

Committee of the Whole Report Back – COVID-19 Recovery
For the Meeting of June 4, 2020

RECOMMENDATION

That Council endorse the following Victoria Housing Strategy priorities in 2020 to improve housing security as part of COVID-19 recovery:

1. Advance and support the rapid supply of affordable and supportive housing with government partners and non-profit housing providers;
2. Bring forward an expanded Rental Property Standards of Maintenance Bylaw for consideration;
3. Develop a Rental Property Licensing Bylaw to prevent renovations and demovictions;
4. Explore the creation of a non-profit administered rent bank on a pilot basis.

COUNCIL MOTION

1. That staff explore opportunities, reprioritize, expedite, or amend actions within the Victoria Housing Strategy to address certain growing housing precarity within Victoria.
2. That, via Council liaisons, staff solicit written recommendations from existing City Task Forces and Committees regarding potential actions to support housing security.

ISSUES, ANALYSIS, OPTIONS

The *Victoria Housing Strategy Phase Two: 2019-2022*, developed in response to a housing crisis, is already well positioned to support COVID-19, as it:

- **Focuses on supporting very low-moderate income households.** Phase Two states that 50% of non-market and market housing developed in the City needs to be affordable to very low to moderate income households to meet existing and future demand.
- **Places priority importance on renters.** Phase Two outlines key actions that will incent the creation and retention of rental housing, protect tenancies, and ensure tenants are engaged in housing decisions.
- **Establishes truly affordable rent targets.** Phase Two tethers its definition of affordability to the renter median income to ensure rent targets are truly affordable to renters in Victoria.

Council endorsed a prioritization of actions with the adoption of the Strategy in July 2019 to bring forward the most affordable housing the fastest. Staff have been working towards that goal while continuing to oversee the ongoing implementation of existing policies and other critical operational matters. Below is a table of priority actions and their status as of June 2020:

Priority Action	Current Status
Family Housing Policy	Economic analysis and design guidelines planned; consultation delayed due to COVID
Housing Agreements	Underway as part of Secured Rental Policy
Housing Strategy Working Group	Postponed to 2021 Q1

Priority Action	Current Status
Implement DOME (Data Outcomes Monitoring and Evaluation)	Underway and ongoing
Inclusive Housing	Deferred to Equity Framework
Market Rental Revitalization Study Energy & Seismic Pilot	Request for Expression of Interest (RFEI) drafted to solicit participation by interested building owners; launch postponed due to COVID
Rental Property Licencing Bylaw	To follow Rental Property Standards of Maintenance Bylaw
Rental Property Standards of Maintenance Bylaw	Underway; delayed due to court action in the Lower Mainland; further delayed due to Tenant Ambassador deferral
Residential Rental Tenure Zoning	Initiated in 2019; delayed due to UBC Study
Review and Update the Zoning Regulation Bylaw	Planned in conjunction with Local Area Planning and Missing Middle
Secondary Suite Expansion	Postponed to 2021
Secured Rental Policy	Underway; consultation planned for July 2020
Tenant Ambassador	Position postponed for review in August 2020
Tenant Engagement Strategy	Completed 2020 Q1
Missing Middle Housing Initiative	Underway; delays in consultation due to COVID; targeting 2021 Q1 completion

Council also directed staff to encourage more housing choice and to consider future housing supply and affordability in neighbourhood villages and along key transportation corridors.

Villages & Corridors in Local Area Planning	Underway; delays in consultation due to COVID; targeting 2021 Q1 completion for Phase 1
House Conversions	Underway; public hearing delayed due to COVID

COVID Response

The COVID pandemic has exacerbated the existing housing crisis and increased precarity for renters, particularly those in core housing need. Rental housing builders, owners and operators are also experiencing risk and uncertainty, which could impact the development and retention of critically needed housing stock. Forecasted outcomes include a potential drop in housing values and slowdown in the real estate sector, though these impacts have not yet been seen in the Capital Region.

