City of Langley

Affordable Housing Strategy

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Submitted by Robyn Newton Manager of Research & Consulting Services SPARC BC



Table of Contents

EXECUTIVE SUMMARY	I
INTRODUCTION	1
PURPOSE	3
CITY OF LANGLEY CONTEXT	3
INVENTORY OF EXISTING AFFORDABLE HOUSING IN LANGLEY	4
MUNICIPAL AFFORDABLE HOUSING STRATEGIES IN BRITISH COLUMBIA	6
AN ASSESSMENT OF HOUSING STRATEGIES	7
PROPOSED AFFORDABLE HOUSING STRATEGY FOR THE CITY OF LANGLI	EY 21
DISCUSSION OF PROPOSED STRATEGIES	22
SETTING HOUSING TARGETS FOR THE CITY OF LANGLEY	28
CONCLUSION	30
APPENDIX A: LITERATURE REVIEW	32
LITERATURE REVIEW EXPLORING THE LANGLEY CONTEXT MUNICIPAL AFFORDABLE HOUSING STRATEGIES	32 37
APPENDIX B: EXCERPT FROM CITY OF LANGLEY SOCIAL PLAN (2007)	42
APPENDIX C: CMHC RESIDENTIAL REHABILITATION PROGRAMS	50
APPENDIX D: REFERENCES	54
APPENDIX E: AN OVERVIEW OF POLICIES USED IN NEIGHBOURING MUNICIPALITIES	57

Executive Summary

In 2008, the City of Langley contracted with the Social Planning and Research Council of BC (SPARC BC) to create an affordable housing strategy to provide guidance for the City on how to preserve and enhance the affordability of housing in the City of Langley.

In order to ensure that work already completed was not duplicated, the consultants conducted a literature review to explore the current housing situation in the City of Langley, including current policies and practices. The literature review also explored best practices in affordable housing being implemented by other municipalities in BC, Canada and internationally.

The City of Langley shows strong leadership in addressing social issues in the community, including affordable and supported housing. The City has the highest proportion of social housing units in the Metro Vancouver Region, and has a good supply of rental housing. City of Langley policies that have contributed to the stock of affordable housing include policies that support the development of multi-family housing, policies restricting conversion of rental housing, and policies that allow secondary suites. The City recently approved the Salvation Army's Gateway to Hope, which will provide 30 emergency beds and 25 units of transitional housing.

Despite the work that the City of Langley has undertaken to provide affordable and supportive housing for residents, homelessness and affordability remain issues of concern in the community. Moreover, City Council have proactively raised concerns about the potential loss of affordable rental units in the City, as the existing rental stock is aging, and pressures for redevelopment of these buildings will likely increase in the future.

For these reasons, the City of Langley has embarked on the development of an Affordable Housing Strategy that builds upon the unique needs and strengths of this community.

The following Affordable Housing Strategy is being presented to the City of Langley as a framework for discussion with key stakeholders, prior to final adoption of an Affordable Housing Strategy. Over the next 3 to 6 months, the City of Langley can meet with stakeholders such as landlords, property owners, developers, tenants, and providers of affordable housing to review these strategies and confirm whether these strategies are the right ones for the City of Langley, and to work out the details. :

TABLE 1. OVERVIEW OF PROPOSED AFFORDABLE HOUSING STRATEGY FOR THE CITY OF LANGLEY
1. Include commitment to affordable housing in OCP, housing plan and/or policies
2. Advocate to senior levels of government for additional funding/housing programs
3. Protect existing rental housing and tenants
a) Right of first refusal to existing tenants for new units
b) Relocation Assistance
c) Keep current conversion control policies
d) Encourage use of RRAP to repair units
4. Continue to encourage secondary suites in Single Family areas
5. Encourage development of new affordable units
a) Initiate partnerships with government, non-profits, and developers
6 Promote affordable home ownership
a) Shared Equity/Resale price restrictions
b) Infill development/smaller lot sizes
7. Set targets for below market/rental housing
a) Adopt Metro Vancouver ten year housing targets:
a. 225 units social housing
b. 275 units below-market rental housing
c. 200 units low end of market rental housing

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Introduction

In 2008, the City of Langley engaged the Social Planning and Research Council of BC (SPARC BC) to create an affordable housing strategy to provide guidance for the City on how to effectively meet the housing needs of City of Langley residents.

Housing affordability is an issue facing many municipalities in Metro Vancouver and indeed throughout the province and across the country. Moreover, the affordable housing policy context at the federal and provincial level has changed considerably over the past 10 or so years.

Definitions

Affordable housing for an individual household is generally defined as shelter costs (rent or mortgage and property taxes, plus heating and electricity costs), that do not exceed 30% of gross household income. In its recent report on "Preliminary Housing Targets" (2008), Metro Vancouver calculated the costs of affordable housing for low income households (those with less than 50% of median regional income) at less than \$735 per month, while affordable housing for low to moderate income households would be no more than \$1,175 per month.

CMHC defines households in *Core Housing Need* as those households that live in housing that fails to meet one or more of the following standards: adequacy (not in need of repair), suitability (enough bedrooms for the occupants), and affordability (spending less than 30% of before-tax household income on shelter), and have incomes that are too low to allow them to rent alternative local market dwellings that meet the above standards. *Severe housing affordability* is defined by CMHC as households that are <u>in need</u> and spending <u>at least half</u> (50%) of household income on shelter (INALH).

While the City of Langley has a good supply of moderate cost housing, deterioration of the aging affordable housing stock in the City of Langley has made it imperative to develop a comprehensive strategy for affordable housing to guide Council decision-making. Like many communities in British Columbia, the City of Langley faces growing pressure to address housing affordability challenges.

Although municipalities in Canada lack the mandate or the capacity to directly provide housing, the City of Langley does have a role in identifying, advocating for and supporting solutions to housing challenges. This affordable housing strategy helps to articulate an appropriate role for the City, and for community partners. The strategy is also intended to develop a specific set of actions related to provision and protection of affordable housing in the City of Langley.

Municipalities are playing an important role in facilitating the production of both market and non-market affordable housing. In 2005, the provincial government published a local government guide to facilitating the production of affordable market housing stating that:

Given current market conditions in many areas, affordable housing is challenging to build and cannot be constructed without some form of assistance, such as a subsidy, concession or incentive, typically from one or more levels of government or from the private sector.¹

This study examines how the City can maximize its available resources and leverage funding from other sources including the senior levels of government and the private and not-for-profit sectors, and proposes, for discussion purposes a potential *Affordable Housing Strategy*.

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¹ Ministry of Forests and Range. Housing Department. 2005. *Local Government Guide for Improving Market Housing Affordability in British Columbia*. www.housing.gov.bc.ca/housing/affordable

Purpose

While the City of Langley is the leader in Metro Vancouver region in the provision of social housing units per capita, its existing affordable housing stock is aging and there are pressures for redevelopment. The purpose of this project is to develop a plan for affordable housing which can guide decision-making of Council and City staff over the next 10 years by:

- 1. Obtaining a clear picture of existing and future needs for affordable housing for different resident groups in relation to the existing housing stock;
- 2. Exploring appropriate municipal responses to the potential loss of existing affordable housing stock;
- 3. Exploring opportunities to maintain and/or increase the stock of affordable housing;
- 4. Developing a housing strategy that meets the needs of the City of Langley, that will be supported by Council and by the community as a whole.

City of Langley Context

An overview of previous research done for the City of Langley demonstrates a high degree of concern about social issues, notably concern regarding affordable housing, homelessness and poverty. During the City of Langley's 2007 Ipsos-Reid Community Survey, City of Langley residents rated social issues and transportation as their top concerns. Under social issues, poverty and homelessness were specifically mentioned.

Research on social indicators comparing the City of Langley to other municipalities in Metro Vancouver² demonstrate a relatively high incidence of lone parent families, a higher percentage of household incomes derived from government transfer payments, a slightly higher incidence of low income individuals, and a lower incidence of high school completion.

Along with the high level of citizen concern about housing and poverty issues, and lower than average socio-economic status of residents of the City , the local government and its staff have been proactive in addressing housing and poverty issues. The City of Langley has adopted policies that support the development of multi-family housing and restrict

² Anne, K. Morrison Consulting, *et al.* (2000). "Langley Community Mapping Project." Presented to Langley Family Services and Langley Child and Youth Committee, Morrison, Anne and Warren Sommer (2003). "Snapshot 2003: Community Profile." Prepared for the Langley in Action Committee.

City of Langley (2004). "Report to Director of Development Services: Statistical Indicators for Social Planning – City of Langley in GVRD Context." November 15.

conversion of rental housing, and policies that support secondary suites. The City recently approved the Salvation Army's Gateway to Hope, which will provide 30 emergency beds and 25 units of transitional housing. The City of Langley Council and staff participated in a Homelessness Forum in April 2008 to address homelessness in the City and Township of Langley, and a draft Homelessness Strategy has been developed.

A review of initiatives and research that has been undertaken on social issues and housing in the City of Langley can be found in Appendix A.

Inventory of existing affordable Housing in Langley

The City of Langley ranks number one in the Metro Vancouver region for supply of subsidized housing units per capita (BC Housing, December 2007), with 1,169 units of subsidized housing.

Table 2. Subsidized Housing Units in Metro Vancouver

Rank	Municipality S	Subsidized Units	Population	Subsidized/ Population
1`	Langley C	1,169	24,599	0.0475223
2	Vancouver	26,432	607,120	0.0435367
3	White Rock	762	19,688	0.0387038
4	Burnaby	6,940	212,123	0.0327169
5	New Westminster	2,019	61,766	0.0326879
6	North Vancouver C		47,924	0.0282531
7	Pitt Meadows	412	16,774	0.0245618
8	Port Moody	672	28,842	0.0232994
9	Coquitlam	2,294	120,128	0.0190963
10	Richmond	3,187	182,806	0.0174338
11	Port Coquitlam	915	55,234	0.0165659
12	Maple Ridge	1,121	72,879	0.0153817
13	North Vancouver D	1,325	88,066	0.0150455
14	Surrey	6,092	414,743	0.0146886
15	Delta	1,166	102,058	0.0114249
16	West Vancouver	531	46,763	0.0113551
17	Langley D	539	97,670	0.0055186
	Total	56,930	2,199,183	0.0258869

Source: BC Housing - December 2007

Housing Need

In comparison to the other municipalities in Metro Vancouver, the City of Langley has a good supply of affordable housing. However, there are still households in the City of Langley whose housing is not affordable (that is, they are paying more than 30% of their gross household income on shelter). In 2006 in the City of Langley, 1 in 3 households (over 3500 households) paid more than 30% of their income on shelter. Over 1900 of these

households were renting, representing 46% of all renter households in the City of Langley.³. As of July 10, 2008, BC Housing reports that there are 172 households on the waiting list for subsidized housing in Langley (City and Township), including 87 families. Price Waterhouse Coopers forecasted a demand of 6,228 additional units of affordable housing in the City and Township of Langley between 2001 and 2021.⁴

Table 3: Housing Affordability (2006)

Municipality	Average Rents (Oct. '07)	Total Hhlds	Renter Hhlds	Social Housing Units	Social Hsg as % of Total Hhlds	Social Hsg as % of Renter Hhlds
City of Langley	\$791	10,570	4,150	912	8.63%	21.98%
Township of Langley	\$791	33,340	4,660	358	1.07%	7.68%
City of Surrey	\$747	131,135	32,485	4,626	3.53%	14.24%
New Westminster	\$751	26,030	13,625	1,487	5.7%	10.9%
City of Vancouver	\$945	253,385	131,535	23623	9.32%	17.96%
Metro Vancouver	\$898	817230	285,045	47857	5.86%	16.79%

Source: Housing Affordability in Greater Vancouver,

McClanaghan & Associates, May 2008

Note: This study identified 912 social housing units in the City of Langley in 2006, down from 989 in 2001. The current estimate of social housing units in the City of Langley from BC Housing is 767 units. This number does not include the market units for which rent subsidies are provided to tenants (the total including these units is 1,169 units of subsidized housing).

Municipal Responsibility

The City of Langley does not have the mandate or capacity to build and operate affordable housing. However, the City does have an important role in promoting the creation of affordable housing in the community. The City has a wide range of tools and opportunities to encourage the expansion of affordable housing stock, particularly through the development and zoning process. Existing municipal policies in the City of Langley that promote the provision of affordable housing (and prevent its loss) include legalization of secondary suites, and policies that prohibit the conversion of rental suites.

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³ Statistics Canada 2006 Census

⁴ PriceWaterhouseCoopers, Forecast demand for Affordable Housing in Greater Vancouver, April 2004.

Municipal Affordable Housing Strategies in British Columbia

Since the mid-1990s municipalities in BC have been taking an increasing interest in exploring the ways in which they can contribute to resolving social issues in their communities. In order to ensure that residents continue to enjoy a high quality of life, a number of municipalities have developed affordable housing strategies to determine how they will respond to emerging housing challenges. The literature review in Appendix A outlines the approaches used in developing housing strategies in BC and elsewhere, and the strategies that are being implemented by municipalities. Several key documents, including the Metro Vancouver Affordable Housing Strategy (2007) and Smart Growth BC's Review of Best Practices in Affordable Housing (2007) and Tools for Affordable Housing (2008) outline the kinds of actions that municipalities can undertake to increase the stock of affordable housing.

Listed below are the most popular strategies being implemented by municipalities across British Columbia to preserve or create affordable housing. In the following section, short descriptions of these strategies and their applicability to the City of Langley are discussed.

- 1. Permitting secondary suites
- 2. Density bonusing
- 3. Conversion control policies
- 4. Inclusionary zoning
- 5. Densification / Encouraging smaller units
- 6. Smaller lot sizes
- 7. Affordable housing strategy
- 8. Mandated commitment in OCP, housing policy
- 9. Advocating and maintaining communication with senior levels of government
- 10. Housing agreements to provide affordable housing units in new developments
- 11. Affordable housing trust funds/Establish Land/Housing Trusts
- 12. Demolition controls
- 13. Shared Equity/Resale price restrictions
- 14. Waive DCCs for new rental/non-market accommodations
- 15. Initiating municipal partnerships with non-profit organizations
- 16. Donating land or facilities or leasing land at low or below market rates
- 17. Standards of maintenance bylaws
- 18. Public-private partnerships
- 19. Exemptions from parking requirements
- 20. Fast tracking development applications
- 21. Establishing land/housing Trusts
- 22. Establish a municipal housing corporation
- 23. Provide direct financial assistance
- 24. Allow mixed use commercial-residential development

Some communities in Canada have taken a more proactive approach to provision of affordable housing. The Cities of Calgary, Saskatoon, and Toronto, the Town of Canmore, and the County of Wellington, Ontario, have all taken an active role in the funding and

provision of affordable housing. For example, in the Saskatoon Housing Initiatives Partnership (SHIP), the city is a partner in a project that facilitates social and economic investments in the community by engaging private sector resources and actors in the construction of low-income housing. 5

The BC Ministry of Community Services and the Office of Housing and Construction Standards provides numerous guides and resources, and in particular, provides sample bylaws for density bonusing and standards of maintenance. The US Department of Housing and Urban Development provides information about rehabilitating affordable housing stock, although the funding and regulatory environment does differ somewhat from the situation in BC, much of the advice is applicable in the BC context.

