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Affordable Housing for Coquitlam

Working together for Positive Economic Growth: an analysis of local government responsibilities, tools and measures for affordable housing around rapid transit developments



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EXECUTIVE SUMMARY

Many public sector leaders are interested in the strategies used to promote affordable housing, and it remains an ongoing public policy issue for all levels of government as Canadians find it more and more difficult to keep up with housing costs. Local governments have the opportunity to play a larger role in affordable housing as federal and provincial governments continue to download housing responsibilities to the municipalities. At the same time, local governments face many challenges and limitations to addressing housing affordability, particularly social housing which requires significant funds that do not exist.

In this report, affordable housing refers to affordable “market” housing (rather than social or subsidized housing). Essentially, the report focuses on housing that is provided by the private sector, either at the market or near market price. Housing affordability depends on multiple factors including household incomes, housing costs, and transportation costs.

The purpose of this report is to develop a better understanding of the policy implications of municipal policies, regulations, and programs for affordable housing by determining the inhibiting and enhancing factors of common policy tools and resources used. The research in this report is primarily based on the perspectives of different stakeholders from the public, private and not-for-profit sectors.

The researcher intends to help the City of Coquitlam determine which policy actions would best suit the needs of its residents, as City staff updates the Affordable Housing Strategy and the construction of their first rapid transit system reaches completion. These changes call for reassessment of some of its policies and programs to keep up with positive growth and community demands.

The report connects research from academia with industry and government by examining five key themes through a literature review, numerous interviews, and a scan of municipal strategies for affordable housing. These five research areas are:

1. Leadership
2. Financial incentives
3. Policies and regulations
4. Rental housing (primary and secondary)
5. Partnerships and community consultations

The findings present the most common challenges and opportunities local governments face when it comes to affordable housing, and discusses potential ways to overcome these challenges and take advantage of the opportunities. Six recommendations were developed as a result of a force-field analysis of the research findings.

Recommendations

Recommendation 1: Establish a clear definition for affordable housing and determine target population groups to better understand types of housing needed.

Addressing affordable housing begins with properly defining it. Using the CMHC definition for affordable housing is a good starting point, but it is recommended that the City develop its own definition of affordable housing that pertains to the specific needs of its communities. For example, the City of Port Moody uses the CMHC definition but only applies it to households with an income that is 80% or less than the median household income for their urban area. With the Evergreen Skytrain Line nearing completion, the City should also take into consideration transportation costs when defining affordable housing.

Determining target groups, similar to the approach taken by City of New Westminster, would also be helpful in figuring out the types of housing needed for development. For example, in assessing proposals submitted by developers, the City should know the types of housing needed to accommodate different demographic groups, such as young families that may need larger units close to daycare centres, or students who may need smaller units situated close to transportation centres. This could be done by working off of the discussion about the City's more vulnerable groups in the Housing Affordability Discussion Paper. It is recommended that the research include immigrants in the City.

A clear definition will help the City communicate the need for affordable housing to the public. At the same time, identifying the types of individuals who need affordable housing can contribute to a better understanding of affordable housing and address any NIMBY towards affordable housing. The new Affordable Housing Strategy should include the City's definition of affordable housing and identify the types of people most in need of it. This is especially important for identifying the needs of the people who will require different levels of assistance as neighbourhoods across the City undergo redevelopment, particularly for the 1:1 replacement policy for rental housing.

Recommendation 2: Clarify the City's role in affordable housing and continue to advocate for a National Strategy that supports long-term sustainable funding for housing in Canada.

Affordable housing requires more involvement from the senior levels of government. It is recommended that the City work with organizations such as the Federation of Canadian Municipalities and the BC Non-Profit Housing Association to continue advocating for a comprehensive national strategy and long-term sustainable funding for social housing.

The majority of interview participants agreed that local governments cannot address affordable housing on their own, and that many stakeholders must work together at every

stage of the affordable housing spectrum. Many federal programs have expired since 2009 and the “housing crunch” requires that the federal government step in and provide funds for social housing.

Recommendation 3: Foster positive relationships with developers and work with the Urban Development Institute to encourage development.

The City is in a good position to play a facilitative role in promoting affordable housing, and should continue fostering positive relationships with housing stakeholders, including other levels of government, other housing organizations, and particularly the development industry, starting with the Urban Development Institute.

In the 2007 Affordable Housing Strategy, the City made action plans to speed up the approval process. It is recommended that the City continue this activity while clearly communicating its expectations for affordable housing and willingness to work together to find solutions that will meet the demands of Coquitlam residents.

Working with the developers will contribute to a better understanding of their interests, and potential contributions to affordable housing. Developers have the knowledge and expertise of building and development costs, which could significantly contribute to the discussion of affordable housing, such as building market rental units. Many interview participants suggested that there is a misconception with developers and that lack of communication has created a misunderstanding that developers have no interest in participating in the development of affordable housing.

Recommendation 4: Conduct studies for relaxing parking requirements

Reducing parking requirements can be contentious, but it is recommended that the option of relaxing parking requirements stay on the table for discussions, and to conduct research on the parking needs of its communities, particularly with the new Skytrain stations being built throughout the City. More research and studies around parking requirements specific to Coquitlam, similar to the Metro Vancouver Parking Study could help inform policy making in this area. Similar to legalizing and promoting secondary suites, introducing more flexible parking requirements such as an opt-in or opt-out approach could be a significant contribution to affordable housing stock.

Many local governments are already looking into the implications of reducing or modifying parking requirements to meet parking demands that have changed over the years. Relaxing parking requirements could significantly lower the cost of development. This provides incentives for developers to build and offers renters and homebuyers who do not own vehicles a more affordable option.

Recommendation 5: Protect and promote rental stock by working together

Many participants agreed that the one-on-one replacement policy would be an effective program to protect the most vulnerable residents who are at high risk of displacement and homelessness. This applies particularly to lower income households currently living in purpose-built rental from over forty years ago that are deteriorating. This is particularly important in the midst of redevelopment projects near transit corridors and in neighbourhoods such as Burquitlam. However, local governments should work with private developers to determine the best approach and implementation process for this policy. This will foster positive relationships and potential partnerships with the development industry.

A possible approach is to implement the 1:1 replacement policy in areas where there are many people who cannot afford to move. To guarantee that this system is fair and that the units remain available to those in most need of affordable housing, regulations would be required to ensure that those occupying the new rental units meet a certain criteria that demonstrate lack of mobility or high risk of homelessness. The tenants would have to understand that the replacement units would likely be smaller. The 1:1 replacement policy is probably also more feasible in neighbourhoods that currently have very old low density housing. Allowing developers to build extra units at maximum density could offset the cost of the replacement unit for developers. Programs would also need to be in place to assist those that will experience higher rents or relocation to other neighbourhoods in Coquitlam that better accommodate what they can afford.

Recommendation 6: Facilitate an ongoing discussion about affordable housing with the public and all key stakeholders

Policy makers and affordable housing advocates would benefit from the knowledge and expertise of all stakeholders. The City should continue the discussion and dialogue around finding solutions for affordable housing by including not-for-profit organizations, other levels of government, members of the community, and the development industry. Everyone has a stake in affordable housing and would benefit from working together and focusing on the big picture, rather than individual interests. The City should work together with other municipalities to monitor progress in this area, and keep a record for future references.

Issuing a public community consultation process can help avoid NIMBY tensions, understand any existing concerns with affordable housing, and determine key themes. For example, the City of Port Moody issued a public consultation process that involved focus groups, interviews, public information sessions and questionnaires. The findings helped contribute to a better understanding of public perception about affordable housing, leading to the development of their 2009 Affordable Housing strategy.

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INTRODUCTION

Affordable housing is a hot topic. It has been, and continues to be frequently discussed among all Canadians, from public sector leaders, industry stakeholders, to the average citizen seeking rental and home ownership opportunities. Housing market, trends and preferences continue to shift, and Canadians across the country are forced to adapt to the changes that come with rapid economic growth in their communities. More and more Canadians are finding it increasingly difficult to ensure decent accommodations for themselves and their families at affordable prices.

All levels of government have a role to play in affordable housing, and many public sector leaders are interested in the strategies used to promote safe, appropriate and affordable housing for their residents. In helping the City of Coquitlam determine which policies might best suit the needs of its residents, particularly during the construction of the Evergreen Skytrain Line and the update of their Affordable Housing Strategy, the purpose of this report is to develop a better understanding of the policy implications of municipal policies, regulations and programs for affordable housing. The research question attempts to determine the enhancing and inhibiting factors of local government actions for affordable housing. The researcher does this by examining different stakeholder perspectives and determining a common interest between the public, private and not-for-profit sectors.

Identifying the Issue

Communities across Canada are experiencing a significant shortage of affordable housing due to high housing prices and a growing gap between demand and supply for affordable housing that caters to the needs of the Canadian population. The ability of Canadians to keep up with housing costs has been an ongoing public policy issues for all levels of government. Many provinces, regional districts and municipalities are making efforts to address affordable housing by setting targets and goals and creating strategic frameworks to meet specific objectives. However, as local governments take on this fairly new role of addressing affordable housing on a larger scale than ever before, more research and collaboration is needed to effectively and efficiently address the demands for affordable housing in their communities. Affordable housing in Canada needs leadership, as well as effective collaboration among stakeholders. The status quo is not an option if local governments truly want to find a solution to affordable housing.

Vancouver. Over the years, the City of Vancouver has been recognized as one of the best cities in which to live in the world. Understandably, it has also been in the spotlight as one of the least affordable places to live. The 2014 Mercer Quality of Living survey, an annual survey that assesses over 200 cities globally on quality of life, ranked Vancouver with the

highest quality of living in North America, and the fifth highest in the world (Mercer, 2014). The Annual Demographia International Housing Affordability survey looks at over 360 metropolitan markets in nine countries, and in January 2014, ranked Vancouver's housing market as the second least affordable in the world for the sixth consecutive year (Demographia, 2014).

Many cities in the Greater Vancouver region, just outside of the Vancouver, are also facing a rise in housing costs, particularly as a result of Vancouver's "spill-over growth". Many people who cannot necessarily afford housing in Vancouver are exploring housing options in the surrounding areas, particularly in locations easily accessible to transit corridors that make traveling around the region more convenient. This includes the City of Coquitlam, which is approximately 30-45 minutes driving distance from Vancouver, and has in the last twenty years, become a highly desirable location, offering quality amenities and beneficial employment (City of Coquitlam, 2013). Coquitlam residents are not exempt from the challenge of disproportionate rises in housing costs to household incomes, and as Coquitlam continues to grow, as seen with the addition of a rapid transit system, housing affordability will become a primary concern for current and future Coquitlam residents.

While homes in the Greater Vancouver region continue to become more and more expensive, the erosion of older homes and lack of primary rental development has contributed to a significant shortage in supply of affordable housing, particularly rental housing which makes up a large proportion of affordable housing for Canadians. Statistics from the Federation of Canadian Municipalities (2013), a not-for-profit organization that advocates on behalf of all Canadian municipalities on local government issues, show that 1 in 3 Canadians rent. Of those renters, 1 in 4 are currently paying over 30% of their income for shelter, meaning approximately a quarter of Canadian renters are currently paying for housing that is not affordable, according to standards set by the Canada Mortgage and Housing Corporation (CMHC).

Although affordable housing is not necessarily a new concept, multiple factors at play have made it a main concern for many Canadians in recent years. This includes a general rise in cost of living, low vacancy rates, increasing gap between high and low wage earners, and demographic changes. All of these factors are contributing to a high demand for affordable housing. At the same time, urban population growth, neighbourhood gentrification, funding cuts from senior levels of government for social housing, condo conversions, lack of primary rental development, and erosion of existing affordable housing stock have intensified the shortage of affordable housing supply.

Local governments are granted their powers and authorities from the BC Local Government Act and Community Charter, which provide a variety of tools and resources for local governments to support affordable housing (see Appendix A for more information

about the Local Government Act and the Community Charter). As the federal and provincial governments continue to download housing responsibilities to the municipalities, local governments must search for innovative ways to increase affordable housing, given their legal and financial capacity.

Identifying the Need

The City of Coquitlam is going through some interesting transformations, particularly with the addition of a rapid transit system. Coquitlam neighbourhoods will have to adapt to rapid population growth and economic development, and the City will need to reassess some of its policies and programs to keep up with positive growth that meets community demands.

The Evergreen Skytrain Line. The Evergreen Skytrain Line, which is expected to operate by 2016, is the first rapid transit development in Coquitlam. The new Skytrain system brings new residential development opportunities along the transit corridors in the City. Unfortunately, this also means redevelopment in areas with much older homes, putting pressure on much old low-rise rental housing in certain neighbourhoods in Coquitlam. Some of these buildings were built over forty years ago through the use of federal funds and are a major source of affordable housing for lower income households. Redevelopment would likely lead to significant loss of affordable housing stock and displacement of some of the most vulnerable residents in Coquitlam.

This concern is most prevalent in the Burquitlam neighbourhood, an area that contains approximately 24% of the Coquitlam's rental housing stock. Burquitlam alone contains 1252 purpose-build, low density market rental units (City of Coquitlam, 2013). Developers have already been submitting their proposals for the area, which will place homes near the new Burquitlam Skytrain Station.

For example, previews for Uptown, two new high-rise condominium towers by BOSA Properties, started in February 2014, and sales for their one and two bedroom apartments started in March 2014. Uptown is a part of a mixed-used high-density project that also includes six townhouses, three retail units, and a grocery store in the area.

Beedie Living hosted an open house to develop their proposal to rezone a popular intersection in Burquitlam for a 26-storey residential tower, while Blue Sky Properties (a division of BOSA) shared its plans to build 788 units in three high-rises, 11 townhouses, and a four-story market-rental building. The market-rental building would create only 46 units on two lots, replacing 112 existing market-rental apartments.

The Evergreen Line has also caught the attention of not-for-profit organizations that advocate for issues concerning affordable housing and homelessness. In response to the

high risk of redevelopment in Burquitlam that may create more homelessness, the Tri-Cities Homelessness Task Group changed the name of their organization in 2012, to the Tri-Cities Homelessness and Housing Task Group to expand and shift their focus to include affordable housing.

In a February 2013 news article by the Vancouver Sun, the Evergreen Skytrain Line was perceived as a “threat to Coquitlam’s stock of affordable housing” (Sinoski K. , 2013), where redevelopment would widen the housing gap, a gap that represents people who currently rent because they cannot afford to buy. In January 2013, the City of Coquitlam’s Planning and Development team published the Housing Affordability Discussion Paper, which predicted that approximately 4,000 Coquitlam households would be spending more than 50% of their household incomes on housing costs by 2023 based on the current trend.

Despite these concerns, the Evergreen Line ultimately provides a faster and more convenient mode of transportation for Coquitlam residents and brings opportunities for the City to density, add a variety of new developments, both commercial and residential, redevelop buildings that have reached the end of their lifespans, and increase the number of housing units. The Evergreen Line supports positive business environments and contributes to municipal growth (see Appendix B for more information about the Evergreen Skytrain Line and Coquitlam’s current transit system). However, as more developers submit their proposals and plans for development to the City, city staff and Council should make clear its expectations to maintain and expand affordable housing for people of all ages and incomes. Recognizing concerns in neighbourhoods such as Burquitlam, the overall growing demand for affordable housing in the City, and potential opportunities rapid transit can bring to the municipality, the City is searching for creative and diverse ways to entice the market for rental and other forms of affordable housing, so that the market can meet the demand for a wide range of individuals and families in Coquitlam.

Report Objective and Structure

The objective of this report is to develop a better understanding of common interests shared by the governments, the private sector, and the community in developing housing policies, practices, and regulations for positive economic growth. The report analyzes the perspectives of individuals from the public sector, the development industry, and the not-for-profit organizations, to identify and address affordable housing for low and moderate income households. Research in the report focuses on tools and resources available to local governments for creating market based affordable housing. The research question determines the inhibiting and enhancing factors of five key themes:

1. Leadership
2. Financial incentives

3. Policies and regulations
4. Rental housing (primary and secondary)
5. Partnerships and community consultations

The report concludes with recommendations, based on research findings and a force-field analysis, to support the preservation, upgrade and expansion of affordable housing in Coquitlam.

Background

Many federal housing programs have expired since 2009, and the overall housing sector in Canada is experiencing ongoing reductions in federal funding. As a result, responsibilities to support affordable housing are being increasingly downloaded to local governments as communities across Canada feel the “housing crunch”. Affordable housing will remain a dominant policy issue as the federal government continues to gradually reduce its role in housing. Meanwhile, municipalities and partner organizations are working together to find innovative solutions to address parts of the “housing crunch”. Appendix C provides more details about the roles played by the federal, provincial, and regional governments.

What is “Affordable Housing”? First of all, for the purpose of this report, affordable housing refers to affordable market housing, or in other words, housing that is affordable provided by the private sector, either at the market or near market price. This report focuses on market affordable housing because local governments are often not in the capacity to support social housing, especially without significant funds from senior levels of government. However, this does not mean local governments should overlook non-market social housing and should continue to include it in affordable housing strategies and discussion.

The most commonly used definition for affordable housing is based on the Canada Mortgage and Housing Corporation (CMHC) calculation which states that housing is unaffordable if households are spending over 30% of their overall household income on housing costs. This definition serves as an effective reference point; however, defining affordable housing is much more complicated than the standards set by the CMHC and should be based on the needs and challenges specific to each municipality in order for them to effectively address affordable housing (see Appendix D for more information about CMHC definitions for affordable rental and homeownership).

Definitions of affordability in terms of housing should also vary depending on what factors are being considered in determining affordability. For example, Jim Lazar and Todd Litman take the CMHC’s definition of affordable housing and factor in accessibility, specifically transportation costs. Litman defines transportation affordability as the ability of household to devote less than 20% of household budgets to transportation (unless households choose

Therefore, in determining the definition of affordable housing, income should not be the only factor; lack of supply, over-regulation of development, and traditional practices in zoning that are inclined to be exclusionary should be considered. It is up to the municipalities to develop their own definition of affordable housing that pertains to the specific needs of its communities and then effectively communicate this publicly.

Relationship between Housing and Transit. Other major costs of living such as transportation and accessibility to basic services and activities (i.e. schools, daycares, shopping centres, health clinics) should be considered when determining the right policies and programs for housing affordability. The Victoria Transport Policy Institute (VTPI) argues that housing is not truly affordable without factoring in these extra costs.

According to Litman, affordable housing requires more than low rents and mortgages because housing is not really affordable if it is located in isolated areas with high transportation costs. As a result, for housing to be truly affordable for those who seek affordable housing, they should have housing options that are typically near public transit, shopping, schools, and employment. It should therefore be recognized, that there is much potential for the Evergreen Skytrain Line to increase the supply of affordable housing options with the new residential and commercial developments that will take place in the course of the next few years.

However, Litman argues that there are too many policies and planning practices currently in place that are discouraging affordable housing development around accessible areas, such as building restrictions on height, density, and type, parking requirements, and other fees that favour fewer, larger, and more expensive units. There are opportunities for affordable housing around transportation only if policy makers consider transportation costs in addition to rents and mortgages when it comes to affordable housing.

Households typically face a trade-off when it comes to housing and transportation. Higher costs of housing around transportation are a result of higher demand for convenience, which urban areas with good access to transportation and other amenities provide. Therefore, more expensive homes are located near transit corridors, where households pay more for better access to the amenities, transportation being a key amenity. Basic economics illustrate that the more desirable a location is, the more expensive it will be to live there. Ensuring that new units are affordable is not the priority of developers, and affordable housing is not automatically a by-product of increased density, even though higher density development can potentially offset increased property values and land costs.

In fact, despite efforts to promote regional and urban growth in cities and affordable-accessible housing at the same time, studies have shown that high density areas associated with efficiencies in infrastructure and with reduced automobile dependence, do not

necessarily correlate with greater affordability of housing. There actually exists a negative relationship between housing affordability and higher land-use densities.

Land prices are affected by the potential profit a new development can generate, and will increase if zoning regulations or other planning policies such as a density bonus, allow for higher density development. Higher densities resulting in the development of more units can usually offset the higher land prices, but there is no factor that would encourage that the units are affordable, nor is there any incentive for developers to ensure that their units are affordable for the low to moderate income households unless they are aware that there is a profitable market there. Contrary to incentives, local governments impose development fees on developers to help finance certain amenities such as roads, parks, daycare centres, and libraries. Minimum parking requirements, in addition to higher construction costs for high-rise buildings that may require special features such as elevators, also act as a disincentive for developers to provide affordable housing.

Local governments can help developers, as well as its residents, by understanding the housing needs of its population and developing clear standards to what is considered affordable housing in their communities. This calls for collaboration so that the development industry can meet the larger demand of the population.

Target Population Groups. Affordable housing is becoming more out of reach for a range of demographic groups, such as low and moderate income individuals and families, young adults, students, immigrants, and seniors. Coquitlam's Housing Affordability Discussion Paper recognizes that some of its most vulnerable groups in Coquitlam in regards to affordable housing include service workers, single income families, young adults, and seniors (City of Coquitlam, 2013, p. 13). Adding to the list are immigrants, and as population growth continues to rise, more and more people in these groups will face the challenge of high costs of housing. For municipalities to implement housing policies and programs that will effectively impact its residents, local governments must first understand the specific demographic needs of its communities in regards to affordable housing. The following section provides an overview of the groups of people who are most likely in need of affordable housing.

- 1. Low-income families:** There are very few housing options for families, especially families with young children, in many urban centres. The higher density in urban areas typically calls for smaller units that are usually not fit for young families. This is particularly an issue for individuals who are already located in urban areas that are ready to form families but would prefer to stay where they are.

For many years, families have been located in suburban areas that have low density housing, such as detached houses and townhomes. It was traditionally believed that the suburbs were safer and more convenient to raise children. However,

preferences have shifted over the years, and more families are exhibiting the desire to live in urban areas. Furthermore, many suburban homes can be fairly expensive for young families, and without the option of locating in urban areas, families with children “can find themselves relegated to living in distant suburbs, no matter their locational preference”, settling for “a lifestyle that requires excessive driving and pressures on undeveloped land” (Bohle, 2011, p. ii).

It is important to “encourage the development of new housing for families in dense areas” (p. ii) if it is recognized that there is a demand in the community. Affordable housing policies should exist to enable low-income families to live closer to employment centers, as well as other amenities such as schools and health clinics.

According to the Statistics Canada 2011 Census, 54.9% of couples (married and common-law) in Coquitlam had children aged 24 and under at home in 2011. Furthermore, 34.2% of household types in Coquitlam were couple-family households with children aged 24 and under at home (not including lone-parent households with children), which is much higher than both the BC and national average of 24.4% and 26.5% respectively (Statistics Canada, 2014). Coquitlam therefore, appears to be quite a desirable location for families with children, and should be a group to examine in developing affordable housing policies.

- 2. Seniors:** Seniors are amongst the people who most need good travel options and “plenty of local services that support healthy and happy lifestyles, such as local parks and inexpensive shops” (Litman, 2013). Ideally, this would mean that seniors, especially lower income or disadvantaged seniors benefit more living in urban communities that allow for better accessibility to basic amenities. However, lack of affordable housing options in higher density urban areas for seniors would force them to relocate to less accessible areas.

In 2011, 11.9% of Coquitlam’s population was aged 65 and over, a percentage change of 20.5% over five years for both males and females, as compared to 3.9% and 10.4% for other age groups 0-14 and 15-64 respectively (Statistics Canada, 2014). As Coquitlam residents continue to age, there must be good housing options to accommodate senior citizens.

- 3. Young professionals and students:** Young professionals and students make up a very large group of people who are in need for affordable housing options. The housing gap, for example, represent people who rent because they cannot afford to buy a home. Many students and young adults fall into this category; some are also burdened with large student debts upon graduation and face the inability to find affordable housing as they struggle with unemployment, low starting wages and entry level positions that do not provide high enough of an income to afford housing

and save at the same time. With the rise in housing prices, including rental housing prices over the years, even young professionals such as teachers, firefighters, service workers, and more, who make up the lower to moderate income households, are finding it difficult to find affordable housing.

