONS:

Metro Vancouver, through its Regional Planning role, will:

- a. Convene a regional dialogue to highlight the affordable housing and transit connection and to demonstrate ways in which other jurisdictions have addressed this issue through transit investments, transit oriented development, land use planning, inclusionary housing policies, economic development and workforce and affordable housing initiatives.
- b. Work with housing and transportation partners to examine the feasibility of innovative financing approaches such as transit oriented affordable housing funds, tax increment financing, aggregating municipal housing reserve funds and other opportunities for closing the funding gap for low to moderate income housing near the Frequent Transit Network.
- c. Conduct research to support affordable housing in transit oriented locations on such topics as: an inventory of suitable transit-oriented sites adjacent to the FTN; financial viability of affordable housing in transit oriented locations; the business case for affordable housing near transit; innovative uses of land and airspace in good transit locations; parking requirements by unit size, best practices in car share policies and bike storage infrastructure, and the impact of unbundling of parking.
- d. Develop or cost share development of an online tool that will provide users with estimates of the combined housing and transportation costs associated with any given location in the region.
- e. Convene key stakeholders including municipalities, the private sector, BC Housing, the provincial and federal government, TransLink and others, to identify opportunities to create rental housing for very low to low income households near existing and future transit locations.



- f. Advocate to TransLink, and the provincial and federal governments for an expanded Frequent Transit Network as a means of improving affordable access and overall household affordability in the region.

Municipalities will consider, through plans, policies and programs :

- g. Establishing transit-oriented inclusionary housing targets for purpose built rental and for housing affordable to very low to low income households within 800 metres of new or existing rapid transit stations and 400 metres of frequent bus corridors that are anticipated to accommodate enhanced residential growth.
- h. Providing incentives for new purpose-built rental housing and mixed income housing located in transit-oriented locations to enable these developments to achieve financial viability, as warranted.

Proposed Provincial Government, Federal Government, Crown Corporations, TransLink, Metro Vancouver and Municipal Action:

- i. Review opportunities to leverage surplus or underutilized public properties in frequent transit locations for rental housing for very low to moderate income households, where appropriate, to achieve long-term housing, transit and financial objectives.

Proposed TransLink Actions:

- j. Collaborate with key stakeholders including municipalities, the private sector, Metro Vancouver, BC Housing, the provincial and federal government and others, to identify opportunities to create rental housing for low and moderate income households near existing and future FTN nodes and corridors, such as during the preparation of Area Transport Plans or other local area planning initiatives.
- k. Acknowledge the potential destabilizing effects on the existing more affordable purpose built rental housing stock and displacement of tenants when planning for new rapid transit corridors, and where unavoidable, consider working with project partners to support tenant relocation options, replacement policies and incentives for new purpose built market rental development.
- l. Seek opportunities with partners to reduce household transportation expenditures in new developments in good transit locations through transportation demand management measures such as reducing parking requirements and the provision of cycling infrastructure /storage, walking paths, vehicle and ride sharing options, and transit fare incentives.
- m. Develop, implement and monitor a regional transit fare policy, and future regional mobility pricing policy that considers household incomes and financial burden, and seeks to provide appropriate relief in particular for transit customers with the least financial means and mobility options.

Proposed Provincial and Federal Government Actions:

- n. Ensure that future investments in affordable housing give priority to locations that are proximate to the Frequent Transit Network.

GOAL

5

END HOMELESSNESS IN THE REGION

While provincial and federal governments and health authorities hold primary responsibility for meeting the significant health, mental health, social and housing needs of the homeless and at risk population, local governments play a role in facilitating local homeless serving facilities and services, through their land use, housing and social policies. Metro Vancouver plays a role as the Community Entity responsible for delivering and administering federal Homelessness Partnership Strategy funds in the region for 2014-2019.⁷ Goal 5 strategies and actions reflect this focus. The strategies and actions for Goals 1 through 4 aim to help address the housing component of the response to homelessness, but senior governments are responsible for the significant capital and operating subsidies involved in social, supportive or transitional housing.

STRATEGIES:

Strategy 5.1	Expand housing options to meet the needs of homeless people in the region
Strategy 5.2	Promote measures that prevent at risk individuals from becoming homeless.
Strategy 5.3	Advocate to the provincial and federal governments for support to meet the housing and support needs of the homeless.

ACTIONS:

Metro Vancouver, through its Regional Planning role, will:

- a. Participate with member municipalities, stakeholders and key funders in regional coordination efforts around homelessness, as allowed under the Homelessness Partnership Strategy contract with the federal government.
- b. Advocate to senior levels of government and health authorities for 6,200 additional housing units with support (as needed) over the next 10 years for people who are homeless through a combination of purpose-built, dedicated subsidized buildings and scattered site units with rent supplements in the private market.
- c. Advocate to senior levels of government and health authorities to provide housing and support throughout the region that meets the needs of specific priority populations, such as housing specific to homeless youth, seniors, women, families, Aboriginal Peoples, people with mental health, addictions and/or other health issues, people with disabilities, francophones, the LGBT2Q population, newcomers and refugees.
- d. Advocate to health authorities and the provincial government for expanded mental health and addictions services as a means of preventing and reducing homelessness.
- e. With partners, explore the need for and feasibility of homelessness prevention strategies such as rent banks.
- f. Continue to deliver the federal Homelessness Partnering Strategy (HPS) through the Metro Vancouver Homelessness Partnering Strategy Community Entity.

⁷ It is facilitated by a Community Advisory Board for disbursement of these funds. A separate leadership group comprised of key funders and stakeholders is being formed to collaborate regionally on broader issues surrounding homelessness.

**Metro Vancouver Homelessness Partnership Strategy
Community Entity will:**

- g. Facilitate a landlord engagement initiative to link homeless serving agencies in the community with landlords offering rental units in the private market.
- h. Conduct the tri-annual regional homeless count in partnership with Metro Vancouver municipalities and community organizations.



**Municipalities will consider,
through plans, policies and programs:**

- i. Ensuring that housing action plans and/or homelessness plans include specific actions to be taken to facilitate partnerships to address homelessness.
- j. Working with non-profit housing providers and private landlords to facilitate suitable housing options for persons who are homeless.
- k. Supporting agencies that serve the needs of the homeless population in the community.

