



City of Richmond

Report to Committee
To Council - Jul 24, 2006

To: Planning Committee

Date: July 20, 2006

From: Terry Crowe, Manager, Policy Planning

File: 08-4057-05

Re: **Support For A Regional Affordable Housing Strategy**

Staff Recommendation


That, as per the report from the Manager, Policy Planning entitled: "Support For A Regional Affordable Housing Strategy", dated July 20, 2006:

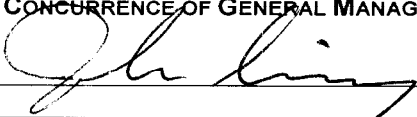
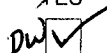
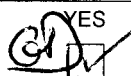
1. Council:

(a.) Support the Greater Vancouver Regional District (GVRD) Board in preparing and implementing an effective Regional Affordable Housing Strategy, by requesting that the regional affordable housing strategy address all the essential affordable housing components, particularly how to pay for affordable housing, and

(b.) Request the Ministry of Forest and Ranges, Office of Housing and Construction Standards to ensure that the Provincial Housing and Homelessness Strategy which it is preparing, address all the essential affordable housing components, particularly how to pay for affordable housing and that it assist the GVRD in preparing and implementing the Regional Affordable Housing Strategy.

2. Copies of this report be forwarded to Richmond federal MPs and provincial MLAs, Canada Mortgage and Housing Corporation (CMHC), Service Canada (SC), the Federation of Canadian Municipalities (FCM), the Union of British Columbia Municipalities (UBCM), BC Housing, the Greater Vancouver Housing Corporation (GVHC), GVRD municipalities, the Urban Development Institute (UDI), the Greater Vancouver Home Builders' Association (GVHBA), GVRD Chambers of Commerce, the United Chinese Community Enrichment Services Society (SUCCESS), Habitat For Humanity, Richmond Royal Canadian Legion chapters, the Army Navy Air Force Veterans Unit 284 (Steveston), and Richmond religious and community groups, with the suggestion that they may wish to provide similar support and comments to the GVRD and the BC Office of Housing and Construction Standards.


Terry Crowe, Manager,
Policy Planning
Att. 2

FOR ORIGINATING DEPARTMENT USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
		
REVIEWED BY TAG	YES  <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
REVIEWED BY CAO	YES  <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Staff Report

Origin

Currently, there is no regional affordable housing strategy in the GVRD. The GVRD has recently begun to prepare such a strategy.

Synopsis

The purpose of this report is to support the Greater Vancouver Regional District (GVRD) in the preparation and implementation of a regional affordable housing strategy, by recommending that it:

- address all the essential affordable housing components (see below), in an effective, co-ordinated and sustainable regional approach, and
- include an effective range of implementation tools and financing.

As well, as the Province is preparing a Provincial Housing and Homelessness Strategy, and the ideas and recommendations in this report may assist the Province in preparing its strategy.

The objective is to ensure that federal, provincial and regional strategies complement and assist the GVRD, Richmond and other municipalities in implementing their affordable housing and homelessness strategies.

Essential Affordable Housing Components

The "Essential Affordable Housing Components" are:

1. The acquisition of land for affordable housing,
2. The construction of affordable housing,
3. The maintenance of affordable housing,
4. Leasing/renting affordable housing units,
5. Subsidies for affordable housing,
6. Support services for those seeking and living in affordable housing,
7. Research,
8. Supportive policies and regulations (e.g., effective federal, provincial and municipal affordable housing and homelessness strategies, OCPs, area plans, zoning bylaw requirements),
9. Financing (e.g., innovative senior government affordable housing taxation and investment incentives; municipal density bonusing arrangements, other), for the above components, and
10. Other, as necessary.

Background

Affordable Housing may include:

1. Affordable Market Housing:

Affordable market housing has a market price or rent that would be affordable to households of low to moderate income. This can be defined as those households which have income that is 80% or less than the median household income for the urban area in which they live. This housing could be provided by the private, non-profit, co-operative and public sectors. It may include a variety of housing tenure including ownership, co-operative and rental. Richmond is reviewing this concept.

Examples of affordable market housing include:

- Small single detached dwelling sites,
- Small townhouses and apartments,
- Preserving existing affordable market rental units,
- Increasing affordable market rental units,
- Secondary suite opportunities (e.g., a site with a single detached dwelling and a separate dwelling unit within it),

- “Flex-house” opportunities (e.g., a site with a flexibly designed single detached dwelling unit which includes within it, extra space for living, a second dwelling unit, and/or an office),
- Coach houses (e.g., a site with a single dwelling unit and a separate smaller dwelling unit on the same lot), and
- Other, as practical.

