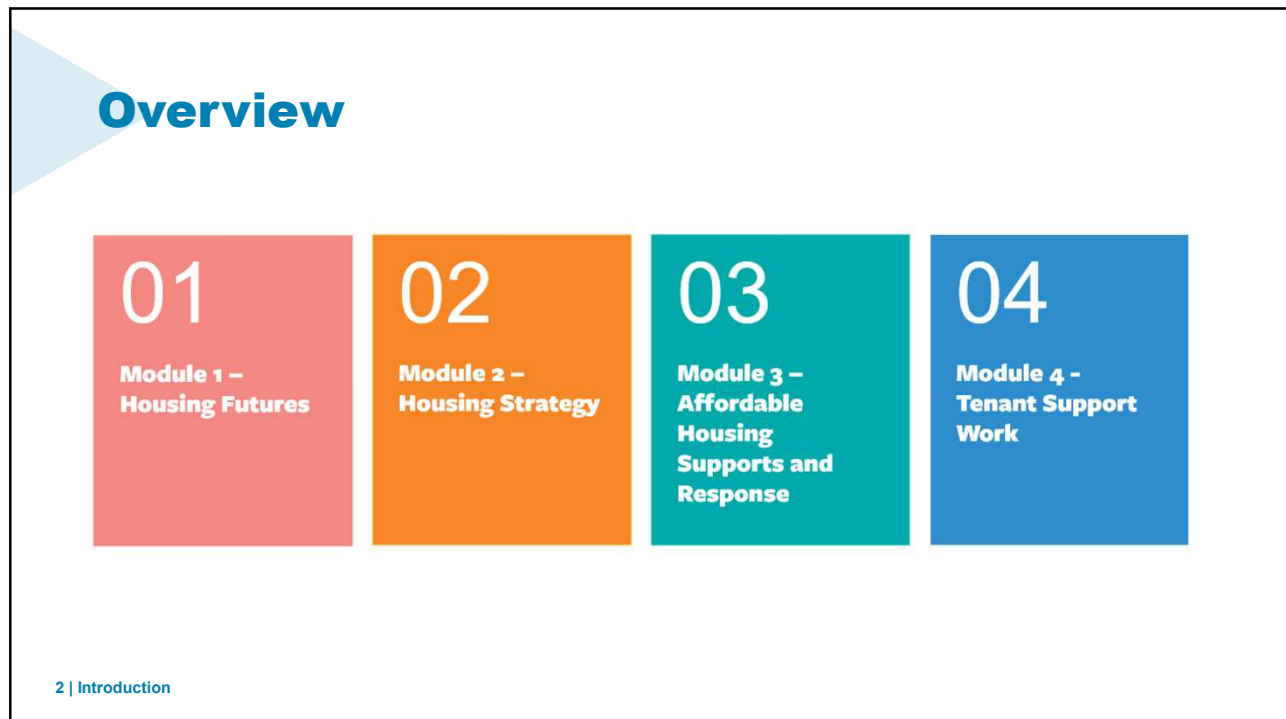




1



2

The Housing Crisis

High housing costs in Victoria, paired with low supply and vacancy rates, make access to housing a challenge for people of different income levels in the city.



Vital Signs - Victoria Foundation



CMHC Rental Market Report



Point in Time Homeless Count

3 | Introduction

3

4 | Introduction

How Did We Get Here?

The Problems We See Today Weren't Created Overnight



Senior
Government
Downloading



Restrictive
Land Use
Policies



Lack of Rental
Construction



Global
Investment



Financialization
of Housing

4

Objectives of Briefing

- Highlight City efforts to tackle the affordability & availability crisis
- Describe levers and roles available to City to respond to housing challenges
- Explore roles of various actors in meeting housing needs



5

Overview

01

**Module 1 –
Housing Futures**

02

**Module 2 –
Housing Strategy**

03

**Module 3 –
Affordable
Housing
Supports and
Response**

04

**Module 4 –
Tenant Support
Work**


6




7

Housing and Its Influence

The right supply of housing in the right locations, now and in the future.



Reflection Question
How does housing shape our city?



8 | Module 1 – Housing Futures

8

Fast Stats



Land area
19.5 km²



Population
91,867
Population density
4,722 people per km²



Households 49,225

Renters: 60%
Owners: 40%

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Source: Victoria Census Profile, 2021

9

Demographic Stats



Median Age
42.8



Average Household Size
1.8 People

One-person households: 49%
Households with children: 18%



Median Household
Income \$67,500

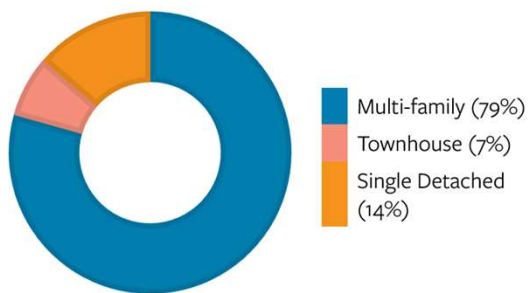
10 | Module 1 – Housing Futures

Source: Victoria Census Profile, 2021

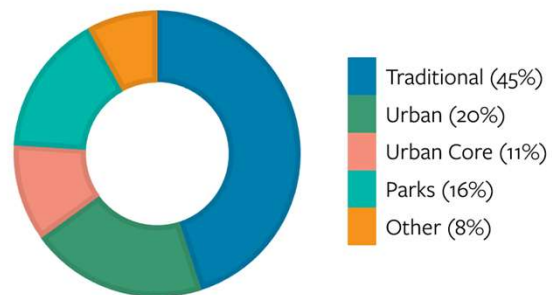
10

Housing Stats

Housing Stock by Dwelling Type



Land Base



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2017 CRD Origin and Destination Household Travel Survey

11

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We Need to Catch Up

- Latent demand adds to housing need and reflects pressures in the market.
- Ongoing demand for more housing diversity and affordability.



