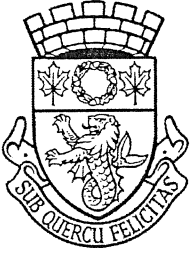


# COPY



THE CORPORATION OF THE DISTRICT OF OAK BAY  
MUNICIPAL HALL – 2167 OAK BAY AVENUE – VICTORIA, B.C. V8R 1G2  
PHONE (250) 598-3311 FAX (250) 598-9108 WEBSITE: [www.oakbaybc.org](http://www.oakbaybc.org)

July 14, 2006

Planning and Protective Services Committee  
c/o Regional Planning  
Capital Regional District  
625 Fisgard Street  
PO Box 1000  
Victoria BC V8W 2S6

Chair and Committee Members:

**Re: Revised Draft, Regional Housing Affordability Strategy**

This is in response to the June 20, 2006 letter from Mark Hornell, Senior Manager, Regional Planning, seeking my comments on the most recent draft of the Regional Housing Affordability Strategy.

The outline of "Strategy 2" on page 24 of the document includes elements which affect municipal zoning authority and responsibility.

Some of the bullets under the "Regulatory Actions" heading, in particular, run directly counter to established land use policy and practice in the District of Oak Bay. In some cases, they do not align with anything on the horizon in our own land use planning endeavours.

The original draft of the Regional Housing Affordability Strategy was presented to Oak Bay Council in November 2003. At that time, with respect to a specific land use regulatory issue (secondary suites in this case), Council commented as follows:

"Decisions on a fundamental change in policy direction of this nature belong at the local planning level and seem out of place in a regional housing strategy report."

The same would hold true for the "small lot infill" element of the proposed strategy, which, given land values in this Municipality, would have a negligible effect on overall housing affordability in any event.

In 2003, Oak Bay Council went on to make the more general comment that "the various Greater Victoria communities may differ in their housing needs, and might more appropriately be left to pursue their own directions in the context of local objectives and development processes."



I understand from Mr. Hornell that the CRD Board has decided not to circulate this new draft to member municipal councils for comment. That being the case, and given that the direction of the new draft with respect to land use planning issues that are within the jurisdiction of the member municipalities is substantially unchanged, I would not be going too far out on a limb to suggest that the revised document would not likely be unreservedly endorsed by Oak Bay Council. The District was not, moreover, anticipating having to make changes to the regional context statement portion of its Official Community Plan at this point.

I would also make the observation that the draft Strategy's direction with respect to "improv[ing] the efficiency of municipal approval processes, and seek[ing] opportunities to harmonize local development regulations" contains some implicit assumptions and judgements that would not be supported by the District of Oak Bay.

I am surmising that what is meant here is something different than what has actually been said – i.e., not the harmonization of local development regulations themselves, which would not be a realistic or desirable goal, but rather the various regulations dealing with the development approval processes. Even with respect to the approval processes, however, there may be good reasons for existing differences between municipalities within the Capital Region. The planning issues and consultation requirements for a major development proposal in a relatively undeveloped municipality, for instance, may differ greatly from those in a built-out community, where compatibility with existing neighbourhoods is a major consideration.

The regulation of land use and density is at the heart of the statutory authority of local government, and local government elected representatives are held to account by their constituents for their decisions in this area. To the extent that the "Strategy 2" portion of the proposed Regional Housing Affordability Strategy encroaches upon this traditional area of local jurisdiction, it affects local land use regulatory authority and constrains local elected representatives in their ability to make policy decisions on behalf of their communities.

Initiatives such as the Regional Housing Trust Fund, and the CRD Housing Corporation itself, are supported by the District of Oak Bay as bona fide and valuable regional functions. We would recommend, however, that the Regional District re-examine all of the elements of the proposed Housing Affordability Strategy with a view to ensuring that there is no intrusion into local land use regulatory jurisdiction.

Yours very truly,



William E. Cochrane  
Municipal Administrator

cc Mayor and Members of Council, District of Oak Bay  
✓ Mark Hornell, Senior Manager, Regional Planning, CRD



# City of Colwood REPORT

Planning Department  
3300 Wishart Road  
Victoria, B.C. V9C 1R1  
Ph. # 478-5590, Fax #478-7516  
planning@city.colwood.bc.ca

File: P7.13.5.5.5

August 29, 2006

Planning and Zoning  
Committee  
September 19, 2006

**TO: Planning and Zoning Committee**  
**FROM: Simon Lawrence, Municipal Planner**  
**RE: Regional Housing Affordability Strategy: Revised Draft**

## 1. SUMMARY

The report responds to a request from the Capital Regional District for comments regarding the revised draft of the Regional Housing Affordability Strategy (RHAS). It is recommended that the proposed RHAS and its recommendations be endorsed.

## 2. OVERVIEW

### Background

The Regional Growth Strategy for the CRD obtained final approval by the CRD Board August 12, 2003. Three main components are proposed to integrate and implement the growth strategy, they concern: housing affordability, transportation and economic development.

In October of 2001 the Board initiated the housing affordability project:

*To develop a practical and effective Regional Housing Affordability Strategy (HAS) for the Capital Region, to ensure that all residents of the Capital Region, especially moderate and low income households, have a reasonable choice of housing by type, tenure, price/rent and location, over both the short and long term.*

A series of working papers and workshops followed, culminating in a final consultant's report in July, 2003. Council responded to the report in December 2003 by moving:

*That the "Final Consultant's Report: A Proposed Housing Affordability Strategy for the Capital Region" be received for consideration and that a copy of the Municipal Planner's report dated December 10, 2003 be forward to the CRD as clarification.*

and

*That Colwood endorse the Housing Affordability Fund provided it is done through a referendum and that monies collected by Colwood are spent in Colwood or spent as directed by Colwood.*

Further review took place in 2004. The CRD Board requested report changes and further updates were done. A report on Housing Trust Funds was produced and took a parallel course as a more urgent item. The Regional Housing Trust Fund was approved in March, 2005 with six municipalities participating via the CRD.