For a fuller discussion of municipal strategies for affordable housing, see Appendix A.

An Assessment of Housing Strategies

While there is a wide range of affordable housing strategies available, not all of them would be applicable in the City of Langley context. This section examines the key strategies being employed in BC and elsewhere, and their applicability and usefulness for the City of Langley.

1. Permitting secondary suites

It is not surprising that this is one of the most popular tools for creation of affordable housing in municipalities. It does not require public investment (except where municipalities choose to provide subsidies), and is generally well accepted by most citizens, especially where suites are currently legal. The City of Langley has a successful secondary suite program currently in place, and this is clearly an effective strategy that will continue to be part of an overall *Affordable Housing Strategy* for the City.

There are few drawbacks to legalizing secondary suites. Once suites are legalized, municipalities can create incentives for owners to register their suites, ensuring that the suites are safe for the occupants. One of the challenges has been developing standards for secondary suites that provide safety for the occupants, but do not require investments that will be so onerous as to discourage owners from registering their suites, or will result in the closure of a significant number of units for non-compliance. Existing suites that have been developed without a building permit may not meet health and safety standards set out in the BC Building Code. Some municipalities are reluctant to legalize suites because they are concerned they may be vulnerable to lawsuits in the case of injury or death associated with unsafe suites. One approach to dealing with this issue is to define alternative life safety standards for suites in existing homes as the City of Coquitlam has done for suites built before 2000. Building code equivalencies applied by the City can reduce the costs of legalizing a suite by up to 60%. The City of New Westminster adopted a policy stating that

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⁵ http://www.shipweb.org/index.html

suites built before July 1998 will only be closed if there are serious health and/or safety issues.

Some municipalities, but not all, choose to charge additional sewer, water and garbage fees, or require additional parking to minimize impacts on neighbours. Whether or not secondary suites are permitted in a municipality, the biggest challenge is ensuring that occupants of unregistered suites are safe, and that homeowners with secondary suites are paying a fair share of utilities and property taxes. As more municipalities shift to metered water services and garbage can limits, extra servicing costs become less of an issue.

Municipalities that charge fees for registering secondary suites attempt to keep the fees low enough to encourage owners to register their suites, but not so low that other taxpayers are subsidizing the costs of registering the suites.

In 2005 the BC Government published a Guide to Secondary suites for municipalities (http://www.housing.gov.bc.ca/housing/suites/). This Guide provides a good overview of the benefits and challenges of secondary suites, and provides case samples of how these challenges were addressed by eight BC municipalities.

2. Density bonusing

Under density bonusing, developers can build additional dwelling units beyond the zoning limits in exchange for providing affordable units. The number of units provided and the amount of bonusing permitted is often negotiated on a case by case basis. A number of municipalities have chosen to develop standard formulas for bonusing that provide certainty for developers and eliminate the need for lengthy negotiation processes..

While density bonusing has been used effectively in many municipalities, it is not a useful tool for the City of Langley. Density bonusing depends upon rezoning existing land to higher residential densities. In the City of Langley, there is very limited potential for rezoning existing lands to higher densities.

More than 146 hectares (360 acres) representing 13.9% of the City's land are already designated for multiple family residential development. In May 2008, the City of Langley Council approved increases to the maximum densities for medium and high density residential zones of the City, and the Downtown Commercial Zone. These densities allow for significant growth in the City of Langley and will support the provision of more affordable multi-family units. The potential for the provision of affordable housing through additional density is further limited in the City of Langley because the soil conditions limit building heights.

3. Conversion control policies

The City of Langley, like a number of other municipalities in the Metro Vancouver Region⁶, has policies restricting the conversion of existing designated rental units to strata title. This policy has likely been instrumental in preserving the existing rental stock. However, there are two main drawbacks to conversion control policies. In cases where rental buildings have already been converted to strata title, such regulations have no effect. Moreover, conversion control policies do not prevent owners of existing rental buildings from demolishing existing rental buildings and developing strata titled residential buildings in their place. This is a serious concern in the City of Langley, as much of the existing rental stock was built in the 1970's or even earlier, and is deteriorating rapidly. While some of this stock needs to be replaced, the housing that replaces it will undoubtedly be more expensive, even if the existing stock is replaced by new rental units.

The City of Langley should continue to apply its conversion control policies; however the City needs to consider additional policies to support tenant relocation and encourage the construction of rental units to replace those that need to be demolished.

4. Inclusionary zoning

Inclusionary Zoning (also called Inclusionary Housing) requires developers to provide a certain number or proportion of affordable housing units when land is being rezoned for development. Customarily, the requirement for inclusionary zoning kicks in only when the development is beyond a specified size (for example, 20 or more units are being built). In most cases a percentage of the units being constructed must be affordable (usually somewhere between 5 to 20% of the total units). Some policies allow the affordable units to be built off-site, and some allow cash-in-lieu paid into a housing fund. A variation on inclusionary zoning known as linkage fees permits municipalities to charge non-residential projects a fee based on the demand for affordable housing the project is expected to generate.

In British Columbia, the Local Government Act enables B.C. municipalities to use inclusionary zoning policies, as well as to recover developmental costs through development cost charges to developers. However, there are no inclusionary zoning programs currently operating in Canada that are equivalent to the programs in the United States⁷. A number of Canadian cities — namely Toronto, Vancouver, Bowen Island and Burnaby — have

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⁶ Municipalities with conversion control policies include the Township of Langley, the Cities of Surrey, New Westminster, and Vancouver, and the Corporation of Delta. Of 50 municipalities that were surveyed by SPARC BC in the summer of 2008, 21 had conversion control policies, and 4 municipalities were considering adopting conversion controls.

Canadian programs differ from conventional inclusionary zoning in the U.S. in that they are directed at securing developable land or monetary contributions for non-profit housing to be built with government funding rather than at obtaining below-market units constructed by for-profit developers. In the US, mandatory inclusionary zoning is popular, whereas in Canada, the only models in use employ voluntary, incentive-based approaches, most likely because of the regulatory requirement to "hold harmless" the builder's profitability if the land is already zoned for residential use.

successfully used a variation of inclusionary zoning through a comprehensive rezoning process for major private redevelopment sites. The City of Langford has also been able to use inclusionary zoning in residential subdivision developments. It appears that municipalities in Canada prefer incentive based approaches to providing affordable housing (such as density bonusing).

In Canada, three municipalities in British Columbia and one in Alberta currently collect fees of some type for affordable housing. Two of these — Whistler and Banff — could be considered as types of linkage fees⁸. In Vancouver, there is a development charge for various capital improvements, including low-rent housing. Development cost levies range from \$3 to \$13/square foot, depending upon the type and location of development⁹. Richmond has collected fees through comprehensive development agreements for large residential projects, and charges \$4/buildable square foot for density bonuses.

If the land is already zoned for residential use, the municipality is required to "hold harmless" the builder's profitability, either through density bonsuses or various other cost offsets. For the reasons discussed earlier, density bonusing has very limited application in the City of Langley.

5. **Densification / Encouraging smaller units**

The City of Langley already has strong policies encouraging densification in the City. As mentioned under the discussion on density bonusing, in May 2008 City Council approved increases to the maximum unit densities for medium and high density residential zones of the City, and the Downtown Commercial Zone. These increased densities will promote the provision of what are generally more affordable multi-family housing units. The City could also encourage the provision of smaller units by basing development costs on square footage rather than number of units 10. Permitting smaller units is a viable approach to creating affordable housing for singles, however, could work against the need for affordable housing for families.

6. Allowing smaller lot sizes

Infill development, or allowing subdivision of larger single family lots to provide for additional housing units in existing single family residential areas, has proven to be a popular tool for providing additional housing in BC municipalities. It works well in municipalities with larger single family lots, and is worth while considering in the City of Langley context. Typically the lot has to be a certain size to be eligible for subdivision. The City of Surrey requires minimum lot sizes of 320 square metres. Encouraging smaller lot size does not

⁸ In Whistler, fees are charged at a rate of \$10.40/square foot for commercial establishments; \$2.02 for industrial development and \$1,116 per guest room in tourist accommodation

⁹ The higher fees apply in the downtown core, and for larger residential projects that involve the demolition of

existing affordable housing .

10 Both the City of Vancouver and the City of Richmond base development cost levies on square footage rather than per unit..

provide housing for low income households, but can provide additional housing supply for moderate income families seeking to purchase a home.

7. Affordable housing strategy

Many municipalities in British Columbia either have affordable housing strategies or are in the process of developing them. The City of Langley, like these other municipalities, will benefit from a strategy that explores the various options available, evaluating them for their usefulness in the City of Langley context, and selecting the approaches that will work best in the City of Langley. Currently, Delta and Maple Ridge have affordable housing strategies.

8. Mandated commitments in OCP, housing policy

The BC Housing Policy Branch periodically surveys BC municipalities to see what approaches they are taking to encourage the provision of affordable housing. In 2004, the Housing Policy Branch found that 51 local governments included housing policies in community planning documents, 49 of which were in Official Community Plans (OCPs). The Township of Langley, Surrey, Vancouver, Maple Ridge, and Abbotsford all commit to affordable housing in their OCPs. Official housing policies encourage the development of housing that meets the needs of communities, and guides decision making for municipal planners and Councils. The City of Langley has been, and continues to be, committed to the provision and protection of affordable housing. It is recommended that the City of Langley Council continue to affirm their commitment to affordable housing in their Official Community Plan updates.

9. Advocating and maintaining communication with senior levels of government

While municipal governments have taken a keen interest in provision of affordable housing, the resources they have to bring to the table are limited to municipal land and property tax income, and to a lesser extent, user fees and development cost charges. Without the involvement of senior governments, municipalities' ability to provide affordable housing is very limited. It is recommended that the City of Langley continue to work with other BC Municipalities to advocate for federal and provincial support for affordable housing initiatives.

10. Housing agreements to provide affordable housing units in new developments

Housing agreements provide local governments with a legally enforceable means of securing affordable housing over the long term. They are negotiated between the developer and the local government during the development review process. These agreements contain specific terms relating to issues such as the form of tenure, the groups that have access to the units, rent levels and management specifications. All housing agreements are filed and registered in the Land Titles Office. As a consequence, the terms of the agreement continue in force even if ownership of the land changes. Housing agreements are generally negotiated during the rezoning process, so have limited applicability in the City of Langley. However, where a developer has made a commitment to the provision of units of affordable housing, the City of

Langley should be using housing agreements to ensure the new housing units remain affordable.

11. Housing Funds

Affordable housing trust funds (or housing reserve funds) are funds created by municipalities or regional governments in order to provide a dedicated source of financial support for affordable housing in the community. Sources of funding can include property sales, property tax levies, gaming funds, development cost charges, a specific surcharge on new market units built, allocations from budget surpluses and corporate donations. Over time, housing funds can provide a significant source of funding for housing developments that benefit the community. The City of Surrey, for example, has used their fund to purchase land that they leased to a non-profit organization at nominal rates for supportive housing. Even relatively small communities have been able to build up housing funds: the community of Tofino has been able to build up a reserve fund for affordable housing through amenity contributions from developers over the past 4 years. Neighbouring municipalities that have established housing funds include the City of Vancouver, New Westminster and Surrey.

Municipalities have limited sources of revenue to contribute to trust funds (usually through contributions from developers and property owners). As part of its Regional Affordable Housing Strategy, Metro Vancouver proposes a regional Affordable Housing Fund, to be financed through contributions such as the property transfer tax. An earlier proposal for a regional housing levy was not supported by member municipalities. However, in the Capital Region, a regional housing trust fund was established in 2005, and 10 out of 13 municipalities in the region currently participate. Each municipality contributes to the fund in accordance with a formula based on residential and commercial assessments and number of households. Approximately \$900,000 is generated annually through the municipal contributions, and decisions on allocating the funds are made through a Housing Commission that is made up of representatives from each of the participating municipalities ¹¹. This fund has allowed the participating municipalities to leverage funds from senior levels of government for affordable housing in the Capital Region.

Under the Community Charter, BC municipalities have the authority to charge development cost charges (DCCs) and apply these levies to affordable housing ¹², but many are reluctant to do so, for fear that additional development costs will act as a disincentive to developers to build housing in their community. If the DCC charges are regional, there will be less danger that developers will avoid working in particular municipalities to escape specialized fees. The City of Surrey applies a \$750 per residential unit rezoning charge, which goes into their Affordable Housing Fund. The City of Vancouver applies a charge based on floor area, assessed against both commercial and residential development, ranging from \$3 to \$14 a square foot, depending upon where the building is being constructed and the use of the

¹¹ Henry Kamphof, Capital Regional District Housing Secretariat, personal communication, October 27, 2008.

And, conversely, municipalities have the authority to waive development cost charges for projects that will provide affordable housing units.

building¹³.

12. **Demolition controls**

Demolition controls are not widely used in BC but are often used in Ontario. Vancouver, Richmond and Delta apply demolition controls for rental housing, and Langley Township, Maple Ridge, Abbotsford, the City of Coquitlam and Penticton have development controls for redevelopment of mobile home parks.

Council approval of Demolition Permits

The Cities of Vancouver and Toronto control demolition of affordable housing units in certain areas of their Cities by requiring council approval for the issuance of demolition permits in those areas. The City of Vancouver requires Council approval for demolition of Single Room Occupancy units (SROs), and gives Council the authority to impose conditions upon the demolition, including a charge of up to \$5,000 per unit lost. Property owners who want to demolish an existing building are required to apply for a demolition permit. In designated demolition control areas, it is up to Council's discretion whether or not to issue the demolition permit. Some of the conditions that are applied before the permit will be issued can include one-to one replacement of rental units, relocation assistance for existing tenants equivalent to two months rent, and a requirement to offer the new units to the tenants for purchase (also known as "right of first refusal". In Toronto, there are a few cases where the developer was required to rent the new units to the existing tenants at their current rental rate for a period of time ranging from a few months to two years.

