



**Council Member Motion
For the Committee of the Whole Meeting of November 8, 2018**

Date: November 8, 2018
From: Councillor Collins, Councillor Potts, Councillor Dubow
Subject: Adopt and Consistently Apply the CMHC's Definition of Affordable Housing

Background

The City of Victoria uses the Canada Mortgage and Housing Corporation (CMHC) definition of affordable housing in the Victoria Housing Strategy:

The Canadian Mortgage and Housing Corporation (CMHC) defines affordable housing relative to income, as housing that costs less than 30% of before-tax household income. For renters, shelter costs include rent and any payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments, property taxes and any condominium fees along with payments for electricity, fuel, water and other municipal services. Affordable housing is a relative term and can also be defined relative to market prices. The City of Victoria defines affordable housing as costing no more than 30% of gross household income. This Strategy uses this definition to define the limits of affordability, based on a range of incomes to determine the number and types of units required by 2026 based on average rental prices coupled with population growth projections. These figures were used to ascertain high level targets for market and affordable (subsidized) rental for individuals and for families.

More recently, in July 26, 2018, Council adopted Bylaw 18-017, amending the Zoning Regulation Bylaw to include the following definition:

“Affordable” means housing that falls within the financial means of a household in either market or non-market dwellings. Total costs for rent or mortgage plus taxes (including a 10% down payment), insurance and utilities must equal 30% or less of a household’s annual income.

Despite the use of the CMHC’s definition in Victoria Housing Strategy and in the Zoning Regulation Bylaw, the definition is not being consistently applied in the development and rezoning processes.

Recommendations:

That Council:

1. Adopt and consistently apply the definition of affordable housing, as housing where the price does not exceed 30% of the gross annual household income for very-low income to moderate income households. Ensure this definition is used consistently in rezoning processes.
2. Direct staff to notify council about the number of affordable units in each rezoning proposal, as well as for which incomes brackets the affordable units are targeted.
3. Direct staff to report on a quarterly basis on the number of affordable units built or under construction, as well as for which incomes brackets the affordable units are targeted.
4. Direct staff to report back with recommendations on other improvements to processes for data gathering and reporting on affordable housing.

Laurel Collins



Sarah Potts



Sharmarke Dubow