Housing factors such as the size of backyards or proximity to local public schools, which are often associated with suburban homes, are usually not a concern for most young professionals and they are more likely to prefer apartments or other housing types available in urban centres close to transportation, employment, and basic amenities such as shopping and recreational centres. Some developers have already recognized that there is a market for young professionals by embracing what is considered micro-apartments: purpose-built one-room accommodations that include sleeping space, bathroom and a kitchenette within a very small contained space. Some micro-apartments are designed with sliding walls or folding furniture due to the limited space. However, this only addresses one type of affordable housing, and local governments should continue to work with developers to ensure a variety of affordable housing options for their residents, especially for young professionals who are employed in their cities. Having more affordable home ownership options could also help long-time renters transition from rental to home ownership, shrinking the housing gap and freeing up more affordable rental units for those who may need it more.

- 4. Immigrants:** In the article, "*Integrating housing and transportation policy in BC*", Ren Thomas advocates for affordable housing development along public transit corridors, particularly when it comes to immigrants and new developments in BC. Thomas' study shows that immigrant populations are approaching or even exceeding half of the population in cities such as Vancouver, Surrey, and Richmond, and although smaller cities have lower immigration rates, Thomas argues that there is still a significant proportion of immigrants, who make up another demographic group that depend on affordable rental housing, as well as proximity to public transit (Thomas, 2009).

Thomas supports more affordable housing in the form of mixed-use developments, and argues that immigrants should not be excluded from policy-making when it comes to affordable housing around rapid transit corridors because immigrants use public transit at a much higher rate than the general population. According to the 2006 Census, immigrants made up 39.4% of Coquitlam's total population in 2006 (Statistics Canada, 2014).

LITERATURE REVIEW

This section provides a literature review on common local government policy tools and measures and is categorized into four different themes: financial incentives, policies and regulation, rental housing, and partnerships and community consultations. Sources used for this literature review include public databases, reports and publications, academic journal articles and books, news articles, and committee meetings. The data parameters for this research are limited to literature published within the last 15 years.

There have been a lot of studies around what tools are available, as well as case studies to help establish best practices. Most of these programs are fairly new and it is too early to determine the effectiveness of the policies or programs. As a result, there was not a lot of academic literature available on the five subtopics, with the exception of inclusionary zoning, which has gained a lot of discussion and debate in the United States of America over the recent years. This literature review covers a dialogue around smart growth theories, as well as best practices for promoting affordable housing, which helped the researcher develop the conceptual framework for this report (see following section).

Financial Incentives

There are a number of fiscal actions that local governments can take in order to provide incentives or reduce disincentives for developers to participate in the creation of more affordable units. Some of these measures, as identified by Metro Vancouver are:

- Leasing city-owned sites to non-profit organizations to manage rental;
- Donating city-owned land to facilitate affordable housing development;
- Issuing grants to facilitate affordable housing initiatives;
- Granting property tax exemptions or forgiveness;
- Waiving development permit fees;
- Waiving or reducing municipal DCCs through an assist factor; and,
- Managing an affordable housing reserve fund.

However, local governments often do not have the land or financial capacity to take advantage of some of these tools. Many municipalities have an affordable housing reserve fund, or access to a regional reserve fund that can financially assist in affordable housing projects. The monies for the reserve funds are often collected through density bonuses or development fees. Based on available literature, this section covers a review on development fee waivers, particularly development cost charges (DCC's).

Waiving development cost charges (DCCs) and other development fees. Section 932 – 937 of the *Local Government Act* allows local governments to adopt development cost charge (DCC) bylaws that allow them to collect DCCs in order to facilitate development in their communities. The purpose of DCCs is to help offset some of the infrastructure costs incurred by municipalities as a result of new developments, and is based on the benefiter-pays principle, where those who will benefit from the development should contribute to the costs. As the *Local Government Act* dictates, the monies collected by DCCs are generally used to construct the necessary services around the development, such as roads, sewage systems, and parks. This does not however, include soft services such as creating affordable replacement housing for people displaced by the developments. Vancouver and Whistler are a few exceptions as both the *Vancouver Charter* and the *Resort Municipality of Whistler Act* provides both municipalities the authority to collect DCCs for certain housing services (BC Ministry of Community Services, 2000).

The development of DCCs should appropriately reflect local government community plans, and in developing DCC bylaws, local governments must consider factors such as impact on housing affordability. As outlined in the *DCC Best Practices Guide*, published by the Government of British Columbia in 2005, local governments must take into account whether the proposed DCCs will be too excessive, deter development or discourage the development of reasonably priced housing and serviced land. The *Local Government Act* also establishes a few exemptions to provide flexibility for local governments in developing DCC programs. For example, section 933 (12) of the *Local Government Act* allows local governments to provide assistance to non-profit rental housing developers by waiving or reducing DCCs (p. 13).

The *DCC Best Practices Guide* recommends that when developing DCCs, local governments should establish residential DCC categories according to density gradient, since the relative benefit received between various types of land use is directly related to the density of new development. Section 934 (3) of the *Local Government Act* states that a DCC bylaw may be imposed for two different options: (1) the development unit option which in practice, includes “lots” for single family homes, and “dwelling units” for multi-family homes such as townhouses and apartments; and (2) the floor space option, which is based on square footage or square metres. The latter option, although not as widely implemented, is encouraged by the development industry and may be more appropriate in promoting housing affordability. If a DCC is levied on the number of units, the total charge will increase as the number of units increase, therefore, creating an economic disincentive for developers to build more units that are smaller and more affordable. In addition, DCCs must be based on the provision of services and not the ability of the developers to pay.

Section 933 (2) of the *Local Government Act* also enables local governments to reduce DCCs by providing Council the authority to set up an assist factor, which can be amended as

necessary to ensure that DCCs do not deter development. Some municipalities have considered a higher assist factor to encourage housing affordability. However, a higher assist factor also shifts the cost burden to taxpayers by requiring the local government to provide financial assistance to cover the costs in delivering the municipal infrastructure related to the new development.

In addition to DCCs, developers are faced with a number of other services-related levies, fees, and charges. These include land dedications, processing fees, approval and subdivision applications, development plans, and building permits (Canada Mortgage and Housing Corporation, 2005). A study conducted by the CMHC in 2005, suggested that these costs on new residential development can be substantial, and directly affects the total cost of housing and therefore housing affordability. DCCs across Canada account for approximately 68 per cent of total municipal charges (p. 1).

Despite BC being among the two provinces in Canada having the most comprehensive legislation around DCCs (the other province was Ontario), the report concludes that the calculations of DCCs are challenging to follow, not easily duplicated, and very difficult to ensure that DCCs are fair, equitable, and applied appropriately (p. 7). This raises concerns with transparency and accountability, particularly with the collection and use of the money collected as a result of the fees. Based on its case studies, the report concluded that many local governments across Canada had higher DCCs because they were unaware of funding opportunities from federal infrastructure programs to help reduce DCCs, and emphasizes that uncertainty around DCCs discourages new residential development which accommodates growth and provides benefits such as greater housing options and job creation, which in turn have economic spin-offs. The extra costs of infrastructure around new development are therefore not considered a cost burden to taxpayers, but rather as appropriate contributions towards increasing overall community assets and benefits, through the opportunities provided by new development.

Policies and Regulations

Local governments have a variety of tools to use within the regulatory framework and land use system provided by the *Local Government Act* and the *Community Charter*. Some of these zoning and regulatory actions include:

- Increasing density in areas appropriate for affordable housing or providing density bonuses to developers;
- Encouraging smaller lots and broadening multi-family housing zones;
- Reducing parking requirements in areas with access to transit;

- Modifying building standards and zoning regulations for secondary suites and new developments; and,
- Implementing inclusionary zoning policies, as permitted by legislation.

There exists a large amount of American literature on inclusionary zoning which commonly refers to “mandatory” inclusionary zoning, where local governments require private developers to build a certain number or percentage of units in their developments. The *Local Government Act* does not currently permit local governments in BC to implement “mandatory” inclusionary zoning policy, although some municipalities have successfully implemented a version of inclusionary zoning that can be categorized as “voluntary” inclusionary policy, where local governments can encourage private developers to either build a specific amount of affordable housing units as part of their development or contribute to the affordable housing reserve fund. Some municipalities in other provincial jurisdictions have successfully advocated for the authority to implement “mandatory” inclusionary zoning, which could be an option for BC municipalities. The literature review in this section will include both “mandatory” and “voluntary” inclusionary zoning, as well as density bonuses, parking requirements, and secondary suites.

The inclusionary zoning debate. Inclusionary zoning, typically understood as *mandatory* inclusionary zoning, is a regulatory tool used in several countries to guarantee a certain quantity of affordable housing units in new developments. It is a public policy that is widely implemented in the US but the concept is still fairly new to many Canadian municipalities, particularly because most provincial legislations do not actually permit municipalities to implement inclusionary zoning. As a result, there are very few studies of inclusionary zoning in the Canadian context (Mah & Hackworth, 2011, p. 57).

Even despite its wide use in the US for over thirty years (Kautz, 2002, p. 2025), including a number of publications in the past 20 years debating the effectiveness of inclusionary zoning, the literature available remains “largely theoretical due to the lack of empirical research” (Powell & Stringham, 2004). In addition, it is challenging to discern from the literature which inclusionary zoning programs are suitable for replication in Canada because inclusionary zoning policies “in the two countries general began for different reasons” and the circumstances and details of the programs as well as the unique features of every municipality are difficult to compare (Mah & Hackworth, 2011, p. 59). For example, inclusionary zoning in the US was a response to racial discrimination and was aimed to correct “exclusionary land policies that have artificially inflated land and house values” (Kautz, 2002, p. 2024). In Canada, the leading drivers for the consideration of inclusionary zoning policies are rapid growth of urban centres, lack of predictable funding from senior levels of government and the persistent downloading of housing responsibilities to local governments.

Inclusionary zoning is not a policy that is discussed or recommended in the BC Government Guide for Improving Market Housing Affordability since the Local Government Act and the Community Charter does not provide municipalities with the authority to implement zoning regulations that require developers to create affordable units in new developments. The City of Vancouver is an exception since the Vancouver Charter does allow inclusionary zoning, although there have been several municipalities that have discovered innovative ways to implement a form of *voluntary* inclusionary zoning, usually in conjunction with other housing policies such as density bonuses.

As more municipalities begin to seek more creative ways to tackle the issue of housing affordability, studies about the potential effects of inclusionary zoning in Canada have started to emerge. For example, inclusionary zoning is discussed in *Municipal Regulatory Initiatives: Providing for Affordable Housing*, a report published by the Canada Mortgage and Housing Corporation. The report recognizes Toronto, Vancouver, and Burnaby as having successfully implemented a “variation of inclusionary zoning through a comprehensive rezoning process for major private redevelopment sites” (Canada Mortgage and Housing Corporation, 1999). In Marika Albert’s report, *Affordable Housing for BC’s Capital Region: Tools for the Future*, she argues for the use of inclusionary zoning as it is “useful as a response to growth” and is “relatively inexpensive for municipalities to undertake”, as seen with BC municipalities such as Langford, Richmond, and Burnaby (Albert, 2012, p. 45). Albert does, however, recognize that this type of policy would be unpopular with developers or builders.

Proponents of inclusionary zoning in the US literature typically compare the results of *mandatory* and *voluntary* inclusionary zoning, demonstrating the ineffectiveness of voluntary programs in comparison to mandatory ones. They also emphasize the positive effects of counteracting exclusionary practices, and demonstrating the benefits to society when lower-income individuals and families are able to live in safer neighbourhoods as a result of inclusionary zoning.

A report prepared by Altus Clayton for the Canadian Home Builders’ Association (CHBA), *the Potential Effects of Inclusionary Zoning in Canada*, attempts to assess the potential effects of inclusionary zoning in Canadian municipalities using research based on the US experience. The report suggests that the policy is generally inefficient, producing low volumes of subsidized units at high costs, while government, developers, and/or home buyers bear the costs by causing the average price of new homes to increase (Altus Clayton, Division of Altus Group Limited, 2008, p. 5). Altus Clayton argues that there are large unintended and indirect long-term consequences from inclusionary zoning policies, including inadequate housing supply and reduced overall affordability in a community (p. 16).

Findings from *Housing Supply and Affordability: Do Affordable Housing Mandates Work?*, a report by the Public Policy Institute, a think tank located in Los Angeles, supports Clayton's research, suggesting that inclusionary zoning policies produce very few units, has very high costs and imposes large burdens on the housing market, causes market-priced homes to be more expensive, and ultimately restricts the supply of new homes by driving away developers and new construction, which is key to addressing housing affordability (Powell & Stringham, 2004). Powell and Stringham argue that rather than "working against" developers, local governments should encourage and allow more construction, because as the supply of homes increase, existing homeowners will often upgrade to the newly constructed homes, thereby freeing up prior homes for lower-income households (Powell & Stringham, 2004).

Julie Mah and Jason Hackworth in their article, *Local Politics and Inclusionary Housing in Three Large Canadian Cities*, attempts to better understand the impact of inclusionary housing as an affordable housing policy in Canada and explores the inclusionary housing practices in the Cities of Montreal, Toronto, and Vancouver. As previously noted, the Vancouver Charter enables the City of Vancouver to permit higher density in exchange for affordable housing¹. However, the study finds that the inclusionary zoning policy in practice is not viewed as a mandated process, but rather a negotiation or partnership with developers (Mah & Hackworth, 2011, p. 69). Based on their research, Mah and Hackworth conclude that these municipalities experienced much struggle and limitations in delivering highly successful inclusionary zoning policies, but suggest that inclusionary zoning should not be excluded from "the planning dialogue as a way to generate some housing in certain circumstances" (p. 74).

The effectiveness of density bonuses. Density bonuses are provided by local governments to permit developers to build more units on a given site than zoning bylaws would normally allow, in exchange for certain amenities, such as affordable or accessible housing, child care facilities, underground parking, and more. According to the Center for Land Use Education, this tool works best in areas where growth pressures are strong and land availability is limited, or when incentives for attaining certain public policy goals, such as affordable housing, outweigh alternative development options (Center for Land Use Education, 2005, p. 1).

The use of density bonuses varies, based on area where the bonuses would be allowed, the zoning ordinances or subdivision regulations to which the density bonuses are tied, the extra density that would be allowed, and the amenity to be provided in exchange for increased density. For example, density bonuses have been used to increase the supply of

¹ Affordable housing in this context means social housing, and the policy in discussion pertains to the twenty percent social housing policy in Vancouver.

housing for low income or senior households by allowing density in exchange for rent and sale restrictions for a certain number of units for low income and senior households.

In theory, the additional cash flow from the increased density would offset the reduced revenue from the less expensive units. In developing such a policy, there must be criteria that designate the number of percentage of the lower cost units needed for bonus eligibility. In this case, these units should also be monitored and maintained. According to the report card created by the Center for Land Use Education, density bonuses are an effective policy tool in promoting housing affordability because it does not impose any direct cost to the community (other than staff resources and administration) and because it is generally accepted by the public and local politicians.

On the other hand, Doug Bibby, President of the National Multi Housing Council in Washington, DC, suggests that developers may encounter a number of hidden costs when it comes to density bonuses, especially when they are not combined with the right policies, incentives, and partnerships. Bibby argues that the revenue from increased density rarely covers the sufficient cost of the additional units that are required to be more affordable than the all the other units, particularly for high-rise properties. Bibby takes into account the extra construction costs (including additional parking) and higher development fees. In providing density bonuses as a tool to promote affordable housing, Bibby suggests that density bonuses are not sufficient on their own as a policy to produce affordable housing, and they “need to be regularly re-evaluated and readjusted based on economic conditions” (Bibby, 2008, p. 108).

Density bonuses are a good mechanism, not only to encourage development, but it can generate revenue for a housing reserve fund or a trust fund put aside by a municipality for affordable housing projects and initiatives. Some density bonusing programs allow developers to contribute to the housing reserve fund in lieu of building the affordable units. This way, money is still secured through the use of density bonusing for affordable housing, whether that goes toward building units or assisting people in need of affordable housing that may become displaced from redevelopment. Both avenues demonstrate commitment on the part of developers to support affordable housing. However, contributions from density bonusing are tied to the economy and market conditions. Substantial funds could be generated during strong market conditions whereas economic downturns can significantly diminish the amount of revenue generated through this mean.

Reductions in parking requirements. Parking requirements are implemented through zoning bylaws and development standards to ensure sufficient supply of parking. Current conventional standards for residential parking typically call for two spaces for single family homes and apartments that have three or more bedrooms, and one to two spaces for other units including smaller apartments and condominiums (Litman, 2013, p. 3). These parking

spaces usually cost anywhere from \$10,000 to \$45,000 per parking stall to build, therefore significantly increasing the total cost of development. Many local governments have reconsidered relaxing or even reducing existing parking requirements to encourage the development of more affordable housing, particularly around transit-accessible locations for the low to moderate income households.

According to Litman in a recent article about the impact of parking requirements on housing affordability, current parking requirements are comparable to approximately a 10% tax on development (p. 2). This significantly increases overall housing costs and reduces incentives for developers to produce affordable housing (p. 13). Manville's article also suggests that parking requirements can seriously inhibit housing development or type of housing being built, and in locations that are higher in density and land is expensive, the impact of parking requirements can be significant (Manville, 2013, p. 49).

Litman's report suggests that the costs associated with parking requirements are four times greater than all the development fees combined and therefore, places the largest financial burden on developers. As a result, parking requirements do not only directly influence the affordability of housing units (by requiring residents to purchase or rent parking spaces with their homes); parking requirements also indirectly impacts affordable housing by (1) inhibiting the supply of affordable units being built, (2) discouraging low to moderate income households without vehicles to purchase the units, and (3) encouraging automobile ownership and use, thereby increasing transportation costs for renters and homebuyers. Litman's study demonstrates that generous parking requirements, depending on the type and structure of the residential buildings, can also reduce the maximum potential development of units by increasing the land required per unit, land that could be used to develop additional units.

It is important more than ever to reconsider parking requirements and encourage more efficient use of parking resources to support the new development of affordable housing, particularly around TOD where individuals are less likely to own vehicles. According to Litman, "residents of communities with more diverse transport systems tend to own fewer cars and take fewer vehicle trips" (Litman, 2013) than in areas, such as the suburbs, that tend to be more dependent on automobiles to travel. Results from a survey about the demand of parking around Skytrain stations in Vancouver showed that nearly 25% of households living near the transit stations did not own vehicles, and that households located within 300 metres of a station owned 10% fewer vehicles on average than households located farther from the same stations. Overall, the average household vehicle ownership was 31% lower around transit corridors.

Vehicle ownership greatly varies between households over time, and depends on multiple factors such as the income, individual preferences, neighbourhood, location and access to

public transportation, and management of the parking spaces (p. 4). Litman illustrates that larger homes do not necessarily require more parking spaces because extra rooms are not automatically occupied by additional adults who own vehicles. It is also likely that many households share vehicles, either to save on costs or for other reasons such as environmental concerns (p. 5-6). Relaxing or reducing parking requirements do not only favour residents by providing them the option of purchasing parking spaces, but they are “equally rewarding” for developers who would be able to then produce more housing units, save on parking constructions costs, and develop more affordable housing to meet the needs of a larger housing market (p. 13).

Manville proposes that developers are ultimately better off with more efficient parking requirements, because the option of purchasing parking spaces is more appealing to potential buyers, especially for housing development in dense urban areas that serve a large variety of people with different parking preferences (Manville, 2013, p. 62).

Prior to reforming parking policies however, local governments must first develop an accurate understanding of the need and realistic demand for residential parking in their communities. It is important to note that changes to parking requirements may also generate some community resistance, also known as NIMBY, even in locations that have good access to transit. This barrier can however be overcome through the use of educational campaigns, local support from non-profit organizations and developers, and public consultations to promote transparency.

In September 2012, Metro Vancouver published *Apartment Parking Study*, a comprehensive investigation of apartment parking supply and demand in the Metro Vancouver region. The study attempts to help municipal planners and developers determine the right amount of parking to promote affordable housing but also avoid negative spillover effects onto neighbouring streets. The report suggests that the amount of parking required in new apartment developments should reflect current and emerging trends:

1. Most new homes are apartments.
2. There are better transit options. TransLink continues to expand and improve in frequency and service.
3. There is waning interest in car ownership by the younger generation due to high fuel prices, the economy, and improved transit service.

The report also compared parking practices to other cities, noting that most municipalities in Metro Vancouver do not stipulate reduced parking requirements based on proximity to transit whereas other cities do vary their parking requirements for specific geographic areas (Metro Vancouver, 2012).

Based on two regional surveys, Metro Vancouver found that parking supply exceeded parking demand across the region, and that parking demand was generally lower for renters than for owners. The study also found that households living near transit had fewer vehicles. These key findings demonstrate that the greatest opportunities for parking changes are new apartment sites near transit. These changes include relaxing parking requirements, implementing a parking opt-in/opt-out program, and encouraging rental apartments near transit (Metro Vancouver, 2012).

Secondary suites: major sources of affordable housing. The CMHC defines secondary suites as self-contained rental units constructed within or as an addition to a house; and garden suites as stand-alone, self-contained rental units situated on the same property of the principle residence. For the purpose of this report, the definition of secondary suites will also include garden suites. These units are essentially subordinate to the principal dwelling unit and remain under the control of the principle owner (Gratton, 2011, p. 9), and are typically considered a form of affordable market housing.

Secondary suites have been known to provide many benefits to the homeowners, tenants, and the community. These benefits include affordable and accessible home ownership and rental. For example, secondary suites can assist homeowners with their mortgage, which is “especially beneficial in urban areas where housing costs are high” while also ensuring accessible housing options for residents such as seniors and persons with disabilities by providing them a sense of security and allowing them to age in place (BC Ministry of Community, Aboriginal and Women's Services, Housing Policy Branch, p. 9).

Secondary suites can also provide tenants accessibility to community amenities, such as transit, schools and shopping, which contributes to affordable housing for lower income households who would not otherwise be able to afford long commutes and travels. Other social benefits that secondary suites bring to the neighbourhood include low-impact densification while maintaining community character, enabling diversity of economic backgrounds, and expanding the stock of low cost rental housing without the use of government subsidies (p. 9-10).

The City of Coquitlam currently has a well-established secondary suite program, which was implemented by a zoning bylaw passed in 1999 after a comprehensive study was taken in 1997. The bylaw allows secondary suites in all single-family zones, as well as single-family homes in the RT-1 two-family zone. In addition, “suite readiness” provisions, also known as lock-off units, which allows for the construction of secondary suites in new developments, were incorporated into approximately 80 per cent of building permits for new homes in the municipality. Additionally, according to the *Secondary Suites, BC Guide to Local Governments*, the “suite readiness” program at Coquitlam for new construction has been receiving good responses.

Secondary suite programs are however, still sensitive and somewhat controversial in certain municipalities. This could be due to existing community resistance, as well as a concern by local governments for potential community resistance as residents fear that the suites could change the character of their neighbourhoods. Secondary suite programs can also be challenging to monitor and enforce, resulting in increased liability for local governments and a higher demand for staff resources that will lead to higher administrative costs.

Despite the benefits outlined above when it comes to secondary suites, there are still many municipalities that have not legalized secondary suites, due to community resistance or changes to neighbourhood character. On the other hand, some municipalities permit secondary suites under fairly strict conditions. For example, CBC News reported in February 2014, that bylaw officers at the City of Surrey were actively pursuing advertisements for illegal secondary suites, and issuing fines of up to \$1,000 for those who failed to register their suites. This initiative was supported by residents in the neighbourhood who claim new tenants or visitors were “people smoking drugs... people throwing trash” while also causing parking issues along the streets when there is no room for extra vehicles (CBC News, 2014).