When BC Housing took over operation of Marie Gomes Place in Vancouver, they determined that the cost of repairs was well over 25% of the replacement value of the building, and could end up exceeding the replacement value. The City of Vancouver agreed to permit demolition of the building, with the condition that the DERA Housing Society and BC Housing relocate the tenants into other affordable housing units. Should Langley City Council decide they want to control demolitions of affordable rental units, they could adopt the 25% as a benchmark to evaluate the condition of the building. If the repairs are less than 25% of replacement value, they could withhold approval of a demolition permit and request that the landlord carry out the necessary repairs. If the repairs exceed 25% of replacement value, they would likely approve the demolition permit, on condition that tenant relocation assistance be provided.

In Australia, a more complex process is followed. The Department of Urban Affairs and Planning undertakes a financial viability assessment of boarding houses and other low rent buildings to determine whether or not they will allow the buildings to be demolished.

The City of Toronto adopted a Residential Rental Property Demolition and Conversion Control Bylaw in 2007 (http://www.toronto.ca/legdocs/bylaws/2007/law0885.pdf.) Property owners cannot demolish a building without a permit, and conditions that may be imposed on the approval of the application may include requirements to replace the rental units with

¹³ The higher fees are applied to multi-family residential in the downtown core.

rental units at similar rents, and for tenant relocation and other assistance, including the right to return to the replacement rental housing.

Some sort of demolition controls could be applied in the City of Langley, because the current stock of affordable rental housing is aging, and is coming under intense redevelopment pressure. While some of the older housing complexes may need to be replaced, tenant relocation policies can ensure that the developer provides relocation assistance for displaced tenants. Council can adopt a demolition policy that encourages owners of properties that are still in good shape to retain those properties.

Demolition Charges

Some municipalities charge a fee per unit demolished, and usually these fees go into an affordable housing fund. In some cases, a municipality will return the unit fees back to the developer for every affordable unit created. As discussed above, the City of Vancouver can charge up to \$5000 per SRO unit demolished in the City. The City of Toronto applies a base fee of \$5000 for a demolition permit, plus \$200 per unit.

Tenant Relocation Assistance

While Canadian municipal Tenant Relocation Policies do not specify the maximum compensation to be awarded, relocation assistance in the USA has ranged from \$500 per household, to 6 months rent. This is over and above compensation that is required under the Residential Tenancy Act or the Mobile Home Tenancy Act¹⁴.

In Vancouver, tenants evicted from residential units as a result of redevelopment in an area covered by the City's rate of change policy receive right of first refusal to the new units, plus moving expenses and up to two months free rent. In Toronto, tenants being evicted due to renovations or redevelopment must receive at least 120 days notice, and will receive either a payment equivalent to three months rent OR offer of another rental unit acceptable to the displaced tenant.

Most BC examples of tenant relocation assistance involve mobile home parks, where it can be argued that the tenant's face hardships beyond renters of apartment units. In recognition of the difficulties faced by tenants facing eviction from a mobile home park, the Mobile Home Park Tenancy Act (MHPTA) requires a minimum of 1 years notice to tenants, plus a payment equivalent to twelve months pad rental. Municipalities such as Abbotsford, Coquitlam and Maple Ridge have introduced policies that exceed the requirements of the MHPTA.

In Maple Ridge, developers of existing mobile home parks need to provide 2 years notice to the park's tenants, as well as \$10,000 in relocation assistance. In 2006, the City of Penticton adopted a policy that required owners of mobile home parks slated for redevelopment to

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¹⁴The Residential Tenancy Act requires the landlord to give the tenant X months notice, or . The Mobile Home Tenancy Act requires a minimum of 12 months notice plus relocation assistance equivalent to 12 months of pad rental.

develop relocation assistance plans for the tenants. Such plans could include compensation for tenants such as costs for moving their mobile home unit and costs associated with building code compliance when a home is relocated.

One To One Replacement Of Rental Units

Vancouver and Richmond require one-to-one replacement of rental units in certain areas. The Maple Ridge Mobile Home Park Policy requires provision of rental units where redevelopment includes residential. The District of North Vancouver effectively used policies in the Area Plan to require replacement of rental units when rezoning was not required.

13. Shared Equity/Resale Price Restrictions

Shared equity financing is an emerging as an effective model among community-minded developers and municipalities to provide affordable home ownership over the longer term. Under shared equity models, developers sell units to prospective buyers at a price that is below market but still allows the developer to receive a reasonable profit from the sale of the units. When purchasers decide to sell their units, they sell at below market rates based on a formula agreed upon at time of purchase. In this manner they are able to build some equity in their home, but the unit remains affordable to the next buyer. (They are essentially "sharing" the equity with the next purchaser.) The resale (and any ownership) restrictions are registered as covenants on Title. In the US, these are often called 'deed restricted' developments. One of the beauties of this model is that the units can become even more affordable (relative to market) over time. Existing models have generally involved partnerships, and have been utilized to create affordable workforce housing. The Verdant is a partnership between VanCity Enterprises and Simon Fraser University in Burnaby. SFU sold the land to VanCity at 50% of market value, and did the marketing of the units to its workforce, while VanCity reduced its profit from 12% to 6%. VanCity Enterprises has made its housing resale agreements for Dockside Green and Verdant available on the Metro Vancouver web site:

http://www.metrovancouver.org/planning/development/housingdiversity/Pages/default.aspx).

The Resort Municipality of Whistler has had resale restricted housing for its workforce since 1997. The covenants utilized to control the use and resale of these units are available at the following link: http://www.whistlerhousing.ca/?NmID=44.

The City of Langley can be open to opportunities to enter into partnerships that provide for shared equity ownership; however it is expected that these opportunities may be limited given the City's lack of land or financial resources to bring to the table. On the other hand, an organization like Kwantlen University could choose to enter into a shared equity arrangement with a developer without requiring a contribution from the City of Langley.

14. Waive DCCs for New Rental Accommodations

Waiving development cost charges is used to remove financial barriers in the application and development process. Some local governments waive or reduce the development cost charges for affordable housing, rental housing, seniors housing, care facilities, supportive housing and institutional buildings. Some local governments also waive building permit fees. The dilemma with this approach is that other tax payers (residential, commercial and industrial land owners) end up having to make up the difference in lost revenues.

Of 49 municipalities surveyed by SPARC BC in the summer of 2008, ten have waived development cost charges for projects including non-market housing, and seven are considering doing so. Waiving development cost charges appears to be popular in the Okanagan, with Kelowna, Vernon, Summerland, Peachland, Osoyoos and Armstrong all forgiving DCCs for affordable rental housing. In the Lower Mainland, Surrey has waived all development fees for two supportive housing projects that were approved by BC Housing in 2008.

The City of Langley's current DCC bylaw exempts institutional units from Development Cost Charges, so the Salvation Army's Gateway to Hope Emergency shelter and transition housing project did not have to pay development cost charges. The City of Langley could choose to forgive development charges or provide other cost offsets for below market rental housing as well, but generally speaking, the municipality could not offset the costs to an extent that will make it profitable for developers to provide affordable units. Therefore this is a less useful strategy for the City of Langley, but could be used in conjunction with other incentives.

15. Initiating Municipal Partnerships with Non-Profit Organizations

Partnerships allow groups with different types of expertise to develop holistic solutions to housing issues at a variety of scales. Local governments have formed partnerships with other local governments, groups and agencies in the community, health authorities and provincial agencies. Municipal partnerships with non-profit organizations can be entered into for the purposes of undertaking research (such as needs assessments), or for the actual building and management of affordable units.

Many municipalities have partnered with service organizations to create affordable housing task forces. These task forces have assessed local needs and issues, and have made recommendations to local and senior governments. The Revelstoke Housing committee has broad representation from service providers, and has been meeting since the mid-1990's to identify problems, provide advocacy and support education around housing issues for marginalized residents and low income earners.

Typically the role of municipalities in partnerships for the provision of affordable housing has involved bringing land to the table (see strategy 16 below). The District of North Vancouver partnered with the Zajac Foundation and the Norgate House Society to develop the Zajac Norgate House for seniors and people with disabilities. The District leased the municipally owned land to the non-profit organizations at below market value for the project.

The City of Burnaby purchased an existing 58 unit rental housing development under threat of demolition and leased it back to a housing co-operative for 60 years at 75% of market value.

The provincial government has recently entered into partnerships with municipalities to fund affordable housing, including the Cities of Vancouver and Surrey. The provincial government has required municipalities to contribute financially to these projects, typically through the provision of land.

The City of Langley is leasing municipal land to the Salvation Army for their Gateway to Hope Project for a dollar a year. The Gateway to Hope project will provide 30 emergency beds and 25 transitional housing units. This is an important component of the City of Langley's Affordable Housing Strategy, and the City has appropriately designated its limited supply of available land to address absolute homelessness in the community. Unfortunately, the City of Langley does not have additional suitable land available to provide additional affordable housing units.

While the City of Langley can continue to look for opportunities to enter into partnerships with both private and non-profit housing providers, the City has little land available to bring to the table and will have to find other ways of contributing to such partnerships. One way a municipality can provide support is through its planning expertise. The development of the Cool Waters non-profit housing complex in Port Alberni involved several committed community organizations and support from both the local and provincial governments. While many factors contributed to the success of this project, support from knowledgeable staff in the Port Alberni planning department was an important contribution.

16. Donating Land or Facilities or Leasing Land at Low or Below Market Rates

Recent changes in provincial legislation, including Bill 11-2008 and 27-2008, indicate that local governments will only be considered for provincial social housing funding if they contribute to the cost of providing social housing through nominal land lease charges, property tax exemptions, development cost charges and other fee reductions. The provincial commitment is to pay all costs to design and build supportive housing, including development and building permits, and consultant fees. In addition, the Province commits to arranging all capital and operating funding.

As discussed above, the City of Langley has leased land at below market rates to the Salvation Army for the Gateway to Hope emergency shelter and transition housing. While this is a good mechanism for providing emergency and affordable housing, the City of Langley does not have a supply of additional surplus land that they can use for similar types of partnerships in the future.

17. Standards of Maintenance Bylaws

Standards of maintenance bylaws can help ensure that rental apartment buildings, detached houses, secondary suites and condominiums meet basic standards of health, safety and comfort. Local governments are showing an interest in using standards of maintenance bylaws to ensure maintenance of the affordable housing stock in their community and protect

it from premature demolition. The City of Langley already has a standards of maintenance bylaw. The City of Langley can also encourage landlords to access the Residential Rehabilitation Funds available through Canadian Mortgage and Housing Corporation to upgrade existing housing stock.

18. Public-Private Partnerships

Municipalities can enter into partnerships with private or non-profit developers to build affordable housing. A partnership is a relationship between two or more parties where the parties invest resources (e.g. financial, materials, expertise or time) and share in the risks, responsibilities and benefits. Partnerships can be distinguished from the normal purchase of goods or a contract for services by the fact that each partner makes a contribution that would not normally be expected under an ordinary business transaction.

In Burnaby, City Club was developed through a partnership between the City, the developer, and the Community Living Society. The City provided a density bonus to the developer in exchange for providing 10 virtually free units to the Community Living Society. The Society, in turn, prepaid for their units as a loan to the developer. Other partners included MRS Trust that provided the financing, and CMHC that provided mortgage insurance.

In Meadow Lake, Saskatchewan, the Province, the Town of Meadow Lake and Meadow Lake Properties partnered to convert an empty school building into affordable housing units for 12 low income families.

CMHC's Canadian Centre for Public-Private Partnerships in Housing (CCPPPH) promotes and facilitates partnerships to increase the supply of affordable housing. The Centre gives advice on legal, financial and regulatory solutions, experiments with new financing and tenure agreements and disseminates information on successful practices. It provides business leads, interest-free Proposal Development (PDF) loans, and facilitates access to mortgage insurance to assist groups to access low-cost housing financing.

CMHC has also developed a *Guide to Affordable Housing Partnerships* which can be downloaded for free from http://www03.cmhc-schl.gc.ca/b2c/b2c/init.do?language=en can b

19. Exemptions from Parking Requirements.

Municipalities like the Cities of Burnaby, Surrey and North Vancouver have exempted affordable housing projects from parking requirements, particularly for seniors or special needs housing. In Surrey, this is done on a case by case basis, depending upon the type of tenants and the proximity to public transit¹⁵. The YWCA project for low income single mothers will be permitted a parking exemption, based on the rate of car ownership on other similar BC Housing projects in Metro Vancouver. For the addictions recovery project, no parking is required for the residents, but parking will be provided for staff and for visitors.

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¹⁵ However, specific parking standards for seniors' housing are currently being developed.

Parking exemptions can be an appropriate way to increase the affordability of housing units, when the provision of a parking space adds from \$30,000 on up to the cost of a unit. However, the City of Langley recently revised their parking requirements downward to increase general affordability. Furthermore, in an area like Langley that is not well served by public transit, most residents will continue to depend upon their vehicles and relaxing parking requirements further may not be appropriate at this time.

20. Fast Tracking Development Applications

Giving priority to, or fast-tracking, proposals that include affordable or special needs housing encourages developers to include these forms of tenure in their developments. Lengthy approval processes also add costs to developments. Fast-tracking is a method to reduce the time and cost, thereby creating opportunities for less costly housing. Because the City of Langley already has a very streamlined development application process, fast tracking is unlikely to add any significant incentive for developers to provide affordable housing.

21. Establishing Land/Housing Trusts

Land or housing trusts (also known as land banking) is a method of removing land and its associated dwelling units (rental or owned) from the open market. This can provide a stock of permanently affordable housing during a time of rapidly appreciating land prices. 'Land banking' or acquiring land for affordable housing has been used successfully by BC communities to ensure the provision of affordable housing for their residents. The City of North Vancouver has been able to negotiate for the provision of affordable housing units when municipal land has been made available for development, as a condition of the sale. The Town of Canmore has created a community housing corporation to administer an inventory of permanent affordable housing units. Detailed qualification requirements restrict those who can purchase a permanent affordable housing unit and restrict resale prices that ensure lower than-market selling prices over a long period of time. In some situations, like the Resort Municipality of Whistler, the purchaser is required to sell the unit back to the municipal housing authority at below-market based on a formula. The municipality then sells the unit to a qualified purchaser from a waiting list.

Land can be acquired from developers in exchange (for example) for density bonusing, donated, or purchased outright by the municipality. Dedicating land already owned by the municipality is one of the least costly options, so the municipalities that are in the best position to establish land trusts for housing are those that already own significant land that is suitable for housing. Again, the City of Langley has no surplus land available to contribute to a land trust, and limited options for obtaining land through development.