2. Social Housing:

- Social housing involves affordable subsidized rental housing units for those with affordability needs (e.g., seniors, the mentally challenged, those with accessibility challenges, the homeless, those in poverty). Currently, Richmond is reviewing how to best apply this concept.

General

The GVRD and its partners (e.g., municipalities), while committed to providing affordable housing, cannot provide it alone, or in a sustainable manner, based on current programs.

As part of the GVRD’s preparations to update the existing 1996 Livable Regional Strategic Plan (LRSP), GVRD staff and the GVRD Technical Advisory Committee (TAC), which is comprised of municipal community planning directors and managers, have held a series of technical regional workshops regarding various issues. On February 27, 2006, GVRD staff and TAC held a workshop to discuss regional affordable housing issues. During the workshop discussion it became apparent that there is:

- no regional affordable housing strategy,
- a need for such a strategy,
- support (e.g., GVRD and municipal staff, UDI, non-profit housing sector), for preparing an effective, sustainable, regional affordable housing strategy.

Federal Initiatives

The main federal housing agencies involved in affordable housing and homelessness initiatives are Canada Mortgage and Housing Corporation (CMHC), and Service Canada (SC).

CMHC works to:

- enhance Canada's housing finance options,
- assist Canadians who cannot afford housing in the private market,
- improve building standards and housing construction, and
- provide policymakers with the information and analysis to sustain a vibrant housing market in Canada (**Attachment 1**).

Service Canada (SC):

Administers the National Homelessness Initiative (NHI). In the GVRD, the NHI and its primary program “Supporting Communities Partnership Initiative” (SCPI) is implemented through the Regional Steering Committee on Homelessness, with staffing support from the GVRD/United Way partnership.

Provincial Initiatives

- A Provincial Housing and Homelessness Strategy
The Ministry of Forest and Ranges, Office of Housing and Construction Standards, is preparing a Provincial Housing and Homelessness Strategy which will be released in the Fall 2006.

It appears that the Provincial Housing and Homelessness Strategy will be a “work towards” strategy, focus on the needs of low income people with special housing and support needs, will be an “action plan”, may emphasize subsidies to affordable housing occupants and will not address all the essential affordable housing components.

- BC Housing
The main provincial housing agency is the British Columbia Housing Management Commission (BC Housing). BC Housing partners with private and non-profit housing providers, other levels of government, health authorities and community agencies to increase subsidized housing options for British Columbians in greatest need. Some current BC Housing programs are identified in **Attachment 2**.

Regional Initiatives

- GVHC
The Greater Vancouver Housing Corporation (GVHC) is a wholly-owned subsidiary of the GVRD, which functions as a non-profit organization which:
 - with the use of senior government non-profit housing programs, develops and manages rental accommodation throughout the lower mainland for low- and moderate-income families, seniors, and people with physical disabilities, and
 - manages more than 3,600 rental units.

Some current GVHC Programs include:

- Rental Properties
The GVHC owns and operates housing projects around the Lower Mainland, providing housing for more than 10,000 people, at rental rates that are below average for the types of units provided.
- Client Assistance Programs
The GVHC offers rental assistance programs to clients (Source: GVHC Website).

- The GVRD
 - General
The GVRD is responsible for co-ordinating regional planning in partnership with its member municipalities and regional stakeholders, and promotes affordable housing planning, policies and co-ordination in a variety of ways. The main GVRD regional planning document is the existing 1996 Livable Region Strategic Plan (LRSP), which is currently being updated.

The GVRD, in partnership with the United Way, provides staff and technical support to the Regional Steering Committee on Homelessness.

- Upcoming Regional Affordable Housing Strategy
Currently, the GVRD Board is providing leadership in preparing a regional affordable housing strategy as it has directed GVRD staff to prepare, with direction from the GVRD Housing Committee, a regional affordable housing strategy which will focus on:
 - Homelessness,
 - Social housing,
 - Market rental housing, and
 - First time (no equity) home ownership.

The strategy will be looking at a full range of affordable housing options and will look at options to fund the capital costs and operating costs of the housing. For example, the strategy will identify actions to foster the development of partnerships between local government (use of land, planning powers, designation, expedited processes), senior governments (funding) and market and non-profit developers.

