

Making Homeownership More Affordable in British Columbia

Strategies and Actions to Increase the Supply of Affordable Market Housing



Strategy 1:

PLAN FOR AFFORDABLE UNITS

Action 1-1: Develop Housing Strategies and Set Housing Targets

A housing strategy contains recommendations, policies and priorities for action to guide a local government in helping to meet the local community's housing needs. It will typically be based on an understanding of historic and projected trends (e.g. demographic, income), existing housing supply, planned and current development. Housing strategies can also include targets for numbers and types of housing units required to meet estimated demand.

Action 1-2: Increase Housing Options and Density Near Transit

High density development near transit makes good sense: high density developments support higher ridership and contribute to the viability of a public transportation system, in particular rapid transit service. Affordability is achieved in transit-oriented developments through an overall reduction in the family's budget, with lower car related expenditures offsetting higher housing costs. Other factors that contribute to successful development along rapid transit corridors are: a broad mix of different housing types, local shopping and community amenities, employment centres located along the lines, and excellent walking and cycling facilities.

Action 1-3: Enter Into Transit Development Agreements

Local governments, transit agencies, and/or developers can enter into "transit development agreements" that coordinate how a project will be built. Recognizing that every project is different, agreements could cover the timing and types of zoning changes/permits, transit infrastructure, and building construction needed to successfully complete an affordable housing project, and outline each party's responsibilities. These agreements are particularly useful when transit facilities are going to be integrated into a development or when the provision of transit is a key component of an area's transportation plan.

Action 1-4. Expand Secondary Suites and Laneway Homes in Existing Neighbourhoods

Secondary suites and laneway homes in existing neighbourhoods add to the affordable housing stock, by providing additional small-unit rental accommodation and by helping households enter the home ownership market through a mortgage helper. Policies and bylaws can ensure that units are in keeping with the scale and character of the neighbourhood, contributing to a "gentle" densification of the community.

Action 1-5. Implement Inclusionary Zoning Regulations

Requires an applicant to provide some contribution towards affordable housing as part of a rezoning process. The contribution can be a specified percentage or number of units (in the new development or on a different site), or a cash-in-lieu contribution to be used for affordable housing. A system is required to administer the rental or sale of the units and to ensure that the units remain affordable over time.



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Strategy 2:

STREAMLINE APPROVALS

Action 2-1. Fast-Track Approvals

Fast-tracking approvals for small affordable housing can include moving these kinds of development applications to the head of the queue, developing operational efficiencies to streamline the approval process and/or creating targets for processing times. Local governments may also encourage builders to complete checklists before applying for permits or delegate authority for some approvals to staff.

Action 2-2. Waive Public Hearing for Some Developments

Public hearings can create an adversarial environment, often when a proposal changes the status quo and generates local resistance to new development. Waiving the public hearing for some developments can remove the confrontational nature of the discussion but should only be done when adequate community input was obtained during the OCP or RGS process.

Action 2-3. Pre-Zone Land For Small, More Affordable Housing

Pre-zoning a sufficient number of appropriate sites to meet targets in a housing strategy can reduce the cost and uncertainty related to the re-zoning process. Re-zoning costs can translate into increased unit costs and therefore work against housing affordability. Having lands pre-zoned for smaller affordable housing would make this type of development more attractive to build, increase the supply of this type of housing and therefore make it more available and affordable.

Action 2-4. Apply Consistent Technical Building Standards Across the Province

A uniform Provincial building code applies the same consistent and rigorously-developed technical building standards across the province. It simplifies compliance — designers and builders must meet the same standards wherever they build, increasing efficiency, lowering costs, supporting housing affordability.

Action 2-5. Coordinate Provincial Agency Decisions

Depending on the location of a proposed development, provincial approvals may be required and can result in additional costs and delays for the proponent that local governments cannot control. For example, when a provincial highway runs through the City, development projects along the highway, or ones that need access from the highway, require MOTI's approval. The Ministry can require additional studies that add to the proponents' costs and has a standard timeframe for review that further delays approval.

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Strategy 3:

PROVIDE INCENTIVES

Action 3-1. Provide Density Bonus to Encourage Affordable Units

A density bonus is a voluntary agreement between a developer and a local government. The agreement enables the developer to build to a higher density than that specified in the zoning bylaw, in return for providing amenities to the community, in this case affordable housing units.

Action 3-2. Reduce DCCs for Smaller Units

Development cost charges (DCC) that are based on the area or volume of the unit are lower for smaller units. Lower DCCs result in reduced construction costs and serve as an incentive for developers to build smaller rather than larger units.

Action 3-3. Provide Property Tax Exemptions

A local government can establish a revitalization program, enter into agreements with property owners, and exempt their property from taxation once all specified conditions of the program and the agreement have been met. A revitalization program can be used to achieve social objectives, for example, encouraging affordable housing or the construction and preservation of affordable rental housing.

Action 3-4. Reduce Permit Fees

Permit application fees contribute to the cost of development. A reduction in fees can serve as an incentive to build. Reducing application fees for smaller, more affordable housing units can be an incentive for developers to build this type of housing.



Strategy 4:

REDUCE BARRIERS

Action 4-1. Expand Use of Fee Simple Row Housing

Fee simple row housing is a desirable unit type and tenure. It provides some of the features that ground-oriented detached housing offers, more affordably and without the strata component, which is a deterrent to some home buyers. Perceived legal barriers to this form of housing have limited uptake in some jurisdictions.

Action 4-2. Reduce Parking Requirements

Parking facilities can add significantly to the cost of a development. Reducing the number of required parking spaces can save construction costs and ultimately lower the cost of the unit to the consumer, making housing more affordable. Combined with smaller units and a location near transit the collective reduction in housing and vehicle related costs, this strategy can contribute to more affordable units.

Action 4-3. Develop Provincial Website with Resources and Comparative Data

Develop a provincial website with links to housing publications, sample bylaws and other resources relevant to local governments and including data comparing such factors as DCCs, residential taxes and charges, and approval times by jurisdiction.