



Policy No. 13.2
Adopted: October 9, 2007

Affordable Housing & Social Housing Policy, 2007

Table of Contents

<u>TABLE OF CONTENTS</u>	2
<u>1.0 INTRODUCTION</u>	4
1.1 THE NEED FOR AN AFFORDABLE HOUSING POLICY	4
1.2 AFFORDABLE HOUSING & SOCIAL HOUSING	4
<u>2.0 SOOKE CONTEXT</u>	5
2.1 POPULATION	5
2.2 HOUSING PRICES	5
2.3 INCOMES	6
2.4 HOME OWNERSHIP	7
2.5 RENTAL RATES AND VACANCIES	7
<u>3.0 BROADER CONTEXT</u>	7
3.1 THE SOCIAL COSTS OF HOMELESSNESS	7
3.2 THE REGIONAL HOUSING AFFORDABILITY STRATEGY	8
3.3 PROVINCIAL GOVERNMENT	9
3.4 FEDERAL GOVERNMENT	9
3.5 PARTNERSHIPS IN HOUSING	10
3.6 NON-TRADITIONAL FUNDING	10
3.7 FOCUS ON HOME OWNERSHIP	10
3.8 THE HOUSING CONTINUUM	11
<u>4.0 HOUSING ISSUES AND PRIORITIES</u>	11
4.1 SUPPORTIVE HOUSING FOR PEOPLE WITH SPECIAL NEEDS	11
4.2 ENTRY-LEVEL OWNERSHIP	12
4.3 RENTAL HOUSING	12
4.4 SENIORS HOUSING	12
4.5 SOCIAL HOUSING	12
4.6 QUALITY OF LOW INCOME HOUSING	13
4.7 LOCATION OF AFFORDABLE & SOCIAL HOUSING	13
<u>5.0 GOALS AND STRATEGIC PLAN</u>	13
5.1 GOAL # 1 - PROVIDE A POLICY FRAMEWORK FOR AFFORDABLE AND SOCIAL HOUSING	13
5.1.1 ADOPT AN AFFORDABLE AND SOCIAL HOUSING POLICY	13
5.1.2 UPDATE AND AMEND THE OFFICIAL COMMUNITY PLAN	13

5.2	GOAL # 2 – INCREASING THE SUPPLY OF SAFE & ACCESSIBLE AFFORDABLE HOUSING	14
5.2.1	INCLUSIONARY POLICY	14
5.2.2	DENSITY BONUSING	15
5.2.3	HOUSING RESERVE FUND	16
5.2.4	PRE-ZONE LANDS	16
5.2.5	CREATE A LAND BANK	16
5.2.6	DEVELOP PARTNERSHIPS	17
5.2.7	ASSIST NON-PROFITS AND CO-OPS TO BUILD AFFORDABLE & SOCIAL HOUSING	17
5.2.8	DEVELOP ACCESSIBLE UNITS	17
5.2.9	CONSIDER THE POTENTIAL LOSS OF EXISTING AFFORDABLE HOUSING	18
5.2.10	DEVELOP A MUNICIPAL HOUSING CORPORATION	18
5.3	GOAL # 3 – REDUCE COSTS OF DEVELOPING AFFORDABLE HOUSING	18
5.3.1	ADOPT ALTERNATIVE DEVELOPMENT STANDARDS	18
5.3.2	EXPEDITE DEVELOPMENT PROCESS	18
5.3.3	HOUSING INTENSIFICATION AND DOWNTOWN REVITALIZATION	19
5.3.4	UPDATE THE TRANSPORTATION PLAN FOR SOOKE	19
5.4	GOAL # 4 - PROVIDE INFORMATION	19
5.4.1	MAKE INFORMATION AVAILABLE	19
5.4.2	COMMUNITY PARTNERSHIPS	20
6.0	<u>MONITORING</u>	<u>20</u>
7.0	<u>CONCLUSION</u>	<u>21</u>

1.0 Introduction

Owning or renting a home can be an overwhelming task, especially in one of British Columbia's fastest growing regions, where housing costs are rising faster than incomes.

As growth and change continue in Sooke, Council and Staff have become increasingly aware of emerging housing trends and community concerns. Rather than wait for opportunities to pass by, Council has chosen to address the topic of affordable housing proactively.

In order to develop an effective model for affordable and social housing, it is crucial that a combination of options are incorporated into the policy. An adequate supply of serviced land should be made available at a reasonable cost for residential development, and high quality affordable and social housing should be located in close proximity to community services and infrastructure. The intensification of residential land uses addresses issues in relation to "smart growth", minimizing costs of transportation and provision of infrastructure, and improves accessibility of residents to important community services and supports.

