

# HISTORY OF HOUSING INITIATIVES IN THE CITY OF NORTH VANCOUVER

May 2014 - Doc#1169289

Housing is a key factor to the social and economic sustainability of the City of North Vancouver and to achieving the City's vision of being a healthy, livable and complete community.

As a community with strong working class origins, the City has long been involved in responding to a broad range of issues affecting its residents, including housing affordability. The City works to maintain and improve the existing housing stock, as well as to find opportunities to increase the number of affordable units in the community. Providing a diversity of affordable, accessible, and appropriate housing opportunities ensures that an inclusive range of residents call the City 'home'.

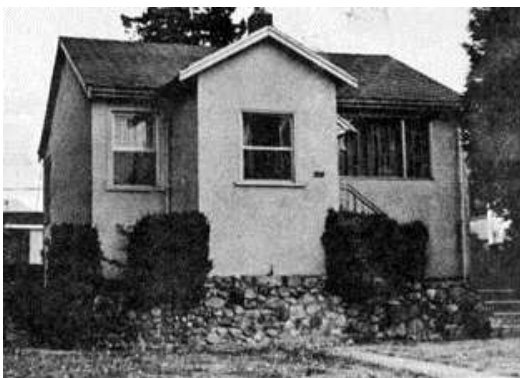
Over the past 70 years, housing policies, practices and initiatives in the City have evolved significantly within the context of the ebb and flow of senior government housing programs and market forces. This document provides a decade by decade snapshot of the City's responses to housing affordability since 1940.



## 1940s to 1960s

### ● Booming shipyards and return of war veterans precipitated housing crisis in the City

Federal Wartime Housing program and sale of vacant lots at reduced value by the City helped construct over 600 small standardized homes in the City

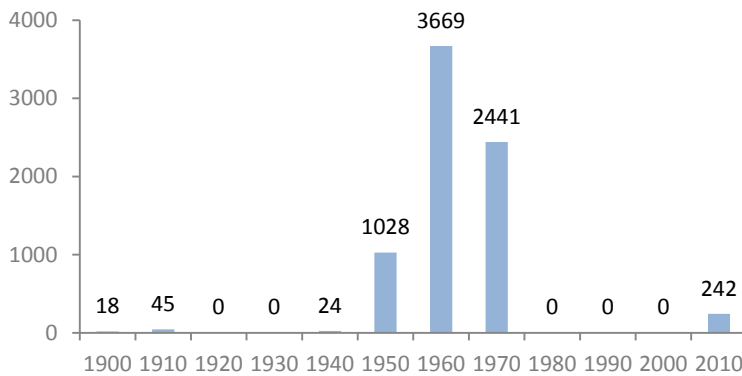


### ● City properties used to leverage senior government funding to construct non-market rental housing for seniors through partnerships

- Kiwanis Apartments (1950s) – 88 units
- ANAVETS Apartments (1960s) – 88 units

## Proliferation of senior government housing programs facilitated housing boom

- Assisted Home Ownership Program helped lower income households attain homeownership
- Limited Dividend Program, Multiple Unit Residential Building (MURB) tax shelter, Assisted Rental Program, and Canada Rental Housing Supply Program provided rental housing support for modest income renters, single people, and urban dwellers
- Support for non-profit and co-operative housing



Number of Purpose-Built Rental Units Constructed in the City by Decade

*Almost all of the City's purpose-built rental units were constructed prior to 1980*

## 1970s

### City Standards of Maintenance Bylaw adopted in 1978

Protect existing housing stock by establishing minimum standards for the maintenance of the physical condition of residential property



### Strata conversion controls adopted in 1979 to mitigate loss of rental units

Stratification of purpose-built rental units prohibited unless vacancy rate in the City exceeds 3%

### 2 new seniors' housing projects and 2 new family housing projects completed

- Kiwanis Towers (1970) – 99 units
- Grant McNeil Place (1976) – 110 units
- St. Andrew's Place (1976) – 15 units
- Twin Towers (1976) – 212 units



