Decentralization and Local Innovation: The Role of British Columbia’s Municipalities in Affordable Housing Policy.

by

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Date Sept. 22, 1995
This thesis examines the changing role of British Columbia’s municipal governments in affordable housing policy.

In recent years, the federal government of Canada has withdrawn from active involvement in affordable housing provision, and has passed responsibility back to the provinces. The government of British Columbia has, in turn, amended its Municipal Act through Bills 20 (1992), 57 (1993) and 31 (1994), to grant municipal governments increased planning powers in the field of affordable housing.

This thesis examines the responses of municipal governments to these changes and specifically investigates whether the decentralization of responsibility has led to policy innovation. This research question is addressed in three ways. First, through a review of the theoretical literature and legislation, a discussion is presented concerning the issue of decentralization and the ways it has been enacted in the case of housing policy in British Columbia. Secondly, the results of a postal survey of 52 municipalities in British Columbia are presented, reflecting the range of local responses to the provincial housing legislation. Thirdly, case studies, derived from key informant interviews and document analysis in three municipalities (Burnaby, Sidney and Prince George) are presented. These provide more detailed illustrations of housing strategies in different geographical contexts.

The research suggests that housing is a dynamic area of public policy in British Columbia, with a distinct pattern of innovation. In particular, some ‘entrepreneurial’ municipalities exhibited a shorter response time in reacting to the provincial legislation, and have adopted more innovative approaches to housing policy; these in turn, serve as examples to other jurisdictions. The wide range of innovative housing strategies adopted by local governments
across the province, which are highlighted in this thesis, suggest that decentralization has ensured the potential for a greater fit between the preferences and needs of a particular locale. To the extent that it provides municipalities with the powers and resources they need, the decentralization policy allows communities to capitalize on their existing strengths and to more readily meet their housing needs.
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Chapter 1

Introduction: Setting the Research Agenda

1.1 Background

Over the past several years, the federal government has initiated a withdrawal from any new housing program commitments. The 1995 budget further reduced the levels of funding to the housing agency of the federal government, the Canada Mortgage and Housing Corporation (CMHC). This reduction in social housing spending is a marked departure from the federal government's historically strong role in the area of housing policy. Although in Canada the provinces have constitutional responsibility for social programs, one can identify a strong federal presence in social policy over the past 60 years. In the present climate of a changing economy, growing deficits, and cutbacks in federal programs, the federal government acknowledges that it cannot sustain this level of social policy involvement and support in the area of housing. The federal government has consequently begun to relinquish its support for social housing programs, and passed the responsibility back to the provinces.

According to the current frame of thinking of federal policy makers, the time for large scale programs and 'big policy' is over. Canada cannot sustain these levels of social program spending, and there is evidence to suggest that they in fact were unable to deliver adequate solutions to the diverse range of housing needs found across the country. The Progressive Conservative government of Brian Mulroney instigated a broad policy of giving greater control over social programs to the provincial governments, and in particular, the area of housing policy. Mulroney declared housing the exclusive jurisdiction of the provinces, claiming that it was a
The provincial response has been mixed. British Columbia and Ontario are the only two provinces which have increased their level of investment in social housing in the face of these federal cutbacks (due partly to their available resources and the political ideology of the ruling parties in each province). The British Columbia government acted quickly by obliging local governments and individual communities to provide their own affordable housing programs: community plans must now include provisions for housing including “affordable housing, rental housing and special needs housing” (Ministry of Municipal Affairs, Housing and Recreation - MMAHR 1993). Local governments have been asked to “cooperate” with the province, and with the private and non-profit sectors, to help preserve and expand these types of housing within their communities. This broad policy, contained within Bill 20 (1992), was followed by a series of amendments to the Municipal Act of British Columbia, giving local governments greater planning and housing policy powers, in order to meet their new responsibilities.

1.2 Purpose

This thesis is concerned with these recent events in housing policy. In particular, it is devoted to examining the role of local governments in the provision of affordable housing within the province of British Columbia. Through a series of recent amendments to the Municipal Act, local governments have been granted the ability to enact locally sensitive and appropriate housing policies. Consequently, B.C. is presently in the midst of an experiment involving the decentralization of housing policy: the provincial government has empowered municipalities by granting them new planning powers under the Municipal Act in order to develop their own locally specific affordable housing policies.
The purpose of this thesis is to examine how local governments are dealing with these new affordable housing roles and responsibilities, and to examine the innovative strategies used to provide affordable housing at the local level. In particular, the research focuses on municipal response to the series of provincial housing legislation recently enacted in British Columbia. Local governments are still in a period of policy experimentation, making this an appropriate time in which to be conducting research. Furthermore, there is a significant lack of recent policy analysis and research into the area of municipal housing policy within Canada and British Columbia, given the recent changes and shifts in the overall policy approach to housing Canadians.

1.3 Problem Statement and Objectives

Given the changing institutional context for housing policy within Canada, this thesis is concerned with an examination of the effects of decentralization in the area of affordable housing policy. The working hypothesis for the research is that Richards' (1992) argument regarding the decentralization of social programs holds true for the case of affordable housing policy. More specifically, his primary arguments for the decentralization of social programs to the provincial level is in order to encourage policy innovation through intergovernmental competitiveness, and to ensure a closer fit between the preferences and needs of a region. Theoretically, when local governments are granted both the responsibility and the appropriate planning powers to deal with affordable housing needs of their community, the results will be innovative and more locally appropriate housing policies than those imposed from the federal or provincial level of government. The primary objective of this thesis research is to test Richards' hypothesis for the case of municipal housing policy in British Columbia. The principal question posed is whether
the decentralization of affordable housing policy to the municipal level results in innovative solutions which meet the needs of the community.

The specific objectives of the research are as follows:

- To establish the pattern of shifts over time in terms of which level of government has had fiscal responsibility for social housing provision in Canada;
- To identify variations in the municipal response to the recent provincial housing legislation in British Columbia: Bills 20 (1992), 57 (1993) and 31(1994);
- To identify a typology or range of municipal responses to this housing legislation;
- To explore in more detail the range of municipal responses, in order to develop an understanding of both housing need and the particular policy response, within the context of distinctly different economic and social conditions;
- To explore and document the nature of affordable housing policy innovation at the municipal level in British Columbia.

1.4 Research Method

Given the research hypothesis and purpose, a multifaceted research methodology is employed in order to obtain a full understanding of the case for an expanded municipal housing role in B.C. First, a literature review was conducted in order to understand the recent housing policy changes which have been initiated at the federal and provincial levels, and which have important ramifications for local government. Furthermore, the main arguments for and against the decentralization of social policy within Canada were examined, and the major components of Richards’ (1992) decentralization argument are presented. The recent series of legislation introduced within B.C. is examined, in conjunction with a brief historical analysis of the municipal role in housing.
Second, a postal survey was used to determine the range of tools used by municipalities across the province in their role of planning for affordable housing. This survey was designed with the useful information provided by previous municipal housing surveys, notably the 1990 B.C. Municipal Housing Survey conducted by Hulchanski et al. By obtaining a macro level picture of the techniques and tools used by British Columbia's municipalities, the research helps to build an understanding of the way in which local governments are responding to their expanded role in the housing field.

Third, the case study method was used in order to understand both the different dimensions of housing need, and the appropriate housing strategy employed within a given social and economic setting. Through key informant interviews and document analysis, three housing case studies were compiled. These locales were chosen for their geographical diversity, the range of different social and economic conditions, and range of population sizes which they represent. Together, the literature review, survey data and case study material provide a multi-level analysis of recent housing policy changes within Canada and the Province of British Columbia.

1.5 Key Concepts

The term *affordable housing* has become an overused phrase which is often employed without a clear definition, or understanding. Generally, it is the term used to describe a wide spectrum of strategies deployed to bring adequate housing within the financial capability of a broader section of the population than the free market would allow. Given the recent shifts in housing policy, *affordable housing* has become an increasingly popular term in comparison with social housing. *Social housing* is used by Sewell (1994) to refer to non-profit housing programs in general, and serves as an alternative to both market housing and to government-controlled public housing. The term *affordable housing* is used to refer to housing built by the private, co-
operative, non-profit and public sectors (Provincial Commission on Housing Options 1992). Thus social housing is a subset of the broader category affordable housing. Social housing as a term is gradually being replaced by the term affordable housing as governments at all levels are attempting to encourage the partnership approach to housing provision, and the participation of other sectors in the housing industry.

Affordability can be defined using a variety of different measures. For example, the core need definition was developed by CMHC in order to control for voluntary over-consumption of housing. According to this definition, a household suffers from affordability problems if it cannot have access to a housing unit (usually a house or apartment) with adequate space and in reasonably good condition without spending an inordinate share of its income on shelter costs (greater than 30 per cent) (CMHC 1991). Similarly, Stone’s (1993) concept of the shelter-poverty concept of affordability is another approach which acknowledges the different degrees of affordability problems, hence the phrase the “long ladder of affordability problems” (Stone 1993, 14). The Provincial Commission on Housing Options adopted two concise definitions which has been used widely in the province since the publication of its final report, and are the definitions adopted for the purposes of this thesis research:

“Affordable” means annual housing costs (rent or mortgage + taxes) which do not exceed 30% of a household’s gross annual income. (This definition makes the assumption that home ownership costs include a down payment of 10%, mortgage principal and interest amortized over 25 years and taxes.)

“Affordable housing” means housing which would have a market price or rent that would be affordable to households of low and moderate income. Households of low and moderate income are those who have incomes which are 80% or less than the average household income for the urban area they live in. This definition would include housing built by the private, co-operative, non-profit and public sectors. (Provincial Commission on Housing Options 1992, 8).
Thus, **affordable housing** refers to any strategy, whether directly government funded or not, aimed at providing housing at lower cost (less than 30% of their income) to the consumer. Kraus (1993) defines affordable housing as:

maximizing funds for social housing, providing housing for groups such as the homeless or seniors. It also means initiatives to increase home ownership among less affluent households and the protection of the existing stock of low cost housing (3).

Within the context of this research, **affordable housing** generally includes market housing which is affordable to first-time homebuyers, private rental housing (including secondary suites), special needs housing, social housing, and the protection of existing affordable housing units as well as the creation of new units.

### 1.6 Organization

The thesis is organized into six chapters. Chapter 1 provides an introduction to housing policy within Canada and sets the research agenda, as well as establishing the purpose, objectives and the research method.

The literature review is comprised of chapters 2 and 3. The recent changes in federal housing policy in Canada are examined in chapter 2, along with the major arguments for and against the decentralization of housing policy. Richards' (1992) theory on innovation and decentralization is introduced in this chapter. Chapter 3 links these changes at the federal level to the recent policies of the British Columbia government. The series of housing legislation introduced within B.C. is described in detail, and the role of municipal governments in affordable housing policy is examined.

The primary research findings are presented in chapters 4 and 5. The municipal housing survey of British Columbia is outlined in chapter 4 along with its major findings. Chapter 5
contains three case studies of municipal housing innovation in B.C. These case studies, in conjunction with the municipal survey, indicate the current state of affordable housing within the province.

Chapter 6 concludes the thesis by summarizing the major findings of the research, and discusses the policy and planning implications of municipal housing policy in B.C.
Chapter 2

The Federal Withdrawal: Recent Changes in Housing Policy

2.1 Introduction

Over the last decade, the federal government of Canada has decreased its involvement in social programs: it has given more program responsibility to the provinces, and has reduced the size of transfer payments. This redistribution of roles and responsibilities has profoundly altered many of Canada's social services, in particular, the provision of social housing has undergone quite a marked change. This process has come to be known by many different terms, including 'devolution', 'delegation', and 'downloading'. Furthermore, it has not come about without a heated debate, as commentators on both sides have interpreted the change which is occurring very differently. Furthermore, the literature on Canadian housing policy has not kept pace with the round of policy changes. In particular, little or no policy analysis has been conducted on the effects of such political and economic changes on affordable housing programs.

Most of the debate about changes to social programs involves the major components of Canada's social safety net, including unemployment insurance, welfare and training. Housing can be seen as distinct from these other social programs because it requires large capital expenditures, as well as operating funds, and is tied to the private land market. Because of these features, housing policy has both social and economic dimensions, particularly at a local level. Housing policy has often been used as an instrument of economic policy due to its ties to local industries and employment. Local governments have therefore used their regulatory powers to determine the pace and direction of local development. For these reasons, many studies of social programs have neglected housing (Fallis 1995), viewing it instead as a part of economic policy. This thesis seeks to redress this imbalance by focusing on housing as a social program. It is
important, however, to be cognizant of these other economic dimensions to the policy-makers context.

2.2 History of Social Housing

Constitutionally, housing policy and social programs are the responsibility of the provincial governments in Canada. Nevertheless, the history of a strong federal presence in housing within Canada has led to an accepted, and expected continuation of a strong federal role.

The roots of Canadian housing policy are found in the Depression of the 1930s and in the reconstruction period following the Second World War, as it was driven by both redistributive and reform objectives (Gertler 1994). The Great Depression brought the issue of social policy to the forefront of public discussion, as the economic devastation of this period was too great for municipalities and some provinces to bear alone (Norrie 1993, 94). This was the first of a series of initiatives which paved the way for direct federal involvement in social programs, particularly in the area of housing policy. According to Hulchanski (1986), the Dominion Housing Act of 1935 was the first in a long history of policies which focused more on market welfare than on social welfare as an approach to Canada’s housing problems. It set the tone for all subsequent federal housing policy as it assumed "responsibility was to be limited to the improvement of the operations of the private market" (Hulchanski 1986).

Both market and social housing were central concerns of the postwar federal governments (Patterson 1990, 25), their emphasis in the 1940s and 1950s being to strengthen mortgage and other financial markets to ensure a healthy flow of funds for residential building. According to Rose, a housing historian, "the best conclusion we can arrive at concerning national housing policy from 1945 through 1964 is that the Government of Canada was strongly in favour of the attainment of home ownership by every family" (1980, 35).
In 1945, the Central Mortgage and Housing Corporation (CMHC) was created, as the “final link in this chain of future governmental organization for housing development” (Rose 1980, 29). The role of the federal housing agency was to administer the National Housing Act and solidify Ottawa’s role in housing policies and programs. While CMHC (the name was later changed to Canada Mortgage and Housing Corporation) was given the responsibility for federal activity in social housing, it remained true to its mandate to aid private business in the field of housing. It performed two duties: acting as a ministry in the social housing field, and serving as an “ancillary service to private mortgage companies” (Bacher 1993, 179). By 1949, the National Housing Act had been amended to allow the federal government to enter into a 75 per cent - 25 per cent cost sharing program with the provincial governments for land assembly and building (Miron 1988, 251).

The 1964 amendments to the National Housing Act (NHA) were another turning point in Canadian housing policy, as the provincial governments became more intimately involved in implementing housing policies (Rose 1980, 38). Provincial governments and municipalities were authorized to develop public housing by provincial legislation (Burns and Silzer 1987, 68). The 1964 amendments to the NHA emphasized explicit programs for urban renewal and low income housing, by allowing the federal government to make 90 per cent mortgage loans, for terms of up to 50 years, for provincially owned and initiated low-rental projects (Miron 1988, 251).

The Trudeau government, in conjunction with the required political support from the New Democratic Party (NDP) due to its parliamentary minority, initiated new housing legislation. The 1973 amendments to the NHA symbolized a solidification of commitment to the social housing approach. They created 10 new programs: the Assisted Home Ownership Program (AHOP), Non-Profit Housing Assistance, Co-operative Housing Assistance, the Neighbourhood
Improvement Program (NIP), the Residential Rehabilitation Assistance Program (RRAP), Land Assembly Assistance, the New Communities Program, the Developmental Program, Housing for Indians on Reserves, and Purchaser Protection (Rose 1980, 55-63). Among these, AHOP, NIP and RRAP have received the most attention, and have made the most significant impacts on housing in Canada.¹

The 1973 legislation was influenced by the recommendations of CMHC’s Low Income Housing Task Force and the charge by critics that public housing projects had become undesirable low-income ghettos. Dissatisfaction with public housing projects helped to steer social housing towards the third sector, making way for the intervention of cooperative and non-profit groups and organizations into the management side of housing. The third sector represents a pot-pourri of non-profit programmes, including loans and grants to municipal non-profit companies, private non-profit corporations and co-operatives, as well as subsidies to private builders for rent-geared- to-income and limited-dividend housing (Bourne 1986, 123). The co-operative housing program was a major innovation in Canadian housing policy, and allowed residents to jointly own and manage their own housing on a non-profit, non-equity basis (Hulchanski and Drover 1986, 13). It was a more successful program than the federal experiment with public housing. The federal government augmented the public housing program with social housing measures that permitted the development (with 100 per cent financing) or subsidy, of mixed-income housing projects by non-profit companies and co-operative housing societies.

¹ AHOP was designed to assist homeowners by reducing the cost of mortgage financing, and originally provided 95 percent of first mortgages (Miron 1988, 244). Approximately 40,000 households were assisted over the 1973-75 period and were given loans and grants for the purchase of modestly priced housing (Miron 1993, 391). The Neighbourhood Improvement Program (NIP) was designed to improve public infrastructure in designated low income residential areas and existing housing stock (Miron 1993, 403). In total, 479 neighbourhoods took part in the program, and over $500 million was spent (shared among the different levels of government) (Miron 1993, 403). RRAP was initiated in order to encourage the upgrading of substandard dwellings, and eligible home owners received subsidized loans for renovation costs.
Slum clearance was also replaced by a neighbourhood improvement program and renovation subsidies that emphasized conservation (Patterson 1990, 26).

Ontario was the first province to establish a provincial housing ministry in 1973, in order "to increase the provincial policy co-ordination, to reduce municipal discretion, and to increase the province's leverage vis-à-vis Ottawa" (Banting 1990, 128). British Columbia soon followed with the creation of its ministry in late 1973 (Rose 1980). With advances in provincial housing policies, "the early 1970s did see the substantial development of policy initiatives and programs at both federal and provincial levels, edging Canadian housing policy in a comprehensive direction" (Mishra 1990, 105). However, as the economy entered a period of fiscal recession, brought on by the OPEC oil shocks of 1973, there was a large reduction in the overall level of federal social program expenditures. Despite this, federal housing expenditures rose over the decade. Several factors contributed to this increase: social housing represented a much smaller financial outlay in comparison with other social policies; it was used as a tool of economic management and as an anti-recessionary device; and, the economic difficulties of the period exacerbated the housing problem and strengthened the case for government intervention (Mishra 1990, 105-6). It is clear, however, that the difficulties of the 1970s signaled a halt in Canada's progress towards a comprehensive housing policy.

2.2.2 Retreat from Social Housing

In the 1980s the federal government began to become less active and by 1986, housing academics were already predicting a "massive retreat from social housing in Canada" by the end of the decade (Bourne 1986, 125). With the election of the Progressive Conservative Government in 1984, housing policy experienced a marked ideological shift towards a reduced expenditure on social policy, an attack on the budget deficit, and a greater reliance on unaided
market forces. The Mulroney government’s *A New Direction for Canada: An Agenda for Economic Renewal* (1984) outlined their overall social policy approach, and signaled a basic withdrawal from the previous commitment to social housing.

Rice and Prince (1993) identify three key features of Ottawa’s record in social policy after 1984. First, the record of expenditure restraint and program restructuring reduced program spending in real terms. A second feature was the government’s “stealth style” of social policy formation, which saw complex changes to taxes and transfers to individuals, the provinces and other programs (Rice and Prince 1993, 382). And third, there was “a selective rather than a universal orientation in social budgeting and program development by the Conservatives” (Rice and Prince 1993, 383).