1.1 The need for an affordable housing policy

Currently the District of Sooke does not have an affordable housing policy. While the Official Community Plan (OCP) has general statements related to provision of housing, there is no Council-adopted policy to provide guidance on affordable housing priorities.

Over the last five years the housing market in Sooke, and the entire Capital Regional District, has seen remarkable changes; home ownership prices have increased radically, and availability of rental housing is very low. Rising housing costs, for both renters and owners, are displacing long-time community members, essential service workers, people with disabilities, young people and seniors from the housing market.

Where and how people live affects the well-being and character of the entire community. It is important that the housing market reflect an adequate mix of housing types and affordability levels in locations that are accessible to community amenities.

Sooke has great potential for development, and there are increasing pressures for further growth in the community. There are a number of development applications and rezoning applications underway, and if growth is to occur without considering housing affordability, an opportunity to incorporate affordable housing in the community will be missed.

1.2 Affordable Housing & Social Housing

Canada Mortgage and Housing Corporation (CMHC) defines affordable housing as adequate shelter that does not exceed 30% of household income; housing related costs that are less than this are considered affordable. For homeowners,

CMHC uses a slightly higher gross debt service ratio of 32%, which includes the cost of servicing the mortgage, property taxes and heating costs. For tenants, housing costs include rent and the cost of utilities such as heating, electricity and water.

Affordable housing allows all community members, of varying income levels and lifestyles, to find adequate and secure places to live. Issues related to community sustainability, and the overall social cost of unaffordable and inadequate housing is immense.

People who are in “core housing need” include those who do not live in, and are unable to access, housing which is affordable, in adequate condition and of a suitable size. Approximately 36% of renter households in the District of Sooke were defined by CMHC as being in core housing need in 2001. Social Housing is geared to about 30% of a household’s income and is typically subsidized by more senior levels of government. Social housing plays a major role in providing housing stability, and helps reduce the incidence of people in core housing need.

2.0 Sooke Context

There is no universal measure of affordable housing, but there are a number of indicators that help identify and describe a community’s housing circumstances. Housing costs are heavily influenced by supply of housing available, and demand for that housing. When housing supply is high and demand is low, prices will tend to drop. When supply of housing is scarce, and demand for that housing is higher, prices tend to increase. It is, however, important to note that even in periods where housing is readily available, the lowest income households are unlikely to afford home-ownership, and some may be unable to afford market rental housing without some level of assistance.

2.1 Population

The Table 1 illustrates the changes of Sooke’s population over the past 10 years. There was approximately 11% growth between 2001 and 2006. Using this growth rate, it is predicted that by 2026, there could be approximately 14,730 residents in Sooke.

Table 1 - Population

Year	1996	2001	2006	Projected 2026
Population of Sooke	8,436	8,735	9,704	14,730

Source: Statistics Canada

2.2 Housing Prices

The price of housing is one of the easiest measures to track over a period of time. The primary source for this information is the Victoria Real Estate Board. Construction costs, land prices and housing demand are on the rise, which has consequently increased house prices. Real estate prices have climbed significantly over the last five years. Table 2 indicates that townhouse prices between 2003 and 2006 have increased by 115%, apartments by 75% and single-family dwellings by nearly 63%.

Table 2 - Housing Prices in Sooke

Housing Type	2003	2004	2005	2006	Price Increase
Single Family Dwellings	\$237,507	\$301,893	\$348,599	\$386,428	\$148,921 or 62.7%
Townhouses	\$137,136	\$169,711	\$254,368	\$295,257	\$158,121 or 115.9%
Apartment Condos	\$96,429	\$122,138	\$139,989	\$169,085	\$72,656 or 75.3%

Source: Victoria Real Estate Board

2.3 Incomes

The ability to purchase or rent housing is directly related to household income. The relationship between housing prices and incomes is a very important measure in describing housing affordability. Table 3 indicates median household incomes for the District of Sooke in 2001. The table also identifies estimated median incomes for 2006

Table 3 - Median Household Incomes 2001 for Sooke

Household Type	All households in Sooke	One-person households	Two-or-more person households
Number of Households	3,460	785 (23%)	2,675 (77%)
Median Household Income 2001	\$44,921	\$21,559	\$52,717
Estimated 2006 Median Incomes * (based on a 2.5% inflation and cost of living adjustment)	\$50,824	\$24,392	\$59,645
Monthly Housing Costs should not exceed: (30% of estimated 2006 median incomes)	\$1270	\$610	\$1490

Source: Statistics Canada

* 2006 Census data related to household income will not be released until May 2008.

British Columbia has set a general minimum wage of \$8.00 per hour. Based on a 40-hour workweek, a minimum wage earner will gross approximately \$16,600 per year or \$1390 per month. Using the CMHC formula for affordable housing, a minimum wage earner can spend no more than \$415 on housing related costs per month.