*According to the 1981 Canadian Census, the cost of housing in the City was approximately 7 times greater than the average household income in the City, although by the late 1980s, an economic recession reduced the cost of housing to roughly 4 times the average household income*

**Federal government began funding cuts for non-profit housing in 1984**

Eligibility for Residential Rehabilitation Assistance Program (RRAP) restricted in 1989 to only people of low income or with disabilities

*Over 1,000 households in the City on wait lists for non-profit housing by late 1980s*

**Four housing co-ops and two non-market housing projects constructed**

- Creekside Housing Co-op (1985) – 43 units
- Pinewood Place (1985) – 50 units
- Walnut Gardens (1985) – 26 units
- Mosquito Creek Housing Co-op (1986) – 67 units
- Capilano Housing Co-op (1987) – 29 units
- North Shore Housing Co-op (1987) – 38 units



**Social Housing Reserve Fund established in 1989**

Initial contribution of \$200,000 from City's general revenue to support implementation of City social housing objectives

# 1980s

**Social Housing Policy adopted in January 1989**

Strengthened City's role in supporting initiatives that enabled affordable and adequate housing for lower income households

- Small lot sizes permitted (1983)
- Condominium conversion policy (1979)
- Family suites policy (1967)
- Policy to lease City-owned property where appropriate for non-profit housing

**City's first Social Planner hired to respond to diminishing federal housing resources**

*8 of the 12 non-profit housing projects in the City at this time were on land either leased or sold by the City*

**Demolition Moratorium (Nov. 1989 – Jul. 1990)**

Loss of 38 units in three rental building in 1988 prompted Council to utilize its emergency powers to declare a rental housing crisis in the City and issue a Demolition Moratorium on all rental accommodations in multi-family zoned areas



### ● Affordable Housing Action Plan adopted 1990

- Support for affordable housing projects in Official Community Plan (OCP)
- Improved processing times for affordable projects

### ● Strata Conversion Policy benchmark raised and Demolition Notification Policy adopted

- Strata Conversion Policy raised from 3 to 4 percent to meet eligibility for municipal grants under the provincial Rent Supply Program
- Landlords intending to demolish any building with three or more units required to provide minimum 6 months notice prior to eviction

*Demolition Notification Bylaw repealed in 2011 for consistency with Residential Tenancy Act, but owners still being asked to voluntarily comply with City policy*

### ● Social Housing Reserve Fund facilitated development of 'Margaret Heights' family project in 1991

- Operated by Entre Nous Femmes Housing Society
- 19 townhouse units with at-grade parking
- Nine 2-bedroom units, six 3-bedroom units, and four 4-bedroom units
- On-site child care facility with 25 spaces
- City leased property at 75% of market value
- \$2.35 million capital funding from BC Housing
- \$16,000 from the City's Social Housing Reserve Fund
- City staff provided support for inclusion of on-site child care facility and later upgrades to the outdoor play area in 1995



## 1990s

### ● BC Government's 1992 Commission on Housing Options enhanced role of province and local government

- Municipalities required to include strategies on affordable housing in OCP
- New planning powers given to local government, including inclusionary zoning, negotiated density bonuses and transfer of density rights



### ● In 1993, the federal government canceled all support for new non-profit and co-op housing

Budget for national social housing portfolio capped at \$2 billion annually; management and ongoing subsidies for social housing devolves to provinces

*Loss of federal housing programs and the limited focus of provincial housing initiatives continues to hinder the development of affordable housing in the City on a regular basis*





### Secondary suites in single family dwellings legalized in 1993

Secondary suites recognized to provide important source of affordable rental housing in the City, as well as supplementary income for homeowners

- Moratorium on Enforcement against Illegal Suites in February 1990
- Secondary Suites Working Committee convened in 1991

*While the majority of new single family homes are designed and constructed with legal suites, City staff estimates that over 1,000 secondary suites remain unauthorized*

### Residential unit sizes reduced in response to growing affordability challenges and changing demographics in City

- Smaller minimum unit sizes permitted to comply with new federal and provincial standards (1990)
- 20 percent of units in larger multi-family projects required to be less than 750 square feet
- Unit per hectare residential density control eliminated in 1992 Official Community Plan to facilitate smaller, more affordable units