Under the Conservatives, the private market was encouraged to meet most of the country’s future housing requirements, but with reduced subsidies (Bourne 1986, 125). An early act by Mulroney’s government was to cut back on the social housing and housing rehabilitation programs. By 1986, the federal government had narrowed the scope of social housing policy and only funded programs for households considered to be *in core need* (that is, those paying more than 30% of their income in rent, where housing is physically inadequate or crowded) (Sewell 1994, 173). The remaining tax reductions, such as the Registered Home Ownership Savings Plan (RHOSP), were phased out, thus narrowing the spectrum of people assisted with respect to housing.

Old programs were replaced by a provincial-federal cost sharing program arrangement in 1985:

The actual assortment of social housing programs was to be decided jointly by each of the provinces and territories with the federal government, in light of regional needs. In general, government policy was to move away from subsidizing producers towards subsidizing low-income consumers (Mishra 1990, 109).
Thus, from 1985 the federal government eroded its former commitment to social housing (Patterson 1990, 27). The provinces, since 1985, have been required to take a more direct role in the delivery of those federal social housing programs to which they contribute at least 25 percent of total program costs (CMHC 1994, 5). The bilateral agreements between the provinces and the federal government saw the abandonment of the mixed-income concept of social housing.

Assistance for all forms of government owned and managed public housing was reduced and replaced by funding for housing owned and operated by non-profit and cooperative housing organizations. Currently, these groups own approximately 46% of the social housing portfolio in Canada (CMHC 1994, 5). This third, or non-profit sector, is comprised of municipal non-profit organizations, co-operatives, and community based groups (representing charitable, religious, and special interest organizations) (CMHC 1994, 5). Responsibility for social housing has for the most part fallen onto the laps of these third sector organizations, and it seems likely that this pattern will continue to prevail (Wolfe and Jay 1990, 213).

2.2.3 Ottawa’s Withdrawal from Housing Policy

By 1990, it was evident that there was “a failure of leadership in addressing the housing problems of Canadians by the federal government, both the Liberal and Conservative governments, throughout the 1980s” (Hulchanski 1990, 22). No new programs had been introduced, the levels of funding were falling except in the area of market housing and homeownership programs (Hulchanski 1990, 22). According to Gertler, throughout the 1990s, CMHC has reverted to mainly the narrow-gauged function of mortgage lending and insuring, and a review of current projects indicates an increasing emphasis on the technical aspects of housing supply (1994, 132-33).
Federal efforts to improve access to home ownership now rely on the provision of housing market information, and research is undertaken to improve the operation of markets. There are also zero-cost initiatives in operation such as the relaxation of the minimum down payment requirements for first time home buyers and the use of RRSP funds to help finance home purchases (CMHC 1994).

With respect to social housing, the federal government, and the provinces and territories have worked together since the 1960s and 1970s, when the provincial housing corporations were set up, to participate in program delivery and the management of public housing units. Currently, more than 40% of Canada's social housing stock is managed under agreements with the provinces and territories (CMHC 1994, 5). This includes public housing units owned and managed by governments, dwellings leased from the private sector by the partnership under the Rent Supplement Program and units assisted under the Rural and Native Housing Program (see Table 1).

Table 1: Canada's Social Housing Portfolio by Program Area: 1992

<table>
<thead>
<tr>
<th>Third Sector Programs</th>
<th>Housing Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-operative Housing</td>
<td>64,515</td>
</tr>
<tr>
<td>Non-Profit Housing</td>
<td>230,208</td>
</tr>
<tr>
<td>Programs with a Strong Native Component</td>
<td></td>
</tr>
<tr>
<td>Urban Native Housing</td>
<td>9,355</td>
</tr>
<tr>
<td>Rural and Native Housing</td>
<td>23,535</td>
</tr>
<tr>
<td>On-Reserve Housing</td>
<td>13,197</td>
</tr>
<tr>
<td>Subsidized Private-Sector Units</td>
<td></td>
</tr>
<tr>
<td>Limited Dividend</td>
<td>42,745</td>
</tr>
<tr>
<td>Rental Supplements</td>
<td>46,032</td>
</tr>
<tr>
<td>Rental RRAP</td>
<td>17,402</td>
</tr>
<tr>
<td>Regular Public Housing</td>
<td>205,752</td>
</tr>
<tr>
<td>TOTAL</td>
<td>652,741</td>
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The cutbacks of the early 1990s have had a profound impact on provincial and local governments across the country, as well as the third sector:

The tightening of the noose on non-profit and co-op housing programs in the early 1990s left social housing advocates scrambling for new approaches. The real challenge was finding funds to replace those being withdrawn by the federal government (Sewell 1994, 175).

This withdrawal by the federal government from active policy participation in social housing policies has meant that Canada has returned to an assisted free market approach to housing policy. Furthermore, it is evident from the recent policy shifts, that the federal government wishes to play a backseat role in the area of housing policy, and leave the leadership and policy development to the individual provincial governments.

During the late 1980s and early 1990s Canada's weakened fiscal situation led to reductions in the federal government's social housing budget (CMHC 1994, 6); it was cut by 20 percent in 1992, and by 29 percent in 1993 (Poulin 1993, 26). These reductions primarily affected the new housing initiatives of the federal government, for example, as of 1994, the federal government eliminated funding of any new non-profit or non-profit co-op housing units. More recently, the 1995 budget further reduced the funding of the Canada Mortgage and Housing Corporation (CMHC) by $189 million by 1997-98 (see Table 2) (Department of Finance 1995). Funding for housing research and administration was specifically targeted by budget cuts, a move which affects all sectors of the housing industry. The significance of these budgetary decisions points to a major withdrawal by the federal government from its strong central role in housing policies.
Table 2: Canada Mortgage and Housing Corporation: Profile of Departmental Spending (in millions of dollars)

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<tbody>
<tr>
<td>Total budgetary savings</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Authorized spending level</td>
<td>2 131</td>
<td>2 026</td>
<td>1 968</td>
<td>1 942</td>
<td>-189, -8.9%</td>
</tr>
</tbody>
</table>

Source: Department of Finance 1995, 113.

2.3 Centralization vs. Decentralization of Social Programs

Housing policy in Canada experienced the rise of a strong federal role in the late 1930s and its fall in the late 1980s and early 1990s. This cycle is the result of a continuing debate about the form and locus of social policies in Canada. In theoretical terms part of this debate is focused on the jurisdictional level at which housing policy should be implemented: in contemporary terms this is a debate centered around the centralization and decentralization of social policy in Canada.

The placement of the jurisdictional dividing line between the federal and provincial governments emerged as an important issue in the mid 1980s, and the debate has further intensified since then. The decentralization of housing policy to the provincial level, according to CMHC, is the source of a continuing dilemma, as this can be both administratively inefficient and geographically inequitable (1987, 16). The arguments for the centralization of social programs are best summarized by Kenneth Norrie, whose central premise is that we must “reform and strengthen the federal government’s involvement in social policy in order to achieve national equity goals” (1993, 120). Conversely, the arguments for decentralizing social policy to the provincial level are best summarized by John Richards: his theme is that social policy should be left mainly to strong provincial governments (McCallum 1992, vii).
2.3.1 Centralization

The principal argument for centralized control over social programs by the federal government is that this arrangement acts to create scale economies in the production of public goods: for example, one army, rather than ten, responsible for national defense (Richards 1992, 35). A second argument suggests that the decentralization of social programs is likely to create inefficient "policy spillovers", that is externalities within jurisdictions. According to Norrie:

Provincial governments have little incentive to plan their social policies with residents of other jurisdictions in mind. Postsecondary education is often cited as an example of an activity particularly prone to this consideration; educated workers are likely to receive their training in one province and spend their working lives in another (Norrie 1993, 121-2).

Third, Richards argues that "Ottawa can realize more stable revenues at constant tax levels than can any province" (Richards 1992, 36). Fourth, it is proposed that a centralized system decreases the incidence of "destabilizing games" between provinces (Richards 1992, 36), as illustrated by provincial barriers against interprovincial trade (although this seems an argument more relevant to trade than housing). Fifth, the centralization of social programs through the federal government retains a balance of dual loyalties (Richards 1992, 37). If provincial governments are the primary provider of social services and in peacetime the locus of the largest part of public spending, there is a danger that citizens will cease to be interested in the shared aspects of a federal system.

Many provincial governments have expressed dissatisfaction with decentralization as a method of planning for and implementing social programs. It has recently been combined with a reduction of the transfer payments from the federal government to provincial and territorial governments, as the cost of servicing the national debt has stimulated the federal government to limit its expenditures (Leslie 1993). The elimination of particular federal social policies implies
that provincial governments must do more with less. Some politicians have suggested that Ottawa seems to be trying to "off-load" responsibility for housing onto the provinces (Sarti 1992). British Columbia, for example, expects to receive $457 million less in 1996-97, and $801 million less in 1997-98 in terms of transfer payments from the federal government and these cuts will lead to reduced services by the province (The Globe and Mail, Tuesday February 28, 1995). Provincial politicians have denounced the federal government for "shifting the burden of deficit reduction in part onto the provinces" (Leslie 1993, 45), and ensuring that social programs are to become an "uneven patchwork across the country" (Roy Romanow, Premier of Saskatchewan in Caragata 1995).

The national government, according to Norrie, "has a potential role to play in situations where one or more conditions for unambiguous assignment to the regional governments do not hold and interregional coordination is impossible, or at least relatively costly" (Norrie 1993, 92). Several possibilities exist in terms of constitutional arrangements in order to achieve this: one option is to reassign constitutional responsibility for the function in question (Norrie 1993, 92). Otherwise, the federal government can use the tool of fiscal transfers in order to help offset some of the problems with decentralized administration. These transfer payments can assist in getting programs up and running, in correcting for externalities and spillovers among jurisdictions, and in offsetting any interregional fiscal disparities (Norrie 1993, 92).

2.3.2 Decentralization

According to Richards, the primary argument for the decentralization of social programs to the provincial level is to encourage policy innovation through intergovernmental competitiveness (1992, 37). He comments that one reason for the survival of federalism is competition among the provincial governments in the provision of social programs, that has
contributed to the efficiency of these programs (Richards 1994, 52). The most important example of such experimentation and innovation is Saskatchewan’s introduction of universal hospital insurance in 1947 and universal medical insurance in 1962 (Richards 1992, 18). Once provincial experimentation with such programs established their importance and credibility, the federal government took over responsibility and they were extended throughout the country. The federal government introduced two instruments in order to ensure compliance: equalization payments to have-not provinces, and conditional grants (Richards 1992, 19). Nevertheless, the administration of federal public social programs is prone to some important diseconomies of scale: “Although variance is undeniably high across provinces and over time, provincial administration in this domain is probably, on average, more efficient than federal” (Richards 1992, 18).

Second, the decentralization of social programs to the provincial level allows for a closer fit between the preferences and needs of the region and the public policies of the government (Richards 1992, 37). Decentralized language policy, for example, satisfies more people than a single policy pursued by Ottawa (Richards 1992, 38). This is also the case with housing policy, for housing need is locally determined, as will be shown later. Third, a decentralized system lowers the costs faced by citizens in order to signal their program preferences, meaning that consumers incur “far lower costs in indicating their desired quantity and quality of particular goods and services” (Richards 1992, 38). The system of competitive federalism in place in Canada is potentially a more efficient means of delivering a range of services, especially when compared with private market alternatives (Richards 1994, 52). Fourth, a decentralized system creates more “encompassing interest groups and reduce[s] rational ignorance” (Richards 1992, 38). Essentially, the advantage of provincial decentralization to interest groups is that they are large relative to each provincial economy.
Norrie identifies four conditions which must be met before a particular function can be “assigned unambiguously to regional governments”:

1. If regional governments are able to provide the service more effectively and more cheaply than can the national government;
2. If the policies that regional governments implement do not spill over into neighbouring jurisdictions;
3. If any variations in policies that emerge as a result of decentralization do not interfere unduly with the efficient operation of the national economic union;
4. If the fiscal capacities of the regions are similar enough for each to be able to provide, if it wishes, a level of public goods or services at a given level of taxation comparable to that of any other in the federation (adapted from Norrie 1993, 90-91).

2.4 Conclusion

While it is important to recognize that the constitutional responsibility for housing rests with the provinces, close examination reveals that Canada has a long history of strong federal participation in housing. Hitchcock concludes that “whatever the formal constitutional arrangements may be, the federal government will still be held accountable for equitable treatment of all Canadians and so will always be seen as having a moral responsibility for national housing policy” (1993, 387). While there are convincing arguments presented by both sides of the social program debate, many of the arguments for centralization are of less weight for social policy, especially housing, in this era of public fiscal restraint. Perhaps the strongest arguments in the debate that apply to affordable housing policy is Richards’ reasoning that innovation will result from the devolution of powers to the level of regional governments. We can add to this the importance to be attached to regional differences in housing needs and the potentials for the use of different planning strategies. The implications of innovation, that is the regional sensitivity thesis, is not restricted to the provincial level: rather, innovations in housing policy are likely to be observed at the local level if the provinces provide local governments with
the responsibility to act. The following chapter examines the case of British Columbia’s housing policies in more detail, concentrating on the policies introduced by the provincial government over the last three years, and examining the past record of municipal involvement in social policy.
Chapter 3
An Expanded Role for Local Government in Housing: Legislative Change in British Columbia

3.1 Introduction

Historically local governments, particularly the larger ones and those which have experienced social or economic change, have been actively involved in the development of affordable housing. Canada's largest cities became involved in social housing provision early on, particularly the City of Toronto which has a long history of direct involvement in social housing. According to historian Bacher, the example of Toronto's active role "showed that the weakest level of government could go it alone to achieve its social-housing objective" (1993, 13).

As the federal government has withdrawn from the direct provision of social housing, provincial governments have experienced an expanded role in organizing affordable housing. In British Columbia, as we will see, local governments are now required to take on expanded responsibility in planning for affordable housing. While this is not an entirely new role for municipal governments and there is a documented history of municipal involvement in social housing (see Carter and McAfee 1990; Manga and Muckle 1987; McKay 1989), this history is highly localized. In this chapter I will examine both the dimensions of the housing affordability problem in British Columbia, and the current strategy employed by the provincial government to meet these needs. Thus my objective in this chapter is to examine how the provincial government of B.C. has tackled its new housing responsibilities.

3.2 The Municipal Role in Housing

The municipal government role has historically been one of administration and program delivery, while the federal government maintained a strong role in funding and regulation of
housing programs (Manga and Muckle 1987, 37). Consequently, the municipal role has been limited until recently, and supplemental to the role of senior governments, particularly to the CMHC and a range of provincial agencies which have coordinated a series of programs (Murchie and Associates 1993). As municipal governments are creatures of the provincial government under the terms of the British North America Act (BNA), they only possess the power delegated to them to through the Municipal Act.

Until recently, the provincial governments have delegated only limited powers to local governments: specifically the authority to regulate land use through zoning and development by-laws, to establish building quality standards, and the power to collect taxes, own land and assist the poor (Carter and McAfee 1990, 229). Despite this somewhat narrow authority, municipal governments have played an important role in the development of housing through the use of their conventional planning powers. Traditionally, the responsibilities of local government include: planning for growth, providing sufficient development capacity for this growth, regulating growth through bylaws and regulations and providing property services, such as roads, sewers and water to accommodate growth (City of Burnaby 1994a). These actions are inherently regulatory in nature, and are designed to allow for a well functioning system of land use. More recently however, local governments have been undertaking a variety of actions, affordable housing initiatives in particular, without the benefit of the provincial legislation (Malong 1995, 34). In fact, local governments are not autonomous of the provincial legislature that created them, and as such, they are inhibited from exceeding their delegated powers by the awareness that the courts may intervene (Lane 1988, 29). The provincial government is aware of this phenomenon, reflected in the recent amendments made to the Municipal Act within the province of British Columbia.
There is a convincing argument for more local government control and input into housing policy. In theoretical terms this is derived directly from the centralization-decentralization debate outlined earlier. Just as there are strong arguments in favour of provincial control over social policy, so there is a clear mandate for local planning and policy making. The core argument is that housing need is locally specific and is best understood by those closest to the problem. Housing programs devised and implemented at the local level are theoretically the most appropriate solution to the different types of problems which can arise. Over the years different municipalities have recognized this fact, and thus different models of municipal involvement in this area of social policy have been identified.

It is important however, to differentiate between the two processes of decentralization which have occurred: from federal to provincial government on the one hand, and from provincial to municipal on the other. The federal government has withdrawn from its strong role in social housing programs and has by default passed this area onto the provinces. This form of decentralization has involved a disengagement of the federal government in the funding of social housing programs. At the second tier of decentralization, however, the process has been qualitatively different since it has involved the provincial government granting responsibilities and powers to municipalities but not withdrawing from involvement in the issue of affordable housing. Indeed, as mentioned earlier, municipalities can only act within the mandate given to them by the provincial government and to the extent that their powers are expanded.

3.3 Housing need in British Columbia

Housing costs in Vancouver, both in terms of rent and price, are among the highest in Canada, second only to Toronto in terms of 1991 value of owner occupied dwellings (Baxter 1994). The cost of owning a home however, has rapidly increased during the past few years,
reflecting the region’s economic and demographic growth during that period. Vancouver in fact was the fastest growing CMA in Canada between 1986 and 1991 (Baxter 1994), and this growth is expected to continue. Housing affordability is consequently an important issue in British Columbia: According to the Provincial Commission on Housing Options, the challenge to communities, the home building industry and the provincial government will be to ensure that enough housing can be built to meet this increased demand at rents and prices within the reach of British Columbians (1992a, 10).

Within the province, the groups which experience difficulty with housing affordability more than other groups are low income households, lone parent families, low income single persons (especially those with psychiatric or physical disabilities) and retirees on fixed incomes. For low income groups, housing is the greatest expense and can consume much more than 30 percent of household income (City of Vancouver 1994, 11). In addition, the government of B.C. has identified a range of special needs groups who have particular housing needs which are not readily met by the housing market: people with physical disabilities, chronic mental illness, brain injuries, problems of chronic abuse and alcohol, HIV positive/AIDS, the homeless, women in crisis and the frail elderly (MMARH 1993, 18).

Many members of these groups are unable to find housing which is secure, appropriate or affordable. Furthermore, there is also a distinct geographical dimension to the problem, as communities each experience their own housing needs, and consequently, experience affordability differently. Affordability problems, according to the Provincial Commission on Housing Options, “relate to the changing relationship between the economic resources of residents of a community and the costs of housing within it” (1992, 7). At present, the most severe affordability problems occur in the two metropolitan centres of British Columbia,
Vancouver and Victoria (PCOHO 1992). Provincial housing policy must be responsive to the different dimensions of housing needs and the affordability problems within the larger region of the province.

Housing affordability is locally specific and varies from place to place across the province. The legislation introduced by the provincial government in B.C. is designed to allow each community to define the term affordable housing according to the specific problems faced among the residents. Consequently, different groups may be identified in each locale who experience a housing affordability problem more severely than other members of the larger community.

