



## **FORUM HIGHLIGHTS**

## **ACKNOWLEDGEMENTS**

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## INTRODUCTION

**Next to food, safe and affordable housing is the most important necessity for individuals and families.** Shelter costs are consuming a larger and larger share of household incomes; making other household necessities like food, clothing, transportation, daycare and education increasingly unaffordable. Alternatively, people find themselves forced to sacrifice safe housing in order to manage these other necessities. In recent years, the affordable housing challenge has become extreme in many communities, including Richmond, and has key implications for their future development. The current range of approaches available to address affordable housing is not adequate to meet the challenge. Locally, if left unaddressed there will continue to be negative consequences for many Richmond residents and the community as a whole.

**“Building Hope: Richmond Affordable Housing Forum”** held October 29/30, 2010 examined affordable housing strategies, explored options for building community capacity, learned from the experiences of other jurisdictions, and sought to engage private sector and non profits in discussions about providing affordable housing in co-operation with local, regional and senior governments. Only through working together will affordable housing options be built – social housing, rental housing and entry level home ownership, replacing uncertainty and anxiety with hope. The following reports include the presentations and panels that were heard and the dialogue from the wrap up session.



## KEY NOTE ADDRESS - DEVELOPING THE STRATEGY

**PRESENTER:** **Tim Wake**, Principal, Tim Wake and Associates

**SUMMARY:** In recent years, the affordable housing challenge has become extreme in many communities, including Richmond, and has key implications for the future development of our community. The current range of approaches available to address affordable housing is not adequate to meet the challenge. Tim Wake will discuss affordable housing strategies, supported by smart growth principles, and what is needed for affordable housing to be created.

## OPENING REMARKS

There are many challenges to face in moving from planning to action when building affordable housing. Metro Vancouver has the most expensive housing in the country. In BC it takes 11.4 years of an average wage earner income to pay for a house. However in Newfoundland it takes only 4 years. An increasing number of people in Metro Vancouver cannot afford housing. The lack of affordable housing puts pressure on rental market which in turn puts pressure on subsidized housing.

## CONTEXT AND REVIEW PROGRESS

### Affordable Housing Continuum

- Government Subsidized housing (emergency shelters, transitional housing, social housing)
- Middle Sector (Non Market Housing)
- Below market rental and entry level home ownership (housing without subsidy but below market housing)
- Market Housing

### Market Rental and Market home ownership

- Problem that has emerged over the past 10 years, young people cannot get into the housing market like was done in the past
- Middle Sector – household incomes of \$30,000 to \$70,000 – largest sector of the population are in this group – earn too much for subsidized housing but not enough to get into the housing market

- We have a process for developing subsidized housing and market housing and the system that has stopped working is for people in the middle sector
- Ideas for moving forward
- Gather housing sector stakeholders – City and senior levels of government, funders, developers, builders, non profit housing service providers
- Create a vision – everyone should have a home
- Confirm the nature of housing need – done in Richmond
- Identify potential sites within Richmond – city properties, redevelopment sites, vacant lots
- Form partnerships
- Assign responsibility and accountability – who is heading the team?
- Prepare a development plan
- Initiate the plan
- Measure results – number of units
- Review lessons learned

## **TOOLS TO CREATE AFFORDABLE HOUSING**

- Richmond strategy – councillors should review every six months, making strategy, developing plan is easy part moving to action is more challenging
- Choose best tools available to municipal governments to create affordable housing
- SPARC BC report: “Municipal Strategies to Address Homelessness in BC”, 2009 contains a list of strategies available to municipalities to address creation of affordable housing.

<http://www.sparc.bc.ca/resources-and-publications/category/45-affordable-housing-a-homelessness>

## **PROGRESS IN RICHMOND**

Richmond Housing Strategy has targets:

- Subsidized housing – social - 73 units



- Low end market rental - 24 units
- Low end home ownership - 243 units

#### Results of targets

- Subsidized housing –Remy development
- Low end market rental – 240 units underway in development process but not built
- Low end market home ownership – 244 in various stages of approval. Are these units as secure or affordable as we think? How do we keep them affordable over time? Price restricted housing?

### INSPIRE DISCUSSION FOR TOMORROW'S WORKSHOPS

The community needs to believe there is a need for affordable housing.

- Consider the issue of building affordable housing for the middle sector
- Building affordable housing requires partnership and expertise of all the stakeholders for housing

Richmond City is saying to developers if you want to build you will have to build affordable housing also, but there is a disconnect because very little is being built

- The creation of a housing organization that would act in the same way a developer would in market housing. The housing organization would engage all the expertise needed such as land owners, developers, funders, builders and service organizations and is at arms length from the City but works closely with the City and all the stakeholders.
- Start with a committee team of city councillors, developers, interested volunteers and housing service providers and have a “coach” to assist. Then organize to form a housing organization, hire professionals with expertise in affordable housing development with the first job being to get a project on the ground.
- To create affordable housing for middle sector need to hook on to the engine of the development sector, need to establish a system for creating affordable housing
- Density bonus to for extra affordable units, no additional land cost
- Affordable housing should look like market housing - integrated neighbourhoods (Tim provided pictures of current housing examples in Richmond of integrated housing).

- Developer can sell to housing organization or develop units for rental market
- Prototype for this approach – 60 West Cordova
- building a team – partners are Portland Hotel, Habitat for Humanity and *VanCity*
- 10 floors 108 units – 1-2 bedrooms
- affordable ownership/owner occupied, no rentals allowed
- Way forward in Richmond is to convene the partners (developers, non profits, municipal staff, elected officials) and start talking

Whistler Housing Authority (WHA) – wholly owned subsidiary of Whistler municipality – Steps taken by Whistler municipality

- brought various sectors together to develop and determine an implementation plan
- Set up a Housing Authority – arms length from local government, two councillors, two developers and a lawyer on board, which reports to and makes recommendations to Council
- Housing Authority is professionally run and performs a number of functions that the municipality and developers cannot do
- Funded by a surcharge on DCCs – \$6 million, then borrowed additional funds using the \$6 mill as leverage to build 144 rental units owned by WHA. Surplus rental revenue funds the housing authority, no property tax dollars required.



