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CNV council mulls city-sanctioned support for rental housing developments

By [Sean Kolenko - North Shore Outlook](#)

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Last month, Chesterfield Holdings, developer of the currently-under-construction rental building on West First Street, asked City of North Vancouver council to waive nearly \$500,000 in fees to help the struggling project.

Costs such as engineering fees and a connection to the Lonsdale Energy Corporation, which combined for more than \$463,000 of the company's half-a-million-dollar request, were said to prevent the project from turning a profit until 2016. Council, having already given Chesterfield Properties a 35-per-cent break on development cost charges, voted unanimously to investigate ways to suspend other city fees — to be repaid at a later date — to provide some further assistance.

Spurred by that discussion, staff drafted a report titled "city financial support for market rental housing," and presented it to council on July 25. The document caught the ire of some councillors, who said such investigations cross the line between what a city can do to help foster much-needed market rental projects and subsidizing a private business at the expense of homeowners.

"We are a small jurisdiction with a narrow fiscal base. The city is supported by owners of property," Coun. Guy Heywood told The Outlook.

"Metro Vancouver needs rental properties. It's a big need. But can we favour any industry over another? We can't say we'll subsidize one restaurant over another."

The report echoes, in parts, Heywood's concerns. "Rental properties are considered to be a form of private business" reads the report "...and council therefore does not have the power to reduce fees for any specific rental property on a case by case basis, regardless of the merits of the specific case."

Where the city can explore extra assistance for rental developments, says the document, is in allowing exemptions from developers having to provide amenity contributions and establishing more lax rental property-specific fee schedules. Providing affordable non-market housing developments, on the other

hand, is something Heywood feels the city can help subsidize for residents.

“I would be willing to talk about non-market housing because that becomes a discussion about dealing with various groups not just individuals,” added Heywood.

“That’s a reasonable bargain. You need organizations to help individuals get into a development, like the policy decision we made to help the ANAVETS society get affordable housing. But there is just no way we should be helping individuals at the expense of the taxpayer.”

Tom Durning, of Vancouver’s Tenant Resource and Advisory Centre, agreed that municipalities can’t subsidize new market rental developments, but advocated for cities to be more stringent on the condition of its rental stock.

The City of North Vancouver, like many municipalities in the Lower Mainland, has a Standards of Maintenance bylaw to protect its existing housing supply and, added Durning, North Van council is better than most in the region at ensuring those standards are adhered to.

“You really need to constantly look at your rental stock. You need, as a city, to spend a few bucks and routinely see what’s happening with it,” he said.

“And treat it like its gold because if you don’t, you’ll have even more trouble down the road.”

Another roadblock to new rental developments, said Durning, is the resistance homeowners often feel toward density. Rental properties are nearly always housed in multi-storey buildings and rarely are such projects met without community pushback. Even if a developer approaches council about a condo development, the seemingly never-ending battle over blocked views and increased traffic may lead to a developer and a council to not always discuss creative ways of including a handful of city-controlled rental suites in the horse trade.

“I know municipalities don’t have money, so they have to be creative,” said Durning. “But if a developer didn’t have to approach council three times and be yelled at about this and that from residents, what more could get done?”

Council will revisit the aforementioned staff report when it reconvenes in the fall.

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