The crisis has also cooled the short-term rental accommodation market, which could increase long-term rental supply and even reduce rents in the future. The severity of these impacts have been softened by senior government interventions, including income and rent supplements, as well as an unprecedented rapid response to homelessness by the Province. The full extent of the challenges for renters and the housing sector are currently unknown—there may be some lasting impacts while others may be short term.

Renters Advisory Committee Input

In consideration of reprioritization of the Housing Strategy, staff consulted with The Renters Advisory Committee (RAC), which is the key committee focused on housing issues in Victoria. The RAC was involved in the development of the Victoria Housing Strategy and continues to provide ongoing input and advice to the City on housing matters. City staff solicited the RAC's feedback on this reprioritization through an online survey, where members were asked about actions staff were considering expediting for COVID response. The survey also advised of proposed postponements and asked whether RAC members had additional ideas for work the City could be taking to address housing precarity at this time. The survey responses, included in Attachment A, indicate a very high level of overall support for the RPSOM Bylaw and Renoviction Bylaw, and a high level of support for a Secured Rental Housing Policy and Rent Bank actions. No new actions were presented through the survey for consideration.

Proposed Reprioritization and Adaptation of Housing Strategy Actions

With these considerations in mind, staff recommend Council consider reprioritizing Housing Strategy actions to address housing security first, with actions divided into Immediate Response with a Focus on Renters, to serve people first, and Planning for the Future to consider the City's housing needs moving forward. Staff will also continue to undertake operational work to ensure the City's existing policies to promote housing security continue efficiently.

Immediate Response with Focus on Renters (2020)

1. (Amended) Advance and support opportunities for a **rapid supply of affordable and supportive housing** with government partners and non-profit housing providers including a staff-level interdepartmental working group.
2. Expand and adopt the **Rental Property Standards of Maintenance (RPSOM) Bylaw**, to ensure rental properties are appropriately maintained. Staff will be bringing forward this bylaw with an expanded scope and implementation plan in 2020 Q3.
3. Create a **Rental Property Licencing Bylaw** to prevent renovictions and demovictions with a goal to align as closely as is feasible with the removal of the provincial eviction moratorium.
4. (New) Explore the establishment of a **Rent Bank**, operated by a non-profit society (through a funding call), in preparation of discontinued provincial subsidies, on a pilot basis. The provincial Budget 2019 outlined funding for this work, so subsidies may be available and can be explored by staff.

Planning for the Future (2020/21)

1. Secured **Rental Housing Initiative** to incentivize purpose-built rental development and consider additional incentives to achieve below-market units onsite. This work will include
 - a. Consultation on alternate ways to implement **Residential Rental Tenure Zoning** to create new rental housing and protect existing rental apartment stock.
 - b. An update to the **Rental Replacement Policy** to encourage the retention of existing rental apartment buildings, and to improve outcomes when rental buildings are redeveloped, including achieving a net increase in rental units onsite and limiting tenant displacement.
2. **Missing Middle Housing** to encourage more housing choice.

3. **Affordable Housing in Local Area Planning** for Villages & Corridors to consider future housing supply and affordability in neighbourhood villages and along key transportation corridors, including consideration of rental incentives to encourage market and affordable rental development.

Ongoing Operational Work Related to Priority Actions

- Tenant Assistance Policy implementation and review of Tenant Relocation Plans
- Victoria Housing Reserve Fund application review
- Advising on housing developments and negotiations for housing affordability
- Development Outcomes Monitoring and Evaluation (DOME) to track, monitor, and provide data to inform policy recommendations.
- Housing Strategy Annual Review to track progress and guide prioritization based on current need.

OPERATIONAL IMPLICATIONS, DEPENDENCIES AND RISKS

Postponed Projects and Actions

Several housing actions originally slated for 2020 will be postponed as a result of this reprioritization, including:

- Energy and Seismic Pilot Project
- Secondary Suite Expansion
- Secondary and Garden Suite Grant program
- Garden Suites Policy Amendments
- Tiny Homes
- Housing Strategy Working Group
- Family Housing Policy
- Tenant Ambassador Position.