## OPENING REMARKS - HOUSING AND HEALTH

**PRESENTER:** Dr. James Lu, Medical Health Officer, VCH-Richmond

**SUMMARY:** When the cost of housing high (for example when it exceeds 30% of an individual or family's income – a figure used by Statistics Canada), it means there is less money for other life necessities. Dr. Lu will talk about the link between the availability of affordable housing and the well-being of individuals and benefits for the community.

### Presentation

- Housing captures every aspect of the World Health Organization's definition of health
- The 1986 Ottawa Charter for Health Promotion states that the fundamental building blocks to good health and well-being include housing, food, peace, education, income, sustainable eco-systems. Etc.
- Various other United Nations agreements and declarations also acknowledge that housing is a human right and prerequisite to good health

### Housing and Health consideration includes

- Physical condition of home
- Affordability – this is the driver
- Location of housing

#### 1) Physical Condition

- a. 15% of Richmond houses built before 1971
- b. 20% built between 1971 and 1981

Crowding, moulds, other contaminants, unsound and / or aging structure without adequate maintenance are physical conditions that can lead to health and injury concerns

#### 2) Affordability

- a. When spending excess of income is on housing resources are not available for other things like food, education and daycare

- b. Affordability of housing significantly impacts the health of the low and also middle income households.
- c. Stable housing reduces hospitalization for those with mental health challenges

### 3) Location

- a. Surroundings are important to health also
- b. Amount of physical activity (and health of individual) is related to distance to amenities for daily living such as a grocery store. If amenities are nearby, people more likely to walk and are more physically active. Our connections to our neighbours, our sense of belonging to our neighbourhood are also important to health.

### Measuring the impact of housing cost:

- Generally speaking housing cost should account for 30% or less of household income
- 33% or more of Richmond residents spend 30% or more of household income on housing – over represented by single parent households. In turn, the proportion of children living in households below the low income cut-off are over represented in single parent households.
- 44% of renters pay 30% or more on housing
- 25% of housing stock in Richmond is rental, compared to 50% of housing stock in Vancouver which is rental
- 40% of jobs in Richmond are filled by people living in Richmond
- A greater percentage of young workers in Richmond live outside of Richmond

## CONCLUSION

- What do we want for Richmond?
- Increasing diversity as a goal of housing strategy and it is necessary for a healthy community (social, below market rental, market rental, below market ownership, market ownership).
- If we continue limited diversity, we will end up as a huge “gated” city and people working in Richmond will have to live elsewhere because they can not afford to live here.

- Housing is a right and a prerequisite to health.
- The word “hope” in the title of our forum implies engaging both our heads and our passion. The statistics and numbers are there. We just need to put them together with our hearts. Hope implies trust. When we come together from different backgrounds and experiences, in good faith, we come together in trust.
- Passion, courage, persistence and patience – we have the hearts and the brains to make a difference together.



## SESSION 1A - FROM CONCEPT TO DEVELOPMENT APPROVAL

**PANELISTS:** Dana Westermarck, President, Oris Consulting

Linus Lam, Executive Director, Architecture for Humanity

**SUMMARY:** Development and design are important steps in creating affordable housing. Dana Westermarck, a specialist in rezoning applications and development approval will discuss the developer's role in creating affordable housing. Linus Lam will speak about new design options to create adequate, permanent affordable housing to meet current demands.

### FIRST SPEAKER - DANA WESTERMARK

- Developer of Remy: 81 units, affordable rental units. Partnership with BC Housing & SUCCESS for affordable housing. Province, City and non-profit for daycare
- Targeting market afford housing...close to Canada Line skytrain. Good access targeting = purchasers who decide not to own a car
- Taken 3 years to get through development stage to "ready to build". Economic downturn, financing, complexity of affordable housing
- 3 levels of priority: subsidized rental; low end market rental; entry level ownership.
- Proposal: 22 affordable housing units, remainder market units with daycare facility
- 5% of total units – six studio units; five 1-bedroom units; nine 2-bedroom units; and two 3-bedroom units
- Direct loss to project due to market rents in Richmond...not fair to buyer. Normally costs of projects would be passed on to buyers. 81 units owned and operated by BC Housing 33 units & SUCCESS's 40 unit under a Senior Rental Housing Initiative.
- 178 entry level ownership
- Rents will vary from deep subsidy to low end market
- Took over 3 years from application to development...which normally takes 2 to 8 months... so carrying costs of project were responsibility of Oris
- 22 required units were leveraged into 81 units
- Parking relaxation was achieved



- Process too long – difficult to put burden of affordability on single project

#### Lessons learned

- Don't be the first!
- City needs to be flexible and cooperative
- Collaboration needed between all levels of government and development industry
- LONG, DIFFICULT PROCESS
- Parking relaxations help make affordable housing work
- Density bonuses should reflect true cost
- Reduction in fees should be reviewed
- Non-Profits can get involved in affording housing
- Work with developer
- Have to have cash to contribute
- Land could be exchanged and used as equity
- Land must be owned, debt free and expect 20% of new units in exchange for land
- Cash equity can increase this %.

- More Lessons
- Be realistic and patient
- Can partner with City but must fill a need City has identified as a priority
- City has and collects revenue from developers for affordable housing
- Partner with BC Housing, VCH and community
- Develop a business plan and engage a professional
- Demonstrate strong community support to proposals
- Richmond is poised to grow rapidly as global economy recovers

Opportunities will be available to those who plan ahead

Dana Westermarck's Theme: Partnerships, be patient, be creative, get funding commitments early on. Key points partnership, equity.

