

Attachment to Email Richard Brunt  
May 29, 2015

I have built two smaller, lower-cost homes in Victoria, and one home elsewhere. I've learned a lot about efficient, more affordable construction, and would like to share my opinion on how we could encourage the building of more affordable detached homes.

For several years now in Victoria we have had a regulation on detached, new homes with basements, stating that second level floor space must be only 70% of first level floor space. Presumably, this was to ensure large, new homes would not have an excessive visual impact in the neighborhood. A good idea.

However, there have been unforeseen negative consequences of this regulation, when applied to smaller homes. In fact, it is very difficult to build smaller, more affordable detached homes in Victoria because of the 70% rule.

Here is why: to maximize affordability, you need to build square footage at the lowest possible cost. The best way to do this is a two level home - plus a basement (which can further improve affordability if used as a basement suite). Construction costs rise directly in relationship to footprint size. A small footprint means a small foundation, small excavation, small roof area, less materials, less labour - and lower costs. The smallest possible footprint is therefore critical to lower cost construction.

It is standard practice (and pretty important) to have 3 bedrooms on the upper floor. (I think most parents want to sleep on the same level as their kids). Three modestly sized bedrooms, a main bath and small en suite requires a minimum of 750 sq feet on the upper floor. (800 square feet would be better). Under the current 70% rule, that means a lower floor and foundation footprint of 1100-1200 square feet. That is huge, expensive, and far more than most people need for a living room, kitchen, dining (and maybe a den) on the main floor.

Therefore, under the current 70% rule, to get our 3 bedrooms upstairs, we are forced to build a footprint and main level about 400 square feet larger than necessary. At construction costs of \$150-\$200 per square foot, that increases the cost of building the house by \$60,000-\$80,000. It also means much more (roughly 30%) more material must be excavated from the site, and dumped. Significantly more concrete, lumber, drywall and additional materials must be used and transported. It is also 400 square feet more to heat and insure. The total amount of greenhouse gases produced by the construction of the home increases substantially.

Well-known house designer Ron McNeil recently designed a new house on Wilmer that had this problem. It was difficult, according to him, to get decent living space on the second floor (and they ended up not being able to put a bath tub in one bathroom). They had to build a much larger main floor than necessary, and had a challenging time filling up all that main floor space.

The visual presence of the house was substantially increased, since the upper floor was approximately the size they needed, while the main floor and footprint of the house was much bigger than they needed. There is more visual impact to the neighbors, and less green space in their yard, as a direct result of the 70% rule.

No one "wins" here. It's bad for the homeowner, bad for the neighbors, and it increases the cost of the house dramatically.

I was, until this week, going to build a compact, efficient house at 931 Bank Street. However, I pulled out of the deal because after having discussions with 3 designers, I determined it is now impossible to build a compact, efficient, lower cost house with a basement in Victoria - because of the 70% rule.

The regulation works well to minimize the visual impact of larger homes. However, it has exactly the opposite effect for smaller homes, increasing the visual impact – while substantially increasing cost of construction.

I suggest as a solution exempting small homes from the 70% rule. You could say that any house with a footprint of 900 square feet or less could build a full second storey, with floor space equal to the first floor. People could build smaller homes that work better, for less money. Developers would have an incentive to build smaller, more efficient, lower cost homes with broader appeal. As it stands, they must build larger, more expensive homes, and market them to the very highest end of the housing market.

If we want people to build more affordable houses, we have to have regulations and incentives that allow them to do so. Currently, this is not the case in Victoria, because of the 70% rule.

## Secondary Suite Recommendation

Currently in the City's zoning regulations/policies there exists a restriction that is negatively affecting many homeowners rights when it comes to being permitted to build a secondary suite.

A little background: for many years the City has had a unique permitted use within its "single-family" zoning which allows for existing dwellings to be converted to multiple units if the existing structure is of a certain age and the exterior remains unaltered. I don't have the exact details here but something like a pre-1932 house can be 3 or more units depending on square footage of existing structure and pre-1972 dwelling to become 2 units if no exterior change to existing structure. There are many examples of the pre 1932 conversions of 3 or more units throughout the City and in the majority of cases this has been a very positive and innovative housing option. However there are very few examples of the pre 1972 housing option to create duplexes likely for the following reason: mainly the fact that most housing built between 1932 and 1972 is fairly modest in size so with no exterior changes permitted, creating two equal size/quality housing units within the existing structure is just not economically or structurally viable.

More recently when the City adopted its secondary suite policy, namely, that any single family dwelling is permitted to have a secondary suite up to a max of 900 sq feet, I believe the inappropriate application of the above policy concerning conversions became applied to secondary suite applications. The result is that many homeowners, who would like to do a renovation to the existing dwelling, plus at the same time, add a secondary suite to help pay the costs cannot do so. Currently they would have to do the renovation and then wait 5 years before applying to build a secondary suite. I'm not sure all members of Council know of this restriction or really understand its implications.

Firstly, the vast majority of the housing built in Victoria neighbourhoods between 1932 and 1972 were post second world war and due to the economics and need at that time were rather modest in size and simple in design ...ie a typical raised bungalow of between 1100 and 1300 square feet on the main. The other fact is that most of these were built on, at the time, "suburban lots" of between 6000 and 9000 square feet. This resulted in the house occupying very little of the site, say under 15% when perhaps 30%- 40% is more normal for site coverage with new housing.

Fast forward to today and you have many of these existing pre-1972 homes being sold and, in my view, the much needed new owners for these homes has to be young families who bring new energy and vitality and help keep our inner City schools and parks relevant and well used. The problem lays with today's taste and lifestyle vs the post WWII baby boom. Almost all of these modest raised bungalows have 2 or maximum 3 small bedrooms and 1 bathroom on the

main. With today's high costs of inner City neighbourhood housing the only way to allow these new owners to even modestly expand the floor area of the home (likely at least to increase master bedroom and add a second bathroom) is for the new young owner to be able to pay for the reno by adding a secondary suite. BUT ...this is currently not allowed! So who wins?, certainly not the neighbourhood or the city as what often happens is the would-be owner chooses to move to outside communities to get more housing for their dollar. The person who then buys it is often just a small investor who holds for future development and who doesn't put the same care and energy into it as an owner occupant likely would. The city loses the revenue from increased housing value that new renovations would bring on and also the much needed secondary suite space to add to the affordable housing inventory.

When you consider that a new house on the same lot can have perhaps 4000 feet of livable space including a new suite of 900 square feet not allowing a homeowner to say add 5 or 600 square feet onto their modest bungalow plus develop a secondary suite in the basement at the same time is very unequal treatment for the same zoning.

If the City merely passed a motion to remove the restriction that if a homeowner decides to renovate his existing residence and at the same time add a suite he wouldn't have to wait 5 years to do so, it would solve this inequality.

If Council does this you will rejuvenate neighbourhoods, bring in more young families, increase building activity, create increase tax revenue and increase number of secondary suites....all for no cost to the City! You certainly will not have to give a \$5000.00 incentive to create a secondary suite. The demand and self interest will take care of it.



June 18, 2015



**Re: Mayor's Task Force on Affordable Housing**

Further to the recommendations by the Mayor's Task Force on Affordable Housing, the Victoria Residential Builders Association submits the following response:

**Year 1 Theme: Increase City of Victoria's capacity to support development of affordable housing**

1. Supported
2. Not supported - the City already requires cash and/or amenities for adding density beyond maximum heights. We do not support additional requirements.
3. Supported
4. Supported provided additional fees on private development are not required.
5. Supported provided additional fees on private development are not required.
6. Supported

**Year 1 Theme: Remove barriers to the development of more affordable housing options**

1. Support (a) particularly in light of a consultant's report commissioned by the City of Victoria in 2009 which says:

*"CALUCs are an anomaly in local government in BC as a means to gather community comments for development applications. The typical model is for applicants to host a community information meeting to present their development post-application submission, record comments, and use the information to amend their project."*

*"The roles between Council and CALUCs are presently blurred, with CALUCs sometimes seeking in effect to fulfill Council's role in speaking for the broad community."*

*"Their highly focused commitment can work against overall effectiveness."*

*"Comments from core groupings of participants; council, CALUCs, staff and industry survey respondents point the finger of blame at each other with varying degrees of intensity. There is a lot of anger, frustration and feeling of dismissal flowing from the CALUC process. It is not an exaggeration to say that almost no one is content with the current situation."*

*"It is recommended that the CALUC model be changed substantially to move towards a more typically municipal model while seeking to retain the high level of interest by CALUCs in making a value-adding contribution to their neighbourhood."*

The consultant made the following recommendation: *"Ensure that applicants and other participant groupings involved in application processing understand that applicants are not required to meet with CALUCs prior to submitting a rezoning application."*

Support (b) and (c)

2. Supported
3. Supported
4. Supported
5. Supported



6. Supported and suggest laneway houses be added to the policy which has been a significant success in Vancouver.
7. Supported
8. Supported

**Year 2 Theme: Increase City of Victoria's capacity to support development of affordable housing**

1. Supported
2. Not supported – inclusionary zoning discourages development and introduces a significant and costly set of problems for owners evidenced by projects such as Dockside Green and in other municipalities. Affordable housing must be supported by a solid business plan rather than regulatory restrictions having unintended consequences for both owners and developers.
3. Supported
4. Supported
5. Supported

**Year 3 Theme: Increase City of Victoria's capacity to support development of affordable housing**

1. Supported only with wide consultation and discussion on the existing bylaw's potential deficiencies, improvements, cost/benefit analysis etc. We support Revitalization Tax Credits encouraging landlords to improve their properties as noted in recommendation 3.
2. Supported
3. Supported
4. Not supported – affordable housing must be supported by strong business plans rather than more regulatory requirements contributing to a lack of housing affordability and unintended consequences.
5. Supported

**Year 3 Theme: Remove barriers to the development of more affordable housing options**

1. Supported

Thank you for the opportunity to provide feedback on the report. While we express concern about several of the recommendations, there is a great deal of good work that could contribute to affordable housing.

