

Strathcona Regional District

ELECTORAL AREAS HOUSING NEEDS REPORT

APPENDIX C: HOUSING PLANNING TOOLS FOR LOCAL GOVERNMENTS



HOUSING PLANNING TOOLS FOR LOCAL GOVERNMENTS

Addressing housing needs is a challenge for smaller local and regional governments. Generally, they have fewer tools, financial resources, less development pressure to leverage, and fewer developable areas, all of which makes housing issues more difficult to manage. The recommendations section of this report represents the project teams' suggested path forward over the short term for the Strathcona Regional District, but as needs grow and change, staff and community members may refer to this guide. While many of the tools in this appendix are not necessarily appropriate for the SRD at the moment, they may become more relevant. Regional District staff can use this document as a toolbox, choosing appropriate options as needs become more or less acute.

Tools have been broadly categorized and include implementation suggestions for communities of different sizes and localities where appropriate. Many of the tools listed here are most relevant to larger municipalities but were still often mentioned in community engagement sessions. A complete list of implementation suggestions gathered through the engagement process is included in the Regional Engagement Summary Report.

PLANNING PROCESSES

TOOL	DESCRIPTION
Affordable Housing Strategy	<p>An Affordable Housing Strategy or Action Plan can be used by local and regional governments to set a vision for affordable housing and identify the government tools, partnerships, and actions needed to support that vision. Many strategies articulate major policy initiatives, inform bylaw reviews, and generally guide decision-making and communicate affordability initiatives to community members.</p> <p>Larger municipalities may want to consider producing a more in-depth housing plan, while smaller communities and Electoral Areas may only need to include an affordability component in the housing section of their OCP.</p>
Official Community Plan (OCP) Policies	OCP policies can be used to express commitment to affordable housing goals and provide direction for staff. They can lay the groundwork for activities such as updating zoning bylaws to support housing affordability or initiating the development of an Affordable Housing Strategy. Legislation mandates that findings from the Housing Needs Report be considered when updated the OCP.
Housing Needs Reports	Housing Needs Reports will continue to be mandated by the Province, but a similar funding program may not be available to local governments before the next update. The reports will continue to be a valuable resource for housing information about your community.

	<ul style="list-style-type: none"> • Schedule next housing need report for some time in 2023 to align with the release of data from the 2021 Census. Plan to conduct housing needs reports every five years after. • Begin budgeting and saving for the report process now. Larger communities may spend up to \$50,000, while smaller communities may only need to spend \$10,000-\$15,000. Communities with more planning capacity may choose to conduct the study internally. • Consider pooling resources to develop another in-depth regional assessment.
<p>Regional Growth Strategy</p>	<p>A Regional Growth Strategy (RGS) is a strategic plan that defines a regional vision for sustainable growth. It is a commitment made by affected municipalities and regional districts to a course of action involving shared social, economic, affordability, and environmental goals.</p> <p>An RGS can make development decisions easier for local governments and the Regional District by codifying a sustainable pattern of population growth and development in the region, often by encouraging and directing new development to designated nodes or growth containment boundaries. This pattern of development aims to keep urban settlement compact, protect the integrity of rural and resource areas, protect the environment, increase servicing efficiency, and retain mobility within the region.</p>
<p>Develop a Definition of Secured Affordable Housing</p>	<p>A definition of secured affordable housing can articulate the types of units a community is looking to attract through market and non-market buildout. Affordability is typically tied to income and secured refers to the length of time the units will be offered at that rate, often regulated through covenant. For example, some communities allow developers to add density provided a certain proportion of units are secured as affordable.</p> <p>A common definition of affordability is that rents will not exceed 30% of 80% of the median monthly household income for the area. More nuance can be introduced through Housing Income Limits, like in this example from Nanaimo which sets maximum rental prices for a development to qualify as affordable.</p>

HOUSING INCOME LIMITS, NANAIMO (2018)			
Type	Housing Income Limit (2018)	@ 30% of Household Income	Monthly Rent
Studio	\$29,600	\$8,880	\$740
1 Bdrm	\$34,400	\$10,320	\$860
2 Bdrm	\$41,200	\$12,360	\$1,030
3 Bdrm	\$52,300	\$15,690	\$1,308

Source: Nanaimo Affordable Housing Strategy (2018)

This is a useful tool for communities of all sizes. In larger communities where density is more common, the definition can help activate certain density incentives. In smaller communities it provides a benchmark for landlords and can help the municipality determine which projects can accessing City funds or are eligible for equity contributions.