The attached RHAS report was revised as of June, 2006. Comments are requested before Friday September 29, 2006. The RHAS and related reports are also available at: <http://www.crd.bc.ca/regionalplanning/reports/#RHAS>

## Comments

### The Report

The revised Regional Housing Affordability Strategy (RHAS) has now been revised in the direction suggested in the Colwood report of 2003 (noted in the motion above), and is more succinct and readable. This was a difficult task with a complex and dynamic issue.

The basic components of the RHAS are a vision, three goals and five strategies. To help achieve the goals, six targets are suggested. The vision states:

***All residents of the Capital Region have safe, adequate housing they can afford.***

The five strategies address: funding, policy and bylaw change, partnerships, neighbourhood support and a homelessness plan. The six targets are aimed at achieving an improvement in affordability by 2011 through more affordable housing units, an increase in rental units and a reduction in core need indicators.

Some important facts are highlighted in the RHAS. It is well known that a low supply of housing stock has led to increased housing prices and a surge in building to meet demand. The 1992 federal social housing funding cancellation and the significant reduction of provincial funding in 2001 have worsened the situation for those who can only afford the low end of the market.

Average house prices have risen 82% 1995 – 2005, and 75% 2001 – 2005, which will have brought up the lower end price. More people will now be less able to afford the low end, and may be stuck in the limited rental accommodation which forces the vacancy rate down (at or near the lowest in Canada). Those who are 'harder to house' are more likely to be forced into homelessness. People with less equity will also be less able to move to the region - e.g. volunteer fire fighters, specialized labour.

Additional points about the decreased access to housing those in “core need” include:

- Colwood is low on the regional list of those in Core Housing Need (RHAS p.15) likely because the existing stock is not affordable to lower incomes – note that illegal suites could not be part of the equation as information is unreliable.
- More people are marginalized due to the need to pay more for shelter.
- Core need households are distributed over the region, an increased suburbanization of poverty combined with more difficulty in access to services and increased cost of transport (e.g. need to own a car).
- Poor housing conditions and the stress of uncertain housing situations translates into stress on other services: health/ hospitals, education, law/ bylaw enforcement social/ family, and emergency services.
- Early childhood development/ ‘good start’ opportunities are lost.

Homelessness is increasing, but data is difficult to obtain because people ‘drop off the radar.’ People without an address are difficult to count. Important points include:

- Most homeless people in this region come from this region. This includes people ‘couch surfing,’ ‘living rough,’ and living in cars, vans, trailers, tents and funded shelters.
- Decreased support to the hardest to house (e.g. issues of mental illness, addiction) has increased homelessness.
- Regional homeless population estimates range from over 700 to over 1400.
- Homeless people have more health issues, hospital visits and crime victimization.
- A 2001 estimate: \$40,000/ year/ homeless person, \$28,000/ year to house a person.

### The Response

The RHAS acknowledges the lack of senior government support, but suggests that waiting for action will only mean increased social and economic costs for citizens and municipalities such as those in the Capital Region. Action is suggested at the local and senior levels, as well as acting in partnership with the development industry, nonprofits and other groups.

The RHAS suggests that implementation of the many aspects of the Regional Growth Strategy will create better conditions for housing affordability. The resulting higher density town centres and improved transportation can not likely ensure an affordability factor is included. Within the past year or two Colwood has seen many proposals aimed at the mid or high end of the housing market, many of these for higher density high rise buildings. This could mean an additional vertical separation between rich and poor. Bylaw changes, policy and efficient leverage funds and land are all needed to achieve the suggested 2011 targets.

Three 2011 additional targets that would be effective in achieving RHAS goals are:

- A minimum percentage of non-market or lowest-quarter-of-the-market housing per local area by 2011, e.g. 10 – 20% in Colwood Corners and 5 – 10% in all other local areas.

- Minimum amounts of land rezoned and units dedicated specifically for non-market housing.
- A minimum number of three and four bedroom ground-oriented units per multi-family housing development.

Support for the report does not pose many challenges for Colwood. At the same time, if the City does not follow actions recommended in the RHAS, the social and economic costs noted above will likely worsen.

### **3. OPTIONS**

Several options are possible:

1. endorse the RHAS.
2. endorse the RHAS recommendations with this report as clarification.
3. partially endorse the RHAS recommendations with specific comments attached, such as additional targets:
  - A minimum percentage of non-market or lowest-quarter-of-the-market housing per local area by 2011, e.g. 10 – 20% in Colwood Corners and 5 – 10% in all other local areas.
  - Minimum amounts of land rezoned and units dedicated specifically for non-market housing.
  - A minimum number of three and four bedroom ground-oriented units per multi-family housing development.
4. endorse the RHAS and consider how it can be integrated with Colwood housing policy.
5. oppose the RHAS until certain changes are made.

### **4. FINANCIAL IMPLICATIONS**

The financial implications of the Regional Housing Affordability Strategy would be very difficult to add up, but there would be both benefits and costs. Benefits would tend to be long-term, but definitely spin off into the areas of economic development, transportation, and quality of life.

Costs could range from indirect impact on taxpayers or market housing costs to a tax levy for a housing fund which could be considered at \$2 per month per household. An increase in housing quality and a reduction in homelessness would have spin-off benefits in reducing social and economic costs related to health, policing and education.

## 5. **RECOMMENDATION**

The following recommendation is offered for consideration:

### **That it be recommended to Council:**

That the *Regional Housing Affordability Strategy for the Capital Region, Revised Draft, June 2006* be endorsed and that a copy of the Municipal Planner's report dated August 29, 2006 be forward to the CRD as clarification.