We appreciate the efforts of the Mayor and the Task Force to address this challenging issue in one of the highest priced housing markets in North America.

Our association is always open to discussion and consultation on any of these issues and others affecting affordable housing.

For additional information, please contact me at 250.383.5044 or [cedge@vrba.ca](mailto:cedge@vrba.ca)

Sincerely,

Casey Edge  
Executive Director  
Victoria Residential Builders Association

## **Comments on the Program Proposals of the Affordable Housing Task Force**

**Dr. Brian L. Scarfe**

**June 5, 2015**

### **1. Background Observations**

(a) Given its location and climate, Victoria provides attractive lifestyles, but high housing costs. It also attracts homeless persons, who might not survive the winter climate in other parts of the country. Put differently, Victoria already has a "comparative advantage" in attracting homeless persons to this region.

(b) The City of Victoria experiences central, or core, city costs that are not borne elsewhere in the Capital Regional District (CRD). Policing is just one such cost.

(c) Within the CRD, average household incomes in the City of Victoria are the lowest, while property tax burdens are the highest. Indeed, inter-urban differences in average household incomes and in property tax burdens are quite significant.

(d) On a per capita basis, the City of Victoria already spends far more than other municipalities within the CRD on homelessness and social housing, indeed more than twice the expenditure of the next ranked contributor (Saanich), and in excess of four times that of most of the remaining members of the CRD, including wealthy Oak Bay, where average household income is more than twice that in Victoria.

(e) Victoria's City Council intends to expand its expenditures related to homelessness and social housing support during its current term of office. Council does not seem to perceive the possibility that the problem of housing affordability will perpetuate itself, even with greater expenditures, because of the "build it and they will come" syndrome. The same is true of supports for the homeless.

(f) In the meantime, municipal councils in the rest of the CRD will rest on self-satisfied laurels, possibly laughing all the way to the bank.

(g) The affordable housing task force has been charged with coming up with proposals how best to spend the funds that Victoria City Council is allocating to the affordability problem.

### **2. Features of Urban Centres and Urban Form**

(a) It is important to recognize that, as a general rule, housing costs per square foot are normally highest in the vicinity of the central business district (CBD) where many people work, because residents trade-off commuting costs against housing costs. The more viable is the CBD, the less viable will be the attempt to provide affordable, non-market housing in the down-town core. There is a rent gradient.

(b) The existence of various services for low-income, and frequently unemployed, people in the down-town core, services that may not be as available in suburban areas, also creates an incentive to live close to the urban core, again in order to minimize the travel costs associated with access to these services.

(c) It follows that the attempt to provide significant volumes of affordable housing close to the down-town core runs counter to market differentials in land prices. Another way of putting this point is to indicate that affordable housing is unlikely to be "the highest and best use" of scarce land in the urban core. One is inevitably fighting an uphill battle.

(d) In general, other municipalities within the CRD do not have the same affordability issues as the City of Victoria, largely because average household incomes are higher and land prices are lower, while the property tax burden is also lower. Commuting costs for residents of other municipalities who work in the downtown core are, however, higher.

### **3. Comments on Specific Recommendations**

(a) Year 1 (2016), recommendation one, reads: “expedite the development and permitting approval process by allowing rezoning applications for affordable housing projects to by-pass the pre-application meeting required with Community Association Land Use Committees”. This recommendation is dead wrong for several reasons.

(b) First, it is not the CALUC process that holds up the development and permitting approval process, because compared to the machinations of the City of Victoria planning department, the City’s PLUSC process, and the Council’s hearing process, the CALUC process involves very little time. The CALUC process frequently leads to re-zoning and development adjustments that ease the burdens on the City’s process.

(c) Second, taking away the ability of neighbourhood association meetings to host preliminary discussions of land-use proposals may lead to all kinds of unrest, which will surface in the hearing process, possibly associated with the notion, right or wrong, that the City is trying to impose slum conditions on a particular neighbourhood.

(d) Third, recommendation one may well lead to City Council making decisions that over-ride the zoning stipulations contained within land use plans, including the Official Community Plan, the Downtown Core Area Plan, or a particular neighbourhood plan. Goodbye trust.

(e) The remaining Year (1) recommendations all provide additional reasons for NOT supporting recommendation one. However, recommendations six and seven are sensible, and follow current practices in Vancouver, B.C.

(f) Year 2 (2017), recommendation two, is unclear without the provision of a definition for “inclusionary zoning”.

(g) Year 2 (2017), recommendation three, flies in the face of the idea that land should be allocated to “the highest and best use”. Municipal governments that try to allocate land without proper consideration of land markets and alternative uses will inevitably lead to inefficient land use, and thereby undermine city productivity. “Opportunity costs” should not be ignored.

(h) Year 2 (2017), recommendation five, suggests that the City create a real estate function within the City’s administration. This makes sense, although the purpose of such a function should definitely not be solely to “purchase and sell property for the purpose of creating affordable housing”.

(i) Year 3 (2018), recommendation three, suggests the establishment of all kinds of subsidies to help with the creation of affordable housing. Sorting out which are the most effective forms of subsidies would be worthwhile. However, has City Council really asked the over-burdened property tax-payers of Victoria for their opinions about this recommendation? Money does not grow on trees.



FAIRFIELD GONZALES  
COMMUNITY ASSOCIATION  
the place to connect

June 8<sup>th</sup> 2015

Dear Mayor and Council;

We are responding to your request for comment on the "Mayors Task Force On Housing Affordability: Draft Recommendations Dated 27 May 2015. We appreciate the opportunity to provide the following commentary and feedback on several of the recommendations (recommendations are repeated in italics for easy reference);

*Allow for higher densities and greater heights than permitted within existing zones in exchange for affordable housing units.*

- **Height relaxation as given is not supported;** site specific relaxation may be appropriate.

*Expedite development approval and permitting process by: Allowing rezoning applications for affordable housing projects to by-pass the pre-application meeting required with Community Association Land Use Committees (CALUC).*

- **Not supported!** This pre-application meeting is the means by which residents who live in proximity to proposed developments are actively engaged and transparently informed about proposed developments. This civic participation ensures issues are identified and effectively addressed early in the process, and minimizes misinformation and unfounded fears and concerns. The scheduled meeting and comments relayed to the City should not delay the process.

*Reduce parking requirements within Schedule C – Off-Street Parking of the Zoning Regulation Bylaw for selected housing types, zones and geographic locations (e.g. urban villages)*

- We comment, the requirement for reduces parking especially if car-share coop membership or bicycle parking is provided. Parking requirements could be specifically relaxed for commitments to increased numbers of rental units, especially below-market cost ones.

Resident Parking in a Strata could be reduced but allocation for **Visitor Parking in Strata's should be maintained. Further,** the criteria for quantity of Visitor spaces should be calculated based, as it is in the BC Strata Act, on the number of residential units not the number of residential parking spots. The later change is even more important if you are reducing residential parking spots.

Remove the rezoning requirement within the Garden Suite Policy.

- **Not supported** as it is the rezoning application that triggers the CALUC Community Meeting process and this would mean (as in the above) that such projects would proceed without community involvement.

Remove the restriction within the Garden Suite Policy that prohibits development of garden suites on properties with secondary suites.

- **Supported**

Contribute land at no cost or at reduced market value for the development of affordable housing projects, where possible.

- Rather than a gift of land, suggest a long term lease at market rates as a means to defer up front ownership capital costs and that you look at the arrangement used by Whistler to provide "affordable" housing for employees in the community as another possibility (land value is controlled upon resale so as to ensures property is not flipped for a profit by a owner).

Create a real estate function within the City's administration that can purchase and sell property for the purpose of creating affordable housing.