3.4 Provincial Housing Policy

The current Provincial government was elected into office on a platform of, among other priorities, commitment to providing British Columbians with affordable housing (Saenger 1992). Under the NDP government, housing assumed a much higher profile, and in 1993, the Ministry of Housing, Recreation and Consumer Services (MHRCS) was created with the mandate to develop a comprehensive housing policy for the province. Since the provincial government’s election, a broad set of housing policies have been developed. These are designed to provide residents in need with a wider range of housing options. The recent initiatives initiated at the provincial level with respect to affordable housing include:

- The Provincial Commission on Housing Options (PCOHO);
- Amendments to the Municipal Act, in the form of Bills 20 (1992), 57 (1993) and 31 (1994);
- Homes B.C. Program;
- Changes to the Residential Tenancy Act;
- Elimination of the Property Transfer Tax for first time home buyers.
The amendments to the Municipal Act are designed to give communities within British Columbia more latitude and greater power in order to enact locally relevant policies to produce affordable and special needs housing initiatives of their own.

Among the initiatives of the B.C. government was the Provincial Commission on Housing Options, established in June 1992 in order to explore the issue of housing affordability in greater detail. The commission’s mandate was to discover ways to meet the housing needs of the province within a context of shrinking federal and limited provincial and municipal resources (MMARH 1992). Its two assignments were:

- to compile a wide-ranging catalogue of practical ideas and innovations that will allow the problems of affordability and supply to be addressed in a cost effective manner; and

- to make recommendations, using a selection of these innovations, for a comprehensive, multi-faceted provincial housing policy and cost effective programs to effect this policy (MMARH 1992).

The Commission was asked to invite submissions and then make recommendations for future policies, programs and legislation on housing affordability within the province: it was instructed to find “ways to meet British Columbia’s housing needs within shrinking federal budgets and limited provincial and municipal financial resources” (PCOHO 1992b, 1).

The Provincial Commission began its work subsequent to the introduction of Bill 20 (May 1992), an amendment to the Municipal Act of British Columbia. It requires local governments to include policies concerning affordable, special needs and rental housing in their

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2 During the two month consultation period, the PCOHO traveled throughout the province and consulted with a wide range of individuals and housing groups. Over 500 people attended public meetings in Nanaimo, Prince George, Kamloops, Victoria, Vancouver, Kelowna, Abbotsford and Nelson, and in total, the commission received 358 submissions and met with 11 municipalities and 26 community based organizations (Provincial Commission on Housing Options 1992a). Headed by two commissioners, Elaine Duvall and Michael Audain, PCOHO published its 57 recommendations in a report entitled New Directions in Affordability: The Report of the Provincial Commission on Housing Options (1992). Michael Audain, president and CEO of The Polygon group of Companies (a property developer) and Elaine Duvall, a former executive director of the Columbia Housing Association, and working with the City of Vancouver’s Housing and Properties Division (at the time she undertook this assignment), undertook the tasks of commissioners of the project.
Official Community Plans. Bill 20 (1992) and the Provincial Commission on Housing Options were part of a concerted policy to involve local governments more directly in affordable housing policies. The recommendations of the Commission have formed the basis for the subsequent provincial housing policy in British Columbia - Bills 57 (1993) and 31 (1994).

3.4.1 Amendments to the Municipal Act: Bill 20 (1992)

Bill 20 (1992) amended Section 945 of the Municipal Act of British Columbia, adding a new subsection 2.1 which states that:

A community plan must include housing policies of the local government respecting affordable housing, rental housing and special needs housing (MMARH 1993, 1).

This legislation, effective September 30, 1992, applies to all municipalities including the City of Vancouver and the Islands Trust. It expands the existing housing responsibilities of municipalities by requiring that they develop locally specific definitions and policies for the provision of “affordable”, “rental” and “special needs” housing. “The intent is to allow each community to respond, in its own way, reflecting local conditions and points of view” (MHRCS 1993, 1). The legislation requires local governments to formulate specific policies for those groups who are affected by market or social forces which hinder their ability to obtain housing.

Bill 20 (1992) is a broad policy initiative which officially signals to local governments that they have increased responsibility in the area of housing policy. It directs local governments to plan for affordable housing, and with the introduction of various pieces of enabling legislation, local governments were provided with the tools to implement their own affordable housing policies. Bill 20 (1992) serves a symbolic rather than substantive purpose in delineating the areas of municipal responsibility with respect to housing, and acted as a broad policy gesture which indicated that the B.C. government was responding to changes at the federal level in the area of
housing policy. The introduction of Bill 20 (1992) provided the Provincial Government with the
time to implement several of the PCOHO’s recommendations in the form of the ‘enabling
legislation’ (Bills 57 (1993) and 31 (1994), which ensured that local governments across the
province were well equipped to plan for affordable housing within their communities.

Bill 20 has received mixed reviews since its implementation in May of 1992. While the
legislation was accused of being vague with respect to its wording, municipalities have also
claimed that it burdens them with services which they are obliged to supply, without the proper
means of providing them (Boswick 1993). Boswick suggests that many officials in the province
feel that “inexpensive initiatives are fine, but there is a growing need for supply assistance to
replace the funds lost through the federal cutbacks” (1993, 13). The provincial government has
strengthened the authority of local governments, and provided a range of tools to allow for the
planning and development of affordable municipal housing by means of two additional Bills, 57
(1993) and 31(1994), which also amend the Municipal Act of British Columbia.

3.4.2 Bill 57(1993)

Bill 57, introduced in July 1993, implements the “provincial government’s belief that
local governments have a critical role to play in providing affordable housing in partnership with
the provincial and federal governments and the private and non-profit sectors” (MHRCS 1994a,
6). Bills 57 (1993) and 31 (1994) facilitate the enactment of the broad policy expressed in Bill
20 (1992). It has been called a “major landmark in the field of affordable housing provision”
(Malong 1995, 36) as it further validates and legitimizes the affirmative zoning measures that
have already been undertaken in a number of location across the province (see chapter 5).

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3 Specifically, Bill 57 (1993) amends sections 963, 963(1) and 963 (2) of the *Municipal Act*, and sections 565.1 and
565.2 of the *Vancouver Charter*. 
The intent of Bill 57 (1993) was to “respond quickly to the PCOHO report, provide municipalities with more flexibility, and to encourage partnerships in the community” (Paget as quoted in Bostwick 1994, 16). Specifically, Bill 57 (1993) has two principal thrusts: “First, it enables cabinet to empower local governments by regulation. Second, it introduces major changes to the community planning provisions of the Municipal Act and the Vancouver Charter” (MHRCS 1994a, 6). The emphasis on empowerment by regulation is based on four recommendations of the Provincial Commission on Housing Options:

1. The Municipal Act should be amended to provide local governments with the authority to lease residential land at below market rents to non-profit organizations (Recommendation No. 55).

2. The Municipal Act should be amended to allow municipalities to include housing development as an item in a loan authorization by-law referendum (capital works initiative) and to issue debentures to raise revenue for affordable housing purposes (Recommendation No. 56).

3. The Municipal Act should be amended to allow municipalities to establish special reserve funds for housing purposes (Recommendation No. 57).

4. The Municipal Act should be amended to enable local government to enact standards of maintenance by-laws (Recommendation No. 29) (Provincial Commission on Housing Options 1992b).

Rather than legislate these changes outright, the Provincial Government provided that local governments may apply for the authority to take on these special powers:

In short, empowerment by regulation will provide additional legislative flexibility for the Province to respond to the unique needs of local governments. It will enable the Province to provide a customized set of tools for a local government (MHRCS 1994a, 7).

The second thrust of Bill 57 (1993), the community planning provisions, are amendments to the Municipal Act and the Vancouver Charter which pass powers on to local governments
with respect to community development and housing. These powers are also based on two further recommendations by the Provincial Commission on Housing Options:

1. The Municipal Act should be amended to provide municipalities with the authority to establish inclusionary zoning by-laws as a means to produce additional affordable housing (Recommendation No. 53).

2. The Municipal Act should be amended to provide municipalities with the authority to use bonus density and the transfer of development rights as a means to produce additional affordable housing (Recommendation No. 54). (Provincial Commission on Housing Options 1992b).

In total, Bill 57 (1993) contains amendments to the Municipal Act which provide local governments in the province with clear authority in three major areas:

- density bonusing in exchange for meeting specified conditions;
- comprehensive development zoning; and
- housing agreements (MHRCS 1994a, 9).

Density bonusing “enables local governments to increase the allowable density on a site in return for the provision of affordable or special needs housing or amenities” (MHRCS 1994a, 9). The term amenity is defined by the Provincial Government as circumstances which affect the desirability of a property, and contribute to the pleasure, and enjoyment of the occupants of that property (MHRCS 1994, 9). Amenities can be divided into two categories: those to be used by the general public, such as open space, park land, playground facilities, and those to be used by a specific user group, such as child care facilities, underground parking, and affordable and special needs housing (Corporation of Delta 1994, 5). Cash is not considered an amenity (MHRCS 1994a, 16).

Comprehensive zoning provides local governments with the flexibility to negotiate with developers about large sites for particular projects -- in effect a site is rezoned. This type of
zoning establishes "policy parameters for development of a comprehensive development site in
the Official Community Plan" (MHRCS 1994a, 11). In order to develop the site, a developer
applies for a rezoning. During the negotiation process, the local government can offer the
developer increased densities on the site if specific conditions are met, for example, the provision
of affordable or special needs housing, the provision of other amenities, or the willingness to
enter into a housing agreement (MHRCS 1994a 11-13). Comprehensive development zoning was
actually a tool used by municipalities before the amendment of the Municipal Act through Bill
57 (1993). The municipality of Delta, for example, used the tool prior to 1993, thus Bill 57
(1993) has legitimized and made the practice of custom zoning regulations easier (Corporation of
Delta 1994, 5).

The ability to enter into housing agreements with developers offers local governments the
ability to secure affordable housing over the long term (MHRCS 1994a, 9). Housing agreements
are considered essential in ensuring that the users of housing always belong to the qualified
group (Corporation of Delta 1994, 4). Most likely, housing agreements will be used in
conjunction with the density bonusing provisions of Bill 57 (1993), allowing a developer to
negotiate with a local government to receive a higher density on a given piece of land in return
for his/her willingness to enter into a housing agreement (MHRCS 1994a, 17). A housing
agreement may specify:

- the form of tenure (rental, limited equity co-op etc.);
- the class of persons who will have access (persons with low incomes, senior
citizens, persons with disabilities, etc.);
- how the units will be managed and administered (e.g., by a housing society); and
- the rents that may be charged (MHRCS 1994a, 17).
3.4.3 Bill 31 (1994)

Bill 31 (July 1994) is the third piece of legislation in the series of policies implemented by the provincial government. It builds on the previous legislation, Bill 57 (1993), and amends the Municipal Act to allow local governments to lease or sell land at prices below their market value. This permits non-profit societies to develop projects which can be offered at lower, more affordable prices, as the land price component of the project is diminished. Bill 31 (1994) also grants local governments greater authority with respect to the maintenance of local housing stock and the protection of buildings from premature demolition. A municipal government may now enact a standards of maintenance bylaw which addresses the quality of living in tenanted buildings (MHRCS 1994b, 2).

With the implementation of Bills 20 (1992), 57 (1993) and 31 (1994), the provincial government has successfully equipped local governments with planning and policy tools so that they wield greater authority and control in local planning, and are able to implement locally appropriate housing policies. Furthermore, the B.C. government, as the following chapters will attest, has assisted municipal housing policy innovation, and has ensured that all municipalities, regardless of size, have equal access to a wide selection of housing and planning strategies.

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4 A set of procedural protections ensures that this power is not abused by local governments:
1. the land can only be leased to a non-profit corporation;
2. the purpose for which the land is to be used must be without private gain to the corporation (it is permitted to use the land for fund raising activities for the non-profit organization);
3. notice of the intention to lease bare land must be posted in the appropriate public place (usually the municipal hall) and notice of the intention to lease land with a building on it must be published in the local newspaper; and
4. a lease can only be entered into by bylaw, so there would be a public hearing process before the lease agreement could be finalized (a bylaw is not required for the sale of land) (Ministry of Housing, Recreation and Consumer Services 1994b, 14-5).
variety of other housing initiatives have been introduced by the provincial government over the past few years.\(^5\)

3.5 **Models of Municipal Involvement in Housing**

Carter and McAfee delineate three different models of city involvement in social housing (1990). The *reactor model* describes municipalities where social housing is initiated by senior levels of government, or by private non-profit and co-operative groups; the city maintains its administrative functions but does not engage in an active role in the provision of affordable housing (Carter and McAfee 1990, 233).

The *facilitator model* describes a municipality which is actively involved in facilitating “non-market housing through the provision of land and/or subsidies, supporting or even initiating rezoning applications, expediting permit processing, and lobbying with senior governments for funds if the sponsors are private non-profits or co-operatives” (Carter and McAfee 1990, 233).

In the case of the *comprehensive developer model*, a municipality will take on the additional tasks of site design, project implementation, and ongoing management of these

\(^5\) In order to make the purchase of a home more affordable, the Property Transfer Tax has been eliminated for first time home buyers in British Columbia: this makes the goal of homeownership theoretically more accessible. The *Homes BC - Building Affordable Housing Strengthening Communities* Program, launched in 1994 and extended into 1995, is designed to support local innovation through the production of homes and communities responsive to local housing needs. The 1994 and 1995 programs were comprised of four components: Homeless/At Risk Housing, Non-Profit Housing, New Options for Home Ownership and Community Housing Initiatives. Under the first two components, approximately 900 housing units this year are expected to be developed by non-profit sponsors for the use of low and moderate income renters (BC Housing 1994). Through the home ownership component, 2000 housing units will be developed over the next three years by the non-profit sector (BC Housing 1994). The Community Housing Initiatives component provides grants to community housing organizations in support of housing related services (BC Housing 1994).

The most recent piece of housing policy put in place by the British Columbia government is a set of changes to the Residential Tenancy Act, designed to promote fairness in the rental housing sector (Ministry of Housing, Recreation and Consumer Services 1995). These changes have updated the act to include: an expanded information sharing role for the Residential Tenancy Branch information officers; an opportunity for tenants to initiate a review of a rent increase they consider unjustifiable; the ability for tenants to have emergency repairs done and be reimbursed; enhanced powers for arbitrators to deal with neglected repairs and unlawful entry; and fines for deliberate damage (Ministry of Housing, Recreation and Consumer Services 1995). The introduction of this legislation means a greater level of legal protection for renters within the province, and thus more fairness applied to this often forgotten area of affordable housing.
activities, usually through the creation of a civic housing department (Carter and McAfee 1990, 233). This model describes the highest level of involvement, as well as the highest level of potential risk, as the city will be left to cover the budgetary costs if rents and senior government subsidies are not enough (Carter and McAfee 1990, 234).

These models provide a useful initial typology of municipal approaches to affordable housing provision. They were conceived however, at a time when municipalities had no clearly defined mandate with respect to affordable housing within the existing legislation. With the amendments to the Municipal Act within British Columbia, municipalities at the minimum are required to follow the reactor approach. Some, as we will see, have gone much further in recent years, though the decentralization moves of the federal and provincial governments were required to stimulate this activity. Unfortunately, the fiscal crisis of local governments over the last five years has also diminished the potential of municipalities to take on new activities as many are facing increasingly tight budgets in a climate of expanding roles and responsibilities and have limited tax bases. Property taxes are the main source of revenue for local governments because of differences in revenue potential and social needs. According to Ruppert (1992): “coupled with these growing demands for more services and the downloading of responsibilities is the reality of strict fiscal constraints facing municipal governments” (185). Local governments must make the most of the available tools, and utilize them in innovative combinations in order to maximize their effectiveness.

3.6 Municipal Housing Policy Tools

Hulchanski et al. (1990) delineate the main methods municipal governments had at their disposal in the late 1980s to affect the development of land, and thereby the local stock of housing. These methods are regulatory in nature:
• *community plans* - the overall development of municipal policies to guide future development;
• *subdivision controls* - the regulation of lot size, servicing and road patterns, and development fees;
• *zoning and development (land use) controls* - the regulation of the use and development density of land and the minimum standards (or maximum limits) with respect to built form;
• *building approval process* - the review process which ensures that plans for proposed buildings comply with building regulations;
• *land development approval process* - the review process and speed at which the municipality assesses and decides on proposed development applications; and
• *minimum standards regulations* - the regulations on standards of maintenance (Hulchanski et al. 1990, 10).

These are traditional methods, however, and more recently municipalities have been “stepping in to fill the gaps, either voluntarily or because of a statutory requirement, and going beyond their traditional regulatory roles (i.e. subdivision, zoning and minimum standards)” (Coquitlam Planning Department 1994, 2). Both through the use of the new powers given to municipal governments by virtue of the series of legislative amendments to the Municipal Act of British Columbia and through other innovative mechanisms, local governments in the province have been able to achieve the development of affordable housing through a series of new methods. The Ministry of Municipal Affairs, Recreation and Housing prepared an introductory booklet for local governments regarding their new role in housing provision, and it provides an excellent overview of the some of the types of tools used by municipalities within British Columbia in affordable housing provision. This extensive list includes:

- **Zoning:** secondary suites, increased variety of residential zones, infill zoning, mixed commercial/residential zoning, pre-zoning for multiple family sites, density bonuses, inclusionary zoning policies;

- **Other land use regulations:** relaxation of parking standards, conversion control, minimum and maximum suite sizes, building codes and maintenance by-laws;

- **Development approval procedures:** streamlining approvals processes, fast tracking approvals, assistance with approvals;
• Taxation, Fees or charges: property tax deferment, development cost charges/special levies, reduced charges and fees;

• Housing Corporations and Societies;

• Lands and Financing: land leases, land development/joint ventures, financing;

• Information Services: demonstration projects, finding sites for social housing, housing registries/information centres;

• Political Leadership and Advocacy (MMARH 1993, 36-51).

A more detailed explanation of these tools and their use will be provided in the following chapter in the discussion of the municipal housing survey conducted.

3.7 Conclusion

The B.C. government has responded to the federal government’s withdrawal from the sphere of social housing provision by introducing legislation amending the Municipal Act of British Columbia. The B.C. case may certainly be interpreted as a situation where the provincial governments have responded to federal downloading by delegating more responsibility to the local governments in the area of housing policy. This process, as the following chapters will illustrate in greater detail, is an opportunity for municipalities to implement more locally relevant housing programs, and for innovative strategies to be pursued at the local level.

While Richards focused on interprovincial differences in all social policy programs, in this paper, a parallel application is made for housing policy at the municipal level in B.C. Given the recent provincial approach to stimulating the supply of affordable housing in B.C., it is pertinent to evaluate the extent to which Richards argument holds true. Specifically in this paper I will assess how innovative housing programs are across the province of B.C.. According to
Richards, several governments with competing control over policy are more likely to arrive at an innovative solution than is one government with effective monopoly control (Richards 1992).
Chapter 4
The Municipal Housing Survey: British Columbia Responds

4.1 Introduction

In this chapter I seek to identify in a systematic manner how municipalities have interpreted and responded to the housing legislation enacted by the provincial government over the last three years. As an initial enquiry, this chapter is broad in scope. Its purpose is to evaluate a number of plausible hypotheses about the way local governments have responded to the changes in their housing roles and responsibilities. At its core it addresses the research question of how municipalities with different characteristics (e.g. size, long range planning capabilities, location, housing affordability problem) have been able to respond and implement their own affordable housing strategies, and what planning tools they have used in this endeavor.

4.2 Earlier Surveys

The survey of municipalities conducted in 1994 drew as much as possible on the results of earlier inquiries. Unfortunately, research on housing policy in Canada has been predominantly directed towards activity at the provincial and the federal levels. The inadequacies of the literature on the municipal role in housing has been established by McKay (1989) who draws attention to the need for research at the municipal level. Little has changed in the intervening six years since she wrote despite the policy changes that have occurred at the federal and provincial levels.