Resourcing

Staff will work within current resources and budget constraints to bring forward new initiatives as expeditiously as possible. Some projects will require additional resources to complete which may not be yet identified. For example, the Rental Property Licencing Bylaw is expected to require additional staff capacity and resources to implement and enforce. Resource options will be provided when these actions are brought forward to Council for consideration.

PUBLIC IMPACTS

The proposed reprioritization of the Victoria Housing Strategy for COVID response puts a primary focus on housing security. The immediate actions will provide protection and support for renters facing housing precarity and will incentivize the development and retention of secure rental housing across the City.

Most of the actions recommended in this reprioritization were already contemplated in the *Housing Strategy*, which was informed by extensive public engagement. However, the reprioritization may be of concern to those who had been anticipating earlier start dates to certain actions, such as an expansion of the garden suite policy or consideration of Tiny Homes in residential communities. Rental Housing developers and owners have also expressed concern with additional municipal regulations that exceed those in the Residential Tenancy Act such as a Rental Licencing Bylaw.

IMPACTS TO FINANCIAL PLAN

Reprioritizing Housing Strategy actions will not have an immediate impact to the Financial Plan. However, when certain actions are brought forward, additional resources will be presented for Council consideration (for example implementation and enforcement of a renoviction bylaw, and consideration of a rent bank).

CONCLUSION

Housing precarity in Victoria created by the housing crisis has been exacerbated by COVID. While encouraging the supply and diversity of housing for very low-moderate income residents was already a key goal of the *Victoria Housing Strategy*, along with a priority focus on renters and renter households, the recommendations in this report, provide a stronger focus on actions to alleviate housing precarity and ways to implement these actions as quickly as possible.

List of Attachments:

Attachment A: RAC Feedback Survey Results

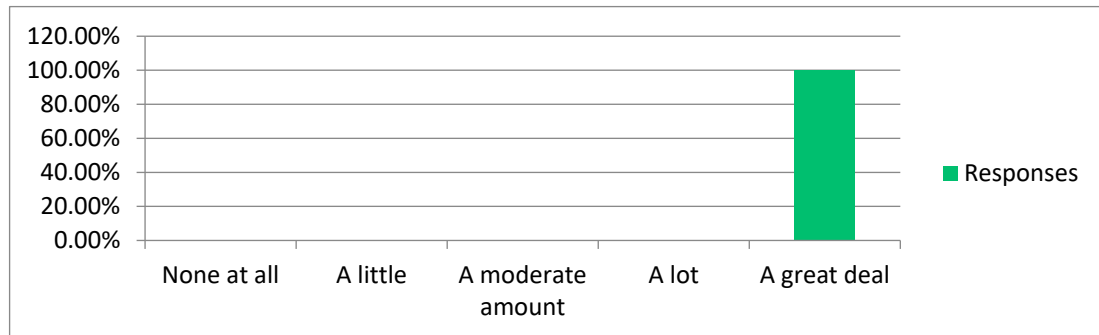
Attachment A: Renters Advisory Committee Survey Responses

Total Survey Respondents: 5

Total Incomplete Surveys: 4

Here are some of the existing actions that we're considering expediting in 2020: 1. A Renoviction Bylaw to protect tenants. Following adoption of the RPSOM Bylaw, staff can move forward with a Renoviction Bylaw with a goal to expedite this work to align as closely as is feasible with the removal of the provincial eviction moratorium, and will include enforcement, implementation, and resource considerations. What is your level of support for this action?