- **Support recommendation**, see comment above. This is what we believe Whistler did or some variant of this proposal/model.

Review and strengthen the Property Maintenance Bylaw and the resources to administer the Bylaw in order to better protect quality of life and promote safe housing conditions for all residents of Victoria.

- **Supported**

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*Review the Zoning Regulation Bylaw to ensure it accommodates a variety of housing types (e.g., fee-simple row housing, co-housing, and where appropriate, strata conversion and subdivision of oversized lots for infill) that can be used to achieve greater owner affordability in the housing market.*

- **Supported.** Concept should be advanced for implementation immediately.

As a general comment, it would be informative to define what is "affordable" as a term for accommodation and how this may vary depending on location. For example, at the other extreme with respect to affordability would be housing on Hollywood Crescent which abut the ocean. Suffice to say "location" is critical to affordability and while one does not want to create ghettos there needs to be a balance. Lastly, the full solution will take more than amending or adjust municipal tools and resources, it needs both Provincial and Federal fiscal support. The property tax base is not progressive, so to be both fair and appropriate, financial support must and should come from the upper two levels of government.

Yours truly,

Lynn Beak  
President  
Fairfield Gonzales Community Association



# Burnside Gorge Community Association

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June 15, 2015

Mayor & Council  
#1 Centennial Square  
Victoria, BC

RE: Mayor's Task Force on Housing Affordability

Dear Mayor & Council,

I am writing on behalf of the Burnside Gorge Community Association (BGCA) to share our feedback on the Draft Recommendations recently put forward by the Housing Affordability Task Force. While we applaud the City's efforts to address the issues surrounding housing affordability, there were several items that raised questions and/or concerns for our members.

## **Year 1. Theme: Increase City of Victoria's capacity to support development of affordable housing**

*Recommendation 2: Allow for higher densities and greater heights than permitted within existing zones in exchange for affordable housing units.*

Our comment: This recommendation undermines all of the efforts (on the part of the City and community) that have gone into creating the Official Community Plan as well as the local area planning process that is currently underway for the Burnside Gorge community. Great caution should be given to attaching too many concessions to affordable housing projects.

Our recommendations: Projects should possess both neighbourhood and regional value.

*Recommendation 4: Review Victoria Housing Reserve allocation of \$10,000 per unit of affordable housing to determine whether there is a need to increase the amount of dollars per door.*

Our comments: Increasing the amount of per door allocation would provide an incentive to developers to diversify and include more family-appropriate housing in developments. Additionally, the current model excludes individuals who could also provide affordable housing, at a smaller scale to be integrated into the existing built-up housing stock.

Our recommendation: Consider providing the Victoria Housing Reserve allocation to individuals building secondary suites, in addition to non-profits.

*Recommendation 5: Investigate options to expand the capacity of the Victoria Housing Reserve through alternative financing mechanisms.*

Our recommendation: Consider providing low-rate loans to individuals for the creation of secondary suites. The interest raised could go into the reserve, while at the same time encouraging the creation of housing.

*Recommendation 6: Expedite conversion of motels and other transient accommodations to residential, where appropriate, and expand conversion opportunities to all downtown zones.*

Our comment: Burnside Gorge currently has one of the highest concentrations of low-income single occupancy housing in the city, largely due to conversions. This does little for the development of the community overall and does not encourage a diversity of housing in the area.

Our recommendation: Encourage re-development and the creation of quality construction and housing that supports diverse and healthy housing and communities.

**Year 1. Theme: Remove barriers to the development of more affordable housing options**

*Recommendation 1. Expedite development approval and permitting process by:*

*a. Allowing rezoning applications for affordable housing projects to by-pass the pre-application meeting required with Community Association Land Use Committees.*

Our comment: The pre-application meeting is an opportunity for CALUCs to provide proponents with a heads-up on issues and potential opposition they might come across later. These meetings can help the proponent be one step ahead when they do go to a community meeting.

Our recommendation: Do not remove this requirement as it may adversely affect the development process and timing.

*Recommendation 3. Remove minimum unit size requirements within the Zoning Regulation Bylaw and Conversion Guidelines – Transient to Residential Accommodation.*

Our comment: For certain types of development this is acceptable. However, reducing the minimum size of units will inevitably impact the general housing market as the cost of such small affordable units tends to rise with market demand. This recommendation also creates potential for ever-lower quality developments or revisions to existing units, on the grounds of affordability.

*Recommendation 6. Remove the rezoning requirement within the Garden Suite Policy.*

Our comment: We fully agree with this recommendation and feel that it would remove an important disincentive.

*Recommendation 8. Amend Schedule J – Secondary Suite Regulations of the Zoning Regulation Bylaw by eliminating the minimum size requirement and the restriction on dwellings that have been renovated in the past five years.*

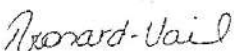
Our comment: Presently, some older buildings with perfectly acceptable ceiling heights cannot accommodate a legal suite because of beams or ductwork only a few centimetres below this absolute height restriction. As a result, the structural modifications required to create a legal suite are prohibitive in many cases.

Our recommendation: A simple change in the City's building bylaw could make many more legal secondary suites possible, while retaining the spirit of providing pleasant and safe living spaces. Adjusting the minimum ceiling height requirements of 2.0 m and allowing a certain small percentage to be below 2.0 m (as is allowed in many other jurisdictions) would increase available housing stock.

Final Comment: Unrelated to a specific theme or recommendation, the vague definition of what constitutes 'affordable' housing is cause for concern. True affordability requires liveable communities with diverse services within walking distance. The recommendations lack an emphasis on long-term affordability and quality of life (location, ease of access, operating costs) for the people living in affordable housing.

Thank you for the opportunity to provide feedback.

Sincerely,



Tamara Leonard-Vail  
Board President

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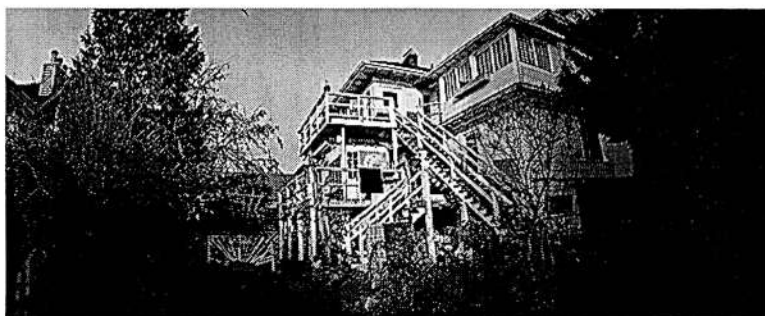
June 16, 2015

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B.C. Green Party Critic For Finance And New Economy

## Vancouver's Affordability Trap

Posted: 06/13/2015 11:09 pm EDT | Updated: 06/13/2015 11:59 pm EDT

*(Photo by sporkist / CC BY)*

It's hard to know what to make of B.C. Premier [Christy Clark's response](#) to Mayor Gregor Robertson's better-late-than-never request for government action around Vancouver's affordability trap. But if you peel back the layers and actually take the time to read through both the B.C. Finance Ministry's briefing note on the topic, and then the research submitted by the B.C. Real Estate Association, things become a little more clear. This is a decision born more from ideology than from any evidence-based analysis.

And while the provincial government might want to wish this crisis away, the facts have a way of hanging around.

The Bank of Canada, hardly a collection of anarcho-leftists, considers the Canadian housing market to be as much as [30 per cent overvalued](#) -- which is an estimate alarmingly close to those that came just before the massive U.S. correction of 2008.

The Demographia Institute study of [housing affordability](#) continues to place Vancouver as the second worst city in the world, just behind Hong Kong, and just ahead of San Francisco. And credit union [Vancity reports](#) that while wages in Vancouver grew by 36 per cent between 2001 and 2014, house values soared by a whopping 211 per cent. The list of warnings goes on and on.

So with a runaway real estate market that shows few signs of slowing -- one which, if left unchecked, will fundamentally re-write the makeup of Vancouver for a generation -- the provincial government is taking a pass. That's a pretty bold decision and one that you would expect to have backed up by some compelling research.

But as far as I can tell, it all rests on one single piece of near guesswork: an "estimate" by uncited "industry experts" that the degree of foreign speculation in Vancouver hovers at a negligible five per cent. Therefore, doing nothing is the right move.

(To be clear, the "foreign" origin of such investment is a bit of straw man: it is the speculative nature that is worrisome, whether that money comes from Shanghai or Sarnia.)

So let's explore the origins of this five per cent estimate on which so much rests. It [originates from the B.C. Real Estate Association](#), and you must admit that asking the BC REA for their opinion on housing affordability is a little like asking the fox how to build the best henhouse.