## SECOND SPEAKER: LINUS LAM

- **Design is:** A negotiation between objectives, resources, context and people
- An ethical designer is also a mediator
- *Architecture for Humanity* – AFH goal is to educate the architect community and public about solutions.
- Mandate: Promotes architect architectural services & design solutions to global, social and humanitarian crises, often during disaster relief
- Local chapter in Vancouver...provoking conversation and get ideas out there and engage public
- Community outreach – bring architecture to schools and get youth involved in developing models
- **Affordable Housing** reminds architects that Vancouver is unique due to landscape
  - By 2040 Vancouver is expected to grow 54%
  - Challenges; population, scarcity of land and community planning

- Vancouver region up to 70% of income is spent on housing
- Affordable housing drives a certain type of housing production
- A good designer's responsibility extends beyond the client to the society

■ **Alternative thinking** fosters new key players and community building education and information

- Modular housing - temporary structures used in shelter, disaster relief. Cheaper, quick deployment, re-purpose and opportunity for refuge of some sort
- Permanent structures – more expensive, higher income solutions
- 3<sup>rd</sup> category – prefab technology unit is cost-efficient, affordable, reduces site construction time, opportunistic with modern quality and generates momentum for need for afford housing (*see Crawford presentation*)

■ **Modular Housing:** Recently hosted a public lecture - goal was to de-stigmatize modular housing and allay false perceptions

- Can be contemporary and pleasing aesthetically
- Access to light very important
- Create sense of community, smaller living quarters and creates more communal space
- Had a one day designer challenge and created new designs, utilized green technology, rain water, solar

■ City of Vancouver looking at modular housing as option – can still look good with pre-fab construction

*“Homeless population is an emergency and many at risk who are struggling to afford a roof over their heads.”*

*“To lose people from our community because of affordability is wrong.”*

*Linus Theme: “Everyone is part of the solution. Great presentation is how the “designer” can be part of that. Education of all sectors and public is key.”*



## SESSION 1B - AFFORDABLE HOUSING STRATEGIES

**PANELISTS:** John Foster, Manager, Community Social Development, City of Richmond

Craig Crawford, Vice President of Development Services, BC Housing

**SUMMARY:** Affordable housing strategies provide the framework for creating affordable housing in our community. Our panelists share what works and doesn't for groups trying to work with local government representatives in advancing affordable housing projects.

### FIRST SPEAKER: JOHN FOSTER

Background: The Affordable Housing Strategy was originally adopted by City Council 1989 and has been revised in 1994, 2006, 2007 and 2010. It is a living document and open to change and revision. The link is below.

[http://www.richmond.ca/shared/assets/Affordable\\_Housing\\_Strategy\\_-\\_200717702.pdf](http://www.richmond.ca/shared/assets/Affordable_Housing_Strategy_-_200717702.pdf)

Vision: Affordable Housing needs of the Richmond populations are met by the City managing its resources and working in partnership with the private sector, local groups, agencies and other levels of government.

Principles: The Strategy must be flexible and effective as well as balancing the needs of developers and the public. It should encourage projects with a variety of partnerships that will be financially viable in the long long-term

### PRIORITIES:

- Subsidized rental housing (currently: household income of \$31,500 or less)
- Low-end market rental (currently: household income of \$31,500 to \$51,000)
- Entry-level ownership (household income of less than \$60,000)

**Policies:** Policy priorities are to use target figures and regulator tools to map out work in progress and monitor strategic planning, thereby ensuring construction of units while working with others and consistent with the Official Community Plan (OCP).

### TARGET FIGURES AND REGULATOR TOOLS:

- 1) **Density Bonusing:** The City receives cash-in-lieu from developers of developments less than 80 units. This money goes into the Affordable Housing Reserve Fund. For residential developments with a total of 80 units or more, in order to receive a density bonus,

developers are required to build at least 5% of the total residential building area as affordable low-end market rental housing (minimum of 4 units; secured through a housing agreement). Density bonusing is also used for securing child care space and other community amenities.

- 2) Secondary Suites:** Secondary suites are now legal in most areas in Richmond.
- 3) Existing Stock:** The Strategy and the OCP require that existing rental stock be replaced one-for-one, in addition to new stock being built.
- 4) Incentives:** The City may expedite applications, review development cost charges, allow offset charges, or relaxation (e.g. parking reduction) for developers building affordable units.

## **OTHER POLICY AREAS:**

**Building Community Capacity:** Includes universal accessibility, eliciting proposals from community groups, distinguishing between operating and capital reserves in the Affordable Housing Reserve Fund, and maintaining communication channels between community groups, developers and the City.

**Advocacy:** The City has a role in advocating to senior levels of government for support and to request provincial and federal funding and tax incentives for new affordable rental housing construction. The City also works with Metro Vancouver in monitoring and reporting on affordable housing progress and needs.

## **ACCOMPLISHMENTS TO DATE:**

- 243 low end market rental units are secured but still not available for occupancy (annual target is 279 units)
- 246 market rental units are secured but still not available for occupancy (annual target is ?)
- 244 entry ownership units are secured but still not available for occupancy (annual target is 243)
- Secondary Suites legalized
- Coach Houses legalized
- OCP update
- Site acquisition (e.g., former KFC Site on Granville east of No. 3 Road)

- Affordable Housing Reserve Fund review - \$10 million
- Development Cost Charges under review
- Women and Children Shelter – City owned house (requires senior government commitment for operating costs)
- Rooming House Standards under review
- AHS links with the OCP and the Social Planning Strategy

## SECOND SPEAKER: CRAIG CRAWFORD

Continuum of Housing: BC Housing provides funding and administration for a continuum of subsidized rental housing: 100,000 units in BC comprised of 30,000 subsidized housing units and 70,000 + owner operated units (such as non-profit housing societies). BC Housing concentrates on low-income and supportive housing. They will provide assistance up to 100% of housing costs for incomes up to \$60,000.

To achieve affordable housing: BC Housing requirements are:

- Innovation and partnerships
- Connections and resources
- Strategy is evolving (not static)
- Links with other policies and processes

**Project Development Lifecycle:** Initial proposal – preliminary project approval – final project – commitment – construction.

**What works:** A suitable site, business plan, feasibility study, capital costs, operating expenses and community partnerships.

**Advice to groups:** If you want to build affordable housing you need lots of patience because the process is complex and can take from 5-10 years before completion. Be prepared for proposal calls.

**Land Costs:** Land costs are generally about 20% of the cost to build. Land costs are especially high in Richmond so it is a barrier to construction of low-cost housing and too expensive for housing options such as trailer parks.