Fewer adults
are forming
their own
households



Many families live
in homes not
suitable for their
size



The rental
market is tight




Job vacancies may
point to a lack of
housing for
workers



People are
unhoused in
the region

12



**KEY
CONCEPT**

Core Housing Need


Definition: two-step assessment

- Adequate
- Suitable
- Affordable

In Need	In Extreme Need
30.3% Renters 7.4% Owners	13.2% Renters 3.8% Owners

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Source: CRD. 2020. Housing Needs Report, City of Victoria (based on 2016 Census).



13

Questions?

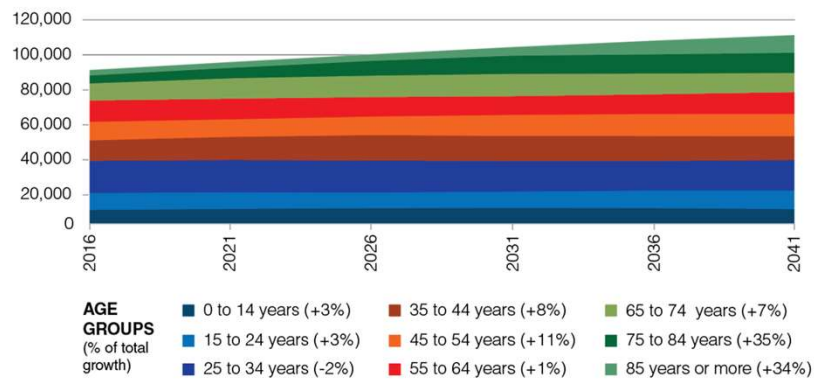
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14

We Need to Keep Up

Projected Population by Age Group (2016-2041)



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Reflection Question

How do we keep up with ever-changing housing needs?

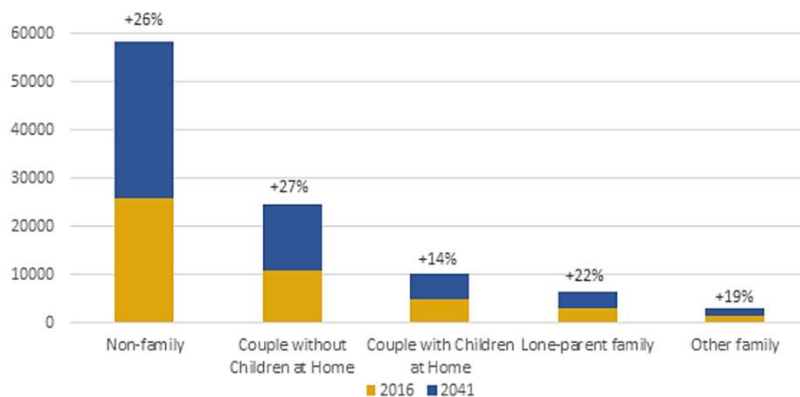


**11,299 people
will be living in
Victoria by 2041**

15

We Need to Keep Up

Projected Change in Household Composition (2016-2041)



Victoria's Housing Future

16 | Module 1 – Housing Futures

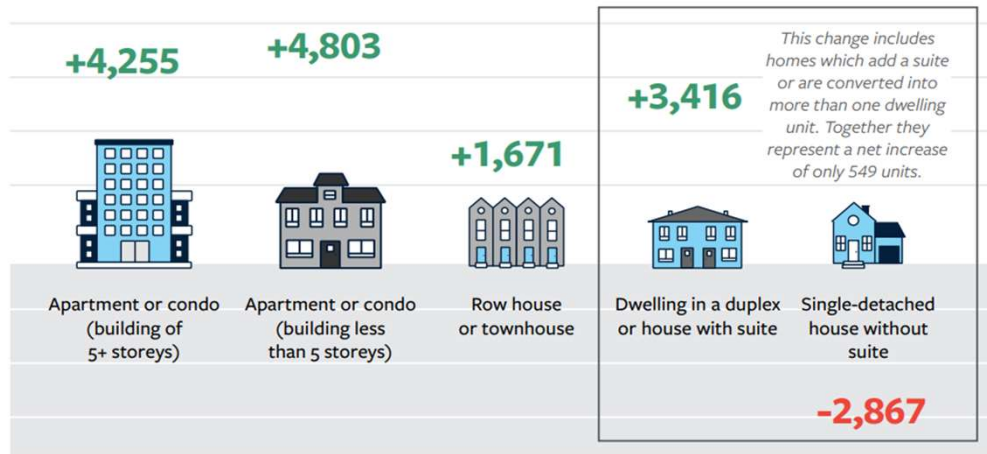


**11,278 additional
households are
projected
between 2016
and 2041**

16

We Need to Keep Up

Projected change in housing types (2016-2041)