GVRD Municipalities' Initiatives

GVRD municipalities address affordable housing in a variety of ways, including:

- Policies in their Official Community Plans (OCPs),
- Affordable housing strategies, programs, policies, funding and projects (e.g., assisting the development of projects through the leasing of land below market rates, funding assistance), and
- Staff involvement in the Regional Steering Committee on Homelessness and endorsement of the Regional Homelessness Plan "Three Ways to Home".

Richmond Initiatives

Richmond has approved the following affordable housing and homelessness policies:

- December 18, 1989 - the Richmond Affordable Housing Strategy,
- September 26, 1994 - an update of the Richmond Affordable Housing Strategy,
- May 28, 2001 - The Regional Homelessness Plan, as a working document to guide and co-ordinate the collective efforts of regional, City and Richmond based stakeholders to address and alleviate homelessness in the region,
- June 10, 2002 - The Richmond Homelessness Needs Assessment and Strategy.

In 2006, Richmond Council authorized an update of its Affordable Housing Strategy which is to be completed in December 2006.

Richmond and other municipalities will require assistance and funding to implement their affordable housing and homelessness strategies.

UDI Interest

Recently, the Urban Development Institute (UDI) has expressed a need to co-ordinate how municipalities in the GVRD require developers to provide affordable housing (e.g., by providing land; building affordable housing; and through density bonusing, and in lieu of providing affordable housing, making a financial contribution), so as to avoid having widely different and possibly uneconomical developer financing requirements. This idea has merit.

Currently, UDI, GVRD staff and municipalities are planning to hold a regional meeting to discuss this matter in the Fall 2006.

Summary

There is much need for and interest in preparing and implementing an effective and sustainable regional affordable housing strategy.

Analysis

Essential Affordable Housing Components

To effectively address the increasing affordable housing (includes homelessness) needs, and provide a range of affordable housing, in an ongoing, sustainable manner, it is necessary that all of the following components be provided:

1. The acquisition of land for affordable housing,
2. The construction of affordable housing,
3. The maintenance of affordable housing,
4. Leasing/renting affordable housing units,
5. Subsidies for affordable housing,
6. Support services for those seeking and living in affordable housing,
7. Research,
8. Supportive policies and regulations (e.g., effective federal affordable housing programs, a provincial affordable housing and homelessness strategy, a regional affordable housing strategy, OCPs, area plans, zoning bylaw requirements),
9. Financing (e.g., innovative senior government affordable housing taxation and investment incentives; municipal density bonusing arrangements, other), for the above components, and
10. Other, as necessary.

Need

The need to provide a range of affordable housing, on an ongoing basis, has long been recognized by the GVRD, many GVRD municipalities and partners. This need is increasing due to the growing population, particularly for seniors, and those with cognitive, accessibility and financial challenges, and mental health and addiction issues.

As well, affordable housing is required to attract and accommodate an adequate labour force, which is currently in short supply.

Partners

The main partners in providing affordable housing are the federal, provincial and municipal governments, regional planning authorities, housing authorities, housing operators, health authorities, the private sector, co-operatives, financial institutions, and others (e.g., the Salvation Army, churches, the Royal Canadian Legion, Army Navy groups).

Note: Due to the unique affordable housing needs of Aboriginals, it may be practical to address their affordable housing needs a complementary separate strategy.

Necessity Of Partnerships

Most of the above partners are committed to providing affordable housing, on an ongoing basis; however, due to the complexities and costs of providing affordable housing, they cannot do it alone. Each partner can provide a contribution to the development of affordable housing. Municipalities may offer expedited approvals, land at below market costs, a relaxation of fees, and designating appropriate land for the continuum of housing (subsidized-market) that is required to respond to needs.

As no one partner can provide affordable housing, on an ongoing basis, by themselves, partnerships are necessary.

Problems

Generally, while the partners accept the need for affordable housing and most have a good idea regarding the types of affordable housing which are required, the main problems to date include:

- Not addressing all of the essential components of affordable housing,
- Current senior government affordable housing programs and funding are inadequate, as they are too often temporary, sporadic, cyclical, limited and uncoordinated. They do not address all of the essential affordable housing components. Consequently, they do not achieve an effective co-ordinated sustainable approach to providing affordable housing. Simply put, the current affordable housing programs are not good enough,
- Not having a regional affordable housing strategy to address all the above.

Perspective

- For a perspective, it is to be noted that, currently, roads have a higher priority than affordable housing, as every day governments address all the essential components to provide, build and maintain roads.
- We need to become as good at providing affordable housing, as we are at providing roads.

Goal

The goal is to provide a wide range of affordable housing and address homelessness in the GVRD, in an ongoing sustainable manner.