Respectfully submitted,

Simon M. Lawrence, MCIP  
Director of Planning

“Reviewed by the Chief Administrative Officer”

---

Chris Pease

JM

Attachments



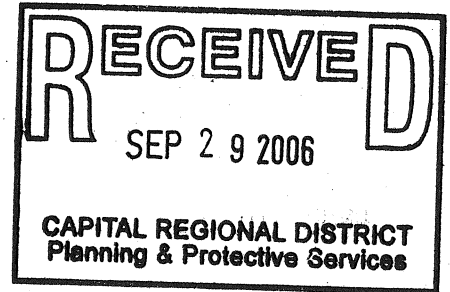




PLANNING  
Community Planning

September 27, 2006

Chair, Planning & Protective Services Committee  
Capital Regional District of Saanich  
PO Box 1000  
Victoria, BC V8W 2S6



Dear Chair & Committee Members:

**RE: REVISED CRD REGIONAL HOUSING AFFORDABILITY STRATEGY**

---

In regard to the June 20<sup>th</sup>, 2006 letter from Mark Hornell requesting staff feedback on the revised Regional Housing Affordability Strategy, our comments are as outlined below.

Other than the addition of the homelessness initiatives, there appears to be little substantive change from the original document. We do however appreciate the sharpened vision, more concise goals, strategies and actions, and the including of numeric indicators and targets.

For your convenience we have attached Staff's 2004 report to Council, along with Council's resolution, regarding the original Regional Housing Affordability Strategy. As there has been minimal change between the original and revised document, the staff report and Council resolution should provide you with a good understanding of Saanich's issues in regard to the strategy.

The homelessness initiatives (5a, b & c) would appear to be a good start in terms of investigating opportunities to address this matter at a regional level. Obviously any proposed actions that arise from these discussions, would need to be individually considered by Saanich staff and our Council.

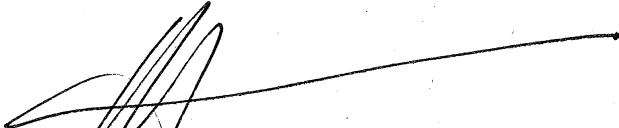
The monitoring section of the document appears to set quite aggressive targets. Saanich's ability to contribute to achieving regional targets for: the proportion of small single family lots; and the share of multiple family units is limited. In Saanich, single family lots 465 square meters in area, or less, are relatively uncommon, and would not likely be supported by residents in the number necessary to make a significant contribution to meeting the 2011 regional target. The same can be said for the share of multiple family housing as compared to single family dwellings. Based on our records, the share of multiple family units has been in decline since 2002. While this share will undoubtedly increase as land supply dwindles, we are not sure that the increase will be significant enough between now and 2011, to provide support in meeting the proposed target of 60%.

While the targets for; reducing households in core need, reducing observable homeless and increasing the number of special needs housing units are laudable, questions will likely be raised on resources required to achieve these targets, and the potential impacts on local government.

District of Saanich | 770 Vernon Avenue Victoria BC V8X 2W7 | 250-475-5472 | F 250-475-5430 | [www.saanich.ca](http://www.saanich.ca)

I trust the above information is sufficient at this time. If you have any questions regarding our comments, or require additional information, please do not hesitate to contact me.

Sincerely,



RUSS FUOCO  
DIRECTOR OF PLANNING

SJH/kdb  
G:\PLANNING\Affordable Housing\Correspondence\LTR CRD PPS Cmte Sept 2006.Doc

cc: R. Lapham, General Manager, Planning and Protective Services, CRD  
A. Topp, Manager of Community Planning, District of Saanich  
S. Hvozdzanski, Supervisor of Strategic Planning, District of Saanich

Attachments:

THE CORPORATION OF THE DISTRICT OF SAANICH

REPORT TO: MAYOR AND COUNCIL  
DATE: FEBRUARY 25, 2004  
FROM: RUSS FUOCO, DIRECTOR OF PLANNING SERVICES  
RE: REGIONAL HOUSING AFFORDABILITY STRATEGY (RHAS)

---

**1.0 BACKGROUND:**

---

The Capital Regional District has requested that member municipalities review and comment on the recently prepared Regional Housing Affordability Strategy (RHAS). The Affordable Housing Strategy is one of three (3) companion strategy documents generated from the Regional Growth Strategy. The other two documents pertain to regional transportation and economic development. The goal of the RHAS is to "improve housing affordability for residents of the region, ensuring they have reasonable choice of housing by type, tenure, price, and location."

Subsequent to the receipt of the RHAS report, Saanich planning professionals met to review and discuss the realities and benefits of implementing the seven (7) proposed strategic directions. Following that, a half day meeting was held with senior staff from a variety of departments to explore the applicability of the strategies to Saanich and the impacts of supporting them or not.

The purpose of this report is to outline the key components of the RHAS and make recommendations on which of the strategic initiatives staff believe would be most effective in the development of more-affordable housing in the capital region.

---

**2.0 DISCUSSION:**

---

**2.1 What is Affordable Housing?**

The standard definition in Canada for affordable or "core need housing" was established by the Canada Mortgage and Housing Corporation (CMHC). A household is considered to be in need of affordable housing, when it is required to spend more than 30% of its gross income to obtain housing in reasonably good condition, that meets its basic needs.

Those who choose to spend more than 30% of their income; residents of social housing where rents are tied to income; and the homeless who are without the financial ability to access market housing, are not included in the figures when determining the need for affordable housing in a community.

It is important to note, that housing affordability is viewed differently based on whether you are a renter or a home owner. Generally, renter's incomes are substantially lower than those of homeowners. As such, housing affordability is a greater issue to those members of society who will likely spend most of their lives living in rental accommodation. A homeowner can work toward reducing their housing costs by paying down their mortgage, whereas renters will likely only see a continual increase in the cost of housing over their lives.

**2.2 Housing Affordability in the CRD**

Based on 1996 census figures, 22,000 households in the CRD were paying more than 30% of their income for housing. This figure translates to 6000 or 1 in 6 homeowners, and 16 000 or 1

in 3 renters in the CRD. 2001 census figures for this information will not be available until later in 2004. However it is reasonable to assume that these figures will follow the same upward trend shown between the 1991 and 1996 censuses.