*City conducted Townhouse Satisfaction Survey in 1999 to understand profile of townhouse residents, assess their satisfaction, and identify improvements; survey found overwhelming satisfaction from residents living in townhouses*

## 1990s

### Multiple Unit Building (MUB) Policy in 1996

Support creation and legalization of additional rental units in unused or underused areas of existing apartment buildings

*28 units have been added to the rental stock through the MUB Policy since 2007*



### Rental Premises Standards of Maintenance Bylaw adopted 1998

Ensure owners of rental accommodation required to maintain their property to an acceptable level of livability and life safety standards for tenants

*As the scope of needs grew in the community, facilitating accessible and appropriate housing for people of all ages and abilities became a focus of City housing policy*

### Strategies to Support Seniors Housing endorsed 1994

- Promote housing designs that enable aging in place
- Strategies developed through partnerships with outside agencies



### Sites Suitable for Seniors Housing adopted 1995

- Partnership with seniors organizations to determine criteria for location of seniors housing
- Central Lonsdale and Lower Lonsdale deemed ideal location for seniors housing due to proximity to shops and services, good transit service, and smaller residential units that are easier to maintain and more affordable



### Adaptable Design Policy adopted 1998

Residential units accessible to a wider range of persons through the consideration of adaptations that could be easily and inexpensively incorporated to facilitate independent living and support aging in place

- Revised in 2003 and 2013
- 25 percent of all applicable units currently are required to meet Adaptable Design Level 2, with specified floor area exclusions permitted



*Over 2,500 Adaptable Design units currently in the housing stock*

## 1990s

### Social Housing Reserve Fund renamed Affordable Housing Reserve Fund (1995)

Broadened use of the Fund to respond to senior government housing programs shifting away from housing core-need households to mixed income projects

*Housing Initiatives Grant Program established in 1996 to support non-capital initiatives related to affordable housing*

### Affordable Housing Policies adopted 1996 and Affordable Housing Task Force established 1997-1998

- City reconfirmed a facilitative and supportive role in responding to housing needs of residents
- Task Force presented recommendations to protect and enhance affordable housing in the City

### Social Plan adopted 1998

- Framework to focus social planning programs and initiatives in the City
- Recommendations from the Affordable Housing Task Force incorporated into the Social Plan in recognition of the importance of accessible and appropriate housing in fostering a healthy and complete community

### Quayside Village Co-Housing Project (1999) supported by City

- First urban co-housing project in Metro Vancouver
- Density increased from 1.2 Floor Space Ratio (FSR) to 1.6 FSR, with density bonus for affordable rental
- Agreements between City and Quayside Village designated two townhouses and two apartments '20 percent below market' and one apartment 'affordable family rental unit' with rent set at core need income rates
  - Re-use of building materials, incorporation of grey water system and energy efficiency



### Density bonus and density transfer facilitated development of Summerhill Residences (1999)

- 107 units of supportive rental housing for seniors, with 1 unit dedicated to respite care
- Density increased from 2.6 FSR to 5.27 FSR, with density bonus and exclusion for rental housing and supportive amenities and a density transfer from neighbouring site
- Relaxation of parking requirements gave developer savings of over \$1.7 million
- All units designed to Adaptable Design Level 3
- Residents integrated into community through events, programming and opportunities for socializing



## 1990s

### Royal Canadian Legion Branch #125 redeveloped In 1999 with City density bonusing

- Five floors of non-profit housing in the 15 storey high rise, for a total of 33 one-bedroom units
- Density increased from 2.6 FSR to 4.57 FSR, with bonus provided for affordable rental
- Capital costs (\$4.14 million) provided by BC Housing under HOMES BC program; 35-year Operating Agreement with BC Housing
  - Original development required strata units to be sold or resold at 85 percent below market value; rescinded in 2004 after development went into receivership
  - All units built to then-current Adaptable Design Level 2



### North Shore's first temporary Adult Emergency Shelter opened in 2001

- Ad hoc task force of service providers, health region and municipal social planning staff secured \$80,611 of federal Supporting Communities Partnership Initiative (SCPI) funding
- City provided shelter location in City-owned building and forgave lease revenue of \$25,000 during operation