Several cross-Canada municipal housing surveys have been sponsored by CMHC during the last ten years (Burchinshaw et al. 1985; Hulchanski et al 1990; Kraus 1993) but these have
tended to focus on the large metropolitan centres within Canada, and have not reported on the
degree of innovative activity occurring in smaller population centres.

A basic telephone survey of 46 municipalities across Canada was undertaken by
Burchinshaw et al. (1985) in order to assess the nature and extent of formal housing policy
activities at the municipal level. While the majority of municipalities had a formal document or
statement of housing policy at the time of questioning (81 percent of surveyed municipalities in
total), the extent of housing planning activities was limited among those surveyed. Despite
acknowledged limitations, the study determined that a very large proportion of municipalities
were actively engaged in housing policy by the early 1980s, indicating there was a need and a
role for local governments to play in this area of social policy. The two main conclusions were,
first, they observed a distinct lack of policy directed at inter-municipal communication
(Burchinshaw et al. 1985, 27), and second, they concluded that although a large proportion of the
municipalities had a housing policy, their involvement was limited to an administrative role, and
the collection and dissemination of information (Burchinshaw et al. 1985, 29).

The Centre for Human Settlements at the University of British Columbia conducted a
more extensive survey of municipal housing initiatives across Canada. A collection of 36
innovative low cost housing initiatives was compiled, the selection criteria being “local actions
which seek to create new, affordable housing or which maintain the stock of existing affordable
housing by using the instruments and resources of local government” (Hulchanski et al 1990, 2).
The nature of the municipal responses to the survey indicated that local governments were not
taking full advantage of the policy tools at their disposal:

The prevalence of municipal regulatory initiatives, both related to zoning and
standards, and to streamlining various approval processes, is disappointingly
limited. This is one of the most important findings of the survey. Regulatory
initiatives are commonly viewed as offering the greatest potential for municipal
action; and while municipalities appear to recognize the utility of addressing these issues, they have largely failed to do so (Hulchanski et al 1990, 30).

While the authors advance no reasons to explain this situation, it appears clear from the 1994 Municipal Housing Survey that the use of regulatory planning strategies in the provision of affordable housing has experienced a marked increase since their research was conducted.

Kraus' (1993) follow-up study documents 69 housing initiatives from 34 municipalities across Canada (fourteen from British Columbia) and updates Hulchanski et al. The range of initiatives that it documents is wider than the previous study, and Kraus attributes this to an increase in the breadth of municipal housing initiatives. Kraus notes the use of partnerships, which are emerging as a key strategy in meeting the housing needs of many locales (1993, 14) and argues that by 1993, many municipalities had adopted a much more holistic approach to solving their housing problems by tying them in with jobs, health, safety and environmental issues: an approach that will be "increasingly necessary as shrinking financial resources force municipalities to be even more creative" (Kraus 1993, 14).

4.3 The B.C. Survey

The aim of the survey undertaken for this paper was to discover how local governments are coping with the new challenges presented to them by the recent changes in housing policy at the federal and provincial levels. Municipal planning offices across British Columbia were surveyed about the impacts of Bills 20 (1992), 57 (1993) and 31 (1994) and the policy tools that they make available to local governments for use in housing policy implementation. A second purpose of the research was to provide a database of affordable housing initiatives employed by municipalities across the province. It was intended to gather information on the range of
initiatives, and to develop a central source of ideas from which other local governments might learn and benefit.

The research examines a much larger cross section of municipalities of different sizes, locations, and planning capabilities compared with previous studies which tended to focus on larger, metropolitan governments.

A postal survey was used, given the need for wide geographic coverage and proved to be cost effective. It was designed to assess the range of the responses to recent provincial housing legislation and was addressed to Planning Directors working within Municipal Governments selected in the province of British Columbia. The total sample size was 80 municipalities that were selected using the following criteria: all cities, districts and towns in British Columbia were surveyed, with the exception of those locations with populations fewer than 3000 (1991 Census population) or locations without a specific official with responsibility for planning (as listed in the Union of British Columbia Municipalities directory). Thus, locations which responded to the survey vary in population size from just over 3000 to 471,844 (City of Vancouver). While the City of Vancouver is not subject to the Municipal Act of the province of British Columbia, as it has its own Vancouver Charter, the City was included in the sample of municipalities surveyed due to its large population size and past record of housing innovation.

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6 A four page survey and accompanying cover letter were sent by mail to the appropriate municipal official in each of the selected locations. The research was conducted as a joint venture between the Regional Head Office of the Canada Mortgage and Housing Corporation (CMHC), and the School of Community and Regional Planning at the University of British Columbia, and the covering letter (Appendix B, on CMHC letter head) explained the nature of the research project. Recipients of the survey were requested to mail or fax the survey back with a copy of recent housing policy documents or studies which indicated the state of housing policy in their respective municipality.

7 Names and addresses of these individuals were obtained from a recent Union of British Columbia Municipalities directory. It was implicitly acknowledged that the survey would in many cases be passed on to a different individual than to whom the survey was originally directed.
4.4 Survey Design

The postal survey contained eight questions (see Appendix A) which were designed to obtain information about the implications for each municipality of the recent housing legislation in B.C.. Two different types of variables were obtained: environmental and response variables. The environmental variables relate to the conditions or characteristics of the place which was surveyed; for example, variables such as population size, location, and the percentage of renters who pay greater than 30 percent of their income on rent were included. The response variables relate to the specific tools or policies which the municipality has implemented in order to fulfill their responsibility in providing affordable housing. Examples of this type of variable are whether the municipality has amended their Official Community Plan (OCP) in response to Bill 20 (1992) and whether partnerships are used as a method of providing affordable housing.

The questions within the survey use a variety of formats, chosen for their ease of response and the type of analysis to be conducted. Questions 1, 6 and 7, for example, ask the survey recipient if they are familiar with Bills 20 (1992), 31 (1993) and 57 (1994), and attempt to gauge the level of engagement of a particular municipality with these policies. Each of these questions provided the respondent with a brief description of the legislation in question, and a six-point scale to indicate the municipality’s response to the legislation.

The most important question in the survey, question 5, contains the bulk of the information gathered in the form of response variables. For ease of response, the different housing policy tools were organized in a tabular form. Respondents were provided with 18 different housing policy tools and asked which ones they used before the implementation of Bill 20 (1992), which they have used since, and which they plan to use in the future. Room was also made available for officials to add those tools which were not found in the list provided.
The last question, number 8, was an open ended question. It provided respondents with an opportunity to offer their opinion on the implementation of Bill 20 (1992), and to discuss any problems faced by their municipality.

The formulation of the specific questions contained in the survey drew on previous surveys and documents published by the Ministry of Housing relating to Bills 20 (1992), 57 (1993) and 31 (1994). In particular, Affordable Housing Builds Strong Communities (1993) was used to generate the categories of special needs groups and categories of housing policy tools. Other documents, especially Housing Opportunities Through Local Planning (1994), were useful in the formulation of questions on Bills 57 (1993) and 31 (1994).

4.5 Survey Results

A sample of 80 municipalities were sent surveys, and 52 returned them by mail or fax (Appendix C), thus producing a response rate of 65 percent. It is generally agreed that a response rate of greater than 60 percent is considered to be good (Babbie 1979) and thus 65 percent can be considered as an acceptable sample size from which to draw conclusions regarding municipal responses to recent provincial housing policies. Those municipalities not responding represented a broad range of situations, and response bias appears to be minimal in terms of municipal size. Nearly one-third of respondents sent the requested housing policy material when returning their survey (these ranged from lengthy reports to a single page excerpt from an Official Community Plan). Of note here is the relatively low response rate on the final open-ended question. Only 56 percent of survey respondents provided a reply to the question, and although the results obtained are less reliable than the other questions in the survey, they are informative nevertheless.

For the purposes of analysis, the municipalities which replied to the survey have been divided according to size and location. Small municipalities are defined as places with
populations of fewer than 25,000, medium-sized municipalities have populations less than 80,000, and larger municipalities have populations of greater than 80,000 and above (See Appendix D). Respondents were also divided into four regionally based groups: Lower Mainland, Vancouver Island, Southern B.C. and Northern B.C. (see Appendix E), but this characteristic was less useful in explaining the survey results. These groupings were chosen in order to divide the sample into groups with similar characteristics, which might ultimately have an impact on their survey response. Size is hypothesized to be one of the main determinants of municipal government resources, including planning expertise and other like resources.

The typologies of local housing initiatives developed by Hulchanski et al. (1990) and Kraus (1993) were too general, and as indicated above; a list of specific housing tools was generated. The following discussion of each of these tools (question 5), explains its use within the context of planning for affordable housing.

4.6 Affordable Housing Strategies

Prior to the implementation of Bill 20 (1992), five policy tools were the most widely used among the respondents: community consultation, building codes, co-ordination with non-profit housing groups, coordination with private developers and zoning (see Table 3). Since the introduction of Bill 20 (1992) the top five tools used by municipal governments have not changed. However, the two tools experiencing the greatest absolute change in use were zoning (an increase from 53 percent to 63 percent of municipalities) and the legalization of secondary suites (from 35 percent to 43 percent of municipalities). The dynamism in housing policy is further confirmed by the responses to the question concerning the tools to be used in the future (see Table 3). Of particular note is the reported increase in community consultation, coordination with private developers, zoning, co-ordination with non-profit housing groups and building
codes. For the most part, these are means through which legal use is reinforced or adapted by the legal amendments in Bills 57 (1993) and 31 (1994).

Table 3: Question 5 Responses: Percentage of Respondents Using Various Housing Policy Tools

<table>
<thead>
<tr>
<th>Housing Policy Tool</th>
<th>Before Bill 20</th>
<th>Since Bill 20</th>
<th>In the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>a allow secondary suites</td>
<td>35</td>
<td>43</td>
<td>63</td>
</tr>
<tr>
<td>b building codes</td>
<td>55</td>
<td>59</td>
<td>67</td>
</tr>
<tr>
<td>c consultation with citizenry</td>
<td>59</td>
<td>65</td>
<td>77</td>
</tr>
<tr>
<td>d co-ordination with non-profit housing groups</td>
<td>53</td>
<td>57</td>
<td>73</td>
</tr>
<tr>
<td>e co-ordination with private developers</td>
<td>53</td>
<td>59</td>
<td>77</td>
</tr>
<tr>
<td>f development of municipal lands for housing</td>
<td>35</td>
<td>41</td>
<td>49</td>
</tr>
<tr>
<td>g direct capital subsidies for housing</td>
<td>2</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>h fast track affordable housing development</td>
<td>27</td>
<td>27</td>
<td>35</td>
</tr>
<tr>
<td>i housing registries</td>
<td>8</td>
<td>10</td>
<td>18</td>
</tr>
<tr>
<td>j intergovernmental partnerships</td>
<td>20</td>
<td>26</td>
<td>40</td>
</tr>
<tr>
<td>k maintenance bylaws</td>
<td>10</td>
<td>12</td>
<td>36</td>
</tr>
<tr>
<td>l producing and disseminating information</td>
<td>33</td>
<td>37</td>
<td>47</td>
</tr>
<tr>
<td>m relaxation of land use regulations</td>
<td>27</td>
<td>33</td>
<td>43</td>
</tr>
<tr>
<td>n rent subsidies and assistance</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>o sell or lease land at below market value</td>
<td>18</td>
<td>24</td>
<td>34</td>
</tr>
<tr>
<td>p taxation, development fees, or charges</td>
<td>18</td>
<td>20</td>
<td>28</td>
</tr>
<tr>
<td>q upgrading and maintenance of existing stock</td>
<td>18</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>r zoning</td>
<td>53</td>
<td>63</td>
<td>75</td>
</tr>
<tr>
<td>s bonus density</td>
<td>2</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>t development permits</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>u development variance permits</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
</tbody>
</table>

**A Secondary Suites**

The legalization of secondary suites is one method of affordable housing provision which is frequently debated: a wide spectrum of approaches to this issue can be found within the province. Forty-three percent of surveyed municipalities report that secondary suites are presently legalized, but, 63 percent of municipalities expect to pursue this type of policy in the future. The creation of a secondary suite policy would involve the legalization of the conversion of a single family home into a dwelling with two units contained within a single lot. A recent provincial working committee charged with investigating the subject in greater detail operated with the general definition of a secondary suite “as being a self-contained dwelling unit which is
subordinate to the primary dwelling unit" (Secondary Suites Policy Committee 1994). This type of affordable housing strategy is also known by other names, which include: basement suite, accessory unit, family suite, in-law accommodation, or where not permitted, illegal suites (Secondary Suites Policy Committee 1994). The legalization of secondary suites is one of the only remaining means of increasing the stock of affordable rental housing within a municipality, while reducing housing costs for homeowners (the second unit becomes a source of income for the owner of the home), and it has a minimal impact on the look and feel of existing communities (MMARH 1993, 37). However, the issue has met with great controversy, in part due to neighbouring fears of decreased property values, increased neighbourhood congestion and other related problems (for example, in Vancouver’s Riley Park and Point Grey neighbourhoods).

The Provincial Commission on Housing Options (1992) found that there is a “broadly based consensus” in British Columbia’s communities that secondary suites should be legitimized, given a set of safety and design regulations. The Commission presented several recommendations dealing with specifics of secondary suites, and concluded by calling for further examination of the issue. The Secondary Suites Working Committee reported in 1994 and makes several recommendations about a provincial secondary suite policy, and local government control. At present, the Ministry of Housing has decided not to pursue a provincial secondary suite policy, and thus the status quo prevails, allowing local governments to implement their own policies as they see fit.

Municipalities have taken a variety of approaches to the issue of secondary suites; for example, the City of Burnaby has not legalized secondary suites, yet it will only enforce their non-legality in cases of a direct complaint, which infringes on the specific personal rights of
individuals, usually relating to health and safety violations (Grieve 1995, personal discussion). Burnaby does however maintain a policy of in-law suites, which permits a secondary suite which is occupied by family members.

B. Building Codes

Building codes are designed to assist builders in their efforts to develop high quality, standardized, cost-effective building practices (MMARH 1993, 43). They help to ensure that the stock of housing produced has consistent quality and that construction costs are kept to an affordable level. The survey indicates no appreciable change in the number of municipalities using building codes in order to ensure housing affordability, although they are one of the most widely used tools overall.

C. Consultation with Citizenry

In dealing with important policy issues, many local governments are electing to consult directly with their constituency in order to transmit important information and to explore new policy directions. While the driving forces behind this approach vary, community hearings or consultation with citizens are expected to be some of the most widely used planning techniques for providing housing in the future, according to the survey returns.

This strategy often involves the local government playing an advocacy or leadership role by initiating “community based discussion that focuses on goals for the future of the community, including the role of housing” (MMARH 1993, 52). Recent examples of this type of community consultation have been initiated on a large scale with Vancouver’s Cityplan process, and with many communities through their Official Community Plan amendments. While community
consultation is not a method of affordable housing provision within itself, it is a way of focusing the housing agenda on the needs and issues identified by the community. Furthermore, consultation with the citizenry is a method of dispelling negative stereotypes of affordable and social housing, and combating the problems of NIMBYism ("not in my backyard"), which often stem from misunderstanding, or lack of information.

D Co-ordination with Non-Profit Housing Groups and

E Co-ordination with private developers

Partnerships are an emerging type of arrangement often used to provide low-cost or affordable housing. According to the survey returns, coordination with non-profit housing groups and coordination with private developers are expected to be two of the most widely used housing policy tools in the future (73 percent and 77 percent of survey respondents). It is interesting to note that co-ordination with senior levels of government -- that is intergovernmental partnerships -- does not have as wide a reported use.

Working in partnership with non-profit housing groups and private developers is one method of coordinating expertise from two different groups who desire to produce affordable housing. Often non-profit housing groups possess knowledge and expertise that is not found within the government bureaucracy, so this type of coordination results in a combination of strengths towards a common goal (Pinnock 1995, personal discussion). More specifically, this type of arrangement can vary from consultation with a non-profit housing group, to actual legal and financial collaboration regarding a particular project.

According to the Ministry of Housing, Recreation and Consumer Services "municipal encouragement and support for non-profit cooperative housing groups within the local
community can also produce effective results" (1993, 47). Presently, Nanaimo, Victoria, and Kelowna have worked with the non-profit groups within their communities in order to build affordable and special needs housing.

Both Bills 57 (1993) and 31 (1994) imply that local governments, in conjunction with the private and non-profit sectors, can negotiate the details of residential developments. Burnaby, for example, has been very successful in their City Club/Community Living Condominium Project in coordinating with a non-profit housing society and a private developer in order to achieve affordable housing units. Ten units of accessible housing were sold to the Community Living Society at a below market price, and will be administered by the non-profit society.

**F. Development of Municipal Lands for Housing**

One of the more traditional methods of providing social and low income housing is through the use of municipally owned lands. More often this type of policy tool is combined with assistance from another agency, either the provincial or federal government, or a non-profit housing group, as local governments do not always have the necessary revenue to be both land owner and financier of a project. Understandably however, most municipalities within the province have exhausted the majority of land parcels that they once held and have taken advantage of these opportunities in the past. Consequently, less than 50 percent of surveyed municipalities have used this tool since the implementation of Bill 20 (1992).

**G. Direct Capital Subsidies for Housing**

More often this type of tool is used by senior governments who contribute financing towards affordable housing. In the past, local governments have used revenue from other sources
to finance capital projects within their jurisdictions. According to the survey returns, this tool is
not used by municipal governments, and given the current fiscal situation it will not be used in
the future.

H Fast Tracking Affordable Housing Development

Local governments can choose to give priority to rezonings and development permit
applications in order to ensure that affordable housing projects are put to the "front of the line" in
terms of application processing. The progress of affordable housing projects is then monitored
through the development approvals process. Furthermore, assistance and information regarding
approvals and development applications provides information to developers and homeowners,
and speeds up the overall process. Burnaby, for example, uses a policy of Preferential Processing
for affordable housing applications. This gives priority to applications for affordable housing, in
order to shorten the length of time required to obtain a rezoning. By pursuing such a policy, the
municipal government of Burnaby is attempting to enhance the opportunities for the
development of affordable housing within their community (District of Burnaby, 1991).

I Housing Registries

Housing Registries are a mechanism which facilitates the connection between consumers
and available affordable housing. In communities where the vacancy rate is very low and rents
are high, housing registries offer an invaluable service to those seeking affordable housing. Some
of the services provided by housing registries include: the dispensing of information regarding
vacant accommodation, tenants rights and responsibilities, government assistance programs and
the running of tenant referral programs. Vancouver and the British Columbia Housing
Management Commission both use the YWCA to provide renters with an information and referral service (MHRCS 1993, 51).

J. Intergovernmental Partnerships

As discussed previously, this type of relationship between the different levels of government has been used as a method of achieving affordable housing units in the past. Coordination with the federal government, however, is a method which is used much less widely now that federal funds for social housing programs are dwindling. The provincial government still plays an important role in the coordination of several programs, such as Homes B.C., and the administration of grants to local governments for capital improvement projects etc. However, only 40 percent of municipalities report they expect to be using this method of affordable housing in the future. Given the current fiscal crisis, local governments are becoming increasingly aware that they cannot depend on senior government grants as the sole source of income for financing affordable housing projects.

K. Maintenance By-laws

The use of maintenance by-laws, introduced through the amendments of Bill 31 (1993), (see chapter 2) is not in high use among municipalities and this shift is not expected to change. This is not surprising given the low level of implementation of Bill 31’s tools, and the relative newness of this housing policy technique. Maintenance by-laws are also only applicable for use in municipalities with a stock of older housing which needs to be protected and maintained in order to protect the supply of affordable rental housing.
I. Producing and Disseminating Information

The local government body can take an active role in producing and disseminating information in order to facilitate the development of affordable housing. This involves making the development process easy to understand and follow, as well as providing a supportive climate for affordable residential development.