2.4 Home Ownership

Most people who live in Sooke own their own home. That being said, it is getting more difficult, due to rapidly rising land and construction costs, to purchase a home. Based on the online ING Direct Mortgage Pre-Qualifying Calculator, using estimated 2006 median household incomes from Table 3, current interest rates (5.84%), with a 10% down payment and approximate property taxes of \$2000 per year:

1. All Households can obtain a mortgage for \$172,000
2. Two-or-more person households can obtain a mortgage for \$210,000, and
3. One-person households can obtain a mortgage for \$61,000.
4. It is unlikely that a minimum wage earner could obtain a mortgage.

Based on current house prices and estimated household incomes, home-ownership is clearly unaffordable for the majority of Sooke residents. Developing affordable single-family dwellings for purchase meets some of the market demand for affordable housing, however, it does not address affordability issues for people who cannot obtain a mortgage, nor does it address extremely low vacancy rates in the rental market. A broader approach, including increasing the supply of market rental housing and social housing, is necessary to meet affordable housing demand in Sooke.

2.5 Rental Rates and Vacancies

Rental vacancies in the Capital Regional District are less than 1%, the lowest in all of Canada. Rental data is not tracked comprehensively in Sooke, but it was noted in 2006 Census data that there were approximately 715 rental units in Sooke. In 2001, 36% of Sooke's renters were classified as being in core housing need. People who are in "core housing need" include those who do not live in, and are unable to access, housing which is affordable, in adequate condition and of a suitable size.

According to current market conditions (sourced from the Sooke News Mirror – 2007), rental accommodation in Sooke for one-bedroom units average around \$600 to \$675 per month, and between \$750 and \$800 per month for two-bedroom units. An individual who earns \$8.00 per hour would need to use 43% of their income to rent a one-bedroom unit in Sooke. This household would be classed as being in "core housing need".

In order to provide affordable housing for those that are most in need, increasing the supply of market rental housing, as well as social housing will be an important priority. Social Housing is geared to about 30% of a household's income and is typically subsidized by more senior levels of government. Social housing plays a vital role in providing housing stability, and helps reduce the incidence of core housing need.

3.0 Broader Context

3.1 The Social Costs of Homelessness

According to the CRD Regional Housing Affordability Strategy, the most common causes of homelessness include abuse, addiction and eviction, and the average

person remains homeless for about 18 months. The province of British Columbia concluded in a study conducted in 2001 that the average costs for providing services and shelter for one homeless person is approximately \$40,000 annually, while providing shelter for that same person would cost approximately \$28,000 per year.

Although a dollar value has been given in the above study, there are many social costs associated with homelessness that are impossible to measure with a dollar value. The importance of adequate housing to people's health and well being is undisputed. Homeless people are more likely to fall victim to violent crimes, are at greater risk than the general population for a variety of chronic health conditions and have a higher hospitalization rate. Homeless people, for numerous reasons, have shortened life expectancies.

Availability of adequate housing serves as an important measurement of health and well being for the entire community.

3.2 The Regional Housing Affordability Strategy

The CRD's Regional Housing Affordability Strategy (RHAS) was released in March 2007. The RHAS' vision, goals and strategies detailed below propose a community-based approach, with actions designed to support the achievement of the RHAS vision and goals, and recognize that the bulk of the responsibility for providing adequate, affordable housing for those priced out of the market rests with the federal and provincial governments. According to the report, municipal government, which relies on the property tax and senior government transfers, has an important, but more limited, financial role.

Municipal governments can help stimulate improvements in housing affordability through the development of local planning, regulatory and coordination measures. **The RHAS calls for local governments, community, industry, and interested stakeholder groups to work together to secure increased funding for affordable housing, while reducing policy and regulatory obstacles.** The strategy encourages self-help and community initiatives, and aims to foster broader awareness and support for the strategies.

Vision	<ul style="list-style-type: none"> • To achieve safe, adequate, and affordable housing in the region.
Goals	<ul style="list-style-type: none"> • To increase the supply of more-affordable housing in the region. • To reduce the number of people in core housing need, especially low income renters. • To reduce the number of homeless people and support the transition out of homelessness.
Strategies	<ul style="list-style-type: none"> • Secure more funding for non-market and low end of market housing. • Establish and enhance pro-affordability local government policies and regulations across the region. • Facilitate community-based affordability partnerships and initiatives. • Build neighbourhood-level support for housing affordability. • Expand the scope of the Victoria homelessness community plan to the region as a whole.

The RHAS is part of the Regional Growth Strategy and therefore binds the CRD and the member municipalities to address affordable housing in their Official Community Plans. This process will also help ensure that housing affordability will be addressed as a priority in future plan updates.