Proposed Provincial Government Actions:

- l. Increase the shelter component of income assistance on a regular basis to reflect the cost of living in Metro Vancouver.
- m. Provide a provincially funded rent bank, which can provide short-term financing to families and individuals at risk of eviction and homelessness.
- n. Provide funding to local homeless planning tables, to enable them to coordinate a response to local area service needs, conduct outreach and promote public awareness

Proposed Provincial and Federal Actions:

- o. Provide capital/and or operating funding for transitional and supportive housing, including low-barrier housing and shelters for the homeless and those at risk of homelessness.
- p. Increase funding for housing outreach, referral and advocacy programs, which enable residents to maintain their existing housing, locate new housing in crisis situations and address issues which may contribute to homelessness.

Proposed Federal Government Actions:

- q. Broaden eligibility for Homelessness Partnering Strategy Housing First funds to include populations who do not meet all the criteria for chronic and episodic homelessness, but who otherwise meet the criteria, such as youth, women with children and families.



Proposed Health Authority Actions:

- r. Provide operating funding for transitional and supportive housing for persons who are homeless and at risk of homelessness.
- s. Develop and implement mental health and addictions services with a goal of preventing homelessness.
- t. Develop an integrated pest management strategy to deal with bed bugs and other infestations which can compromise livability and, in severe situations, result in homelessness.
- u. Enhance coordination related to hospital discharge for patients that do not have access to adequate housing and develop temporary housing and support options to enable them to stabilize their health and regain their independence.
- v. Ensure that the Assertive Community Treatment (ACT) Teams work closely with municipalities to address the needs of people with severe and persistent mental illness and addictions and that they target the needs of and work with the street entrenched homeless population.
- w. Fund municipal Hoarding Action Response Teams, which can intervene in situations of severe hoarding and support individuals to manage their hoard and maintain their existing housing.

3.3 PERFORMANCE MEASURES

Performance measures will be used to report on progress towards achieving the goals of the Strategy. They will be measured on a regional and a municipal scale, where possible. A progress report will be

prepared following each census as new data becomes available, and reported in the Metro Vancouver Housing Data Book on a regular basis.

TABLE 3: PERFORMANCE MEASURES

MEASURE		DATA SOURCE
Goal 1 – Expand the supply and diversity of housing to meet a variety of needs		
1a	Share of net new regional housing supply relative to estimated regional housing demand	CMHC completions, Metro Vancouver Housing Demand Estimates, annual
1b	Row housing/semi-detached completions as a share of new housing completions	CMHC completions, annual
1c	Change in 2 and/or 3 bedroom multi-units (all tenure)	Census, census years
1d	Share of home sales by type (all units, apt, attached, detached) affordable to moderate income households (family, non-family proposed)	Metro Vancouver Housing Databook with data from Real Estate Boards
Goal 2 – Expand the rental supply and balance preservation of existing stock with redevelopment while supporting existing tenants		
2a	Average rental apartment vacancy rates	CMHC
2b	Net change in rental unit universe (suites, purpose-built market rental, rented condos, non-market housing)	Metro Vancouver Housing Databook (multi-sources)
2c	Change in purpose-built market rental (PBMR) housing	CMHC PBMR universe
Goal 3 – Meet housing demand estimates for very low and low income earners		
3a	Share of estimated rental housing demand achieved in new supply by income level and by household type	Metro Vancouver Housing Demand Estimates, Census, census years
	By Income Level	As above
	Very low income (<\$30,000)	
	Low income (\$30,000-50,000)	
	Moderate income (\$50,000-75,000)	
	Above moderate income (\$75,000-100,000)	
	High income (\$100,000+)	
	By Household Type	As above
	Family households	
Non-family households		
3b	Housing and transportation cost burden (H+T) for renters and owners by household income level (as above).	Census and TransLink Trip Diary data, derived, census years.
Goal 4 – Increase the rental housing supply along the Frequent Transit Network		
4a	Share of multi-family rental starts along TransLink’s Frequent Transit Network and in Urban Centres	BC Housing Homeowner Protection Office, Municipalities, BC Assessment Authority
Goal 5 – End homelessness in the region		
5a	Nobody is living on the streets	Regional Homeless Counts.
5b	Additional units for the homeless (transitional and supportive housing)	BC Housing

GLOSSARY

At Risk of Homelessness

People are considered at risk of homelessness if they are living in spaces or situations that do not meet basic health and safety standards, do not provide security of tenure or personal safety, and are not affordable. One common measure of risk of homelessness is the number of households in core housing need (not affordable, inadequate or unsuitable) and spending at least 50% of their income on shelter.

Core Housing Need

Core housing need is a measure of housing need in Canada. Core housing need reports on the number of households in a community who unable to find housing that is suitable in size, in good repair and affordable without spending 30% or more of their income on housing.

Expiry of non-profit and cooperative housing operating agreements

Over the next 20 years non-profit and cooperative operating agreements will expire and this will mean a loss of annual subsidy usually linked with mortgage payment. There is a risk of loss of some units affordable to low income households as non-profits/coops may have to raise rents to achieve operating viability. There may be a possible corresponding increase in rental supply affordable to moderate income households as rents rise.

Frequent Transit Network (FTN)

The Frequent Transit Network is the region's network of corridors where transit service runs at least every 15 minutes in both directions throughout the day and into the evening, every day of the week. Rapid transit FTN operates in an exclusive right of way and is typically rail (though can be bus), whereas non-rapid transit FTN (typically bus) operates in mixed traffic.

Homelessness Partnering Strategy (HPS)

This program provides federal funding for designated communities to address homelessness according to certain funding parameters. It is administered at the local level by Metro Vancouver, as the Community Entity approved by the federal Government. Since 2000, the Metro Vancouver region has received \$8.2 million annually under the Homelessness Partnering Strategy (HPS) to invest in local solutions to homelessness. The 2014-2019 Homelessness Partnering Strategy program introduced the Housing First approach to addressing homelessness by primarily focusing funds on chronically and episodically homeless persons.

Homelessness Partnering Strategy (HPS) Community Entity (CE)

The Greater Vancouver Regional District (Metro Vancouver) is the Community Entity for the Homelessness Partnering Strategy. In partnership with the Community Advisory Board (CAB), it manages the call for proposals process to allocate federal funding under the Homelessness Partnering Strategy and administers that funding. Investment priorities and recommended projects are determined by a Community Advisory Board comprised of community representatives.

Housing Action Plan (HAP)

Municipal Housing Action Plans set out strategies and actions for meeting housing demand estimates in their jurisdiction. *Metro 2040*, the regional growth strategy, set out an expectation that municipalities would prepare these plans to guide local housing affordability actions.

Housing affordability

Housing is considered affordable when monthly housing costs (rent or mortgage payments including property taxes, strata fees, and heating costs) consume less than 30% of before tax (gross) household income. Housing affordability concerns are invariably associated with households with low and moderate incomes as they cannot afford market rates.