Illegal secondary suites could be a result of owners attempting to avoid property or income taxes, and other costs associated with registering their secondary suite, such as compliance to standards and regulations and inspection (Gratton, 2011). Local governments must therefore, take these factors into consideration in order to promote more affordable housing options through a secondary suite program.

Rental Housing (primary and secondary)

Rental housing is a large component of affordable housing, and the lack of rental housing supply has been an ongoing issue for local governments across Canada, particularly in BC. Private developers are likely more interested in developing condominiums or other forms of high-density market homes than rental units, especially around transit corridors that present developers the opportunity to profit from high-rise towers. Some common actions that have been recognized to facilitate the prevention of rental housing losses include:

- Implementing replacement policies for the loss of rental housing stock;
- Creating demolition and condo or strata conversion policies; and,
- Enforcing the standards of maintenance by-law.

Some of these policies can be fairly difficult to implement and require careful consideration and knowledge of the secondary rental market. For these reasons, a literature review on the secondary rental market is included, which may help inform policy-makers in the types

of programs needed to protect and even enhance the supply of rental housing in their communities.

The Secondary Rental Market. According to the CMHC, the secondary rental market includes:

- Rented single-detached houses;
- Rented double (semi-detached) houses;
- Rented freehold row/town homes;
- Rented duplex apartments;
- Rented accessory apartments (i.e. secondary suites);
- Rented condominiums; and,
- One or two apartments which are part of a commercial or other type of structure.

As demand for home ownership prevailed over demand for rental housing during the 1980s and 1990s, the incentives for developers to build rental units began to disappear and primary rental housing construction declined. Encouraging private rental housing development will continue to be a challenge for local governments as they present riskier investments, particularly in urban settings (Gunn, Carter, & Osborne, p. i). According to *The Secondary Rental Market: A Literature Review and Case Study*, the lower incomes of many renters in both BC and across Canada make it difficult for developers to yield adequate returns on their investments, resulting in a disincentive for the development of purpose-built rental without financial support from the governments. In addition, the immediate profit of selling condominiums eventually caused the primary rental market to be “squeezed out” by the condominium market (p. 2). As a result, local governments have recognized the significant role the secondary rental market can play, as seen with the legalization and promotion of secondary suites. However, local governments should be aware of the complications in depending on the secondary rental market for preserving affordable rental stock.

Certain issues that may arise with all rental accommodations in the secondary rental market include the challenge of local governments to monitor the amount of secondary rental units. This is due to the existence of illegal suites and underreporting, as well as the “fact that owners can remove the secondary units from the rental stock very quickly” (p. 3). Another challenge is the inability of local governments to ensure that the secondary rental market provides affordable housing. Some rents for secondary rental accommodations are higher than similar sized units in the primary market rental, particularly in larger and more central municipalities such as Vancouver (p. 3). In this case, the secondary rental market is not contributing to affordable housing. Other challenges, as discussed in the section on secondary suites, include the ability for local governments to counter NIMBY responses, maintain health and safety standards, and enforce building codes. Local governments must

therefore, develop a comprehensive understanding of the secondary rental market within their jurisdictions when using it to promote affordable housing.

Partnerships and Community Consultations

Local governments do not have the capacity to tackle the issue of housing affordability on their own considering affordable housing is also the responsibility of the provincial and federal governments. However, local governments are in a good position to best understand the needs of their communities in regards to affordable housing, and can take a role in addressing local opposition, as well as advocating on behalf of their communities to senior levels of government for support of their initiatives to provide affordable housing. The literature also suggests that better coordination and collaboration among all levels of government, as well as partnerships and alliances with the non-profit and private sectors are needed to effectively deliver affordable housing. This section includes a literature review on NIMBY and quick overview of public-private partnerships.

NIMBY. Local opposition or community resistance to affordable housing initiatives is often referred to as NIMBY. NIMBY can be a significant barrier to affordable housing development for local governments and developers. When it comes to managing urban planning and the development processes, most stakeholders, including Council, city planners, and developers, strongly value the ideals of public participation, opinions, and input (Tighe, 2010, p. 4).

In addition, NIMBY opposition exists not only in the suburbs where neighbourhoods oppose development due to higher density and traffic, but also increasingly in older and redevelopment cities and rural areas (p. 81). To promote affordable housing policies and initiatives and avoid powerful NIMBY oppositions, local governments can work in partnership with non-profit organizations and private developers to manage NIMBY pressures. Since “various communities raise different concerns over a proposed development” (p. 26), local governments would need to first understand all potential factors that influence opposition so that they can effectively address any existing concerns within their communities.

It is also important for local governments to understand the root of these concerns and the size of NIMBY in their neighbourhoods. For example, it is possible that the majority of residents are not opposed to a development project but opposition has been loudly voiced by individual NIMBY proponents, or that “residents may not oppose the development but only a certain number of issues about the project” (p. 26).

Based on the literature, common NIMBY reactions are rooted in two different factors: fears and misconceptions of the potential impact caused by new developments in their

neighbourhood; and personal interests and values about urban growth. Fears driving NIMBY include lower property values, increase in crime, congested traffic in their neighbourhoods, and environmental issues. Declining property values is a core argument for NIMBY homeowners, who believe that negative externalities associated with development such as noise, litter, traffic, and crime, will cause their property values to decline (p. 19). This concern is supplemented by conceptions that there will be low quality of property management.

Mai Thi Nguyen's study on the link between affordable housing and property values reveals that the extent to which property values are lowered due to affordable housing depends on a variety of factors that include design and management of affordable housing, compatibility between affordable housing and host neighbourhood, and concentration of affordable housing (Nguyen, 2005, p. 19). There is not enough evidence to make a definitive statement about the nature of the relationship between affordable housing and property values (p. 17). Although there have been examples in the past where affordable housing has lowered property values, it is not enough to cause general concern, as Nguyen has also found that in many instances, affordable housing had no effect on property values. This applied particularly to affordable housing that was well managed and sited in healthy and vibrant neighbourhoods (p. 24). Nguyen concludes that more studies are needed in this area, but generally, when negative effects on property values do exist, they are small and depends on the many characteristics of the affordable housing units as well as neighbourhood composition.

NIMBY advocates will sometimes use these arguments to cover their personal views about affordable housing development in their areas. These concerns include sentiments around invasion of privacy, open space, racial and income prejudice and segregation, and general distrust in government due to unpopular initiatives in the past (p. 8). Another common NIMBY concern is the change in neighbourhood character, particularly in sprawling low-density suburbs where residents may oppose proposed high density projects for affordable housing. The development of high density housing causes opposition from residents who fear that it will block views or bring along with it congested traffic and noise, particularly in single-family home zones, where residents made the decision to move into those areas for the neighbourhood character, to have it change on them.

Even though research has disproved many of the concerns over affordable housing, they cannot be easily dismissed as irrational. Local governments can address NIMBY in their communities by focusing on the direct and indirect benefits and opportunities that come with affordable housing development in their neighbourhoods (Tighe, 2010, p. 13). Studies have suggested that the integration of lower income households into more economically and socially advantageous neighbourhoods benefits the overall community, and that affordable housing is necessary to meet the housing needs of a diverse and growing

population, as well as for the municipality's economic competitiveness (p. 11). Tighe recommends that city planners create broad alliances and networks with groups that may benefit from the development of affordable housing units, and take proactive steps to promote support for such initiatives from political and community leaders (p. 13).

By effectively addressing NIMBY, local governments can reduce related costs and delays and preserve the integrity of their initial proposal (p. 100). Although it may be difficult to measure, best practices and recommendations in the literature suggest some success in efforts that include education campaigns, local regulations, physical design and management improvements, and public outreach and negotiation (p. 3-4). For example, NIMBY proponents often have a misperception of lower-income individuals and the types of people that can be considered low-income individuals. As a response, some cities have implemented public campaigns that provide images to the public about the types of people who need affordable housing, such as firefighters, teachers, and other professionals familiar to the public. Other common groups of people who require affordable housing often include students, young families, seniors, and immigrants. Therefore, public education can go a long way in gaining support for affordable housing.

Working with the private sector: development industry. Tsenkova and Witwer (2011) looks into a variety of public-private partnerships formed to encourage private provision of affordable rental housing, as well as the role local governments can play in facilitating private sector involvement in housing affordability. Their study identifies barriers and opportunities for private sector involvement and reviews the advantages and disadvantages of government interventions, particularly through their use of financial measures and regulatory framework. Although their research focuses on municipalities in Alberta, many of their findings are applicable to BC municipalities. Some of the policy instruments recommended by Tsenkova and Witwer have already been discussed, such as land contributions, fee waivers, density bonusing and inclusionary zoning

In addition to a lack of incentive for private developers to build affordable rental housing, the development industry also faces a "myriad of barriers", usually as a result of regulatory challenges or "cumbersome" planning processes. Therefore, local governments can potentially encourage the participation of the private sector in the provision of affordable housing by removing some of these barriers, which are within their capacity and authority to do so. NIMBY, as previously discussed, is one example of a barrier that the local government can address to facilitate the planning process.

Another planning barrier is the uncertainty around approval processes for development projects which can significantly add to the developers' costs when negotiations are delayed and project timelines are extended (Tsenkova & Witwer, 2011, p. 72). To increase collaboration between local governments and the private sector, Tsenkova and Witwer

recommend that city planners increase the transparency and predictability of the development approvals process by creating a more streamlined process that encourages greater willingness by developers to pursue more innovative and high risk projects (p. 75). The objective of this procedure is to provide developers better certainty about the time required for development approvals so that they can better project the costs within their budgets.

Tsenkova and Witwer also recommend that local governments continue to work with senior levels of governments to establish sustainable funding for affordable housing, since capital funding is often required to “bridge the gap between the cost of development and potential revenue generation” of affordable housing. This would ensure that the costs of affordable units are not shifted to the developers or consumers of the other units.

CONCEPTUAL FRAMEWORK

The literature review, which looked at financial incentives, regulatory policies, rental housing loss prevention programs, partnerships, and NIMBY, helped identify five key themes for the conceptual framework in this report, which also includes a force field analysis. These five key focus areas and subtopics of the analysis are:

1. Leadership
2. Financial incentives
3. Policies and regulations
4. Rental housing (primary and secondary)
5. Partnerships and community consultations

These concepts were chosen to cover all major themes related to housing policies at the municipal level. The policies under analysis are aimed to support affordable market housing in the Metro Vancouver region and include both market rental housing and home ownership for low to moderate income families and individuals.

Force-field Analysis

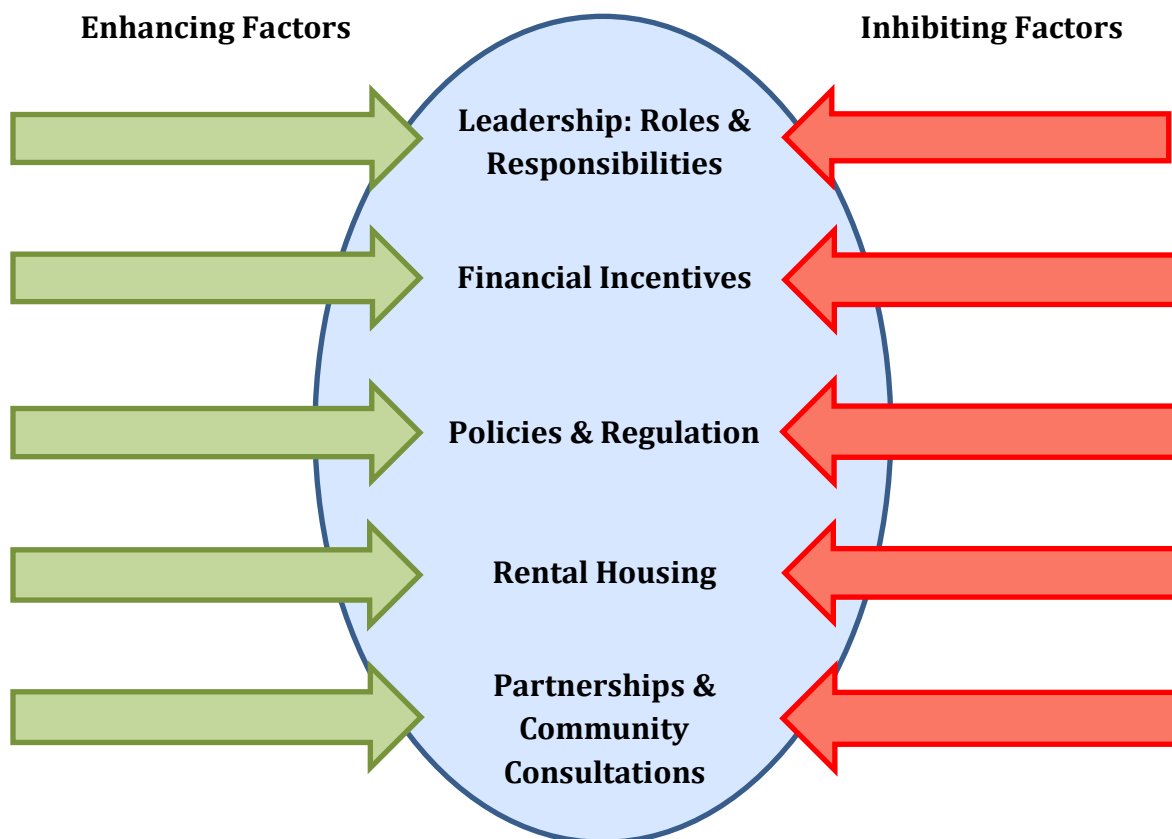
The force-field analysis model is based on principles developed by Kurt Lewin to understand behavioural patterns during a time when change is taking place and identify the forces that may influence the implementation of certain policies and programs. This is helpful in circumstances where there exists an imbalance between the sum of the forces against change and the sum of the forces for change. A force-field analysis attempts to realize the balance between these forces in a given social situation.

In this report, a force-field analysis is used to help understand and identify the forces that may influence the implementation of affordable housing policies and programs. Although housing affordability is not necessarily a new concept, the changing market preferences and trends along with the withdrawal of funds from senior levels of government are forcing local governments to take a closer look at their contributions to affordable housing. The researcher will conduct a force-field analysis based on the inhibiting and enhancing factors for each respective subtopic. This analysis will be used to understand the policy implications for local government initiatives for affordable housing.

The inhibiting forces represent the challenges associated with a policy, and the enhancing forces represent the opportunities the policy may present once implemented. Lewin suggests that the opportunities must outweigh the challenges before a significant policy can be implemented to promote positive change.

Figure 2 illustrates the application of force-field analysis for the five subtopics identified in this report. The inhibiting forces in the figure represent the difficulty of implementation, and the enhancing factors represent the potential benefits to the City of Coquitlam. Upon understanding both forces at play, the analysis will help determine solutions to existing barriers. Recommendations based on this analysis are provided at the end of this report.

Figure 2: Force-field Analysis Model



Limitations

There are limitations when using the force-field analysis model when analyzing qualitative data. For example, force-field analysis does not determine the significance of the responses received by the interview participants. Therefore, interpretation of the data can be subjective. In addition, the model does not demonstrate the degree of support by the respondents nor does it associate their responses to their area of expertise (i.e. policy, research, development, advocacy, etc.).

Each subtopic is analyzed according to its own enhancing and inhibiting forces, using information gathered from the literature review, the data collected from the interviews, and the review of affordable housing strategies. Conclusions about the implications of the policies and regulations under each subtopic are made based on experiences and expertise.

METHODOLOGY

The research in this report is based on qualitative data gathered from a literature review of existing case studies and research on best practices, twenty-four open-ended interviews with key industry stakeholders, and a scan of existing policies and programs from several municipal governments through their affordable housing strategies and action plans.

A literature review on housing policies and regulations was conducted throughout the course of the study. The purpose of the literature review was to identify the conceptual framework for this report, help the researcher develop the interview questions, and determine a basic understanding of the most common policies and programs used to promote affordable housing. The literature review is also used to help analyze the enhancing and inhibiting factors for policy implementation. Sources that were used for the literature review include local government webpages and public databases, reports and publications, academic journal articles, news articles, committee meetings and conferences. The data parameters for the research were limited to literature published since 1994.

Primary research was gathered by conducting expert interviews with twenty-four participants, most of which took place over the telephone. The interview questions used in the interviews were open-ended to encourage the participants to share their perspectives based on their knowledge and experience in regards to smart practices in promoting affordable market housing at the municipal level. The interviews were a significant source of information in determining the inhibiting and enhancing forces of the five subtopics identified in this report.

The Findings section for the interviews is followed by a review of existing housing strategies from various municipalities, most of them in close proximity to the City of Coquitlam. The review helped to inform the researcher about existing policies and regulations in practice which contributed to the development of the interview questions.

Method

The purpose of the interviews is to develop an understanding of the perspectives and opinions on the five subtopics around affordable housing. Affordable housing is a complex and fairly contentious subject, especially when it pertains to stakeholder roles and responsibilities and the degree of support and participation that should be involved in promoting affordable housing. For this reason, the interview questions were semi structured to be open-ended. This method allowed for the researcher to further inquire about the responses given and ask follow-up questions to better understand the complexity of the topics. This method also permitted a significant level of flexibility during the interviews in terms of focus and time limitations. Participants were given the opportunity

to provide their insight and analysis on the topics while the researcher ensured that the most critical points of the topics were addressed.

The discussions that resulted from the interviews explored the many perspectives of policy implementation with regards to housing affordability for medium-sized municipalities such as the City of Coquitlam. The interview questions around housing affordability factored in transportation costs and the impact of transit developments. Participants were sent an interview guide at least one week prior to the scheduled interviews. The questions in the guide were divided into five sections:

- Subtopic #1: Leadership (i.e. roles and responsibilities)
- Subtopic #2: Financial incentives
- Subtopic #3: Policies and regulations
- Subtopic #4: Rental housing (primary and rental)
- Subtopic #5: Partnerships and community consultations

Participants were not required to answer some of the questions again in the case that their response applied to more than one subtopic. The design of the interview questions helped the researcher identify certain patterns for the force-field analysis.

The report also includes a review of municipal affordable housing strategies, and the policies in place or in consideration for the near future. The strategies provide insight into which policies and programs are currently supported or preferred over others.

Participant Selection

The researcher conducted interviews with individuals with expertise in one or all of the research subtopics to gain a better understanding of perspectives from different levels of government, as well as stakeholder groups. The sample included individuals from the public, private, and non-profit sectors in BC and a few from Ontario. Individuals from Ontario were selected because the researcher was located in Ottawa and was able to make good use of the resources that were available there.

In understanding the perspectives from the public sector, the researcher attempted to contact individuals from every level of government, including organizations such as the CMHC, BC Housing, TransLink and numerous municipal staff that covered city planners, policy analysts, directors, and managers. Municipal politicians were also encouraged to participate, including mayors and city councillors.

Non-profit organizations were also critical in this study, and the researcher contacted numerous non-profit associations from Coquitlam, such as the Tri-Cities Homelessness and Housing Task Group, as well as several non-profit organizations outside of Coquitlam, such

as the FCM. Private sector participants were the most challenging to acquire, and this included developers, real estate agents, and other individuals in the development industry.

E-mails were sent to all participants with information about the Project and the type of interview and questions that will be asked. See Appendix E for the recruitment script.

Response rate

A total of twenty-four interviews were conducted over the span of three months, most of them being one-hour telephone interviews that were not recorded; notes were taken during the interview. Approximately thirty-five individuals were contacted to participate in the research project, with a goal to establish at least twenty participants. Follow-up e-mails were sent to individuals who did not respond to the initial e-mail request. Overall, the response rate was fairly positive, especially from the non-profit sector. Most of the individuals who did not participate simply did not respond. Several individuals who declined to participate were still helpful in that they recommended other potential participants. All participants who agreed to be interviewed were required to sign the *Free and Informed Participant Consent Form* prior to the interview. See Appendix F for a copy of the form.

The sample size obtained was a fair representation of the public, private, and non-profit sectors. The research and analysis would have benefited from more private sector participation; however, there were participants from the public or non-profit sectors that had experience and expertise in the private sector, and the researcher was still able to achieve a good understanding of private sector perspectives in housing affordability.

Interview questions

The interview questions were developed to cover main issues surrounding housing affordability, including (1) the roles and responsibilities of governments and other stakeholders; (2) smart practices and effective policies; (3) potential barriers to implementation; and (4) overall opinions and perspectives of the policies and programs that are available to local governments to promote affordable housing. Interview participants were asked to provide examples from their observations and experiences. Appendix G provides a copy of the interview questions.

Limitations

There were three important limitations with the interview process:

- Location;
- Recording; and,
- One interviewer.

As the main question is focused on the City of Coquitlam, and the research involved mostly local governments in the Metro Vancouver region, it was at times difficult for the researcher, who was located in Ottawa, Ontario, to contact and schedule interviews with the participants, particularly with the time zone difference between Vancouver and Ottawa. Due to this complication, participants were also not provided the option for an in-person interview, but only a telephone interview. To accommodate several participants in the BC region, the option to submit written responses to the interview questions was provided, with the opportunity to clarify or elaborate upon any of the questions or responses over a telephone conversation.

Other limitations include the fact that there was only one interviewer and none of the interviews were recorded. As a result, the interviewer had to take notes during the interview, and although the interviewer maintained good efforts in recording everything, it is possible that the interviewer may have missed recording some information. In addition, the information transferred over the phone was subject to only the interpretation of the interviewer as it was being recorded.

Method of analysis

As previously noted, the interviews were only recorded by hand-written and typed notes by the researcher. None of the interviews were recorded. At the end of the interview process, the responses were summarized into raw data tables, and then divided by the subtopics that will be presented in the Findings section of this report.

The Discussion section that will follow will include an analysis of the findings based on a force-field analysis and the frequency of particular responses during the interviews, as well as the frequency of policies or programs in place, determined by the review of affordable housing strategies and action plans.

INTERVIEW FINDINGS

The following section is a summary of the findings based on the responses collected from the twenty-four interviews. Participants of the interviews include political staff (i.e. mayors and councillors), city staff (i.e. planners and policy analysts), developers, not-for-profit representatives, and researchers. Participants were asked for their views and perspectives on affordable housing and ways to overcome potential challenges that local government face when addressing affordable housing. Responses were based on personal and professional experiences in the field.

Key Findings

The key findings are summarized as followed:

1. Leadership: roles and responsibilities – It is important to continue advocacy efforts for increased federal and provincial actions. Meanwhile, local governments are in a good position to facilitate partnerships for housing initiatives. Since local governments are not in the capacity to financially support all affordable housing issues, particularly social housing, it is important to encourage more participation and collaboration from senior levels of government. Nevertheless, local governments are leaders of their communities; they work with the people on the ground and see things happen. They are in the capacity to ensure all key stakeholders bring their knowledge and expertise to the table and maintain an ongoing dialogue for solutions to affordable housing.
2. Financial incentives – It can be very risky for local governments to pursue fiscal measures to encourage affordable housing. Local governments typically do not have the financial resources to pay for units to be built and would have to shift priorities as well as consult intensively with the public before providing significant funds to address affordable housing. After all, they have a very small tax base with many priorities.
3. Policies and regulations – Regulations should be updated to be more flexible in order to accommodate current and future needs for housing. Some are arguing that current regulations, such as parking requirements and building restrictions, are actually providing disincentives for developers to build. Since most regulations were implemented long ago, they should be reassessed to address today's environment.

4. Rental housing – Working with the private sector is very important. Many participants strongly expressed their view that governments are not working enough with the private sector and that there is a misunderstanding that developers want nothing to do with affordable housing, more specifically primary rental development. However, this should not stop local governments from consulting with the private sector for affordable housing.
5. Partnerships and community consultations – Finding a balance that caters to everyone's needs is key; there needs to be more cooperation. Compromise is a two-way street, or in this case, a three-way street and this includes the community just as much as all levels of government and the private sector. Overall, there should be more cooperation now than ever before to effectively address affordable housing.