**Modular Housing:** Prefabricated, mobile units are not less expensive to build than stick frame housing (\*\*see also Linus Lam's presentation)

**Other things to look at:** Using a Non-Profit model with a registered society, Growing partnerships with other government agencies such as: the Health Authority, BC Housing, the Federal Government, the Provincial Government and Local Government.

**Current Projects in Richmond:** BC Housing is currently involved with Ash Street property that is being rezoned for 6 lots of low-end ownership with possibility of up to 12 housing units with secondary suites.





## SESSION 2A - PARTNERSHIPS & FUNDING

**PANELISTS:** **Simon Davie**, Principal, Terra Housing Consultants (THC)

**Jonathan Bird**, Executive Director, City Gate Leadership Forum

**SUMMARY:** Partnerships are often the key to effectiveness in providing quality affordable housing. This panel will discuss building and maintaining collaborative partnerships that include all levels of government, funders, non-profit organizations and the private sector. The panel will also look at the land trust model currently in development in the faith community.

### FIRST SPEAKER: SIMON DAVIE, PRINCIPAL, TERRA HOUSING CONSULTANTS

#### OVERVIEW:

- The complexity of projects increasing. Also areas in which non-profits have some control.
- Aim for 80% of a building to be liveable space instead of corridors, lobbies, etc
- Construction costs drive 70% of total costs
- Operating cash flow
- The more cost effective the operation is, the lower the rent
- Interest rates and construction costs are the drivers
- Debt Coverage ratio: banks and BC Housing will want to see at 1.2 ratio

#### PROJECTS:

- **Example #1: Kiwanis Senior Citizens Project, North Vancouver:** 27 units at SAFER level History – community resistance to owner/developer's proposal. City allowed density switching to main site; Non-profit pulled in, land transferred to non-profit and Council approved. Was a \$5 million project... non-profit \$1 Million. Fixed price builder therefore fixed price interest.
- **Example #2: Lions, Vancouver** Found development partner. Whole site was divided into 3 phases. Market condos were part of deal, which allowed Lions to build building #3. #3 was built first, thus allowing existing tenants to be housed first.

- **Example #3 ANAVETS, North Vancouver** 76 Units Redevelopment project. 54 1-bedroom and 22 bachelor suites to replace 80 bachelor suites. In 13 years, still at rezoning phase. Proposal: Empty Anavets building first, new social housing building will replace it. Developer gets rest of the site for market housing - 5 story building. 5<sup>th</sup> storey still has to pass approval.
- **Example #4 60 W. Cordova** 108 units, 10 story building. Low-end home ownership. 12 units at subsidized rates, remaining 96 at low market rates. Owners cannot rent out suites. Reduced number of parking spaces brings cost down \$40,000 to \$50,000 per unit. *VanCity* mortgages for those making less than \$40,000/year. Developers are *Westbank Projects*, *VanCity*, *Habitat for Humanity* and *PHS Community Services*.

## SECOND SPEAKER: JONATHAN BIRD, EXECUTIVE DIRECTOR, CITY GATE LEADERSHIP FORUM

### C.E.D.A.R.S.:

- CGLF informs, equips and coordinates organizations and leaders for the spiritual and social renewal of the city
- C.E.D.A.R.S. is acronym for “Community Economic Development and Regional Sustainability”
- a non-profit (but not a charity) with a Christian Board of Directors
- Provides perpetual affordability as it ties resale formula to area’s median income rather than house prices so no additional subsidies necessary at time of resale
- The unit holder gets 99 year renewable and inheritable lease
- Land Trust has right of first refusal

## PROBLEM: HOUSING “LADDER” IS TOO SHORT

- Continuum Ladder-emergency> transitional> supportive> affordable rental>entry level homeownership
- Bottleneck effect
- Pressure from above spreads homelessness
- No pure market solution available
- Governments aren’t prioritizing top of ladder

## **SOLUTION: SELF-SUSTAINING NON-PROFIT ECOSYSTEM**

### **A. SOCIAL HOUSING**

- Build mixed used developments focusing on top of ladder
- Place units in Community Land Trust to preserve affordability and firewall equity partners in joint ventures

### **B. SOCIAL LENDING**

- Revolving Loan fund gives modest return to investors
- Proven to be low-risk and highly scalable
- Bridge financing and venture capital to CEDARS and third parties

### **C. SOCIAL BUSINESS**

- Different from social enterprise
- Profits returned to community-RLF equity capital, charitable endowment

### **COMMUNITY LAND TRUST (CLT) CLOSE UP**

- No additional subsidies needed for future unit holders
- Stewardship: Community interest <> household interest
- Right of first refusal allows gradual buy-out of market units
- Resale formula pegged to rise in Area Median Income

### **THE POWER OF MIXED USE**

- Initial ratio is 1 non-market for every 2.5 market units
- 2 bedroom units affordable to families earning \$36,000
- Accommodates other community spaces/uses: daycare, social enterprise, worship
- Creates firewall for equity partners (eg. 2 charities or denominations)
- Pooled equity attracts more money and lowers threshold for cash strapped organizations

## **WHY A CHRISTIAN CLT?**

- Non-denominational
- No faith criteria for joint ventures
- Makes church more effective partner in wider community
- Real property assets and finances
- Social capital (moral authority, public's expectations, wide range of expertise amongst parishioners)

## **RESPONSES TO QUESTIONS**

- It took us a while to figure out how we could bring everything together.
- The Bank said to get an option on land and come back. You need a demonstration project, a showcase project, should chose entry level ownership for quick in and out.
- The Land Trust could build a portfolio for investors.



## SESSION 2B - RENTAL SOLUTIONS

**PANELISTS:** **Alvin Singh**, Director, COPE

**Judy Peterson**, Coordinator, Surrey Rent Bank, Newton Advocacy Group Society

**SUMMARY:** Purpose built rental units have all but disappeared from the housing stock. Our panellists will discuss preserving current rental stock and creating new rental units, as well as a unique service, rent banks, which helps people with loans for rent, security deposits, utilities and arrears.