Mixed Income Housing

Refers to housing, usually rental, with units renting at both market rent levels and subsidized rents levels, which can provide a range of affordability levels. A non-profit model of mixed income housing involves rental of some units at market rates, with surplus funds allocated to support units renting at below market rates. Some federal and provincial social housing programs used this model as well.

Non-market rental housing

This term describes housing units that rent at below market rates. These units are usually developed and operated by non-profit organizations. They may or may not use government housing funding programs, they may rely on a mixed-income model of rents, and/or financial contributions from government, non-profits, philanthropic organizations, or others. Term often used interchangeably with non-profit housing.

Non-profit housing and cooperative housing

Specific types of social housing built under certain federal and provincial government housing supply programs from the 1970s to early 1990s that were provided with significant government subsidy to offer below market rents. They are governed by operating agreements linked to the length of the mortgage. Non-profit and cooperative housing may consist of a mix of low income rental units and market rental units, although some programs provided funding for 100% subsidized units. Many of these projects are receiving ongoing funding from senior governments until operating agreements expire.

Purpose-built market rental housing (PBMR)

Privately initiated rental buildings with 3 or more units constructed for the purpose of long-term rental tenure and not subdivided into co-op, strata condominium or fractional ownership arrangements. In Metro Vancouver they consist primarily of 3 or 4 story wood frame walk-up style apartments and high rise buildings completed in the 1960s to 1980s using federal tax incentives available at the time.

Regional Median Household Income (RMHI)

The median regional household income for all households in 2010, based on the National Household Survey, was \$63,000. It will be updated from time to time. Very low, low and moderate income levels are established relative to this amount.

Very low income households earn 50% or less of the regional median household income or below \$30,000 per year, based on the 2011 National Household Survey and updated from time to time.

Low income households earn between 50 and 80% of RMHI or between \$30,000-50,000 per year, based on the 2011 National Household Survey and updated from time to time.

Moderate income households earn between 80 and 120% of RMHI.

Above moderate income households earn between 120 and 150% of RMHI.

High income households earn over 150% of RMHI.

Rental Assistance Program (RAP)

The provincial Rental Assistance Program provides eligible low-income, working families with cash assistance to help with their monthly rent payments. To qualify, families must have a gross household income of \$35,000 or less, have at least one dependent child, and have been employed at some point over the last year. Rent supplements do not directly increase the supply of rental housing. Provincial expenditures on rent supplements are growing.

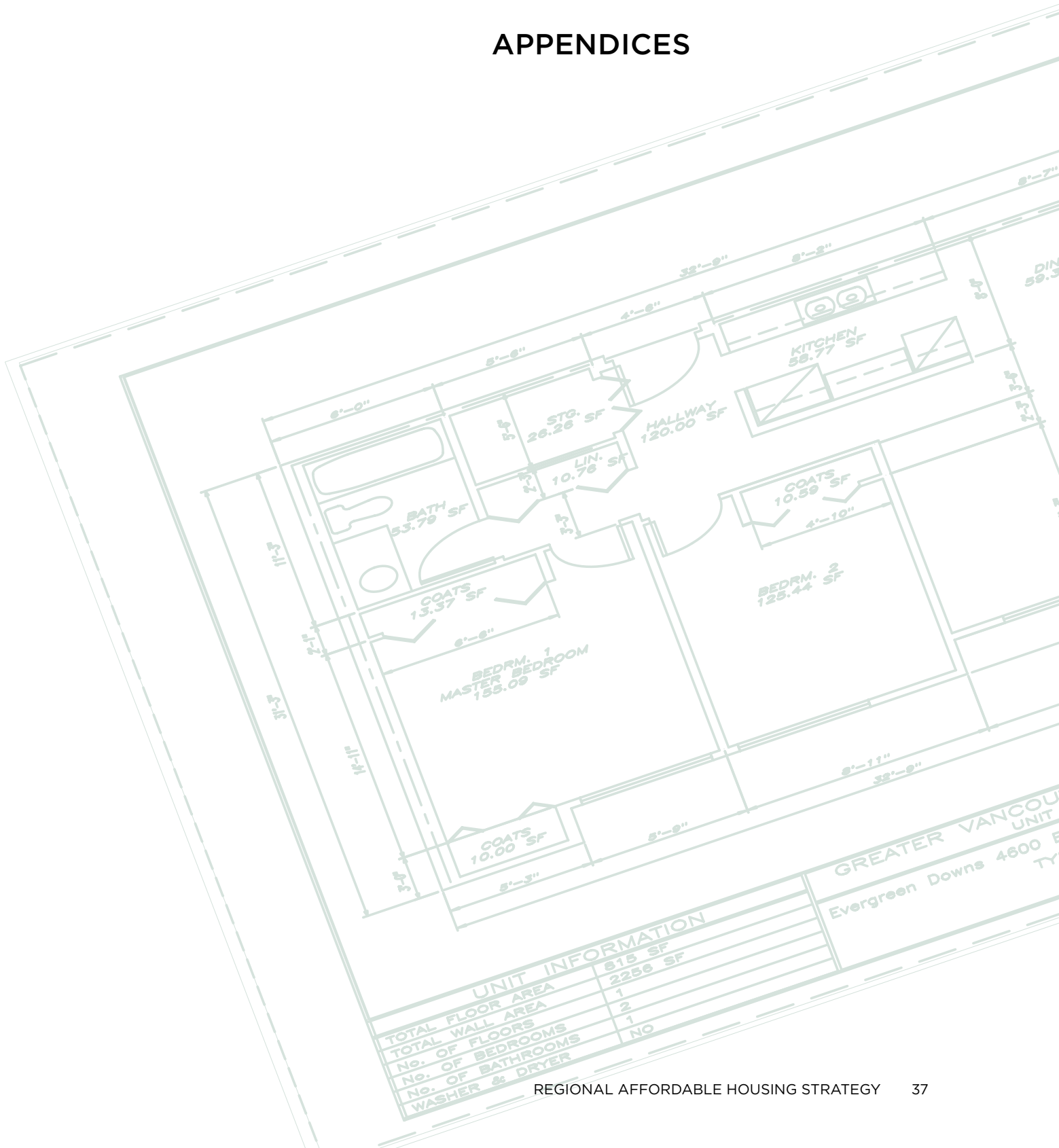
Regional Homelessness Plan (RHP)

The Regional Steering Committee on Homelessness adopted a Draft Regional Homelessness Plan in 2014. The goal of that Regional Homelessness Plan (RHP) is to end homelessness in the Metro Vancouver region. The plan focuses on three areas: housing, prevention and support, and capacity building. The plan remains in a draft stage and an implementation plan has not been completed.