22. Establish a Municipal Housing Corporation

A non-profit housing corporation has the capacity to own land, manage finances, address community issues, do research, explore options, and act as a liaison or centre-point between the community-at-large, the municipality, provincial associations, senior governments, and other communities. It is 'arms-length' from municipal government and so can sometimes

make difficult decisions on behalf of the municipality. The Resort Municipality of Whistler established the Whistler Housing Authority in 1997 to manage its resident restricted housing. It will not be necessary for the City of Langley to establish a housing corporation until such time as it builds a stock of municipally owned land and/or housing.

23. Provide Direct Financial Assistance

Larger centres like the City of Vancouver and Burnaby have the capacity to provide direct financial commitment for affordable housing through staff positions like Social Planners/Housing Planners and/or direct capital grants. Some smaller communities provide staff time or direct operational funding for their housing corporations. Others provide tax incentives for the provision of secondary suites or affordable housing (such as permissive tax exemptions). However, it is very difficult for smaller communities to squeeze funds out of strapped municipal budgets that rely on a limited tax base for income. The City of Langley has very limited capacity to provide direct financial assistance to other groups.

24. Allow Mixed Commercial/Residential Use (Residential over Commercial)

Providing for rental units over commercial is one way of providing affordable housing in communities where the commercial district is undergoing revitalization, and it also adds to the vibrancy of the commercial areas. In Gibsons BC, an existing grocery store site was redeveloped to retain the grocery store, but add underground parking, additional commercial space and 11 townhouse units. The City of Langley Official Community Plan already encourages mixed use developments in the Downtown Commercial Area.

<u>Proposed Affordable Housing Strategy for the City</u> <u>of Langley</u>

The remainder of this report presents potential affordable housing actions for City of Langley, and provides some discussion on the housing targets for the City that have been proposed by Metro Vancouver. The potential actions and targets were initially reviewed with Langley City Council on July 28, 2008. A further Council workshop on November 3rd provided City Council with the opportunity to further refine the potential strategies and determine an appropriate process for moving the *Affordable Housing Strategy* forward. At the November 3rd meeting, Council determined that they would receive the Strategy as a draft and engage key stakeholders in the community to review the proposed strategy prior to it being adopted by City Council, to ensure that the plan fits with the goals and aspirations of the community.

Proposed Strategy

The Strategy below is presented to City of Langley Council for discussion with key stakeholders. It presents the potential measures that appear to have the most utility in the City of Langley context. Council may want to implement a few priority strategies annually, as resources allow. Consultation with key stakeholders such as the Homeless Advisory Committee will help City Council determine community priorities.

See Appendix E for an overview of which of the City of Langley's neighbour municipalities have applied these 7 strategies. Details of the pros and cons of each strategy are provided in the following pages.

1. Policy Development and Implementation

a. Ensure affordable and special needs housing objectives and policies are included in the Official Community Plan, the Downtown Master Plan, regional context statements and any housing action plans.

2. Advocacy

- a. Advocate for the municipality's housing issues and needs to public and senior governments.
- b. Lobby senior governments to develop tax incentives for the creation of purpose-built affordable rental housing.
- c. Support senior government initiatives that enable municipalities to better provide for affordable housing activities such as providing grants and other financial incentives, and tax benefits or reductions.
- d. Participate in and support regional and provincial housing initiatives
- e. Support Metro Vancouver's proposal to establish a regional affordable housing fund, to be financed from sources such as the provincial property tax revenue.

- 3. Protect tenants of existing rental housing
 - a. Require developers to give existing tenants the first opportunity to purchase or rent one of the new units in the redevelopment.
 - b. Require developers to provide tenant relocation assistance (offer of a replacement unit or the equivalent of up to two months rent).
 - c. Support the retention of existing affordable market rental units by continuing to restrict conversion of existing rental units to strata tenure.
 - d. Work with landlords and support them to upgrade existing affordable rental suites and access CMHC's Rental Residential Rehabilitation Assistance Program for upgrades to existing suites (Rental RRAP up to \$24,000 per unit). See Appendix D for a description of the RRAP programs.
- 4. Continue to support the provision of affordable rental housing through policies and programs that support secondary suites in Single Family Areas
 - a. Continue to support the development of secondary suites in existing Single Family homes.
 - b. Encourage new detached homes to be built as "secondary suite ready".
 - c. Host a CMHC Secondary suite workshop for homeowners to encourage them to develop affordable suites for seniors and people with disabilities.
- 5. Encourage the provision of new affordable units
 - a. Work with the development community, non-profit housing providers and health authorities to build seniors' and other special needs housing with support services.
- 6. Promote affordable home ownership
 - a. Encourage developers to support of modified ownership options such as equity co-operatives or shared equity residential projects.
 - b. Continue to support infill development and small lot subdivision.
- 7. Set housing targets.
 - a. Adopt the housing targets proposed by Metro Vancouver in their September 2008 Growth Strategy (Draft).

DISCUSSION OF PROPOSED STRATEGIES

- 1. Policy Development and Implementation
 - a. Ensure affordable and special needs housing objectives and policies are included in the Official Community Plan, the Downtown Master Plan, regional context statements and any housing action plans.

Pros: Provides guidance for Council and staff when making land use and housing decisions. Including housing policies in the OCP ensures that housing goals are integrated with other planning goals.

Cons: Very few. Housing Advocacy groups could use these policies to try and put pressure on Council to support specific initiatives.

Used by: Township of Langley City of Vancouver, Surrey, Maple Ridge, Abbotsford, and many others. Some municipalities have chosen to keep housing policies in a separate Housing Strategy.

2. Advocacy

- a. Advocate for the municipality's housing issues and needs to public and senior governments.
- b. Lobby senior governments to develop tax incentives for the creation of purpose-built affordable rental housing.
- c. Support senior government initiatives that enable municipalities to better provide for affordable housing activities such as providing grants and other financial incentives, and tax benefits or reductions.
- d. Participate in and support regional and provincial housing initiatives
- e. Support Metro Vancouver's proposal to establish a regional affordable housing fund, to be financed from sources such as the provincial property tax revenue.

Pros: It is virtually impossible for smaller municipalities to provide any significant number of affordable housing units without support from senior levels of government. Previous lobbying efforts by municipalities, the public and public interest groups appear to have been effective in encouraging both the federal and provincial governments to support housing initiatives. There appears to be significant support from the public for affordable housing initiatives at this time.

Cons: Lobbying efforts can be time intensive, vary in effectiveness, and results are not always apparent.

Used by: Union of BC Municipalities. Most municipalities in BC have advocated to senior governments on at least one of these issues, including the Township of Langley, Surrey, Delta, New Westminster, Vancouver, Pitt Meadows, Abbotsford and Burnaby.

Regional Affordable Housing Fund

Proposed sources of income for the AHF can include property transfer taxes and financial transfers from the provincial and federal governments. The concept of a regional levy incorporated into development cost charges or demolition fees was rejected by most of the Metro Vancouver municipalities (although initially supported by the City of Richmond).

Pros: A regional fund would be able to focus affordable housing where it is most needed in the region, including smaller municipalities who would not be able to collect sufficient funds on their own to provide any significant amount of housing. A regional fund could be used to encourage municipalities to support affordable housing projects, through financial incentives.

Cons: Several Metro Vancouver municipalities opposed the imposition of a regional levy, as they prefer to manage their own affordable housing funds as they see fit. Therefore other sources of funding would need to be found.

Used by: Proposed by Metro Vancouver in their Regional Affordable Housing Strategy.

In response to opposition by many of their member municipalities, Metro Vancouver dropped the proposal that funds for the RAHF come from a regional development levy. Municipalities expressed some support for a Regional Affordable Housing Fund, but wish to have input into how this fund is structured and sources of funding.

Of note is the fact that several municipalities have their own Affordable Housing Funds, most funded through developers' fees. Municipalities with AHFs include Vancouver, Surrey, Richmond, North Vancouver City, Coquitlam, and Burnaby.

3. Protect tenants of existing rental housing

- a. Require developers to give existing tenants the first opportunity to purchase or rent one of the new units in the redevelopment.
- b. Require developers to provide tenant relocation assistance (offer of a replacement unit or the equivalent of up to two months rent).
- c. Support the retention of existing affordable market rental units by continuing to restrict conversion of existing rental units to strata tenure.
- d. Work with landlords and support them to upgrade existing affordable rental suites and access CMHC's Rental Residential Rehabilitation Assistance Program for upgrades to existing suites (Rental RRAP up to \$24,000 per unit). See Appendix D for a description of the RRAP programs.

a) Give existing tenants the first opportunity to purchase/rent the new unit.

Pros: Can protect tenants of older (affordable) rental stock.

Cons: This strategy is most effective when rezoning is necessary, although the District of North Vancouver effectively used policies in the Area Plan to require replacement of rental

units when rezoning was not required. As part of the agreement, the existing tenants were given the opportunity to purchase or rent in the new development. However, these were much more expensive than the existing units they replaced, so low income tenants were still displaced.

Used by: Vancouver, North Vancouver District, Delta, Richmond, Kelowna, and Golden. Under consideration by Abbotsford

b) Tenant relocation assistance:

Pros: Where it is advisable to permit demolition, relocation assistance can mitigate the impacts on existing tenants. If the property owner has other rental properties in the community, relocation assistance can work very well, as the owner can offer tenants spaces in their existing buildings. There are also opportunities for the developer and property owner to work with other landlords in the City for the mutual benefit of the landlords and the displaced tenants.

Cons: Unless subsidized rental units are included as part of the redevelopment, existing tenants may not be able to afford the new units. While relocation assistance can help cover the actual costs of moving, tenants are going to have difficulty finding rental units at rents comparable to their existing units. Relocation assistance can help mitigate the impact of redevelopment on existing tenants, but does not address the overall need to maintain an adequate stock of affordable rental in the community.

Used by: _The Cities of Toronto and Vancouver. The Township of Langley, Maple Ridge, Vernon and Abbotsford require tenant relocation assistance for tenants of mobile home parks over and above the assistance required under the Mobile Home Park Tenancy Act

c) Support the retention of existing affordable market rental units by continuing to restrict conversion of existing rental units to strata tenure

Pros: Preserves rental stock.

Cons: Does not protect units that are already strata titled.

Used by: More than 22 BC municipalities, including City of Langley, Surrey, Vancouver, Maple Ridge and Abbotsford.

d) Work with landlords and support them to upgrade existing affordable rental suites and access Canada Mortgage and Housing Corporation's Rental Residential Rehabilitation Assistance Program for upgrades to existing suites

Pros: This strategy supports landlords to access federal dollars for repairs and upgrades. Up to \$24,000 per unit is available through CMHC's Rental RRAP Program, and it does not require a municipal contribution. It can help extend the life of existing affordable housing, and ensure that existing tenants are living in safe conditions.

Cons: Funds are available only for health and safety issues.

Used by: Cities of Abbotsford and Burnaby

4. Continue to support the provision of affordable rental housing through policies and programs that support secondary suites in Single Family Areas

- a. Continue to support the development of secondary suites in existing Single Family homes.
- b. Encourage new detached homes to be built as "secondary suite ready".
- c. Host a CMHC Secondary suite workshop for homeowners to encourage them to develop affordable suites for seniors and people with disabilities.

Pros: A good way to provide affordable housing without the need for financial contributions from the City. Preserves single family neighbourhoods, and provides affordable home ownership as well as affordable rental for families and singles.

Cons: Some suites are built without appropriate permits and may not be safe (but these will be built in absence of a supportive secondary suite policy anyway). Secondary suites can create additional traffic in existing single family areas (and also parking, if an additional onsite parking is not a requirement). If fees are too high, they can add to the cost of the secondary suites for the tenants, making them less affordable.

Used by: Most municipalities in BC, including Township of Langley, Surrey, New Westminster, Vancouver, and Abbotsford.

- 5. Encourage the provision of new affordable units
 - a. Work with the development community, non-profit housing providers and health authorities to build seniors' and other special needs housing with support services.

Pros: While municipal financial and land contributions are helpful, the City can also support the provision of special needs and supportive housing through helping proponents find appropriate sites, and providing planning and developing support and advice. Many municipalities expedite affordable housing applications, which saves developers money, but because the City of Langley has such a quick development process, this has less applicability here.

Cons: Depends upon the actions of other partners.

Used by: City of North Vancouver, Vancouver, Port Alberni, Burnaby, Richmond, Surrey, New Westminster, City of Langley (Gateway to Hope). Municipalities that expedite affordable housing applications include Burnaby, North Vancouver District, Surrey, Vernon,

Abbotsford and Squamish.

6. Promote affordable home ownership

a. Encourage developers to support of modified ownership options such as equity co-operatives or shared equity residential projects.

Pros: Shared equity is proving to be a popular model with developers and financial institutions. Developers appear to be willing to reduce their profits to make these projects work. If the housing agreements are appropriately structured with resale restrictions, the affordability of the units is protected over time. Depending upon how the resale price is structured, the affordability of the units will actually increase over time. This can work very well in rising markets, because even if the initial subsidy is quite small and the units sell at or just below market value, the value of the subsidy can increase over time as market values rise. This model can also work without municipal contributions, if partners (the developer and the land owner, for example) are willing to make contributions to the project through a reduction in the size of their profit.

Cons: If the municipality does not have resources to bring to the table, there may be little incentive for developers to reduce their share of the profits. Some models tie resale value to a proportion of market value; if market values rise rapidly, the shared equity units will not be affordable to low income households, even if they are priced below market.

Used by: Burnaby, Victoria, Whistler, Kelowna, Vernon, Terrace, Sechelt, Squamish, Langford, Golden.

Modified ownership options are quite new in the Metro Vancouver region, but are receiving a lot of support. Simon Fraser University partnered with VanCity Enterprises to develop Verdant in Burnaby, while VanCity partnered with the City of Victoria to develop Dockside Green. The Resort Community of Whistler was a pioneer in shared equity, as they have been providing employee restricted housing using this model since 1997.

b. Continue to support infill development and small lot subdivision.

Pros: Generally can be built using existing infrastructure, protects single family neighbourhoods, generally well accepted by the public.

Cons: Increased densities in existing single family neighbourhoods increases traffic volumes on residential streets. In sellers markets, the homes on smaller lots may still sell at high prices, with little impact on affordable home ownership.

Used by: Vancouver, Richmond, Kelowna, Coquitlam, Burnaby, North Vancouver City and District, and many others.

7. Set housing targets

a. Adopt the housing targets proposed by Metro Vancouver in their September 2008 Growth Strategy (Draft).