What can be extracted from [the documents](#) is not entirely reassuring:

- First, the BC REA cites residential measurements based on the 2011 census, which is of limited usefulness in understanding a bubble that, judging from MLS price data, has largely manifested since the 2010 Olympics. Next.
- They then talk about a CMHC rental market survey of property managers, which seems promising, but they do little to explain the methodology. Next.
- The report then mentions a 2010 study by Urban Futures (outdated, next) and an informal poll of 200 realtors (methodology, next).

- As a finale, the BC REA cites housing market studies from the US and Australia that measure non-resident investment... which are, at best, extremely crude proxies for whatever is happening in Vancouver.

None of this gives much credibility to the five per cent number, unless you squint your eyes just right and *really* want to believe.

But because of this vanishingly small number -- unverified by any hard research -- no policy action is required. We can just sit back and let the invisible hands of the market give us all a refreshing neck rub.

Indeed, Clark's letter goes on to assert that *any* move by the government to cool a housing market renowned worldwide for its heat would instead bring up disastrous economic repercussions: negative homeowner equity, depleted investor returns, somehow higher rental rates, cats and dogs sleeping together, etc.

This meltdown scenario is also a straw man argument. No one sensible is talking about policies to bring down the overall price level: this would wreak exactly the same havoc as an uncontrolled collapse of the housing bubble. But any reasonable analysis of the situation suggests a clear role for policy to slow or halt the rate of increase in housing prices so that income levels can catch up. The combination of the two would let us all squeeze out of the affordability trap.

Oddly enough, [the B.C. Ministry of Finance references](#) what seems to be an excellent example of how this can be accomplished in their own briefing note on the issue. They point to Singapore, which used a basket of policy measures to bring their housing price increases under control. As a result of their actions between 2009 and 2013, housing prices in that market slowed and then began a slow decline.


But the finance department states that this is not a success story, as housing is still unaffordable for many who live in Singapore -- missing the point of the exercise entirely. If the Singaporean government can continue to maintain housing price stability, these policies will give local incomes a chance to catch up to those admittedly levels. Their economy will grow out of its housing crisis without triggering a sudden market correction.

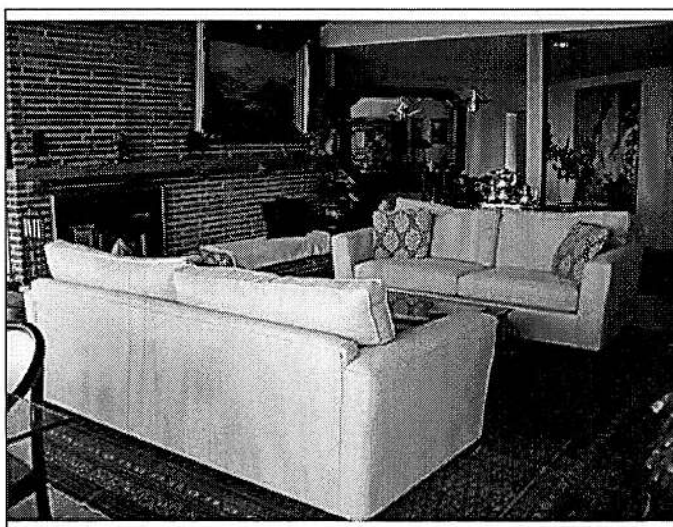
That's exactly the kind of outcome we need to engineer here in Vancouver, and we need to get to work now. The Vancity study raised the alarm that affordability issues are poised to trigger an exodus of millennials from Vancouver, in search of the higher incomes and satisfactory homes that they have been told won't be possible here.

This is a terrible prospect for a city that wants to build its future around the jobs of tomorrow, filled by our brightest and best. Instead we risk turning into a resort city, where few who grew up here can aspire to actually live here.

But, as with seemingly any non-LNG related economic challenge, the government's policy non-response seems to be the sort of frantic shooing gesture a BMW driver makes when faced with a squeegee kid. Unfortunately for those of us living in Vancouver, this one isn't going to go away. It's a real problem with real consequences that are directly opposed to building a sustainable society.

**ALSO ON HUFFPOST:**

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## Conversations



Add a comment...

Comment



**Lisa Clarke**

What drives me crazy is that the middle-class British Columbian pays for this grossly inflated housing market in so many ways. Increased debt load, money going towards mortgages that could go into savings, vacations, resp's, the BC economy, you name it. I'm sick of it! Raising a family here is so hard, the greedy real estate market is gobbling up our quality of life. They've created a monster here! Do something about this, you're wrecking the province my grand-parents and great-grandparents worked so hard to build!

Reply · Like · 6 · June 13 at 10:37pm



**Foreign Investment in Vancouver Real Estate**

Totally agree. I think that it's fear of being priced out forever. I have friends that have jumped into the detached market on the East Side, and they are so stretched financially, but they just don't care because they think it's just going to go up-up-up. It's such a speculative market, not based on rates or salaries, but the hope that we just keep getting more foreign buying.

Reply · Like · June 14 at 7:14am



**Aaron Anderson** · Vancouver, British Columbia

There are a couple of ways to address this issue. The easiest is the bank of Canada raising interest rates to what they used to call "normal". That would mean 6-8% mortgages. Immediately regular dual income middle class families will not be able to afford their million dollar slum-homes, many will be forced to foreclose. New home owners would not be able to enter the market with these interest rates even if they had the minimum down payment of 10%. Supply and demand would tilt, demand would reduce, supply would increase and prices would fall.

The other option is, just don't buy. Save your money, rent, look at ms listings now and then, continue to save, laugh at pushy real estate agents who try to get you to over bid another offer to lock in the property. Keep saving. Your bank will send you letters as your assets grow, offering... See More

Reply · Like · 1 · June 14 at 8:45pm



**Michael Wilson** · Vancouver, British Columbia

Sorry, Matt, but you lost me here:

"No one sensible is talking about policies to bring down the overall price level"

The only way to truly restore affordability is to do exactly that.

The biggest deterrent to risky financial decisions is fear of loss. When the government says they will do whatever it takes to prevent price drops, it encourages the very behaviour that got us into this mess!

Reply · Like · 1 · Yesterday at 5:54am



**Matt Toner** · Vancouver, British Columbia

Hi Michael, this is why I call it a trap. If we were to knock the price levels down by X%, this would shove many existing owners underwater wrt their mortgages. The effects would be more localized, but would feel a lot like the US housing market correction of 2008: it would hit homeowners hard and could have a knock-on effect that impacts the Vancouver economy in general.

This is why I suggest measures to bring about price stability in the housing market. If prices weren't galloping ahead, incomes would steadily catch up and we could escape the trap.

Reply · Like · Yesterday at 9:23am



**Brad Richert** · Top Commenter · Associate Broker/Realtor at Macdonald Realty Langley

9 million Millennials in Canada have entered or are entering home buying age. All want what their parents have. But sure, blame Asians and Realtors and the government.

8.2 million baby boomers completely changed the face of real estate two generations ago but we can't learn from history. We gotta find our minority scapegoat. Keep it up. See how far that gets us.

And yes, real estate is overtly racist. It takes 6 months in the industry to realize this if you haven't already. Canadian racism is polite and in denial.

Reply · Like · 1 · June 14 at 10:10am



**Peter James** · Top Commenter

>>>>"Canadian racism is polite and in denial."

Not that polite.

Let's iust sav it's not as overt and in-vour-face.



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**Vox**

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Clarion Alley in the Mission neighborhood of San Francisco. | Darwin Bell

# **This woman has a plan to fix San Francisco's housing crisis — but homeowners won't like it**

*by Timothy B. Lee on June 15, 2015*

When I visited San Francisco last month, everyone wanted to talk about Bay Area's affordable housing crisis. Tech

industry money has made San Francisco the most expensive city in America, and ordinary San Franciscans are finding it harder and harder to afford housing.

There's a raging debate over what to do about it. Traditionally, many affordable housing advocates have viewed market-rate housing developers with suspicion. In their view, developers make things worse by building luxury condos that are too expensive for ordinary San Franciscans. This kind of thinking is behind a recent proposal to freeze (<http://www.vox.com/2015/5/5/8557153/san-francisco-mission-campos>) market-rate housing development in a neighborhood called the Mission.

But a new generation of affordable housing advocates have a different view. For example, Sonja Trauss leads a new group called the San Francisco Bay Area Renters Federation — "SFBARF" for short — that believes promoting development, rather than stopping it, is the key to making the region affordable again. She hopes to remove legal barriers to housing construction in order to unleash a major building boom in San Francisco and throughout the Bay Area.

This is a fight with national implications. The Bay Area has become the center of American innovation, yet strict housing regulations in San Francisco and Silicon Valley have stunted job creation there. Other big coastal cities are struggling with similar problems. A recent study (<http://www.nber.org/papers/w21154>) suggests that relaxing housing regulations in the San Francisco and New York metropolitan areas along could boost the American economy by hundreds of billions of dollars.