1. **A Renoviction Bylaw to protect tenants. Following adoption of the RPSOM Bylaw, staff can move forward with a Renoviction Bylaw with a goal to expedite this work to align as closely as is feasible with the removal of the provincial eviction moratorium, and will include enforcement, implementation, and resource considerations. What is your level of support for this action?**

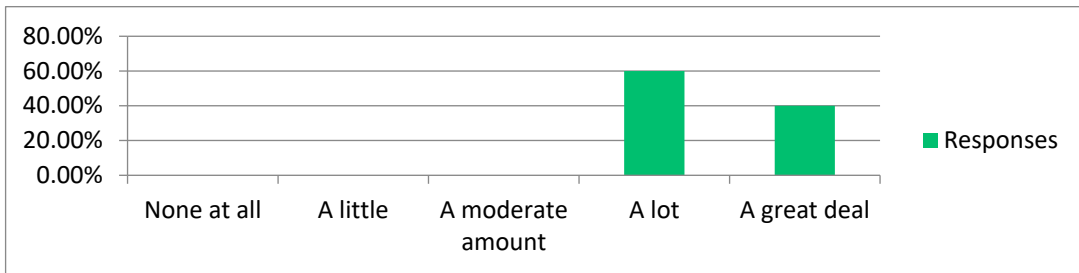


Please provide any further comments if needed:

- This is an important issue to protect affordable housing in the city and those that depend on that affordable house. I am worried that renovictions will go up after the state of emergency is lifted
- In addition to preventing reno-victions, the bylaw should also address evictions related to demolitions and change of use (eg from rental to short-term rental or condo)

2. **The Rental Housing Project to create and protect rental housing. This project combines several priority actions to support the creation of new market and affordable rental, while protecting existing purpose-built rental apartments. These actions include, a Secured Rental Policy; development process efficiencies for affordable housing; an update to the Rental Replacement Policy; Residential Rental Tenure Zoning; and utilizing housing agreements to reduce barriers faced by renters in new development.**

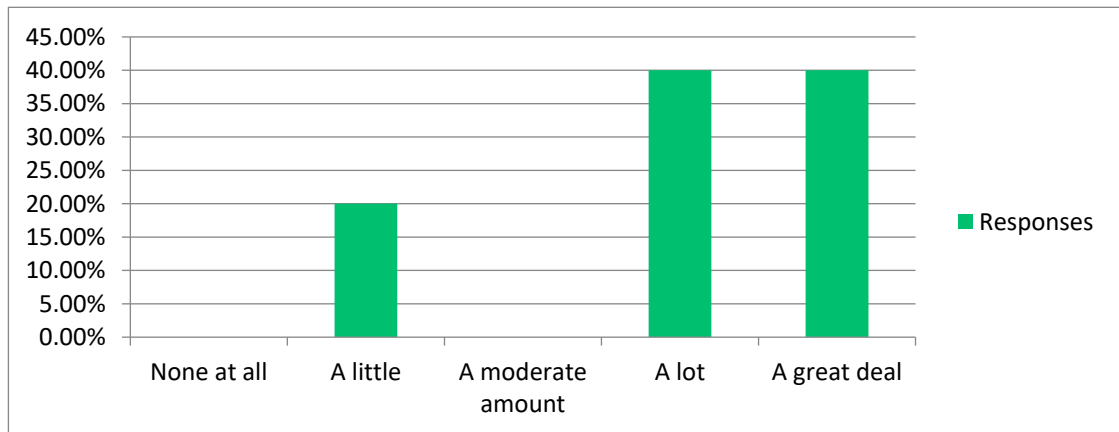
What is your level of support for this action?



Please provide any further comments if needed:

- I can't comment on a list to titles, would need to know the details

3. Secondary Suites expansion to allow secondary suites in more housing types such as duplexes, townhomes, and properties with garden suites. What is your level of support for this action?