**FIRST SPEAKER: ALVIN SINGH, DIRECTOR, COPE**

### OVERVIEW

- Life transitions (marriage, family) are being delayed because incomes are not keeping up with costs
- 40% of low income Canadians live in a “working poor” family
- Immigration is the key driver to population growth
- Both New York City (NYC) and Richmond have finite land, high land costs and rapidly gentrifying neighbourhoods
- NYC is twice as densely populated as Richmond and builds about 17,000 units/year whereas Richmond builds only about 500 units/year
- Vancouver does not fund construction of projects (except in the case of the Olympic Village), instead they make available development sites through rezoning process
- NYC funds construction: since 1987, \$6.3 billion for repair, rehabilitation and new construction and is the largest municipal affordable housing developer in the US
- NYC The 2002 New Housing Market Place is a \$7.5 billion plan to create and preserve more than 165,000 homes and apartments by 2014
- By 2010 over 100,000 units have been built, converted or saved

## **POLICY INSTRUMENTS:**

### **A. INCLUSIONARY ZONING:**

- Density bonusing for guaranteed units of affordable housing
- Incentives can also include low cost to zero cost financing
- Mixture of incomes creates mentoring, increased business and increased education levels
- In Vancouver, cash in lieu of building units is not inclusionary – moves affordable housing off-site
- Inclusionary zoning in Richmond is better than in Vancouver
- Richmond Townhouse: 0.2 floor area ratio (FAR) bonus allowed if a cash contribution of \$2/square foot goes into the AH Fund; Apartments: if more than 80 units it is 0.6 FAR and units must be built

### **B. MIXED INCOME RENTAL PROGRAM:**

- Provides loan subsidies for new housing units (or substantially renovated) for individuals at 60% or lower than city's median income
- NYC loans are provided to developers interest free for up to 30
- Eligible projects must include either 20% of units for people previously homeless or 20% of units targeting households with incomes 40% or less than city's median income
- Mandated rent levels- 2006 examples for 1 bedroom: \$723/month - low income household (58% median income) and \$457/month - very-low income household (38% median income)

### **C. MIDDLE INCOME HOUSING STRATEGY:**

- Aimed at middle to moderate income households by constructing mixed developments
- Housing Authority remains the owner of the development, so it can make long-term revenue from rents
- Goal is to create whole communities with retail space, schools, parks, and cultural facilities



- Individuals targeted have an income of \$31,000-\$91,000/year
- Households targeted have combined income of \$55,000-\$158,000/year

## IDEAS TO IMPLEMENT TODAY

- 1) Create a *real* Housing Authority
- 2) Establish seed money through Provincial, Federal and City leveraged loans
- 3) Begin construction on City-owned land and with Authority-owned development
- 4) Mandate inclusionary zoning on all rezoning applications above a certain level
- 5) Don't wait for the Province to help

## SECOND SPEAKER: JUDY PETERSON, COORDINATOR, RENT BANK, NEWTON ADVOCACY GROUP SOCIETY

### OVERVIEW

- The *Surrey Rent Bank* started March 1, 2010 and is based on a Calgary model
- The SRB motto is "Loans for low-income individuals and families designed to keep you in your home."

### DETAILS OF PROGRAM

- Provides assistance for low income individuals and families in Surrey, White Rock or Delta residing at the rental property for which the loan is issued
- Supports people in need of stabilizing funds
- Provides low interest loans ( interest rate is 1.5% above Prime - currently 4%) normally repaid over 24 months but not to exceed 36 months
- Educational component: Voluntary Financial Literacy workshops on budgeting
- If they attend two workshops and pay the loan in its entirety they get their interest back
- Worker may make referrals to BC Credit Counselling
- Goal was a 71% repayment rate and the current repayment rate is between 82% and 92%

- Can borrow up to \$1,200 for individual and up to \$1,600 for family and \$500 for arrears or utility deposit
- Can pay back in full ahead of payment schedule with no penalty
- 1 in 3 loan applications are approved (must fit certain requirements)
- To date: Of 69 applications: 25 were approved and 67 remain in their homes
- SRB has partners in the business community eg: credit unions and foundations
- Main customers are the working poor who make less than \$16/hr. Most customers have more than a Grade 12 education

Q: Is there any opportunity for clients to give back in other ways?

A: Many are willing to come forward and talk to the evaluator about the experience. This lends more credence to the program.



## **VANCITY AND SURREY HOMELESSNESS AND HOUSING SOCIETY**

### **LUNCH BREAK PRESENTATION**

**PANELISTS:** **Vera LeFranc**, Program Coordinator, Surrey Homelessness and Housing Fund,  
*VanCity* Community Foundation

**Derek Gent**, Executive Director, *VanCity* Community Foundation

**Sandy McLeod**, Surrey Homelessness and Housing Society

**SUMMARY:** Established in 2007 with initial seed funding of \$9 million from the City of Surrey Affordable Housing Reserve Fund, the Surrey Homelessness and Housing Fund provides financial support to organizations and projects that work towards reducing homelessness and increasing access to housing in Surrey.

### **FIRST SPEAKER: VERA LEFRANC**

#### 1) Surrey's Homelessness and Housing Fund Partners:

- a. Surrey Homelessness and Housing Society
- b. *VanCity* Community Foundation
- c. The City of Surrey
- d. The Surrey Homelessness and Housing Task Force

#### 2) History of the Fund

The City of Surrey in 2007 actively a Task Force was formed to study the issue of homelessness in Surrey. Led by Counsellor Villeneuve, the newly formed task force was tasked with developing solutions. The City of Surrey had been growing an Affordable Housing Fund through levy's on development, however, not many were able to access this money, and it continued to grow. The Task Force suggested that the fund be separate from the City so that organizations could access it more easily, that the mandate of the fund could be broader to include dealing with homelessness. An RFP was issued. *VanCity* was the successful proponent. In order to make decisions about the fund, and to make granting decisions, The Surrey Homelessness and Housing Society, made up of members of the community, was formed. With a mandate to be: efficient, accountable, affordable, and sustainable.