M. Relaxation of Land Use Regulations

The relaxation of land use regulations can help to reduce the costs of a given housing development, or make the project more attractive to developers; for example, the relaxation of parking standards, and minimum and maximum suite sizes. The City of Burnaby has recently removed its minimum suite size regulation condominiums, so now rental and condominium units can be the same size, thus the way is now open for developers to bring smaller and potentially more affordable units onto the market.

N. Rent Subsidies and Assistance

Usually a senior government initiative, direct rent subsidies or other forms of rental assistance have been used in order to assist the lower income segments of society. This is not used by municipalities in British Columbia, as only one location reported its use before the implementation of Bill 20 (1992), and none expect to be using it in the future.

O. Sell or Lease Land at Below Market Value

With the introduction of Bill 31 (1994), as previously discussed, the Municipal Act was amended to grant the authority to local governments to lease or sell land at prices below market
value to non-profit housing societies (MHRCS 1994b, 2). This provides housing societies with
the ability to provide lower cost, more affordable, housing as the land cost component of the
development is decreased. Only one third of municipalities report that they will use this tool in
the future. The City of Burnaby has leased land to a variety of non-profit housing societies on the
basis of a ‘market value’ lease, where the term of the lease is 60 years based on 75 percent of the
market value of the land (City of Burnaby 1994a). Under this scheme, five non-profit housing
projects have been built in Burnaby over the past few years.

P Taxation, Development Fees or Charges

Development Cost Charges (DCCs) are “the primary means for local government to fund
urban services such as roads, water, sewers and public park and open space for new
development” (MMARH 1993, 45). According to the Provincial Commission on Housing
Options, they have been applied in 77 municipalities or regional districts across the province
(1992, 22). Their intent is to ensure that existing residents will not have to bear the cost of
servicing new residential development. DCCs represent a considerable cost to the housing
development itself, and have met with resistance from the development industry, especially when
increases are contemplated. Vancouver is unique in that an amendment to its charter provides it
with the power to levy a development cost charge on the Downtown South area to help fund the
renovation and protection of the residential hotels, an important source of low income housing in
the city. Other local governments can choose to waive the development cost charge on a
particular housing project, usually in the case where the project involves a non-profit society or it
is government assisted.
Participation in the property tax deferment program is applicable to homeowners over 60 years of age, recognizing that property taxes can be a burden to people on low, fixed incomes. The program aims to assist these residents in keeping their own homes through their retirement years (MMARH 1993, 45). The provincial government reimburses the municipal government for the deferred taxes, and the property tax is paid to the province upon sale of the property, or from the owners estate.

Q Upgrading and Maintenance of Existing Stock

In a given community, the most affordable housing will be the existing stock of older, usually rental, buildings. Consequently, many local governments have introduced programs and policies designed to preserve this stock of older rental housing and encourage its upgrading and rehabilitation, which can “have a significant effect on the availability and affordability of rental housing” (MMARH 1993, 43). This can also be achieved through the use of maintenance bylaws, introduced under Bill 31 (1994). Upgrading and maintenance policies control the number of condominium conversions, for example, in order to protect the stock of affordable rental housing in a given community.

R Zoning

Zoning is one of the most frequently used powers according to the survey, as it offers a variety of different mechanisms. Originally used as a device to separate incompatible uses, zoning now governs the density, height, style, appearance, quality, and the timing of development. This traditional development regulation tool is now used by local government in
more creative ways, in order to create and preserve affordable housing. The British Columbia Ministry of Municipal Affairs, Recreation and Housing, for example, outlined several ways in which the tool of zoning can be used to encourage housing variety and affordability (1993, 37): secondary suites, increased variety of residential zones, infill zoning, mixed commercial/residential zoning, pre-zoning for multiple family sites, density bonuses, and inclusionary zoning. The later two, both affirmative zoning strategies, are more innovative tools which have only recently earned wider acceptance in planning for affordable housing within B.C. (see Malong 1995 for further discussion). Inclusionary zoning requires or induces “developers to set aside a portion of residential projects for low and moderate income housing” (White 1992, 17) as in the case of Burnaby’s 20 percent affordable housing policy (see chapter 4). Incentive-based inclusionary zoning would allow increased density in return for the provision of low and moderate income housing, or some other amenity as laid out in Bill 57 (1993). Many other examples of the use of zoning in affordable housing development can be found across the province. For example, the town of Sidney has started to experiment with infill zoning, and hopes to double the density of its older Orchard neighbourhood. The infill housing will range in size and price.

4.7 Survey Findings

4.7.1 Bill 20 (1992)

The information obtained from the survey indicates that approximately one quarter of the municipalities surveyed are currently engaged in programs to implement Bill 20 (1992) (see Appendix F). The policy has been successful to the extent that all municipalities surveyed were
aware of the existence of the provincial policy, and just thirteen percent were familiar with its provisions in general terms only. It appears, however, that the two and a half year period since the Bill’s introduction has not been sufficient to allow all municipalities to enact the necessary changes, 40 percent of municipalities not yet having amended their Official Community Plans in order to reflect the changes in the Municipal Act brought about by the introduction of Bill 20 (1992). Clearly there is a time lag between the introduction of legislation such as Bill 20 (1992) and its ultimate adoption by municipalities. Municipal planning departments must examine the housing needs of the community, and match these with the appropriate policy tools and programs. As of November 1994, 21 municipalities surveyed were in the process of amending their OCPs.

Municipality size is important in explaining the responses to Bill 20 (1992). A larger proportion of municipalities in the medium and large categories are implementing the policy than the smaller municipalities. These results can be explained by the resources and the capabilities, both financial and technical, which municipalities with larger populations (with generally larger planning departments and more policy staff) can devote to the task of policy analysis. Smaller municipalities are often caught up in day to day ‘firefighting’ activities and can afford to devote fewer resources to anticipatory planning exercises. In general, larger population centres can afford to devote staff and resources to housing research, although in times of fiscal restraint such expenditures have been the first to be cut. Indeed, many larger municipalities were formulating and implementing their own affordable housing policies even before they were instructed to do so by the provincial government. Burnaby is an excellent example of this, as the municipal government was involved in the use of many of the tools contained within Bill 57 (1993) even
before they were legally granted the power to do so through amendments to the Municipal Act (Grieve 1995, personal discussion).

Bill 20 (1992) also addresses the particular housing requirements of special needs groups and an aim of the survey was to discover which groups are considered in municipal housing policies. Unfortunately, less than one third of surveyed municipalities answered the question pertaining to the groups considered to be of special need within their jurisdiction. Nevertheless, the survey results indicate that a broad spectrum of groups is represented by municipalities' special needs policies. Persons with physical disabilities is the most frequently addressed group in need, as all those municipalities who responded to the question claim to consider this group in their policies. Almost all of the surveyed municipalities consider the housing needs of those with mental illness. The Homeless and HIV Positive/AIDS victims appear to be the least considered special needs group. One Lower Mainland Municipality commented that their special needs housing included single unemployed males and First Nations, categories which were not included in the survey. Overall, it appears that the special needs housing policies of British Columbia municipalities do not specify which groups they consider, but rather refer to 'disadvantaged' groups in general.

Despite the low response rate obtained from the open-ended final question, it is useful to examine the different opinions expressed on Bill 20 (1992). Overall, one third of municipalities who responded felt that they encountered some type of problem as a result of the provincial policy contained in Bill 20 (1992). While these problems ranged from solely financial and budgetary constraints to lack of program information, they indicate that a significant proportion of municipalities perceive problems with the devolution of policy responsibility for housing. The majority of the responses were negative comments; that is, respondents voicing areas of concern.
Six out of 29 municipalities suggested that it would have been helpful to receive a package of tools, policies and definitions to enable a detailed analysis of the implications and implementation of Bill 20 (1992). Because of the small number of respondents to this question, and the way in which it was phrased (that is asking for respondents to identify problems with Bill 20 (1992), it is possible that those who did not respond have experienced no problems.

Five out of 29 municipalities reported that they lacked financial resources for housing subsidies and developer incentives, or did not have available residential land owned by the municipality for development. Municipal governments are likely to feel greater pressure in terms of their increased housing program responsibilities without the federal government’s strong presence in this area of social policy. Municipal governments are relying on the direct government provision model for housing, and they may have not explored some of the more financially creative tools which have emerged more recently, or may not have been very successful in those endeavors.

A list of approximately twenty housing policy tools currently used by a variety of local governments was provided in the survey (question 5) and only one of these was the granting of direct capital provision by senior government. The Provincial Ministry of Housing has attempted to assist B.C. municipalities in formulating and implementing affordable housing programs which are appropriate for their local needs. In 1993 the Ministry of Municipal Affairs, Recreation and Housing produced a guide for local governments in order to facilitate the introduction of Bill 20 (1992). Entitled Affordable Housing Builds Strong Communities: Developing Community Housing Policies. A Guide for Local Government (1993), this comprehensive publication was designed to assist communities in developing their own locally specific housing policies, as it contained examples from across the province, as well as providing more detailed information. To
its credit, the Ministry of Housing, Recreation and Consumer Services, in conjunction with the Union of British Columbia Municipalities, organized a conference in February 1995 so that all levels of government and the housing sector could exchange information on affordable and community housing policies. Nevertheless, only four out of the twenty-nine municipalities who responded to the open ended question 8 felt that they had no problems to report.

4.7.2 Bill 57 (1993)

While 37 percent of municipalities have considered the implications of Bill 57 (1993) for housing policy in their municipality, only two percent of respondents are unaware that Bill 57 (1994) exists, and eleven percent are aware that it exists, but have done nothing in response. While Bill 57 was introduced much later than Bill 20 (1992), in the summer of 1993, only 20 percent of survey respondents are currently involved in implementing programs under its provisions, and are actively involved in programs involving density bonusing, comprehensive development zoning and housing agreements. The survey data indicate however, that a large proportion of municipalities plan to use these instruments in the future.

Several housing policy tools (question 5) legislated in the Bill 57 (1993) provide municipalities the authority to grant density bonusing in exchange for meeting specified conditions. Housing agreements and comprehensive development zoning that stem from the introduction of this legislation permit housing groups to participate in a more formalized manner. Fully 73 percent of municipalities surveyed expect to be involved in co-ordination with non-profit housing groups in the future, and 59 percent currently report using this method (see Table 3). Zoning is widely used, and through Bill 57’s (1993) amendments to the Municipal Act, local governments are now able to negotiate with developers about large, multi-use sites. They can now develop customized zoning regulations, which will allow flexibility, and result in
developers providing affordable housing, or site amenities. Three quarters of all municipalities surveyed expect to be using this method of affordable housing provision in the future.

4.7.3 Bill 31 (1994)

Only one municipality reported to be involved in implementing policies which relate to Bill 31 (1994) at the time of enquiry. Ten percent of respondents are unaware of the legislation and an additional 69 percent appear not to have conducted any form of policy analysis of the provisions of this piece of legislation. It must be remembered however, that Bill 31 was introduced in July 1994, and the survey was conducted only four months after this date. As with Bill 57 (1993), the results indicate that a large number of municipalities expect to use the instruments made available under this policy in the future.

Bill 31 (1994) gives municipalities the power to enact standards-of-maintenance bylaws and lease residential land at below market prices to non-profit organizations. Co-ordination with non-profit housing groups, maintenance bylaws, the selling or leasing of land at below market value, and the upgrading and maintenance of existing stock derive from this policy. Maintenance by-laws, can now be enacted by local governments, which can address the quality of living in tenanted buildings such as flooring, roofing, windows and doors, and safe access (MHRCS 1994b, 2). Presently only twelve percent of municipalities report using maintenance by-laws, whereas 36 percent expect to be using them in the future, reflecting their recent introduction. The policy of selling or leasing land at below market value, is also a new power given to municipalities under Bill 31 (1994). Before the implementation of new housing responsibilities with Bill 20 (1992), only eighteen percent of surveyed municipalities claimed to be doing this, although the number of places planning on using this approach in the future is set to double (to 34 percent of municipalities). The upgrading and maintenance of existing stock by different
means will reportedly be used by 30 percent of municipalities in the future, and is presently only used by eighteen percent.

4.8 Conclusion

Drawing all these results together, it is evident from the municipal housing survey conducted that housing policy in British Columbia is a dynamic field of planning activity at the local level. According to the survey returns, there is considerable range in the planning strategies pursued by municipalities across the province, and those expected to be used in the near future. Local housing planning appears to have evolved to a level of considerable sophistication in recent years, both as a result of the greater responsibility municipal governments now shoulder in the area of planning for affordable housing, and through the set of amendments to the Municipal Act enacted by the provincial government. It seems clear that the housing policy tools which municipalities are most likely to use in the future are: community consultation, partnerships with private developers and non-profit housing groups, legalization of secondary suites, building codes and zoning.

The results indicate that time is a crucial factor determining the response rate of municipalities to Bills 20 (1992), 57 (1993) and 31 (1994). In particular, time affects the magnitude of response, as municipalities on the whole have responded to Bill 20 (1992) with greater frequency than to the later pieces of legislation. The intent of the three bills was not the same. Bill 20 (1992) lays out the general responsibilities of municipalities with respect to housing, and Bills 57 (1993) and 31(1994) grant them specific powers in order to accomplish this task. Nevertheless, they are part of one overarching policy framework. Thus it is logical that the responses to the more recent pieces of legislation would be dependent on the individual forces of need at work in a given municipality, and the appropriateness of particular policy options in the
local context. Housing needs are locally determined, thus the strategies employed will be unique to both the problem and the locality in which they are developed. In effect, the range of strategies introduced by the provincial government are adopted and used in a method unique to each community’s housing need.
Chapter 5

Municipal Housing Innovation Case Studies: Contrasting Approaches to Affordable Housing

5.1 Introduction

This chapter begins with a reexamination of the survey responses analysed in Chapter 4. The goal is to expand on our understanding of both the range of housing needs experienced by communities and the types of policy tools and programs that they have implemented in response to these needs. The analysis of the survey responses established that the population size of municipalities is a useful guide to the variety of housing initiatives undertaken by municipalities, reflecting among other things, the increased size of planning staff and the larger number of specialists that larger centres have acquired. While this size regularity is expected, there are also significant variations in the way municipalities of a certain size have been able to respond to their new housing mandate. This chapter explores some of these differences. The objective is not to identify the performance rating of every municipality, and there is little to be gained, for example, from trying to uncover why some municipalities have been slower to act than others. There is, however, considerable utility in understanding how the recent social, economic and legislative changes have stimulated some B.C. municipalities to take effective actions in generating greater stocks of affordable housing. The policy solutions employed in three selected municipalities are discussed to illustrate the way programs can be assembled, and the way in which the different types of initiatives may be pursued. While it may be too early to conclude with certainty, these case studies also indicate which policy tools when used by skilled practitioners have been the most successful.
This chapter is concerned with exploring the different dimensions of housing need and the policy responses of affordable and special needs housing initiatives. Housing needs are very difficult to assess and measure across a set of municipalities as they are a highly localized phenomenon. The case study method allows one to examine housing policy in relation to both need and the resources available to a community.

While the survey returns provided the basis for selecting the case studies, other supplemental research has been undertaken subsequent to the survey. Interviews with key informants and municipal planning documents provided the bulk of the new material on the nature of housing need and the magnitude of policy response within each case study location. A structured set of questions was prepared in order to obtain similar information for all three municipalities (Appendix G).

5.2 Three Municipal Case Studies: The Diffusion of Innovation

The survey responses indicate considerable variation in the sensitivity of municipalities to the evolution of provincial housing policy. Some municipalities, for example, are still in the process of responding to Bill 20 (1992), and have yet to complete an OCP review to reflect this change. Others are more advanced in terms of the different tools and affordable housing programs they are pursuing. It is instructive to analyse the response of municipalities to each piece of housing legislation in terms of the policy tools described in chapter 3 since each Bill has provided municipalities with additional powers and specific instruments or policy options. Municipalities may be differentiated according to a variety of summary variables, including the complex social and economic climate, geographic circumstances, population growth rates, level of housing innovation and density of development (i.e. urbanized vs. non-urbanized). For the purposes of the case studies, communities with three distinctly different sets of characteristics
were selected in order to examine both the nature of housing need and the policy response in different circumstances within the province. Given more time, a wider range of case studies could have been undertaken to be illustrative of the full range of conditions found in the province: the case studies included here are indicative of three important groups of municipalities.

The number of affordable housing units provided through various municipal initiatives would have been the most useful measure of policy effectiveness. This information was requested in the survey (see Appendix A) but not obtained as municipalities do not have this information readily available. In its place, the number of housing tools is used as a substitute measure for level of innovation. As noted previously, diversity in the range of planning strategies employed by a local government in the pursuit of affordable housing units represents creativity. More importantly however, municipalities which are pursuing a wide range of different housing initiatives are more likely to achieve success, as different policy options are selected to cope with different situations. Combining tools will potentially achieve greater results, through synergy. For the purposes of this research, the more innovative local governments are using a greater range of housing and planning tools in order to meet the housing needs of their community.

While the term innovative has many different meanings, it is used within the context of this study to refer to a local action which is intended to create additional affordable housing units, or preserve an existing stock of units, by utilizing the range of policy options or planning strategies at the disposal of municipal governments. It is important to note that in the context of housing policy innovation is a particularly difficult word to define (Hulchanski et al. 1990) The Hulchanski (1990) Housing Study also concluded: “What is novel in one municipality may be old hat in another, owing to the nature and magnitude of affordable housing problems and the
political and legislative context” (2). In this research, the term *innovative* refers to how fast a municipal government has adopted the set of policy options available to them, and how many they have applied to the goal of achieving affordable housing units. The terms *innovators*, *progressives* and *laggards* refer to three levels of effectiveness in adopting the planning strategies listed within the survey. More specifically, these terms can be defined as:

**innovator**
- has undertaken appropriate housing needs research within community as well as examination of different methods of achieving affordable housing;
- has implemented policies in response to Bill 20 (1992) and utilized the policy options presented in both Bills 57 (1993) and 31 (1994);
- and has pursued affordable housing initiatives which employ a wide range (defined as 13 or more) of different housing policy tools;
- approximately 6 municipalities of this description were identified according to the survey results.

**progressive**
- has undertaken or is in the process of undertaking housing research as above;
- has implemented policies in response to Bill 20 (1992), but has not utilized as wide a range of initiatives as the innovators (defined as 5 to 12 tools);
- has implemented initiatives using the policy options presented in Bill 57 (1993), but is still examining those under Bill 31 (1994);
- approximately 33 municipalities of this description were identified according to the survey results.

**laggard**
- is still in the process of responding to Bill 20 (1992);
- utilizes a narrow range of housing and planning tools (defined as less than 5 in total);
- has not implemented initiatives which utilize the strategies granted under Bills 57 (1993) and 31 (1994);
- approximately 13 municipalities of this description were identified according to the survey results.