But the politics of this are tricky. Everyone supports more housing *somewhere*, but hardly anyone wants housing to be built near them. People like their neighborhoods the way they are and worry that development will change them for the worse. Ultimately, then, the Bay Area housing fight is about culture as much as it is about economics. Solving the region's housing crisis will require convincing ordinary voters that long-term benefits of more plentiful housing will be worth the upheaval that would result from a building boom.

## **Why long-time Mission residents hate luxury condos**

On June 2, the Board of Supervisors, San Francisco's city council, met to consider a proposal by supervisor David Campos to freeze market-rate housing construction in the Mission, a neighborhood Campos represents. The supervisors heard comments from constituents for more than seven hours.

Most of the speakers favored the moratorium. The Mission has traditionally had a large Hispanic population, but surging demand for housing there has led to a steady attrition of Hispanic residents over the past 15 years. The neighborhood's strict rent control laws mean that it's not easy for landlords to force out existing residents. But when longtime renters move, landlords can boost rents to market levels, which means the new residents are likely to have little in common with the old ones.

## **The Mission isn't exactly having a construction boom**

Writing for San Francisco Weekly, Julia

Carrie Wong described

( <http://www.sfweekly.com/thesnitch/2015/06/03/tl>

[mission-moratorium-and-the-other-](http://www.sfweekly.com/thesnitch/2015/06/03/tl)

[bubble](http://www.sfweekly.com/thesnitch/2015/06/03/tl)) how many longtime Mission

residents feel about the changes in their

neighborhood — and why so many are

hostile to the construction of new

condos there:

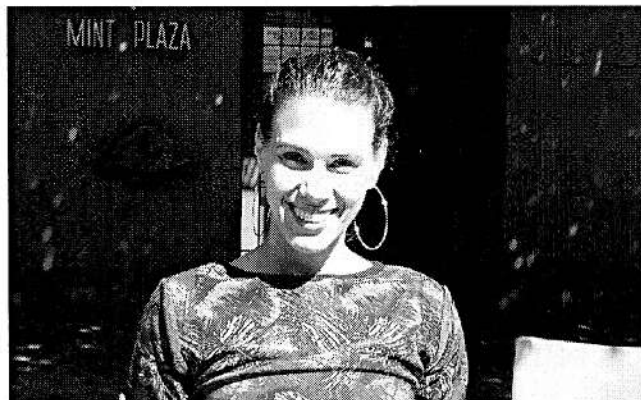
These new glass and concrete edifices contribute to the alienation of the neighborhood's old residents. As do the fancy new restaurants and boutiques that working class residents can't afford. As do the giant tech shuttles lumbering through the narrow streets. For some, these are neighborhood improvements that provide jobs and improve the economy. But for those who will never enter them unless it's through the back door to wash dishes, deliver food, or clean rooms, they are just another reminder that they no longer belong.



Advocates of the Campos moratorium conceded that it wasn't a long-term solution to the neighborhood's affordability crisis. But they hoped the measure — which would have lasted for at least 45 days and been renewable for up to two years — would focus the city's attention on the issue and give it time to buy land for subsidized housing projects before private developers get it.

The Board of Supervisors voted for the development freeze by a 7-4 margin. That was short of the nine votes required to put the emergency measure into effect. But the issue isn't dead — advocates have vowed to put the measure to voters this fall.

## San Francisco's "very deep hole"



SFBARF leader Sonja Trauss. (Timothy B. Lee/Vox.com)

The stakes in the Mission moratorium fight are actually quite low; the neighborhood isn't exactly having a construction boom. In recent years, the Mission has been adding around 100 units per year (it gained 85 units ([http://www.sf-planning.org/ftp/files/publications\\_reports/2014\\_Ho](http://www.sf-planning.org/ftp/files/publications_reports/2014_Housing_Mission_Moratorium_Report.pdf) in 2014), which works out to a third of 1 percent of the 25,000 units in the neighborhood.

The pattern is similar in the city as a whole: rents are surging, but development has been sluggish. "For the last decade, we've been growing by about 10,000 people a year," says Scott Weiner, a San Francisco supervisor who voted against the Mission development freeze. Yet the city has only added about 2,100 units per year over the last decade. In a city with 380,000 housing units, that's an annual growth rate of less than 1 percent.

When population growth dramatically outpaces housing construction year after year, "you start digging yourself into a very deep hole," Weiner says.

"We've been doing that for about a decade."

Last year was better than average, with the city adding 3,500 units ([http://www.sf-planning.org/ftp/files/publications\\_reports/2014\\_Ho](http://www.sf-planning.org/ftp/files/publications_reports/2014_Ho)

"We've finally turned in a positive direction," Weiner says. "The last thing we need is to shut down housing production when we have a housing shortage. This moratorium will increase the pressure on our inadequate housing stock."

### **How housing regulations hold back the American economy**

San Francisco's housing fight has implications for the American economy as a whole. The reason San Francisco is experiencing such a severe housing shortage is that the Bay Area is home to dozens of innovative technology companies that are desperate to hire more workers. They've been bidding up technology workers' salaries, and those workers are using their higher salaries to bid up the region's scarce housing.

This is a crisis for San Franciscans who can't afford the spiraling cost of housing. But it's also a problem for the American economy as a whole, because a shortage of housing is stifling the growth of some of America's most innovative companies.

**Housing shortages are having similarly detrimental effects in other major metropolitan areas like Boston, New York, and Washington, DC**

In a more flexible housing market, the growth of Google, Twitter, Airbnb, and other companies would have triggered a massive housing boom and rapid growth in the Bay Area's population. And this wouldn't just create more jobs at technology companies. The region's growing wealth would also create a lot of jobs for other professions — schoolteachers, nurses, chefs, and nannies — that provide services to high-tech workers. As workers moved to the

Bay Area to take advantage of opportunities there, workers in the rest of the country would find it a little easier to find jobs and get raises.

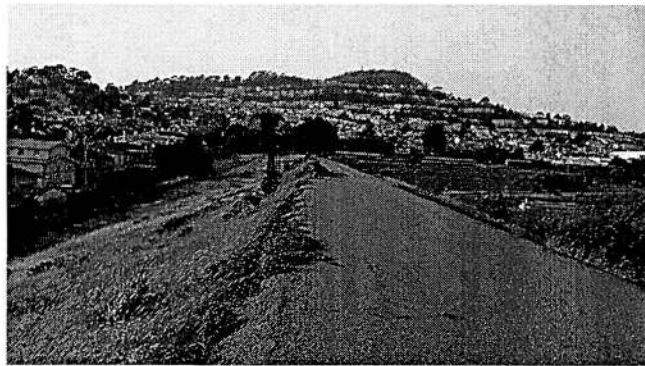
Housing shortages are having similarly detrimental effects in other major metropolitan areas like Boston, New York, and Washington, DC. These are all areas with high wages and a shortage of qualified workers. In a more flexible labor market, they'd all be experiencing a building boom as people moved there to take advantage of these opportunities.

How much are housing regulations holding back the American economy? It's impossible to put a precise number on the costs, but a recent study (<http://www.nber.org/papers/w21154>) by economists Chang-Tai Hsieh and Enrico Moretti suggest that the costs are easily in the hundreds of billions of dollars. They estimated that if cities built enough housing to allow 10 percent of Americans to move to higher-productivity cities, this would increase US economic output by 3.4 percent, which is more than \$500 billion. They

find that the New York and San Francisco Bay areas are responsible for the lion's share of economic losses due to housing shortages.

So every American worker has a stake in San Francisco's housing debate. A building boom in the Bay Area there would not only boost some of America's most innovative companies, it would also create hundreds of thousands of new jobs and help reverse America's recent economic slump.

### **Not in my backyard**



This abandoned reservoir site could provide housing for thousands of people. (Timothy B. Lee/Vox.com)

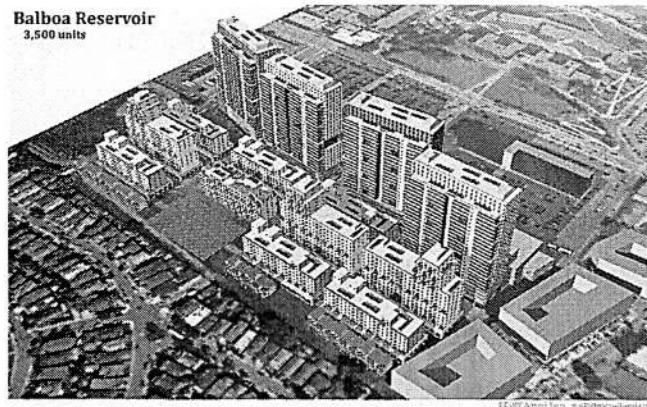
Development advocates believe that for San Francisco to really get a handle on its affordability crisis, it needs to add a lot more housing. One particular site in south San Francisco seems to offer an opportunity to do that. The long-retired



Balboa Reservoir now serves as a huge parking lot for the City College of San Francisco. The 17-acre site is owned by the San Francisco Public Utilities Commission, and city planners want to build affordable housing there.