In terms of putting a face to the figures, the table below outlines who was in "core need" of housing in the Capital Region (1996). It is unlikely that these percentages will change greatly in the 2001 census data, but it is expected that the absolute numbers will increase.

*Renter Households in Need of Affordable Housing (CMA 1996)*

Single Parent Families	2,585	15.9%
Families under age 65	2,985	18.4%
Non-families under age 65 (i.e. people living together unrelated by marriage or blood)	6,245	38.4%
Seniors	4,430	27.3%

#### *Home Owners*

Of the 6000 homeowners in the CRD who were required to spend more than a 30% of their income on shelter, 50% were families(1996 census). Between 1991 and 1996 the number of homeowners in "core need" increased by over 50% from just over 4000 household in 1991 to 6000 in 1996, and it is reasonable to assume that when the 2001 census figures become available, that the number of homeowners in "core need" will continue to increase .

#### *Prospective Homeowners*

With the current record low interest rates, more people in greater Victoria are now capable of purchasing a home. However, should interest rates rise by even a point, the impact on home affordability is significant. Attached to this report (Attachment 1) is a fact sheet prepared by the CRD which illustrates the widening gap between income and the cost of housing in the region, and the impact on resident's ability to purchase a home.

### **2.3 Why Should Saanich Participate in an Affordable Housing Initiative?**

Over 3,000 renter households and 2,060 homeowners in Saanich were spending more than 30% of their income on shelter in 1996. These figures translate to approximately 12.7% of Saanich residents being significantly impacted by high housing costs. It is expected that the 2001 census data when available will show a further increase in numbers.

It has been argued that if there is affordable housing somewhere in the region, that individual municipalities need not be worried. While that argument may have worked in the past, with the dwindling land supply, and the international/national draw of Victoria as a desirable place to live, housing prices and rents are increasing across the region, which is having a significant impact on affordable housing. Where people once went to the western communities in search of more-affordable housing, they are now commuting into Victoria daily from Mill Bay, Shawnigan Lake and Duncan. For a community to be stable, economically viable and sustainable, affordable housing needs to be provided within the region, in closer proximity to jobs and services. The economic vitality of a region is also impacted by a lack of affordable housing. Businesses may relocate, or initially choose another city/region to do business in, because they know the cost of housing will hamper the recruitment of employees. In addition, with higher housing costs,

the percentage of a household disposable income decreases. Less disposable income in a city/region impacts the business community.

In terms of social costs, affordable housing is a principle component of a healthy, stable and diverse community. If housing consumes too much of a household's income, families or individuals can face difficult choices, which in turn can affect their health, (e.g., sacrificing the budget for food, clothing, or other necessities; sharing housing with other individuals or families leading to overcrowded living conditions; or working longer hours to cover housing costs).

#### **2.4 Why is the Strategy Needed?**

Over the last twenty (20) years, the Provincial/Federal governments have significantly reduced financial support for "social" and affordable housing. Waiting for a renewed commitment from senior government to fund housing to levels seen in the 60's and 70's is not realistic. In terms of the private sector, the market alone can not address the affordable housing need. If an affordable housing strategy is to be developed, all residents of the region need to step in with a co-ordinated, cost efficient approach that stresses partnerships with senior government, the development industry and non-profit agencies, lobbying for improved senior government programmes and the pursuit of philanthropic assistance.

---

### **3.0 ANALYSIS:**

---

The Regional Housing Affordability Strategy is composed of seven (7) strategic directions, which are outlined below. A copy of the complete report is attached. (See Attachment 2).

#### **Strategic Direction #1 - Raise & Leverage Funds for More-Affordable Housing**

This initiative calls for the development of a Regional Housing Trust. A Regional Housing Trust board would: oversee a Housing Land Trust (i.e. a land bank); ensure that the capital region takes a coordinated approach in the pursuit of senior government housing assistance; develop housing partnerships with government, private sector and non-profits; promote and be an information resource for affordable housing; and seeking philanthropic support.

A fundamental component of the Housing Trust is the creation of an Affordable Housing Levy. The levy would be used by the Trust to **leverage additional funding** for affordable housing from the public and private sector. As outlined in the CRD's report, a property tax levy of \$20.00 (or an increase in the mil rate of 0.1) per household could potentially generate \$2.6 million per year.

Strategic Direction 1 is the most direct, flexible and equitable method of developing affordable housing in the Capital Region. Housing Trust terms of reference can be devised in almost any manner, and as such can effectively deal with the specific concerns and needs of the capital region. Housing Trusts have a proven record in the United States and Canada. In the last two years, the Edmonton Housing Trust has participated in the development of 28 capital projects addressing their communities housing needs. **One of the key benefits of such Trusts is the ability to leverage significant matching funds from outside sources.**

#### *Staff Comment:*

This initiative should receive the greatest support and be the highest priority for implementation. Staff would support entering into discussions with the CRD and other local governments on the development of the terms of reference for the Housing Trust and associated levy, based on the following principles:

- a) That the primary objective of the Housing Trust is to create through leveraging of funds from senior government and the private sector, new affordable housing units;
- b) The affordable housing levy be implemented on a sliding scale tied to property assessments, in order to lessen the impact on less costly homes;
- c) That Trust administration should be housed, where possible, within the existing administration of the CRD, to avoid duplication of services and facilities;
- d) The Housing Trust's mandate should be firmly linked to partnerships with senior levels of government, and where possible, philanthropic organizations and/or the private sector;
- e) Affordable housing targets be established, in order to measure the effectiveness of the Trust and if/when the levy could be reduced or eliminated;
- f) The primary goal of the Trust should be to foster the construction of more affordable housing units. If the Housing Trust takes on an education role, the amount of time and funds expended in this regard, should be closely regulated and monitored. The effectiveness of the Housing Trust as a vehicle to secure affordable housing for the capital region, should not be hampered by spreading resources too thinly; and
- g) The effectiveness of the Regional Housing Trust be reviewed on a five (5) year cycle.