REGULATORY AND ZONING TOOLS

TOOL	DESCRIPTION
<p>Increase Density in Areas Appropriate for Affordable Housing</p>	<p>Allowing increased density in certain areas can incentivize development in the private and non-market sectors. Increased density tends to make a project more financially viable as the developer can spread the cost of development among more units. Decisions on increased density areas should be aligned with other land-use planning elements like active transportation, public transit, and access to amenities.</p> <p>Density can be implemented through a variety of tools that are relevant for different jurisdictions. In areas where apartment buildings are more common, changes to the maximum floor area ratio (FAR) in the zoning bylaw and adjusting height allowances may be appropriate. In other communities, allowing multiple dwellings on a property and encouraging mid-density multi-family options might be a better option.</p>
<p>Mandate Affordable Housing Covenants or Housing Agreements on Title as a Prerequisite for Accessing Other Actions and Incentives</p>	<p>Affordable housing covenants mandate that a certain percentage of units remain affordable for the lifetime of the development. Developers are required to register affordable housing covenants on title to access incentives such as density bonusing and development cost charge waivers or grants. This is the “secured” portion of secured affordable housing.</p> <p>Municipalities and Regional Districts should be prepared to waive local covenant requirements when a project must already meet stringent covenant requirements from Provincial and Federal agencies as a condition for funding approval.</p>
<p>Expand Housing Options in Residential Zones to including Secondary Suites, duplexes and triplexes</p>	<p>Broadening residential zoning to permit row house, townhouse, duplexes and triplexes is an easy way of introducing density and new units without disrupting neighbourhood character. Traditional R1 zoning is slowly disappearing in many municipalities and regions, especially in those with high prices and low vacancy. This intervention is likely more suited to larger centres where land is at a premium or where municipal demand is spilling into rural areas.</p>
<p>Supportive, Shelter, and Transitional Housing Supported in All Residential Zones</p>	<p>Include supportive, shelter, and transitional housing as a permitted use in all residential/institutional zones in Zoning bylaw. These uses are typically not sited in Electoral Areas, but occasionally some uses can be supported. Expanding the areas in which these uses are permitted makes it easier to acquire land for these developments and help meet the most acute need in your community. Must be partnered with rigorous community education campaigns to be effective and should consider connectivity to other resources.</p>

<p>Reduce or Eliminate Parking Requirements for Infill, Affordable, and Rental Developments</p>	<p>Explore alternative solutions to reduce parking requirements including car share promotion, bicycle storage rooms, and nearby transit stops. Parking can be incredibly expensive to include in the non-profit development process and eliminating even a few stalls can help provide more units at less cost to community members. This intervention is best suited to larger centres where on-street parking is limited, and transportation is regular and reliable. In smaller communities, allowing secondary suites or carriage homes without requiring additional parking may be appropriate.</p>
<p>Investigate Implementation of Smaller Lot Sizes</p>	<p>Allow smaller lot sizes in residential zones to increase densification of existing and future lots. For many people, a single-detached home is still their housing goal. Smaller lots still permit single-detached development while increasing density. In many smaller communities where multi-family buildings are not common, this may be a solution to increase density while maintaining character.</p>
<p>Establish Inclusionary Zoning Policy</p>	<p>Inclusionary housing programs are local government programs that use the development regulations and approval process to oblige private developers to provide a portion of affordable housing within their new market projects. For example, an inclusionary zoning bylaw might mandate that 25% of all new units be offered at a secured and affordable rate. This is most suited to larger multi-family buildings and larger centres.</p>
<p>Explore Permitting Micro-Housing or Cluster Housing in Certain Zones</p>	<p>Micro-housing or tiny homes often come up in conversations with rural residents. Dependent on servicing requirements, local governments may consider expanding permissions for this type of use, provided homes comply with building codes. These homes can also be permitted as infill or accessory dwelling options.</p>
<p>Consider implementing a Community Amenity Contribution (CAC) policy</p>	<p>A community amenity contribution policy can enable local and regional governments to capture additional community value from new developments. Typically CACs are described on a per unit or lot basis, but can be negotiated based on additional density.</p> <ul style="list-style-type: none"> • Example: Squamish-Lillooet Regional District Community Amenity Contributions Policy – https://www.slrd.bc.ca/sites/default/files/pdfs/administratio n/Policies/12-2018%20Community%20Amenity%20Contributions%20Policy_1.pdf