Shelter Aid for Elderly Renters (SAFER)

The provincial Shelter Aid for Elderly Renters (SAFER) program helps make rents affordable for BC seniors with low to moderate incomes. SAFER provides monthly cash payments to subsidize rents for eligible BC residents who are age 60 or over and who pay rent for their homes. BC Housing provides these subsidies to more than 17,000 senior households renting apartments in the private market, including singles, couples and people sharing a unit.

APPENDICES



UNIT INFORMATION	
TOTAL FLOOR AREA	615 SF
TOTAL WALL AREA	2256 SF
No. OF FLOORS	1
No. OF BEDROOMS	2
No. OF BATHROOMS	1
No. OF WASHER & DRYER	NO

GREATER VANCOUVER
UNIT
Evergreen Downs 4600 E
TY

APPENDIX 1

METRO VANCOUVER 10 YEAR HOUSING DEMAND ESTIMATES BY MUNICIPALITY - 2016-2026

Municipality	Total Demand	Ownership Demand	Rental Demand	Total Rental Demand by Income				
				Very Low	Low Income	Moderate Income	Above Moderate	High Income
Metro Vancouver	182,000	128,000	54,000	23,500	11,200	8,700	4,800	5,800
Burnaby	19,000	13,100	5,900	2,520	1,260	1,010	510	600
New Westminster	5,000	2,800	2,200	1,220	500	270	120	90
Langley City	2,000	1,300	700	420	130	70	40	50
Langley Township	17,000	14,100	2,900	960	720	470	320	420
Maple Ridge	5,000	3,800	1,200	730	210	190	80	10
Pitt Meadows	1,000	800	200	50	40	30	40	10
Coquitlam	17,000	12,000	5,000	2,140	1,180	840	350	480
Port Coquitlam	3,000	2,200	800	470	160	70	50	30
Port Moody	2,000	1,500	500	160	90	80	70	70
North Vancouver City	2,000	1,000	1,000	580	240	70	30	50
North Vancouver District	3,000	2,300	700	360	80	120	60	70
West Vancouver	2,000	1,500	500	210	110	60	60	70
Delta	3,000	2,200	800	430	210	90	20	10
Richmond	14,000	10,800	3,200	1,300	700	600	300	300
Tsawwassen First Nation	1,000	600	400	160	70	60	30	40
Surrey	47,000	35,500	11,500	4,290	2,600	2,200	1,200	1,100
White Rock	1,100	820	280	220	60	-	30	(30)
Vancouver	32,000	19,200	12,800	5,910	2,340	1,930	1,120	1,450

Source: Metro Vancouver *Metro 2040*. Appendix A, Table A4. Prepared by Metro Vancouver, Regional Planning, December 2015.

NOTES:

1. To meet this estimated demand, funding from other levels of government is required.
2. Increase in total households over 10 years based on regional population and household projections. Regional total exceeds municipal aggregate totals due to municipal variance.
3. Very low income <\$30,000/year, Low income <\$30,000-50,000/year, Moderate income \$50,000-75,000/year, Above moderate \$75,000-\$100,000/yr, High income \$100,000/yr plus.
4. Household maintainer rates and cohort projection method using census/NHS based household maintainer rates and projected demographic, characteristics (age, births, deaths, immigration, Canadian migration, intra-regional migration). Assumes that household income and household type ratios remain constant over the projection period. See Metro Vancouver Regional Planning. Metro Vancouver Housing Demand Projections - Overview of Assumptions and Methodology. Dec 2015.
5. These estimates are to assist in long range planning and represent an approximate range of potential increase in each municipality.

APPENDIX 2

ESTIMATION METHOD FOR RENTAL UNIT COMPLETIONS AS A SHARE OF HOUSING DEMAND 2011-2014 METRO VANCOUVER

Adjusted Estimated Rental Housing Demand is the average of Metro 2040 annual rental demand estimates and the actual increase in rental households between 2006 and 2011, on an annual basis, as reported by the 2006 Census and 2011 NHS.

TABLE 2A: RENTAL DEMAND ESTIMATES 2011-2014

Year	Estimated Annual Rental Demand <i>Metro 2040</i>	2006-2011 Census Trend Estimate New Households	Adjusted Estimated Rental Demand
2011	6,490	4,500	5,495
2012	6,490	4,500	5,495
2013	6,490	4,500	5,495
2014	6,490	4,500	5,495
Total 2011/14	25,960	18,000	21,980

Rental Supply is CMHC purpose built rental completions (including non-profit housing) less apartment demolitions, plus estimated rented condos plus rented secondary suites plus newly rented single detached/duplex/row houses. These were allocated to income categories as follows.

TABLE 2B: RENTAL SUPPLY ESTIMATES 2011-2014

Household income categories	Rental Housing Supply allocated by income category 2011-2014	Estimated Supply 2011-2014
Low income rental (<50% RMHI) (<\$30,000/yr) (<\$750/mo rent)	BC Housing new non-profit units created 2011-2014 (3,323)	3,300
Low to moderate income rental (50%-80% RMHI) (\$30,000-\$50,000/yr) \$750-1250/month rent	100% new rented secondary suites + 50% of suburban rented condos less 100% apt demolitions (=4799+1704-788)	5,700
Market rental (>80% RMHI) (\$50,000+/yr) (>\$1250/mo rent)	New PBMR less BC Housing new non profit units created plus 50% suburban rented condos + 100% new rented sfd/ rows/duplexes and 100% Vancouver rented condos (4815-3323+ 1704+3460+4663)	11,300

APPENDIX 2 – CONTINUED

TABLE 2C: ESTIMATE OF GAP BETWEEN SUPPLY AND DEMAND BY HOUSEHOLD INCOME CATEGORY

Household Income Categories	Estimated Rental Demand	Estimated Rental Supply	Gap (Supply-Demand) Categories	Completions as a share of estimated rental demand
Low income rental	7,200	3,300	-3,900	46%
Low to moderate income rental (50%-80% RMHI) (\$30,000-\$50,000/yr)	8,600	5,700	-2,900	66%
Market rental (>80% RMHI) (\$50,000+/yr)	6,100	11,300	5,200	185%
Total rental units	21,900	20,300	-1,600	93%

TABLE 2D: WITH RENT SUPPLEMENTS

Household Income Categories	Estimated Rental Demand	Estimated Rental Supply	Completions as a Share of Estimated Rental Demand	Additional Rent Supplements 2011-2014	Estimated Rental Supply-After Rent Supplements	Share of Estimated Rental Demand Met - After Rent Supplements
Low income rental (<\$30,000/yr)	7,200	3,300	46%	2,700	6,000	83%
Low to moderate income rental (\$30,000-\$50,000/yr)	8,600	5,700	66%	0	3,000	35%
Market rental (\$50,000+/yr)	6,100	11,300	185%	0	6,100	100%
Total rental units	21,900	20,300	93%		15,100	93%

Note: Rent supplement figures provided by BC Housing. As of March 31, 2015, 15,175 Metro households received a rent supplement. Between 2011 and 2014, the provincial government increased the number of rent supplements by 2,700 in Metro Vancouver.