The Challenge

The main challenge is to establish a co-ordinated and sustainable regional affordable housing strategy, which addresses all of the essential affordable housing components.

Such a Regional Strategy would:

- Clarify what is needed and identify more effective options,
- Provide among the partners, a co-ordinated and sustainable regional affordable housing strategy, where each partner has an effective role(s), flexibility and cost effective options in providing affordable housing, on an going basis, and
- Identify how to effectively pay for Strategy implementation among partners.

A Regional Affordable Housing Strategy

This report is predicated on the assumption that a regional affordable housing strategy is necessary and will go a long way to better enabling GVRD partners to provide needed affordable housing, in a sustainable manner.

Recommended Approach

City staff recommend that it is timely to support the GVRD in the preparation and implementation of a Regional Affordable Housing Strategy which addresses all of the above the essential affordable housing components.

□ Description:

- The GVRD would continue to co-ordinate and lead the preparation of a Regional Affordable Housing Strategy,
- The GVRD would prepare the Strategy with professional and technical assistance from the regional partners (the federal, provincial and municipal governments, regional planning authorities, housing authorities, housing operators, health authorities, UDI, the private, co-operative and financial sectors, and others),
- The GVRD would pay for preparing for the Strategy, or as otherwise arranged with partners,
- It is desirable to complete the Regional Affordable Housing Strategy in a timely manner (e.g., perhaps by mid-2007),
- The Strategy preparation and implementation would:
 - address the broad range of regional affordable housing and homelessness needs,
 - address all the essential affordable housing components, including how to pay for such housing, in a partnership manner,
 - achieve partner commitments to support, provide and fund affordable housing, on an going, sustainable basis, not in the current uncoordinated cyclical manner,
 - include consultations with CMHC, the BC Office of Housing and Construction Standards, BC Housing, GVHC, municipalities, UDI, non-profit housing sector, financial institutions and the public, and
 - Other, as necessary.
- It is understood that the GVRD would have flexibility in establishing an effective work program to prepare the Strategy.

□ Pros:

- Meets increasing regional affordable housing and homelessness needs,
- Addresses the problems and challenges,
- Will assist in creating a more livable region and complete communities,
- Will assist in providing more affordable housing choices and efficiencies,
- Promotes economic development, as affordable housing is required to attract workers, which currently are in short supply in the region,
- Avoids any one partner trying to provide affordable housing alone, which is not feasible,
- Better involves the wide range of regional partners who are interested in contributing their skills and resources to assist in providing affordable housing,
- Provides flexibility regarding the role(s) which the partners (e.g., municipalities) can undertake in providing affordable housing,

- Will assist in the preparation of the Livable Region Strategic Plan (LRSP) update, which is currently underway,
 - Promotes a range of financing tools to implement municipal affordable housing and homelessness strategies, and
 - Will complement the municipalities' OCPs and affordable housing strategies.
- Cons:
- Involves effort, resources and funding among the partners which, it is suggested, is necessary, timely and practical.

Financial Impact

- None, regarding the recommendation,
- Council will determine its financial role in implementing the proposed Regional Affordable Housing Strategy, by participating in the preparation of the Strategy and through its own Affordable Housing Strategy update.

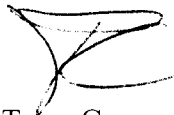
Conclusion

Currently:

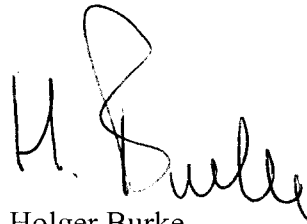
- there is an increasing need for affordable housing in the GVRD region,
- many partners including municipalities, while committed to providing affordable housing, cannot provide it alone,
- there is no regional affordable housing strategy to co-ordinate partner efforts, and
- there is a willingness to prepare a regional affordable housing strategy.

Staff recommend that Council:

- Support the Greater Vancouver Regional District (GVRD) Board in preparing and implementing an effective Regional Affordable Housing Strategy, by requesting that the regional affordable housing strategy address all the essential affordable housing components, particularly how to pay for affordable housing, and
- Request the Ministry of Forest and Ranges, Office of Housing and Construction Standards to:
 - ensure that the Provincial Housing and Homelessness Strategy which it is preparing, addresses all the essential affordable housing components, particularly how to pay for affordable housing, and
 - assist the GVRD in preparing and implementing its regional affordable housing strategy.