TOOLS TO INCENTIVIZE NEW AFFORDABLE HOUSING DEVELOPMENT

TOOL	DESCRIPTION
<p>Waive/lower Development Cost Charges (DCC's) for Non-Market Developments</p>	<p>Local governments can reduce or eliminate development cost charges to reduce capital costs of secured affordable housing projects and help keep rental prices lower. Often the development must meet the definition of secured affordable housing to qualify for a waiver/reductions and other fee reductions. Some local government choose to offer grants to offset the cost of DCC's rather than waive the fee.</p> <p>DCC's may seem small compared to the construction budget of a development, but often waiving these fees can impact final rental costs dramatically.</p>
<p>Develop Land Acquisition and Disposal Plan</p>	<p>One of the most valuable contributions that a local government can make to an affordable housing project is to provide land or facilitate land transfer to a non-profit developer. An acquisition and disposal of lands plan can improve availability of land for the purpose of developing affordable housing.</p> <p>A plan should:</p> <ul style="list-style-type: none"> • Prioritize acquisition of land in areas close to services, amenities, and public transportations • Develop key criteria for purchasing land based on lot size, cost, and geographic location • Disposal criteria based on need, non-profit status, and funding availability • Potentially pre-zone municipal owned sites for multi-family secured affordable housing development <p>While this is most effective in a larger centre where land can be very expensive, smaller communities often have more land available, but non-profits lack the capacity, knowledge, or capital to acquire it.</p>
<p>Assign a "Champion" Staff Member for Non-Profit Housing Projects</p>	<p>Local governments should consider establishing a single point of contact for non-profit organizations and developers. This can help ensure prompt delivery and response time to inquiries. The "Champion" can also work with project proponents and other levels of government to help secure funding and coordinate other affordable housing policies as they relate to a particular project.</p>
<p>Prioritize Affordable Housing Applications</p>	<p>There are many ways to fast-track non-profit development applications to make development easier and bring units to market quickly:</p> <ul style="list-style-type: none"> • Bring application to the "top of the pile" and commit to quick decision timelines • waive any requirements that are already met by the project (housing agreement, public information meeting, etc.)

	<ul style="list-style-type: none"> • waive fees based on depth of affordability
<p>Investigate a Regional Housing Service to increase local funds for affordable housing and housing supports</p>	<p>A regional housing service or supports bylaw has been used by Regional Districts to raise and distribute funds to one or more non-governmental organizations for the purposes of delivery affordable housing or homelessness supports services.</p> <p>Typically funded by a small additional tax levy, bylaws often require approval by referendum. This necessitates broad multi-sector support, and though it is often led by Regional Districts, requires participation of local governments.</p> <ul style="list-style-type: none"> • Example: Cowichan Valley Regional District, Cowichan Housing Association Annual Financial Contribution Service Bylaw https://www.cvrld.ca/DocumentCenter/View/90698/4201 • Example: Comox Valley Regional District, Comox Valley Homelessness Supports Service Bylaw https://www.comoxvalleyrd.ca/sites/default/files/docs/Services/4bylaw_389_homelessness_supports_service_est.pdf

TOOLS TO PROTECT EXISTING AFFORDABLE HOUSING

TOOL	DESCRIPTION
<p>Restrict Condo/Strata conversions</p>	<p>Preventing conversion of rental units to ownership tenures will help preserve vital housing stock, especially in larger communities.</p> <p>Strata conversions can be restricted through policy by allowing conversion only when vacancy rates are above a certain threshold for a certain period of time.</p>
<p>Develop “No Net Loss” of affordable units policy</p>	<p>As a community develops, and land becomes more valuable, a “no net loss” policy can ensure no affordable units are lost and older, cheaper stock is protected or replaced.</p> <p>A number of policy tools can be implemented to protect older, rental units when they due to be replaced or demolished:</p> <ul style="list-style-type: none"> • Require developers to connect with the local or regional government to explore alternatives to demolition. • Require standardized relocation plans and offer existing residents “right of first return” • Consider “rental only” pre-zoning for existing aging rental stock

EDUCATION AND ADVOCACY

TOOL	DESCRIPTION
Prepare Guides for Developing Affordable Housing	Municipalities can prepare guides to make it easier for housing providers to understand what they need to do to build units. Potential guides include a guide to the development approval process or a guide to the regulations and responsibilities that homeowners must meet to have secondary suites or add accessory dwelling units.
Advocate to Senior Government for Additional Tools and Funding	<p>Local governments should continue to work regionally and with other municipalities at Union of BC Municipalities and Federation of Canadian Municipalities to develop consistent advocacy positions. This includes:</p> <ul style="list-style-type: none"> • further funding for affordable housing • new planning tools and resources supported by Senior Government <p>Rural and smaller communities might consider forming inter-local government working groups to define goals collectively.</p>
Continue to Educate Residents on Value of Affordable and Supportive Housing Options	There are many tools developed by local governments and non-profits to combat NIMBYism and encourage community buy-in for a variety of affordable and support uses in traditional residential and higher-income neighbourhoods. Local governments can reduce negative perceptions of these uses through advocacy campaigns and long-term change management approaches.