*Word to Your Motherland, title of the mural completed in 2013 on the west side of the shelter, is a community showpiece produced by local and international artists and organizations to celebrate multiculturalism and to explore the importance of respecting our cultural roots*



## 2000s

### HOMES BC funding cut in 2001

*HOMES BC funding had successfully created almost 7,000 units of subsidized housing in BC, including Quayview Community Housing, a 42-unit complex for single and family households of various disabilities and income levels, in the City*

### New federal funding program, the Affordable Housing Initiative, established in 2001

- Up-front capital contributions, rather than ongoing subsidies
- Requirement for provincial matching of federal investment funds and for units to be provided at prices at or below market value
- First phase, BC government received \$88.7 million to fund Independent Living BC Program, supportive housing for frail seniors and people with disabilities
- Additional \$41.7 million received 2004, which went towards Provincial Homelessness Initiative to provide supportive housing for homeless and people with mental illness and addictions





### 2000-2001 Rental Housing Study

- City investigated ways to maintain and encourage affordability in the existing rental stock
- Study found purpose-built rental housing provided approximately 60 percent of the City's rental accommodations and that rents tended to be more affordable due to age of the buildings and limited amenities

*In 2007, a Rental Housing Working Group was established to dialogue with owners and investors of rental housing. The main concerns identified included punitive federal fiscal policy, escalating energy costs, rising property taxes, and rents inadequate to cover escalating operating costs. This feedback, along with the Rental Housing Study, informed the City's Rental Housing Strategies (2007) to support retention and enhancement of rental housing in the City*

### 2001 – First purpose-built rental building constructed in the City since 1970s

## 2000s



### Affordable Housing Workshop in 2004

Explored approaches to affordability in home ownership, as well as the City's role in facilitating diverse housing options

### Housing Affordability Strategies developed in 2006

Developed with guidance from Affordable Housing Action Forum, which discussed full spectrum of affordable housing, from emergency and homeless shelters to assisted and independent social housing programs, to rental assistance and affordable homeownership

*Staff report annually to Council on efforts related to affordable and rental housing and more specifically regarding the implementation of the Housing Affordability Strategies and Rental Housing Strategies*



### North Shore Adult Shelter and Transition Housing Facility opened in 2005

- City lobbied senior governments for sufficient capital and operating funding to make temporary shelter a permanent facility
- In November 2001, Council authorized \$1.053 million to purchase the site of the permanent facility, provided a 50 percent discount lease, forgave approximately \$435,000 for utility and site requirements, and waived various development-related City fees
- Total of 25 bed emergency shelter, 15 to 20 dorm style beds available during cold, wet weather season, and 25 transition studios where residents can stay up to 2 years
- Started as an overnight shelter, but became a 24-hour, year round operation in 2007 with senior government funding

### Addition of two second stage family housing units in 2006

The North Shore Crisis Services Society accessed federal funding to purchase a Lower Lonsdale duplex to provide second stage family housing for those moving beyond transitional housing

## 2000s

*Chesterfield House was the first existing residential building in the City to connect to Lonsdale Energy Corporation*

### New housing units for individuals with mental health issues (2007)

- City used funds from Affordable Housing Reserve Fund to jointly purchase existing apartment building with BC Housing and Marineview Housing Society
- 'Chesterfield House' provides 16 units of supportive housing for individuals with mental health issues
- Rezoned in 2008 to permit an additional building to provide 9 new units built to Adaptable Design Level 2 standards



*Despite the availability of senior government funding programs during the 2000s, the need for affordable housing in the City continued to outpace available funds.*

*Given that affordability is an issue of both housing prices and personal income, the 30 percent household income threshold established by Canada Mortgage and Housing Corporation as 'affordable' is a challenge for many City residents to meet.*