Pros: The preliminary affordable housing targets that have been put forward by Metro Vancouver are based on current need and projected future need, and these targets are supported by solid research. The biggest benefit to these targets is that they put subtle pressure on municipalities that have not been as supportive of affordable housing initiatives to date. It is useful to set targets based on need, even if they are beyond the ability of the City to achieve these targets on their own, because these targets can be used to lobby senior governments for adequate funding for affordable housing.

Cons: The ability to achieve targets is dependent upon many factors, including funding from senior levels of governments. Currently, the provincial government is providing funding for affordable housing, but is expecting significant contributions from recipient municipalities (most often in the form of land). The danger is that lack of necessary outside supports will mean that targets that are set will not be met, which could reflect negatively on the City of Langley.

Used by: Metro Vancouver set regional and sub regional targets for affordable housing in the 2007 Metro Vancouver Affordable Housing Strategy, and further broke these targets down into municipal targets in the Draft Growth Strategy (September 2008). Metro Vancouver member municipalities are expected to respond by either adopting these targets or rejecting them and coming up with their own targets. Some municipalities like the City of Vancouver have housing targets that pre-date the Metro Vancouver AHS. It is expected that most Metro Vancouver municipalities will adopt targets in the near future.

Setting Housing Targets for the City of Langley

There is no "right" way to set housing targets for a municipality. It is beyond the means of most (if not all) municipalities to provide sufficient subsidized housing to ensure that all low income residents in their community are able to find accommodation that is affordable (that is, shelter that costs no more than 30% of gross household income). With limited sources of revenue and current levels of support from the provincial and federal governments, municipalities have limited means to meet any kind of non-market housing targets. However, Metro Vancouver's Preliminary Housing Targets (Metro Vancouver, March 2008) aim to reduce the number of households in core need in the Metro Vancouver Region by 50% over the next ten years.

In February 2009, Metro Vancouver set ten year housing targets that would see 225 additional units of social housing, and 275 additional units of "affordable rental housing" in

28

 $^{^{16}}$ Housing that will require 30% or less of household income, for households that make between 50% and 80% of the median income for the region.

the City of Langley, as well as 200 moderately priced units¹⁷ An additional 200 units of market rental would also be needed. The Metro Vancouver Housing targets are based on a projected increase of 17,000 households per year in the Metro Vancouver region, assuming a housing mix of 65% ownership and 35% rental, with 45% of the rental stock designated rental¹⁸, and a target of 28% of all designated rental to be "affordable" rental units.

Metro Vancouver has set affordable rents in the Metro Vancouver region at \$735 to \$1,175 per month. The lower range (\$735) is based on households with low incomes (less than 50% of the regional median income, or annual incomes below \$29,400). The high end of the range (\$1175) is based on households with low to moderate incomes (those with incomes below 80% of median regional income, or incomes between \$29,400 and \$47,000).

Currently the City of Langley provides the highest ratio of subsidized units per capita in the Metro Vancouver region, while the Township of Langley has one of the lowest ratios of subsidized units per capita¹⁹.

The Metro Vancouver Housing targets employ a needs based formula, and provide a reasonable target for the City of Langley to aim for. It also recognizes the City of Langley's existing inventory of affordable housing, and its small size relative to neighbouring municipalities. However, without the financial support of senior governments, it will be very difficult to achieve the targets for subsidized and non-market rental units. Langley City Council may choose to adopt the targets set by Metro Vancouver, or may wish to set their own targets. It is recommended that Langley adopt the Metro Vancouver targets as outlined below.

ociow.				
Table 4 – Metro Vancouver 10 year Housing Targets				
	(num	ber of units)		
	Subsidized Non-market		Low end of	TOTAL
	Housing	rental	Market rental	
City of Langley	225	275	200	700
Township of Langley	1,750	2,150	1,600	5,550
Surrey	5,700	6,900	5,100	17,700
Delta	600	800	500	1900
New Westminster	700	800	600	2100
Maple Ridge	740	960	650	2350
Pitt Meadows	100	150	100	350
City of Vancouver	2800	3300	2500	8600

Source: Metro Vancouver, Our Livable Region 2040: Metro Vancouver's Growth Strategy, February 2009

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 $^{^{17}}$ Housing that will require 30% or less of household income, for households that make 80% of the median income for the region.

¹⁸ The remaining rental stock will be provided through the secondary market; that is, strata titled units that are rented out by their owners.

¹⁹ The Villages of Lions Bay, Anmore and Belcarra, all smaller communities, do not have any subsidized units.

²¹ Developers are required to build one rental unit for each rental unit they are demolishing.

In addition to setting targets for new affordable housing, the City of Langley Council will likely want to set targets for the retention of existing affordable rental housing. Discussions with City staff revealed that not all of the existing stock may be suitable for retention and/or renovation. While other municipalities have introduced a one-to-one replacement policy²¹, there are particular challenges for the City of Langley, in that the owners of existing rental properties already have the zoning they need to redevelop their properties, leaving City Council with little room to negotiate with developers.

Conclusion

The City of Langley has shown considerable leadership in supporting social services in the community. Developing and implementing an action plan for retaining and promoting affordable rental housing in Langley will ensure that the City of Langley remains a leader in this area, and that the quality of life in the City of Langley remains high.

While the proposed Affordable Housing Strategy for the City of Langley looks at housing needs over the next ten years, City Council is also considering the longer term implications of rising energy prices, global warming and the need for a sustainable future on housing needs. The City of Langley may be particularly well placed to deal with the impacts of both of these crises, in cooperation with the surrounding agricultural communities, because the City is a relatively compact community, surrounded by viable farm land. Challenges that will need to be addressed will include protection of adequate farm land to ensure availability of local food, effective public transportation, and the provision of housing that is both affordable and energy efficient..

The City of Langley has the opportunity to plan for a socially, economically and environmentally sustainable future that will remain viable far into the future. Maintaining a stock of affordable housing is one key component of that sustainable future. The City can also promote the use of voluntary standards for adaptable design²² when new multi-family units are being developed.

The following Affordable Housing Strategy is being presented to the City of Langley as a framework for discussion with key stakeholders, prior to final adoption of an Affordable Housing Strategy. Over the next 3 to 6 months, the City of Langley can meet with stakeholders such as the local MPs, MLAs, landlords, property owners, developers, tenants, and providers of affordable housing to review these strategies and confirm whether these strategies are the right ones for the City of Langley, and to work out the details. In the case of proposed community amenity charges, further exploration will be required to assess the desirability of introducing a CAC for affordable housing.

²² Adaptable housing units are designed so that they can easily be adapted at a later stage if the occupant becomes disabled. For example, reinforced bathroom walls allow for the installation of grab bars, while doorways that are 3 feet wide allow passage of a wheelchair without requiring expensive retrofitting.

TABLE 5. PROPOSED AFFORDABLE HOUSING STRATEGY FOR THE CITY OF LANGLEY				
1. Include commitment to affordable housing in OCP, housing plan and/or policies				
2. Advocate to senior levels of government for additional funding/housing programs				
3. Protect existing rental housing and tenants				
a) Right of first refusal to existing tenants for new units				
b) Relocation Assistance				
c) Keep current conversion control policies				
d) Encourage use of RRAP to repair units				
4. Continue to encourage secondary suites in Single Family areas				
5. Encourage development of new affordable units				
a) Initiate partnerships with government, non-profits, and developers				
6. Promote affordable home ownership				
a) Shared Equity/Resale price restrictions				
b) Infill development/smaller lot sizes				
7. Set targets for below market/rental housing				
b) Adopt Metro Vancouver ten year housing targets:				
a. 225 units social housing				
b. 275 units below-market rental housing				
c. 200 units low end of market rental housing				

Appendix A: Literature Review

This literature review is intended to assist Council in identifying the existing housing issues in the community, as well as to provide background about the scope of existing issues and potential solutions or ideas that might contribute to addressing those issues. To the extent possible, the literature review also seeks to identify existing capacity in the community.

The first section of the literature review addresses the above considerations and is specific to the Langley context. Section two provides an overview of the approaches taken in developing affordable housing strategies in other municipalities in BC, other parts of Canada, and internationally.

Literature Review Exploring the Langley Context

City of Langley (2004). "Report to Director of Development Services: Statistical Indicators for Social Planning – City of Langley in GVRD Context." November 15.

For informational purposes only, this report identifies demographic statistics that may indicate a presence of socio-economically disadvantaged communities in Langley. The City of Langley ranks at the top of the following potential indicators for need of social services within the population:

- Lone parent families (21.1% in City of Langley, 15.3% GVRD)
- Income derived from government transfer payments (13.2% in City of Langley, 9.6% GVRD)
- Incidence of low income individuals (43.3% in City of Langley, 39.8% GVRD)
- Population aged 20 years and over without high school diploma (22.4% in Langley, 14.7% GVRD)

The City of Langley also ranked higher than the Metro Vancouver average on the following indicators: incidence of low income families; percentage of persons living alone, percentage of total population over 65 years; and percentage of total population aged five and over that lived at a different address five years earlier.

The report also identifies the potential social service implications of the census statistics outlined in the report, as well as the affected social service agencies and government department related to the indicators.

City of Langley (2006). "Affordable Housing: What are we Doing?"

This document outlines six areas in which the City of Langley is acting to ensure the existence of adequate affordable housing in the city. The Official Community Plan designates large areas around the downtown core, currently zoned as single family residential, for multifamily residential development. In 2006, City Council adopted a secondary suites bylaw and is waiving all applicable permit fees until January 2008. The

2001 Census indicates that the City of Langley had the fifth highest proportion of rental housing within the Metro Vancouver area and since the 1970s the City has had restrictive policies on the conversion of rental housing units to condominium tenure. The policies have prevented the conversion of any rental housing stock in the last 25 years. The City has the second highest proportion of social housing units in the GVRD. Through cooperation with other government and not-for-profit societies, 112 new social housing units have been built in the community. Since this report was completed, the City has provided municipal land to the Salvation Army for a dollar a year for a homeless shelter called "Gateway to Hope". In 2007 the zoning and development application for the shelter was approved by City Council

Ipsos Reid Public Affairs (2007). "2007 Community Survey." Report for the City of Langley.

The first public opinion survey for the City of Langley in three years, the results show very strong overall perceptions towards the community and the City. However, the results are not as favourable as in 2004. Quality of life is seen to have taken a "downward turn" in the last several years. The top issues to emerge from the survey are as follows:

- Transportation (30%)
 - Congestion, condition of the streets/sidewalks, and public transit
- Social issues (30%)
 - Poverty and homelessness
- Crime and personal safety (21%)
 - 54% feel less safe in their community than five years ago

Perceptions of issues are also an important consideration in social planning. At a two to one ratio, citizens would rather see an increase to taxes than a cut in municipal services. There is a lack of understanding about the City's casino proceeds policy, but the pollsters concluded that most citizens would be inclined to support the policy if they knew more about it.

SPARC BC (2007) City of Langley Social Plan

In 2007, SPARC BC completed a social plan for the City of Langley. Based on a series of community workshops and key informant interviews, 10 priority areas were identified for the Social Plan. Of those 10 priorities, three fell within the theme of housing needs

- 1. affordable housing;
- 2. homelessness; and
- 3. second stage housing.

A 4th priority, detox and residential treatment, has a housing component.

The following strategies were developed in the area of Housing as part of the Social Plan:

Social Service Element	Short Term (1 to 3 years)	Long Term (3+ years)
Affordable Housing	Develop an Affordable Housing Strategy once Metro Vancouver releases their affordable housing targets	Continue to champion the creation of low cost housing
	Develop strategies to mitigate loss of low end market housing Promote homelessness prevention	Explore tax and DCC breaks for affordable housing
	strategies Continue to encourage legalization of secondary suites	
	Advocate to senior governments for increases to rent supplements and housing allowances	
Second Stage Housing	Develop partnerships with community groups to address housing issues	Explore tax and DCC breaks for second stage housing
	Advocate to funders for second stage housing Engage business community to	
	support affordable and second stage housing	
Homelessness	Support the 'Gateway of Hope' project or an equivalent shelter projec ²³ t	Adopt policy affirming City's role in engaging with the community on social issues
	Continue to Participate in Homeless Steering Committee	Continue an ongoing dialogue with the community on social issues
	Advocate for services for those who are homeless or at risk	
	Support volunteer recruitment for extreme weather beds	
Detox and Residential Treatment	Work with the Health Authority, community social service agencies and neighbouring municipalities to determine needs	Work with the province, neighbouring communities, local agencies and the community to find sites and develop appropriate services
	Partner with neighbouring municipalities to advocate for provision of services in the region	

²³ The Gateway of Hope project has since been approved by the City, providing 30 emergency shelter beds and 25 transitional housing units.

City of Langley, (May 2008) "Report to CAO on Multiple Family Residential Densification"

This report by the Director of Development Services made recommendations for amendments to the OCP and the Zoning Bylaw that would allow for increased maximum densities for RM2 (medium density residential) RM3 (high density residential) and C1 (downtown commercial). A community amenity contribution of \$500 per dwelling unit will be used to provide amenities such as parks, civic plazas and recreational facilities. The increased densities will allow for development of a compact downtown consistent with the Metro Vancouver's Liveable Region Strategic Plan, support housing diversity and affordability, provide sufficient densities for improvements to public transit, and promote revitalization of the downtown core.

SPARC BC (pending) 2008 Metro Vancouver Homeless Count , Metro Vancouver Regional Steering Committee on Homelessness

The most recent report on homelessness in the Metro Vancouver Region, the 2008 Count showed a 22% increase in the numbers of homeless in the Metro Vancouver Region since 2005. Virtually all of the increase occurred in the unsheltered/street/service homeless (that is, people found living outside, couch surfing, or in other tenuous arrangements, but not in emergency housing), representing a 40% increase in the street homeless over 2005. Eighty homeless people were found in Langley City and Township on March 11, 2008, including 8 in emergency shelter beds. In 2005, 2 sheltered homeless were counted and 52 additional homeless people were enumerated during the day time portion of the count (see Jim Woodward and Associates (2005).

Jim Woodward and Associates (2005). "Report to Langley City Council on Homelessness in Langley in 2005 and Recommended Action Plan." *Confidential and not for public release*.

The report on homelessness in Langley is comprised of an overview of the 2005 regional homeless count results and reviews local reports that had recently been completed on homelessness in Langley. It also provides examples of initiatives related to addressing homelessness in other municipalities in the region. Based on the information outlined in the report, the authors develop an action plan centred on four recommendations.