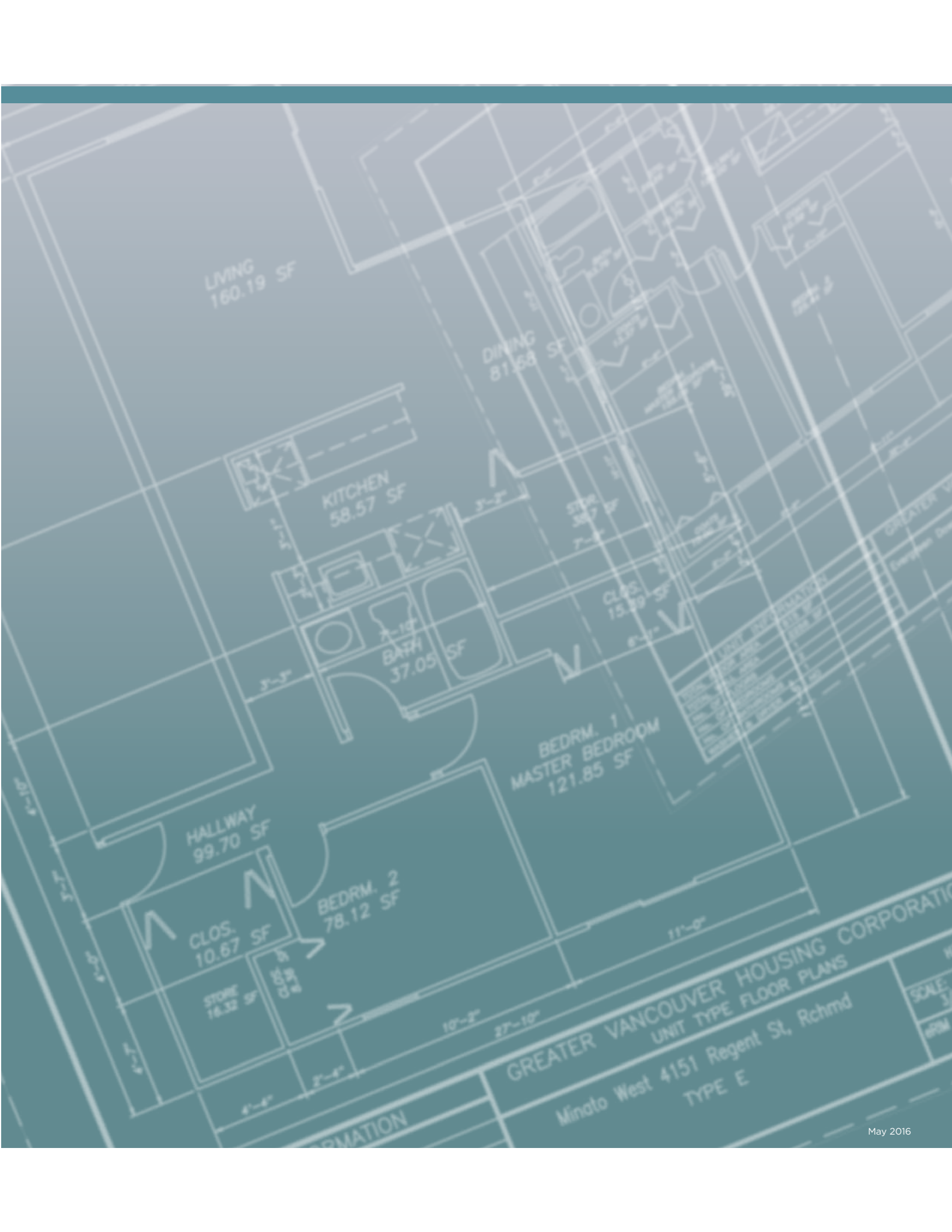
APPENDIX 2 - CONTINUED

TABLE 2E : SUMMARY

Household Income Categories	Before rent supplements		With rent supplements	
	Gap Between Estimated Demand And Completions	Completions As A Share Of Est. Rental demand	Additional Rent Supplements 2011-2014	Share Of Estimated Rental Demand Achieved
Low income rental (<50% RMHI) (<\$30,000/yr)	-3,900	46%	2,700	83%
Low to moderate income rental (50%-80% RMHI) (\$30,000-\$50,000/yr)	-2,900	66%	0	35%
Market rental (>80% RMHI) (\$50,000+/yr)	5,200	185%	0	185%
Total rental units	-1,600	93%		93%







Letter to Metro Vancouver Mayors on Immediate Action Needed to Address Affordable
Housing Issues in Vancouver

October _____, 2016

Dear Metro Vancouver Mayors,

Re: Immediate Action Needed on Affordable Housing in Metro Vancouver

Housing affordability is the most critical issue in our region today. Our decisions as municipal leaders in Metro Vancouver around the issue of affordable housing will dictate whether our region continues to be the vibrant, accessible, dynamic place it is today. It is for this reason that I am proud to endorse the 2016 Regional Affordable Housing Strategy, and strongly call on my fellow Mayors to act now by endorsing the Strategy.

Our region today faces the lowest rental vacancy rates in the country and among the highest rents. It is critical that every municipality does its part to contribute to a stable and growing rental housing supply. This must be done both by creating new rental stock and by preventing the loss of existing rental housing, which so many of our citizens rely on as affordable homes.

Immediate action is also needed to advance the goal of ending homelessness as set out in the Regional Affordable Housing Strategy. I invite my fellow Mayors to participate in a dialogue on regional action to respond to the rising rate of homelessness in the region and a growing incidence of encampments across our cities. This is a critical step as we prepare for the upcoming 2017 Regional Homeless Count next Spring.

Immediate action is also needed on advancing a regional Urban Aboriginal Strategy, outlining critical targets for addressing housing and homelessness for the estimated 40,000-60,000 urban Indigenous people living in the Metro Vancouver area.