The three case studies chosen are representative of both the innovator and progressive models detailed above, as an examination of these groups has the most to contribute to the larger purposes of the research (outlined in Chapter One). Furthermore, in order to highlight communities across the province which experience very different housing needs and employ
different strategies, places with quite different social and economic characteristics were chosen. The three cases illustrate three different combinations of environmental conditions and policy responses. The three case study municipalities which were chosen for the purposes of this research are: Burnaby, Prince George and Sidney. They represent the three main geographical regions of the province, and care has been taken to ensure that they reflect the different social and economic conditions found within the province. More specifically summary characteristics of the three communities include:

**Burnaby:**
- rapidly growing suburb of metropolitan Vancouver (6% population growth\(^8\));
- located in the Lower Mainland region of the province;
- location of several regional town centres (mixed residential and employment);
- large urban centre, 173,197 population (1994, estimated);
- *innovator* (according to the definition) in its range and type of affordable housing initiatives.

**Prince George:**
- regional resource centre, experiencing less rapid population growth (4.5%);
- located in the Northern Interior of B.C.;
- medium sized community, 75,065 population (1994, estimated);
- *progressive* in its range and type of affordable housing initiatives.

**Sidney:**
- expanding retirement community (5% population growth);
- located on East Coast of Vancouver Island, within the Capital Regional District;
- small community, 10,907 population (1994, estimated);
- *progressive* in its range and type of affordable housing initiatives.

The specific affordable housing initiatives of each of these communities is considered in greater detail in the following sections of this chapter. The particular housing needs of each location is presented, followed by several detailed examples of planning and housing initiatives employed within their jurisdictions in order to provide affordable or special needs housing for the

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\(^8\) Calculated using percentage change between 1991 and 1994 (estimated) population figures.
community. These initiatives are presented in order to illustrate the nature of housing innovation across the province, and to serve as useful examples to other communities in a variety of different socio-economic conditions.

5.3 Burnaby: A Municipal Housing Innovator

Burnaby, one of the fastest growing municipalities in the Greater Vancouver Regional District (GVRD), faces considerable pressure for expansion and growth. Furthermore, housing affordability is a pressing issue in Burnaby, a municipality which experiences some of the highest land prices (along with the City of Vancouver) in the GVRD (Grieve 1995, personal discussion). According to 1991 housing affordability data, 38.1 percent of renters in Burnaby spent more than 30% of their income on rent, and 14.7 percent of homeowners spent more than 30% of their income on shelter (MHRCS 1995b). Burnaby has a large stock of non-market affordable housing, second only in size in the Lower Mainland to Vancouver’s -- 2,633 units of family non-market housing, 2,273 units of seniors non-market housing and 398 units of special needs housing (B.C. Management Commission 1994).

The current estimated population of the municipality is 173,197 (1994 estimated) and this is expected to increase to 251,000 by the year 2006, and 278,400 by 2021. In order to accommodate these increases, Burnaby will need to create approximately 41,300 more dwelling units by 2006, and 120,000 more units by 2021 (City of Burnaby 1994c). This new housing growth in Burnaby will be predominantly in the area of affordable, ground-oriented housing, as is the case for most of the Lower Mainland.

Burnaby is currently undergoing a policy review of its Official Community Plan in order to ensure that its overall land strategy reflects the current pressures and policies of the Greater Vancouver Regional District (GVRD). The City’s planning department made a commitment to
public consultation before recommending a particular policy for future residential growth and this confirmed that the dominant issues affecting residential development in the municipality are the constrained land supply and its high price (Grieve 1995, personal discussion). Other planning and housing related issues include: the *monster* house issue (one staff person in the planning department is currently devoted to this issue), the perceived rising level of crime, and the protection of single family neighbourhoods.

Burnaby has an established record of housing research and planning, and in many ways has been one of the leading municipalities within B.C. in the area of housing innovation. The city uses a number of different methods for developing affordable housing including:

- policy initiatives (e.g. the 20% affordable housing unit requirement);
- working with non-profit agencies to find sites and develop non-market housing;
- providing a resource to community-minded institutions who are looking for guidance in developing affordable housing;
- working closely with senior levels of government to implement their policies;
- ensuring that community plans are sensitive to affordable housing needs;
- offering city-owned land on a leasehold basis to non-profit groups for development of non-market housing under senior government programs (City of Burnaby 1994a, 4).

The City has not been involved in the direct building or managing of affordable housing, and instead has pursued an alternative policy: "Burnaby can have a bigger impact on the development of affordable housing by facilitating others through land use policies and the innovative development of city owned land" (City of Burnaby 1994a, 4). It has been involved in many initiatives which build on this approach, and in fact, several other housing planners commented during the course of this research that Burnaby often serves as a model of affordable housing innovation.
Burnaby has often been ahead of the provincial legislation, using different creative mechanisms to assist affordable housing initiatives even before they have been granted legally through amendments to the B.C. Municipal Act. In particular, the municipality was using comprehensive development zoning to increase the density of a given site before the introduction of Bill 57 (1993). According to the survey, Burnaby’s planning department uses, or plans to use a very wide range of housing policy tools (fifteen in total). Burnaby is currently involved in several planning projects which illustrate the range of innovative mechanisms that it has implemented in order to protect existing sources of affordable housing and to expand the city’s stock.

5.3.1 Twenty Percent Inclusive Zoning

Through a policy of “20 percent inclusive zoning”, approximately 1000 units of ‘non-market’ affordable housing has been produced in Burnaby since 1986. This policy has involved the redevelopment of four large government-controlled sites. This policy was used in the redevelopment of the old Oakalla site, now known as Oaklands, the George Derby Lands, the Cariboo Lands and the Old Burnaby South Site.

Inclusionary zoning refers to policies requiring that a proportion of new housing within a particular development area meet affordability or other special needs criteria (MMARH 1992, 42). The policy helps to ensure there is a mix of housing types and affordability within areas that would otherwise become a less affordable residential area. Burnaby’s policy requires that in cases of major rezonings of land, such as the four areas cited above, 20% of the residential units be devoted to social housing by the developer of the site. This policy has been very successful in its use in the four sites mentioned above (Grieve 1995, personal discussion).

The City of Burnaby has considered applying to the Province for special powers in order to levy a fee on large developments, a variation on the present 20% affordable housing policy
(Grieve 1995, personal discussion). This would involve developers of large sites paying the fee to the municipality in lieu of providing an affordable housing component on the existing site. The fees would be used to buy a suitable site for development as affordable housing.

5.3.2 Zoning Regulations: The Case of Norfolk Neighbourhood

The introduction of new zoning regulations designed to facilitate the development of smaller and more affordable forms of housing is another housing initiative currently being pursued in Burnaby. The Norfolk Neighbourhood of Burnaby has been undergoing a review of its zoning regulations over the past few years. In late 1992, residents approached the City Council requesting a rezoning of their block in order to be able to subdivide their properties into smaller lots. A questionnaire was sent out to residents of the Norfolk neighbourhood in July 1993, and found that three quarters of the respondents supported a housing review. The zoning regulations review had four objectives:

- to provide for different types of ground-oriented housing;
- to provide for housing that is affordable and family oriented;
- to maintain the low-scale residential character of the neighbourhood; and
- to provide for equitable development opportunity (City of Burnaby 1994b).

To achieve these objectives, the following zoning guidelines were designed:

- allow for the creation of small lots in the area;
- permit single-family dwellings on all lots;
- permit two-family dwellings on small lots with lane access and on larger lots; and
- discourage two-family dwellings from being converted into multiple-family dwellings through floor area regulations (City of Burnaby 1994b).

The Norfolk neighbourhood originally contained a mix of single-family houses on both small and large lots, two family houses on large lots and older and newer homes (City of
Burnaby 1994b). The proposed introduction of new zoning regulations for the neighbourhood would create opportunities for the development of both single and two-family homes on small and large lots. A set of new zoning regulations has been drafted. These will permit the building of two different types of two-family dwellings: side-by-side and front-to-back dwelling units.\(^9\)

While the housing review appears to meet with overall resident approval, several neighbourhood issues were discussed among meetings between the Planning Department and Norfolk residents. In particular, residents felt that local improvements were needed in their area, in particular, sidewalks, curbs/gutters, street lighting and street trees (City of Burnaby 1994b). Concerns were also raised regarding the commuter traffic through the neighbourhood and the impact of residential growth on local schools (City of Burnaby 1994b). The upgrading of the neighbourhood from suburban to urban through the introduction of sidewalks, for example, became the real “carrot” for residents in accepting the new set of zoning regulations (Grieve 1995, personal discussion). The success in the Norfolk Community of intensifying residential development can potentially be replicated in other areas of Burnaby, as other residential areas fit the model of Norfolk (Grieve 1995, personal discussion).

\(^9\) Some of the highlights of the new zoning regulation include:

- New lots created through subdivision must have a min. lot area of 3300 sq.ft. and a minimum width of 30 ft.
- For lots that are less than 45 ft. in width, a two-family dwelling is permitted only if there is lane access. In other words, this regulation does not permit two-family dwellings on small lots to have a driveway in the front yard. The reasons are:
  - to provide for separate yard areas (at the front and the rear of the building) for each dwelling unit and
  - to provide for parking on the street in front of the house.
- For lots that are less than 5000 sq.ft, the maximum total floor area of the two dwelling units is 60 percent of the lot area.
- For lots that are 5000 sq.ft or greater, the maximum total floor area of the two dwelling units is 30 percent of the lot area plus 1500 sq.ft, up to 3982 sq.ft. (City of Burnaby 1994).
5.3.3 City Club and Community Living Partnership

One of the successes in affordable housing to emerge in Burnaby is the City Club/Community Living Condominium Partnership. It is the only initiative of its kind in British Columbia, and was assisted by CMHC's Canadian Centre for Public-Private Partnerships in Housing. This Centre helps to build partnerships between the public and private sectors in order to advance the cause of cost-effective, accessible housing through innovative financing arrangements (Partnership Courier June 1995). In the case of the City Club Condominiums, the Canadian Centre for Public-Private Partnerships matched the developer with the Community Living Society, a non-profit organization serving persons with disabilities in the Lower Mainland. CMHC also participated by ensuring the construction loan for the project.

City Club on the Park is a 170 unit condominium development in Burnaby. The City of Burnaby agreed to rezone the site so that the developer of the project could achieve an additional fifteen units. Burnaby City Council rezoned the site from RM-4 zoning to RM-5 in order to provide the developer with the extra units. In return, ten units of housing were obtained at a price well below market. The planning mechanism used to achieve this was a density bonus, although this was prior to the introduction of Bill 57 (1993), the legislation which enables municipal governments to use this tool in order to produce affordable housing. The developer agreed to sell ten units of the condominium project to the Community Living Society for $40,000, a savings of $1.5 million when compared with the market price of $167,500 per unit (MHRCS 1995). Community Living will rent the accessible suites to their clients at affordable rates. A restrictive covenant on the ten units will ensure that they remain affordable in perpetuity.

While there has been considerable interest in partnerships as a model for affordable housing provision, special conditions contributed to its success. The municipal government was
willing to rezone the property in exchange for the ten units of accessible housing. The developer had a desire to work with the community and was willing to accept a reduced profit margin in return (MHRCS 1995). CMHC provided the mortgage insurance for the project.

A partnership was also the method to ensure the development of affordable housing in the Hastings Village site. A City owned parking lot was redeveloped as affordable housing by leasing the land to Vancity at below market price (a strategy legalized via Bill 31(1994)). The parking component was relocated underground, providing 43 units of affordable housing.

5.3.4 Preferential Processing for Affordable Housing

The City of Burnaby initiated a policy of preferential processing for affordable housing applications in 1991. The policy gives “priority to applications for affordable housing over other applications in order to shorten the length of time required to obtain rezoning, Preliminary Plan Approval (PPA) and a Building Permit” (City of Burnaby 1991). Affordable housing projects are defined as:

1) non-market multiple units projects comprised primarily of self-contained units for independent living and targeted to low and low-to-moderate income households e.g. housing co-operatives, seniors’ and family non-profit projects;

2) private rental multiple-unit projects targeted to low and moderate income households, the rental nature of which has been secured by a restrictive covenant for the life of the building (City of Burnaby 1991).

The Preferential Process works through a “team approach”, whereby the applicants and staff from the different municipal departments involved in such applications meet to discuss the details of the proposed development (City of Burnaby 1991). By working together, towards the mutual goal of providing affordable housing within the community, planners and developers can speed up the approvals process. Ideally, it may be possible to achieve the following times:
5.3.5 Comprehensive Development Zoning

The tool of Comprehensive Development Zoning has been used extensively in Burnaby, particularly in Metrotown and the Greentree Village Development. Called the "hidden treasure of Bill 57" by Burnaby's Long Range Planner, Beverly Grieve, the municipality was using this tool before it was officially legislated under Bill 57 (1993).

Comprehensive Development zoning provides municipal governments with the power to manage large and complex development projects like Metrotown. Comprehensive zoning of a given site allows for customization; the OCP indicates the theoretical policy parameters, and planners and developers then enter into negotiations regarding the exchange of densities for particular specified conditions which can include the provision of affordable or special needs housing, amenities or a housing agreement. This process has been used in Burnaby in conjunction with obtaining increased density for affordable housing, and in heritage preservation. In the case of Burlington Square, a heritage home in Burnaby, extra density was granted to the developer of another building on the site in exchange for the preservation of the historic building. In the case of the City Club on the Park Development, comprehensive development zoning was used to rezone the site to a higher category, thus changing the community plan for the area.

5.4 Sidney: A Progressive Municipal Approach

The Town of Sidney is located on Vancouver Island, in the Greater Victoria area. The town has a population of 10,907 (1994 estimate), and has experienced rapid population growth over the past few years. This area of Vancouver Island, with its mild climate and attractive
setting, is a popular retirement location, and a large proportion of the population growth can be attributed to that age cohort. Population growth has driven up housing prices, so many families and couples who would like to buy into the housing market are less able to do so now (Kamenz 1995, personal discussion). The housing needs of the municipality reflect these growth pressures on low cost family housing for couples, single parents and traditional families. While the town does not have the same types of housing problems and pressures found in larger cities, a localized housing affordability problem exists, particularly for rental accommodation. In Sidney, 45.2 percent of renters pay more than 30 percent of their income on rent, in comparison with 13.5 percent of owners who pay more than 30 percent of their income on shelter (MHRCS 1995).

Sidney’s stock of non-market housing is relatively small, with 15 family-oriented units and 53 units of seniors affordable housing (B.C. Housing Management Commission 1994).

Sidney’s residential growth is being managed according to a comprehensive set of objectives:

1. To ensure housing densities and height are compatible with the small town character of Sidney;
2. To maintain the character of the single family areas;
3. To maintain the area surrounding the Downtown Core as the focus for medium to high density multi-family residential development;
4. To allow a range of housing densities to encourage a variety of housing;
5. To encourage housing for households with children and households comprised of young adults;
6. To encourage housing for all income groups;
7. To encourage adaptable housing for disabled people;
8. To recognize secondary suites in single-family dwellings as a legitimate housing form; and
9. To provide for renewal where the housing stock is nearing the end of its lifespan (Town of Sidney 1993).

Given Sidney’s relatively small population size, the town encouraged the development of affordable housing. The results of the survey indicate that Sidney has used and plans to use a
total of twelve housing tools in implementing affordable housing policies and programs. For Sidney to produce this response, given its relatively small size, it has employed many different initiatives. A number of these are examined.

5.4.1 Density Bonus

Density bonusing is a tool that has been used in Sidney in order to achieve non-profit housing units, adaptable housing, and other community amenities:

In medium and high density areas, Council may approve a higher number of units per hectare and floor space ratio up to a maximum of 25 per cent if a development includes non-market housing (Town of Sidney 1993).

An adaptable housing unit is an accessible dwelling unit with adaptable feature that eliminate the special appearance of the dwelling unit, yet are able to meet the needs of the individual user through the addition or adjusting of different elements (US Department of Housing and Urban Development 1991).

Two variations in the use of density bonuses have been employed. Under the newly amended OCP, the town of Sidney is limited to a maximum height of three stories, excluding the roof allowance. Under specific negotiated conditions, developers can use an additional roof allowance of 2.8 metres. In the past, this has been allowed when the developer has given financial assistance for construction of a fishing pier, waterfront improvements and non-profit housing (MHRCA 1995). The second variation is the use of a two-tiered density system for multi-family housing. The higher density being allowed in developments involving family housing and adaptable housing (MHRCA 1995). Family housing is defined by the town of Sidney as “housing which does not restrict the age of any persons living within any dwelling unit either directly or indirectly” (Town of Sidney 1994, 28). A housing agreement is entered into
between the developer and the town of Sidney, and must be signed prior to the issuing of a building permit.

5.4.2 Intensification of Residential Development

The Official Community Plan (OCP) for Sidney was amended in 1993, in order to reflect the changing needs of a growing community. With reference to residential development, amending the OCP provided an opportunity to move from a reliance on comprehensive to standardized zoning. At present, a large proportion of the town is designated as either single family - high density, or multi family - low density. This zoning is used to provide an alternative to townhouses, as single family high-density development appeals to the residents of Sidney who would like to see a more controlled level of growth and a reverse of the trend to seniors-only development (MHRCS 1995b).

The single-family high-density designation is designed to provide small lot homes. By controlling the size of the lot and the homes, through the number of units per hectare (40) and the maximum FSR (0.5), these units are designed to be more affordable and suited for young families. Secondary suites are permitted in areas which fall under this designation, and this automatically classifies the property as multi-family\(^{10}\). Multi-family properties are subject to more stringent design guidelines, critical elements of success in such a project (MHRCS 1995b).

\(^{10}\) The multi-family low density designation allows for the development of:

1. Townhouse or apartment dwellings;
   - Maximum units per hectare: 38
   - Maximum FSR: 0.5
   - Maximum number of stories: 2
   - Purpose: to provide for townhouse and apartment developments of a low density.
   - Small scale developments will be encouraged.

2. Single family dwellings and single family dwellings with a secondary suite;
   - Maximum units per hectare: 44
   - Maximum FSR: 0.7
   - Maximum number of stories: 2.5
   - Purpose: to encourage modest single family dwellings
5.4.3 Infill Development: Sidney's Old Orchard Neighbourhood

The Old Orchard Neighbourhood of Sidney is the site of an affordable housing initiative centred on the more intensive use of an existing residential area. The area is comprised of a stock of older cottage style housing, built mainly in the 1950s, which is an important source of affordable housing within the community. The neighbourhood has embarked on a planning process in order to examine the possibility of increasing the development potential through both the retention of existing stock and infill housing. The aim is to preserve the character of the Old Orchard Neighbourhood, as well as providing affordable single family dwellings at a high density (a doubling of density has been proposed) by using the land in the neighbourhood more intensively.

Sidney is still in the process of writing a new zoning bylaw for the neighbourhood, and currently only a draft of the single family high density residential zoning has been prepared. The permitted uses within the neighbourhood are: apartment, townhouse, two-family, and single-family dwellings, as well as home occupations, and accessory buildings, structures or uses. A maximum density of 40 dwelling units per hectare and an FSR of 0.5 has been proposed. Front and rear setbacks of 4.5 metres and side setbacks of 1.2 metres have also been proposed.

Within the neighbourhood of Old Orchard, the number of secondary suites will be based on one of two calculations. Either 10 percent of the maximum number of dwelling units being constructed, or where the total number is less than the maximum number allowed on the lot, the

   Maximum units per hectare: 44
   Maximum FSR: 0.7
   Maximum number of stories: 2.5
   Purpose: to encourage modest single family dwellings.
   (Town of Sidney 1993).
total number of secondary suites allowed will be equal to the difference. Furthermore, the maximum number of apartment or townhouse dwellings on one lot cannot equal more than three.