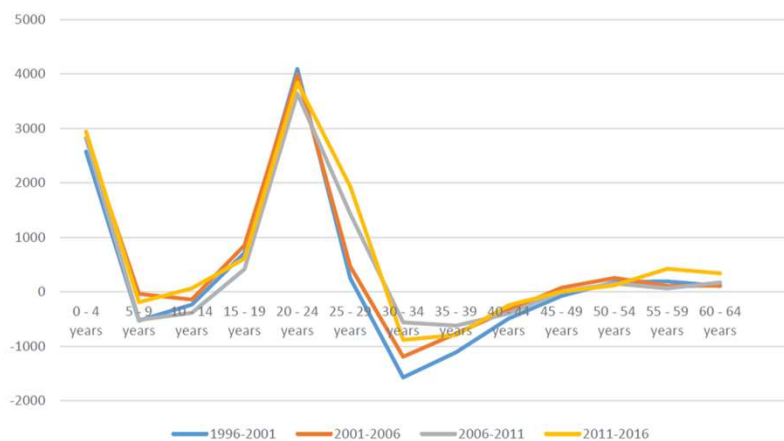


Victoria's Housing Future

17

Influencing Future Trends

Trends in Population Change by Age Cohorts

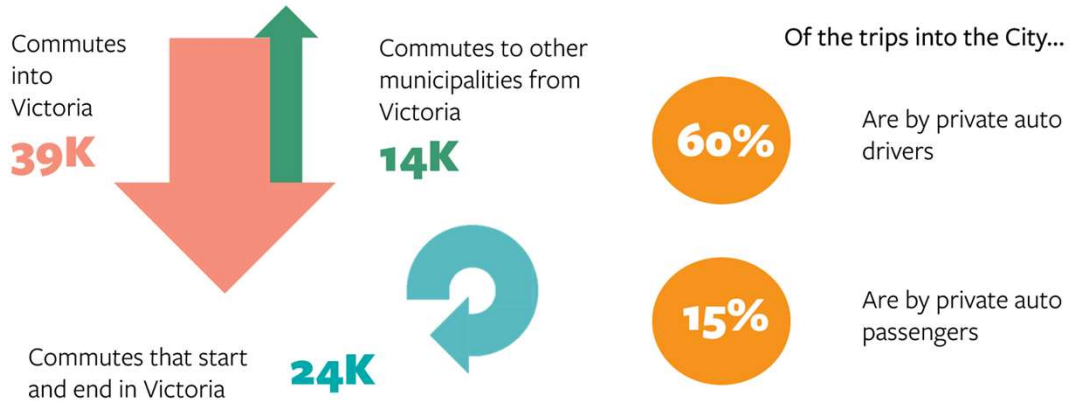


Residents in their family-forming years continue to move away from Victoria

18

Influencing Future Trends

Commuting in, to, and around Victoria



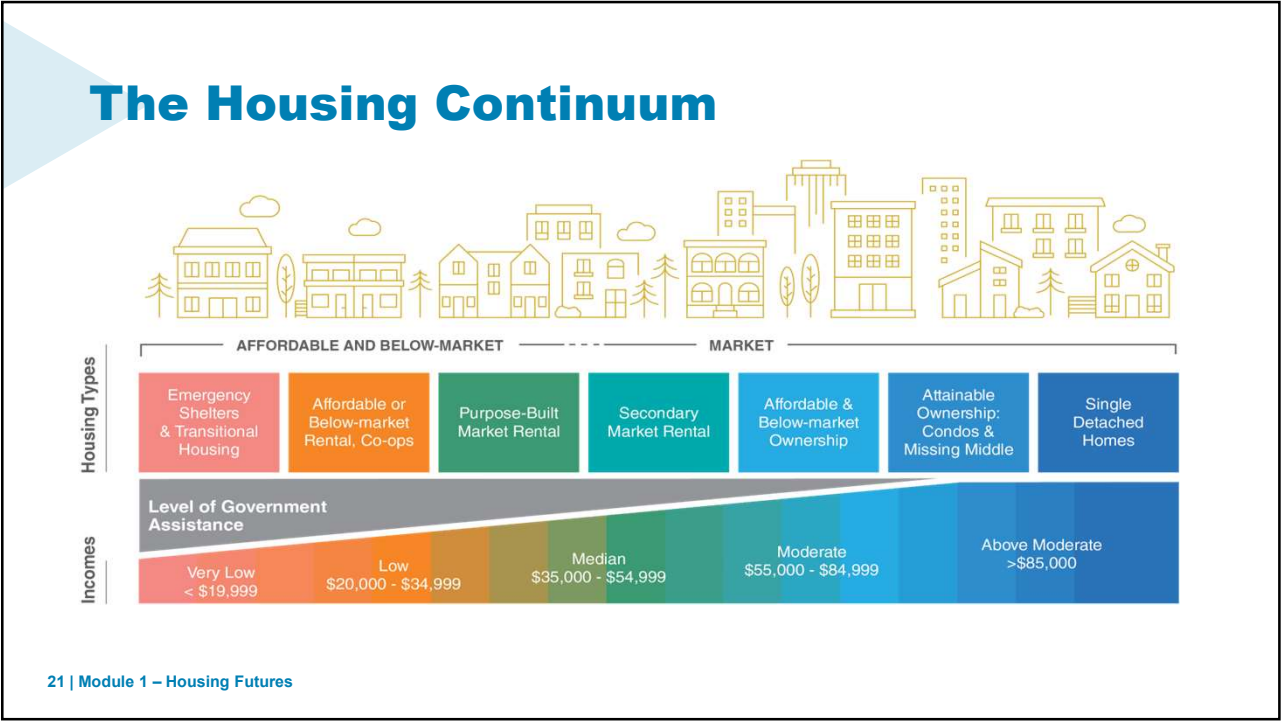
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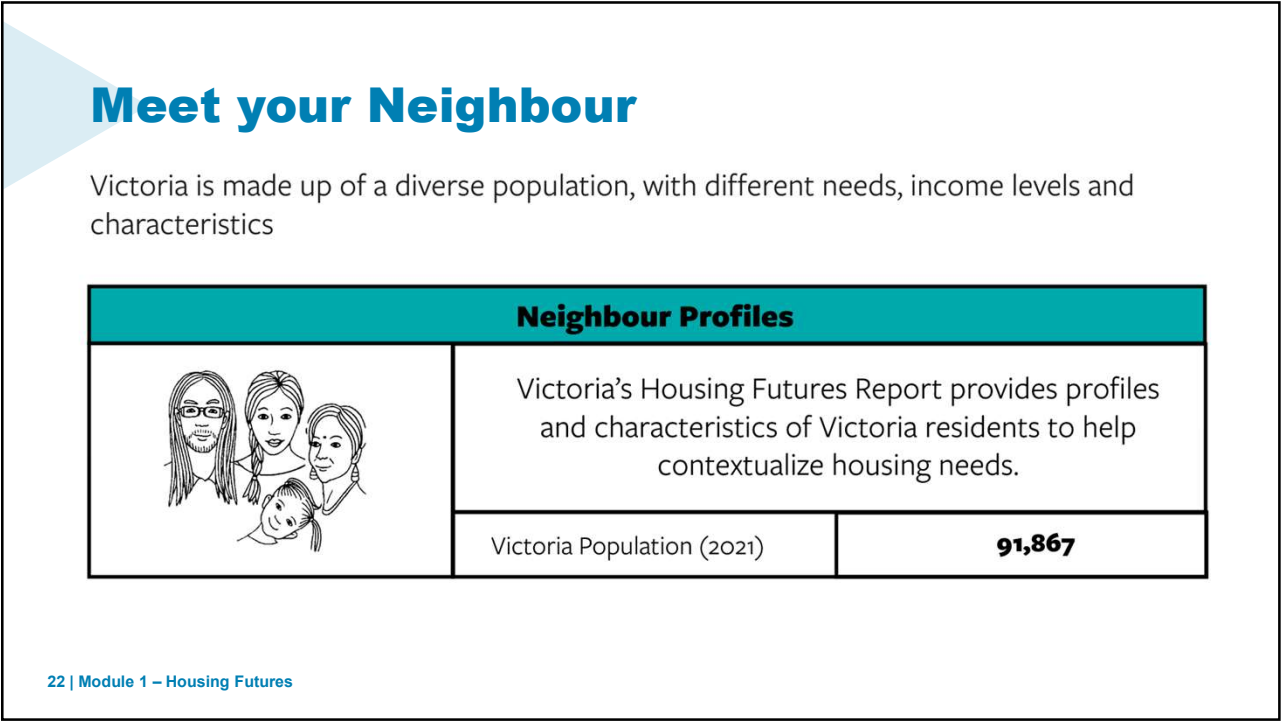
Key Housing Types