Finally, I invite Metro Vancouver leaders to attend a Regional Housing Summit on October 28, 2016, as part of the City of Vancouver's re:address housing summit and conference week that is taking place on October 24 - 29, 2016 (www.readdress.ca).

Yours Sincerely,

Gregor Robertson,
Mayor, City of Vancouver

To: Regional Planning Advisory Committee

From: Margaret Eberle, Senior Housing Planner
 Planning, Policy and Environment Department

Date: March 18, 2016 Meeting Date: April 1, 2016

Subject: **Regional Affordable Housing Strategy – Significant Stakeholder Concerns and Proposed Responses**

RECOMMENDATION

That the Regional Planning Advisory Committee receive for information the report dated March 18, 2016, titled “Regional Affordable Housing Strategy – Significant Stakeholder Concerns and Proposed Responses”.

PURPOSE

This report summarizes feedback received through the stakeholder engagement process on the August 2015 Draft Regional Affordable Housing Strategy (RAHS), the Projected Increase in Housing Demand for Metro Vancouver and Municipalities 2016-2026 - DRAFT and Performance Measures Draft (both November 2015). The intent is to highlight significant concerns, propose responses to address these concerns, and to request comments from Regional Planning Advisory Committee (RPAC) members on these proposals and next steps.

BACKGROUND

The success of the Regional Affordable Housing Strategy depends on the actions of many, including senior levels of government, the private sector and non-profits. The regional role is one of convening and supporting member municipalities through the policy framework of the RAHS, as well as directly delivering mixed income housing through MVHC. Municipalities set and implement land use and regulatory policies, including housing policies that meet the needs of their local context, with an understanding of region-wide housing issues. RAHS focuses on regional and local roles, and is collaborative regional plan with no specific regulatory authority.

On February 12, 2016, the Housing Committee endorsed the proposed approval process for the Regional Affordable Housing Strategy as outlined in the report titled “Regional Affordable Housing Strategy – Update and Approval Process”, dated February 2, 2016. The next steps were for staff to summarize stakeholder and municipal responses and bring these to the April 2016 Housing Committee meeting in a report:

- summarizing feedback received;
- noting significant concerns with the Draft RAHS, if any; and
- proposing responses to each concern.

It was envisioned that if there were significant concerns raised by stakeholders with the Draft Regional Affordable Housing Strategy that require additional Housing Committee consideration and discussion, staff would recommend that the Housing Committee hold a dedicated workshop in late

April or early May, prior to the final Strategy tabling in June 2016, to work through these particular issues. It was noted that this could affect the final adoption date.

Staff reviewed stakeholder feedback, including significant concerns and recommended responses, with RPAC's Housing Subcommittee on March 17, 2016 and revised the responses based on feedback received. Staff will share RPAC's comments with the Housing Committee at its meeting on April 15, 2016.

STAKEHOLDER ENGAGEMENT AND FEEDBACK RECEIVED

Phase two of the Regional Affordable Housing Strategy stakeholder engagement process requested feedback from stakeholders on the August 2015 Draft Regional Affordable Housing Strategy, Draft Projected Increase in Housing Demand for Metro Vancouver 2016-2026, and Draft Performance Measures, Attachments 1, 2 and 3. The following summarizes the different types of feedback received:

- 64 participants attended two stakeholder workshops in November, 2015;
- 17 municipalities considered the Draft RAHS and provided Metro with written correspondence;
- Seven community or industry stakeholders provided written submissions; and
- Meeting with TransLink staff January 18, 2016 to discuss TransLink's feedback on actions in the Draft RAHS.

Stakeholder feedback

Overall, the stakeholder feedback indicates there is a high level of support for both the need for an updated Regional Affordable Housing Strategy to address serious housing affordability issues in the region, and the overall direction of the Draft RAHS as expressed by the five goals, 17 strategies and 94 actions. Participants appreciated the importance of the regional perspective and the collaborative approach on serious housing affordability issues, the fact that the Draft Strategy contains a good breadth of policies, and that it incorporates regional housing demand estimates and performance measures. There was particularly strong support for the new emphasis on increasing the rental supply along the frequent transit network as expressed by Goal 4 of the strategy. There were also some areas of concern and these are described in more detail below.

Two stakeholder workshops were held in November 2015 and attended by staff from municipal members, community agencies, TransLink, private and non-profit housing sector, industry associations, the provincial and federal governments, First Nations and health authorities. The objective was to obtain views on what needs improvement or more emphasis in the Draft Regional Affordable Housing Strategy and what is missing. Participants noted that they appreciated the chance to discuss these important issues with other stakeholders and in small group settings. Key findings from the workshops are presented for each of the five goals, and a sixth topic generated at the workshops, called "Communication, Education and Engagement" in Attachment 4 – Metro Vancouver Regional Affordable Housing Strategy Stakeholder Workshops - What We Heard January 2016. Themes that emerged were: the perceived length and complexity of the development approval process and its impact on new purpose built rental supply; challenges with management of affordable housing obtained through the development approvals process; funding barriers and capacity limitations affecting the ability of the non-profit sector to develop new or redevelop existing affordable housing; and the need for an expanded role for MVHC.

Mayor and Councils of member municipalities were invited to review and comment on the Draft Regional Affordable Housing Strategy. Seventeen Mayor and Councils responded to the request for feedback. Staff reports considered how local affordable housing policies align with those proposed in the Draft RAHS and where there are areas of commonality or difference. Several provided comments and suggestions for improvement, while others received the Draft RAHS for information only. Attachment 5 provides a summary of the municipal responses, including the type of input received and level of support for the Draft Strategy expressed in a Council resolution, where provided. Of the seventeen municipal responses, two Councils endorsed the Draft Strategy, six indicated they generally support or support the Draft in principle, and nine Councils received the Draft for information and/or provided comments or recommendations. Attachment 6 contains all municipal correspondence received. Again, most noted support for the new transit orientation of the Regional Affordable Housing Strategy, as expressed by Goal 4. One of the areas of concern was the use of language that was viewed as over-stepping municipal jurisdiction, and this is addressed below.

Seven community agencies provided written responses to the Draft Regional Affordable Housing Strategy. Some wished more emphasis on the left side of the housing continuum, or supportive and transitional housing, and ways to meet the needs of vulnerable renters, including the homeless. Staff held discussions with TransLink staff on their concerns with some TransLink actions, and have agreed upon an approach that recognizes TransLink's interest in the type of residential density located close to the Frequent Transit Network while respecting their primary role as a provider of accessible transit and transportation services. Community and industry submissions are listed in Attachment 7 and copies of these responses are provided in Attachment 8.