The nighttime portion of the homeless count enumerated two sheltered individuals in the Township and City of Langley, while the daytime counted recorded 52 people. Nearly half of respondents indicated that their last permanent home was outside of Langley, but elsewhere in the GVRD 11 respondents indicated that their last permanent home was in Langley. The overall numbers from the 2005 homeless count represent a significant increase in the homeless population in the Langleys. The recommendations contribute to both building capacity to address homelessness in Langley and building planning capacity to determine how to address homelessness. They are as follows:

- That the City of Langley support and assist the Langley Homeless Steering Committee and the Salvation Army with their efforts to identify an appropriate location for an emergency shelter/transitional housing facility in the City.
- That the City of Langley embark on a homeless priority-setting initiative with the Township of Langley and the Langley Homeless Steering Committee.
- The City of Langley continue to actively participate in and support the work of the Langley Homeless Steering Committee
- That the City of Langley consider adopting the Communities in Action program to support building close working partnerships with community organizations particularly with continuing efforts to address homelessness in the City.

Jim Woodward and Associates (2002). "Langley Study on Homelessness and Action Plan." The Langley Stepping Stone Rehabilitative Society.

Although GVRD 2002 homeless count figures indicated that the homeless population in Langley is relatively low (10 sheltered homeless and 7 absolute homeless), anecdotal evidence suggests that the figure is considerably higher. Although not generalizable, the data emerging from seven interviews with formerly homeless individuals is interesting. Interview participants indicate that relationship breakdowns, mental health issues and poverty were the most frequent triggers contributing to homelessness. A minority of interview participants sought help prior to becoming homeless, but once homeless they indicated a number of barriers to receiving help: pride, lack of awareness of service available, drugs and alcohol and low self-esteem.

The homelessness study and action plan also overviews the demographic make-up of the City of Langley, which indicates that there is a relatively large seniors' population and a relatively low level of ethno-cultural diversity. The study also indicates that 9.2% of households in the City of Langley are at-risk of becoming homeless and looks at types of households that comprise the at-risk population. In the City of Langley, 67% of at-risk households have a female primary maintainer, which is a contrast to the Township of Langley and the GVRD overall where 55% of primary maintainers are male.

Using the "three ways to home" framework adopted by the Regional Homeless Plan for Greater Vancouver, the study looks at Langley housing continuum, its income security measures and the nature of its support services.

The action plan outlines several recommendations for addressing homelessness in Langley:

- The development of 4-5 cold/wet weather barrier-free beds
- Service and housing providers assess the needs of the frail elderly, individuals with serious and persistent mental illness and others with disabilities to determine the gaps in assisted and supported housing.
- Langley Stepping Stone Rehabilitative Society to develop a proposal for supportive housing to accommodate mental health consumers
- City of Langley to create an affordable housing reserve fund

- City of Langley to continue to advise the provincial and federal governments of the ongoing need for affordable rental housing for families
- City of Langley to consider legalizing secondary suites
- Langley Youth Resource Centre to develop and integrated strategy to provide coordinated services for youth
- Develop a working group to research and document specific gaps in detox and residential addiction treatment services
- City of Langley to seek through the GVRD an update of the INALHM tabulation with 2001 census data when it's available and conduct a subsequent survey of the homeless.

Partners in Prevention (1999). "Strengthening Families: A Community Approach." Proposal submitted to The National Crime Prevention Centre.

The proposal outlines steps that the project would take to achieve a safer, healthier community with an overall reduction in criminal activity through work with families. The project focuses on the Douglas Park and Nicomekl Inner City Areas, and highlights that the two communities have a greater percentage of single-parent families, a higher unemployment rate, a higher frequency of family moves and have lower household incomes than either the City of Langley or the GVRD. The targeted areas also have significantly higher Aboriginal and ESL populations, a higher number of residents on income assistance and lower scores in all academic areas.

Municipal Affordable Housing Strategies

Since the mid-1990s municipalities in BC have been taking an increasing interest in exploring the ways in which they can contribute to resolving social issues in their communities. In order to ensure that residents continue to enjoy a high quality of life, a number of municipalities have developed affordable housing strategies to determine how they will respond to emerging housing challenges. This literature review outlines the approaches used in developing housing strategies in BC. It also identifies the types of strategies that are being employed by municipalities.

The following are the 20 most popular strategies developed by the municipalities across British Columbia to preserve or create affordable housing:

- 1. Permitting secondary suites
- 2. Density bonusing
- 3. Conversion control policies
- 4. Inclusionary zoning
- 5. Densification / Encouraging smaller units
- 6. Allowing infill
- 7. Affordable housing strategy
- 8. Mandated commitment in OCP, housing policy
- 9. Advocating and maintaining communication with senior levels of government
- 10. Housing agreements to provide affordable housing units in new developments
- 11. Affordable housing trust funds

- 12. Demolition controls
- 13. Resale price restrictions
- 14. Waive DCCs for new rental accommodations
- 15. Initiating municipal partnerships with non-profit organizations
- 16. Donating land or facilities
- 17. Rent or lease land at low or below market rates
- 18. Standards of maintenance bylaws
- 19. Public-private partnerships
- 20. Exemptions from parking requirements.

The following are a sample of good practices proposed by British Columbian municipal and regional governments in their affordable housing strategies:

1. Policy Development / Regulatory actions

- a. Ensure affordable and special needs housing objectives and policies are included in Official Community Plans, area and neighbourhood.
- b. Develop and continuously implement an Affordable Housing Strategy.
- c. Work with residential developers towards the goal of an inclusionary²⁴ housing mix in residential and mixed use developments.
- d. Set targets for the number of new affordable housing units required by 2020.
- e. Adopt a Secondary Suite Policy.
 - i. Allow newly constructed duplexes, townhouses and condominiums to have a secondary suite.
 - ii. Allow the development of secondary suites in existing Single Family homes or Duplexes.
 - iii. Require that all rezoning applications involving a single lot that is being rezoned but not subdivided and at least 50% of any new lots that are being rezoned and subdivided include either a secondary suite or a coach house unit.
 - iv. Encourage new detached homes to be built as "secondary suite ready".
- f. Incorporate Smart Growth standards into the OCP.

2. Zoning, Subdivision, and Building Regulations

- a. Minimize regulatory barriers for residential developers.
- b. Adopt inclusionary housing policies or density bonus provisions.
 - i. Require each four storey low rise apartment and every high rise development containing more than 80 residential units to construct at least 5% of the building area and not less 4 low end market rental units.
 - ii. Accept cash-in-lieu contributions for affordable housing from townhouse developments where a minimum of 4 affordable housing units are not provided.
- a. Reduce parking requirements in areas with good access to public transit.
- b. Explore the feasibility of up-zoning appropriate sites for multiple-unit development following Council's adoption of area and neighbourhood plans.

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²⁴ inclusive of various income, ability and support needs

- c. Explore the feasibility of incentive-based approaches for securing affordable housing and community amenities from large scale commercial, office and industrial developments.
- d. Allow infill.
- e. Adopt a policy to fast-track rezoning when it includes affordable housing.
- f. Control vacation rentals and absentee homeownership through zoning.

3. Land Supply / municipally-owned land

- a. Maintain a planned supply of serviceable land for residential development of various types and densities.
- b. Rent or lease land at low or below market rates.
- c. Designate and/or acquire land for a "land bank" for affordable and special needs housing as opportunities become available.
- d. Donate land or facilities (surplus land, unopened road right-of-way) (e.g. to assist with the development of a seniors housing project).
- e. Create a Community Land Trust.
- f. Establish perpetually affordable units through life lease models and deed restricted housing.

4. Establish an Affordable Housing Fund

- a. Sources of income for this AHF can include DCC levies (against both residential and other development, based on a formula), demolition permit charges, casino funds.
- b. Utilize the monies collected in the Affordable Housing Reserve Fund first and primarily for subsidized housing.

5. Investigate creating a municipal housing corporation:

- a. to manage non-market units;
- b. to provide affordable housing;
- c. to use funds to develop, own and manage your own affordable housing property.

6. Negotiate support for tenants who are evicted as a result of redevelopment, as part of the redevelopment process

- a. Adopt a demolition control policy that directs planners to work with developers to achieve the following objectives:
 - i. One to one replacement of rental units.
 - ii. First right of refusal to existing tenants for new units.
 - iii. Agreement to rent to existing tenants at existing rental rates for 2 years and/or relocation assistance.
 - iv. Apply a demolition fee per unit, (e.g. \$5000 per unit) to be put into an affordable housing fund. Demolition fee to be returned for each designated rental unit created.

7. Support the retention of existing affordable market rental units

a. Continue to prohibit conversion of rental units to strata.

- b. Adopt a standards of maintenance bylaw for rental housing.
- c. Access CMHC's Rental Residential Rehabilitation Assistance Program for upgrades to existing suites.
- d. Encourage the development industry to add more rental housing and landlords to upgrade existing rental housing.
 - i. Consider providing tax exemptions to landlords of affordable rental units as long as they provide rental units at affordable rents.
- e. Explore partnerships with non-profit organizations and provincial and federal government to purchase an existing rental housing facility to add to the stock of permanent rental housing (HPI funds, Real Estate Foundation of BC, mix of low end market and non-market housing).

8. Encourage the provision of new affordable rental units

- a. Encourage the construction of smaller apartment units and/or lower cost finishings.
- a. Support mixed-income and mixed use development. Rezoning approvals to be contingent upon provision of a minimum of 20% "affordable units", to be secured in perpetuity through housing agreements registered against title.
- b. Explore the designation of land in the OCP for future multi-family development or mixed use development. Rezoning approvals to be contingent upon provision of a minimum of 20% "affordable units", to be secured in perpetuity through housing agreements registered against title.
- c. Calculate Development Cost Charges (DCCs) based on floor area instead of number of units, and charge lower DCCs for designated rental units vs. strata units.
- d. Waive or reduce DCCs for below market units that meet certain criteria.
- e. Offer low cost loans and grants to non-profit organizations building belowmarket rental housing.
- f. Exempt new designated rental units from property tax for a period of time (e.g. 10 years). (Example: Saskatoon: Five Year Tax Abatement for all rental and co-op affordable housing developments provided by a non-profit housing developer).
- g. Reduce parking requirements for designated rental units and/or non-market units.

9. Promote affordable home ownership

- a. Encourage the private market to provide modest and more affordable units through the requirement of a proportion of smaller units.
- b. Encourage developers to support modified ownership options such as equity co-operatives or shared equity residential projects.
- c. Limit the resale price of a home that has been sold initially at lower than market value (Can be tied to a resale price formula or a percentage).
- d. Encourage infill development and SF lot subdivision.

10. Assistance to Non-market Housing Providers

a. Assist Non-market housing providers to produce additional rental and special needs affordable housing.

11. Collaboration, partnerships

a. Establish housing agreements and partnerships with the provincial and federal governments, the private sector and non-profit organizations to provide a means of securing affordable housing.

12. Measure Accomplishments

- a. Analyze measures associated with achieving goals, spot emerging trends and monitor issues.
- b. Produce and distribute annual reports on "Progress Toward Affordable Housing" for community feedback and discussion.

13. Information and Outreach / Research

- a. Inform, educate and work with the community on the affordable housing needs, issues, benefits and progress.
- b. Develop research on affordable housing.

14. Advocacy

- a. Lobby senior governments to develop and implement National and Provincial Housing Strategies, including but not restricted to the following²⁵:
 - i. tax incentives for the creation of purpose-built affordable rental housing.
 - ii. provision of funding for subsidized housing and supportive housing.

Some communities in Canada have taken a more proactive approach to provision of affordable housing. The Cities of Calgary, Saskatoon, and Toronto, the Town of Canmore, and the County of Wellington, Ontario, have all taken an active role in the funding and provision of affordable housing. For example, in the Saskatoon Housing Initiatives Partnership (SHIP), the city is a partner in a project that facilitates social and economic investments in the community by engaging private sector resources and actors in the construction of low-income housing ²⁶.

The BC Ministry of Community Services and the Office of Housing and Construction Standards provide numerous guides and resources, and in particular, provides sample bylaws for density bonusing and standards of maintenance. The US Department of Housing and Urban Development provides information about rehabilitating affordable housing stock, although the funding and regulatory environment does differ somewhat from the situation in BC, much of the advice is applicable in the BC context.

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 $^{^{25}}$ In France: According to the "1% logement" national law, all the non agricultural industries with more than 20 employees devote 1% of their payroll to the funding of both their employees' home and other social housing units.

²⁶ http://www.shipweb.org/index.html

Appendix B: Excerpt from City of Langley Social Plan (2007)

Current Housing and Homeless Initiatives

The City of Langley has been a leader among municipalities in the Metro Vancouver Region in promoting the provision of affordable and social housing. Before setting out a plan for action, it is important to identify what is already being done. Therefore, this section summarizes the actions the City has already taken.

Homelessness

The City of Langley has provided a City-owned site for the Salvation Army's proposed "Gateway to Hope" facility which will provide emergency shelter beds, transition housing and support services. The City will lease the site (valued at \$1.0 million) to the Salvation Army for \$1 a year, and is prepared to provide property tax exemptions to the Salvation Army for the facility. The City also participates on the Homelessness Steering Committee. The Langley Food Bank and Free Store and the Salvation Army provide services to low income people, including food and clothing distribution, hot lunches, showers, counselling, addiction services and other programs.

Affordable Housing

The City has implemented a number of initiatives to ensure the existence of adequate affordable housing in the city. The Official Community Plan designates large areas around the downtown core, currently zoned as single family residential, for multifamily residential development. In 2006, City Council adopted a secondary suites bylaw and is waiving all applicable permit fees until January 2008. The 2001 Census indicates that the City of Langley had the fifth highest proportion of rental housing within Metro Vancouver and since the 1970s the City has had restrictive policies on the conversion of rental housing units to condominium tenure. The policies have prevented the conversion of any rental housing stock in the last 25 years. Through cooperation with other government and not-for-profit societies, 112 new social housing units have been built in the community since 2001. The City has 989 social housing units, representing 45% of the social housing units in the South Fraser Region and the second highest proportion of social housing units in the GVRD (after Vancouver City).

Second Stage Housing

There is currently no second stage housing in the City of Langley, but the Salvation Army's proposed "Gateway to Hope" facility described under homelessness will provide 25 units of transitional housing once it is constructed. The City is leasing the land to the Salvation Army at nominal cost and will provide a tax exemption for the project.

Priorities, Opportunities & Actions

The following section outlines the current capacity and recommended actions for the City of Langley.