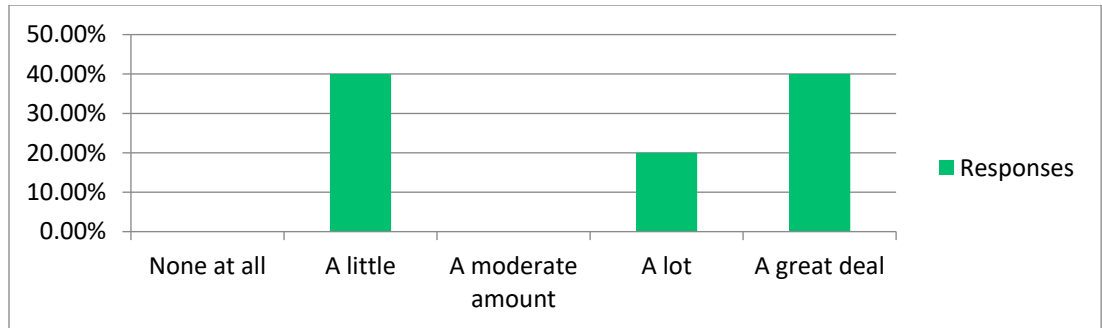


Please provide any further comments if needed:

- I have voiced my concern that this policy could have a potential loophole whereas landlords will use this to remove current tenants, make space smaller while charging more money. It is ESSENTIAL this policy is tied into the renovations protection conversation as well.
- don't give exemptions to high-priced neighbourhoods
- It is important the standards of maintenance bylaw is in place before secondary suites are allowed in expanded building types.

4. We are considering bringing forward the following new action:

Explore the establishment of a rent bank, operated by a non-profit society as a pilot program (through a funding call), in preparation of discontinued provincial subsidies. What is your level of support for this action?



Please provide any further comments if needed:

- Really important for tenants who have lost income due to covid
- Giving public money to people to pay their rents is really an indirect way of giving public money to landlords. The high rents need to be lowered, not subsidized by governments.

5. The following actions can be brought forward in 2021 for consideration, after the completion of actions proposed above:

- Adapt the Tiny Homes action to prioritize a new first phase: considering regulations to permit tiny home clusters for housing insecure residents (e.g. seniors, students, essential workers)**
- Secondary Suites Grant Program to encourage the development of legal secondary suites**

Do you have any feedback on the above actions targeted for 2021 initiation?

- Love this, I think the implementation of tiny homes is an interesting idea to help increase affordable housing in Victoria where land is so expensive and hard to come by.
- Secondary suites – see above comment on my reservations and concern for this program.
- Don't give exemptions to high-priced neighbourhoods.
- I support
- I would need more information but my concern is that the tiny homes action would legalize the creation of inhumanely small living conditions for those with low incomes. I am also not sure that homeowners need monetary grants to incentivize the creation of secondary suites – they already have monetary incentives.

6. Several actions originally slated for 2020 are proposed to be postponed due to COVID-19 and as a result of this reprioritization:

- The Tenant Ambassador position**
- MaRRS Phase 3: Energy and Seismic Pilot Project**
- Garden Suites Policy Amendments**
- Tiny Homes in Single Family Zones**

e. Housing Strategy Working Group

Please provide any further comments if needed:

- I would advocate for considering the tenant ambassador position to go forward.
- Tenant Ambassador is the most important position listed here in my opinion, and will be needed more than ever will the permanent changes the after effects of COVID-19 will present.
- What about the Standards of Maintenance bylaw in rental housing? Or is it a real project?
- i support
- The Tenant Ambassador position should be a priority.

7. Are there any additional actions that you'd like the City to prioritize? As previously noted, recommendations will be considered within existing City resources and are subject to Council direction.

- Protecting the affordable housing that we have is vital right now.
- Less luxury housing being built, more affordable housing. Lisa Helps is trying to ram through projects that cater to the affluent, but what happens when these get built and no one buys because of the downturn in the market? A huge waste of space and resources in my opinion. All approvals of new condos being built need to be denied; it is necessary.
- Standards of Maintenance bylaw is sooooo overdue.
- Specific group to look co-op housing developments suitable for range of residents from singles to couples (married, un-married, LGB...), to families. Also to look at both ownership and rental co-housing possibilities. Encourage inclusion of community space in all rental, co-op, tiny housing etc developments. Social isolation is a major problem for seniors and other singles.

8. Is there anything else you'd like us to consider?

- The atrocious way Vic police department and bylaw office is treating people who are homeless - this is deplorable.
- Thank you.