The site is less than a 15-minute walk from the Balboa Park BART station, so residents who work downtown would be able to get there without a car, limiting the need for parking. And with a college campus on two sides and a four-story apartment building on a third, there are few neighbors next door to complain about having tall buildings towering over their yards.

Pro-development activists see this as an opportunity to build thousands — not just dozens or hundreds — of housing units. Here's one conceptual sketch (<http://sfbarf.tumblr.com/post/118213525855/fisrt-cultural-industries-balboa-reservoir>) by artist Alfred Twu of how the site could be developed to provide homes for 3,500 low- and moderate-income residents. That's about as many new housing units as the entire city added in 2014.



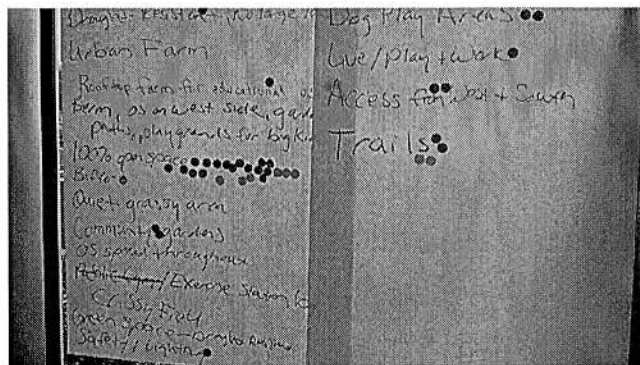
The city organized a May 5 meeting at the community college to solicit public input on what the project should look like. Sonja Trauss, the head of the pro-development group SFBARF, attended along with several of the group's members to press for an ambitious, high-density project.

But they were vastly outnumbered by the locals, who had a different agenda. Development advocates use the phrase NIMBY ("Not in my backyard") to describe people who resist change in their neighborhoods. NIMBYs were out in force at this Tuesday-night meeting.

Dozens of neighborhood residents packed the large classroom, writing their views on enormous Post-it notes city officials had posted around the room. People could endorse another

person's view by placing a colored sticker next to it.

The majority view was that the project should provide housing for as few people as possible. By the end of the night, "100% open space" had dozens of brightly colored stickers next to it. A lot of people also wanted buildings that were no more than one or two stories tall because taller buildings would destroy the "character" of the neighborhood.



Many people who lived near the Balboa Reservoir wanted it to be converted to "100% open space." (Timothy B. Lee/Vox)

Parking was a concern for many residents. At one point, Trauss was confronted by a resident who appeared to be in her 60s. She demanded to know if Trauss lived in the neighborhood, and Trauss admitted she lived in West

Oakland, on the other side of San Francisco Bay.

"Then you can't know what it's like here," the woman replied. "It's like a parking lot every day." She blamed the parking problems on previous development projects that hadn't provided enough parking spaces.

### **If you want more housing, you have to put it somewhere**

This kind of scene — which has played out again and again around the Bay Area — is a big reason for the region's housing crisis. Almost everyone agrees that the San Francisco Bay Area as a whole needs more housing. But the region is heavily developed, so any specific site developers choose is likely to be located near *somebody*. And those somebodies almost always find reasons to say, "Not in my backyard!"

In many ways, the fight over the Mission moratorium and the fight over the Balboa Reservoir project are mirror images of each other. In the Mission, low-income renters are organizing against development projects that they

fear will bring in a new crop of more affluent homeowners, transforming their neighborhood in ways that will make them feel out of place.

## **This kind of conservatism has been a major factor behind the city's affordability crisis**

In the Balboa Park neighborhood, affluent and predominantly white homeowners are organizing to stop a development that will provide housing for less affluent residents. While their stated concerns had more to do with parking and green space than changing demographics, the practical result of converting the site to "100% open space" would be to freeze the current demographics of the neighborhood.

People move to neighborhoods they like, so it's natural that longtime residents of a neighborhood would be resistant to change. But in the aggregate, this kind of conservatism has been a major factor behind the city's affordability crisis. Because no one

wants housing built in their own neighborhood, San Francisco isn't building housing anywhere — at least not at a rate that can keep up with demand.

Sonja Trauss hopes to convince renters in San Francisco that they have a shared interest in making housing more affordable — and then organize them to lobby for more development. On paper, renters should be a potent political force. More than 60 percent ([http://factfinder.census.gov/faces/tableservices/jsf/pid=ACS\\_13\\_5YR\\_B25003&prodType=table](http://factfinder.census.gov/faces/tableservices/jsf/pid=ACS_13_5YR_B25003&prodType=table)) of San Francisco households rent. So if they were well-organized — and convinced that more development would lower housing costs — they would be an unstoppable political force.

And Trauss believes that the intensity of recent debates is helping to galvanize the city's renters — especially relatively affluent newcomers — into becoming more politically active.

"There's actually a very nasty tone to the conversation from the NIMBYs," she says. "People say, 'Tech assholes, go home.'"

## How developers make neighborhoods boring

Graffiti on Haight Street in San Francisco ([<http://www.vox.com/2015/6/15/8782235/san-francisco-housing-crisis>](https://www.flickr.com/photos/jbparrott/3948539219/in/photolist-71Vi9p-71ZleS-atZcTA-bm2LDY-rXMzhW-8mHGxk-9iwtU-56Uo6i-5reuY9-6SEsSq-6vLdaE-7kKBbU-71Zi7U-3vQXPc-ba7hz-8mqwRZ-9D9FQ6-7BowBy-frTVAn-7Zr3yt-89G6wC-7oDinY-7ozqbR-7oDikm-7ozq9z-4j67cC-5QzPt5-c1Q3u-5MJgwV-u5viZ-5Qvyre-bm2PLY-HL3Ss-5R4AiZ-5R8Tym-6SAApX-4PvWGS-9iwk3-8JSbJY-6J2eLu-LJxSW-4HYWZ-frU5ce-8YpPHk-fxYJCt-HL3RN-fnpdyv-7BjxtM-7BjKGx-9tz8U6))</a>)</p></div><div data-bbox=)



While Trauss's political project is pro-development, she blames developers for some of the friction between newcomers and longtime residents.

"Developers are part of mainstream America," she says. "And mainstream America is pretty racist."

What she means is that major real estate developers use their wealth and influence to change the culture of the neighborhoods where they build. "If you have some neighborhood that's marginal or unusual and has any kind of street life that is technically illegal but generally not enforced," she says, developers will lobby to change that.

"They call it awful things," Trauss says. "They say 'cleaning up the neighborhood.' And what that means is getting all kinds of laws like loitering enforced, making street life difficult and illegal."

Trauss sees this kind of cultural friction as an unfortunate side effect of development projects. But she doesn't see it as a reason to block housing

projects. Instead, she wishes traditional housing groups would focus more on these issues. "If you're organized anyway, don't organize to stop the new building, organize to stop the accompanying integration problem."

**"Aaron Peskin is a legendary hater"**

([Michael Larson](#))

(<https://www.flickr.com/photos/10502977@N05/1442395538/in/photolist-byr9mi-dqdNbf-byRJwp-7J25z2-2kRveC-bBv78g-b2gwmx-aP44PR-dzFbQ4-bTdoXP-aJaiTz-9Km2UR-fhrcuq-3csDWA-gGSuS-bt3YpX-9Evp9w-7BWQCV-9i6b5b-fl1q9p-fzhNSx-aFdwoN-pJ4S5r-4heGvv-fjw3r-7EbheV-7SjHYX-6tSPB1-akRdoF-5RT97n-i3f2p1-bmzyqK-4856y6-bn1GxB-biYt8p-9pMVBA-bdWmaF-9hMnEV-aSDvyp-54H2zK-aRcxPM-ddNEF8-7D6Le4-bnD6gL-hwBY5a-dXRcsR-fcBhWg-6pxdvD-iid9Du-6i2wbl>)

Right now, SFBARF is pretty small.

Besides Trauss, the group has only one other paid staffer — a part-timer working on a contract basis. Trauss also has a handful of active volunteers and a mailing list with around 300 people.

So far, Trauss has focused on getting her supporters to meetings like the one in Balboa Park, to ensure that elected officials always hear a pro-development perspective to counter the NIMBYs. And she says the next big step is getting involved in electoral politics.

This fall, Aaron Peskin, a former president of the Board of Supervisors, is running in a special election to unseat recently appointed supervisor Julie Christensen. Trauss says the race provides an ideal opportunity for SFBARF to flex some political muscle.