5.4.4 Secondary Suites

Secondary suites are legal within the town of Sidney, as they are considered to be an important source of affordable rental housing but are restricted in several ways to ensure that they are modest in size, secondary to the main use of the dwelling and thus affordable. They are only permitted within single family dwellings and must conform to the following criteria:

1. A maximum of one secondary suite is allowed in a one-family dwelling;
2. The one-family dwelling must be owner-occupied;
3. The floor area of the secondary suite must not exceed 40 percent of the area of the one-family dwelling, or 120m$^2$, whichever is less. (Shared entrances and utility rooms are excluded.); and
4. The secondary suite must be located above, or below, the main unit. (i.e. the one-family dwelling must be divided horizontally into a main unit and secondary unit. Shared entrances and utility areas are excluded). (Town of Sidney 1994, 15)

Over the past few years, the number of secondary suites in Sidney has been curtailed, and in many cases, is limited to 10 percent of the project.

5.5 Prince George: A Progressive Housing Approach

The City of Prince George is the largest population centre located in Northern British Columbia. Because of Prince George’s location and significant ties to the forest industry, the city’s development is linked to larger economic changes. The population of the city grew in the 1960s, and 1970s, and stagnated in the 1980s during the rationalization of the forest sector. The city is now more diversified, and serves as the transportation, distribution, trade, service and manufacturing centre for the northern interior of the province. The city has a population of
75,065 (1994 estimated) and over the next 13 years it is expected to increase by 20,000 (City Spaces 1993).

Affordability data for the City of Prince George indicates that 33.8 percent of renters pay more than 30 percent of their income in rent, and 10.5 percent of owners pay more than 30 percent of their income in shelter (MHRCS 1995b). Prince George maintains a relatively large supply of non-market affordable housing: 287 units of family non-market housing, 262 units of seniors non-market housing and 343 units of special needs housing (B.C. Housing Management Commission 1994).

According to the Housing Needs Research Project commissioned by a group of consultants for the City of Prince George, three distinct groups within the community demand urgent, focused housing attention: youth, low income families and homeless adults (CitySpaces 1993, 1-5). In comparison with the province as a whole, Prince George has a relatively young population, and proportionally more families (City Spaces 1993). Not surprisingly, the lack of affordable rental housing in the city is the biggest housing need which the city faces at present (Pinnock 1995, personal discussion). As affordable rental housing is currently not supplied by private developers, factors such as the opening of the University of Northern British Columbia (UNBC) this Fall (another source of demand for rental housing), are expected to worsen the problem.

The City of Prince George has expressed a desire to ensure the provision of a variety of housing types: the residential goal of the official community plan is “to encourage sufficient variety of housing types so that all residents of the city have satisfactory affordable accommodation and a choice of residential life style” (City of Prince George 1993, 26). This variety of housing types must include special needs housing, such as temporary shelters and
long-term group homes, as well as the more conventional housing types. The City has an explicit policy, contained within its OCP, to cooperate with public, private and non-profit agencies to encourage the provision of social housing for the economically disadvantaged (City of Prince George 1993, 27). Furthermore, Prince George is in a unique position among B.C.'s urban centres as it has a large supply of land suitable for future development (CitySpaces 1993, 16). Whereas most urbanized municipal governments have exhausted their supply of developable land, Prince George possesses a unique opportunity which should be pursued. The Housing Needs Study outlined several different potential roles for the city, and a set of various activities that the City of Prince George could consider in addressing housing issues:

*Table 4: Potential Housing Roles for the City of Prince George*

<table>
<thead>
<tr>
<th>Role of the City</th>
<th>Housing and Planning Tools Available for Use</th>
</tr>
</thead>
</table>
| Land Owner             | • Long term leasing of land below market value  
                          • Set aside lots for people with physical disabilities                                                                                                                         |
| Regulator              | • Standards of Maintenance Bylaw  
                          • Allow Secondary Suites  
                          • Require housing as part of major commercial developments.  
                          • Demolition control bylaw  
                          • Remove impediments to affordable housing in zoning bylaws (i.e. large minimum lot sizes)  
                          • New zone to allow for smaller single family lots                                                                                                                                  |
| Negotiator             | • Housing Agreements  
                          • Ensure Accessibility of Multi-family housing                                                                                                                                         |
| Potential Funder or Partner | • Establish Special Reserve Fund  
                          • Undertake special borrowing through capital referendum  
                          • Special Demonstration project, in conjunction with private, government or non-profit societies                                                                 |
| Advocate, Mentor, or Facilitator | • Support and contributions to Special Needs Advisory Committee and the Housing Committee  
                          • Provide annual grant to Native Friendship Centre                                                                                                                                 |

Source: Adapted from CitySpaces 1993, 16-17.
In the postal survey, Prince George indicated that it was in the process of using or planning to use only seven housing policy strategies. The reply to the survey however, indicated that the city council may choose to adopt some other tools for use at a later date. Prince George’s housing planning activity is typical of the responses of many other cities and towns across the province. While several housing initiatives are in the proposal stage at present, no units have been realized as a result of affordable housing policies implemented since the recent round of legislation (Pinnock 1995, personal discussion). Prince George is representative of a large group of municipalities across the province which are not advanced in their affordable housing policies. It illustrates the time-lag phenomenon discussed in chapter four. Prince George does not have the staff resources or the time in order to pursue research into affordable housing initiatives, as day to day activities take a priority (Pinnock 1995, personal discussion). The following documented initiatives illustrate some of the work done in the city to date.

5.5.1 Housing Needs Study

A housing needs study is a research tool used by local governments in order to assist them in both understanding the nature of housing problems within their community, and in formulating plans and policies to assist those groups most in need. A housing needs study, or other housing research was referred to in the survey as “the producing and disseminating information”. While many different agencies provide information which is vital to residential planning (i.e. CMHC, Real Estate Boards, Statistics Canada), this information should be integrated with research conducted on the nature of local housing needs.

A study of the housing needs of special needs consumers in the City of Prince George was commissioned by the Housing Needs Research Project Steering Committee. CitySpaces Consulting submitted their final report in December of 1993. “Special Needs consumers” were
defined very broadly and low income individuals and families, people with physical and mental disabilities, women in "crisis", teen mothers, people with chronic mental illness, seniors, homeless and near homeless youth and adults, and students were included (CitySpaces 1993, 1).

The primary purpose of the housing needs study was to:

confirm the magnitude and dimensions of unmet housing needs in Prince George and to develop a strategy which could be implemented by the volunteer, public and private sectors to meet these needs (CitySpaces 1993, 1).

The research in Prince George involved a survey of a sample of residents who were experiencing difficulty in finding suitable housing, personal interviews with housing providers, community advocates and social workers, and the analysis of statistical housing information. The consultants also presented some of the opportunities that Prince George could explore in assisting special needs groups in meeting their housing needs. The research and the report should provide the basis for housing policy within the municipality in the near future.

5.5.2 Zoning for Group Homes in New Subdivisions

The City of Prince George amended its Official Community Plan in 1993 to include a policy of zoning land for residential institutional use within new subdivisions. Although the policy has been in place since the early 1990s, and several lots have been zoned, no group homes or other residential institutional use buildings have been built.

This policy recognizes the difficulty in obtaining rezonings for uses such as group homes and shelters. By zoning land for such uses from the subdivision stage, neighbourhood opposition and other problems can hopefully be avoided, or at least minimized, and ensures that there are opportunities within the city for special needs housing. Developers wishing to subdivide a property into more than 100 lots will be subject to the policy of one lot designated as residential-
institutional. This policy also applies to subdivision developments of between 25 and 100 lots, as the city reserves the right to zone one community residential facility in neighbourhoods where the need is present. Zoning the site as a community residential facility permits the following uses: a day care centre, nursery school, women's shelter, or group home which provides for group living for people with physical, mental, emotional or related problems (Kraus 1993).

5.5.3 Increasing the Diversity of Housing

The Official Community Plan for Prince George has been amended to include zoning for residential institutional uses (as discussed above), and to encourage a diversity of housing types within new subdivisions, as well through the redevelopment of existing residential areas. Several policies within the newly amended OCP encourage smaller and thus generally more affordable housing types as alternatives to the large-lot single-family home found in a new subdivision.

The OCP for Prince George includes the following policies which relate to residential development. Infill development is supported on existing residential lots within the city, and it is possible to subdivide large lots if it does not "unduly impact on the character of the neighbourhood" (City of Prince George 1993, 29). The OCP specifies that lots suitable for two-family dwellings should be provided in new subdivisions as well as single family lots, and they should be scattered through the larger development in order to avoid the situation where many two-family dwellings are located side-by-side (City of George 1993, 29).

5.5.4 Other Affordable Housing Initiatives

The city has been involved in a couple of other initiatives in the area of affordable housing. In particular, they have attempted the use of the tool of density bonusing (Pinnock 1995, personal discussion). The City of Prince George owns a much larger amount of land within
the city compared with many municipal governments across the province. In fact, the city
develops subdivisions including both single-family and multi-family lots, and sells them at
market rates (MMARH 1992, 49).

5.6 Discussion

The objectives of this review of three municipal case studies were to document the
housing initiatives taken in each community in response to particular housing needs. Three
important issues emerged from both the interviews with planners working in each jurisdiction,
and through other research. The reality of affordable housing initiatives is that all the
communities examined have or are experiencing opposition, or NIMBYism (Not in My
Backyard) to particular projects or initiatives. NIMBYism is used here in order to define the fears
of the residents against proposed physical and social change of their local environment (Rural
and Small Town Research and Studies Programme 1993). In this particular case, residents
perceive that the value of their property will decrease because of the development of lower cost
housing within their neighbourhood. While this opposition does not always take the same form
in each municipality, it does indicate common barriers to the development of affordable housing.
Some critics would say that by bringing affordable housing down to the level of local
government, community opposition against these type of initiatives is more likely to succeed. No
housing project is immune from NIMBYism and thus it is important to develop strategies in
order to dispel the fears of the community. Involving the community and opening the lines of
communication is the key to dispelling the misconceptions surrounding affordable housing, and
ensuring the final goal, that is providing housing policies which are responsive to the needs of all
community residents.
When questioned about the critical elements which were instrumental to the success of affordable housing initiatives, the key informants also spoke of the importance of political will. The politics of local planning in general is often forgotten in discussions surrounding housing issues. At the municipal level, city council is the body which ensures the success of affordable housing initiatives by supporting the ideas of planners and municipal employees. City council holds the political power and the capability to shape policy: council states the policy and then planners implement it. The political will to see policy enacted is as important an ingredient as the innovative housing initiative itself. The two elements combine together to ensure that affordable housing units are produced within a community.

The final issue which emerged from the research into the three case studies was the critical importance attributed to the role of the provincial Ministry of Housing. Planners from all three communities expressed appreciation of the information and guidance that has emerged from the Ministry of Housing, Recreation and Consumer Services over the past few years. It appears that the Ministry has been successful in its leadership role, which is an important component to the province's new approach to housing issues. In order to ensure the success and effectiveness of local government initiatives and use of the newly expanded municipal planning powers, the Provincial Government has recognized that is must provide municipalities with information and guidance. This leadership role has proven essential to many smaller communities who in many cases appear to follow the examples of leading innovators in affordable housing strategies. Furthermore, the Ministry has organized conferences, produced publications and corresponded with local governments to ensure they are coping with their housing responsibilities. The staff of the Ministry have been resourceful in conducting some research and utilizing the examples of successful initiatives from across the province, in order to
inform other local governments who are less advanced in their own programs. From the perspective of the local governments, the province is performing an important and crucial role which contributes to the success of affordable housing initiatives across the province.

5.7 Conclusion

The set of initiatives I have described in this chapter illustrates the range of innovations which municipalities from across the province have initiated in the pursuit of affordable housing. They utilize a wide variety of planning strategies chosen from the extensive set of policy options provided by the provincial government. I have demonstrated, through case studies, that housing need is locally based. Furthermore, in order to provide the most effective housing policies for their municipality, local governments must have access to a wide range of policy options which give them the flexibility to design appropriate housing initiatives given different circumstances. Through several amendments to the Municipal Act, the Provincial Government has expanded the range of planning powers which local governments have at their disposal in creating and protecting affordable housing. Not all communities can be successful land owners and developers, but they must create different roles for themselves as facilitators of affordable housing. Communities use the tools which are most appropriate for their housing needs and their available resources; the initiatives of Burnaby and Sidney in contrast to those of Prince George illustrate the flexibility and effectiveness of the planning options available to all local governments.
In this thesis I have sought to examine how local governments in British Columbia are dealing with their new expanded roles in the area of affordable housing, and to determine the planning strategies used in order to provide for the housing needs of their communities.

The approach adopted by the federal government has been to decentralize the responsibility for housing to the provinces, and this has had a significant impact on many municipal governments across Canada. This research has focused on the case of British Columbia, one of the few provinces with sufficient financial resources to formulate and implement an extensive affordable housing policy, and where local governments are, for the most part, in a better position to take on additional responsibilities in comparison with other regions. It must, however, be acknowledged that the policy of decentralization is not offered as a substitute for a full range of federally funded housing programs. While this thesis has found evidence to support Richards' (1992) innovation hypothesis, it does not suggest that the policy of decentralization is an appropriate surrogate for a strong federal role in the sphere of housing; but given recent and ongoing economic and fiscal problems it seems likely that the federal withdrawal from housing, like many other social programs, is the current reality. It is also important to note that decentralization would not necessarily be as effective a solution for all other areas of social policy. There is a distinct spatial dimension to housing need, and thus there are convincing arguments for the appropriateness of local control over the solutions. At this stage, research of a parallel type is needed for other areas of social policy.
6.1 Major Findings

This thesis has examined the recent changes experienced within the realm of affordable housing policy in Canada at three different scales of analysis: the federal, the provincial and the local level. More specifically, the research has been directed towards an understanding of the causal links between policy changes at senior levels of government and municipal responses to such shifts. In particular, this research has examined the responses of local governments in B.C. to the recent series of housing legislation introduced by the provincial government - Bills 20 (1992), 57 (1993) and 31 (1994) - and the range of planning tools that they have extended to local governments. The findings of the research indicate a definite link between the actions of senior government and the activities of municipal governments in the area of housing policy.

According to the municipal housing survey returns, there is considerable range in the planning strategies pursued by municipalities across British Columbia, and those expected to be used in the near future. The survey indicates that five tools in particular are most likely to be used by local governments in planning for affordable housing provision: community consultation, legalization of secondary suites, building codes partnerships with private developers and non-profit housing groups, and zoning. The latter two strategies are either new or expanded powers for municipalities as a result of the recent amendments to the Municipal Act through Bills 20 (1992), 31 (1993) and 57 (1994).

The research conducted appears to support the application of Richards' (1992) thesis at the municipal level, for affordable housing policy. While little can be concluded from this research regarding his thesis of innovation through intergovernmental competitiveness, Richards' other major argument in support of the decentralization of social policy (to the provincial level) is that it ensures a closer fit between the needs and the policies of a region. The wide range of
innovative housing strategies adopted by local governments across the province which are highlighted in this thesis suggests that decentralization has ensured the potential for a greater fit between the preferences and needs of a particular locale. To the extent that it provides municipalities with the powers and resources they need, the decentralization policy allows communities to capitalize on their existing strengths and to more readily meet their housing needs.

There are, however, also problems associated with decentralization. In order to achieve more appropriate housing policies and programs, responsibility is passed further down the geographical scale, but it appears that below a certain size, municipalities have the powers, but not the resources, to administer an effective housing policy. It could therefore be argued that there exists an optimum size which balances the need for local control and identification of problems, with the necessary resources and expertise which go with greater size. It is clear that larger municipalities have been able to cope much better with the decentralization of affordable housing policy. The laggards, for the most part, are comprised of smaller population centres, and are the respondents who have exhibited the greatest time lag in responding to the provincial legislation due to their lack of resources. Evidently, there is an important role for a stronger intermediate level of government in the area of housing policy which could assist the smaller municipalities in the execution of their housing responsibilities.

This research suggests that housing is a dynamic area of public policy in B.C., and it displays a distinct pattern of innovation. Time is a crucial factor in determining the response rate of municipalities to provincial policy, as Bill 20 (1992) experienced a greater level of municipal response than the later pieces of legislation, Bills 57 (1993) and Bill 31 (1994). A time-lag is evident between the initial introduction of the legislation, and the eventual municipal response.
Given this, I concluded in chapter 4 that municipal population size was the most important factor in determining the level of response to the provincial housing legislation, as this often determines the other important characteristics of municipal governments such as planning expertise and staff resources. It was found that the smaller the municipal population size, the greater the time lag in policy adoption, as these local governments have relatively lesser strategic policy resources.

There is also a time lag in information transfer from one municipal government to another. The housing initiatives of some municipal governments serve as important educational examples to other locales, which is in keeping with Richards' hypotheses regarding the benefits of provincial social policy decentralization. He suggested that entrepreneurial provincial government can innovate in social policy, and the favoured innovations are then copied, with a lag, in other provinces (Richards 1994, 55). The research reported in this thesis indicates that a distinct pattern of information transfer is found between the larger municipal governments which use a wider range of tools, even before they are legally granted their use, and smaller governments, who then adopt innovations for use in conjunction with their own housing need.

Both of these information processes and the time lags experienced lead to a classification, or a typology of municipal governments in terms of housing innovation (chapter 5). Municipalities are classified as innovators, progressives or laggards, depending on their standing in terms of the two innovation processes outlined above.

6.2 Planning and Policy Implications

Several planning and policy implications may be drawn from the municipal housing research reported in this thesis. First, a wide range of housing and planning tools is necessary if municipal governments are to have the flexibility to respond to their local housing needs with appropriate strategies. The expanded planning powers granted to municipal governments were a
necessary accompaniment to the overall strategy of decentralization: Bill 20 (1992), without the powers contained in Bills 57 (1993) and 31 (1994), would have created a very different pattern of housing initiatives across the province - local governments would certainly not have access to the same breadth of housing strategies, nor such powerful methods of creating and maintaining affordable housing. While many larger municipalities were already using particular tools in the development of affordable housing before they were legally granted, the smaller municipalities across the province, have benefited greatly from their legitimization.

Second, an essential ingredient in the success of the provincial housing policy for B.C. was the important role created for the Ministry of Housing, Recreation and Consumer Services. As housing policy was decentralized from the federal to the provincial level, the B.C. government adopted the policy of transforming housing into a higher profile ministry, and putting the affordable housing needs of B.C. residents at a higher priority than previous governments. The ministry exercises an important facilitative and guiding function for the municipal governments. Recently, the activities of this ministry have included: educating local government officials as to the changes in housing policy, formulating policy documentation outlining these changes, liaising with the municipal governments themselves, organizing a provincial wide affordable housing conference, and conducting limited research into the initiatives of local governments. Of most significance is the provincial government's role in facilitating information sharing between planners and municipal officials in different local governments on the issue of affordable housing provision.

Third, inter-municipal communications are vital if the experiences of municipalities in implementing particular housing strategies are to be shared. All the municipalities examined through case studies referred to the importance of their communication links with other
municipal governments. "Innovators" serve as models or examples for the other municipal governments. The exchange of information in the area of affordable housing policy amongst municipalities within the province should be strengthened. Both the Union of British Columbia Municipalities (UBCM) and the Planning Institute of British Columbia (PIBC) have potential roles to play in terms of inter-municipal communication. Furthermore, the Ministry of Housing, Recreation and Consumer Services has realized the potential of "education by example" as it has prepared two small studies of the activities of leading municipalities across the province in order to pass the information on to other municipal governments.