Moreover, it was generally agreed upon by the respondents that in the wider scheme of housing issues, transit developments can provide affordable housing opportunities. The Evergreen Line provides opportunities for new residential development, increasing supply of housing, and local governments can use this opportunity to encourage the development of some affordable housing, especially for the most vulnerable people in need of affordable living situations (i.e. low-income renters without a car). The idea is also to build more housing will eventually become more affordable as they age. Although encouraging affordable housing around transit stations continue to be a contentious matter, local governments can focus largely on ensuring that they are not inhibiting development.

The following subsections provide more detail on the key findings and are organized based on the interview questions that were asked. They illustrate the synthesized data obtained from the interviews. Some of the subsections include tables to support the findings.

Leadership (roles and responsibilities)

The first subsection focuses on the roles and responsibilities of local governments in affordable housing. There were four main questions and participants were asked to reflect upon their experiences. For most of the participants, half of the interview (approximately 30 minutes) was spent discussing this topic alone. The four questions were semi-structured and very broad, allowing participants to discuss what was most important to them in regards to affordable housing. Since the participants ranged from public servants from all levels of government to the private and non-profit sectors, the responses varied greatly and encompassed a large array of issues. As a result, the responses tend to be very unique. To provide a sense of this, each subtopic discussion will contain a selection of quotes from the participants, which supports the findings.

Opportunities and main challenges for municipalities

The first question helped the researcher get an idea of the respondent’s position in regards to local government involvement in affordable housing. The answers to this question helped establish the context for the remaining three questions, which depended on the views of the respondents and to what extent they believed local governments should participate in the development of affordable housing. The table on the next page shows the frequency of the top three responses to this question in regards to local government contribution and main challenges. Refer to Appendix H for the complete table that illustrates frequency of all responses, organized and ranked from most to least referenced.

Table 1: Opportunities and Challenges for Local Governments in Affordable Housing

Opportunities	Response Rate	Main Challenges	Response Rate
Increasing supply through density bonuses	13	Lack of leadership/support from senior governments	13
Providing incentives to developers	7	Limited financial capacity	9
“Getting out of the way” (reducing regulations)	7	Not enough collaboration with developers	6

Most participants agreed that local governments can contribute to affordable housing and that most municipalities have already taken action to do so, especially within the zoning powers provided to them through the provincial legislations. A popular response to this question was the implementation of density bonusing programs as a way to be proactive.

Some participants were very enthusiastic about the idea of local governments intervening and taking action, expressing support for local governments to become champions for affordable housing, which starts from understanding the needs of their communities, and then taking action. Other participants were not as optimistic and placed a greater emphasis on federal support or lack of, arguing that the real problem goes beyond local governments, and that local government contribution to affordable housing is minimal in comparison.

The top three responses for local governments to address affordable housing now include ongoing use of density bonuses due to success and the ability to increase housing supply, incentives for developers in the form of regulation or bylaw changes that help save on building costs such as parking requirements, and less restrictive policies to promote programs such secondary suites.

The majority of participants believed that the biggest challenge for local governments was the lack of financial resources due to a small tax base and diminishing federal and provincial transfers for affordable housing projects. Housing is expensive and having

sufficient funding was a key factor in addressing the lack of affordable housing in Canada. The quote below shows the importance of financial support from seniors levels of government and the limited role local governments can play in affordable housing:

The main challenge would be that it's uneconomic to develop rental housing or affordable housing; the federal government and provincial government have withdrawn financial support for creating units, so cities are in a tough spot. They do have powers and tools that they can use to help facilitate the creation of market rental housing or affordable housing but they do not have the financial resources to take on any sort of development. Cities do have a role, but it's limited to the extent of their regulatory authority and financial capacity.

Another challenge that frequently came up was NIMBY². Some participants suggested that NIMBY can be so significant that they have been successful in blocking multiple housing initiatives. Other challenges that were mentioned include limited resources such as staff or insufficient research and expertise, competing priorities and political will, overly restrictive regulations, lack of collaboration or misunderstandings with the development industry, and lack of leadership at the national and local levels.

Do municipalities need to play a larger role?

Most of the participants agreed there is a significant role for local governments to play in supporting affordable housing; however, the extent of that role varied among the responses. There was widespread recognition and acknowledgment that housing affects economic growth, the livelihoods of communities, and generally the vivacity of municipalities. Despite this, the majority of participants strongly believe that it is not within local government jurisdiction or capacity to be the primary contributor. As shown in the table above, the majority of participants believe that the federal and provincial government need to be more proactive in housing. That is exactly what one of the respondents said when answering the question:

Many municipalities are doing all that they can. Others are doing little and could be playing a larger role. It is the senior levels of government that need to step up.

Out of the twenty-four interviews, there were two participants who believed that local governments were in the best position to take on the role of primary provider of affordable housing, whereas two other participants believed that local governments were proactive enough and that local government participation in housing should be limited. Many

² NIMBY is an acronym for "not-in-my-backyard" and commonly refers to community resistance or opposition to certain policies or programs due to misinformed prejudice or personal interests and beliefs.

participants also found this question difficult to answer considering the different sizes of municipalities in the Metro Vancouver region and the different levels of actions each municipality has already undertaken for affordable housing.

There were several participants who suggested that there were too many regulations in place, and that in fact, local governments should play a *smaller* role, in that they be less restrictive in zoning bylaws and other regulations, such as parking requirements. Here is quote from a respondent who suggested that too many regulations inhibited development:

In a way, local governments should play a smaller role by getting out of the way, and letting the market decide, maybe only participate to the extent of regulating the shape of buildings.

Do municipalities have the efficient tools to address affordable housing?

The responses to this question depend on the roles the participants believe local governments should play. As most of the participants agreed that local governments have some contribution to make towards affordable housing, many of those participants believed that local governments do have the efficient tools and resources to address affordable housing. Acknowledging that senior levels of government have downloaded many housing issues to local governments, participants have expressed their view that either senior levels of government step up and return to their traditional roles of supporting and funding affordable housing or provide local governments with the necessary financial and regulatory tools, as well as mandated strategies to implement those tools. Here is a quote from a respondent who expressed this view:

I think cities do have the tools that they need to address their piece of the problem, but the solution requires more than one government. Local governments have the tools to contribute to housing fixture, but not enough to address the whole issue. So they don't necessarily need more tools to do more, but that might make sense, if senior levels of government are not going to step up.

Many participants expressed their frustration with the lack of leadership from the federal government, particularly a lack of a National Strategy and long-term sustainable funding.

Another important aspect that was brought up several times in the interviews was the need to address the entire housing spectrum rather than selecting certain parts of the spectrum and focusing on them one at a time. It was widely acknowledged that local governments can do very little with social housing, and therefore is vital for all governments, particularly the federal government, to work together.

Do you think the development of rapid transit systems calls for new measures to address affordable housing?

Many participants had some difficulty responding to this question, since not many of them had much knowledge or expertise in the field of transportation or rapid transit. However, all of the participants agreed that it is related to affordable housing, and can be a threat if housing is not appropriately addressed in the areas that are impacted by transit development. Without the appropriate policies and regulations in place, participants have expressed concern that many residents will be either displaced or pushed further out from the urban areas which would lead to higher costs in commute for those residents as well as higher costs for local governments that may need to extend its services farther out. At the same time, most of the participants were optimistic about rapid transit developments and the potential growth that comes with them.

When considering transit systems and affordable housing, there were two suggestions that came up several times. Rapid transit developments provide local governments with the opportunity to implement innovative policies and programs to encourage affordable housing, particularly through partnerships with the non-profit and private sectors, and other levels of government. Secondly, new or redevelopment around transit stations can ultimately lead to more supply of housing, through higher density developments, which can then lead to more potential affordable housing options down the road. Here is a quote from a respondent regarding transit and affordable housing:

It will definitely change Coquitlam, which continues to be a place where people move and there's huge population growth. Coquitlam will need to look at types of housing: single, multi-, transit-oriented for commuters, etc. There is going to be opportunity to review tools to address housing, specifically around community amenity contributions and funds for affordable housing.

There should be a mix of low and high end home ownership and rental development. Neighbourhoods shift and change too, and the new developments will become more affordable as they age.

Financial Incentives

Keeping in mind that local governments are fairly limited in their abilities to financially support housing, many of the responses collected for this subsection were vague. Overall, the findings for this subsection support the concept of offering incentives to the private sector, especially through density bonuses which would also benefit the community by increasing supply of housing. However, the policies must be truly incentive-based which require a better understanding of the interests of developers.

Smart practices

There were generally positive views about density bonuses. This was not the case for fee waivers. More than half of the participants did not choose a position when asked if they supported waiving development cost charges (DCC), suggesting instead that more research was needed in order to have a stronger opinion. It is unclear to many of the participants how effective they are in providing incentives to developers. Below is a quote demonstrating a common view of density bonuses and fee waivers:

Density bonusing has been effective. Waiving fees can also help, but only in conjunction with other incentives. Waiving fees is not always popular with municipalities because they do not want to shift the tax burden onto property owners.

The response for a housing reserve fund was generally positive, but many also responded that it depends on the use of the fund. Table 2 below shows overwhelming support for density bonuses in comparison to other types of policies or programs.

Table 2: Frequency of responses for Financial Incentives

Type of policy/program	For	Against	Neutral
Offering density bonuses	13	0	2
Waiving development cost charges (DCCs) and other development fees	3	3	10

Density bonuses, development fee waivers, and reserve funds were the three most commonly discussed practices under this topic. Many participants agreed that financial support varies with local governments, and are based on their unique needs and challenges, and the partnerships that they can create with the developers and non-profit organizations. Several participants mentioned regulatory tools to create financial incentives for developers, such as reducing parking requirements that would in turn reduce the cost of construction per unit. Inclusionary zoning was another topic that was mentioned, because inclusionary zoning policies are usually packaged in a program that also offers financial incentives for developers to create affordable housing units.

Smart practices that were mentioned included ensuring that financial policies are truly incentive-based and involve more discussion with developers, usually involving first steps to include them in the decision-making process for zoning or re-zoning areas for development. Miscommunication and not understanding the interests of all stakeholders are some of the mistakes local governments can make when developing policies that

attempt to incentivize developers to build more affordable housing. The objective of financial incentives is to ultimately reduce the cost of building.

Several participants claimed that waiving fees such as development cost charges and other development fees as a financial incentive actually has little impact on developers, and if considered, would work best packaged with other incentives. Furthermore, the topic of fee waivers can be quite controversial as it suggests shifting cost burdens to others. Another concern with fee waivers is the revenue loss that could have otherwise gone towards other local government priorities, such as upgrading recreational centres or building a new library or daycare. In addition, ongoing fee waivers would not be sustainable in the long run when local governments need the revenue. Table 3 in Appendix H shows the frequency of responses that have expressed different concerns for fee waivers as a financial incentive.

It is difficult to measure the rate of success for these policies, which are still fairly new and even risky. However, the majority of participants agreed that they should not be taken off the table and should continue to be discussed as options for addressing housing issues.

Density bonuses and fee waivers are of course, not the only ways to provide financial incentives for developers. Another way for developers to save on development costs are clearer and shorter approval processes for their proposals. Local governments can work with developers to speed up the process, saving time and money for them. Here is a short quote from a respondent who believes this is the most effective financial incentive:

The number one thing a developer is going to tell you is the amount of time it takes to do a project, and how long a municipal process can contribute to the cost of project. Developers are looking for more efficiency to save costs.

Lessons learned

Specific issues raised in the interview in regards to financial incentives included concerns over ghettoizing, misusing funds collected from density bonuses, and NIMBY. Some local governments already have difficulty managing competing priorities and might face NIMBY reactions when it comes to managing public funds to support affordable housing, which may not be considered a community asset or local government responsibility.

Local governments must also be cautious when it comes to allocating funds for affordable housing. One respondent warns about spending money as part of a development proposal on the construction of social housing:

One example that you wouldn't want to follow is one we did, where we attempted to have units constructed for social housing, as part of a development proposal. We ended up spending millions from density bonus money to create a couple dozen units. The impact on the housing market was negligible and we lost a lot out of the amenity bonus funds, which meant eliminating the opportunity to do much more general improvements to the community.

Policies and Regulations

Whether participants believed there were too many or not enough regulations in place, most of them agreed that local governments can contribute to affordable housing by ensuring the right policies and regulations are in place to support residential development.

Smart practices

There were three main policies and programs discussed: the legalization of secondary suites, the reduction of parking requirements, and inclusionary zoning. All of the participants were in favour of supporting secondary suite programs and reducing parking requirements but still made note that local governments must be careful with these programs, which would need community support and political will. Related to these two policies, many participants expressed their views that there are currently too many regulations in place, which act as disincentives for developers and residents. For example, mandatory parking requirements that create unused parking stalls are very expensive and costly for developers, making the units also less affordable for homebuyers and renters.

Certain regulations around secondary suites may also act as disincentives, inhibiting homeowners from participating or reporting their suites. This reduces the supply of the secondary rental market and makes it more difficult for local governments to monitor the market. By being more restrictive, these regulatory policies are not truly incentive-based and are thereby ineffective in cutting costs for developers, preventing them from increasing their profit margin.

Many respondents also suggested that regulations be flexible rather than mandatory, as shown in the quote below from a respondent on incentives for developers:

I do not support any regulation that reduces developers' inclination to build. It spoils business for new development. Even if developers build relatively expensive housing, the market will eventually deliver affordable housing. It may start off as unaffordable, but over time, in a decade or two, it will be more affordable. Part of the reason housing is so unaffordable now, is because for a while, we weren't building enough, so there is no stock of older housing that has become affordable.

In addition to flexible regulations, it was suggested that smart practice includes local governments setting clearer expectations on affordable housing objectives, to speed up approval processes and reduce cost of developers looking toward submitting proposals. Participants suggested local governments establish area plans and pre-zone areas while working with developers. At the same time, they can work towards encouraging mixed-income neighbourhoods to avoid the risk of ghettoizing. Here is a quote from a respondent on his or her view about pre-zoning land:

Many are reluctant to pre-zone land because they want to be able to control development in the community but if the developer, from their perspective, has to apply for re-zoning, that increases their risk, and makes it more expensive for them to develop. Developers should know what kind of density is allowed, the character of neighbourhood, and the development and building guidelines so local government should remove any uncertainty there to help foster affordable housing.

The topic of inclusionary zoning was interesting, particularly because local governments are not permitted to implement inclusionary zoning. However, some cities across Canada and in the Metro Vancouver region have already put in place a form of inclusionary zoning, the City of Richmond being a popular example given by the participants. Table 4 below shows a decent amount of support for the concept of voluntary inclusionary zoning. Those against mandatory inclusionary zoning emphasize the need to work together rather than to mandate developers to build affordable units that may either drive them away or shift cost burdens to other homebuyers. Those who remained neutral proposed that more research (specific to Canadian cities) be conducted in the case that a mandatory version of inclusionary zoning is the best solution to protecting certain groups of people for housing.

Table 4: Inclusionary Zoning, For or Against

Type of policy/program	For	Against	Neutral
Inclusionary zoning (mandatory) <i>not currently permitted by the LGA and Community Charter</i>	2	3	2
Inclusionary zoning (voluntary) <i>typically incentive-based, packaged with density bonuses and fee waivers</i>	4	1	0

There were some responses that strongly favoured both mandatory and voluntary forms of inclusionary zoning and others that were strongly against the policy, arguing that there has not been a strong record of success and that more flexible and incentive-based policies would be more successful in Canada. Respondents who mentioned inclusionary zoning but did not have an opinion were not included in the table. It was usually mentioned and acknowledged but because it is not currently permitted nor is there sufficient research on

the topic, little had much to say on it. As for those who favoured a voluntary form of inclusionary zoning, most of them used the City of Richmond's inclusionary zoning program as an example. Here is a quote from a respondent who is supportive of inclusionary zoning:

No cities in Canada need change in legislation to incorporate inclusionary zoning. I think it would help if senior levels of government mandated it, but they have the ability to do it. Some developers and communities won't like it, but no senior governments mandated secondary suites, and it now works.

We do not have policies that are inclusive of everybody in the spectrum. An inclusionary zoning model like that in California could ensure developers accommodate more people with a different range of incomes.

Lessons learned

There were a lot of positive comments and feedback regarding secondary suite programs and parking requirement reductions around transit systems as effective approaches to affordable housing. Despite wide spread support for these policies, many of the responses also included the need for more research and community engagement within their municipalities to avoid backlashes or NIMBY concerns over issues such as street parking and congested traffic. Secondary suite programs and parking reductions have much potential to be successful in promoting affordable housing, but are also risky and should be implemented very carefully.

Rental Housing

The questions in this subsection pertain mostly to the Evergreen Skytrain Line and the perceived threat of the new stations that will bring along with them redevelopment in areas that have many rental housing stock in Coquitlam. For this reason, many of the responses gathered from the interviews, particularly from individuals who were less familiar with the City of Coquitlam, were unable to answer this question specific to the City of Coquitlam. However, many of the policies discussed were similar, with the most popular being the one-on-one (1:1) replacement policy.

Smart practices

There was generally support for the one-on-one replacement policy and the concept behind it, but many of the responses cautioned its implementation. Some suggested that the replacement policies should be flexible in order to avoid conflicting interests with the

developers and the community. Those who were asked whether this policy resembled that of inclusionary zoning, half the respondents answered yes and the other half no.

Maintenance policies or standards of maintenance bylaws were discussed as another approach to protecting affordable housing rental stock. Standards of maintenance bylaw would help maintain the quality of existing or new rental units and would help protect current and future rental housing stock. These programs should be incentive-based and targeted for landlords. Other policies were also mentioned but not discussed as much. Overall, as shown in Table 5, respondents focused on the 1:1 replacement policy more than any other measure. Refer to Table 5 in Appendix H for specific numbers on other measures and the frequency rate of those responses.

Table 5: Frequency of Responses for Rental Housing Protection

Policies aimed to protect existing rental	Response Rate
One-on-one (1:1) replacement policy	9
Other (incl. standard of maintenance bylaws & demolition controls)	7

Most of the respondents who mentioned the one-on-one replacement policy were typically supportive of the policy, except for one participant who felt the policy would only succeed if it was more flexible, and ensured that it would not drive developers away.

Rent control was mentioned three times but is not include in the table because of conflicting views. One participant was against the policy, one was supportive, and another one wanted to explore the option but required more research.

Other policies that were briefly mentioned was the transfer of unused development rights to adjacent properties, preferential municipal fees and charges for rental housing, city purchase of existing rental buildings in partnership with non-profits, and city provision of low interest mortgage to non-profit housing providers. Some of the policies were less common in the discussions, likely because they would cost local governments funds they do not have to support the projects.

Overall, most participants agreed that rental housing loss prevention programs depend on the situation (in this case, rapid transit development), the area and opportunities for redevelopment, community needs, urgency (time-related), and market conditions. As a result, the use of these policies should be considered and assessed on a case by case basis, making it difficult for most participants to answer the question in much detail. Here is a quote from a respondent who supports the replacement policy if implemented properly:

The replacement policy is practical, and if done right, with the private sector in mind, they will be able to do the replacement. A lot of the older buildings should have been knocked down ages ago; they're not properly maintained. Local governments should sit down with the private sector to work out the details.

Lessons learned

It was recognized that most of the purpose-built (primary) housing stock in some of the areas affected by the Evergreen Skytrain Line are reaching the end of their lifespan, and therefore cannot and should not be preserved, particularly with the new opportunities the transit system could potentially bring to the location in increasing supply of housing. It was also acknowledged that the new developments will inevitably produce units that are more expensive than the existing rental stock. Nevertheless, local governments can still promote affordable housing by allowing developers more density, in turn creating more units and reducing the cost per unit (more units can offset the cost of property and construction).

Rental housing policies should therefore not inhibit development that could create more units, but actually focus on increasing supply so that these units can become affordable as they age. Most participants agreed that protecting rental housing stock should be sustainable in the long run, in order to prevent future issues with affordable housing, such that is experienced now. Another quote here shows how important it is to work with developers, especially for replacement policies:

It depends on the area. In Vancouver, we had developers say that they would gladly do one-on-one replacement if they were provided enough density. The more density permitted the better chance developers will agree to it. Research would be required to identify what level of density is feasible to do one-on-one, that would also be acceptable to NIMBY groups.

Partnerships and Community Consultations

Housing requires the input of not only local governments, but the development industry, the community, and non-for-profit organizations that represent specific interests in housing related issues. The subsection cover the views of interview participants from a range of stakeholder groups with varying interests in housing, on the level of collaboration and types of partnership they believe will contribute to affordable housing. There was an overall consensus that local governments are in a good position to play a facilitative role in bringing all stakeholders together. Here is a quote about the facilitative role local governments can play in bringing all players to the table:

It starts at cities, leaders of communities; we can't expect non-profits and the private sector to lead and straighten out the misconceptions of affordable housing.

NIMBY

As mentioned earlier under all of the above subtopics, a main challenge that local governments face when attempting to implement affordable housing initiatives is NIMBY. Suggestions to effectively address NIMBY concerns from all the interviews are compiled in the following list:

- Get a better sense of the affordable housing needs in the communities and then communicate them to the public, ensuring that the information is available to everyone who may be interested.
- Address NIMBY concerns by considering the needs along the housing spectrum together; narrate everyone's interests.
- Engage in community consultations and maintain a good level of transparency. Establish a definition of affordable housing for the community and then educate and promote awareness and information-sharing of the issue.
- Stay consistent with neighbourhood plans, and set clear expectations for everyone, including the public and the developers, particularly with transit developments.
- Bring in voices and expertise from other stakeholder groups such as non-profit organizations, the regional government, TransLink to support the initiatives.
- Persuade those who are skeptical but can still change minds, and settle with majority support because it is unrealistic to try and please everyone.
- There will always be NIMBY concerns. They should be addressed but sometimes it just takes leadership and action, meaning local governments need to "bite the bullet" and go through with their plans on affordable housing – but have the research and evidence to support and back those decisions.

Many of the participants said that addressing NIMBY responses are situational and will depend on specific neighbourhoods, communities, and local governments. Several suggested bringing other stakeholder groups, such as the regional or provincial government, or the representatives of the Urban Development Institute into the community consultations, so that they are provided information from more than one source. Here is a quote from a respondent sharing his or her experience working with Council and the community for affordable housing:

We learn from previous mistakes. Now we get Council to approve a process, instead of a project. This becomes less political. We get capital authority to spend within a budget on affordable housing, send out the request for proposals, and we have a confidential committee that makes the selections. Council does not get to say no to the projects. We tell them the communities may not like them, but Council is ultimately informed. Essentially, we get approval on a high level. We get some NIMBY, but we work with the community early on. And because homelessness and affordable housing are big issues, no one complained. There are no surprises to Council.

Working with the regional, provincial and federal governments

All interview participants agreed that every level of government had a role to play, particularly the federal government, which have since reduced its role in affordable housing. Several participants propose that local governments continue to maintain conversations with senior levels of government about the tools that are available and to use these tools to work together collectively, fill in the gaps, and address the entire housing spectrum. Although it is clear that more financial resources are needed, local governments should continue to press for a comprehensive long term plan in affordable housing. Most of the participants felt that the federal government is in the best position to take on the leadership role for affordable housing, and that local governments should not only push for more money but also for changes in policies to support housing. Here is a quote about the advocacy role local governments should continue to play for affordable housing:

Local governments should continue their advocacy role for more of a national conversation. They need to push for more, not just money, but changes to tax codes, joint ventures, a whole array of stuff. If there are federal or provincial lands available for affordable housing, joint ventures with the private sectors would be critical.

There were a few participants who expressed very little hope that the current federal government will step up, shown in another quote here:

We can continue lobbying with the Federation of Canadian Municipalities for a national strategy and for the federal government to place affordable housing as a priority. This government has not done that yet though and it might never will.