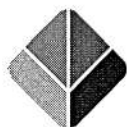
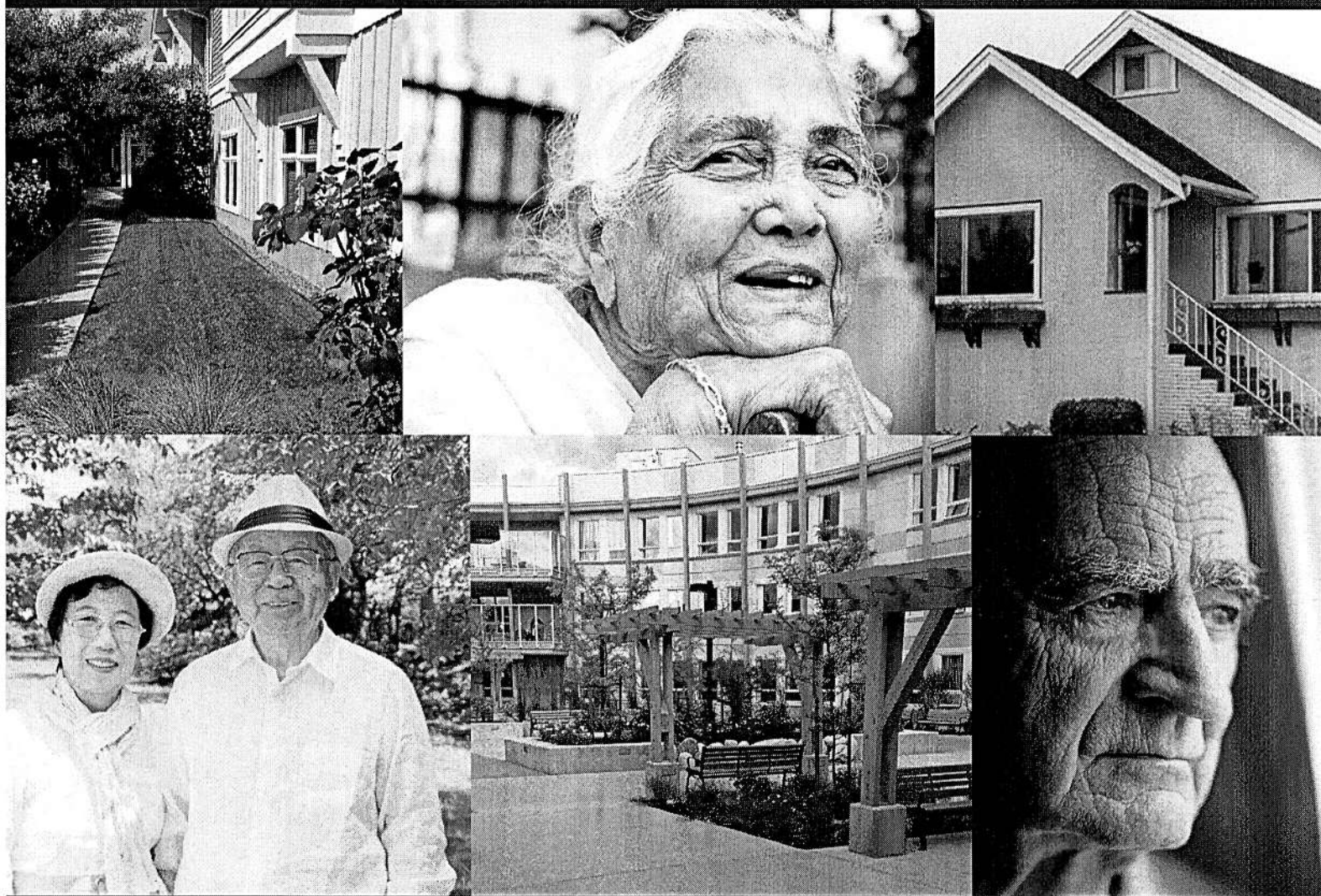
"The Board of Supervisors is split between 'yes we can build' people and people who are like, 'No way,'" she says. "Julie Christensen and Aaron Peskin are on opposite sides of that spectrum. Aaron Peskin is a legendary hater. He would be terrible."

So SFBARF hopes to mobilize thousands of relatively new San Francisco residents who haven't become politically engaged yet with an issue that all of them care about: the sky-high cost of housing. If the group helps Christensen beat Peskin in November, it could demonstrate that there's a substantial constituency for pro-development politics.

# Seniors' Housing in B.C.

Affordable • Appropriate • Available

## Executive Summary



OFFICE OF THE  
**SENIORS ADVOCATE**

[www.seniorsadvocatebc.ca](http://www.seniorsadvocatebc.ca)  
1-877-952-3181

May 2015  
Report #4

# Executive Summary

In the past year, the Seniors Advocate has met with thousands of seniors and their families in every region of the province. Among the many issues and concerns these seniors have raised and brought forward for discussion, they expressed a deep concern around the affordability, availability and appropriateness of seniors' housing in the province.

Seniors expressed clearly that they want to age as independently as possible in their own homes and in their local communities. However, low incomes and high living costs have a profound impact on the affordability of independent housing options for seniors, and on their ability to freely choose their living arrangements.

Many seniors accept that, as they age, changes to their health and mobility may necessitate a move to housing that incorporates a support or care component. However, many feel frustrated that their housing options are limited by the availability of appropriate housing in their communities and by the policies, practices and regulations currently in place that determine eligibility for particular types of housing. They fear they will be forced into assisted living or residential care prematurely, or need to move to faraway communities where there is no support system of friends and family.

Given the breadth and depth of the concern, the Seniors Advocate sought to undertake a review to identify issues across the continuum of independent housing, assisted living, and residential care settings that might limit seniors' ability to make choices about their housing. At each step along this housing continuum, the Advocate asked:

1. Have we done everything we can do to make this housing **affordable**?
2. Have we done everything we can to ensure this is the most **appropriate** place for seniors to live?
3. Have we done everything we can to make this housing option **available** to seniors?

The goal of this report is to emphasize some of the most pressing housing priorities facing seniors living in British Columbia. It is focused on recommendations that are practical, realistic and have the potential to leverage significant change.

The context of where and how B.C. seniors are currently living is necessary to appreciate the magnitude of the issues. The data indicate that, while many seniors are doing fine, some are not and require help to ensure their housing is affordable, appropriate and available.

A snapshot of how B.C. seniors are living shows that:

- 93% live independently in houses/townhouses/apartments/condominiums
- 80% are homeowners, of which 22% carry a mortgage
- 20% are renters, with 20% receiving some rent subsidy
- 26% live alone



## EXECUTIVE SUMMARY

- 4% live independently but receive provincially subsidized home care services
- 3% live in assisted living, with 20% receiving a subsidy
- 4% live in residential care, with 95% receiving a subsidy

The financial circumstances of B.C. seniors show that:

- The median income for seniors is \$24,000
- 35% of seniors who rent live on a household income of \$20,000 or less
- Average rents for a one-bedroom apartment vary from a high of \$1,038 in Vancouver to a low of \$547 in Quesnel
- While the average house price varies greatly in the province, the average annual costs of homeownership net of any mortgage payments is about the same regardless of where a senior lives, averaging around \$1,000 per month
- 36% of seniors with household incomes less than \$30,000 believe they will need to move in the future due to affordability

## Independent Housing

Independent housing options for seniors include both home ownership and rental situations. Independent housing is a choice that is **appropriate** for most seniors if it is affordable, if there is housing available that can provide accessibility to services and supports, and if it allows for design features to make the environment safe and accessible. There are data to support that, if seniors choose to, they can be cared for in their own home to very high care levels. Where the housing is located, whether or not there is a co-residing caregiver, and the degree of risk that a senior chooses to live with are all factors that will influence this choice, and different people will make different choices. However, should a senior choose to live independently, evidence supports this can be an appropriate choice.

The **affordability** of independent housing for low and moderate income seniors, both renters and homeowners, is challenging. Data support that many seniors who rent, particularly those in the Lower Mainland and Greater Victoria, are in genuine need of more support to cover their rental costs. The data also support that some low to moderate income seniors who are homeowners need to find cost relief for either their ongoing home ownership costs, or the extraordinary costs of major repairs.

The **availability** of suitable housing for seniors is lacking most in rural and remote areas of the province. This presents a particular challenge for those seniors who are isolated and may need to move into the nearest town once they are either widowed, lose the ability to drive, or require daily home support services if they want to continue to live independently and optimize their safety.

In response to these issues, this report makes a number of recommendations including changes and amendments to existing programs designed to help seniors financially. For homeowners, a bold new initiative is proposed that would allow for some, or all, of seniors' household expenses to be deferred.



## Assisted Living

Assisted living in British Columbia takes various forms: publicly-subsidized Registered Assisted Living, private-pay Registered Assisted Living, and private-market assisted living residences. Assisted living is a housing choice for many seniors who wish to live in a community with others and have hospitality services like cooking and cleaning provided by the facility. It is also appropriate housing for seniors who require care but have a level of cognitive function that allows them to engage with the community of seniors they live with while maintaining their independence.