#### 6 units of supportive seniors housing secured in Central Lonsdale (2008)

- Originally rezoned in 2008, and amended in 2009, partnership between the developer and the City led to density bonus and density exclusion for 'The Kimpton' to secure six affordable rental units, under City ownership
- All 6 City units are Adaptable Design Level 2, as well as 4 additional units in the development
- City and Metro Vancouver Development Cost Charges were waived, totaling \$38,449
- In August 2012, the 6 affordable rent units were leased by the City to Hollyburn Family Services Society for operation as supportive seniors housing for low income seniors who require social supports to maintain their independence



## 2000s

#### 27-units of below-market seniors housing built in 2007

- Partnership between developer, BC Housing (federal and provincial funds), Kiwanis, and City
- 'Kiwanis St. Andrew's' achieved through density bonusing, density transfer and exclusion of floor area
- City waived approximately \$140,000 in fees and development cost charges, as well as reimbursed costs to increase affordability of project
- 26 one-bedroom units and 1 two-bedroom unit, of which 21 units built to Level 2 Adaptable Design and 6 units at Level 3





● **City adopted Coach House Policy in April 2010**

- Unique housing option for residents that adds to housing diversity in City
- Two types: Level-A and Level-B

*A total of 15 Level-A Coach Houses and 13 Level-B Coach Houses had been approved by the end of 2013*

● **Council approved second mortgage to Vancouver Resource Society in May 2010**

Facilitate purchase of existing 28-unit apartment in Central Lonsdale to eventually accommodate persons with disabilities on ground floor and provide non-market rental units

● **New non-market units secured for persons with disabilities (2011)**

- Partnership between the City, Vancouver Resource Society and a developer to provide for a density bonus of 0.5 FSR to achieve five non-market housing units for persons with disabilities
- Each unit is approximately 625 square feet, plus 230 square feet office space



# 2010s



● **Non-profit housing group, Housing for Young Adults with Disabilities (HYAD), provided land through rezoning of former school site (2010)**

- Partnership between developer, North Vancouver School District and HYAD to create a lot through rezoning for non-profit housing for young adults with disabilities
- 16 dwelling units, including live-in manager support and additional common space built for young adults with disabilities
- All units built to Level 2 Adaptable Design
- Building connected to Lonsdale Energy Corporation
- Parking requirement reduced since most residents do not drive
- HYAD formed by parent group whose objective is to provide semi-independent living for their children to ensure their future security and well-being, allow them to remain in the community, and reduce the future amount of government assistance



### ● **New Army, Navy and Air Force Veterans Society (ANAVETS) apartment building (2011)**

- Partnership between developer and ANAVETS redeveloped site to provide replacement ANAVETS building and market residential building
- 72 units of seniors housing – 22 studios and 54 one-bedroom units
- Net loss of 16 below-market rental units, but replaced with newer, larger units
- 60 new units designed to Adaptable Design Level 2, and 3 units meet Level 3
- Rents set at no more than 30 percent of total income, secured by Housing Agreement
- Construction financing provided by BC Housing
- City excluded floor area of ANAVETS building, which provided developer with more floor area for market residential building
- City waived Development Cost Charges (\$211,000), and Metro Vancouver Development Cost Charges waived as well (\$61,332)
- Parking requirement reduced by half; provision of bike and scooter stalls



## 2010s

### ● **Federal government continued to divest itself of housing matters**

- 2011 – federal government cut national housing and homelessness investments
- Overall spending at Canada Mortgage and Housing Corporation (CMHC) reduced from \$3.1 billion in 2010 to \$1.9 billion in 2011
- Funding for national homelessness plan cut by 11 percent from \$124 million to \$110 million
- Federal affordable housing initiative eliminated by 2014
- Number of subsidized homes expected to decrease by 50,200 by 2014
- Number of homes renovated under national projects funding expected to be no more than 745 in all of Canada
- Sharp cuts to housing and homelessness spending happening in spite of CMHC reporting that its net income will more than double from \$911 million in 2010 to \$2 billion in 2014

*Senior government housing funding cuts occurring despite ongoing lobbying for a national housing strategy from many different stakeholders, including the City and other local governments*

*Most of the new non-profit and rental projects in the City are connected to Lonsdale Energy Corporation, the City's award-winning district energy system.*