### 3) The Role of the Society

The Society's role is to "Grow, Grant and Lead." The Society has a vision of doubling the fund in the next ten years and doubling the granting budget in five. As well, they have a mandate to make grants available to projects that make a measurable impact on homelessness. The Society will lead by supporting sector-based organizations, building an evidence-based practice by supporting relevant research, and taking a leadership role in bringing groups together.

### 4) The Society's Vision and Mission

"Everyone has a Home." Society members come from the faith community, business, developers, City, community agencies. The Society partners with *VanCity* with respect to administering and growing the SHHF.

### 5) Role of the *VanCity* Community Foundation

The Foundation provides expertise in investment planning, financial compliance issues and ensures due diligence for the SHHF. They also provide services to the Fund by:

- a. Leveraging funds
- b. Increasing the profile of the Fund
- c. Securing matching grants
- d. Providing program support
- e. Managing the Program and the Fund

### 6) Role of the City of Surrey

None of the foregoing could have been done without the City. They provide expertise, support and funds.

### 7) Role of the Task Force

The Task Force continues to provide expertise. The Society values the work of the Task Force, and feels it is important work that can't be done off the side of someone's desk. Staff is required.

8) Composition of the SHHF

The City Funds (\$9 million) were put into a *VanCity* Endowment. It is different from an ordinary endowment because the Society can use it to draw down funds (in regular endowment funds you can only draw out the interest)

9) Granting Arm of the Fund

The first grant the Society disbursed was \$1 Million, which went to Atira, Maxxine Wright Centre. Ongoing grants are disbursed from the income of the fund. Two specific types of grants are offered, an Annual Grants, and Responsive Grants.

10) Accomplishments of the Annual Grant Program

In 2009, 37% went to direct support for clients; 2% to community capacity building; 37% to creation/access to housing and the remaining 24% to homelessness prevention.

11) Where are we going?

The aim is to double the Fund in 10 years and to double the granting budget in 5 years.

12) Partnerships-what NOT to do?

Collaborate don't duplicate services when writing up a grant proposal. Use original and specific letters of support, not form letters.

Contact:

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## SESSION 3A - BUILDING COMMUNITY CAPACITY

### WHAT DO COMMUNITIES NEED TO CREATE AND SUPPORT AFFORDABLE HOUSING?

**PANELISTS:** **Lorraine Copas**, Executive Director SPARC BC (Social Planning and Research Council of BC)

**Monte Paulsen**, Contributing Editor The Tyee & Co-founder of Cityhome

**SUMMARY:** Social housing has waitlists that extend for years. Vacancy rates for rental units are very low. Due to shortages in affordable housing options, those who have affordable housing are not able to improve their housing situation. Panellists will discuss solutions to the affordable housing crisis.

#### FIRST SPEAKER: LORRAINE COPAS, EXECUTIVE DIRECTOR SPARC:

SPARC is an organization with a 40-year history. SPARC BC works with communities across British Columbia and operates as a social enterprise. SPARC BC receives funding through providing research and consulting services on a diverse range of social policy topics including affordable housing and homelessness. Their mission statement is “working with communities to build a just and healthy society for all.” Key priorities for SPARC BC include Accessibility and Inclusion, Income Security and Poverty Reduction and Community Development and Education.

Building Community Capacity: In order to build “capacity” or the ability to take on and complete initiatives, a number of considerations should be reviewed:

#### 1) Roles and Contributions to the Decision

- Both the Federal government (CMHC) and Provincial government (BC Housing) provide funding and expertise
- Municipal government provides community knowledge, regulatory/zoning information, expertise, facilitation/coordination role and some funding (but do not have the ability to close the funding gap without funding from other levels of government)
- Non-profit/Coop Housing Sector and other non-profit organizations provide community knowledge, understanding of clients, innovation, and sometimes have the ability to contribute equity in the form of land or capital.
- Private Sector provides technical knowledge, innovation, potential efficiencies

#### 2) Understanding the Needs in the Community

- Affordability challenges-high cost of housing in Richmond
- Homelessness challenges-people being pushed out of housing
- Needs cut across different sectors of the community
- Different strategies needed for different parts of the continuum
- Challenge to add supply where it is needed most
- Targeted strategies and partnerships needs at the “deep end” (those who spend more than ½ of their income on housing)

### 3) Identifying Alternatives and Potential Partners

- Partnerships are needed to address the housing needs that communities face in their communities – it is important to develop strategies that bring all of the different partners to the table.
- Federal Government (CMHC)-to provide capital or operating subsidies to make affordable housing more available
- Provincial Government (BC Housing)-to be a partnership model and work with municipalities
- Municipal Government-to carry out community process and decide on community plans and priorities

### 4) The Range of Potential Strategies Available

- Adopt a mix of strategies
- “Demand side” strategies to reduce the cost of housing for eligible households
- “Supply side” strategies that help increase the supply of affordable housing
- Promote and support mixed income communities that recognize and support the diversity of needs
- Build partnerships
- Recognize the need for targeted strategies at the low end

### 5) Concluding Comments

- Educate people to understand affordable housing is a fundamental component of a complete community
- Recognize the contributions that affordable housing makes to other aspects of community life: social diversity, economic competitiveness, individual and family wellbeing, economic stability and individual security

## **SECOND SPEAKER: MONTE PAULSEN: CO-FOUNDER OF CITYHOME**

The non-profit society City Home was developed in the last couple of months. City Home will be concentrating on reloadable homes (eg. shipping containers) and infill sites (building small suites for around \$150,000). For any of this to work we need partnerships and a mix of strategies.

- 1) **Building Partnerships:** In real partnerships, all partners need to thrive and succeed. Partners include the taxpayer, homeowners, faith-based groups, housing co-ops, non-profit societies and developers.

### The Taxpayer

- Housing groups need to speak about why social housing is necessary
- Examples: The community loss vibrancy and creativity when young people can't afford to live there, In BC homelessness costs more than just housing people.