B. Homelessness

In recent years homelessness has emerged as a pressing issue in communities across British Columbia. The social and economic costs of homelessness have become increasingly significant over time, and a corresponding shortage of housing and services has exacerbated the problem for many. Homelessness often overlaps with many other social issues, including addictions, health services, employment and public safety. Efforts to address and prevent homelessness in the City of Langley could have a significant impact on reducing the overall social and economic costs of homelessness in the community.

The existence of homelessness was identified as an issue in the City of Langley Social Planning process. The 2005 regional homelessness count identified 52 homeless individuals in the Langleys, though workshop participants estimated the total to be closer to 125. Participants in the June prioritization workshop thought that homelessness, and strategies to address and reduce it, should be a priority for the City of Langley Social Plan. Participants also referenced the heightened need for shelter in the cold and wet weather season, and a need for barrier free shelter beds in the communities. Populations identified as in particular need of support include youths, women, seniors and people with mental illnesses.

Current Capacity

The current inventory of services addressing homelessness includes a range of services at the Langley Food Bank and Free Store and the Salvation Army. Services through these two agencies include food and clothing distribution, hot lunches, showers, counselling, addiction services and other programs. Additional services are discussed under the affordable housing priority.

While there are currently no emergency shelter beds in the City of Langley, the City has recently received an application for the Salvation Army's 'Gateway of Hope' project, which would include some shelter beds as well as a wide range of other services for the homeless and at-risk population. The City would provide the land, and the Salvation Army would be able to lease the land from the City of Langley at a nominal fee. If approved, the facility could be ready in 2009, and would include 30 emergency beds (8 for women), 25 transitional supportive independent living beds (13 for women), a 104 seat dining room and community family services referral process for alcohol and drug addiction. Workshop participants noted that the new facility would be an important addition to the community, but that the project is still in the proposal stage and there remain at least two full winters before the doors would open, so a need exists for immediate services as well.

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²⁸ 'Barrier-free' shelters are spaces in which persons under the influence of alcohol or other substances may still access shelter. Most existing shelter services require people to be sober on entry.

Municipal Responsibility

The City of Langley has neither the capacity nor the mandate to build or operate facilities and programs that address homelessness. However, as with all local issues, the City of Langley has an important role to play in addressing the issue, and has some significant responsibility in supporting the development of locally needed solutions and programs. These can include planning and zoning support, regulation and business licensing, and the enforcement of bylaws and building regulations. The Salvation Army has proposed the Gateway of Hope project, comprising 30 emergency shelter beds and 25 units of transitional housing on a site that would be leased from the city for a nominal fee. Should the project be approved, this would go a great way towards addressing the issue of homelessness in the City and Township of Langley.

The City also has a range of advocacy and support options available for it to promote solutions to homelessness, and these are explored below.

Recommendations

Recommendations related to homelessness are divided into both short-term (1-3 years) and long-term (more than 3 years).

Short-Term

- Support the 'Gateway of Hope' project or an equivalent shelter project.
- Continue to participate in the Homelessness Steering Committee.
- Advocate to other levels of government to ensure that the homeless and at-risk populations are able to access the services they need in the community.
- Support volunteer recruitment efforts for the extreme wet weather beds in the winter.

Long-Term

 Develop a policy statement assigning the staff resources necessary to develop a long-term engagement with social issues in the community.

• Develop and implement a mechanism for ongoing dialogue with the community on social issues, including homelessness.

Options and Ideas to Explore

Participants in the workshops presented a wide range of ideas and options that the City might consider in implementing the social plan. While most of these ideas are not directly the responsibility of the City, they do reflect a range of positive options that the City could support or promote. The City of Langley may wish to work in partnership with local not-for-profit organizations to support the following initiatives:²⁹

- Develop a strategy to engage with youth in the community, possibly including a youth advocate.
- Promote the development and expansion of housing for people with mental illnesses, including some form of supportive housing.

²⁹ Support for these initiatives does not necessarily mean financial support, but could come in the form of staff planning support and letters of support for applications to senior levels of government.

- Support efforts to improve outreach services to the homeless, in particular, the provision of a female outreach worker.
- Participants identified a continuing need for a youth safe house in the community, which would include showers and other services as needed.

C. Affordable Housing

A shortage of affordable housing has been identified in many BC communities. The social impacts of affordable housing shortages are linked to homelessness, health issues, education outcomes and community safety. When individuals are unable to access or keep housing, it becomes significantly more difficult to address other issues such as addiction or mental illness.

Participants in the prioritization workshop identified affordable housing as a key priority for the City of Langley Social Plan.

Current Capacity

Current affordable housing capacity includes a number of agencies that serve a variety of populations. Over 1300 affordable units exist in the Langleys, including 849 operated by BC Housing, and a further 176 that are currently funded by the federal government. Of that total, 767 are located in the City of Langley. A total of 2202 affordable housing units are in place in the South Fraser region (which includes Abbotsford, the Township and City of Langley, Surrey and Delta). 30 Clearly, the City of Langley has a large share of the region's affordable housing units. Additionally, a number of community agencies work with vulnerable populations to operate and provide affordable housing (among other services), including the YWCA, the West Fraser Housing Society and others.

The City of Langley has a good supply of affordable housing relative to many other municipalities in Metro Vancouver, and also has a good supply of rental housing. However, there is still unmet need. In 2001 in the City of Langley, 850 households (8.4%) were paying more than 50% of their income on shelter³¹. It is likely that number has increased in the past six years. Price Waterhouse Coopers forecasted a demand of 6,228 additional units of affordable housing in the City and Township of Langley between 2001 and 2021.³²

³⁰ BC Housing GVRD Regional Inventory 2006.

³¹ A high number of households with housing affordability issues does not indicate a failure on the part of a municipality to address housing issues. On the contrary, low income households often choose to locate in communities where housing is more affordable.

32 PriceWaterhouseCoopers, Forecast demand for Affordable Housing in Greater Vancouver, April 2004.

Table 1: Housing Affordability (2001)

Municipality	Average Rents	Total Hhlds	Renter Hhlds	Social Housing Units	Social Hsg as % of Total Hhlds	Social Hsg as % of Renter Hhlds
City of Langley	\$768	10,090	4,225	989	9.80%	23.41%
District of Langley	\$768	29,675	4,720	367	1.24%	7.78%
City of Surrey	\$738	115,710	33,020	4,590	3.97%.	13.90%
City of Delta	\$781	32,785	6,765	676	2.06%	9.99%
City of Vancouver	\$912	236,100	132,750	23458	9.94%	17.67%
City of North Van	\$857	20,710	10,720	1021	4.93%	9.52%
Metro Vancouver	\$866	758710	295,745	47857	6.31%	16.18%

Source: Housing Affordability in Greater Vancouver, McClanaghan & Associates, July 2007.

Note: This study identified 989 social housing units in the City of Langley in 2001. The current estimate of social housing units in the City of Langley from BC Housing is 767 units.

Municipal Responsibility

The City of Langley does not have the mandate or capacity to build and operate affordable housing. However, the City does have an important role in promoting the creation of affordable housing in the community. The City has a wide range of tools and opportunities to encourage the expansion of affordable housing stock, particularly through the development and zoning process. Existing municipal policies in the City of Langley that promote the provision of affordable housing (and prevent its loss) include legalization of secondary suites, and policies that prohibit the conversion of rental suites.

The Metro Vancouver Affordable Housing Strategy presents a number of options for municipalities to consider when developing their own affordable housing strategy, depending upon the characteristics of that particular municipality. ³³ Municipalities can select those strategies from the Metro Vancouver Affordable Housing Strategy that work best for them. For example, the City of Langley may have opportunities to obtain affordable housing units through density bonusing, but does not have land available to contribute to affordable housing projects.

Recommendations

Recommendations related to affordable housing are divided into both short-term (1-3 years) and long-term (more than 3 years).

Short-Term

 Consider adopting an affordable housing strategy in anticipation of Metro Vancouver's update of the Regional Growth Strategy, which is expected to require municipalities to develop such strategies. This strategy can include:

³³ See the Draft Regional Affordable Housing Strategy at http://www.gvrd.bc.ca/growth/pdfs/DraftRegionalAffordableHousingStrategy.pdf

- developing anticipatory strategies to mitigate the loss of low-end market housing, and to promote the implementation of homelessness prevention strategies.
- continuing to encourage the legalization of secondary suites and explore options for expanding the legal use of secondary suites as a way to increase the number of lower end market rental units in the community.
- advocating to higher levels of government to increase rent supplements and housing allowances for low income residents.

Long-Term

- Continue to champion the creation of low-cost housing through the development and zoning process.
- Explore tax and development charge breaks to encourage the creation of affordable housing.
- Explore opportunities for obtaining affordable rental units through density bonusing.

D. Second Stage Housing

Second stage housing denotes housing for individuals who are transitioning out of homelessness or a homeless shelter, but are not yet ready to live in permanent independent housing. Residents usually stay between 3 months and 2 years, unlike long-term supportive housing which tends to be permanent. A number of different approaches to second stage housing exist, serving the specific needs of different populations.³⁴

Participants in the prioritization workshop identified a shortage of second-stage housing as an important priority for the City of Langley Social Plan. When people are able to access shelter, the funding and limitations of shelter services normally restrict their stay to 30 days or less (occasionally up to three months). In many cases, individuals at the end of their stay are not ready to transition into permanent, independent housing without significant ongoing supports. As a result, they often become homeless again, perpetuating the cycle of marginalization and increasing the pressure on existing shelters and other services.

Current Capacity

Currently, second stage housing capacity is nonexistent in the City of Langley, and very limited in the rest of the region. However, the proposed 'Gateway of Hope' project would include approximately 25 new transitional supportive housing beds, and could be completed in 2009. Participants in the workshop indicated that although the new beds would be welcome, more facilities will be needed to meet the growing need in the community.

Municipal Responsibility

The City of Langley does not have the mandate or capacity to build and operate second stage housing. However, the City does have an important role in promoting the creation and operation of second stage housing in the community and in the region as a whole. The City

³⁴ For example, a second stage housing facility that serves youths would have a different format than one serving women who have fled abuse.

also has a wide range of tools available to it that can help promote the expansion of these services.

Recommendations

Recommendations related to second stage housing are divided into both short-term (1-3 years) and long-term (more than 3 years).

Short-Term

- Engage with community agencies and committees to build supportive connections and partnerships relating to housing.
- Advocate with other levels of government and private funders to support the creation of second stage housing facilities in the City and the region as a whole.
- Engage with the business community to identify and support options for increasing the supply of affordable and second stage housing.

Long-Term

 Explore tax and development cost charge breaks to encourage the creation of second stage and affordable housing.

E. Detox and Residential Treatment

The impacts of addictions on communities are increasingly visible across the province as effective treatment options are in high demand and short supply. A lack of capacity to offer treatment options in a timely and effective manner, with a range of supports in place to sustain individuals through the process of treatment, compounds the negative impacts of drug misuse on communities. Addictions also link with a variety of other social issues, including homelessness, poverty, mental illness and crime. Existing detox services and residential treatment options have been identified across the province as high barrier, and services are at capacity with significant wait periods. Programs to provide treatment for substance misuse can minimize the human and economic costs in the City of Langley.

Current Capacity

The need for detox and residential treatment was identified through the literature review and key informant interviews. Workshop participants confirmed that increased capacity in Langley was necessary to address the issues impacting the community. Workshop participants also identified the need to ensure that addictions services for seniors were addressed in any actions related to detox and residential treatment.

The lack of capacity is perceived to particularly impact those who are homeless. For people facing addictions but who have homes, the services are perceived to be generally available and effective. However, barriers are greater for those who have addictions and who are homeless because of the time limits in place for many treatment centres.

Current capacity for residential treatment is limited to a Christian discipleship program with a 50 bed capacity for men only in the Township of Langley. Although self-referral to the program is accepted, the barriers to residential stay and programming are high because residents must live in a particular faith-based environment and the use of nicotine is

forbidden. Participants in the workshop noted that the service gap in this area is significant, and indicated that the provision of another 50 beds in the Fraser Valley would still not meet the need.

There are no short-term detox facilities in Langley, which indicates a gap in light of estimated needs. Detox facilities are an important part of the continuum of care, as many residential treatment facilities require clients to be clean for a number of days prior to their admission. Many individuals fail to qualify for residential treatment because their living situations do not typically allow for sobriety prior to their admission.

The Salvation Army is proposing to increase shelter capacity. The shelter's services are expected to be broad reaching. Although the Salvation Army will provide referral services for detox and drug and alcohol treatment, there are no immediate plans to provide such services within the City. The City believes that detox and treatment facilities are best located in a rural setting.

Municipal Responsibility

Municipalities have limited responsibilities for detox and residential treatment facilities. They do not have any primary planning, construction and siting or operational responsibilities. Secondary responsibility exists in some areas but is limited to aspects such as land use planning and zoning, participation in planning regulation, enforcement of bylaws and business license regulation, and the development of location guidelines.

Recommendations

Recommendations related to detox and residential treatment are divided into both short-term (1-3 years) and long-term (more than 3 years).

Short-Term

- Work with social service agencies in Langley and surrounding communities to develop an understanding of the detox and treatment needs of various populations in the region.
 This work might be undertaken through the Homelessness Steering Committee, or by forming a sub-regional task force on detox and addictions treatment.
- Once an institutional understanding of the issues faced by the community has been developed, work with neighbouring municipalities to develop and implement an advocacy plan. The advocacy plan will assist in ensuring that the Province recognizes the need and adequately funds residential treatment options and related supports in the region.

Long-Term

 Partner with the Province, neighbouring municipalities and local agencies to plan for the development of detox and treatment services in the region, and work with the community to determine the appropriate locations for services.

Appendix C: CMHC Residential Rehabilitation Programs

Rental Residential Rehabilitation Assistance Program — Rental RRAP

The Rental Residential Rehabilitation Assistance Program (Rental RRAP) offers financial assistance to pay for mandatory repairs to self-contained units occupied by low-income tenants. This program is available in both rural and urban areas.

Who Can Apply?

You, as the owner of an affordable housing rental unit, may apply if your property is eligible. To receive a loan, you will enter into an agreement that places a ceiling on the rents that you may charge after the repairs are completed and limits rent increases during the term of the agreement. You must also agree to limit new occupancy to low-income tenants.

Eligible Properties

Your property is eligible if it meets the following:

- It is owned by a private entrepreneur, a non-profit corporation, or housing cooperative that is not receiving government housing assistance;
- It is a rental unit occupied by tenants who have income at or below established thresholds where pre and post RRAP rents are below the established levels for the your local area;
- The property is at least five years old and lacks basic facilities or requires major repairs in at least one of the following areas: heating, structural, electrical, plumbing and fire safety;
- A legitimate landlord and tenant relationship exists. Rents being charged can be confirmed.