3.3 Provincial Government

To deal with housing issues, the Province operates largely through BC Housing. This group aims to increase the supply of affordable housing and rental housing units primarily through partnerships with other agencies, and by providing rental subsidies

The Provincial government, through the “Provincial Commission on Housing Options”, maintained commitment to fund new social housing construction. However, production targets decreased from 1,800 units under previous funding levels with Federal Government involvement to 600 units with the unilateral provincial funding.

As set out in BC Housing’s latest Service Plan, the Province has maintained a commitment to fund new housing development with an emphasis on targeting new housing resources to those who are homeless or in immediate need of housing assistance as well as frail seniors who are in need of both housing and support in order to enable them to continue to live independently in the community. The Provincial government has also provided additional assistance for low income seniors living in housing in the private rental market through the government’s SAFER program (Shelter Aid for Elderly Seniors).

Across Canada, provinces have renegotiated their agreements with the federal government. In June 2006, the BC Government and the Government of Canada announced an agreement to transfer the administration of social housing resources from Canada to British Columbia. From the province’s perspective, one of the most appealing aspects of this agreement is the ability to generate savings through the efficient use of federal funding, allowing increased opportunities to reinvest in housing for low-income people. In the first full year of the 30- year agreement, \$140 million will be transferred to BC. Partly in response to this funding transfer, the Provincial government, in October 2006, announced an affordable housing strategy focusing on emergency shelters for the homeless, assistance for those with special needs, and rent subsidies through a “Rental Assistance Program”. The Rental Assistance program can now be accessed and funding is available for those who meet the criteria.

3.4 Federal Government

The federal government has introduced a number of programs to assist private and non-profit developers create new affordable housing, maintain existing housing, as well as provide funding to address homelessness. Canada Mortgage and Housing Corporation (CMHC) provide a number of funding opportunities that can be combined to create affordable housing. Since 1992, there have been important shifts in the policy context and funding options

through senior government, which has had important implications in terms of the decisions available to local governments.

The Federal government's role with affordable housing has been diminishing since 1992. There is limited Federal involvement in housing and homelessness issues through the "Supporting Communities Partnership Initiative", and limited capital grants for new housing construction through the Affordable Housing Framework Agreement signed with the Province. The Federal government committed funding of \$1.4 billion nationwide for 5 years to fund new housing initiatives (Bill C-48).

3.5 Partnerships in Housing

As a result of the diminishing role of the senior governments in the provision of affordable housing since the 1992 era, the subsequent transitional period for local governments and the non-market community has been difficult. On the positive side, the period served to bring more stakeholders into the discussion of affordable housing, particularly developers, health and social service providers and local governments.

The range of potential partnerships is endless and can combine joint ventures between non-profit and private sector housing providers, agreements between different levels of government to dedicate suitable land to projects, volunteer workers, donor organizations, sponsor agencies and fundraising initiatives. By combining the unique skills and resources of several contributors, the opportunity to develop successful affordable housing projects increases immensely.

3.6 Non-Traditional Funding

With limited government funding or borrowing, there has been an interest in exploring other funding sources, including the philanthropic sector such as the Vancouver Foundation. Other charitable groups have been a source of grants for some housing providers, primarily when directed towards a specific purpose and not on an ongoing basis.

Among local governments, a number have established, or added to, their Affordable Housing Statutory Reserve Funds e.g. Vancouver, Richmond, Whistler, and Surrey. For example, in Surrey there is an Affordable Housing Reserve fund of \$8.4 million, as of July 2006. Within this fund, Surrey has recently established a "Surrey Homelessness Fund" which will be administered by a separate charity, which will allow business and community members to make tax-deductible donations.

3.7 Focus on Home Ownership

In the past several years, there has been a renewed interest in assisting people with minimal, or no, equity to become homeowners. CMHC has relaxed its conditions regarding mortgage insurance and lenders have become more creative by providing prospective homeowners with more choice and flexibility in the mortgage market.

Habitat for Humanity is probably the best-known organization to focus on home ownership. There have been a number of projects, particularly in Ontario, where partners have come together to create opportunities for home ownership for people with low to moderate incomes.

Local governments are also becoming involved in producing affordable housing stock, and facilitating affordable home ownership. Langford has adopted an Affordable Housing, Park and Amenity Contribution Policy that has facilitated the construction and sale of a number of affordable dwellings over the last couple of years. These affordable units are controlled by housing agreements legislated under the *Local Government Act*.