### Homeowners

- Encourage and support infill housing, laneway housing and secondary suites

### Faith-Based Groups

- They tend to own undeveloped land and usually require a housing organization to walk the through the steps

### Housing Co-ops

- Encourage existing co-ops to use their equity to densify their sites

### Non-Profit Societies

- They have a good record of partnering well with the Province (BC Housing)

### Rental Developers

- Developers are needed for complicated family housing and if given enough incentives they will build rentals

## 2) Affordable Development Strategies: Use a mix of strategies in a community.

### Density Bonusing

- Use in conjunction with whatever BC Housing requires and/or favours

### Rooming Houses

- Only need a permit and license and can use houses already in existence
- Need very little public money to start up but operators need training to run well

### Secondary Suites

- Richmond has made them legal but process to register should be low barrier
- Brings taxpayers on board as taxpayers get income

### Laneway Cottages

- Look to Vancouver's successes and problems and what fits in the neighbourhood
- Many are too large to be affordable and cost \$250,000-\$300,000

### Housing Co-ops

- Reach out to the Co-op Federation of BC; their locked equity in co-ops could translate into real housing

### Shared Equity

- Also called "Options for Homes" in Toronto at [www.optionsforhomes.ca](http://www.optionsforhomes.ca)
- Buyer only purchases 80% of the unit and could buy-back 20% in future

### Fee-Simple Row Houses

- Pre-approved modular or prefab homes, especially close to commercial strips
- In New York 500 sq. ft. row house sold for \$140,000

## Passive Haus

- Whistler example-heat cost = hair dryer on low setting, better than LEED and only 10-15% more cost than conventional housing

## QUESTIONS AND ANSWERS

Q. What is the 20/20 Vision in Co-ops?

A. Most co-op mortgages will be paid off by 2020. Originally built for families, many residents now want to retire in place. Developers who want to re-develop want part co-op and part market housing. But if you convert co-ops you take away affordable family units. So a new financial strategy is needed for “next generation co-ops.”

Q. What is “Price/ Door?”

A. When renters think of the cost of housing, they think of the price of rent and maintenance (price per door) not the price per square foot. In Austin TX they require energy cost disclosure before sale to give the true cost of housing.

Q. With a little financing, as a builder I could build small affordable homes but the bureaucracy is so high.

A. Builders need certainty so the price/door is a good metric to use. But with \$44,000 as the median income you can’t build and subsidies are still needed.

Q. How can renters get better housing?

A. 1. Contact Co-ops and get on their waiting list, 2. Get pre-qualified for entry-level units that will be coming on line, 3. Push for mixed income communities that provide for vibrancy and diversity.



## **SESSION 3B - WITHIN CITY LIMITS**

### **THE CHALLENGES OF SECURING HOUSING FOR INDIVIDUALS WITH ADDICTION AND MENTAL HEALTH ISSUES**

**PANELISTS:** **Brendan O'Brien**, Counsellor, Turning Point Recovery Society

**Liz Evans**, Executive Director, PHS Community Services Society

**Darrell Burnham**, Executive Director, Coast Mental Health

**Sean Spear**, Assistant Director, Rain City Housing

**SUMMARY:** Featuring personal testimonies of Richmond residents and presentations by non-profit providers of supportive and affordable housing in other areas of the Lower Mainland.

#### **BRENDAN O'BRIEN, COUNSELLOR, TURNING POINT RECOVERY SOCIETY**

My name is Brendan I'm 44 years old and have been in recovery and clean and sober for 5 years. My journey started at Turning Point where I stayed as a resident for approx 6 months after which I was able to get an apartment in Richmond with the generous help of Richmond Mental Health and an Addictions Housing Subsidy. Even though I had had much success in my life, having gained a BA in Art History from McGill University and held some very good job positions I was no match for my addiction to drugs & alcohol. It was therefore crucial for me to have the assistance of that subsidy in my early recovery to get me back on my feet and I will be forever grateful for this.

Turning Point was a last resort for me; I had been homeless for a year and living on the streets and it terrified me. Being homeless and sick and tired of living in my addiction was the main reason I eventually sought help. I didn't find myself in that predicament overnight and there is no way I could have turned things around overnight. So it was with much gratitude that I found the care and support that I needed at Turning Point to gradually turn my life around to become a productive member of society. The staff at Turning Point was invaluable helpful in connecting me with the services in the community which I so desperately needed not the least of which was the counsellors at Transitions, who in turn connected me to Richmond Mental Health. It was there with the help of staff there that I was able to apply for and receive the housing subsidy which I believe was critical on the road back to fully rehabilitating my life.

#### **LIZ EVANS, EXECUTIVE DIRECTOR, PHS COMMUNITY SERVICES SOCIETY**

The PHS began as an organization for people who didn't fit anywhere in existing services / housing

I simplistically thought things could be fixed – 25 Year old idealistic nurse, but instead, I found a pit of human suffering that was not easily “repaired”. This affected me intently, and I had to see how my own pain was connected to this.

I had to find ways to identify more with the strengths – in all of us, and less in the sadness which for me meant to begin by embracing these feeling of hopelessness – rather than running from them.

In spite of the very real challenging, the work we have done has taken place in full awareness of the reality of the population – rather than pretending they will change if we demand or want them to... So, programs, housing, and supports are relevant to the very real stories that we have been part of.

This has required hard work, creativity, tenacity, and a dedication to addressing the complex housing and social needs of people who have been left out of mainstream supports.

Don’t be afraid of the real stories – to hear what really matters to people, rather than hoping they will say what we want to hear – tough decisions around how to keep people housed. Can’t be paternalistic or bring our own values if we chose to address the complex housing and support needs of this group.

We need to bring these same attitudes and approaches that we bring to the residents in our community, to the various funding partners, if we are to work outside of the box to meet the needs of this group that “don’t fit”.

Looking to the strengths of the various funding organizations – what they can bring. Be flexible and creative around how to pull partners together. Challenging the status quo approach, rather than assuming that the way it’s always been done is the only way to do it. Examples; Pennsylvania Hotel – Complex partnership with Metro Vancouver Housing Society, the Federal Government (CMHC), The City of Vancouver, a Private Developer, and BC Housing.

### **DARRELL BURNHAM, EXECUTIVE DIRECTOR, COAST MENTAL HEALTH**

Coast Mental Health was created in 1972 in response to the growing need for services in the community for people recovering from a serious mental illness. Since its inception Coast has not only focused on services but has also placed emphasis on participants being members of Coast who have a role in determining priorities and how services are provided. Coast's mission adopts the concept of community as the foundation of what Coast does.