Concerns and Proposed Responses

Stakeholder feedback was reviewed and categorized as either: a) significant requiring discussion b) not significant, change will be made, or c) not significant, change will not be made. A concern is categorized as significant if it affects a goal or a strategy, would have a significant financial impact for Metro Vancouver or its member municipalities, was expressed by many stakeholders or represents a significant departure from the direction of Draft Regional Affordable Housing Strategy. Note that many suggestions for improvement are categorized as b) not significant, and that changes will be made in the final RAHS. Of the comments received, eight concerns are considered significant and are discussed in detail here, along with a recommended staff response to address the concern. Table 1 presents these in order of appearance in the strategy, i.e., by goal area.

Table 1 – Significant Concerns and Recommended Response

	Goal #, Strategy #, Action # or Part	Significant Concern about Existing Goal, Strategy, Action or Missing Item	Recommended Response
a)	Goal 1 Missing Strategy	An adequate supply of new housing, including rental housing, to meet demand is required to keep prices from rising any faster than they are (although new supply does not guarantee affordability). The development industry is concerned about the speed of the development approval process (due to the lack of supply of pre-zoned land). Regulatory requirements for approvals have increased over the past twenty years. The development community seeks clarity and cost certainty with a shorter approval process.	<p>Add New Strategy 1.2 (renumber remainder): Improve the clarity of the development approval process while ensuring quality outcomes</p> <p>New municipal actions: Enhance clarity around land use and density through neighbourhood or area planning and other means; look at internal processes and staffing</p>
b)	Goal 2	<p>Goal 2 – Preserve and expand the rental housing supply.</p> <p>The aim is not preserving old rental stock per se, as many apartments are well past their economic lives and in transit oriented locations. The primary concern is ensuring adequate rental supply to meet the needs of renters and ensuring that tenants are supported through any needed redevelopment. Sustaining the economic viability of existing stock for a time is a strategy while new stock is added. Protecting tenants from the disruption and costs associated needed redevelopment is a paramount concern. The RAHS text, strategies and actions presently reflect this conceptualization.</p>	<p>Modify Goal 2:</p> <p>Expand the rental supply and balance preservation of existing stock with redevelopment that supports tenants.</p> <p>Add language to Goal 2 introductory text to say that with efforts to ensure new rental supply is added, PBMR redevelopment is supportable in good transit locations ensuring that tenant dislocation is minimized with tenant relocation policies.</p>
c)	Part Three Goal 1 to 5 Municipal Actions	<p>Language for municipal actions is too prescriptive e.g. "municipalities will". Metro Vancouver does not have the authority to require its member municipalities to take specific action or enact specific policies in relation to affordable housing. The Regional Affordable Housing Strategy should accordingly be amended to include more flexible policy language.</p> <p>Add intro section on roles and relationships.</p>	<p>Modify to "Municipalities will consider" for example:</p> <p>Municipal Actions: Municipalities will consider, through plans, policies and programs:</p> <p>2f. Offering incentives that help make development of purpose built market rental housing financially viable (i.e., parking reductions, fee waivers, increasing density and fast-tracking).</p> <p>New intro text: The success of the strategy depends on the actions of many,</p>

			<p>including senior levels of government. The regional role is one of convening and supporting member municipalities through the policy framework of the RAHS, as well as directly delivering mixed income housing through MVHC. Municipalities set and implement land use and regulatory policies, including housing policies, that meet the needs of their local context, with an understanding of region-wide housing issues. RAHS is a collaborative regional plan with no regulatory authority.</p> <p>The link between municipal policies and regional interests occurs through <i>Metro 2040</i>, which contains in an appendix housing demand estimates. Growth management legislation requires that municipalities show how their OCP reflects the regional growth strategy or how it will be made consistent over time. Municipalities can provide context as to why their housing estimates differ from the regional ones and demonstrate that they are ‘generally consistent’ even if they are not the same.</p> <p>Municipal actions to be grouped as a basket of measures.</p>
d)	Goal 3 New MV and MVHC Action	<p>There is a high degree of concern around housing affordability in the region. MVHC, due to its relative size and strength, is interested in expanding its role to be more active in the creation of new affordable housing. It is well-endowed with land and expertise, but is limited by the lack of seed capital. A new source of equity capital is the biggest gap and would assist MVHC in its expansion plans. The sources of this capital are not immediately apparent, and there is some expectation that federal and provincial funding programs may be available to assist in filling this gap in the near future.</p>	<p>Retain present actions 3d, 3g, 3h</p> <p>New Metro Vancouver and MVHC Actions: Explore new sources of equity capital for MVHC to increase the supply of mixed income housing.</p>

<p>e) Goal 3 Missing MV Action</p>	<p>Missing Action. Management of units obtained through the municipal development approval process, including through inclusionary policies, is an ongoing issue. Municipalities do not have expertise in this area and wish to know who can do this and at what cost. Many developers would prefer not to provide the units at all, and do not want to manage them, particularly the sensitive subsidized tenant function. MVHC does this on a limited basis as have some community agencies and non-profits. There is a need for effective and cost effective management of the tenaning, rent collection and administration for affordable housing units gained through municipal practices such as rezoning, density bonuses and inclusionary zoning measures.</p>	<p>Retain MVHC Action 3j</p> <p>New MV Action: Explore with municipalities, non-profits (including MVHC), the private sector and other stakeholders, the need for and options for managing the property, the tenants, the subsidized tenants and the agreements involved in affordable units gained through municipal policies, including consideration of a model like A Regional Coalition for Housing in East King County.</p>
<p>f) Goal 3 Municipal Actions 3p, 3q.</p>	<p>Request to consider municipal waivers of property tax for non-profit housing providers to assist with expiry of operating agreements. Senior governments currently provide subsidy to non-profit housing providers to pay property tax. With expiry of operating agreements, non-profits will become responsible for paying property taxes. This could impact affordability for low income tenants. Municipalities have an interest in ensuring these entities can continue to provide affordable housing for their low income tenants and can provide a range of support or facilitation roles. Municipalities could assist by providing relief from property taxes through ten year partnering agreements with non-profit housing providers.</p>	<p>No support for property tax waivers but leave open exploration of assessment practices which might reduce property tax burden, as “other measures” below.</p> <p>Combine Muni Action 3p and 3q. Work with non-profit and cooperative housing providers to address issues related to expiring operating agreements, including renewing municipal land leases, if applicable, with suitable provisions for affordable housing, facilitating redevelopment at higher density and/or other measures.</p>
<p>g) Goal 5</p>	<p>Goal 5 – End homelessness in the region. Questions have been posed around if this goal is within municipal jurisdiction and/or is it too aspirational and unachievable? Language for Goal 5 could be more realistic, reflecting the lack of municipal authority and resources to tackle this very significant and costly problem.</p>	<p>Retain Goal 5 as is. Although aspirational and difficult to achieve it is a worthy end point. This goal is contained in the approved 2007 RAHS. It was endorsed by the now defunct RSCH in Sept 2014 as the vision for the draft RHP. Metro and Municipal actions contained within Goal 5 reflect the limited municipal and Metro roles and resources, and are focused on advocacy to senior governments and facilitation.</p>