3.8 The Housing Continuum

There is a shared understanding among stakeholders that municipalities have the tools to influence all points along the housing continuum, from homelessness to the market-ownership housing. This ranges from short-term emergency shelter and transitional housing, to subsidized housing, through to longer-term housing that is rented or owned. The goal is to enable people to move to the most appropriate place on the housing continuum to suit their individual circumstances. Among those involved in housing, there is general agreement with the following points:

- Home ownership is a generator of wealth and income security for many Canadians
- Government involvement should be most significant where the housing need is greatest.
- More subsidized rental housing is needed to have significant impact on social housing waiting lists, and provides a stable base of affordable housing for low income households
- More market rental housing will be needed to meet growing demand as a significant shortfall is forecast throughout the region.

4.0 Housing Issues and Priorities

Identifying housing issues in the community prioritizes what needs to be done to provide adequate affordable housing for those most in need. The following section helps identify who we are developing affordable and social housing for, where those dwellings should be located, and what features those dwellings should include to meet the needs of community members. Developing good quality rental units, special needs housing, and entry level housing for purchase, will solve many affordable housing issues in the Sooke area.

4.1 Supportive housing for people with special needs

Supportive housing refers to the provision of long term accommodation for people who need supportive services on an ongoing basis, in order to live independently in a safe, stable environment. There are a number of community members who require special needs housing, including people with mental illness, intellectual disabilities, severe physical disabilities and others who require ongoing supports.

4.2 Entry-level ownership

As housing prices rise, many low to moderate-income families, and young people with low home-buying power, are unable to purchase their first homes. Housing prices have increased so much in the last five years that these people are either unable to purchase housing, or can only afford housing that is inadequate to meet their housing needs. Securing affordable dwelling units, in the form of condominiums or townhouses, is an effective way to ensure entry-level ownership is possible in this housing market. A housing agreement outlines the terms of the agreement, and ensures the unit remains “affordable” for a set amount of time.

4.3 Rental housing

Rental housing fills a number of roles in the housing market. For single individuals and non-family households it can provide a flexible form of accommodation that supports an active and mobile lifestyle. For persons with disabilities, modest size units, elevators, and units built without stairs can often meet accessibility needs more easily than detached homes.

Rental housing provides an affordable housing option for low to medium income earners in the community. Rental vacancy rates in the entire CRD are currently around 1%, which means there are very few rental units available. For these, and other related reasons, it is critical that Sooke provide sufficient rental housing to meet the needs of the local population. It was reported by Census Canada that Sooke has 715 rental units in Sooke as of 2006. This supply should be permanent and grow as the population grows to ensure stability and security of tenants.

4.4 Seniors Housing

A number of senior homeowners are single individuals living on fixed pensions, who have increasing difficulty coping with ongoing operating and maintenance costs related to home ownership.

There are no new affordable condominium developments in Sooke. As a result of rising construction costs, new townhouse or condominium developments that will be developed will be too costly for many seniors. Sooke’s seniors have very few options to downsize from their traditional single-family dwelling to a condo or townhouse, or who wish to rent. Many seniors will have to leave the community they have always lived in, to find affordable housing elsewhere.

4.5 Social Housing

Social housing is provided on a subsidized basis, geared to about 30% of household income. This provides affordable accommodation for people of any income level. There are some non-market rental units in Sooke operated by both non-profit organizations and co-operatives, and provide housing for families, seniors and disabled people.

4.6 Quality of Low Income Housing

It is important to develop a housing stock that is not only affordable, but also accessible to physically disabled people. This housing should be clean, safe and provide adequate living space for the occupant(s). Much of the rental stock in Sooke is not accessible to people with mobility issues, and is not oriented towards children and raising a family. Dwelling units should incorporate elements of universal design in order to meet the needs of all community members.

4.7 Location of Affordable & Social Housing

The location of affordable housing should be in close proximity to amenities and services, and integrated into existing residential areas. Existing rental housing located outside the town center may not be within walking distance to amenities, services or public transit, which makes “affordable living” very difficult. It is important that new affordable housing projects take place near the town center.

5.0 Goals and Strategic Plan

This document focuses on four main goals, and a number of strategies that can be used to help achieve affordable and social housing in Sooke. These goals include:

1. Provide a policy framework that creates affordable and social housing in Sooke.
2. Improve housing options for community members of all income levels by increasing the supply of safe, accessible affordable housing in Sooke.
3. Reduce the costs associated with developing affordable housing.
4. Provide up-to-date and accurate information to the community.

5.1 Goal # 1 - Provide a Policy Framework for Affordable and Social Housing

5.1.1 Adopt an Affordable and Social Housing Policy

Adopt an affordable housing policy in order to clearly outline and prioritize policy goals of the District in relation to affordable and social housing.

5.1.2 Update and Amend the Official Community Plan

The Zoning Bylaw and the Official Community Plan should facilitate the establishment of various forms of affordable housing in the District. Any potential barriers to affordable housing development contained within these documents need to be examined and removed.

