



President and Vice-Chancellor

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2 May 2022

Mayor and Council
City Hall
1 Centennial Square
Victoria, BC V8W 1P6

Dear Mayor and Council,

The University of Victoria is pleased to lend its support to the 'Missing Middle Housing Initiative' led by the City of Victoria. With the current state of the housing market, we are increasingly facing inequities and economic exclusion disproportionately affecting young people and those already facing significant socio-economic barriers. To address this issue, we need bold solutions and collective actions.

Victoria is the third-most expensive place to rent in all of Canada. As an institution with over 22,000 students and over 5,200 staff and faculty, housing represents a significant issue for the university. A significant proportion of our students come to Victoria from outside the region. While here, they contribute to the social and economic well-being of our region through tuition, living expenses and wage work. Students volunteer and coach at our schools and sports academies to benefit younger generations. They enhance our healthcare system and civil society through work-integrated learning and as volunteers. Following graduation, many students want to remain in Victoria and become engaged and contributing citizens and leaders in our community.

Yet, students are hit the hardest by the lack of affordable housing. Many are stretched beyond their means and forced to live below the poverty line. When they graduate, instead of remaining and building our community, they are forced to leave because of a lack of affordable housing. Without decisive action, we will face challenges at UVic, but also at other post-secondary institutions in attracting and retaining students to the region. This will have adverse and long-lasting consequences for our regional economic and social future.

We believe the 'Missing Middle Housing Initiative' presents an opportunity to help address the issue of housing affordability and provides options to meet the diverse needs of the community. This initiative would support our students, staff, faculty and alumni by helping attract them to our region and also to retain them, creating the conditions where they choose to remain and contribute to the long-term economic and social well-being of Greater Victoria.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Kevin Hall".

Kevin Hall, PhD
President and Vice-Chancellor

c. Jennifer Vornbrock, Executive Director, Community and Government Relations, University of Victoria



May 4, 2022

Mayor and Council
City of Victoria
One Centennial Square
Victoria, BC V8W 1P6

Re: Missing Middle Housing Initiative

Dear Mayor and Council –

As per The Urban Development Institute (UDI) – Capital Region’s previous letter to council in July 2021, we would again like to commend staff for their excellent work in drafting the Missing Middle Housing Initiative report. This report demonstrates that staff have given further consideration to the costs related to building in today’s world and addressing the urgent need for more forms of housing that will accommodate a wider income base. It is encouraging to see the City of Victoria looking outside the traditional residential forms of single-family neighbourhoods and expanding their housing options. This is supported by our local MP, Laurel Collins, Minister of Housing, David Eby and the vast majority of respondents with just 8% indicating the proposed housing forms should not follow a delegated development permit process.

Based on staff’s report it is evident that further studies were completed to evaluate cost implications. UDI would like to take this opportunity to provide comments on -

- a) Delegated Development Permits – UDI supports delegated development permits as removing applications from the Council process will improve the efficiency of processing applications. If Council delegates approval authority to staff, we strongly recommend including a provision that would allow staff to approve minor variances to these applications as well so that Council time can be used for applications which are more complex and provide more significant benefits to the city. This is especially true for parking variances or setback variances where such variance is aiding to achieve other objectives such as reduced carbon emissions, tree preservation and or minimizing the ecosystem impact.
- b) Parking Requirements – UDI supports reducing the mandatory minimum parking requirements on Missing Middle Housing applications where TDM measures are provided. We strongly support the retention of green space on sites in place of additional parking. UDI would encourage the City to consider expanding the BC Transit public transit pass option to all dwelling units, not just those secured as rental in perpetuity. Efforts to shift residents out of private vehicles and into public transit and active modes of transportation should not be restricted to specific tenures.