Addressing the Gaps & Choosing the Right Supply

20





21



22

Family Friendly Housing

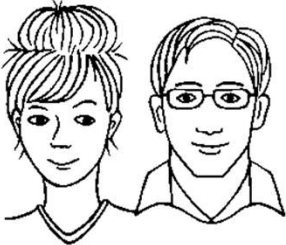

Meet Sara & Ravi			
	<p>We've outgrown our space and are hoping to move to a bigger place soon. The older apartment we rent now allows us to save for a down payment</p>		
	<table border="1"> <tr> <td>Yearly Income</td> <td>\$115,000</td> </tr> </table>	Yearly Income	\$115,000
	Yearly Income	\$115,000	
<div>  <div>Family Friendly</div> </div>			

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Victoria's Housing Future

23

Secured Rental



Meet April & Diego			
	<p>We were so happy to find a new, high-quality rental apartment, and if we decide to start a family, we know the unit is secure, and it's a comfortable size.</p>		
	<table border="1"> <tr> <td>Yearly Income</td> <td>\$93,400</td> </tr> </table>	Yearly Income	\$93,400
	Yearly Income	\$93,400	
<div> <div>Secured Rental</div>  </div>			

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Victoria's Housing Future

24

Affordable Rental

Meet Mariel			
	<p>The building I live in isn't in the best shape, but it is affordable and close to the bus that takes me to work and to see my grandchildren.</p>		
	<table border="1"> <tr> <td>Yearly Income</td> <td>\$19,250</td> </tr> </table>	Yearly Income	\$19,250
	Yearly Income	\$19,250	
<p>Affordable Rental</p> 			

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Victoria's Housing Future

25

The Housing Continuum

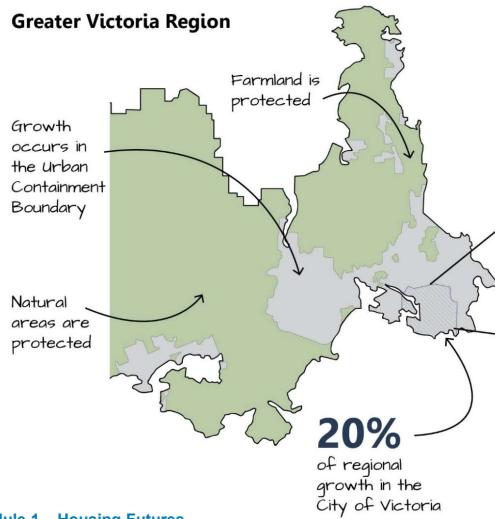


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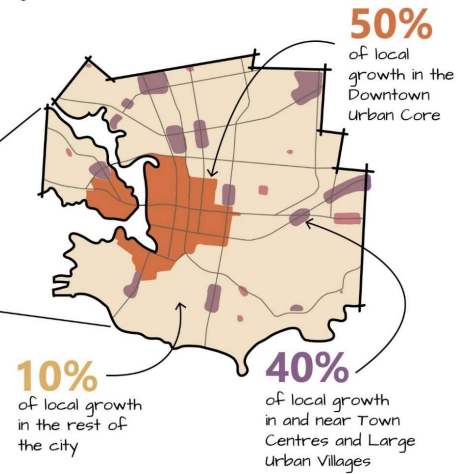
26

Capacity: Foundation for Meeting Need

Greater Victoria Region



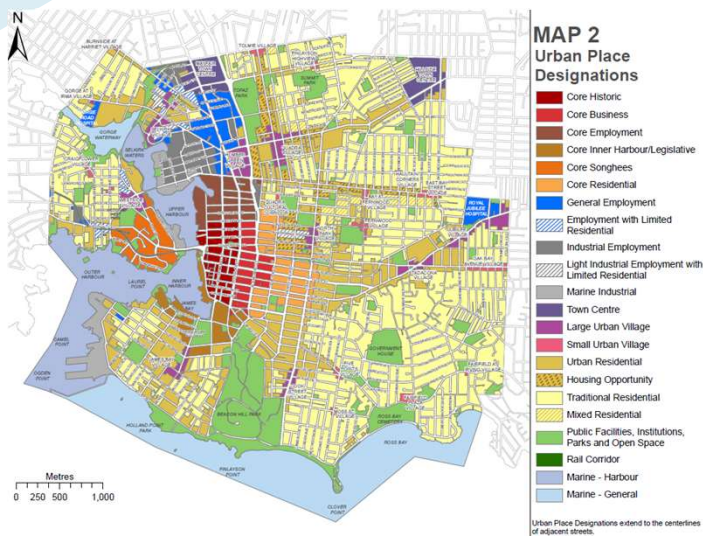
City of Victoria



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27

Capacity in OCP



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OCP establishes general pattern of land use

Zoning Bylaw regulates specific uses and density



28

Capacity Assessment: Falling Short



CAPACITY

**Lack room for
about 15% to 30%
of needs across
the board**



LOCATION

**Lack room near
Urban Villages
and Town
Centres**



DIVERSITY

**Lack of diversity
in housing
supply**

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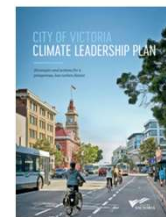
29

Making Room and Strengthening Foundation

- Adding capacity through planning processes – but need to address citywide.
- Have strong citywide guidance on multiple objectives to support future work.
- Continue to advance the Victoria Housing Strategy.