Today Coast Mental Health provides supported housing to nearly 800 people, help hundreds find paid work and volunteer activities each year, and provide community services for people with a mental illness. By 2012, we will house over 1,100.



Recovery from a mental illness is more than taking pills: we focus on maximizing each person's ability to function in daily activities.

Coast recognizes one of the greatest needs of people with a mental illness is for safe, secure and affordable housing with appropriate support. Coast has pioneered the development of supported housing in the province through the following programs: Coast Apartments Blocks, Supported Independent Living Program, Satellite Apartments and the Transitional Housing Program.

We operate throughout Metro Vancouver and are currently developing a new site on Dunbar and 16th Avenue in Vancouver. Since the beginning of this project we have been facing significant NIMBY issues but with support from the City and BC Housing we have been making good progress with the concerned residents and merchants in the area. We are working with the neighbours and have developed a Community Advisory Committee to address concerns. The number 1 issue on our committee now is how to welcome our residents and help them assimilate into the community. This is a very positive and encouraging step.

NIMBY is about fear and a lack of understanding about what we do and who we serve. Facts are not important...it's feelings and for those opposed to our projects the fear is real. We've learned how to listen and help people to work through the fear so that the residents in the area are looking for ways to be more welcoming of our future residents. This is the respectful approach and it is a process that works.

### **SEAN SPEAR, ASSISTANT DIRECTOR, RAIN CITY HOUSING**

RainCity Housing and Support Society, formerly Triage Emergency Services & Care Society, is a grassroots organization built around compassion, purpose and a commitment to delivering progressive housing and support solutions for people living with mental illness, addictions and other challenges.

The people who benefit from the services of RainCity Housing are treated with dignity and respect, and are offered a safe place to live, independence and improved quality of life.

Since 1982, RainCity Housing has provided shelter and housing for thousands of people in the Lower Mainland. With a proven track record, a strong leadership team, and a clear vision for the future, RainCity Housing is a leader in finding workable, cost-effective solutions that ultimately benefit everyone in our community.

RainCity is similar in many ways to Portland Hotel Society and Coast Mental Health and we've faced the same NIMBY issues as our colleagues; most significantly when we opened our project on Fraser Street a few years ago. Hundreds and hundreds of people opposed the development and were very vocal about their concerns, but time has helped our neighbours to understand what we do and the people we work with resulting in much better relations. .

We believe the Fraser Street project has been successful because it was supported by the City and the Province and because we welcomed those with concerns to come and tour the site. People were willing to engage in dialogue which made a difference. By talking about the issues we were able to move through the fear.



## SUMMARY REPORT FROM BUILDING HOPE HOUSING FORUM

### DISCUSSION ON NEXT STEPS - OCTOBER 29<sup>TH</sup> AND 30<sup>TH</sup> 2010

Discussion took place on the formation of a housing society or authority to facilitate moving forward on affordable housing projects in Richmond. It was generally expressed that the current model of City directed process was not accomplishing the level of action needed to meet current needs. It was felt that an arm's length entity with representation from existing housing groups, community NGO's, faith communities, statutory entities, developers, school district and existing Co-ops would be more effective in advancing projects and leveraging opportunities to realize the housing needs for residents of Richmond. A legal entity with the ability and expertise to support various functions such as; community education, project planning, project prioritization, training and investing and leveraging of funding would be better able to formulate and action housing solutions for Richmond residents with a goal of realizing actual bricks and mortar affordable housing for Richmond.

### RECOMMENDATION:

Establish a housing society<sup>1</sup> with representation from existing housing groups, community NGO's, faith communities, statutory entities, developers, school district and existing Co-ops that would operate in an arm's length manner from the City of Richmond to plan for and build affordable housing for various sectors of Richmond residents

While the establishment of a housing society was foremost for next steps some interim actions were also suggested. Current housing groups and interested residents could coalesce to form a strategic coalition with specific goals to advance housing projects. The current stable of Co-op housing in Richmond provides opportunity for leveraging future projects. As they near mortgage dissolution, Co-ops could have the means and the leverage and property ownership to advance further housing projects in Richmond. Increasingly faith communities are taking further action on the social services front and stepping up to find solutions for vulnerable populations. At the same time there is a marked increase of social consciousness in some developers to use there means and expertise to realize a better quality of life for all residents. As such the timing would seem opportune to align key partners that have the means and those with the political will and business acumen to drive projects to completion.

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<sup>1</sup> A housing organization is a non-profit entity dedicated to providing and managing non-market housing stock that is for rent or purchase by qualified individuals and families. It can be the repository for affordable housing units created through density bonus, inclusionary zoning and a housing fund, and also monitor affordable housing needs in a community. A housing organization can serve one or more municipalities, or a region. It can be controlled by a local government or be an independent non-profit society, cooperative or corporation. *Page 63 Affordable Housing Tool Kit Smart Growth BC.*

**RECOMMENDATION:**

Current housing groups to act in bringing together Co-ops, BC Housing, faith communities and developers that are interested in leveraging funds and land to achieve housing solutions.

**RECOMMENDATION:**

Current housing groups and faith communities to align in raising awareness within the community at large of the current housing needs and develop educational forums and tools to support dialogue and understanding of how the community can work together to support change and enhance community understanding of the affordable housing needs.

## QUOTES FROM THE DAY

*"Wow, great turnout of people today and lots of passion for this topic"*

*"The table is set the time to begin is now"*

*"There is no longer any excuse to sit on our backsides"*

*"We need to ensure housing for the vulnerable people in our community"*

*"The time for planning, talking is done – it is now time for action"*

*"We can't allow people who are not supporters of housing solutions to intimidate our Council"*

*"We have great partnerships that we need to translate into action! Let's do it!"*

*"I look forward to the day I can be a homeowner in the community I have lived in for 43 years"*

*"So many organizations are involved surely we can make a difference, it is time to do something"*

*"If it can be done in other communities – it can be done here"*