In the case the federal government refuses to step up, some of the interview responses suggested that local governments advocate for the authority (more resources) to address

affordable housing. Being mandated to address affordable housing would give local governments the credibility to build support from the community.

Partnerships with not-for-profit organizations and developers

There were generally very positive comments about public-private partnerships, as well as 3-way partnerships that include the non-profit sector. Here is a quote from a respondent who was very supportive of all kinds of partnerships:

All partnership opportunities should be explored. Ideally, it would be great to have all partners in terms of all levels of government contributing to local projects, but in the end, it's the non-profit sector that operates, so they need to be involved in the process and brings funds to the table, but not always.

Within these partnerships, many participants suggested that the local government play a more facilitative role in building relationships among stakeholders in areas not only in housing, but social growth and stability, transportation, health and education, and more. One participant suggested that research shows that all of these social aspects are related, and that housing plays a role in all of them. Working with the private sector would involve providing incentives and understanding the interests of the development industry, and ensuring that the partnerships also benefit the developers. Having more stakeholders at the table allows more groups to bring their strengths to the issue of affordable housing.

Here is a quote from a respondent on the importance of truly working together with the developers, versus mandating them to participate in the provision of affordable housing:

I prefer the partnership approach to the "you must" approach. They need really good incentives, but developers will participate, and many units will be developed. But if you make it difficult, leaving not one cent on the table for the developer, it'll just slow things down. We need to make it work for the development industry too.

There can be leadership at the national level as well as the local level and many participants agreed there needs to be a champion to lead affordable housing initiatives, whether that is an individual on city council, a planner for the City, or non-profit organization (supported by local government). Affordable housing at the local level needs an advocate and a voice.

REVIEW OF AFFORDABLE HOUSING STRATEGIES

All Service Managers in Ontario are required to create, implement and monitor 10-year local housing and homeless plans under the new Housing Services Act, 2011. Although BC does not require its municipalities to develop or submit an affordable housing strategy or action plan, many already have affordable housing strategies.

The Ontario action plans require the strategies to take into account provincial interests and policy directions. Similarly, many of the strategies implemented by Metro Vancouver municipalities align with the goals, objectives and strategic directions outlined in the Metro Vancouver Affordable Housing Strategy.

This section is a review of some of these strategies. The table below is a summary of six affordable housing strategies organized by the five key themes in this report. The information collected shows policy areas and strategic themes identified in the strategies, and helps the researcher determine which policies are currently in use, in development, or under evaluation. The table also informs the researcher on:

- Municipal viewpoints on affordable housing issues;
- Frequency and popularity of particular policy tools and measures; and,
- Perceived challenges and opportunities associated with the policies and programs.

The five key themes are outlined in the left column, and the right column includes comments about whether or not the Strategy includes commitments for those themes. A summary of the housing strategies is included in Appendix I, and a checklist (based on criteria created by the researcher) for the strategies can be found in Appendix J.

Affordable Housing and Homelessness – a Response to Issues and Proposals (City of Burnaby) 2007	
Policy Areas/Strategic Themes Identified in Affordable Housing Strategies & Action Plans	Notes/comments:
Municipal’s Role in Affordable Housing	The City clearly states that it can and will only play a facilitative role in the delivery of affordable housing initiatives. The City views the role as direct provider as inappropriate and that the federal and provincial governments need to take a more aggressive approach to housing (pp. 43-44).
Financial incentives	City staff is committed to reviewing the financial impacts of reducing or waiving development cost charges and property taxes (p. 44).
Policies and regulations	The City works toward building flexibility in development standards and continues to have a fast track approval process for non-profit affordable housing (pp. 44-45).

Rental housing	The City recognizes the strong need to generate the construction of new rental housing to meet a growing demand (p. 45). Programs such as the replacement policy are under review but are complex. The City believes the federal and provincial governments need to step up in this area, particularly through economic incentives such as tax credits for developers.
Partnerships and community consultations	The City cautions against unrealistic partnership expectations from senior governments that may rely on partnership arrangements with the private and non-profit organizations with limited resources (p. 8). Rather, all levels of government should work together in partnership for secure and stable funding.
2007 Affordable Housing Strategy: Affordable Housing in Coquitlam	
Policy Areas/Strategic Themes Identified in Affordable Housing Strategies & Action Plans	Notes/comments:
Municipality's role in affordable housing	The Strategy establishes 10 municipal roles and actions in addressing housing affordability (p. 14).
Financial incentives	The roles identified do not include financial incentives. However, roles 1 and 2 include maintaining a planned supply of serviceable land for residential development and using some of the City's land holdings to meet housing needs.
Policies and regulations	The City accepts the role (3) of minimizing regulatory barriers for residential developers, and is committed to keeping housing affordability on the City's agenda with the Affordable Housing Strategy (role 7). In terms of policy development, the City will work with developers towards inclusionary and mixed use developments, and encourage adaptable and accessible multi-unit buildings (role 8).
Rental housing	Under policy development (role 8), the City intends to protect against the loss of affordable rental housing and assist displaced tenants. The City continues to encourage the development industry to add more rental housing and landlords to upgrade existing rental housing (role 10).
Partnerships and community consultations	The City will continue its advocacy role and continue its involvement with housing initiatives (role 4). The City has a role in increasing public awareness of housing needs, issues and opportunities (role 5), and will continue providing assistance to non-market housing providers (role 9).

City of New Westminster Affordable Housing Strategy: framework for the future 2010	
Policy Areas/Strategic Themes Identified in Affordable Housing Strategies & Action Plans	Notes/comments:
Municipality's role in affordable housing	The City identifies itself as a facilitator for affordable housing (not a primary provider). Six key roles in this capacity are identified: setting policy, establishing regulation, using resources, entering into partnerships, advocating, and promoting quality design and innovation (p. 10). Nine strategic directions were developed based on these six roles.
Financial incentives	Nine strategic directions aim to address the Strategy's goals and objectives for affordable housing. Strategic direction 5 includes using financial tools and incentives, such as density bonuses and contributions from the City's Housing Reserve Fund.
Policies and regulations	The City is committed to reviewing and investigating appropriate policies and regulations to support affordable housing. Strategic direction 4 includes the legalization and implementation of secondary suite.
Rental housing	Strategic direction 2 aims to limit the loss of existing affordable rental housing. This will be done through a moratorium on the conversion of purpose-built rental to strata title, a replacement policy in redevelopment situations, and a displacement policy that would minimize the impact of displacement on tenants forced to move in the event of upgrades or renovations. The City is also committed to maintaining standards of maintenance for rental.
Partnerships and community consultations	The City will facilitate community partnerships (strategic direction 3) and build capacity through dissemination of information (strategic direction 8). This includes providing assistance to non-market housing providers and promoting existing programs.
Affordable Housing Strategy for Port Moody 2009	
Policy Areas/Strategic Themes Identified in Affordable Housing Strategies & Action Plans	Notes/comments:
Municipality's role in affordable housing	The City upholds its views that the primary role of funding capital costs for affordable housing is the responsibility of senior governments, and is essential to creating additional supply of affordable housing. The City's role in is to encourage and improve the climate for affordable housing.
Financial incentives	The City identifies a list of the most commonly used municipal tools for affordable housing. This includes financial incentives such as density bonus, Housing Reserve Fund, and waiving/reducing fees and charges.

Policies and regulations	Other tools listed include inclusionary zoning and secondary suite policy. The City will continue to review and investigate these approaches.
Rental housing	The City will look into policies to protect the existing affordable market rental housing, as permitted in the LGA and Community Charter, as well as implement standards of maintenance bylaw.
Partnerships and community consultations	The City is open to forming partnerships, particularly as a response to the withdrawal of federal funds for affordable housing. The City will consider partnerships with other local governments, community organizations, health authorities, provincial agencies, and the private sector, with the objective to combine expertise and resources.
Richmond Affordable Housing Strategy: Building the Richmond We Want	
Policy Areas/Strategic Themes Identified in Affordable Housing Strategies & Action Plans	Notes/comments:
Municipality’s role in affordable housing	Based on CMHC standards, the City has established three definitions for affordable housing: subsidized housing (households with income < \$20k), low end market rental (income \$20k - \$37k), and entry level ownership (\$37.7k - \$60k).
Financial incentives	The Strategy identifies six policy areas. Policy area #4 is incentives to create new affordable housing, and “financial incentives” is one of the key elements in the Strategy. Options include relaxing DCC’s for not-for-profit rental housing and potential reimbursement of development fees or other costs.
Policies and regulations	Policy area #2 is use of regulatory tools and approaches. A key approach recommended in the Strategy is a combination of inclusionary zoning and density bonusing. The policy is based on a Developer Delivery Model and projects are assessed individually. The City also supports secondary suites and will examine parking relaxations.
Rental housing	Policy area #3 is the preservation of existing rental stock. Maintenance of rental units and subsidies for rents are two key elements in the Strategy. Current policies include a moratorium on the demolition or conversion of existing multi-family rental housing, except in cases where there is 1:1 replacement.
Partnerships and community consultations	Policy area #5 is building community capacity and policy area #6 is advocacy to improve the policy framework and funding resources. The Strategy is based on four principles, one of them being partnerships.

Vancouver's Housing and Homelessness Strategy 2012-2021: A home for everyone	
Policy Areas/Strategic Themes Identified in Affordable Housing Strategies & Action Plans	Notes/comments:
Municipality's role in affordable housing	The City has not clearly identified its role in the context of all levels of government and relevant stakeholders, but is committed to providing strong leadership and support to partners to enhance housing stability, particularly through research and innovation (strategic direction #3).
Financial incentives	Supporting actions to increase the supply of affordable housing includes enhancing the on-going rental incentive program, building on lessons learned from the Short-Term Incentives for Rental Housing (STIR) program. In the next three years, the City will focus on assisting smaller projects.
Policies and regulations	Supporting actions to increase the supply of affordable housing includes expanding planning and regulatory framework with a focus on low density residential neighbourhoods. In the next three years, the City will deliver on several programs and initiatives, such as expanding zones and housing types for secondary suites and laneway housing.
Rental housing	The City will protect the existing rental stock by maintaining and exploring opportunities to improve the Rate of Change regulations and SRA Bylaw, providing incentives for upgrades, and improving property and tenancy management practices. The City will also enhance support to renters by working with partners.
Partnerships and community consultations	Partnership is a driving principle in the Strategy and potential partners are identified under each supporting action. The City will continue to focus efforts with partners on preventing and eliminating homelessness, increasing the supply of affordable housing, and enhance housing stability.

Analysis

Effectively addressing affordable housing requires some type of framework, whether that is a comprehensive background information document, strategy, or plan. These documents help guide local government actions for affordable housing and inform the public on local government roles and priorities. This review, along with the summaries and checklist, contribute to the understanding of the enhancing and inhibiting factors of policy decisions, and local government views and interests in the topic.

Most local governments typically establish timelines or review plans to renew or upgrade existing strategies or action plans. This review can also help local governments create their own strategies or add to existing plans for affordable housing.

All of the strategies that were reviewed identified strategic themes or policy areas for affordable housing, and as seen in the table above, they usually encompass all five areas examined in this report. In some of the strategies, the framework is tied to the roles local governments can take to address affordable housing. Some municipalities have gone further to clarify their role. While recognizing that they are key players in promoting affordable housing, they also make it clear that their capacity allows them to only play a facilitative role and that they have expectations for senior levels of government to step up and be the primary providers of affordable housing.

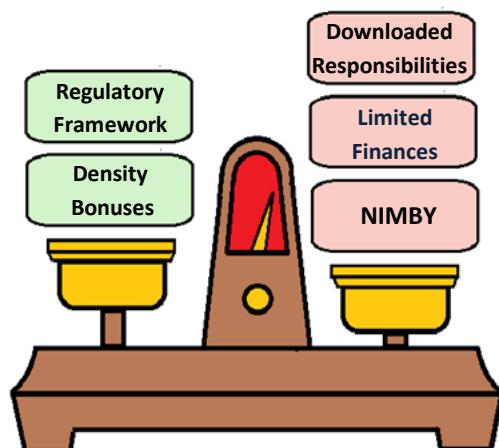
The review provides understanding into which policies and programs municipalities perceive as more risky than others, and which ones are more or less popular. It also shows how progressive and proactive local governments in searching for ways to address affordable housing. This section attempts to recognize best practices in this area.

DISCUSSION

The purpose of the research was to complete an analysis of policies and regulations used by local governments to promote affordable housing. Although every municipality is unique and there is no one-size-fits-all solution to the lack of affordable housing, it is important to understand the implications of the policies or regulations in consideration. As affordable housing becomes more of an issue, local governments will need to find more innovative ways to protect its residents but they must first understand the risks associated with the implementation of certain programs.

Some of the affordable housing programs in place are still fairly new. There needs to be more research in this area. At the same time, many stakeholders are very proactive in the discussion around affordable housing. This research is an attempt to contribute to the dialogue of understanding the implications of affordable housing policies in the Metro Vancouver region, and apply it to the City of Coquitlam.

Leadership



The chart above demonstrates the enhancing factors against the inhibiting factors, and in this case, the inhibiting factors take up slightly more of the chart than the enhancing factors.

It has been acknowledged that local governments can contribute significantly to affordable housing, and the tools for them to do so are available. There are numerous resources such as guides and case studies that encourage local governments to explore these affordable housing tools and to be creative with them. Some municipalities, such as the City of Richmond and the City of Langford have been praised for their ability to implement innovative policies to support affordable housing. A good start has been the use of density bonuses, which has been seen as a win-win policy if implemented appropriately. Allowing

developers to increase density not only increases their profit but also the supply of housing in the municipality, which has been identified as one of the solutions to affordable housing: increasing supply.

It has also been identified as an important policy to consider around transit or areas easily accessible to transit. Additional units in new developments could potentially offset the increased land costs and increased property values. However, it is also important for local governments to consider all types of housing, based on the demographic needs of its communities (i.e. not just tall high-rises with smaller units). Density bonuses are also not enough on their own and require other local government actions.

Despite the tools that are available to local governments, there are other challenges and risks involved that restrain local governments from “being too creative”. The federal and provincial levels of governments are continuing to download housing responsibilities to local governments, something local governments do not traditionally cover in their jurisdictions. With what appears to be the withdrawal of support from the senior levels of government, local governments are pressured into doing even more with tools they have yet to fully explore.

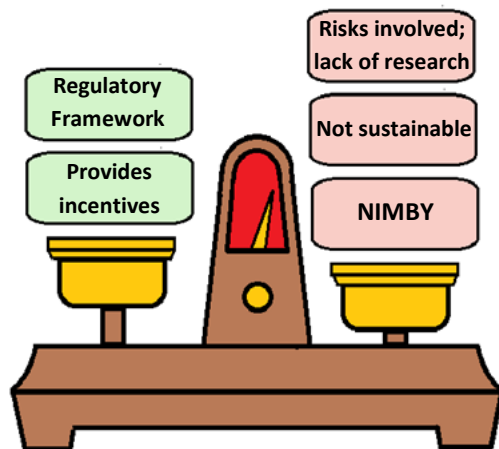
Furthermore, local governments are restrained from their limited ability to raise revenue, which would typically lead to lack of political will and NIMBY for affordable housing. Affordable housing would add to the list of competing priorities that the community expects from local governments. As studies have shown, affordable housing is not always seen as a community asset, and can be interpreted as being unfair or misappropriation of taxpayer money. If the local government experiences strong NIMBY as a result, it would be very difficult to support affordable housing.

Other factors that were identified were not included in the chart because they can be interpreted as challenges as well as opportunities, as an enhancing and inhibiting factor at the same time or neither. They are subjective to different municipalities. For example, lack of collaboration was a common challenge brought up by the interview participants. However, increasing collaboration such as forming partnerships and promoting a transparent dialogue between all stakeholders and the community is also a solution.

Additionally, there have been a lot of confusion and uncertainty about the definition of affordable housing and expectations from the community and local governments. Rather than using the general definition of affordable housing from the CMHC, it would benefit local governments to define affordable housing specific to the needs of their communities, and inform developers of their expectations in terms of new development. For example, what does affordable housing look like in Coquitlam? Who are the people who most need affordable housing? Is affordable and social housing the same thing? How will affordable housing be encouraged? Local governments should also make clear what role they will play

in affordable housing and explain their capacity to do so, to help address NIMBY concerns. Laying out clear objectives and addressing potential NIMBY concerns early on could remove one of the major challenges local governments face when it comes to housing.

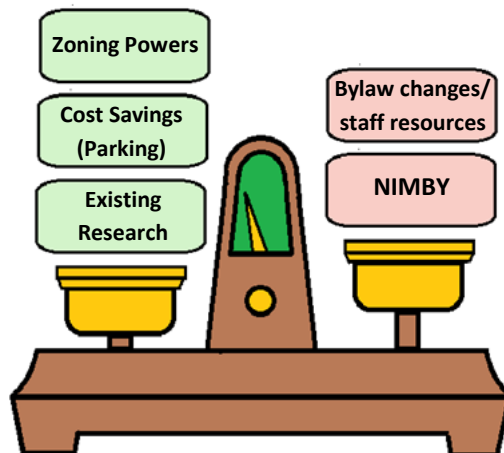
Financial Incentives



Local governments have the ability to provide some financial incentives to developers to encourage the development of more affordable housing. By lowering the cost of building, waiving fees or allowing increased density, developers can lower the price of homes, which would be compensated by the profit they can make from additional units or by the cost-savings they receive from faster approval processes and fee exemptions. However, based on the literature review and the interview responses, there are more inhibiting factors to financial approaches to affordable housing than there are enhancing factors, very likely due to the limited capacity of local governments to raise revenue or earn the necessary funds to support housing.

The intentions behind offering development fee waivers are on the right track. However, many of the interview participants and the studies show that local governments are implementing these types of policies without first fully understanding the interests of the developers, some of which would prefer more focus on pre-zoning areas or speeding up approval processes to save on costs. This lack of research on the full implications of fee waivers and other financial tools available make it difficult and even risky for local governments to implement without prior research or consultation with experts. Furthermore, local governments would have to assess the long-term impact of these policies, which may not be sustainable. This could lead to additional challenges such as NIMBY and lack of political will when revenue that could have been generated from these fees is as a result, not available for other local government priorities.

Policies and Regulations

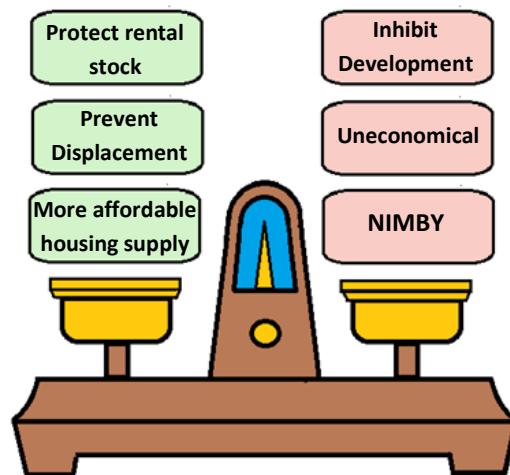


Unlike financial measures, local governments have a lot of regulatory tools at their disposal and can be quite creative with them. Although they do not have the power to zone specifically for affordable housing or implement inclusionary zoning, they still have a lot of room to navigate in order to support the development of more affordable housing. Many of the interview participants suggested that less restrictive and more flexible regulations and zoning bylaws would be the most successful, and that currently, the volume of regulations that prohibit developers from proposing certain building is inhibiting the development of affordable housing. By relaxing some of these current regulations, local governments can contribute to cost savings for the development industry as well as the community. For example, reductions in parking requirements could very much potentially eliminate significant costs for developers as well as residents who prefer to opt out of a parking stall.

The idea of reducing parking requirements has generally gained a lot of support from many industries, from the transportation industry to environmental advocates. Similarly, secondary suite programs have gained more and more positive views over the years, particularly due to lack of rental options in the primary rental market. Many studies on these two specific topics and their implications have been conducted and are available to the public, both to help inform local governments and the public.

However, there are still risks that need to be considered and assessed prior to implementation. Local governments must ensure that zoning bylaws meet the needs of their community and remain consistent with the regulations. At the same time, they would need to conduct their own evaluation on the parking needs and acceptance of secondary suites within their own communities. Finding the right balance to everyone's interest is very important to the success of these policies and programs, and potential NIMBY should be addressed right from the beginning. At the same time, the fear of NIMBY should not inhibit local governments to explore such options.

Rental Housing Loss Prevention



In areas such as Burquitlam where many of the homes are over forty years old and reaching the end of their lifespan, it makes more sense for the area to be redeveloped, especially when an opportunity presents itself. Furthermore, with the construction of the Evergreen Line, it would be uneconomical for the municipality to prevent further development and growth in these areas. As one participant noted, Coquitlam should take advantage of the Evergreen Line, considering the millions of dollars invested into it.

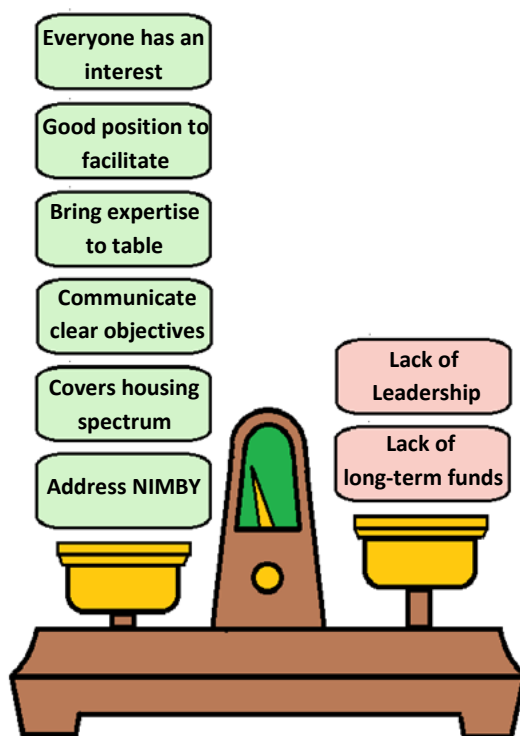
As shown with the figure above, the inhibiting and enhancing factors for policies that are aimed to preserve rental stock are weighed fairly equal. It has been widely acknowledged that Coquitlam needs to protect some of the most vulnerable residents in the area, many in danger of being displaced due to redevelopment. Policies such as the one-on-one replacement policy would prevent significant loss of rental housing, which is important in the current condition where there is a large demand for rental, yet inefficient supply. It also makes sense to keep those who are in most need of affordable housing in close proximity to public transportation options.

At the same time, rental prevention policies that appear to be too restrictive may inhibit development by pushing developers to build elsewhere. Lack of development leads to lack of economic growth and also fewer options for housing to meet future needs as population continues to rapidly grow in Coquitlam. Another inhibiting factor to these types of policies is NIMBY. Redevelopment will likely bring big changes to the neighbourhood, which may cause a lot of resentment from residents, particularly those who moved to the neighbourhood for its characteristics, to have it be changed drastically.

The figure above indicates that finding a balance between the enhancing and inhibiting factors is the most important. For example, the one-on-one rental replacement policy may prevent residents from being displaced. At the same time, they will likely have to adapt to a

smaller and slightly more expensive units. However, the units would be new and close to transit, likely offsetting the increased cost of rent. Educating and informing the residents of the need to redevelop and clearly laying out its expectations and city objectives to ameliorate the neighbourhood are some solutions to finding this balance. In addition, as many participants have noted, developers are not typically against the idea of the replacement policy, especially if there are ways for the developers to continue making a profit. Local governments can work together with the development industry to determine the right types of housing and the right amount of density to balance the interests of local governments, the community, and the developers. It would be unreasonable and impractical for local governments to expect developers to contribute to affordable housing, and then mandate them to do so without any prior consultations with them.