An ideal way to set out the District’s affordable housing objectives is to:

- Incorporate the following definitions in the updated OCP:
 - **Affordable Housing** means rental or ownership housing that provides adequate shelter, not exceeding more than 30% of a household’s gross income.

- **Perpetual Affordable Housing** means rental housing, under the terms of a housing agreement with the District, remains affordable to initial and future households of low and moderate incomes.
 - **Low and Moderate Income** means those households who have incomes that are 80% or less than the median income reported by Statistics Canada at the previous Census.
 - **Core Housing Need** – those who do not live in, and are unable to access housing which is affordable, in adequate condition, and of a suitable size.
 - **Social Housing** means housing that is owned or controlled by a government or non-profit entity, and is rented to, or purchased by, low and moderate-income households at less than market value.
- In the updated OCP incorporate:
- A policy confirming the District’s commitment to providing affordable and social housing in the community.
 - A policy outlining the need for increasing the affordable and social housing supply, using a variety of housing types, suitable for a range of income levels.
 - A Housing First Policy where any surplus municipal lands are considered for affordable housing first, before being put on the market for sale. This includes the parklands currently being discussed for sale.

5.2 Goal # 2 – Increasing the Supply of Safe & Accessible Affordable Housing

5.2.1 Inclusionary Policy

Inclusionary policies require developers automatically provide a percentage of new residential development specifically for affordable housing. Fees-in-lieu, land and other contributions of an equivalent value are also sometimes accepted by local municipalities. Making amendments to the Zoning Bylaw also ensures that affordable housing is distributed throughout the community.

The initial price or rent of affordable housing units will be set by the terms of the inclusionary policy (to be developed), and council may want to consider accepting cash-in-lieu, or land conveyance rather than requiring dwelling units to be constructed. The money could then be placed in the Housing Reserve Fund, and be used for affordable housing projects.

The District may want to be involved in administering the affordable housing program, or in the future have a Municipal Housing Corporation run the program (See 5.2.10). First occupancy of affordable units will be limited to eligible households with low to moderate income. Restrictions are placed on subsequent occupants, and on rent increases and resale prices. These restrictions can be achieved through the use of housing agreements or covenants.

- Have the Inclusionary Policy facilitate affordable housing units. Incorporate the following:

Multi-Family Units

Multi-Family Residential Zones and Commercial Zones should require that 10% (rounded to the nearest whole number) of all multi-family residential developments, where 10 or more dwelling units are being developed, shall be dedicated as affordable housing and sold at cost, or rented to eligible applicants.

Floor Area Ratios

The District of Sooke should use Floor Area Ratios in Commercial and Multi-Family Zones, in order to effectively create affordable housing units in and around the Town Centre. The Town Centre is meant to contain a mix of uses, including housing. Using the Density Bonus model (See 5.2.2), developers can increase the commercial or multi-family floor space on the site in exchange for affordable housing units. It is important that Floor Area Ratios are brought back to commercial zones in the Zoning Bylaw to achieve affordable housing in the town core.

Subdivision

All new subdivisions, for ten or more single-family residential lots, shall provide small lots for affordable housing units or multi-family units. For each group of ten lots, the developer must provide one lot to be used for affordable housing.

5.2.2 Density Bonusing

Density Bonusing is a system of exchange, allowing variation in zoning requirements in exchange for certain amenities or housing that benefit the community. For the developer, the bonus system is voluntary and is an incentive rather than a compulsory requirement. Density bonusing is not intended to be the only solution to making housing affordable, but provides a useful tool to assist in addressing this issue.

- Amend the Zoning Bylaw to allow Density Bonusing in all residential and commercial zones, in exchange for developing affordable housing. If the developer chooses to contribute an additional 10% of the development to affordable housing (rounded to the nearest whole number), over and above the Inclusionary Policy requirements, then floor area ratio can be increased in commercial and multi-family zones.
- It is recommended that affordable housing be constructed on-site, or that land from the site is conveyed to the District for the purpose of affordable housing, or, at the discretion of the District:
 - i) With the agreement of the developer, affordable housing units can be constructed nearby, but in other locations in the District;
 - ii) Convey land to the District to be used for affordable housing near the proposed development site; or

- iii) Contribute cash in lieu to the Housing Reserve Fund for the purpose of constructing affordable housing on other sites.

5.2.3 Housing Reserve Fund

The District of Sooke adopted a bylaw to establish a Housing Reserve Fund in June 2006, in order to foster affordable housing in the community. This reserve fund obtains monies from land development, donations, transfers from the sale of surplus lands, and public/private partnerships. All money in the fund, and interest earned on it, must be used to develop or assist in developing affordable housing in Sooke. It is recommended that the District:

- Use the housing reserve fund to provide grants and incentives for non-profit and co-operative providers to build and manage affordable housing in Sooke.