### **Strategic Direction #2 - Reduce Policy & Regulatory Obstacles**

Thirteen (13) recommendations are outline in this initiative, namely: the establishment of a housing resource centre; the creation of a housing facilitator position; create alternative development standards as a means of cost savings; legalize secondary suites; encourage flexible housing forms; pursue government tax incentives for the creation and retention of rental stock; develop local government housing policies/strategy; reduce or waive DCC's for affordable housing; use DCC's to encourage densification in appropriate areas; reduce or waive development fees; streamline the development process; harmonize local government regulations and development costs; and pre-zoning for more affordable housing.

Of these thirteen options, the most important is the creation of a Housing Facilitator position. The person hired for this position would effectively oversee the day to day running of the Regional Housing Trust, develop partnership opportunities, advocate for affordable housing, and act as a valuable resource for local governments, non-profits and the private sector.

The creation of the proposed Housing Resource Centre would be a natural by-product of the Housing Trust and the Facilitator position. The Housing Resource Centre would provide information to the non-profits, and public and private sector, on affordable housing opportunities and initiatives and allow networking opportunities. The development of this resource should be supported assuming additional staff are not required. As suggested by the City of Victoria, this resource centre could be "virtual" and take the form of a website.

In terms of the other proposed initiatives, Saanich has implemented, reviewed, or is currently considering them. Alternative development standards have previously been employed to address environmental and aesthetic concerns. Staff see no limiting factors in using alternative standards (i.e. narrower roads, or sidewalks on one side of the road instead of both) to help reduce the costs of development where appropriate. However, there is no real advantage in reducing or eliminating works and service requirements for affordable housing, if the effect is simply to transfer the costs to the general tax payer. If assistance is to be provided, a levy is a

more obvious and direct method of support. As for the reduction or waiving of DCC's, development fees, or granting tax holidays, this again is a less direct method of supporting affordable housing, and can result in the delay or under-funding of DCC financed projects.

Secondary suites currently provide affordable housing throughout greater Victoria and several communities in the CRD have chosen to legalize suites based on certain conditions. Saanich may wish to revisit the issues of secondary suites in light of the affordable housing strategy and the Regional Growth Strategy.

Flexible house design basically allows the owner to add onto their home or finish un-developed space within the home (i.e. basement/attic space) when they can afford to do so. This housing option is currently permitted in Saanich.

Pre-zoning for affordable housing has some merit. Another approach may be to explore the idea of allowing additional density (i.e. density bonusing) where a certain percentage of multiple family development's units are secured for affordable housing. To provide the developer flexibility, the units could be located either within the development, on another development site, or a cash contribution could be made to the Housing Trust, in lieu of units.

Streamlining and harmonization of local government development processes is currently underway through the forms harmonization project, but has a long way to go before a positive impact will be noticed.

*Staff Comment:*

Of these options, staff believe the greatest priority should be placed on securing the Housing Facilitator position and the creation of a virtual or web-based housing resource centre. The housing Facilitator position is fundamental to the success of the Regional Housing Trust, while the resource centre is a simple, effective and cost-efficient educational and promotion tool.

As for the subsidization of affordable housing through the waiving of fees and the reduction of development standards, staff prefer the more direct approach of the regional levy given that it is transparent to the tax payer. Other options such as legalized secondary suites, creation of local tax incentives, and the need to develop pro-housing policy should be left to the discretion of individual local governments.

**Strategic Direction #3 - Encourage Density Intensification**

Saanich's Official Community Plan generally complies with the notion of nodal densification and neighbourhood infill. Saanich has further indicated its support for this form of development by endorsing the Regional Growth Strategy. As with any strategy, densification alone is not a solution. Staff's concern with this approach is that densification alone will not necessarily result in more-affordable units, particularly in a heated real-estate market such as currently exists in Victoria.

For example, densification approaches tried in Richmond and Steveston have not yielded the reduction in housing prices envisaged. Accordingly, staff see the best chance for success in terms of affordable housing, coming from the Housing Trust Levy and Council/Staff actively pursuing and securing affordable housing units or contributions to the Housing Trust, when rezoning for multiple family projects.

*Staff Comment:*

Staff support Strategic Direction #3. Densification is an important component of the Regional Growth Strategy.

**Strategic Direction #4 - Utilize Public Lands to Support More-Affordable Housing**

This strategy calls for local governments to make public land available for affordable housing developments. While Saanich does not have a large supply of public land, some opportunities exist. The most realistic opportunity is to consider affordable housing in conjunction with our community recreation centres, similar to what has been developed at the Oak Bay Community Centre. Community Centres in Saanich are generally well located in terms of public transit and basic services. In addition, residents of such a development could benefit from the programmes run out of the community centres. Where space is limited, such as at the Saanich Commonwealth Pool site, air parcels could be looked at, where housing is built over existing structures or new parking facilities.

*Staff Comment:*

Staff support Strategic Direction #4.

**Strategic Direction #5 - Encourage Self Help Initiatives**

Self help initiatives entail things such as sweat equity, grow homes, life leases, and housing co-operatives. Currently all of these options are permitted in Saanich.

*Staff Comment:*

Staff support Strategic Direction #5, however, if the Housing Trust takes on an education role, the amount of time and funds expended in this regard, should be closely regulated and monitored. The effectiveness of the Housing Trust as a vehicle to secure affordable housing for the capital region, should not be hampered by spreading resources too thinly.

**Strategic Direction #6 - Maximize the use of existing Senior Government Housing Programs & Advocate for Increase Funding for more-affordable Housing.**

Strategic Direction six would see the Housing Trust and member municipalities actively pursue in a coordinated manner senior government funding for affordable housing. In addition, the initiative would see a joint lobbying with Union of B.C. Municipalities, Federation of Canadian Municipalities, Canadian Housing and Renewal Association and others, for programs and improved funding.

*Staff Comment:*

Staff support Strategic Direction #6. This is a critical element for the success of the Housing Trust Initiative.