Eligible Repairs

Eligible repairs include mandatory repairs required to bring properties up to minimum levels of health and safety. The quality of the repairs should extend the useful life of the dwelling for at least 15 years.

Ineligible Properties

Hospitals, motels, hotels, bed and breakfasts, residential-care facilities, or special-purpose projects.

Ineligible Repairs

Any repairs carried out before the Rental RRAP loan is approved in writing are not eligible.

Financial Assistance

Assistance is in the form of a fully forgivable loan of up to 100 per cent of the cost of eligible repairs. The amount you could receive is based on the cost of mandatory repairs and the number of eligible units in your rental property. If the cost of mandatory repairs is more than the maximum forgivable loan available, you, as the owner, will be required to cover the additional cost.

The maximum amount per unit is \$24,000 in the southern areas of Canada.

Residential Rehabilitation Assistance Program for Persons with Disabilities (RRAP — Disabilities)

Canada Mortgage and Housing Corporation (CMHC) offers financial assistance to allow homeowners and landlords to pay for modifications to make their property more accessible to persons with disabilities. These modifications are intended to eliminate physical barriers, imminent safety risks and improve the ability to meet the demands of daily living within the home.

Who Can Apply?

Homeowners and landlords may qualify for assistance if the property is eligible. Your property may be eligible for RRAP-D if the property:

- is occupied, or is intended to be occupied, by a low-income person with a disability;
- is rented and the rents are less than established levels for the area; or
- is owned and the house is valued below a certain amount; and
- meets minimum standards of health and safety.

Eligible Modifications

Modifications must be related to housing and reasonably related to the occupant's disability. Examples of eligible modifications are ramps, handrails, chair lifts, bath lifts, height adjustments to countertops and cues for doorbells/fire alarms.

All work required to bring your home up to minimum standards of health and safety must be completed in order to receive RRAP-D assistance. If the cost for modifications is more than the maximum forgivable loan available, the owner will be required to cover the additional cost.

Ineligible Modifications

Therapeutic care, supportive care, and portable aid equipment, such as walkers and wheelchairs, are not eligible for funding.

Modifications carried out before the RRAP for Persons with Disabilities loan is approved in writing are not eligible.

Financial Assistance

Assistance is in the form of a fully forgivable loan and does not have to be repaid if you adhere to the terms and conditions of the program. Landlords must enter into an agreement that establishes the rent that can be charged during the life of the agreement and restricts occupancy of the self-contained rental unit(s) to households with incomes below a set CMHC level. Homeowners must agree to continue to own the house during the loan forgiveness period, which could be up to five years.

The loan amount you could receive varies according to the three geographic zones and if you are a homeowner or landlord. A homeowner in the southern region of Canada can receive up to \$16,000, while a landlord is eligible for up to \$24,000.

Residential Rehabilitation Assistance Program (RRAP) — Secondary/Garden Suite

Canada Mortgage and Housing Corporation (CMHC) offers financial assistance for the creation of a Secondary or Garden Suite for a low-income senior or adult with a disability — making it possible for them to live independently in their community, close to family and friends.

What is a Secondary Suite and a Garden Suite?

A **secondary suite**, sometimes called an in-law suite, is a self-contained separate unit within an existing home or an addition to a home. This means there are full kitchen and bath facilities as well as a separate entrance.

A **garden suite** is a separate living unit that is not attached to the principal residence, but built on the same property. Garden suites are sometimes referred to as "granny flats" because they were originally created to provide a home for an aging parent of a homeowner. Like a secondary suite, a garden suite is a self-contained unit.

Regardless of which type of housing is chosen, secondary and garden suites must meet all applicable building code requirements as well as local municipal planning and zoning regulations.

Who Can Apply?

You may be eligible to receive assistance if:

- You are a homeowner or private entrepreneur owning residential property that would accommodate an affordable, selfcontained rental unit for a low-income senior (65 years of age or more) or adult with a disability.
- Your property meets with the applicable zoning and building requirements.
- You consent to enter into an Operating Agreement that establishes the rent that can be charged during the term of the Agreement.
- You also agree that the household income of the occupant(s) of the newly created self-contained unit will be below a CMHC set level.

Financial Assistance:

The assistance is in the form of a forgivable loan that does not have to be repaid provided that you, as the owner, adhere to the conditions of the program. The maximum loan available varies in accordance with the geographic zone in which the property is located, and is \$24,000 per unit in the Southern areas of Canada.

Eligible Costs:

Costs related to the creation of a self-contained secondary or garden suite are eligible for funding under the program.

Additional assistance may also be available under the <u>Residential Rehabilitation Assistance Program (RRAP) for Persons with Disabilities</u> for accessibility modifications.

The costs of creating and upgrading common areas and elements will be prorated between the existing unit and the newly created unit. Homeowners may be eligible for assistance under Homeowner RRAP to cover their share of the prorated costs subject to the program criteria being met.

Any work carried out prior to commitment of assistance is not eligible.

Contact Us

To find out how to apply for financial assistance or for more information about these programs please call CMHC toll free at **1-800-668-2642**.

Residential Rehabilitation Assistance Program (RRAP) — Conversion

Canada Mortgage and Housing Corporation (CMHC) through RRAP-C assists in the creation of affordable housing for low-income households by providing financial assistance to convert nonresidential properties into affordable, self-contained rental housing units or bed-units.

Who Can Apply?

Eligible clients are private entrepreneurs, non-profit corporations and co-operatives owning and converting nonresidential properties to create bona fide affordable rental accommodation. Eligibility is limited to properties that are environmentally safe, that can feasibly be converted to residential accommodation, and that will be viable based on agreed post-conversion rents. Selected clients must enter into an Operating Agreement which establishes the rents that can be charged during the life of the Agreement. A ceiling is also placed on the income of households that can occupy the newly created self-contained units

Eligible Projects

Only work related to the conversion and rehabilitation of non-residential properties for the creation of residential units and bed-units is eligible for assistance. Up to 100 per cent of the eligible cost of conversion up to the maximum loan amount is eligible for assistance. The costs above the maximum RRAP loan must be borne by the owner.

Any work carried out before RRAP loan is approved in writing is not eligible. The required Environmental Site Assessments are not eligible for funding under this program.

Financial Assistance

The assistance is in the form of a fully forgivable loan, which does not have to be repaid provided the owner adheres to the conditions of the program. The maximum loan available varies in accordance with the type of unit(s) being created and the geographic zone in which the property is located:

Maximum Loan

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Southern areas of Canada \$24,000/ unit \$16,000/bed-unit

Zone 2:

Northern areas \$28,000/ unit \$19,000/ bed-unit

Zone 3:

Far northern areas \$36,000/ unit \$24,000/ bed-unit

Additional assistance may be available in areas defined as remote.

Contact Us

To find out how to apply for financial assistance or for more information about these programs please call CMHC toll free at 1-800-668-2642.

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Appendix E: An overview of Policies used in Neighbouring Municipalities

STRATEGY	# of BC municipalities employing strategy (considering)	City of Langley	Township of Langley	City of Surrey	Maple Ridge	Abbotsford	Pitt Meadows
1. Mandated commitment in OCP, housing plan or policies	16 (8)	*	*	*	*	*	
2. Advocacy with senior levels of government	13 (5)	*	*	*		*	*
3. Protect existing rental housing and tenants	11 (2)		*			*	
a) Right of first refusal to existing tenants for new units	4 (3)					?	
b) Relocation Assistance	6 (3)		*		*	*	
c) Conversion control policies	22 (4)	*		*	*	*	
d) Encourage use of RRAP to repair units	2 (49)					*	
4. Affordable Housing Fund	11 (4)			*			
5. Permitting/encouraging secondary suites	36 (8)	*	*	*		*	?
6. Encourage development of new affordable units				*		*	
a) Initiate partnerships with gov't, non-profits, developers	11 (4)			*		*	
7. Promote affordable home ownership		*		*	*	*	
a) Shared Equity/Resale price restrictions	10 (3)					?	
b) infill development/smaller lot sizes	15 (5)	*		*	*	*	?
8. Set targets for below market/rental housing	n/a	?	?	?	?	?	?
a) Accept Metro Vancouver housing targets		?	?	?	?	?	?
Comparison of current Development Cost Charges (charge per MI	F unit)	\$7,986	\$20,891	\$23,204	\$9,652	\$16,904	\$3,300

Note: Maple Ridge and Township of Langley relocation assistance is for tenants of mobile home parks only

Overview of Strategies adopted by Neighbour Municipalities

Mı	ınicipality	Details		
1.		mmitment in OCP, housing plan or policies		
	City of	OCP encourages a variety of housing types to meet the needs of the		
	Langley	population and the demographic challenges faced by the City.		
		Affordable Housing Strategy being developed.		
	Township of	Corporate mandate to "address the needs of our citizenry", and to		
	Langley	"encourage the development of new integrated residential areas that		
		will allow for a variety of accommodation, reasonable cost and choice		
		of location". Future plans to develop an Affordable Housing Action		
		Strategy		
	Surrey	Will be developing a Housing Action Plan; recognizes that there is a		
		large need for affordable housing, The Plan for the Social Well Being		
		of Surrey Residents makes commitments to address homelessness and		
		address the need for affordable housing.		
	Maple	OCP promotes affordable housing developments to meet diverse		
	Ridge	housing needs		
	Abbotsford	Hired a Social Planner in 2006 and are committed to developing an		
		Affordable and Accessible Housing Strategy		
	Pitt	None identified		
	Meadows			
2.		gional Affordable Housing Fund		
	City of	Not applicable		
	Langley			
	Township of	Not applicable		
	Langley			
	City of	Surrey established an Affordable Housing Reserve Fund with		
	Surrey	contributions from developers (\$750 per unit rezoning charge).		
		.In October 2008, Surrey approved a one-time \$1 million grant to		
		Atira Women's Resources Society to build a community health care		
		clinic, a day care and 36 units of transitional housing for pregnant		
		women and mothers with small children who are at risk.		
	Maple	Not applicable		
	Ridge			
	Abbotsford	Not applicable		
	Pitt	Not applicable		
	Meadows			
3.]	3. Protect existing rental housing and tenants			
	City of	Strata Conversion Control Policy.		
	Langley			
	Township of	Provides tenant relocation assistance for mobile home park tenants		
	Langley	displaced by redevelopment, including help in finding a new place to		
		live, costs for disposal of mobile home, and/or a payment equal to the		
		assessed value of the mobile home . If new development will provide		

		residential, existing tenants get right of first refusal to purchase/rent the units.
	Surrey	Strata Conversion Control Policy
	Maple	Strata conversion policy allows Council to control demolitions of
	Ridge	rental apartments if vacancies are low. Developers of existing mobile home parks need to provide 2 years notice to the park's tenants, as well as \$10,000 in relocation assistance. MHP policy requires provision of rental units where redevelopment includes residential.
	Abbotsford	Under Section 242 of the <i>Strata Property Act</i> , a) Applicants shall develop a relocation plan that will, at a minimum, outline options available to tenants with respect to purchase options and relocation assistance. The applicant shall identify available market and non-market rental units within the Abbotsford market and provide that information to dislocated tenants. b) Applicants shall provide existing tenants with a right of first refusal to purchase prior to the applicant giving notice to tenants that they must vacate their unit. A right of first refusal means that tenants would have the first opportunity to purchase new units at fair market value based on an independent third party appraisal, less the customary commission payable by the developer at that time. Relocation assistance must be paid to mobile home tenants equivalent or better to the assessed value of the mobile home. Developers of a mobile home park to other uses contributed \$250,000 to a municipal housing fund.
	Pitt	Not applicable
	Meadows	Two approace
4.	Permitting/	encouraging secondary suites
	City of	Require inspection and registration of suites.
	Langley	In an attempt to provide incentive to have secondary suites, those who applied to legalize their secondary suites in 2007 were not charged any permit or inspection fees
	Township of	Permitted in specific Single Family neighbourhoods only. Requires
	Langley	owner occupancy of principal dwelling; maximum secondary suite size 90 m2 and no more than 40% of total living area. Permit required, no extra utility fees.
	City of	Permits secondary suites. Permits coach houses (detached suites,
	Surrey	often over garage) in new subdivisions. Charges extra utilities for secondary/coach suites.
	Maple	Registration is a one time only fee of \$250.00. Permit fees vary
	Ridge	depending on the work being done to bring the unit up to code(these costs are extra). Double water and sewer charges apply annually (not applicable if on septic or well)
	Abbotsford	Secondary suites must be registered with the City, comply with the BC Building Code and Abbotsford Zoning Bylaw, 1996. To be
		legalized, health, life safety, fire protection, and zoning requirements

		suite is new and \$572 if the suite is existing. An annual infrastructure
		fee of \$260 is also payable with the tax notice.
	Pitt	Considering the legalization of Secondary Suites.
	Meadows	
5.	Encourage do	evelopment of new affordable units
	City of	Has increased densities and relaxed parking standards to encourage
	Langley	residential development.
	Township of	Not applicable
	Langley	
	City of	No minimum unit size. Smaller units in Surrey Centre area . 72
	Surrey	assisted living units were built in 2005, funded by Independent Living
		BC. Proposal for two social housing developments with up to 100
		units, in partnership with BC Housing. City is leasing land for the
		projects for 60 years at a nominal rate.
	Maple	Allows up to 20 stories, no minimum unit size.
	Ridge	
	Abbotsford	The City of Abbotsford and the Province of B.C. have entered into a
		partnership agreement to provide up to 100 units of supportive
		housing on two sites. The City will lease the sites to the successful
		proponents for a nominal fee for 60 years. The City will exempt the
		sites from property taxes as long as they continue to provide housing
		and support services for people who would otherwise be at risk of
		homelessness.
	Pitt	Not applicable
	Meadows	
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6. Promote affordable home ownership through shared equity/resale restrictions

Not currently being applied in any of the 6 municipalities surveyed. Surrey allocates the interest earned on the City's Affordable Housing Reserve Fund to provide up to \$20,000 in assistance for first time homebuyers.

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6.	Infill development/smaller lots				
	City of	Official Community Plan encourages infill development			
	Langley				
	Township of	Official Community Plan encourages infill development			
	Langley				
	Surrey	Encourages infill: minimum lot size 320 square metre (3445 square			
		feet.			
	Maple	OCP encourages redevelopment through infill and densification.			
	Ridge	Minimum lot size 213 sq.m.			
	Abbotsford	Encourages infill development			
	Pitt	Considering infill development			
	Meadows				