Hillside Quadra



Fernwood



North Park



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30

Wrap up

- Victoria will add about 11,000 households by 2041.
- Latent demand adds to overall housing need.
- Ongoing demand for more diversity and affordability.
- Current OCP capacity falls short of meeting existing and future need
 - We're working on it!



31

Overview



32



33

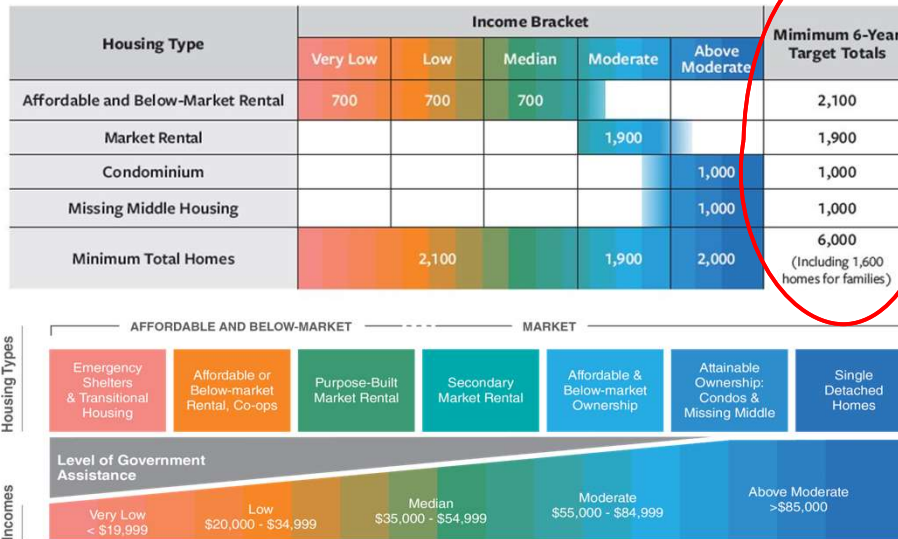
What Is The Victoria Housing Strategy?

- Defines the City's role and commitment in the provision of affordable housing
- Assesses and forecasts affordable housing needs
- Establishes targets and proposes tools to meet those needs

The Victoria Housing Strategy 2016 – 2025
Phase Two: 2019 – 2022

34

Housing Strategy Targets



35

What We've Accomplished So Far

Goal	6 Year Targets (2020-2025)	Progress in 2021	Cumulative Progress (2020-21)
Focus on Renters	1,900 market rental homes ~300 per year	EXCEEDING: 492 building permits	48%
	2,100 non-market rental homes ~350 per year	ON TRACK: 394 net new non-market homes (210 by Council, 184 by the Province)	33%
Increase Supply	6,000 total new homes ~1,000 per year	EXCEEDING: 1,503 net new homes proceeding to construction	35%
	1,000 total new strata homes ~150 per year	EXCEEDING: 489 building permits	69%
More Housing Choice	1,600 new homes for families ~250 per year	FALLING BEHIND: 142 homes secured through legal agreements or building permits	22%
	1,000 missing middle type homes ~150 per year	FALLING BEHIND: 34 building permits	10%

36

The Full Picture...

Some Housing Targets are 'composite indicators'

Goal	6 Year Targets (2020-2025)	Progress in 2021	Cumulative Progress (2020-21)
Focus on Renters	1,900 market rental homes ~300 per year	EXCEEDING: 492 building permits	48%
	2,100 non-market rental homes ~350 per year	ON TRACK: 394 net new non-market homes (210 by Council, 184 by the Province)	33%

Very low-income units approved	Exceeding	52%
Low-income units approved	Falling Behind	26%
Median-income units approved	Falling Behind	23%

37

Progress on Targets Across the Spectrum



38

Questions?

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39



KEY CONCEPT DEFINITION

Residential Rental Tenure Zoning (RRTZ)

Provides local governments greater authority to preserve and increase the overall supply of purpose-built rental housing through zoning.

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40



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Housing Strategy Actions



41

Tracking Housing Strategy Actions

21	COMPLETED / ONGOING
13	UNDERWAY
15	FUTURE ACTION / ON HOLD

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42

Priority Actions



Improve **affordability**, stability and choice for renters



Encourage new housing **supply**



Encourage a **range of housing options** to meet the needs of residents

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43



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Improving Affordability

- Provide incentives for non-profit rental projects
- Partner with affordable housing providers through land partnerships and capital grants
- Streamline approval processes for non-market projects
- Utilize market-based affordability tools (e.g. inclusionary housing)

44

Focusing on Renters

- Create more purpose-built rental housing
- Encourage opportunities for secondary rental options and improve housing choice
- Create, strengthen, and maintain regulations to protect tenants



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45

Increasing Supply

- Work with developers and builders to create a range of housing options
- Explore process and zoning updates to support priority housing forms
- Consider incentives to achieve housing targets (affordable, accessible, or family-sized housing)



Reflection Question

What types of housing are we falling behind on?

46

Wrap up

- Victoria doing well on housing targets **but**:
 - Falling behind on low- and median-income housing targets
 - Failing to meet housing choice targets
- Housing Strategy actions are prioritized to better:
 - Focus on affordability, stability, and choice for renters
 - Increase Supply
 - Increase housing options



47

Overview



48

2022

MODULE 3 Sustainable Planning & Community Development

Affordable Housing

Current efforts to support and facilitate affordability.

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49


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How Does City Define Affordable Housing?