The data reviewed in this report support that, for many of the people living in Registered Assisted Living, it is an **appropriate** setting. However, the data also clearly indicate there are other seniors for whom subsidized Registered Assisted Living would be appropriate, but they are not eligible for this type of housing and care as a result of the current regulations. These seniors would appear to instead go prematurely to residential care.

The **affordability** of subsidized assisted living appears to be adequately regulated by the current rate structure whereby seniors pay 70% of their net income, with a Temporary Rate Reduction available to those who need it. For seniors with very low incomes, however, these fees can leave very little disposable income for costs not covered by the fees.

The **availability** of assisted living overall appears to be sufficient given there is an estimated 10% vacancy rate. However, the availability in smaller, more remote communities may be a challenge. In general, the availability of subsidized assisted living is difficult to assess as there is no standardized method used for tracking vacancies either within or between health authorities.

Based on these issues, this report makes recommendations related to several aspects of the current regulatory framework for assisted living.

## Residential Care

Sometimes called long-term care, facility care or a nursing home, residential care provides 24-hour professional supervision and care in a protective, secure environment for people who have complex care needs and can no longer be cared for in their own homes or in assisted living settings. Seniors with Alzheimer's or other forms of dementia, those with significant physical incapacity, and those who require unscheduled and frequent higher level nursing care are all suited to live in residential care.

The data reviewed in this report suggests that residential care is the **appropriate** setting for the majority of seniors who live there, although some seniors are not in the appropriate location or their preferred facility. However, these data also suggest that some seniors in residential care, perhaps 5 to 15% of current residents, could be living in the community either with home care services or in assisted living.

## EXECUTIVE SUMMARY

The **availability** of residential care varies throughout the province. Waiting times for placement are greater in the north than in the Lower Mainland and waiting times are greatest for those who require highly specialized care such as a secure dementia unit. While it is difficult to assess accurately the sufficiency of beds overall, there is definitely a lack of availability of the bed of choice, or 'preferred bed'.

The **affordability** of residential care is assured by charging residents a percentage of their net income and by the availability of a Temporary Rate Reduction (TRR) in the case of undue financial hardship. However, awareness of the TRR and uniform application are lacking.

This report recommends changes to how residential care clients are assessed in order to ensure that all possible options for care and support in the community, either via home care or assisted living, have been exhausted before a senior is admitted to a residential care facility. It also recommends changes to admission processes to ensure that seniors' admission to residential care is carried out in a fair and appropriate way that respects seniors' needs and preferences. Finally, the report calls upon the provincial government to commit to a higher standard of accommodation in residential care facilities, including the provision of single room occupancy with ensuite baths for 95% of beds by 2025.

## Conclusion

We all want to do better for our seniors. This report highlights some of the systemic issues that seniors face as they strive to achieve housing that is appropriate, affordable, and available. It is clear that many low and middle income seniors, both renters and homeowners, need to have more financial help in meeting their basic needs. It is also clear that we need to do a better job in respecting the desire of seniors to live as independently as possible for as long as possible. Changes to the regulatory framework for Registered Assisted Living, along with more comprehensive screening for residential care admissions, are required to ensure our seniors are given all possible supports to live as independently as possible for as long as possible. Lastly, for those seniors with significant cognitive or physical disability who require the level of care provided in residential care, we must do all we can to get them to a place they want to call home that offers the privacy and dignity they deserve.

Together, we can build a strong foundation of appropriate, affordable and available housing options for the seniors of British Columbia.

## Independent Housing Recommendations

1. Revise the Shelter Aid for Elderly Renters Program (SAFER) to align with the subsidized housing model of tenants paying no more than 30% of their income for shelter costs, by:
  - a. adjusting the maximum level of subsidy entitlement from the 90% currently indicated in the SAFER regulations to 100%; and
  - b. replacing the current maximum rent levels used in the SAFER subsidy calculations with the average market rents for one-bedroom units in B.C.'s communities as reported annually by Canada Mortgage and Housing Corporation.
2. Create a Homeowner Expense Deferral Account type program, as outlined in this report, to allow senior homeowners with low or moderate income to use the equity in their home to offset the costs of housing by deferring some or all of the major ongoing and exceptional expenses associated with home ownership until their house is sold.
3. Amend the *Residential Tenancy Act* and *Strata Property Act* to protect tenants and owners who require non-structural modifications to their unit (i.e. grab bars, flooring) from either eviction, fine or denial and protect their right to access grant money from the Home Adaptions for Independence (HAFI) program.
4. Amend both the *Residential Tenancy Act* and the *Strata Property Act* to ensure that tenants/owners cannot be evicted or fined under bylaw for the occupancy of their unit by a live-in caregiver.
5. Amend the Home Adaptions for Independence (HAFI) program to: exclude the value of the home as a criterion; graduate the grant on a decreasing scale relative to income; decrease complexity for landlord applications; and allow for applications from strata corporations and co-ops.
6. Amend the *Strata Property Act* and the *Manufactured Home Act* to ensure seniors who are placed either in residential care or subsidized Registered Assisted Living are able to rent their homes while they are listed for sale.
7. The Provincial Government consult with the Active Manufactured Home Owners Association, the Manufactured Home Park Owners Alliance of British Columbia and regional manufactured home owners associations to revise the *Manufactured Home Act* so that fair and equitable compensation is provided to manufactured home owners who are required to leave their home due to sale or development of the property.
8. The Provincial Government, BC Housing and the Office of the Seniors Advocate work together to develop a strategy for affordable and appropriate seniors housing in rural and remote British Columbia.
9. The Provincial Government work with the Federal Government on the issue of seniors who are homeless as a discrete population within the homeless community.
10. The Provincial Government work with the Office of the Seniors Advocate to raise awareness of all subsidy and grant programs available to seniors.

## Assisted Living Recommendations

11. Registered Assisted Living be fundamentally redesigned and regulations changed, to allow for a greater range of seniors to be accommodated and age in place as much as possible including palliative care. This should reduce: the number of discharges from Registered Assisted Living to Residential Care; the number of admissions to residential care of higher functioning seniors; and the number of seniors admitted directly to residential care from home with no home care.
12. Amend section 26(6) of the *Community Care and Assisted Living Act* to:
  - a. allow that section 26(3) of the Act does not apply to a resident of assisted living if that person is housed in the assisted living facility with a person who is the spouse of the resident or anyone in the classes listed in section 16(1) of the *Health Care (Consent) and Care Facility (Admission) Act* and that person is able to make decisions on behalf of the resident.
  - b. provide that the meaning of “spouse” should extend to a person who has lived in a marriage-like relationship with the resident in addition to a person legally married to the resident.
13. The minimum amount of income with which a resident of subsidized assisted living is left be raised to \$500 from the current \$325 to recognize the costs that are not covered under Registered Assisted Living that are covered under Residential Care.

## Residential Care Recommendations

14. All health authorities adopt a policy that everyone assessed for admission to residential care who scores lower than three on either of the ADL Hierarchy or Cognitive Performance Scale on the InterRAI-HC or MDS 2.0 must receive an additional assessment to ensure all possible options for support in the community, either through home care or assisted living, have been exhausted.
15. All current residents in residential care whose latest InterRAI assessment indicates a desire to return to the community be re-assessed to ensure all possible options for support in the community, including additional supports for their caregiver and potential placement in assisted living are exhausted.
16. All health authorities immediately adopt a policy that any vacancies in residential care will be filled first from the preferred facility transfer list, and only after that has been exhausted will the bed be filled from the assessed and awaiting placement (AAP) list. Residents, if they choose, should be permitted to be placed on the transfer list for their preferred facility immediately upon admission to their first available bed. Residents and their family members should be regularly advised of:
  - a. How many people are ahead of them on the waiting list for a preferred bed; and
  - b. How many vacancies on average occur in the preferred facility.
17. The resident co-payment amount charged to residents who do not enjoy a single room must have a portion of their rate adjusted to reflect their lower grade accommodation.
18. The government commit that by 2025, 95% of all residential care beds in the province will be single room occupancy with ensuite bath and any newly built or renovated units meet the additional standard of shower in the ensuite washroom.



For a full copy of this report go to: [www.seniorsadvocatebc.ca](http://www.seniorsadvocatebc.ca) or contact our office directly.

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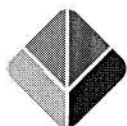
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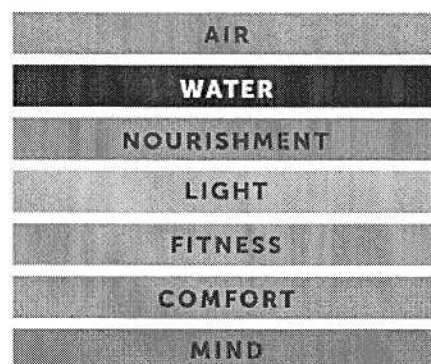
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