**Strategic Direction #7 - Improve Awareness, Change Attitudes and Build Support for more-affordable Housing.**

Strategic Direction seven outlines what the Housing Facilitator and Resources Centre would provide to the community in terms of education, ongoing tracking of the impact of the implementation of the seven initiatives, resources and support.

*Staff Comment:*

Staff support Strategic Direction #7. This support is again subject to the amount of time and



---

funds expended in this regard. The effectiveness of the Housing Trust as a vehicle to secure affordable housing for the capital region, should not be hampered by spreading resources too thinly. While tracking of the success of securing additional affordable housing is imperative, some of the other initiatives outlined in the seven Strategic Directions above, are not.

---

#### **4.0 SUMMARY:**

---

The CRD'S affordable housing report clearly documents the need for, as well as the economic and social benefits of providing tools to achieve more-affordable housing. In terms of all of the strategies presented in the report, the Housing Trust with the associated levy, with the support of a Regional Housing Facilitator, will have the greatest impact on the region's ability to secure more-affordable housing. Housing Trusts have a proven track record in the United States and Canada as being an effective mechanism of addressing the housing needs of a community. Housing Trusts are flexible in their structure.

The mandate and structure of a Housing Trust can be formulated to address the values, goals, operating format, and any concerns of the member municipalities. Financially the levy is the most cost effective means of supporting this initiative, particularly when the money is used to leverage additional funding from senior government and the private sector. The levy is transparent to the tax payer and the source of funding for affordable housing would be constant. A sliding scale levy tied to assessed property values, would have less impact on lower value homes compared to a flat fee.

The proposed housing resource centre is a natural by-product of the Housing Trust and Facilitator position. A web-based resource centre would be a simple, effective and cost efficient educational and promotion tool and should also be supported.

Proposed advocacy initiatives such as encouraging self help approaches to affordable housing, (Strategic Direction 5), actively pursuing housing under existing government programmes & lobbying for additional support (Strategic Direction 6), and improving awareness and building support for more-affordable housing (Strategic Direction 7) should also be endorsed. However, care needs to be taken to ensure the primary mandate of the Trust (securing affordable units) is not weakened by spreading resources too thinly.

Other options proposed in the affordable housing strategy such as, secondary suites, use of municipal land, pre-zoning, reduction or waving of development fees, are best left to the discretion of individual local governments.

---

#### **5.0 RECOMMENDATION:**

---

That the following RHAS strategic directions be supported as follows:

##### **Strategic Direction #1**

Confirm support for Strategic Direction One, based on the following principles:

- a) That the primary objective of the Housing Trust is to create through leveraging of

- funds from senior government and the private sector, new affordable housing units;
- b) The affordable housing levy be implemented on a sliding scale tied to property assessments, in order to lessen the impact on less costly homes;
  - c) That Trust administration should be housed, where possible, within the existing administration of the CRD, to avoid duplication of services and facilities;
  - d) The Housing Trust's mandate should be firmly linked to partnerships with senior levels of government, and where possible, philanthropic organizations and/or the private sector;
  - e) Affordable housing targets be established, in order to measure the effectiveness of the Trust and if/when the levy could be reduced or eliminated;
  - g) The primary goal of the Trust should be to foster the construction of more affordable housing units. If the Housing Trust takes on an education role, the amount of time and funds expended in this regard, should be closely regulated and monitored. The effectiveness of the Housing Trust as a vehicle to secure affordable housing for the capital region, should not be hampered by spreading resources too thinly; and
  - h) The effectiveness of the Regional Housing Trust be reviewed on a five (5) year cycle.

**Strategic Direction #2**

Confirm support for only those portions of Strategic Direction #2 that address the establishment of a Regional Housing Facilitator position and the creation of a "virtual" web based housing resource centre. (The remainder of Strategic Direction #2 initiatives should be left to the discretion of individual municipalities.)

**Strategic Direction #3**

Confirm support for Strategic Direction #3 which encourages increased density in accordance with the principles of the Regional Growth Strategy. (The details of how Saanich would accommodate additional residential density would be detailed in the context statement we are required to submit by August 2006).

**Strategic Direction #4**

Confirm support for the concept of utilizing public lands in Saanich for affordable housing.

**Strategic Direction #5**

Confirm support for Strategic Direction #5, conditional on these initiatives not becoming the primary focus of the proposed Housing Trust.

**Strategic Direction #6**

Confirm support for Strategic Direction #6, to lobby and secure senior government funding.

**Strategic Direction #7**

Confirm support for monitoring progress in the creation and retention of affordable housing units. Support other initiatives within this Strategic Direction conditional on the level of funding and time directed towards them.

Report prepared by:

Sharon Hvozdzanski, Planner

Report reviewed by:

Russ Fuoco, Director of Planning Services

SH/AT/RF/njg

G:\planning\Affordable Housing\Rep\_M&C\_strategy\_Feb 25 04.wpd

Attachments

cc: T. Wood, Municipal Administrator

**ADMINISTRATOR'S COMMENTS:**





## THE CORPORATION OF THE DISTRICT OF SAANICH

770 Vernon Avenue, Victoria, British Columbia V8X 2W7

Phone (250) 475-1775

[www.gov.saanich.bc.ca](http://www.gov.saanich.bc.ca)

Fax No. (250) 475-5440

CORPORATE SERVICES DEPARTMENT  
Office of the Municipal Clerk

File: ADM115 - CRD

March 16, 2004

Don Amos, Board Chair  
Capital Regional District  
524 Yates Street  
PO Drawer 1000  
Victoria, BC V8W 2S6

Dear Mr. Amos:

### REGIONAL AFFORDABILITY HOUSING STRATEGY

I am pleased to confirm that on March 15, 2004 Saanich Council considered the attached report of the Director of Planning Services dated February 25, 2004 regarding the above. Council passed the following resolution:

*"That the following Regional Housing Affordability Strategy (RHAS) strategic directions be supported as follows:*

#### Strategic Direction Number 1:

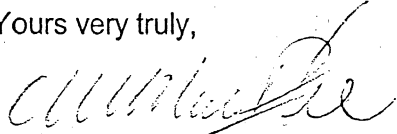
*Support entering into discussions with the Capital Regional District (CRD) and other local governments on Strategic Direction Number 1, based on the following principles:*

- a) *That the primary objective of the Housing Trust is to create through leveraging of funds from senior government and the private sector, new affordable housing units;*
- b) *The affordable housing levy be implemented on a sliding scale tied to property assessments, in order to lessen the impact on less costly homes;*
- c) *That Trust administration should be housed, where possible, within the existing administration of the CRD to avoid duplication of services and facilities;*
- d) *The Housing Trust's mandate should be firmly linked to partnerships with senior levels of government, and where possible, philanthropic organizations and/or the private sector;*



If you have any questions or require additional information please do not hesitate to contact us.