*In 2010, Grant McNeil Place became the first existing building to connect to Lonsdale Energy Corporation to provide the building with clean thermal energy for heating and hot water, as well as to help reduce maintenance costs.*

### Seniors Emergency Housing Unit (2012)

Hollyburn Family Services Society accessed federal and provincial homelessness-related funding to secure a unit in the Vancouver Resource Society apartment building as an emergency unit for seniors at risk of homelessness

### Council approved Accessory Dwelling Units in Duplexes in April 2013

Supported as an option to increase the availability of affordable rental housing in the City

*The Planning Institute of BC selected the City's "Accessory Dwelling Units in Duplexes" as an Honourable Mention in the Excellence in Planning Practice (City & Urban Areas) category in 2014*

### 5 units of non-market housing secured in new Lower Lonsdale development (2014)

- Partnership between developer and Vancouver Resource Society to provide five units of below-market independent living housing units for individuals with disabilities in mixed-use development
- Units will be constructed to Level 3 Adaptable Design standard



## 2010s

### Increase in purpose-built rental units

- Approval of several market rental developments adds to and renews City rental housing stock for the first time since the 1970s
- City approves density bonuses and permits lower parking requirements for rental housing in order to enable these new projects



### Density bonusing used to renovate an existing rental building and to add two additional storeys

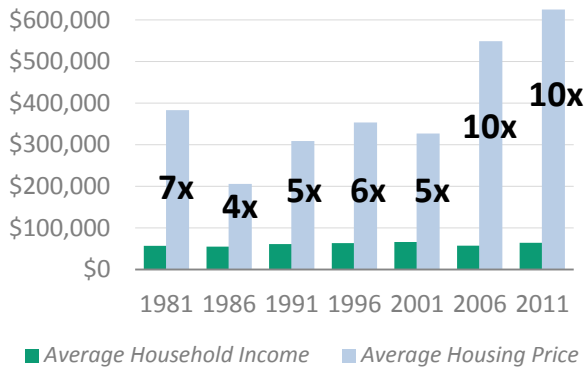
- Rezoning and density bonus by the City to add 2 storeys of 11 units to older rental building
- 8 units built to Adaptable Design Level 2 standards



*The City continues to advocate for greater senior government funding and support for housing, including the creation of a national housing strategy*

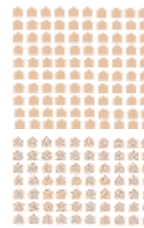
### ● Gap between cost of housing and household income

The 2011 census revealed that the cost of housing in the City is 10 times greater than average household income



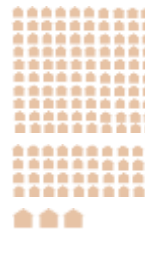
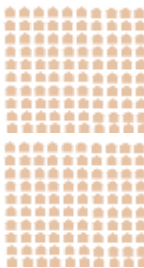
### ● Continued use to density bonusing to help facilitate affordable housing in the City

A 2013 Historical review of density bonusing in the City revealed the contributions of density bonusing to date:



**Over 172 Units**

of Non-Market & Special Needs Rental Housing Secured



**343 Units**

of Market Rental Housing Secured



**Over 116 Units**

Meeting Level 3 Adaptive Design Guideline

## Looking forward

### ● Expiration of operating agreements between non-market housing operators and federal government major concern

- Subsidy agreements linked to 811 units/beds located in the City will expire between 2017 and 2029
- Anticipated that loss of federal support will lead to increased numbers of people who need affordable housing

*2005 Canadian Housing and Renewal Association study concludes that most social housing projects implemented after 1986 would most likely be non-viable once their agreements expire due to inflation of operating expenses*

### ● Protection and gradual renewal of City's aging rental housing stock

A 2012 study conducted by Metro Vancouver estimates that 23 percent of the City's rental housing stock is at moderate or high risk of redevelopment

### ● Affordable Homeownership

The City continues to explore ways of creating more affordable homeownership options for City residents, including reducing the minimum lot size to allow for smaller lots and allowing secondary suites and coach houses on single family lots to serve as mortgage helpers