Partnerships and Community Consultations



Forming effective partnerships between different levels of government, non-profit organizations, and the development industry was a very popular response to many of the challenges identified (i.e. NIMBY or the ability to encourage developers to contribute to affordable housing). Housing can have a large impact on many other social aspects of life, such as employment, health, and education. It seems many other sectors have an interest in promoting better quality of life and living standards, which starts from having suitable shelter. From this perspective, everyone has a contribution to make towards affordable housing, and rather than focusing on objectives specific to their organization, would benefit

from coming together to find solutions. Sometimes, this requires looking into the interests of other groups and stakeholders, and concentrating on the big picture (the whole affordable housing spectrum).

Being leaders of the community, local governments are in the best position to play a facilitative role in bringing interested stakeholders together, so that they can bring a variety of expertise to the table, either in consultations or working groups. This could also help minimize NIMBY, when information comes from not only the governments, but also the non-profit and private sectors. This is particularly important for those who are more skeptical about government or its use of taxpayer monies. Having more people at the table to explain the needs and expectations for affordable housing can gain more credibility in the eyes of the public.

Considering local governments are not in the position to address the whole affordable housing spectrum alone, partnerships that bring in more funding from sources such as senior levels of government, can help address more housing issues such as social housing, which is vital to solving the bigger housing problem in Canada and greatly impacts affordable housing overall.

The involvement of senior levels of government is also an inhibiting factor, since it appears that for many years, the federal and provincial governments have only reduced their role in housing. Without them stepping up to the plate, local governments would only be able to continue their advocacy role for increased funding. Similarly, without a national strategy and without the active participation of the federal government, housing in Canada lacks direction and leadership. Although local governments are in a good position to bring stakeholders together, they are not prepared to take the leadership role as primary providers of affordable housing.

Analysis

Drawing on the findings and discussion sections in this report, there are three key policy actions that the City of Coquitlam can take to address affordable housing, given the new developments and rapid growth in the city. These solutions reflect immediate concerns rather than the continuous longer term issues associated with affordable housing.

- **Density bonuses:** the City of Coquitlam has had tremendous success with density bonuses to date, and should continue to offer such programs for developers as they submit their proposals to build housing around its Skytrain developments. There was a significant amount of support, as shown by all the positive responses from the interviews for density bonusing programs. Moreover, research found in the literature review demonstrates that density bonuses are usually well-received, and are not very prone to NIMBY, ultimately leading to increased benefits and

opportunities for everyone. The only criticism for density bonuses was its effectiveness when used on its own, or the concern that local governments will only depend on density bonuses to address affordable housing. One of the studies in the literature review suggested that developers may not necessarily be able to recoup the costs of higher land values through increased density. However, this was not a concern that was brought up in the interviews. Density bonuses are also a good mechanism, not only to encourage development, but to generate revenue for a housing reserve fund for affordable housing projects. Some density bonusing programs allow developers to contribute to the housing reserve fund in lieu of building the affordable units. Money secured through the use of density bonuses can go toward units or assistance for those who may become displaced from redevelopment initiatives. Since contributions from density bonusing are tied to the economy and market conditions, the City of Coquitlam has established substantial funds since the economic downturn of 2008. As the fastest growing municipality in the Metro Vancouver region, with no signs of slowing down, the City of Coquitlam is encouraged to continue its density bonusing programs and to explore more opportunities for the use of density bonuses.

- **Parking requirements:** Reducing or modifying parking requirements to meet realistic parking demands is a fairly new measure that many local governments are carefully examining. Studies have shown that parking demands have changed over the years and relaxing parking requirements could significantly lower the cost of development, in turn providing incentives for developers to build as well as offering the option for residents and potential renters or homebuyers to opt out of owning a parking stall that they will not use. However, this will require extensive studies to address potential risks and consequences in the future, especially as the City of Coquitlam continues to rapidly grow as a municipality.
- **One-on-one (1:1) replacement for rental housing:** The high risks of displacement as neighbourhoods undergo rapid transformation and redevelopment, call for the City of Coquitlam to take actions to protect its most vulnerable residents from displacement and homelessness. The best approach to maintain some of Coquitlam's rental stock is the 1:1 replacement policy in areas where there are many people who cannot afford to move. To guarantee that this system is fair and that the units remain available to those in most need of affordable housing, regulations would be required to ensure that those occupying the new rental units meet a certain criteria that show they are unable to move. In addition, the tenants will have to understand that these units will probably be smaller. The 1:1 replacement policy is also likely more feasible in areas that currently have very old low density housing. Allowing developers to build extra units over what used to be only one unit could offset the

cost of the replacement unit for developers. Programs would also need to be in place to assist those that will experience higher rents or relocation to other neighbourhoods in Coquitlam that better accommodate what they can afford.

CONCLUSION

Issues with housing affordability need to be recognized and addressed differently depending on multiple factors that continue to change, such as time and location, shift in trends and preferences, and market variations. To effectively address affordable housing, it is commonly agreed that municipalities need to be innovative and progressive, facilitating discussion over the success and applicability of certain policies and programs in their jurisdictions.

To determine which policies and programs are most suitable to address affordable housing in Coquitlam demands greater understanding of the needs and interests of the community and all key industry stakeholders, and to balance those interests effectively. The best way to do this is to maintain an open dialogue and continue the conversation around affordable housing. Municipalities are in the best position to encourage better understanding for affordable housing and to facilitate information sharing between other levels of government, the non-profit and private sectors, and the community.

This report investigated the inhibiting and enhancing factors of five different areas of policy action available to local governments, specifically in the Metro Vancouver region. The research conducted identified challenges and opportunities, and ways to either overcome these challenges or take advantage of the opportunities presented with transit developments. The intent of the research is to inform and provide some insight to the City of Coquitlam and other interested parties, the interests and views of different stakeholders involved in the provision, development or management of affordable housing.

This report attempts to contribute to the limited literature on affordable housing and demonstrate comparable as well as conflicting views on how to effectively support affordable housing based on individual expertise and knowledge of the topic. Current initiatives should continue to be monitored and assessed, and further research should be conducted to address present and future concerns around housing.

Through the literature review, the interviews, and a brief scan of several affordable housing strategies, several recommendations have been developed for the City of Coquitlam. The following section discusses the recommendations for supporting affordable housing as the Evergreen Line reaches completion.

RECOMMENDATIONS

Recommendation 1: Establish a clear definition for affordable housing and determine the types of housing needed by recognizing target population groups.

Addressing affordable housing begins with properly defining it. Using the CMHC definition for affordable housing is a good starting point, but it is recommended that the City develop its own definition of affordable housing that pertains to the specific needs of its communities. For example, the City of Port Moody uses the CMHC definition but only applies it to households with an income that is 80% or less than the median household income for their urban area. With the Evergreen Skytrain Line nearing completion, the City should also take into consideration transportation costs when defining affordable housing.

Determining target groups, similar to the approach taken by City of New Westminster, would also be helpful in figuring out the types of housing needed for development. For example, in assessing proposals submitted by developers, the City should know the types of housing needed to accommodate different demographic groups, such as young families that may need larger units close to daycare centres, or students who may need smaller units situated close to transportation centres. This could be done by working off of the discussion about the City's more vulnerable groups in the Housing Affordability Discussion Paper. It is recommended that the research include immigrants in the City.

A clear definition will help the City communicate the need for affordable housing to the public. At the same time, identifying the types of individuals who need affordable housing can contribute to a better understanding of affordable housing and address any NIMBY towards affordable housing. The new Affordable Housing Strategy should include the City's definition of affordable housing and identify the types of people most in need of it. This is especially important for identifying the needs of the people who will require different levels of assistance as neighbourhoods across the City undergo redevelopment, particularly for the 1:1 replacement policy for rental housing.

Recommendation 2: Clarify the City's role in affordable housing and continue to advocate for a National Strategy that supports long-term sustainable funding for housing in Canada.

Affordable housing requires more involvement from the senior levels of government. It is recommended that the City work with organizations such as the Federation of Canadian Municipalities and the BC Non-Profit Housing Association to continue advocating for a comprehensive national strategy and long-term sustainable funding for social housing.

The majority of interview participants agreed that local governments cannot address affordable housing on their own, and that many stakeholders must work together at every

stage of the affordable housing spectrum. Many federal programs have expired since 2009 and the “housing crunch” requires that the federal government step in and provide funds for social housing.

Recommendation 3: Foster positive relationships with developers and work with the Urban Development Institute to encourage development.

The City is in a good position to play a facilitative role in promoting affordable housing, and should continue fostering positive relationships with housing stakeholders, including other levels of government, other housing organizations, and particularly the development industry, starting with the Urban Development Institute.

In the 2007 Affordable Housing Strategy, the City made action plans to speed up the approval process. It is recommended that the City continue this activity while clearly communicating its expectations for affordable housing and willingness to work together to find solutions that will meet the demands of Coquitlam residents.

Working with the developers will contribute to a better understanding of their interests, and potential contributions to affordable housing. Developers have the knowledge and expertise of building and development costs, which could significantly contribute to the discussion of affordable housing, such as building market rental units. Many interview participants suggested that there is a misconception with developers and that lack of communication has created a misunderstanding that developers have no interest in participating in the development of affordable housing.

Recommendation 4: Conduct studies for relaxing parking requirements

Reducing parking requirements can be contentious, but it is recommended that the option of relaxing parking requirements stay on the table for discussions, and to conduct research on the parking needs of its communities, particularly with the new Skytrain stations being built throughout the City. More research and studies around parking requirements specific to Coquitlam, similar to the Metro Vancouver Parking Study could help inform policy making in this area. Similar to legalizing and promoting secondary suites, introducing more flexible parking requirements such as an opt-in or opt-out approach could be a significant contribution to affordable housing stock.

Many local governments are already looking into the implications of reducing or modifying parking requirements to meet parking demands that have changed over the years. Relaxing parking requirements could significantly lower the cost of development. This provides incentives for developers to build and offers renters and homebuyers who do not own vehicles a more affordable option.

Recommendation 5: Protect and promote rental stock by working together

Many participants agreed that the one-on-one replacement policy would be an effective program to protect the most vulnerable residents who are at high risk of displacement and homelessness. This applies particularly to lower income households currently living in purpose-built rental from over forty years ago that are deteriorating. This is particularly important in the midst of redevelopment projects near transit corridors and in neighbourhoods such as Burquitlam. However, local governments should work with private developers to determine the best approach and implementation process for this policy. This will foster positive relationships and potential partnerships with the development industry.

A possible approach is to implement the 1:1 replacement policy in areas where there are many people who cannot afford to move. To guarantee that this system is fair and that the units remain available to those in most need of affordable housing, regulations would be required to ensure that those occupying the new rental units meet a certain criteria that demonstrate lack of mobility or high risk of homelessness. The tenants would have to understand that the replacement units would likely be smaller. The 1:1 replacement policy is probably also more feasible in neighbourhoods that currently have very old low density housing. Allowing developers to build extra units at maximum density could offset the cost of the replacement unit for developers. Programs would also need to be in place to assist those that will experience higher rents or relocation to other neighbourhoods in Coquitlam that better accommodate what they can afford.

Recommendation 6: Facilitate an ongoing discussion about affordable housing with the public and all key stakeholders

Policy makers and affordable housing advocates would benefit from the knowledge and expertise of all stakeholders. The City should continue the discussion and dialogue around finding solutions for affordable housing by including not-for-profit organizations, other levels of government, members of the community, and the development industry. Everyone has a stake in affordable housing and would benefit from working together and focusing on the big picture, rather than individual interests. The City should work together with other municipalities to monitor progress in this area, and keep a record for future references.

Issuing a public community consultation process can help avoid NIMBY tensions, understand any existing concerns with affordable housing, and determine key themes. For example, the City of Port Moody issued a public consultation process that involved focus groups, interviews, public information sessions and questionnaires. The findings helped contribute to a better understanding of public perception about affordable housing, leading to the development of their 2009 Affordable Housing strategy.

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APPENDICES

Appendix A

The BC Local Government Act and Community Charter

There are three overarching approaches to which municipalities can effectively support affordable housing through the BC Local Government Act and the Community Charter:

- Provide direct or indirect incentives for the construction of affordable housing units;
- Remove regulatory barriers to and amend existing zoning bylaws to allow for higher density developments; and,
- Work with other stakeholders and make the approval processes more efficient and cost-effective for the developers.

For example, Chapter 323, Part 26 – Planning and Land Use Management, of the BC Local Government Act, grants local governments the authority to develop community plans and adopt zoning bylaws and other development regulations. Section 904 allows local governments to adopt zoning bylaws that designate an area within a zone for affordable housing, and section 905 allows local governments to enter into housing agreements for affordable housing. See below for Section 904 of the BC Local Government Act.

The BC Local Government Act also requires local governments to create an Official Community Plan (OCP) that includes housing policies respecting affordable housing.

904 - Zoning for amenities and affordable housing

(1) A zoning bylaw may

- (a) Establish different density regulations for a zone, one generally applicable for the zone and the other or others to apply if the applicable conditions under paragraph (b) are met, and*
- (b) Establish conditions in accordance with subsection (2) that will entitle an owner to a higher density under paragraph (a).*

(2) The following are conditions that may be included under subsection (1) (b):

- (a) Conditions relating to the conservation or provision of amenities, including the number, kind and extent of amenities;*
- (b) Conditions relating to the provision of affordable and special needs housing, as such housing is defined in the bylaw, including the number, kind and extent of the housing;*
- (c) A condition that the owner enters into a housing agreement under section 905 before a building permit is issued in relation to property to which the condition applies.*

(3) A zoning bylaw may designate an area within a zone for affordable or special needs housing, as such housing is defined in the bylaw, if the owners of the property covered by the designation consent to the designation.

Appendix B

The City of Coquitlam and the Evergreen Skytrain Line

The City of Coquitlam is served by various public transportation options, including bus services operated by the Coast Mountain Bus Company, and the West Coast Express commuter rail. Coquitlam is not currently connected to the Skytrain network but the construction of the Evergreen Line will connect Coquitlam to the Expo, Millennium, and Canada Skytrain Lines by 2016. As a result, the Evergreen Line will add six new stations to the existing 47 stations that make up Metro Vancouver's Skytrain system, and improve the transportation network throughout the Metro Vancouver region (TransLink), providing rapid transit to Coquitlam residents.

The Evergreen Line will provide rapid transit choices and support growth management and environmental sustainability initiatives for the communities of Burnaby, Coquitlam, and Port Moody. Capital costs for the Evergreen Line are estimated at \$1.4 billion, with contributions from TransLink (\$400 million), the Government of British Columbia (\$583 million), and the Government of Canada (\$417 million) (BC Ministry of Transportation and Infrastructure). Similar to the other three Skytrain Lines, TransLink, a regional government transportation agency established by the South Coast British Columbia Transportation Authority (SCBCTA), will operate the Evergreen Line when it is complete³ (TransLink).

The construction of the Evergreen Line aligns with the municipal growth targets and objectives established by Metro Vancouver's Regional Growth Strategy in providing fast, frequent and convenient rapid transportation options to communities without access to the current Skytrain system. The Evergreen Line will connect at the Lougheed Town Centre Station and go through the following stations:

- Burquitlam Station (Coquitlam);
- Moody Centre Station (Port Moody);
- Inlet Centre Station (Port Moody);
- Coquitlam Central Station (Coquitlam);
- Lincoln Station (Coquitlam); and,
- Lafarge Lake-Douglas Station (Coquitlam).

Given the new transit developments, Coquitlam's projected growth rate, aging housing stock and shortage of rental housing options, affordable housing is expected to be even more of a challenge for Coquitlam residents. The City of Coquitlam projects that between 700-1000 units of older rental housing could be lost in Coquitlam by 2023 due to the upgrade or redevelopment of older housing stock, particularly around the Burquitlam Skytrain Station (City of Coquitlam, 2013).

³ The Expo and Millennium Lines are operated by British Columbia Rapid Transit under contract from TransLink. The Canada Line is operated on the same principles by the private concessionaire ProTrans BC under contract to TransLink.

Appendix C

Federal, provincial and municipal actions for affordable housing

The Canada Mortgage and Housing Corporation

The federal government has played a fairly significant role in affordable housing. The Canada Mortgage and Housing Corporation (CMHC) was originally established in 1946 after the Second World War to help house returning veterans. It has over the years expanded its role to include mortgage insurance, research and development, and programs for public and social housing (BC Ministry of Forests and Range Housing Department Housing Policy Branch, p. 5).

The Government of Canada supports social housing through ongoing subsidies to existing social housing projects, creation of new units through federal-provincial agreements, and subsidies for major repairs through the Residential Rehabilitation Assistance Program (RRAP) (p. 6). The CMHC works in partnership with the housing industry to encourage the design and development of affordable market housing.

The CMHC also supports affordable home ownership by recently expanding the Home Buyers' Plan (HBP) for greater access to RRSP savings and providing the First-Time Home Buyers' (FTHB) Tax Credit, which was introduced in the Economic Action Plan 2009. The objective of the FTHB program was to assist first-time homebuyers with the costs associated with the purchase of a new home by offering up to \$750 in federal tax relief per individual (Canada Mortgage and Housing Corporation, 2014).

Furthermore, the CMHC provides a variety of online tools to help local governments conduct market housing research to generate ideas that may help develop an action plan to address local housing needs. Currently in place is the *Project Viability Assessment Tool*, which runs various financial scenarios for local governments. On June 16, 2014, the CMHC launched the *Housing Market Information Portal*, a very user-friendly tool that generates data in the form of graphs, charts and tables, as well as publication by reference.

The Government of British Columbia, BC Housing, and Smart Growth BC

The Government of British Columbia has a Provincial Housing Strategy, created by the Housing Policy Branch at the Office of Housing and Construction Standards. The Housing Policy Branch develops provincial housing policy, strategies and programs and provides policy advice on housing issues that include homelessness and affordability. The branch recently published the *Local Government Guide for Improving Market Housing Affordability*. The Guide provides background information on the overall BC housing market, an overview of local government tools, and a number of case studies on housing programs.

BC Housing is the provincial crown corporation that works with non-profit housing organizations, health providers, the private sector, and other levels of government to

Appendix C

maintain existing stock, provide rental assistance, and increase the supply of affordable rental housing for the most vulnerable British Columbians (BC Housing). Their activities are guided by the 2006 provincial housing strategy, *Housing Matters*. BC Housing's mandate is to fulfill the provincial commitment to the development, management, and administration of subsidized housing and their vision is to develop housing solutions for healthier futures.

In addition to the Housing Policy Branch, which focuses on policy, and BC Housing on implementation, Smart Growth BC is also actively involved with affordable housing at the provincial level. Smart Growth BC is a non-profit society that was created as a joint project of the University of Victoria Eco-Research Chair of Environmental Law and Policy and West Coast Environmental Law Association. The Society addresses issues around growth and sprawl in the province and provides policy solutions to these issues (Smart Growth BC). In 2008, Smart Growth BC published *Affordable Housing: A Smart Growth Toolkit for BC Municipalities*.

Metro Vancouver and the Metro Vancouver Housing Corporation

Metro Vancouver, formerly known as the Greater Vancouver Regional District (GVRD), is the regional government that addresses housing issues on a regional scale, and plays a role in preserving existing units and initiating new projects of affordable housing within its jurisdiction. Current housing affordability initiatives are guided by the Metro Vancouver Affordable Housing Strategy and the Metro Vancouver Regional Growth Strategy (RGS). In addition, the Metro Vancouver Housing Corporation (MVHC) owns and operates thousands of below-market units across the region (Metro Vancouver).

Regional governments can significantly contribute to the provision of affordable housing. For example, Metro Vancouver's RGS requires that all municipalities prepare and implement "Housing Action Plans", while the Capital Regional District (CRD)⁴, manages a Regional Housing Trust Fund. This Trust Fund "provides capital grants for 'bricks and mortar' in the acquisition, development and retention of housing that is affordable to households with low or moderate incomes in the Capital Region" (Capital Regional District). For example, in 2009, the CRD Board approved a grant of \$460,000 to the Capital Region Housing Corporation (CRHC), to assist in the construction of 46 affordable rental units for families in Victoria.

According to the 2007 Metro Vancouver Affordable Housing Strategy, Metro Vancouver considers also establishing and managing a Regional Affordable Housing Trust Fund (Metro Vancouver, 2007).

⁴ The CRD is the regional government that covers the communities in the southern Gulf Islands and the south areas of Vancouver Island, BC, including major cities such as Victoria, Saanich, Oak Bay, Sydney, and Langford.

Appendix C

Increasing role of local governments

The exact role and responsibilities of local governments in the provision of affordable housing is unclear, and varies with municipalities and a range of stakeholders. Many local governments are experiencing a downloading of housing priorities from the federal and provincial governments as they reduce their roles in affordable housing. However, it is commonly agreed upon that local governments can and should play a role in promoting affordable housing within their communities, particularly through their regulatory framework and their capacity to better understand the housing needs of their communities. BC municipalities are provided a number of tools and resources by the BC Local Government Act and the Community Charter, which allows local governments to provide certain financial incentives to developers, create partnerships and zoning policies, and implement programs to facilitate the development of more affordable housing.

The Federation of Canadian Municipalities (FCM): Fixing Canada's Housing Crunch

The FCM represents over 2,000 communities across Canada and acts as the national voice of local governments. Municipal leaders from all parts of Canada come together each year to discuss key issues (Federation of Canadian Municipalities, 2014). In 2013, the FCM started a housing campaign called *Fixing Canada's Housing Crunch*, and has since succeeded in putting housing in the spotlight as one of Canada's crucial policy issues. Members of the FCM continue to work together and advocate for a "long-term plan that will set the course for action and relieve Canada's housing crunch" (Fixing Canada's Housing Crunch, 2014). Key concerns that are being addressed are: rising costs of housing, ad hoc investments, scarcity of rental housing, renewal of existing federal programs, and homelessness. The FCM has since published several reports related to affordable housing, addressing specific topics such as rental housing, secondary suites, parking, and NIMBY for affordable housing.

The FCM aims to partner constructively with the federal government recognizing that Canadians are concerned about the high costs of housing and rental shortages, and that municipalities do not have efficient resources on their own to address housing affordability (About the Issue, 2014). Challenges for municipalities include lack of direction and guidance, and short-term and ad hoc federal funding for temporary programs. Without "timelines or an agreement to an action plan", the federal government has provided "no assurances of concrete results to fix Canada's housing crunch" (Fixing Canada's Housing Crunch, 2014). Recognizing that the involvement and participation of the federal government in addressing housing affordability is critical, moving forward and in preparation for Budget 2015, the FCM will continue to work with municipalities on housing affordability and advocate to the federal government on behalf of its members.

Appendix D

CMHC Definitions for Rental Housing and Home Ownership

Rental housing

According to the CMHC, for rental housing to be considered affordable, the following housing costs should not exceed 30% of the renter's household income:

- Rent;
- Payments for electricity, fuel, water (utilities); and,
- Other municipal services.

Coquitlam's Housing Affordability Discussion Paper shows that private housing in the secondary market makes up two-thirds of market rental units in Coquitlam, and this includes secondary suites and investor-owned condominiums. The remaining one-third (approximately 2,775 units) consists of purpose-built housing, where the majority were built prior to 1990. Many municipalities have recognized the importance of maintaining existing rental stock as well as developing new rental units that would be considered affordable to a wide range of lower to middle income households. One option for local governments to encourage affordable rental has been to legalize and provide incentives to homeowners to provide secondary suites in certain parts of their municipality. Many local governments have already implemented a program to encourage and monitor secondary suites as developers have ceased to create more primary rental units.

Whether rental housing options are offered through the construction of primary rental units or the creation of secondary suites, it cannot be guaranteed that these rental units remain affordable. The cost of rental will still depend on the market, but encouraging supply will provide more options and can help bring down average rental prices.

Home ownership

Home ownership is considered affordable, if housing costs for homeowners do not exceed 30-32% of their gross household income, which includes:

- Mortgage payments (principal and interest);
- Property taxes;
- Any condominium fees;
- Any payments for electricity, fuel, water; and,
- Other municipal services.