Yours very truly,



Carrie M. MacPhee,  
Municipal Clerk

cw

Attachment

cc: Russ Fuoco, Director of Planning Services  
Paul Murray, Controller-Treasurer  
Mark Hornell, Director - Regional Planning Services  
Chris Goldburn, Manager, Regional Information Service



**COMMUNITY  
COUNCIL**

September 29, 2006

The Chair and Members  
Planning and Protective Services Committee  
c/o CRD Regional Planning  
PO Box 1000  
Victoria BC V8W 2S5

COLLABORATING

Dear Directors of the CRD:

RESEARCHING

The Community Council commends the CRD for their commitment to develop a Regional Housing Affordability Strategy (RHAS).

CONVENING

The "Revised Draft, June 2006" clearly outlines the five strategies that are needed to address this complex and critical issue. Within each strategy there is room for flexibility to adapt actions and solutions to the diverse realities within the various CRD jurisdictions. This RHAS provides direction and hope for the future.

COMMUNICATING

The Community Council is particularly pleased to see that homelessness is now included in the RHAS. As an independent broker with a regional mandate, the Community Council is willing to provide whatever leadership, facilitation or convening services are needed to ensure the long-term effectiveness of the proposed Regional Homelessness Task Force. We would be pleased to meet with you and others to discuss possible roles that we can play.

As the secretariat for both the Housing Affordability Partnership and the Quality of Life CHALLENGE, the Community Council has been actively engaged in the development of the Regional Housing Affordability Strategy and the implementation of some of the recommendations. Our good working relationship with the CRD Regional Planning Services has resulted in increased public awareness of facts and figures that indicate housing realities in this region.

There is growing urgency about housing affordability throughout the region. The Community Council encourages you to move forward quickly to implement these strategies and to develop the Regional Economic Development Strategy which is so intricately linked with housing affordability.

Again, congratulations on this achievement. We look forward to celebrating the final approval of the Regional Housing Affordability Strategy, Revised Draft June 2006.

Sincerely,

Mabel Jean Rawlins-Brannan  
Executive Director

Cc Dr. Richard Stanwick, VIHA  
Jeremy Tate, CRD  
Lee King & Moira Hauk, co-chairs Housing Affordability Partnership  
Susan Stovel, chair Quality of Life CHALLENGE Steering Working Group  
Andrew Lane & Chris Coleman, co-chairs Victoria Homelessness Cttee

1144 FORT STREET  
VICTORIA, BC V8V 3K8

TELEPHONE  
(250) 383-6166

FAX  
(250) 385-6712

EMAIL  
info@communitycouncil.ca

WEBSITE  
www.communitycouncil.ca

September 29, 2006

The Chair and Members  
Planning and Protective Services Committee  
c/o CRD Regional Planning  
PO Box 1000  
Victoria BC V8W 2S5

Dear Directors of the CRD:

The Quality of Life CHALLENGE commends you for the clarity of the "Regional Housing Affordability Strategy, Revised Draft June 2006". When approved and implemented, these five strategies will be key in addressing the very critical issues related to housing affordability in this region, particularly for people who live on low income.

Five years ago two processes began, each focusing on solutions for housing affordability in this region. The CRD decided to develop a Regional Housing Affordability Strategy as part of the Regional Growth Strategy. The Quality of Life CHALLENGE decided to make housing a priority, along with sustainable incomes and community connections.

In 2003 bold targets were set by the CHALLENGE: by 2006, one thousand more low income households would have safe, decent and affordable housing. The CRD Regional Housing Affordability Strategy was involved in that process, alongside the Housing Affordability Partnership. Since then we have worked in tandem for the development of the Regional Housing Affordability Strategy.

The Quality of Life CHALLENGE has been a major player in increasing awareness of housing issues and solutions amongst the public, decision-makers and housing stakeholders. The publication, *Making Room: The Human Face of Housing Affordability in BC's Capital Region* (Community Council 2003) was strategically timed to be released when the Regional Housing Affordability Strategy was in a critical stage of its development. In depth media coverage was triggered by the CHALLENGE and partners during Housing Affordability Week.

According to our tracking, approximately 600 housing units have been created for low income households since 2003. Although the target may not be reached, other systemic and long-term changes have been accomplished. More municipalities are incorporating housing affordability in their Official Community Plans, by-laws are allowing more legal secondary suites, more capital is now available through municipal housing funds, and the Regional Housing Trust Fund, and the Housing Affordability Partnership has more capacity to become the regional housing resource. The strategies of the RHAS are beginning to be implemented.

We will celebrate the approval of the RHAS with you, and look forward to hearing about the outcomes from the tracking and monitoring system that is incorporated in the strategy.

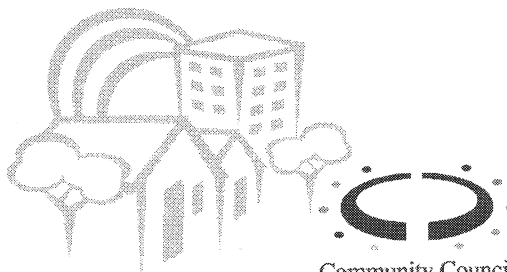
Yours truly,



Susan Stovel  
Chair, Quality of Life CHALLENGE Steering Working Group



## Quality of Life CHALLENGE



Community Council

1144 Fort Street, Victoria BC V8V 3K8  
Tel: (250) 383-6166 Fax: (250) 385-6712  
Email: [cspc@islandnet.com](mailto:cspc@islandnet.com)  
Website: [www.qolchallenge.ca](http://www.qolchallenge.ca)

Bringing people together  
to create solutions in the areas of homes,  
paid work and community connections  
in BC's Capital Region.