“housing where the price does not exceed 30% of the gross annual household income for very-low-income to moderate-income households”

	BACHELOR \$375 TO \$875	1-BEDROOM \$425 TO \$1050	2-BEDROOM \$575 TO \$1300	3-BEDROOM \$700 TO \$1750
Very Low Income	\$375	\$425	\$575	\$700
Low Income	\$500	\$650	\$850	\$1000
Median Income	\$875	\$1050	\$1300	\$1750

Affordable Housing



[Victoria Housing Strategy](#)

50

Fast Stats

- Deeper affordability requires major subsidies
 - Operating subsidy of \$1,200 per unit per month for 30 years
 - Capital grant of \$100,000 per unit
- 1,200 people on BC Housing waitlist¹
- Roughly 50% of affordable housing in CRD built in 1970s & 1980s²

Rental Building Parcels by Year Built



Reflection Question

How can we support the next generation of affordable rentals?



Sources: 1. BC Housing. 2022. Registry Waitlist, 2. CMHC. 2021. Social & Affordable Housing Survey 3. Statistics Canada. 2022. Victoria Census Profile

51



Challenges for affordable rental projects

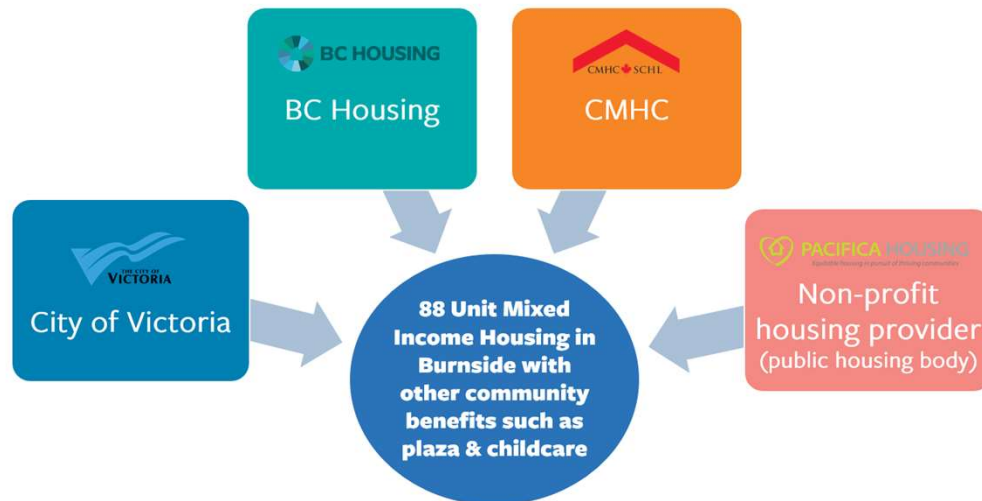
Access to land

Senior govt. funding

Risk of approvals process

52

How affordable housing is delivered in BC?



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53

BC Housing: Mixed Income Project

Deep Subsidy Units (20% of units)	Rent Geared To Income (RGI) Units (50% of units)	Near Market Units (30% of units)
Monthly rents aligned with social assistance rates	Rents set to roughly 30% of household incomes of people earning low to median incomes	Slightly below market rental rates roughly 80%-90% of market rents
Estimated Monthly Rents 1-Bed \$375 2-Bed \$575	Estimated Monthly Rents 1-Bed \$848 2-Bed \$1,089	Estimated Monthly Rents 1-Bed 1,850 2-Bed \$2,250

Operating Subsidies & Partnerships to Deliver Deep Affordability:

- 62 Deep Subsidy & RGI Units requires an average monthly subsidy of \$1,200 per unit.

54 | Module 3 – Affordable Housing Supports and Response

54

Questions?

55 | Module 3 – Affordable Housing Supports and



55

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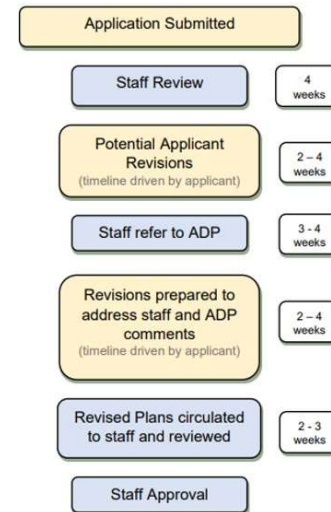
How does the City Support or encourage affordable housing?



56

Rapid Deployment of Affordable Housing

- Support affordable rental & co-ops
- Project must meet key criteria including:
 - OCP & design guidelines
 - Zoning requirements
- Projects meeting criteria gain access to:
 - Delegated development permits
 - Allowed max density in OCP without rezoning



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57

Rapid Deployment Example

Typical Process

- Site zoning has multiple dwelling as use
- Max density in zone 0.95:1 FSR
- Current zone, site supports ~18 units
- OCP max is 2.0FSR, rezoning required to access max density

Accelerated Process

- No rezoning needed, no council approval
- Delegated Development Permit
- OCP allows Max of 2:1 FSR
- At OCP max, project could get ~ 40 units

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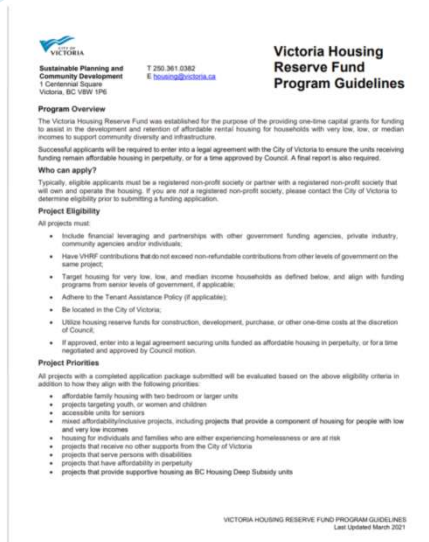


Assumptions

Site Area	14,000 sq. ft
Density	2:1 FSR
Gross Floor Area	28,000 sq. ft
Usable Space 85%	24,000 sq. ft
Average Unit Size	650 sq. ft

58

Victoria Housing Reserve Fund (VHRF)



Provides grants to support the creation of new affordable rental housing:

- Applicants must be non-profit
- One-time grants to support capital costs
- Two annual funding intakes
- Current cap of \$500,000
- Council approval of grants required

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59

Victoria Housing Reserve Fund

Affordable housing project near Vic High OK'd by council

Development will include 158 units of affordable housing

Roxanne Egan-Elliott
Oct 31, 2021 5:01 AM



*CRHC Project received \$1,065,000 grant
in 2021*

Project Funding Details:

- Prioritizes housing for those with very low, low & median incomes
- Grant levels reflect City affordability targets
 - Alignment with BC Housing funding
- Funding released pre & post construction
- Legal agreement with the City to secure affordability of units.