5.2.4 Pre-zone Lands

Increased demand for housing, and limited land available for development will inevitably lead to higher housing prices. The District should consider pre-zoning or pre-designating land in master planned areas, in order to ensure a good supply of land is available as the market changes. Potential investors favour pre-zoned areas as it provides certainty for development and increases flexibility on larger sites.

5.2.5 Create a Land Bank

Land cost is a major factor on housing affordability. It is noted in the CRD Regional Housing Affordability Strategy that developable land in the region is in short supply. It will be more and more necessary to apply efficient land use patterns, including mixed use centers and high-density infill housing, in order to meet the needs of an affordable housing market.

Land Banking should be considered a major priority in the development of affordable housing in Sooke. Affordable Housing in jurisdictions such as Peterborough and Kingston, Ontario, lands have been provided for affordable housing at little or no cost. It is recommended that the District:

- Create a comprehensive inventory of surplus lands owned by the District.
- Earmark District-owned lands that are suitable for housing development and adopt a Housing First Policy where any surplus municipal lands are considered for affordable housing first, before being put on the market for sale. Community groups and non-profits would then partner with the District to make use of funding from a variety of sources to develop affordable housing on the designated lands.
- Acquire more land suitable for future affordable housing developments.
- Emphasize locating affordable housing in close proximity to community services and infrastructure. This provides “affordable living” in conjunction with affordable housing, as it reduces infrastructure servicing and

transportation costs, and promotes community sustainability and use of Smart Growth and Sustainable Development principles.

5.2.6 Develop partnerships between stakeholders

Partnerships are necessary to bring together resources and expertise in order to develop affordable housing. Partnerships can take many forms:

- Non-profits and the private sector partnering in new affordable housing development.
- Partnerships can be formed between housing providers, support agencies and regional and provincial agencies for new affordable housing developments.
- Partnerships between volunteers groups, donor organizations and sponsors to develop housing projects.
- Seek funding from a variety of programs, fundraising initiatives to develop and operate an affordable housing project.

5.2.7 Assist non-profits and Co-ops to build affordable & social housing

Many municipalities have found that reducing or waiving development cost charges for specified forms of affordable housing can be a powerful incentive to attract affordable and special needs housing investment. Since most affordable housing developments support “smart growth” initiatives, they will be located in areas already well serviced by municipal infrastructure, and will not cost as much as a greenfield site. In order to provide financial incentives and assist non-profits or Co-ops, it is recommended that the District:

- Waive or reduce development cost charges or other development charges for non-profits or co-ops that are developing affordable or special needs housing;
- Where municipal land is available, gift land or enter into long term lease with non-profits to build affordable housing for special needs groups such as seniors, people with disabilities, transitional housing, etc.
- Make grant money available to non-profit groups and co-ops looking to develop affordable or special needs housing from the Housing Reserve Fund.

5.2.8 Develop Accessible Units

Housing should not only be safe and affordable, it should also be accessible to people who may have mobility issues. It is likely that accessible units will be ground-oriented, and will contain elements of universal design.

- When developing affordable or social housing, a percentage of the units should be dedicated as fully accessible.

5.2.9 Consider the potential loss of existing affordable housing

The District of Sooke has some affordable housing in the form of mobile home parks, and rental housing under threat of strata conversion. It is recommended that the District:

- Consider preventing loss of affordable housing stock, or require compensation for the loss of existing affordable rental housing.
- At the time of rezoning, where a rezoning would result in a net loss of affordable housing, require the applicant to provide a plan of “no net loss”. This might include relocation allowance, assistance with relocation, replacing affordable housing on-site or other innovative approaches. This is of particular concern in relation to existing mobile home parks that are subject to rezoning applications.

5.2.10 Encourage the Development of a Municipal Housing Corporation

Consider development of a Municipal Housing Corporation. Housing corporations are public not-for-profit entities created, and usually, partially funded by municipalities. They exist in order to ensure the residential housing supply meets the needs of the residents. The idea is that the Housing Corporation builds and manages it’s own portfolio of affordable and special needs housing. It is possible that the Affordable Housing Advisory Committee’s role could be expanded to include those of a municipal housing corporation in the future.

5.3 Goal # 3 – Reduce Costs of Developing Affordable Housing

5.3.1 Adopt Alternative Development Standards

Development standards govern the physical sizing and placement of infrastructure, including lot grading, road widths, sidewalks, street lighting, and the placement of utilities. Development standards are set to ensure public safety and to prevent the need for costly maintenance in the future. However, it may be possible to alter some of those standards, in some instances, to reduce development costs.