October 4, 2006

The Chair and Members  
Planning & Protective Services Committee  
c/o CRD Regional Planning  
P.O. Box 1000  
Victoria, BC V8W 2S6

To Robert Lapham

The Housing Affordability Partnership (HAP) would like to thank you and your team for the time and effort that was put into creating the Regional Housing Affordability Strategy. HAP also appreciates the opportunity to review and comment on the RHAS. HAP as you may be aware, is a multi-sectoral catalyst, (Industry/Public/Private), working to increase awareness and supports innovative solutions that improve housing affordability and choice in BC's Capital Region

The Housing Affordability Partnership supports the ideas and strategies outlined in the Regional Housing Affordability Strategy and is both willing and able to engage in the tasks and challenges outlined in the RHAS. The Housing Resource Center outlined in the RHAS is complimentary to the Resource Centre envisioned in the HAP 2005-2008 Business Plan and we can see a clear merging of ideas, roles and responsibilities. HAP has recently received sufficient funding to hire a part time Executive Coordinator and one of their responsibilities will be to develop the preliminary framework for the Housing Resource Centre. As you are aware, the development of the Housing Resource Centre will be an ongoing evolutionary and multi year process that will be driven by the needs and expectations of the community. The funding commitments that HAP has received and are able to allocate to the development of the Housing Resource Centre are for the current fiscal year only. While we are seeking additional funding for HAP's Business Plan initiatives, HAP would like to explore the option of a CRD partnership to further the goals of the Regional Housing Affordability Strategy.

We would appreciate the opportunity to meet and discuss these possibilities with you in more detail. Our Executive Co-ordinator, James Mitchell (213-8435) will be in touch shortly to arrange a meeting in this regard.

Sincerely,

Lee King  
HAP Co Chair

Moira Hauk  
HAP Co Chair



Planning &  
Development  
Department



October 5, 2006

41 Centennial Square

Victoria

British Columbia

V8W 1P6

tel (250) 361-0382

fax (250) 361-0386

planning@city.victoria.bc.ca

www.city.victoria.bc.ca

Robert Lapham, General Manager  
Planning & Protective Services  
C/o CRD Regional Planning  
PO Box 1000  
Victoria, B.C. V8W 2S6

Dear Mr. Lapham

Re: City of Victoria Planning & Development Department Comments on  
Revised Regional Housing Affordability Strategy

In response to the request for input on the revised draft of the Regional Housing Affordability Strategy (RHAS), the following comments are provided.

Effect on Victoria

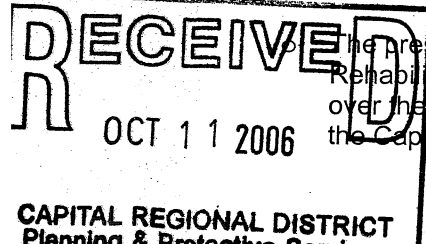
The incorporation of the revised RHAS into the Regional Growth Strategy will make the former binding on the Capital Region and the member municipalities. Because Victoria's *Regional Context Statement* and its *Official Community Plan* address housing affordability and are in keeping with the RHAS, it is unlikely that any amendments will be necessary.

Strategy 1: Secure More Funding

- o Region-wide expansion of the Regional Housing Trust Fund is appropriate. The City of Victoria is a founding contributor to the Region's fund and has set up a City fund as well.
- o Funding the Housing Resource Centre managed by the Housing Affordability Partnership raises the question of whether this volunteer organization will be able to manage this centre on a sustainable basis. In particular, a one year funding commitment also raises this question – a two or three year commitment might be necessary to foster this initiative.

Strategy 2: "Pro-affordability" Local Government Policies

- o Examples of most, if not all, of these policies are in Victoria's *Official Community Plan* and neighbourhood plans.
- o "Inclusionary zoning" in the form of Density Bonus is included in the City's *Official Community Plan* and some neighbourhood plans. However, the density bonus policy for general use outside of Downtown has been archived. Further policy development may be required.



The preservation of existing rental stock through the use of federal Residential Rehabilitation Assistance Program funding is a tenuous strategy, given uncertainty over the Program's continuation as well as the independent application process of the Capital Region Housing Corporation.

- o While the "Affordable Housing First" Policy is not likely to work in Victoria because there is very little City-owned land, such a Policy could have a significant impact on other municipalities, government levels, school districts, and other public agencies.

Strategy 3: Affordability Partnerships

Inclusion of a seven to 10 year time-frame to encourage development of a community land trust seems unnecessary.

Strategy 4: Building Neighbourhood Support

Education, information and increased public awareness of the problem are essential elements in addressing affordable housing issues at the neighbourhood level.

Strategy 5: Expanding Homelessness Plan to region-wide

This is an important addition to the existing strategy. The City of Victoria participated in the Victoria Community Plan for Homelessness.

Targets and Monitoring

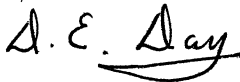
A 10% annual increase in the production of new rental units by 2011 seems unrealistic given the current fiscal and tax environment which local government does not control.

Typos

Page 7: There are five, not four, strategies identified.

The opportunity to provide comments on the revised Regional Housing Affordability Strategy is appreciated. The implementation of the revised strategy in the coming years is of great importance to maintaining and improving the livability of the region and its municipalities for all residents.

Yours truly,



Deborah Day, Director  
Planning & Development Department

BMS:aw

- c. Mayor and Council; Paul Battershill, Acting City Manager; Wendy Zink, Manager – Social Planning & Housing; Doug Koch, Manager – Planning