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60



KEY CONCEPT DEFINITION

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Inclusionary Housing & Land Lift

Inclusionary Housing: Requirement of on-site affordable rental or affordable homeownership units that meet City's affordability targets for rezoning applications.

Land Lift: increase in land value as a result of the increase in density associated with the proposed rezoning application.



61

Inclusionary Housing Policy - Background

- Tool for managing growth & affordability
- Market-based affordability tool
- Secure portion of land lift for community benefits
- Encourage mixed-income communities



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62

Inclusionary Housing Policy

- Rezoning applications seeking greater density
- On-site affordability or cash contributions
- Requirements based on project size & land lift
- Policy adopted in July 2019
- Three-year review forthcoming in early 2023

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63

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Inclusionary Housing Policy

Housing amenity contributions under the Policy:

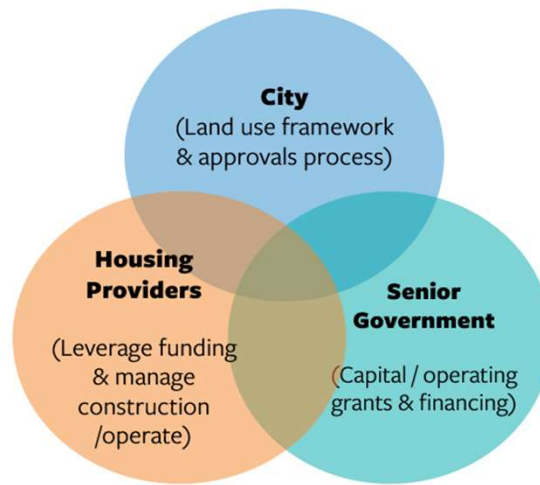
- Focus on securing contributions from strata residential rezoning applications
 - Affordable rental, Affordable homeownership or
 - Cash-in-lieu
- Where the following is secured, projects not typically required to make additional contributions
 - Rental housing
 - Non-market housing



64

Wrap up

- Urgent need for affordable housing
- Partnership with various groups required
- Each group has different levers
- Land use is key lever for City
- Collective impact