Modifying development standards can contribute to housing affordability by saving money on land costs, road construction, parking and in-ground infrastructure. Alternative engineering and service standards might include, narrower street pavement and right of way widths, reduced parking standards or use of innovative methods to deal with stormwater. Engineering standards might be varied on a case-by-case basis, in conjunction with applications that provide affordable housing.

5.3.2 Expedite Development Process

Many of the costs associated with land development is the time that it takes to gain approvals from the regulating authority. If we can expedite the development review and approval process for developers, who are willing to incorporate affordable or special needs housing into their development, costs associated with the overall development can be reduced.

5.3.3 Housing Intensification and Downtown Revitalization

Discouraging urban sprawl, supporting compact forms of development, and making use of existing infrastructure all support the creation of affordable housing. A major part of housing intensification is promoting residential uses within the town centre. Sooke has placed high priority on developing a strong downtown core, as it is the heart of the community. By including mixed-use developments in the town centre, it becomes more diverse and brings vitality to the community.

Expanding residential uses in the town centre also promotes smart growth policies, as people live within walking distance of where they work, play and shop, thereby reducing reliance on vehicles, greenhouse gas emissions and urban sprawl.

5.3.4 Update the Transportation Plan & Create an Integrated Parks and Trails Plan

Defining the location of future and existing roads, walkways, cycle paths and public transit nodes are critical in shaping the District. Enhancing existing roadways creates opportunities for neighbourhood revitalization, and may encourage residential infill in underutilized areas. By locating affordable housing near public transit, and in areas that accommodate pedestrians and cyclists, the District can improve the quality of life for all community members.

5.4 Goal # 4 - Provide Information

5.4.1 Make Information Available

- Gather information and resource materials on all key aspects in relation to affordable housing.
- Develop and maintain an online source of documents and links via the Districts website for tenants, landlords, builders, developers and the general public to obtain information about housing, housing issues and housing related legislation and programs.
- Ensure that policies, procedures and information packages are in place to encourage and support the development of affordable housing in developed and newly developed areas.
- Establish criteria/guidelines on how the District spends funds raised through development cost charges. Keep the public and developers informed on how those funds are being spent.
- Make information available to developers and property owners in the form of fact sheets that outline procedures, fees and timelines.
- Provide information services to residents including a registry of legal suites and rental units, lists of provincial grants and subsidies, rent supplements and other related opportunities.

5.4.2 Community partnerships

Organizing and engaging various interest groups is key in providing affordable housing in a community. Partnerships are becoming more and more common as a way of stretching limited resources and achieving housing objectives. It is recommended that the District:

- Establish an advisory committee on affordable housing. The group would act as an ongoing resource for the District and help monitor the implementation of the affordable housing strategy. This committee should include representatives from a number of interest groups in the community.
- Raise awareness in the community about the benefits of affordable housing. A significant challenge in developing affordable housing is the lack of community support of it being developed in their neighborhoods. Yes, it is great for the community, but “Not In My Back Yard” (NIMBY).

6.0 Monitoring

As part of any plan, it is important to evaluate how well we are achieving our goals. Ongoing monitoring of activities undertaken as a direct result of the Affordable Housing and Social Housing Policy, and annual reporting of the results will be important in measuring the District’s level of success. The annual report would:

- Outline any new policy statements, policy documents or amendments to the Zoning Bylaw that contribute to the facilitation of affordable and social housing.
- Update housing needs in the community including current rental rates and vacancy rates.
- Identify the affordable housing projects undertaken, the groups of people being served, and the status of each project.
- The amount of land secured by the District for affordable and social housing.
- Identify the number of “affordable lots” that have been created.
- Identify the number of affordable units that have been created, which should be broken down into social housing units, multi-family units and single-family dwellings.
- Identify the number of affordable units developed that are also fully accessible.
- Identify legal suites within the District, and the number of new suites developed.
- Outline the number and type of training, education and consultation sessions attended by staff and Council, and a record of those hosted by the District.
- Provide updated information on the programs accessed and assistance received.

- Provide information on any new policies, programs or initiatives that senior levels of government have made available in the previous twelve months.
- Identify the range and types of partnerships achieved.
- Provide a full breakdown of monies received and spent from the Housing Reserve Fund.

7.0 Conclusion

The District of Sooke has shown commitment to building a sustainable community that ensures that all who choose to live in Sooke can do so affordably. Today, housing needs remain varied and complex. It takes multiple, sometimes controversial, approaches to make progress on affordability issues, and a strong network of government, community and business partnerships to develop affordable and social housing, and consequently affordable living. The strategic direction outlined in this report, if accepted by Council, will make a significant contribution towards achieving affordable housing in the community.