- c) Urban Design & Adaptable Units – UDI support townhomes in mid-block scenarios as a way to unlock more housing in our existing neighbourhoods. The financial analysis indicates that none of the forms of housing generate a land lift and that the policy is only marginally viable in higher value areas. Allowing for townhomes mid-block would create more opportunities for new forms of housing in existing areas and we see this exclusion as a significant missed opportunity.
- d) Financial Analysis & Bonus Density - UDI is concerned that the Missing Middle Housing Policy's fundamental economic underpinnings do not seem viable. Efforts to capture amenity funds from housing that is intended to serve middle income families is in conflict with the high-level goal of this policy, to create attainable housing options in the city for working families. We find it unlikely that developers will pursue these housing forms when they do not meet the basic metrics for financial viability in the industry. We strongly encourage the City to eliminate Community Amenity Contributions and/or below market housing units as part of this policy. Just as the City recognized that rental housing is a public amenity, in this case new Missing Middle Housing is the amenity for the community and the City should take action to encourage the growth of this form of housing. This is asking too much of this policy based on what it is offering.
- e) Rental Housing & Tenant Displacement – UDI has been advocating the City develop Rental Incentive's for several years. We feel the best way to ensure rental housing is provided in the city is to incentivize it through the many tools available and used with success in other parts of the province, including; tax holidays, pre-zoning for rental or waiving of City fees and development charges (CAC's and DCC's). Putting additional burden on a marginally viable form of housing will not contribute to the delivery of Missing Middle Housing into our market. UDI does not support the approach of requiring a suite within corner Missing Middle developments.
- f) Protected Heritage – UDI supports the goal of retaining of heritage buildings whether they be un-protected or not but we do not support the exclusion of this being applied to existing heritage-designated properties nor properties within a heritage conservation area. This is not equitable, and it excludes many properties with the ability to increase the amount of housing. Applications which involve heritage properties typically require a Heritage Alteration Permit, including those where impacts may be to the land and not the structure providing for additional oversight to ensure heritage preservation considerations and best practices are applied.
- g) Minimum Proportion of 3-Bedroom Units – While UDI acknowledges the need for more 3-bedroom homes, we do not support minimum requirements for 3-bedroom units in Missing Middle Housing, without a commensurate offset in some other form, for example excluding the FSR of the 3-bedroom units from density calculations. The net effect of the list of requirements the City is proposing on Missing Middle Housing is that the housing typology will not be viable and that limited amounts of Missing Middle Housing will be delivered. If the City wants more 3-bedroom units, then incentives encouraged to deliver these forms of housing should be provided. Mandating their inclusion will continue to erode the financial viability of Missing Middle Housing forms.
- h) Setbacks – UDI encourages the City to provide staff with the ability to vary the setback requirements of Missing Middle Housing applications. In general, prescriptive zoning regulations do not translate well into the varied and many unique lot shapes and sizes across the city. In order to accelerate the delivery of Missing Middle Housing, some allowance for minor variances to setbacks should be considered. Further, we do not support the limitation on the number of dwelling units that may be provided as it has no context to lot

size and precludes larger lots which can accommodate more than 12 dwellings for which we believe there are many. This is not equitable and should not be applied on a blanket basis. The other factors provided such as density, height and setbacks, parking and TDM are sufficient tools for staff to apply universally.

We appreciate the opportunity to provide our comments on this important initiative that could potentially remove significant barriers of time and money to deliver the much-needed housing to the city. We feel that this policy will encourage a wider variety of people to take on the work of building new homes by removing complexity and uncertainty from the process. However, we caution that this is not a bold enough policy to facilitate meaningful change and we suggest shortening the review time from 3-4 years to 2 years. We are in a housing crisis, and we do not have the luxury of time like is being proposed.

The UDI supports Staff's recommendation of this initiative. While we do have concerns about some of the nuances of this policy, we are encouraged by the outcome of this report and hope that Council endorses the recommendations that will empower staff through delegated authority. This will allow Council to spend some of their time on more high impact projects and will help to increase the delivery of new Missing Middle housing in a timely manner.

UDI truly appreciates Council's consideration on this important initiative. We look forward to collaborating further to ensure our built environment maintains momentum to assist in producing the missing middle housing necessary to meet the needs of our communities now and in the future.

Kind Regards,

A handwritten signature in black ink, appearing to read 'Kathy', followed by a long horizontal flourish.

Kathy Whitcher (Executive Director)

CC: Karen Hoese and Malcolm MacLean