According to Coquitlam's Housing Affordability Discussion Paper, 75% of homes in Coquitlam are owned. Until recently, many municipalities have placed rental housing as the priority for addressing housing affordability. It is important however, especially among new developments, for municipalities to also consider and recognize the importance of

Appendix D

affordable home ownership in supporting housing affordability. This is especially important for young families who are looking for larger units within urban centres. There has been a growing demand for homes such as 3-4 bedroom condominium units for families, which are much less common than the average 1-2 bedroom units, as housing preferences are shifting from single family homes in the suburbs to apartment units, townhomes and duplexes in the city centres.

Appendix E

Recruitment Script (e-mail to potential interviewees)

January 2014

Re: Participation in Housing Affordability study

Dear _____,

As a Master of Public Administration (MPA) student at the University of Victoria, I will be conducting research this winter to analyze the inhibiting and enabling factors of housing policies focused at the local level in promoting housing affordability in Coquitlam. The purpose of the study is to evaluate and assess the policy implications of promoting housing affordability around rapid transit developments. This research is being conducted for two reasons: to satisfy the requirements of ADMN 598, a graduate course that will complete my MPA degree; and to provide information to the Community Planning division from the City of Coquitlam. As part of this project, I will be talking to local government and industry representatives, and as such, I am writing you today, a (position title), to request your input into this report through an interview.

Participation in this research is important to the ongoing success of the City of Coquitlam's Community Planning division. However, please note that participation is entirely voluntary, and can be withdrawn at any time without reason or explanation. The proposed interview will take approximately one hour, and will address questions related to municipal housing policies and programs relating to particular sub-topics of this study.

I will send you a copy of the questions that I will ask, at least one week in advance, for your review. By doing so, I hope you will be able to prepare for our conversation, and feel at ease regarding the questions and subject matter that will be discussed. Please contact me prior to the interview if you have any questions or concerns, or require clarification regarding any of the interview questions.

Any and all information collected during your interview will be treated confidentially, and your responses will not be identified at the individual or organizational level in the final report. Specific examples or quotes may be cited anonymously, as will the overall data presented. I will be recording and collecting data by taking notes throughout the interview. As previously noted, if you decide to participate in this research, you may subsequently withdraw at any time without reason or explanation. If you do, any information collected will be destroyed and not used for the report.

Please find attached to this e-mail, a copy of the free and informed consent form for participation in this project.

Appendix E

I am excited to begin this project, and I look forward to speaking with you regarding your views on housing policies around rapid transit developments at the municipal level. I will follow up via e-mail in the next week to confirm your interest and the interview date and time.

Please confirm your participation for this interview. I look forward to hearing from you.

Best regards,

Gaby Yeung
MPA Candidate
School of Public Administration
University of Victoria
(778) 928-6138
E-mail: gyeung@uvic.ca

Appendix F

Free and Informed Participant Consent Form (signed consent)

Policy Implications of Promoting Affordable Housing around Rapid Transit Developments in Coquitlam: an analysis of local government tools used to address housing affordability in the housing market

You are invited to participate in a study entitled “Policy Implications of Promoting Affordable Housing around Rapid Transit Developments in Coquitlam: an analysis of local government tools used to address housing affordability in the housing market” that is being conducted by Gaby Yeung.

Gaby Yeung is currently a graduate student in the School of Public Administration at the University of Victoria, and you may contact the School if you have further questions, at youngb@uvic.ca.

As a graduate student, I am required to conduct research as part of the requirements for a degree in the Masters of Public Administration Program. It is being conducted under the supervision of Dr. J. Barton (Bart) Cunningham. You can contact Dr. Cunningham at (250) 721-8849.

Purpose and Objectives of Research: This particular project will be supervised by the manager of Community Planning from the City of Coquitlam, who has a vested interest in the outcome of this report, as the results may help inform future planning and development research, policy and program formation, and generate increased knowledge for understanding and improving housing affordability issues in Coquitlam.

The main research question in this report will be to identify enhancing and inhibiting factors of policy tools used by local governments to address challenges of housing affordability around development of higher density neighbourhoods, and redevelopment of older housing stock. The objectives of the project are to research, analyze, and recommend options for Community Planning to effectively respond to the housing gap. To date, there has not been research generated specifically for the City of Coquitlam, with a focus on rapid transit developments.

Importance of Research: Planning for affordable housing is complex and changing. The unique circumstances of each municipality suggest that one idea cannot necessarily be directly transferred to another. The purpose of this project is to identify the enhancing and inhibiting factors of common and popular tools and measures used by local governments to promote affordable housing in higher density areas. This study will be specific to Coquitlam to assist the department in evaluating the policy implications of promoting affordable housing around areas affected by the construction of the new Evergreen SkyTrain Line. It will be important in helping the Community Planning division to respond to the rapid

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transit developments and prepare any necessary programs or policies in the near future. To date, there has not been research generated specifically focused on Coquitlam with a focus on rapid transit developments.

Participants Selection: You are being asked to participate in this study because your knowledge and expertise with regards to this research topic will contribute to insight on housing policies and programs at the local government level.

What is Involved: If you agree to voluntarily participate in this research, your participation will include (an/a in-person/telephone) interview (at your office or preferred location). This interview will take approximately one hour. Written notes will be taken during the interview.

Inconvenience: Participation in this study may cause some inconvenience to you, including the one hour that this interview will require.

Risks: There are no known or anticipated risks to you by participating in this research.

Benefits: The potential benefits of your participation in this research include a copy of the final research paper. You may also benefit from increased knowledge of what characteristics are necessary to implement successful housing policies around rapid transit developments. The resulting project will provide practical and innovative solutions and enable ongoing regional growth.

Compensation: There will be no compensation for participating in this research project.

Voluntary Participation: Your participation in this research must be completely voluntary. If you do decide to participate, you may withdraw at any time without consequence or any explanation. If you do withdraw from the study, your data will be destroyed and no included in the analysis.

Anonymity: In terms of protecting your anonymity, references to individual's names will not be made in the final research paper.

Limits to Anonymity: Your identity will be known solely to the researcher. Participants will not be identified in the final report. There is one potential limit to anonymity due to selection. The procedures for recruiting or selecting participants may compromise the confidentiality of participants, as the manager of Community Planning from the City of Coquitlam, will be involved in recommending participants in this study. Every attempt will be made by the author to ensure that this risk is minimized to the participants.

Confidentiality: Your confidentiality and the confidentiality of the data will be protected by storing all hard copies of interview responses in a locked cabinet at the researcher's home. Electronic information will be password protected at the researcher's home.

Appendix G

The Interview Guide

As you know, the issue of affordable housing affects all levels of governments and many public sector leaders are interested in the strategies used to promote affordable housing.

My specific interest is to develop a better understanding of the enhancing and inhibiting factors of common policy tools used to promote affordable housing around rapid transit developments for the City of Coquitlam, to help determine which policies may best suit the needs of Coquitlam residents, as a result of the construction of the Evergreen SkyTrain Line.

I will be interviewing two groups of people that may be able to provide some insight into identifying best practices for addressing affordable housing around rapid transit developments.

When you are asked to provide examples of specific positive or negative events, you are asked to not reveal the identities of the individuals involved.

The interview is anonymous and confidential. Your participation is voluntary. You can refuse to answer any questions that make you uncomfortable. Whether you participate or choose not to participate is confidential. Your name will never be associated with any of the comments you make. I am simply interested in the collective responses of a number of people who offer a perspective on this issue.

Only my academic supervisor will have access to the data. Your employer will not have access to the raw data. Code numbers, rather than names, will be used to identify results obtained from each individual.

The questions I ask are open-ended. In responding, I encourage you to reflect on your experiences. I intend to take your responses, and those of other people I interview, and develop a report for the School of Public Administration.

Before we begin, do you have any questions about me or the project?

General

What is your current job title and how long have you been with *your organization*?

What is your previous experience in this specific field?

What is your area of expertise relating to housing policies at the municipal level?

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Context Specific (Role of Local Governments)

Could you tell me a little about how, in your view, municipalities can contribute to the issue of affordable housing in their communities, and the main challenges associated with it?

- i. Do you think municipalities need to play a larger role in addressing affordable housing?
- ii. Do you think municipalities have the efficient tools to address affordable housing within their jurisdictions?

We have heard a great deal about Canada's housing trend and the disproportionate rising costs of housing prices to household incomes. I'd like to ask you about the impact *your organization* is experiencing as a result, and what this has meant to your department?

- i. Do you think the development of rapid transit systems, such as the Evergreen SkyTrain Line, calls for new measures to address affordable housing (i.e. protect lower income households in redeveloping areas)?
- ii. Based on your experience in the field, in your opinion, how has proximity to transit corridors, such as SkyTrain stations, impacted the price of housing/property values?

Sub-topic #1: Financial measures (incentives and disincentives)

In your opinion, what are some best practices/policies you have observed with regards to municipalities offering incentives to developers (or removing disincentives) to participate in the provision of affordable housing (e.g. cost development charges, fee waivers, density bonusing, reserve fund, demolition fees, etc.)?

- i. Do you think these best practices are applicable to rapid transit development areas? Which policies do you think would work best with transit development?
- ii. What are some pressures from others that might facilitate the implementation of this type of policy measure?
- iii. Who are some of the groups who might assist the implementation?

Can you give me an example of practices you have observed or experienced which we would not want to follow?

- i. What are some of the pressures that might make it difficult to implement these policies?
- ii. Who are some of the groups who might most resist this type of policy measure?

What are ideas and suggestions for improving work in this area?

- i. What are the greatest barriers or obstacles to successful incentive-based policies that you have witnessed?

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- ii. Which municipality has the most effective incentive-based policies? Why do you think this is?
- iii. What do you think may be Coquitlam's greatest challenge to implementing the policies or suggestions we have discussed above?

Sub-topic #2: Regulatory measures

In your opinion, what are some best practices/policies you have observed with regards to regulatory policies (e.g. zoning, secondary suites, inclusionary, parking requirements, etc.)?

- i. Do you think these best practices are suitable around transit development areas?
- ii. What are some of the pressures from others that might facilitate the implementation of this type of policy measure?
- iii. Who are some of the groups who might assist the implementation?

Can you give me an example of practices you have observed or experienced which we would not want to follow?

- i. What are some of the pressures that might make it difficult to implement these policies?
- ii. Who are some of the groups who might most resist this type of policy measure?

What are ideas and suggestions for improving work in this area?

- i. What are the greatest barriers or obstacles to successful regulatory policies that you have witnessed?
- ii. Which municipality has the most effective regulatory policies? Why do you think this is?
- iii. What do you think may be Coquitlam's greatest challenge to implementing the policies or suggestions we have discussed above?

Sub-topic #3: Policies for Rental Housing Loss Prevention (Redevelopment, Renovation and Replacement)

In your opinion, what are some best practices/policies you have observed with regards to initiatives aimed to protect existing rental housing stock and/or promote rental housing development (e.g. rental replacement, demolition control, etc.)?

- i. Do you think these best practices will also apply to higher-density neighbourhoods, as a result of rapid transit developments?
- ii. What are some of the pressures from others that might facilitate the implementation of this type of policy measure?
- iii. Who are some of the groups who might assist the implementation?

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Can you give me an example of practices you have observed or experienced which we would not want to follow?

- i. What are some of the pressures that might make it difficult to implement these policies?
- ii. Who are some of the groups who might most resist this type of policy measure?

What are ideas and suggestions for improving work in this area?

- i. What are the greatest barriers or obstacles to successful prevention policies that you have witnessed?
- ii. Which municipality has the most effective prevention policies? Why do you think this is?
- iii. What do you think may be Coquitlam's greatest challenge to implementing the policies or suggestions we have discussed above?

Sub-topic #4: Advocacy and Partnerships

In your opinion, what can or should municipalities do to increase community support/decrease community resistance to above mentioned policies and programs?

- i. Do you think these best practices will work more or less for areas near transit corridors?
- ii. What are some of the pressures from others that might facilitate the implementation of this type of policy measure?
- iii. Who are some of the groups who might assist the implementation?

Based on your opinion on the roles government should play in promoting affordable housing, what do you think municipalities can or should do with senior levels of government (regional, provincial, federal) in order to tackle this issue?

What types of partnerships do you think local governments can or should make to promote affordable housing, particularly around transit developments?

Can you give me an example of practices you have observed or experienced which we would not want to follow?

- i. What are some of the pressures that might make it difficult to implement these policies?
- ii. Who are some of the groups who might most resist this type of policy measure?

What are ideas and suggestions for improving work in this area?

- i. What are the greatest barriers or obstacles to successful management policies that you have witnessed?

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- ii. Which municipality has the most effective management policies? Why do you think this is?
- iii. What do you think may be Coquitlam's greatest challenge to implementing the policies or suggestions we have discussed above?

Concluding Questions

Are there any additional strategic themes that you think would be beneficial to consider alongside the four discussed topics?

In your opinion, what can Coquitlam (or any other municipality) improve on with regards to any of the four previously discussed sub-topics?

What sub-topic is most critical to address immediately?

Would you like a copy of the executive summary of the report when it is finalized?

Do you have any final comments?

Thank you for your time today. This information has been incredibly valuable to my research. If you have any additional comments to add to this interview, please email me at gyeung@uvic.ca.

Appendix H

Complete Tables for Findings Section

Table 1: Opportunities and Challenges for Local Governments in Affordable Housing

Opportunities	Response Rate	Main Challenges	Response Rate
Increasing supply through density bonuses	13	Lack of leadership/support from senior governments	13
Providing incentives to developers	7	Limited financial capacity	9
“Getting out of the way” (reducing regulations)	7	Not enough collaboration with developers	6
Speeding up the approval process	5	Limited capacity of land	5
Reducing/waiving fees or providing tax reliefs	4	Competing priorities	5
Parking requirements/secondary suites	4	Too many regulations	5
Setting up a housing reserve/ trust fund	5	NIMBY	4
Working with non-profits and forming partnerships	5	Political will	4
Recognizing the issues/ establishing clear expectations	4	Lack of resources (i.e. staff)	3
Advocating to senior governments for support	3	Lack of leadership (local)	3
Providing land (if available)	3	Unclear definition of affordable housing	3

Table 2: Frequency of responses for Financial Incentives

Type of policy/program	For	Against	Neutral
Offering density bonuses	13	0	2
Waiving development cost charges (DCCs) and other development fees	3	3	10
Establishing a housing reserve fund	8	0	1

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Table 3: Different Opinions for Development Fee Waivers

Comments/feedback regarding fee waivers	Response Rate
Waiving fees such as DCCs has little impact for developers and are therefore ineffective unless packages with other incentives	5
Waiving fees such as DCCs are not sustainable in the long run when local governments need the revenue	2
Local governments have competing priorities and waiving fees such as DCCs may not fair to the community, would need a good balance	5
Waiving fees such as DCCs can shift cost burdens to other sectors, which can seem unfair, and can be controversial if not seen as community asset	5
Waiving fees such as DCCs is a good policy for incentivizing developers to build more affordable housing units	3

Table 5: Frequency of Responses for Rental Housing Protection

Policies aimed to protect existing rental	Response Rate
One-on-one replacement policy	9
One-on-one replacement policy (against)	1
Standards of maintenance bylaws	4
Demolition controls and charges	3
Moratorium/memorabilia on rental demolition (against)	3

Appendix I

Summary of Affordable Housing Strategies

This section provides a summary of the strategies, policies and programs in place by two regional districts and a total of ten municipalities, nine of which are in BC.

Metro Vancouver (formerly Greater Vancouver Regional District - GVRD)

A regional government is a political body and corporate entity that operates under the provincial legislation to deliver regional services, policy, and political leadership on behalf of its members. Metro Vancouver, also formerly known as the Greater Vancouver Regional District (GVRD), is the regional district that comprises one electoral area, one treaty First Nation, and 22 municipalities in the Lower Mainland, including the City of Coquitlam.

The Metro Vancouver Housing Corporation (MVHC) is a non-profit organization that is housed under Metro Vancouver and provides affordable housing for low and middle income households. MVHC currently owns and operates over fifty affordable rental housing sites across the Lower Mainland, providing housing for more than 10,000 people in need.

In addition to the MVHC, Metro Vancouver contributes to affordable housing through its Metro Vancouver Affordable Housing Strategy and the Metro Vancouver Regional Growth Strategy.

The Metro Vancouver Affordable Housing Strategy was adopted in 2007. Although the Strategy looks at the entire range of the housing continuum in terms of housing needs, it does focus largely on rental housing. The Strategy determines action items and sets targets and performance measures for them. The Strategy also includes key implementation approaches and identifies the type of policies and tools that could be implemented to meet certain targets and objectives as set out in the Strategy (Metro Vancouver, 2007).

Metro Vancouver 2040: Shaping Our Future is Metro Vancouver's Regional Growth Strategy adopted in 2011 and updated in 2013, to provide a framework to address and manage growth "in a way that enhances the livability and sustainability of the region" (Metro Vancouver, 2011). The framework consists of five overarching goals that cover urban development, sustainable economy, environmental concerns and climate change, affordable housing, and accessible transportation. The housing elements in the Regional Growth Strategy help implement the Metro Vancouver Affordable Housing Strategy (Metro Vancouver, 2011, p. 3)

Every goal in the Strategy has an affordable housing aspect to them; Goal 4: *Develop Complete Communities* directly addresses housing affordability, by recognizing that:

"A diverse mix of housing types is fundamental to creating complete communities. This includes a mix of housing types and tenures that respond to

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an aging population, changing family and household characteristics and the full range of household incomes and needs across the region. Access to a wide range of services and amenities close to home, and a strong sense of regional and community identity and connection are also important to promote health and well-being.” (Metro Vancouver, 2011)

Providing diverse and affordable housing choices to meet future demand is the first strategy identified to achieve this goal, and roles for Metro Vancouver as well as municipalities, other governments, and agencies are outlined. For example, municipalities are required to adopt “Regional Context Statements which include policies or strategies that work toward meeting the estimated future housing demand” (Metro Vancouver, 2011). Municipalities are also expected to prepare and implement Housing Action Plans to assess local housing market conditions, identify priorities and implementation measures, encourage the supply of new rental housing, and cooperate with the activities of the MVHC in developing more affordable housing options.

Metro Vancouver Municipalities

This section attempts to summarize what other municipalities in the Metro Vancouver region are doing for affordable housing. The municipalities that were selected are: New Westminster, Richmond, Surrey, Port Moody, North Vancouver, Burnaby, and Vancouver. These municipalities were chosen based on access to rapid transit, similarity in size, and proximity to Coquitlam. Vancouver is included to provide an overview of best practices that may be transferrable and applicable to other municipalities. Vancouver has been known to be fairly proactive in the area of housing affordability; it would be beneficial to review some of their programs and initiatives on housing affordability.

Most of the municipalities selected have an affordable housing strategy and these strategies typically include definitions, priorities, targets, and an overview of the process in the development of the Strategy, including research and background information on the municipalities’ neighbourhoods and the impact of population growth, housing shifts, and other gaps specific to the communities within their jurisdiction.

The City of Burnaby. The City of Burnaby’s Official Community Plan presents four goals related to housing as it contributes to a sustainable community:

1. To provide a varied range and choice of living opportunities within the City;
2. To establish increased opportunities for ground-oriented housing;
3. To maintain and improve neighbourhood livability and stability; and,
4. To help ensure that the needs of people with special and affordable housing requirements are met.

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Three overview reports about affordable housing have also been prepared to help determine the City's role in housing affordability:

- Affordable Housing and Homelessness – A Response to Issues and Proposals;
- Recommended City Initiatives – Affordable Housing and Homelessness; and,
- Use of Community Benefit Bonus Housing Funds.

Moreover, the City has adopted multiple policies that are relevant to housing, which can be found in the Town Centre Plans and Community Plans. Such policy initiatives include: permit fees deferral, preferential processing, group home policy, rental conversion control, and in-law suites.

The City has also implemented the Community Benefit Bonus (CBB) program, which “offers additional density to developers in four town centre areas in Burnaby, in exchange for providing affordable housing, social amenities, or a combination of the two” (BC Ministry of Forests and Range Housing Department Housing Policy Branch, p. 33). The City receives the affordable units created under the program and leases them to non-profit organizations to manage. Occasionally, the non-profit organizations will also participate in the design of the units for specific resident groups. The program has resulted in twenty-five low cost rental units in three developments. The Government of BC Guide for Improving Market Housing Affordability has also highlighted the City's success in rezoning regulations to encourage smaller lots and increase density.

The City of New Westminster. The City of New Westminster's Affordable Housing Strategy: Framework for the Future was updated and adopted in 2010, and the City is currently developing an Affordable Housing Strategy Work Plan which was presented by the Community and Social Issues Committee in 2012 (Community and Social Issues Committee, 2012). The City has had a Housing Strategy since 1996 and in 2006, also developed a Homelessness Action Strategy, which responds to the non-market and temporary housing elements along the housing continuum. The Affordable Housing Strategy focuses primarily on permanent housing, and places a great emphasis on the City's role as a facilitator in the development of affordable housing through the private market.

Two main goals are presented to achieve a vision of inclusivity and safety for the City of New Westminster: (1) to preserve and enhance stock of safe, appropriate and affordable rental housing, and (2) to improve the choice of housing for the low and moderate income residents and households with unique needs (City of New Westminster, 2010). The Strategy determines nine strategic directions accompanied by a general timeline. Some policies and programs identified in the Strategy include facilitation of secondary suites, density bonus programs, and a housing reserve fund.

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The City uses the CMHC's definition of housing affordability to help define affordable housing for the City of New Westminster and attempts to address all needs along the housing continuum. The City recognizes Metro Vancouver's role in affordable housing through its two Strategies, and clearly outlines its role as a local government in addressing housing affordability.

As part of the Affordable Housing Strategy, the City has also identified target groups for affordable housing in their communities, which include: renters, low-income households, seniors and persons with disabilities, aboriginal households, immigrants and refugees, and moderate-income households and homeowners (City of New Westminster, 2010). The Strategy includes a description of each target group and presents their specific housing needs.

The City of North Vancouver. Housing affordability strategies for the City of North Vancouver was updated in 2010 after the Housing Diversity and Affordability Forum that took place in October 2010. The forum contributed to the update of the City's Official Community Plan. The original Housing Affordability Strategies was the product of the 2006 Affordable Housing Action Forum, and focused on affordable rental housing. The City has held several sessions to provide opportunities for participants and stakeholders to provide input on ways the City could address housing affordability. In 2001, the City hosted an Affordable Rental Housing Workshop and in 2003, an Affordable Ownership workshop that explored potential models to assist in the creation of more options for entry-level home buyers.

Prior to these workshops, the City adopted Affordable Housing Policies in 1996, which outlined the City's role and responsibilities in addressing housing affordability. Between 1997 and 1998, the City established an Affordable Housing Task Force to review existing policies and practices, identify new objectives, consult with the community, and present recommendations that would be incorporated into the Social Plan, a framework for the City's social infrastructure that concentrates on the overall well-being of the community that was adopted in 1998 (City of North Vancouver, 2012, p. 8). Overall, the City's vision for affordable housing is to create a diverse and highly liveable community by providing current and future residents social sustainability.

Many of the strategies in the City's 2010-2011 Housing Affordability Strategies align with the recommended strategies and objectives of Metro Vancouver's Affordable Housing Strategy. Based on the City's study and review of the needs in its community, the document focuses primarily on affordable rental housing. There are ten strategic themes in the updated document, and every action item under the themes, are accompanied by the gap or issue that the item addresses, as well as the staff and resource documents involved in the implementation (City of North Vancouver, 2010). These strategic themes are:

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1. Affordable Housing Policies	6. Public Education
2. City Land	7. Advocacy – Senior Governments
3. Zoning	8. Advocacy – Provincial Governments
4. Rental Housing	9. Advocacy – Federal Governments
5. Secondary Suites	10. Consultation and Collaboration

The City of Port Moody. Through their Affordable Housing Strategy, the City of Port Moody seeks to promote and maintain a wide range of innovative housing policies, protect the stock of existing affordable rental housing, and enhance the continuum of housing to support the residents of Port Moody. The Strategy is divided by current, mid-term, and long-term actions, and provides a comprehensive background and context about housing affordability in Port Moody, which identifies the specific needs of its residents as well as roles and responsibilities of every level of government.