65

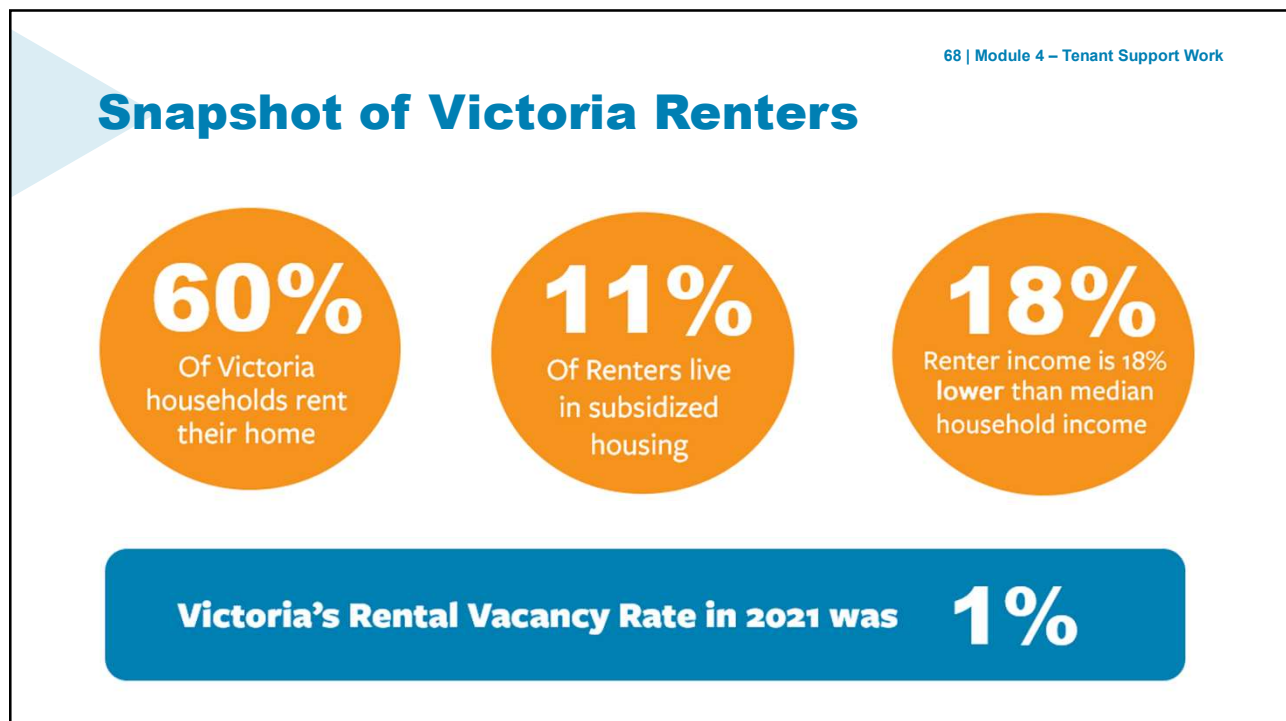
Overview



66



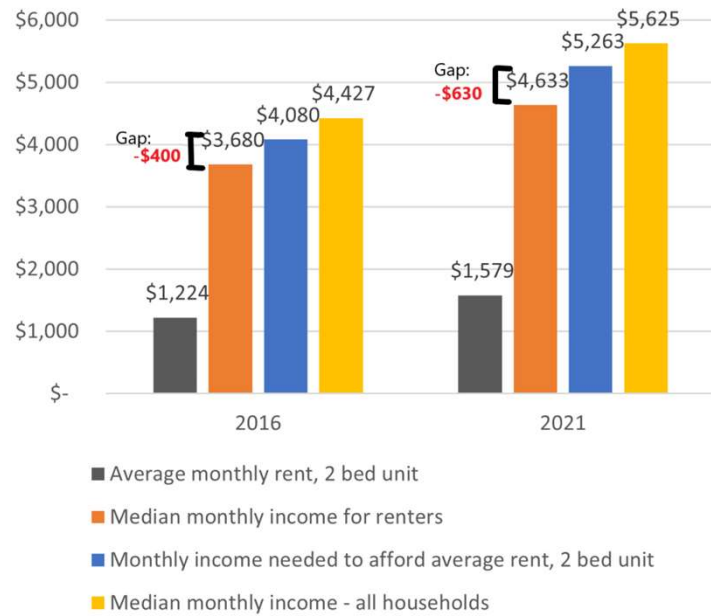
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68

Victoria Rental Affordability Gap

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69

70 | Module 4 – Tenant Support Work

Tenant Assistance Policy


Helps mitigate potential impacts of displacement on tenants as a result of renovations or development

The Policy aims to support tenants by:

- Compensation based on length of tenancy
- Moving expenses and assistance
- Relocation assistance
- Right of First Refusal (if applicable) to return to the building
- Additional assistance for tenants where the impact of displacement may be more acute



70



**KEY
CONCEPT
DEFINITION**

BC Residential Tenancy Act (RTA)

The provincial statute that regulates all tenancy agreements in residential units across the province.

Outlines tenant's and landlord's rights and responsibilities.

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71

How else does the City support tenants?

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72

Rental Property Standards of Maintenance

- Ensure quality, safety, and livability of rental units
- Standards related to water leaks, heat, fire safety, doors and windows, pests, etc.
- Aligns with resources under the Residential Tenancies Act
- Provides the Residential Tenancy Branch (RTB) a framework for measuring compliance in Victoria
- RTB is responsible for investigating and enforcing standards



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73

74 | Module 4 – Tenant Support Work

Renters' Advisory Committee

Provides advice and recommendations to Council on:

- Policies to protect and improve the quality and affordability of existing rental stock
- Policies to increase rental housing stock
- Improving conditions and well-being for renters living in Victoria
- Strategic priorities for the City relating to renters
- Impacts of provincial and federal legislation affecting tenants
- Enhancing access and inclusion of renters in the development of municipal policy and civic life



74

Rent Bank

Providing financial assistance in the form of a no-interest repayable loan to households at risk of eviction

Loans can be used for:

- Damage Deposits
- First Month's Rent
- Rent for those in risk of eviction.

2021 Rent Bank Pilot Insights on Applicants



34% were households with children



Spending on average 71% of income on housing



46% were living in City of Victoria

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75

76 | Module 4 – Tenant Support Work

Tenant Capacity Building Project

- In partnership with local and international tenant advocacy organizations
- Educate renters about municipal and provincial tenant protection policies and processes
 - Renters' Toolkit
 - In-person and online workshops
- Policy review of tenant protection measures across Canada with recommendations for advocacy and how to address gaps



76

Wrap up

- Victoria is a city of renters, many of whom are amongst our most vulnerable residents
- Renter median household income is nearly 20% lower than the overall median income level
- The city is committed to helping renters have an affordable, safe, and secure place to call home.



77

2022

Conclusion

Sustainable Planning & Community Development

The Role of the City

Leveraging land use for housing goals

78

Housing Continuum & Partnerships



79 | Conclusion

79

80 | Conclusion

Affordability and Availability Crisis

Monthly Affordability Gap for Renters,
City of Victoria

Affordability
Gap of **\$630**
per month

Source: Calculated based on 2021 Rental Market Survey &
2021 Census, Victoria Renter Income Data.

City of Victoria, 10-Year Average
Vacancy Rate

Victoria's
Average
Vacancy Rate
is **1.46%**

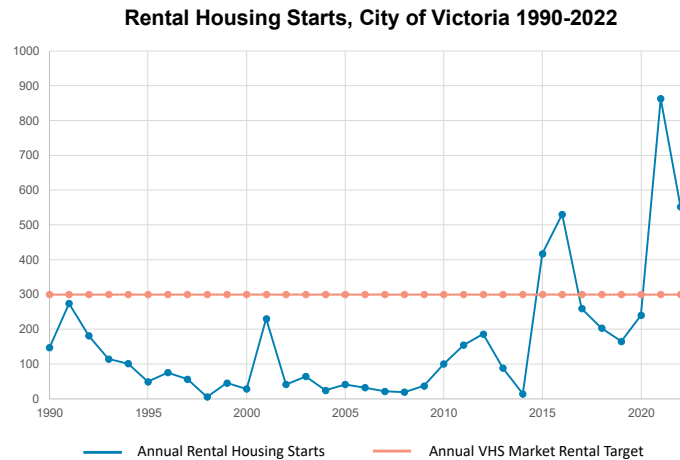
Source: Calculated based on CMHC, Rental Market Survey

80

Need is Urgent AND Ongoing

Real pressure exists for Victorians today, but this crisis was decades in the making.

Solutions require incremental and ongoing action at all levels.



Source: CMHC, 2022. Historical Starts by Dwelling Type for Victoria (City).
2022 starts are year to date up to October.

81 | Conclusion

81

Responding to the Housing Crisis



Land Use Framework & Approvals Process



Commitment to Housing Options and Supply



Working with Other Levels of Government



Innovation and Bold Ideas

82 | Conclusion

82

Modernizing the Land Use Framework

- Leveraging city's authority
- Evidence-based response to housing needs
- Integrated policy response to add housing capacity
- Focus on priority housing forms & tenures in new capacity



83 | Conclusion

83

An Opportunity to Shape our City

- Climate Action
- Complete, Connected Communities
- Health & Well-being
- Diversity, Vibrancy & Inclusion



84 | Conclusion

84

Thank you

85 | Conclusion