Terry Crowe,
Manager, Policy Planning



Holger Burke,
Planning Co-ordinator

SOME CURRENT CMHC PROGRAMS	
<p>1. Homeowner Residential Rehabilitation Assistance Program — Homeowner RRAP</p> <p>Financial assistance to low-income households who own and occupy substandard housing to enable them to repair their dwellings to a minimum level of health and safety.</p> <p>2. EnerGuide for Low-Income Households</p> <p>The EnerGuide for Low-Income Households is a \$500-million federal initiative over 5 years that will help about 130,000 low-income Canadians make energy-efficiency retrofits that will make their housing more affordable and reduce greenhouse gas (GHG) emissions that contribute to climate change.</p> <p>3. Rental Residential Rehabilitation Assistance Program — Rental RRAP</p> <p>Assistance for landlords of affordable housing to pay for mandatory repairs to self-contained units occupied by low-income tenants.</p> <p>4. Residential Rehabilitation Assistance Program — RRAP for Conversions</p> <p>Assistance for converting non-residential buildings into affordable housing.</p> <p>5. Rooming House Residential Rehabilitation Assistance Program — Rooming House RRAP</p> <p>Repair assistance for owners of rooming houses with rents affordable to low-income individuals.</p>	<p>6. Residential Rehabilitation Assistance Program — RRAP for Persons with Disabilities</p> <p>Financial assistance to undertake accessibility work to modify dwellings occupied or intended for occupancy by low-income persons with disabilities.</p> <p>7. Residential Rehabilitation Assistance Program — Secondary/Garden Suite</p> <p>Assistance to create affordable self-contained rental units for low-income seniors and adults with disabilities.</p> <p>8. Home Adaptations for Seniors' Independence (HASI)</p> <p>Financial assistance for minor home adaptations to extend the time low-income seniors can live in their own homes independently.</p> <p>9. Shelter Enhancement Program (SEP)</p> <p>Assistance to build, repair, rehabilitate and improve shelters and second stage housing for women, children and youth who are victims of family violence.</p> <p>10. Emergency Repair Program (ERP)</p> <p>The ERP assists eligible homeowners or occupants in rural areas to undertake emergency repairs required for the continued safe occupancy of their houses.</p>

Source: CHMC Web site

BC HOUSING INITIATIVES

BC Housing has four initiatives to help increase the supply of subsidized housing:

1. Independent Living BC (ILBC)

- ❑ The Province of British Columbia, through BC Housing, launched the Independent Living BC program in 2002, in partnership with the federal government through Canada Mortgage and Housing Corporation, regional health authorities, private and non-profit sectors.
- ❑ This housing-for-health program serves seniors and people with disabilities who require some support, but do not need 24-hour institutional care.
- ❑ ILBC offers a middle option to bridge the gap between home care and residential care.
- ❑ Through construction and renovating existing buildings this funding will create 3,500 assisted living homes across BC.
- ❑ The majority of the 2002 funding for ILBC program has now been allocated.

2. Provincial Homelessness Initiative (PHI)

- ❑ This initiative was launched in December 2004, as a result of the Premier's Task Force on Homelessness, Mental Illness and Addictions.
- ❑ BC Housing provides funding for non-profit housing developments with support services that address homelessness in B.C. communities.

3. Community Partnership Initiatives (CPI)

- ❑ Our Community Partnership Initiatives helps our housing partners create a range of innovative housing projects for people in need.
- ❑ CPI offers one-time grants, access to consulting services, and construction and long-term financing for projects that do not need ongoing operating subsidies.

4. Provincial Housing Program (PHP)

- ❑ The Provincial Housing Program (formerly HOMES BC) subsidizes housing for frail seniors, people at risk of homelessness, people with disabilities, and low-income families, including women and children fleeing abuse. The funding this program is fully allocated.
- ❑ Most of the PHP projects are complete and occupied, with a few developments still under construction.

Other Housing Initiatives

5. Emergency Shelter Program

- ❑ The ESP offers shelter, food and other services to meet the basic nutritional and hygiene needs of people who are homeless.
- ❑ The program serves individuals who often have health, addiction and other barriers that may have contributed to their homeless state and make it difficult to secure stable housing.

6. Shelter Aid for Elderly Renters (SAFER)

- ❑ The SAFER Program provides direct cash assistance to eligible residents of British Columbia who are age 60 or over and who pay rent for their homes.

7. Sustainability Initiatives

- ❑ BC Housing is committed to sustainability; as a result, we evaluate environmental impacts and employ environmentally and socially sustainable practices, whenever possible within our fiscal and operational means. This section outlines some of our sustainable practices.

Source: BC Housing Web site