The City distinguishes three different approaches to affordable housing: land use policies and rezoning, available municipal tools (e.g. inclusionary zoning, density bonusing, secondary suites, waiving DCCs, etc.), and partnerships. Community consultation was recognized as a significant process in promoting housing affordability, and indicators were determined for each goal, to measure progress and performance (Jim Woodward & Associates Inc and M. Ninow Consulting, 2009).

The City of Richmond. The City of Richmond’s Affordable Housing Strategy was adopted in 2007 and focuses on six policy areas, accompanied by an implementation timeframe, key milestones, and specific targets that align with Metro Vancouver’s targets as established within its Strategies. The six policy areas are:

1. An articulated commitment to housing affordability
2. Use of regulatory tools and approaches
3. Preserve and maintain the existing rental stock
4. Incentives to create new affordable housing units
5. Building community capacity through targeted strategies
6. Advocacy to improve the policy framework and funding resources

The City has also ranked its top three priorities in terms of affordable housing, with the first priority on affordable subsidized rental housing, followed by affordable low end market rental housing, and affordable entry level ownership housing. Definitions and annual targets are also provided (City of Richmond, 2007).

The City of Surrey. The City of Surrey does not have an Affordable Housing Strategy, although one is currently in progress. Until then, the City has a Housing Action Plan, which was revised in 2010 and includes detailed information on its existing housing stock,

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population and demographics, housing affordability factors such as income, homeownership costs, rents and vacancy rates. There is also a portion of the Action Plan dedicated to rental housing, including renter characteristics, non-market social housing, and private market rental. However, the Action Plan is mostly focused on homelessness. An Affordable Housing Strategy would cover a broader range of issues under affordable housing.

The last section covers Surrey's housing policies and provides information about its current Official Community Plan (OCP), the Sustainability Charter adopted in 2008, as well as specific policies and programs, such as the Home Ownership Assistance Program, density bonusing and the Density Bonus Reserve Fund, conversion protections, rental stock strata conversion restrictions, secondary suites, and rezoning to encourage smaller lots (City of Surrey, 2010).

The East Clayton Neighbourhood Concept Plan (NCP) is an example of a zoning regulation created to promote more affordable housing a more diverse neighbourhood. The NCP, a pilot project, allows a range of densities and permits both secondary suites and coach houses. Prior to the NCP, the area consisted of housing on very large lots (CitySpaces Consulting Ltd., 2013).

The City of Vancouver. Vancouver's Housing and Homelessness Strategy 2012-2021 was created in 2011 to provide more affordable housing choices for all Vancouver residents. The Strategy recognizes that "modest market and rental housing is key to the economic development of the City" (Context Ltd., 2011) and therefore, addresses all points along the housing continuum. Priority actions are categorized under three strategic directions:

1. Increase the supply of affordable housing;
2. Encourage a housing mix across all neighbourhoods that enhances quality of life; and,
3. Provide strong leadership and support partners to enhance housing stability.

Each strategic direction includes specific targets and expected outcomes. The Strategy also covers past achievements, lessons learned, implementation strategy through a series of action plans and baseline indicators for performance measurement.

The first three-year Action Plan for 2012-2014, provides details for every priority action identified in Vancouver's Housing and Homelessness Strategy, through a number of supporting actions accompanied by expected outcomes and potential partners for those three years (City of Vancouver, 2012).

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The Capital Regional District (CRD)

The Capital Regional District (CRD) is the regional government that covers thirteen municipalities and three electoral areas on the Southern tip of Vancouver Island and the surrounding 70 Gulf Islands. There are four components to the CRD and their housing affordability initiatives: the 2007 Capital Regional District Regional Housing Affordability Strategy (RHAS), Capital Region Housing Corporation (CRHC), a Housing Secretariat, and a Regional Housing Trust Fund.

The RHAS was prepared by the CRD Planning and Protective Services unit in 2007 and was created to meet three goals:

1. To increase the supply of more-affordable housing in the region;
2. To reduce the number of people in core housing need, especially low income renters; and,
3. To reduce the number of homeless people, and support the transition out of homelessness.

The RHAS recognizes the CRD's role as a regional government in improving housing affordability and calls for better collaboration between municipalities, the community, industry and stakeholder groups in the provision of affordable housing (CRD Planning & Protective Services, 2007). The document presents five key strategies that guide their housing policies and programs:

1. Secure more funding for non-market and low end of market housing;
2. Establish and enhance pro-affordability local government policies and regulation across the region;
3. Facilitate community-based affordability partnerships and initiatives;
4. Build neighbourhood-level support for housing affordability; and,
5. Expand the scope of the Victoria Homelessness Community Plan to the region as a whole.

The Strategy includes a rationale for a regional strategy, distinguishes the roles of all levels of governments, elaborates on the five key strategies, and establishes targets and performance indicators for monitoring and measuring progress (CRD Planning & Protective Services, 2007).

CRHC is a non-profit organization that manages over 1,200 affordable rental units in the capital region of Victoria, BC and its target groups are low and moderate-income families, low-income seniors, and people on a government disability pension. The Corporation is owned by the CRD and governed by a Board of Directors.

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The Housing Secretariat was established in May 2007 as a result of the (RHAS). Its purpose is to develop a coordinated approach within the CRD to increase the supply of affordable housing. The Housing Secretariat identifies collaborative models for municipalities, funding agencies, and the non-profit sector to work together; facilitates the development of partnerships between the non-profit and private sectors; and acts as the administrator of the Regional Housing Trust Fund. Also in response to the RHAS recommendations, the Regional Housing Trust Fund was also established in 2005 to provide capital grants for “bricks and mortar” in the acquisition, development, and retention of housing that is affordable to households with low or moderate incomes in the region.

The municipalities in the CRD that have been included in this jurisdictional scan are the Cities of Victoria and Langford. These two municipalities were selected for the implementation of its policies and programs for housing affordability, particularly with the City of Langford, which has been recognized for its innovative and even bold housing policies.

The City of Langford. The City of Langford has been recognized for its creative and innovative initiatives for housing affordability. In 2008, the City’s “inclusionary zoning requirement” program won the CMHC’s Housing Award. The City’s Affordable Housing Program was adopted in 2004 and aims to provide lower-income families with affordable housing through new housing developments. The program requires developers of new subdivisions within the city to “build one affordable home for every 10 single-family lots subdivided”. These homes are priced at 60% of market value, and through its partnership with the CMHC, the City assists developers by offering “free administrative support, density bonuses and streamlined development approvals as incentives”. In addition, local realtors provide services free of charge and credit unions, mortgage brokers, and insurers streamline mortgage pre-approvals.

In 2007, the City updated the program to include a policy that requires new developments to be Building Code-ready for secondary suites, to promote density and diversity. Furthermore, a \$500 contribution must be made to the City’s Affordable Housing Reserve Fund for every new dwelling created. The funds in the Affordable Housing Reserve Fund then go toward a rent subsidy program and the construction of new subsidized units.

The City of Victoria. Housing affordability and homelessness have been identified as top priorities for the City of Victoria, and the City plays a facilitative role in encouraging a more diverse mix of housing options to promote housing affordability. The City supports affordable housing within their jurisdiction by providing financial assistance through the Victoria Housing Fund, implementing a secondary suite program, and actively engaging in partnerships with different private and public agencies (City of Victoria Sustainability

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Department). A number of initiatives are outlined in the Affordable Housing Activity 2008-2010.

The City established the Victoria Housing Fund to assist in the development of rental housing and support community diversity and infrastructure. The Fund supports non-profit developments through grants to offset development fees. In addition to the Victoria Housing Fund, the City has relaxed secondary suite zoning regulations and implemented a grant program to assist homeowners in installing a secondary suite in single family homes. Along with the Secondary Suites Design Guidelines, the City offers grants equal to 25% of construction costs of new secondary suites (up to a maximum of \$5,000).

The City's Sustainability Department developed the Housing Report in 2012 which provides data and statistics on the Victoria Housing Fund, secondary suites, the rental market, and housing prices in Victoria. The document also includes a summary of key observations (City of Victoria Sustainability Department).

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Affordable Housing Strategies Checklist

Review of Municipal Housing Affordability Strategies, as published

Affordable Housing and Homelessness – a Response to Issues and Proposals (City of Burnaby)		
Year Published: 2007	Lead Department: Planning & Building	
Link to document: http://www.burnaby.ca/Assets/city+services/planning/Affordable+Housing+and+Homelessness+-+A+Response+to+Issues+and+Proposals.pdf		
Item and Description:	Included: (yes/no)	Notes/comments:
Vision statement	Yes	Affordable housing is part of a greater vision for a healthy and livable community, high quality physical setting, and a robust, sustainable local economy (p. 5).
Goals and objectives	No	It is not clear the goals and objectives of the City for affordable housing.
Background research (specific to the municipality)	Yes	An overview of affordable housing needs in the City is provided on pp. 12-14.
Definition of affordable housing	Yes	Affordable housing needs are defined in the overview section, into three categories: core need households (housing costs > 30%), core need and paying half of income for housing (housing costs ≥ 50%), and low income (cost of basic needs = 20% more than the average).
Municipality's role in affordable housing	Yes	The City clearly states that it can and will only play a facilitative role in the delivery of affordable housing initiatives. The City views the role as direct provider as inappropriate and that the federal and provincial governments need to take a more aggressive approach to housing (pp. 43-44).
Policy areas and/or strategic themes; this includes; (a) Financial incentives; (b) Regulatory tools; (c) Rental housing; (d) Advocacy and partnerships	Yes	The City identifies six initiatives that may enhance their facilitator role. These include making city lands available, managing developing cost charges and property taxes, permit fees, building flexibility in development standards, facilitating approval processes, supporting innovations in housing types and forms, increasing densities and building innovations in housing policy.
Action/implementation plan (with a timeframe)	No	Not included in Strategy or not clear
Performance measures/indicators	No	Not included in Strategy or not clear
Review process	No	Not included in Strategy or not clear
Alignment with the Regional Affordable Housing Strategy	Yes	The Strategy provides an overview of regional and local government roles, and staff commentary on the City's position are given for each goal and strategy outlined in the Metro Vancouver Strategy and Affordable Housing Discussion Paper.

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2007 Affordable Housing Strategy: Affordable Housing in Coquitlam		
Year Published: 2007	Lead Department:	
Link to document: http://www.coquitlam.ca/documents/AffordableHousingStrategyforweb.pdf		
Item and Description:	Included: (yes/no)	Notes/comments:
Vision statement	Yes	Included on p. 13: that all residents of Coquitlam will be able to live in safe, appropriate housing that is affordable for their income level. Priorities were not clearly identified.
Goals and objectives	Yes	Three goals, guided by four principles, are outlined on p. 13: to preserve and increase stock of safe, affordable, appropriate housing, to decrease number of residents in housing need, and to support residents in moving through the stages of the housing continuum
Background research (specific to the municipality)	Yes	As background for the strategy, consultants reviewed a wide range of statistical data and produced a city-wide housing profile and a separate profile for each of the 12 planning communities (pg. 3-8). More background research can be found in the Affordable Housing Discussion Paper, published in January 2013.
Definition of affordable housing	No	The Strategy provides information about the housing continuum and affordability issues with market and non-market housing (pg. 9-11) but definition of affordable housing still unclear. As part of the 2008 Work Program (p. 21), the Strategy states that staff will prepare for Council's consideration Citywide OCP and Zoning Bylaw amendments to clarify definitions of affordable, special needs and non-market housing.
Municipality's role in affordable housing	Yes	The Strategy established 10 municipal roles and actions in addressing housing affordability (p. 14).
Policy areas and/or strategic themes; this includes; (e) Financial incentives; (f) Regulatory tools; (g) Rental housing; (h) Advocacy and partnerships	Yes	Identified municipal roles include minimizing regulatory barriers for residential developers (role 3), encouraging the development industry to add more rental housing and landlords to upgrade existing housing (role 10), advocate about Coquitlam's housing issues and needs (role 4) and increase public awareness (role 5). Details about these roles are expanded from pp. 17-23 under Current and Ongoing Actions and the Three Year Work Program 2007-2009.
Action/implementation plan (with a timeframe)	Yes	A Three Year Work Program 2007-2009 is provided on pp. 19-22 and Longer Term Actions from 2010 and beyond p. 23.
Performance measures/indicators	Yes	Performance indicators are outlined on p. 25 and align with strategy goals. No targets were set.
Review process	No	There was no mention about updating or reviewing the

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		Strategy; however, Coquitlam is currently in the process of updating the Strategy, which is scheduled to be completed in early 2015. The new Strategy will include updated objectives, actions and tools, and identify affordable housing priorities.
Alignment with the Regional Affordable Housing Strategy	N/A	The regional affordable housing strategy was at the time, in development. Key points from the <i>Regional Housing Strategy Workshop: Issues and Options</i> were reviewed.
Other comments:	The Housing Affordability Discussion Paper was developed by staff as background information for the update Strategy. http://www.coquitlam.ca/Libraries/Community_Planning_Documents/Housing_Affordability_Discussion_Paper_Feb_4_2013_FOR_WEB.sflb.ashx	
City of New Westminster Affordable Housing Strategy: framework for the future		
Year Published: 2010	Lead Department: Planning & Development	
Link to document: http://www.newwestcity.ca/database/rte/126941.PDF		
Item and Description:	Included: (yes/no)	Notes/comments:
Vision statement	Yes	To be “an inclusive city where all residents live in safe, appropriate and affordable housing and where there are choices for people of all ages and abilities” (p. 1)
Goals and objectives	Yes	Goals and objectives are both included on p. 1 (summary).
Background research (specific to the municipality)	Yes	The Strategy identifies the complexity of local government practices and approaches to address affordable housing and discusses issues and gaps raised from research conducted on the City’s population and housing characteristics. More information can be found in another document. The Strategy summarizes the research on pp. 6-9.
Definition of affordable housing	Yes	The City recognizes that the term “affordable housing” can be problematic. In the context of the current Strategy, the CMHC definition of affordable housing is used (p. 2). Strategic Direction #1 includes introducing a definition of affordable housing for clearer policy and vision in the future.
Municipality’s role in affordable housing	Yes	The City identifies itself as a facilitator of affordable housing, and outlines its roles on p. 1 (summary) in this capacity.
Policy areas and/or strategic themes; this includes; (i) Financial incentives; (j) Regulatory tools; (k) Rental housing; (l) Advocacy and partnerships	Yes	Nine strategic directions to work towards the Strategy’s goals and objectives are delivered on p. 2 (summary). Some of these include: using financial tools and incentives, promote secondary suites, limit the loss of existing affordable rental housing, and facilitating community partnerships. Details about the nine strategic directions are on pp. 11-17.
Action/implementation plan (with a timeframe)	Yes	A four-year timeline was proposed. Priorities were identified and an implementation timeline for the nine strategic directions from 2010-2013 is provided on pp. 13-24. An

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		Affordable Housing Strategy Work Plan from 2012 is also available.
Performance measures/indicators	Yes	Performance measures and indicators for the nine strategic directions are in a table on pp. 18-19.
Review process	Yes	Strategic Direction #9 includes reviewing the plan regularly.
Alignment with the Regional Affordable Housing Strategy	Yes	The Strategy provides a summary of the Metro Vancouver Affordable Housing Strategy on pp. 4-5.
Other comments:		Other documents include the <i>Secured Market Rental Housing Policy</i> , adopted by the City in May 2013. The strategies and actions outlined are aimed at retaining, renewing and enhancing the supply of secured rental housing. Six population groups were identified as priority groups particularly affected by housing issues in <i>Target Groups</i> . Additional resources include backgrounders (for background research), information and policy reports, all available on the City's website. http://www.newwestcity.ca/business/planning_development/housing/articles/222.php
Affordable Housing Strategy for Port Moody		
Year Published: 2009	Lead Department: Planning & Development Services	
Link to document: http://www.portmoody.ca/modules/showdocument.aspx?documentid=777		
Item and Description:	Included: (yes/no)	Notes/comments:
Vision statement	Yes	To “maintain a strong and diverse community for all residents of Port Moody where they will be able to live in safe, appropriate and affordable housing regardless of their income level or changing needs” (p. 26)
Goals and objectives	Yes	Three goals were identified: to meet the changing needs of a diverse population, to protect stock of existing affordable rental housing, and to enhance the continuum of housing and support citizens at risk of homelessness (p. 26)
Background research (specific to the municipality)	Yes	Background research on the City's housing and population, including neighbourhood profiles on pp. 5-6. Research on community needs for housing on pp. 7-10. Summary of key themes from a public community consultation process on pp. 20-25*.
Definition of affordable housing	Yes	The Strategy uses the CMHC's definition of affordable housing and applies it only to households with an income that is 80% or less than the median household income for their urban area (taken from Metro Vancouver's Affordable Housing Strategy).
Municipality's role in affordable housing	Yes	The Strategy outlines nine options available to the City to promote the supply of affordable housing (pp. 13-14).
Policy areas and/or strategic themes; this includes; (m) Financial incentives;	Yes	The Strategy outlines three approaches for affordable housing on pp. 18-19: land use policies, available municipal

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(n) Regulatory tools; (o) Rental housing; (p) Advocacy and partnerships		tools, and partnerships. In this section, the Strategy identifies municipal policies and tools towards affordable housing, as well as partnership opportunities with other local governments, community organizations and the private sector (pp. 18-20).
Action/implementation plan (with a timeframe)	Yes	The current work program is on pp. 27-28, followed by the 2009-2011 work program (pp. 29-31) and a long-term work program beyond 2011 (p. 32).
Performance measures/indicators	Yes	Performance indicators are identified on p. 33-34. No targets were set here, but Metro Vancouver targets were mentioned in the work programs.
Review process	No	Participants from the consultation process expressed a desire to see regularly updated data and reports, more often than every two years. There was no mention of a review of the Strategy or update in the future. However, City staff plans to monitor the achievements of the Strategy and report to Council every two years. The report would focus on updating key indicators and highlight emerging issues.
Alignment with the Regional Affordable Housing Strategy	Yes	City objectives align with targets set out in the Metro Vancouver Affordable Housing Strategy and plans to continue participating with the regional government to ensure that affordable housing targets for the City are realistic and achievable. The City also takes the recommendations made in the Regional Strategy seriously and will investigate different options to address affordable housing.
Other comments:		*The Strategy was guided by a public consultation process that involved focus groups, interviews, public information sessions and questionnaires. Findings are presented in the Strategy, and contribute to a better understanding of public perception about affordable housing, the City's role in the development of affordable housing, key issues and opportunities. The Strategy expresses interests in working together with the City of Coquitlam in certain areas such as protection of existing affordable market rental housing and response to homelessness.
Richmond Affordable Housing Strategy: Building the Richmond We Want		
Year Published: 2007	Lead Department: Planning, Building & Development; Social Planning	
Link to document: http://www.richmond.ca/_shared/assets/Affordable_Housing_Strategy_-_200717702.pdf		
Item and Description:	Included: (yes/no)	Notes/comments:
Vision statement	Yes	"The affordable housing needs of a diverse population are met by the City managing its resources in partnership with the private sector, local groups, agencies and other levels of government." (p. 1)

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Goals and objectives	Yes	Goals and objectives, followed by key assumptions on p. 1.
Background research (specific to the municipality)	Yes	The process and overview sections cover background information on the City's growing needs for affordable housing (p. 18 onwards). The Strategy goes in depth about the definition of affordable housing on pp. 27-36 as well that includes background research and information.
Definition of affordable housing	Yes	Based on CMHC standards, the City has established three definitions for affordable housing: subsidized housing (households with income < \$20,000 or less), low end market rental (income \$20,000 - \$37,000), and entry level ownership (income of \$37,700 to \$60,000) (p. 8). The Strategy goes in depth about the definition of affordable housing pp. 27-36.
Municipality's role in affordable housing	Yes	The three definitions of affordable housing form the City's three priorities and the City identifies specific roles under these priorities. For example, the City will require each 4 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 than 4 low end market rental units under Priority #2 (Low End Market Rental).
Policy areas and/or strategic themes; this includes; (q) Financial incentives; (r) Regulatory tools; (s) Rental housing; (t) Advocacy and partnerships	Yes	The City's Strategy is based on four key principles: partnerships, balance (public and private interests, certainty and flexibility), effectiveness, and financial viability. Key elements of the Strategy include financial incentives, supportive policies and regulations, maintenance of rental units, and partnerships (p.2). These elements are organized under six identified policy areas, described on pp. 52-81.
Action/implementation plan (with a timeframe)	Yes	The Strategy includes an Implementation Timeframe and Key Milestones on p. 82.
Performance measures/indicators	Yes	Targets are identified in the Strategy, which the City believes are achievable with the right partnerships and cooperation of other stakeholders. For example, the City has made it their objective to create 95 low end market rental units per year.
Review process	No	
Alignment with the Regional Affordable Housing Strategy	Yes	During the time, the regional Affordable Housing Strategy was still in development. The Strategy mentions the draft and outlines the three housing goals and three strategies of the draft regional strategy (pp. 5-6).
Vancouver's Housing and Homelessness Strategy 2012-2021: A home for everyone		
Year Published: 2011	Lead Department: Social Development, Planning, Development Services	
Link to document: http://vancouver.ca/files/cov/Housing-and-Homeless-Strategy-2012-2021pdf.pdf		
Item and Description:	Included: (yes/no)	Notes/comments:

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Vision statement	Yes	The City's mission statement is to create a city of communities which cares about its people, its environment and the opportunities to live, work and prosper
Goals and objectives	Yes	The City has two main goals: to end street homelessness by 2015 and to increase affordable housing choices for all Vancouverites. The Strategy is based on three strategic directions followed by respective priority actions.
Background research (specific to the municipality)	Yes	Background information is provided in the Challenge section.
Definition of affordable housing	No	A vague definition of affordable housing is included in the Glossary and defines housing affordability as a concept that may change over time.
Municipality's role in affordable housing	No	The City does not clearly identify its role in affordable housing in the context of all levels of government but is committed to providing strong leadership and support to partners to enhance housing stability, particularly through research and innovation (strategic direction #3).
Policy areas and/or strategic themes; this includes; (u) Financial incentives; (v) Regulatory tools; (w) Rental housing; (x) Advocacy and partnerships	Yes	Strategic direction #1 is to increase the supply of affordable housing, and the City plans to do this by optimizing the City's use of land, capital grants, incentives, and other resources to lever and support housing partnerships. The City will also refine and develop new zoning approaches, development tool and rental incentives, as well as pursue a new business model to enhance affordable housing delivery.
Action/implementation plan (with a timeframe)	Yes	The Strategy will be achieved through a series of Action Plans.
Performance measures/indicators	Yes	The City will track its progress and report on actions taken through a report card that will be presented annually to Council. Baseline indicators are established to measure and evaluate progress.
Review process	Yes	The Strategy leaves room for progressive changes. Performance evaluations will be used to inform and update priority actions or shift focus as necessary.
Alignment with the Regional Affordable Housing Strategy	No	The Strategy does not mention the Metro Vancouver Regional Housing Strategy but does identify Metro Vancouver as a partner in affordable housing.
Other comments:	The City of Vancouver is given its authority and powers from the Vancouver Charter, rather than the LGA, and has the capacity to play a larger role in affordable housing. The Strategy and Action Plans are similar to the 10-year plans that every Service Manager is required to develop under Ontario's provincial legislation.	

Review Completed By: Gaby Yeung

Date Review Completed: June 22, 2014