<p>h) Goal 5 Missing action</p>	<p>Homelessness has been viewed as a regional issue since the adoption of the first Regional Homeless Plan in 2001. At the same time, many municipalities view funding for homelessness as a federal and provincial government responsibility. In the past, regional coordination was funded through HPS, but this is no longer eligible. Metro Vancouver’s current role is only to deliver Homelessness Partnership Strategy (HPS) funding on behalf of federal government. The Draft Regional Homelessness Plan Sept 2014 has not been completed or implemented. RAHS attempts to bridge this gap by incorporating advocacy and facilitating actions for Metro Vancouver and municipalities in Goal 5. There is currently no action describing how Metro Vancouver will engage with municipalities and other stakeholders regarding homelessness, if at all.</p>	<p>New Metro Vancouver action: Participate with member municipalities, stakeholders and key funders in regional coordination efforts around homelessness, as allowed under the HPS contract with the federal government.</p> <p>Several MV advocacy actions are proposed for addition.</p>
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ALTERNATIVES

This report is provided for information only. No alternatives are presented.

FINANCIAL IMPLICATIONS

There are no financial implications at this time for Metro Vancouver. Once the Regional Affordable Housing Strategy is adopted, staff will prepare a 5-year implementation plan for Metro Vancouver actions that will consider staff and other resources.

Any financial implications for Metro Vancouver Housing Corporation envisioned by the Draft Regional Affordable Housing Strategy will be considered separately by the MVHC Board prior to approval of any project or initiative.

SUMMARY / CONCLUSION

This report summarizes stakeholder feedback on the Draft Regional Affordable Housing Strategy dated August 2015 and associated technical appendices. Overall, this input suggests there is a high level of support for both the need to refresh the Regional Affordable Housing Strategy to address serious housing affordability issues in the region, and the overall direction of the Draft RAHS as expressed by the goals, strategies and actions. Senior governments are expected to play a key role in implementing the strategy. Participants appreciated a regional perspective and regional collaboration on this significant issue, the fact that the Draft Strategy contains a good breadth of policies, and that it includes regional housing demand estimates and performance measures. There was particularly strong support for the new emphasis on increasing the rental supply along the frequent transit network as expressed by Goal 4 of the strategy. This report identifies areas of significant concern and therefore which merit further consideration by the Metro Vancouver Housing Committee. Staff has identified responses to address these concerns, with a view to

bringing a final Regional Affordable Housing Strategy to the Housing Committee for approval in June 2016.

Attachments (Doc. #17819207):

1. Regional Affordable Housing Strategy Update - Revised Draft, August 2015.
2. Draft Housing Demand Estimates, November 2015.
3. Draft Performance Measures, November 2015.
4. Metro Vancouver Regional Affordable Housing Strategy, November 2015 Stakeholder Workshops – What We Heard Draft, January 2016.
5. Municipal Correspondence Summary, March 2016.
6. All Municipal Correspondence on Draft RAHS.
7. List of Stakeholder Submissions on Draft RAHS.
8. Written Stakeholder Submissions on Draft RAHS.

17789870

REFERENCE



Office of the Chair
Tel. 604 432-6215 Fax 604 451-6614

File: CR-12-01
Ref: RD 2016 May 27

JUN 29 2016

Mayor Robertson and Council
City of Vancouver
453 West 12th Avenue
Vancouver, BC V5Y 1V4

Dear Mayor Robertson and Council:

Re: *Regional Affordable Housing Strategy*

At its May 27, 2016 regular meeting, the Board of Directors of the Greater Vancouver Regional District ('Metro Vancouver') adopted the following resolution:

That the GVRD Board:

- a) *Adopt the Regional Affordable Housing Strategy attached to the report dated May 13, 2016, titled "Regional Affordable Housing Strategy"; and*
- b) *Convey the Regional Affordable Housing Strategy to member municipalities with a request to endorse the Strategy as a collaborative approach through which stakeholders can advance its vision, within their authority;*
- c) *Transmit the Regional Affordable Housing Strategy to the BC Minister Responsible for Housing, The Honourable Rich Coleman; The Minister of Families, Children, and Social Development, and the Minister responsible for Housing and Canada Mortgage and Housing Corporation, The Honourable Jean Yves Duclos, and other stakeholders with an interest in regional housing affordability; and*
- d) *Direct staff to develop an implementation plan for Metro Vancouver actions.*

We are pleased to provide a copy of the *Regional Affordable Housing Strategy* for your reference.

The high cost of housing in Metro Vancouver is a major concern for residents and local governments. First adopted in 2007, the new *Regional Affordable Housing Strategy* (2016) aims to provide leadership and a collaborative approach for meeting the region's pressing housing issues. Our vision is to have a diverse and affordable housing supply so Metro Vancouver region can remain livable and prosperous.

In November 2015, the GVRD Board conveyed to Municipal Councils the Draft *Regional Affordable Housing Strategy* for review and comment. Some Councils endorsed the Draft Strategy at that time, or provided support in principle and offered suggestions for improvement. Others received it for information only. The final *Regional Affordable Housing Strategy* (RAHS) that was adopted by the GVRD Board took these comments into consideration.

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Mayor Robertson and Council, City of Vancouver
Regional Affordable Housing Strategy
Page 2 of 2

The GVRD Board requests that your Council endorse the *Regional Affordable Housing Strategy* as a collaborative approach to addressing regional housing needs.

We request that you inform the GVRD Board of your Council's decision by November 30, 2016.

The next step will be for the GVRD Board to write to the federal and provincial governments and other key stakeholders, such as Health Authorities, urging that they take the recommended actions in the Strategy.

Yours truly,



Greg Moore
Chair, Metro Vancouver Board

GM/DL/me

Encl: *Regional Affordable Housing Strategy* dated June 20, 2016 (Doc #18636406)

CITYCLERKDEPT 09:24 16JUL06