These findings are relevant given the current state of Canada's social policy in a context of federal and provincial government deficits. Social programs are frequently being shaved away, and responsibility is being pushed further down the hierarchy of governments, to provincial and local governments. Given the set of social and economic changes occurring, we must continue to research and analyse the activities of all levels of government, and examine the innovative strategies employed by them in order to make do with less in providing essential social programs, such as housing, to Canadians.

6.3 Areas for Further Research

The research presented in this thesis indicates the type and range of housing policy initiatives being pursued in British Columbia. There are, however, a number of issues which appear to warrant further investigation:

1. A temporal dimension needs to be added to policy studies which would allow us to trace the impact of specific changes over time. The timing of this study, soon after the passage of several Bills through the Provincial Legislature, has allowed it to indicate just the beginnings
of housing policy innovation in B.C. Further studies will be needed to track future developments.

2. In examining municipal housing policy it is clear that different municipalities experience a diversity of pressures and potentials. For this reason, individual case studies can provide for a detailed and locally-sensitive evaluation of policy initiatives. Further case studies, beyond the three reported here, would therefore be useful.

3. The focus of this study, on the type and range of municipal housing policies, needs to be supplemented by studies which quantify the effectiveness of particular policy tools, or a particular combination of tools, in terms of the affordable housing units made available.

4. An important conclusion of this research is that there are paths of innovation between municipalities which lead to the sharing of policy initiatives. Further research should examine the nature of these pathways more extensively - how effectively they work, who makes them work, what are the institutional framework’s for their operation - and how their operations could be improved, especially through new or existing institutions.
References


City of Burnaby 1994a. Report: Notice of Motion Regarding Affordable Housing in the City of Burnaby.


Provincial Commission on Housing Options 1992b. Executive Summary: Provincial Commission on Housing Options. Victoria: Ministry of Municipal Affairs, Recreation and Housing.


Appendix A

Survey of Changes in B.C. Municipal Housing Policies

Name of Municipality: ____________________________________________
Address: ______________________________________________________
Contact Person: _________________________________________________
Department: ____________________________________________________
Telephone Number: _____________________________________________

1. Are you familiar with the provincial government’s Bill 20 which took effect on September 30, 1992? It amended the Municipal Act and states that:

“A Community Plan must include housing policies of the local government respecting affordable housing, rental housing and special needs housing”
(Section 945, subsection 2.1)

a) not aware
b) aware it exists
c) familiar in general terms with its provisions
d) have considered its implications for policies in my municipality
e) have conducted a detailed assessment of options in implementing Bill 20
f) we are currently engaged in programs implementing Bill 20
g) other (please specify):

2. The Provincial Commission on Housing Options defines affordable housing as:

"housing which would have a market price or rent that would be affordable to households of low or moderate income. Households of low or moderate income are those who have incomes which are 80% or less than the average household income for the urban area they live in".

The term affordable has been defined by the Commission as:

"annual housing costs (rent or mortgage + taxes) which do not exceed 30% of a household’s gross annual income."

a) Is this definition substantially the same as the one that you employ in your jurisdiction?

No □    Yes □
3. a) Have you amended your OCP since the enactment of Bill 20 in order to address the question of affordable housing?

No □ Amendments in Process □ Yes □

b) If in process or completed, do your policies actually establish targets for how many units will be provided?

No □ Yes □

c) If possible, please indicate these targets and the time frame for their achievement.

Estimated Number of Units □□□□ Time frame over which provided □□□□

4. In responding to Bill 20, which of the following special needs groups does your housing policy cover?

<table>
<thead>
<tr>
<th>Group</th>
<th>No</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical disabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chronic mental illness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Problems of chronic abuse of drugs/alcohol</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIV Positive/AIDS</td>
<td></td>
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<td>Homeless</td>
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</tr>
<tr>
<td>Youth</td>
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<td></td>
</tr>
<tr>
<td>Families in crisis</td>
<td></td>
<td></td>
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<tr>
<td>Women in crisis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frail Elderly</td>
<td></td>
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</table>
5. The following table lists a variety of tools available for the implementation of housing policy. Which tools are used by your department or organization with respect to housing policy and provision? (Please check as many as are applicable)

<table>
<thead>
<tr>
<th>Tool Description</th>
<th>Used before Bill 20</th>
<th>Used Since Bill 20</th>
<th>Plan to use in future</th>
<th>Not used</th>
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<tbody>
<tr>
<td>a) allow secondary suites</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) building codes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) community hearings, consultation with citizenry</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d) co-ordination with non-profit housing groups</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e) co-ordination with private developers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f) development of municipal lands for housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g) direct capital subsidies for housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h) fast track affordable housing development</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i) housing registries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>j) intergovernmental partnerships</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>k) maintenance bylaws</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>l) producing and disseminating information</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>m) relaxation of land use regulations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>n) rent subsidies and assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>o) sell or lease land at below market value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>p) taxation, development fees, or charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>q) upgrading and maintenance of existing stock</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>r) zoning</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>s) other (please specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>t)</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>u)</td>
<td></td>
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<td></td>
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</tbody>
</table>

6. Are you familiar with the provincial government's Bill 57? It came into effect on July 29, 1993 and amended the Municipal Act to provide municipalities with clear authority in three areas:

i) **density bonusing in exchange for meeting specified conditions**;
ii) **comprehensive development zoning**; and
iii) **housing agreements**.

(check if applicable)

<table>
<thead>
<tr>
<th>Option</th>
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</tr>
</thead>
<tbody>
<tr>
<td>a) not aware</td>
<td></td>
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<tr>
<td>b) aware it exists</td>
<td></td>
</tr>
<tr>
<td>c) familiar in general terms with its provisions</td>
<td></td>
</tr>
<tr>
<td>d) have considered its implications for policies in my municipality</td>
<td></td>
</tr>
<tr>
<td>e) have conducted a detailed assessment of options in implementing Bill 57</td>
<td></td>
</tr>
<tr>
<td>f) we are currently engaged in programs implementing Bill 57</td>
<td></td>
</tr>
<tr>
<td>g) other (please specify):</td>
<td></td>
</tr>
</tbody>
</table>
7. Are you familiar with the provincial government's Bill 31? It came into effect on July 8, 1994 and amended the Municipal Act to allow municipalities to:
   i) enact standards of maintenance by-laws; and
   ii) lease residential land at below market value rates to non-profit organizations.

   (check if applicable)

   a) not aware
   b) aware it exists
   c) familiar in general terms with its provisions
   d) have considered its implications for policies in my municipality
   e) have conducted a detailed assessment of options in implementing Bill 31
   f) we are currently engaged in programs implementing Bill 31
   g) other (please specify):

8. What, if any, are the problems your municipality faces as a result of Bill 20?
   (If needed, please use the back of the page to answer this question)

9. When you return this survey, please also send a copy of any recent housing policy documents or studies which indicate the state of housing policy in your municipality.

Thank you for your cooperation.

Please mail or fax this back to the address shown at the top of this survey.

Planner Name
Address
Address
City, B.C.
Postal Code

Dear Planner X;

Please find the enclosed questionnaire entitled Survey of Changes in B.C. Housing Policies. The intent of the enclosed survey is to assess the policy responses to Bill 20, which came into effect in the fall of 1992. You have been chosen to comment on the housing policies in your municipality or jurisdiction. The results of the survey will be used to generate a research report, and highlight further research areas for CMHC and the School of Community and Regional Planning at UBC with respect to the provision of affordable housing.

This research is being conducted under a joint research project of the University of British Columbia, School of Community and Regional Planning (SCARP), and CMHC, using Masters program students. The intent of the joint project is to develop locally relevant research using the combined resources of SCARP and CMHC.

We would appreciate you taking the time to answer the enclosed questions in detail. Please return the survey to us by November 16, by mail or by fax to the address on the top of the survey document. Do not hesitate to contact me (666-2940) or Don Hazleden (666-8068) if you have any questions, or comments surrounding the survey or research.

Thank you in advance for your time and co-operation in this matter. I look forward to receiving your response at your earliest convenience.

Yours faithfully,

Ted Mitchell
Manager
Planning, Research and Communications
## Appendix C

### Survey Respondents

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Organization</th>
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<tbody>
<tr>
<td>Bev Grieve</td>
<td>Planning Department</td>
<td>City of Burnaby*</td>
</tr>
<tr>
<td>Jennifer Bridhroam</td>
<td>Clerk</td>
<td>City of Fernie</td>
</tr>
<tr>
<td>James Pernu</td>
<td>Planning Department</td>
<td>City of Fernie</td>
</tr>
<tr>
<td>Susan Stratis</td>
<td>Municipal Planner</td>
<td>Town of Gibsons*</td>
</tr>
<tr>
<td>Peter Li</td>
<td>Municipal Development</td>
<td>District of Campbell River</td>
</tr>
<tr>
<td>Lynne Burch</td>
<td>City Clerk</td>
<td>City of Grand Forks</td>
</tr>
<tr>
<td>Rob Buchanan</td>
<td>Planning Department</td>
<td>Town of Comox</td>
</tr>
<tr>
<td>Randy Lambright</td>
<td>Development Services</td>
<td>City of Kamloops</td>
</tr>
<tr>
<td>Rob Innes</td>
<td>Planning Department</td>
<td>City of Courtenay*</td>
</tr>
<tr>
<td>Signe Bagne</td>
<td>Planning and Development Services</td>
<td>City of Kelowna</td>
</tr>
<tr>
<td>Peter Crawford</td>
<td>Planning Department</td>
<td>City of Courtenay*</td>
</tr>
<tr>
<td>Christopher Symes</td>
<td>Development Services</td>
<td>District of Kent</td>
</tr>
<tr>
<td>Jean-Michel Besquet</td>
<td>Planning Department</td>
<td>City of Cranbrook</td>
</tr>
<tr>
<td>Gwendolyn Sewell</td>
<td>Community Planning and Development</td>
<td>Department</td>
</tr>
<tr>
<td>Jim Noble</td>
<td>City Clerk</td>
<td>District of Kitimat*</td>
</tr>
<tr>
<td>Bob Burgess</td>
<td>Community Development</td>
<td>Township of Langley</td>
</tr>
<tr>
<td>J. Richmond</td>
<td>Planning</td>
<td>District of Delta*</td>
</tr>
<tr>
<td>Richard Danzinger</td>
<td>Development Services</td>
<td>District of Matsqui</td>
</tr>
<tr>
<td>Paul Douville</td>
<td>City Administrator</td>
<td>District of Metochosin</td>
</tr>
<tr>
<td>Barbara Snyder</td>
<td>Planning Department</td>
<td>Township of Esquimalt</td>
</tr>
<tr>
<td>G. Mellott</td>
<td>City Clerk</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
<td>Location</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-----------------------------------------------</td>
<td>---------------------------------</td>
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<tr>
<td>Robert Ross</td>
<td>Community Development</td>
<td>District of Mission</td>
</tr>
<tr>
<td>E.R. Levesque</td>
<td>Department of Strategic Planning</td>
<td>City of Nanaimo</td>
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<tr>
<td>Mary Pynenburg</td>
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<td>City of New Westminster*</td>
</tr>
<tr>
<td>Mark Bostwick</td>
<td>Social Planning</td>
<td>District of North Vancouver*</td>
</tr>
<tr>
<td>Jag Dhillon</td>
<td>Planning</td>
<td>City of Parksville*</td>
</tr>
<tr>
<td>W. Semenoff</td>
<td>Planning</td>
<td>District of Peachland</td>
</tr>
<tr>
<td>Bruce McWilliam</td>
<td>Planning</td>
<td>District of Pitt Meadows*</td>
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<tr>
<td>Dave Smith</td>
<td>Planning</td>
<td>City of Port Alberni</td>
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<tr>
<td>Carlos Felip</td>
<td>Planning</td>
<td>City of Port Coquitlam*</td>
</tr>
<tr>
<td>Phyllis Belaire</td>
<td>Administration</td>
<td>District of Port Hardy</td>
</tr>
<tr>
<td>Sandra Carmen</td>
<td>Planning/Engineering Department</td>
<td>District of Powell River</td>
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<tr>
<td>Howard Pinnock</td>
<td>Planning Division, Development Services</td>
<td>City of Prince George*</td>
</tr>
<tr>
<td>Tom Ireland</td>
<td>Development Services</td>
<td>City of Prince Rupert</td>
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<tr>
<td>Terry Ferguson</td>
<td>Building/Planning</td>
<td>City of Revelstoke</td>
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<td>Carolyn Morrison</td>
<td>Planning</td>
<td>City of Richmond*</td>
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<tr>
<td>Neil Findlow</td>
<td>Planning</td>
<td>District of Saanich*</td>
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<tr>
<td>Charles Nash</td>
<td>Development Services</td>
<td>District of Salmon Arm</td>
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<tr>
<td>Rob Buchan</td>
<td>Planning</td>
<td>District of Sechelt</td>
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<tr>
<td>Marvin Kamenz</td>
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<tr>
<td>Danny Dwyer</td>
<td>Planning Department</td>
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<td>Margaret Thornton</td>
<td>Community Planning</td>
<td>District of Squamish</td>
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<tr>
<td>Gordon Morley</td>
<td>Development Services</td>
<td>District of Summerland</td>
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*Respondants who submitted a copy of recent housing policy documents or studies indicating the state of housing policy in their municipality.
### Appendix D

#### Size Groupings

<table>
<thead>
<tr>
<th>Small</th>
<th>Medium</th>
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<tr>
<td>Town of Gibsons</td>
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<td>District of Mission</td>
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<td>District of Vanderhoof</td>
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<td>District of Sparwood</td>
<td>District of West Vancouver</td>
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<td>City of New Westminster</td>
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<td>City of Duncan</td>
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<td>District of Kent</td>
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<td>District of Sechelt</td>
<td>City of Prince George</td>
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<td>City of Revelstoke</td>
<td>District of North Vancouver</td>
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<td>City of Kelowna</td>
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<td>District of Summerland</td>
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<td>City of Coquitlam</td>
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<td>District of Saanich</td>
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<td>District of Pitt Meadows</td>
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<td>City of Cranbrook</td>
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<td>City of Prince Rupert</td>
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<td>City of Port Alberni</td>
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#### Large

| Town of Sidney               | City of Coquitlam                           |
| District of Williams Lake    | District of Delta                           |
| City of Dawson Creek         | District of Saanich                         |
| District of Pitt Meadows     | City of Richmond                            |
| District of Kitmat           | City of Burnaby                             |
| City of Courtenay            | City of Vancouver                           |
| District of Squamish         |                                            |
| District of Salmon Arm       |                                            |
| District of Powell River     |                                            |
| Township of Esquimalt        |                                            |
| City of White Rock           |                                            |
| City of Cranbrook            |                                            |
| City of Prince Rupert        |                                            |
| City of Port Alberni         |                                            |
## Appendix E

### Regional Groups

**Vancouver Island**
- District of Campbell River
- Town of Comox
- City of Courtenay
- City of Duncan
- Township of Esquimalt
- District of Metchosin
- City of Nanaimo
- City of Parksville
- City of Port Alberni
- District of Port Hardy
- District of Saanich
- Town of Sidney
- City of Victoria

**Northern British Columbia**
- City of Dawson Creek
- District of Kitimat
- City of Prince George
- City of Prince Rupert
- District of Vanderhoof
- City of Williams Lake

**Southern British Columbia**
- City of Cranbrook
- City of Fernie
- City of Grand Forks
- City of Kamloops
- City of Kelowna
- District of Peachland
- City of Revelstoke
- District of Salmon Arm
- District of Sparwood
- District of Summerland
- City of Trail
- City of Vernon

**Lower Mainland**
- City of Burnaby
- District of Chilliwack
- City of Coquitlam
- District of Delta
- Town of Gibsons
- District of Kent
- Township of Langley
- District of Matsqui
- District of Mission
- City of New Westminster
- District of North Vancouver
- City of Port Coquitlam
- District of Powell River
- Pitt Meadows
- City of Richmond
- District of Sechelt
- District of Squamish
- City of Vancouver
- District of West Vancouver
- Resort Municipality of Whistler
- City of White Rock
Appendix F

Survey Results

Table 1: Question 1 Responses

<table>
<thead>
<tr>
<th>Response</th>
<th>%</th>
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<tr>
<td>a not aware</td>
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<tr>
<td>b aware it exists</td>
<td>13</td>
</tr>
<tr>
<td>c familiar in general terms with its provisions</td>
<td>15</td>
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<tr>
<td>d have considered its implications for policies in my municipality</td>
<td>40</td>
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<tr>
<td>e have conducted a detailed assessment of options in implementing Bill 20</td>
<td>2</td>
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<tr>
<td>f we are currently engaged in programs implementing Bill 20</td>
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Table 2: Question 2 Responses

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<tr>
<td>yes</td>
<td>68</td>
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<td>b alternative working definition</td>
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Table 3: Responses to Question 3a.

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<th>Amended OCP since Bill 20?</th>
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<td>41</td>
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<td>In Process</td>
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Table 4: Question 4 Responses

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<th>Response</th>
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<tbody>
<tr>
<td>a</td>
<td>Physical Disabilities</td>
<td>94</td>
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<tr>
<td>b</td>
<td>Chronic Mental Illness</td>
<td>72</td>
</tr>
<tr>
<td>c</td>
<td>Problems of chronic abuse of drugs/alcohol</td>
<td>50</td>
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<tr>
<td>d</td>
<td>HIV Positive/AIDS</td>
<td>33</td>
</tr>
<tr>
<td>e</td>
<td>Homeless</td>
<td>56</td>
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<tr>
<td>f</td>
<td>Youth</td>
<td>61</td>
</tr>
<tr>
<td>g</td>
<td>Families in Crisis</td>
<td>83</td>
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<tr>
<td>h</td>
<td>Women in Crisis</td>
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<td>i</td>
<td>Frail Elderly</td>
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Table 6: Question 6 Responses

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<tr>
<td>c familiar in general terms with its provisions</td>
<td>20</td>
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<tr>
<td>d have considered its implications for policies in my municipality</td>
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<tr>
<td>e have conducted a detailed assessment of options in implementing Bill 57</td>
<td>10</td>
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<td>f we are currently engaged in programs implementing Bill 57</td>
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Table 7: Question 7 Responses

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<tr>
<td>b aware it exists</td>
<td>27</td>
</tr>
<tr>
<td>c familiar in general terms with its provisions</td>
<td>44</td>
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<tr>
<td>d have considered its implications for policies in my municipality</td>
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</tr>
<tr>
<td>e have conducted a detailed assessment of options in implementing Bill 31</td>
<td>2</td>
</tr>
<tr>
<td>f we are currently engaged in programs implementing Bill 31</td>
<td>2</td>
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</tbody>
</table>
Appendix G

Interview Questions

Local Housing Context:

1. What are the housing needs of your municipality?

2. What are the specific economic or social problems that your municipality faces which have an impact on housing policies in your region? For example, high unemployment rate, high price of land, etc.

3. Have these problems changed over the past five years?

4. How do the problems that you experience in your municipality compare with the problems of the region in general? With the major urban areas of the province?

5. What type of housing, that is both market and assisted housing, is most in demand in your municipality? For example, social housing, affordable market housing, appropriate units for seniors, rental accommodation?

6. Are affordable and special needs housing a high priority for your city council? For example, affordable housing includes non-market housing, rental accommodation and home ownership opportunities for 1st time buyers.

7. Is housing a pressing issue for the electorate? In your opinion, are housing issues in your municipality receiving enough attention in comparison with other planning and local issues?

Housing Policy Tools:

8. In the postal survey you reported the housing policy strategies in use within your jurisdiction. In your opinion, which are most successful in terms of protecting existing affordable housing and achieving new affordable housing units for your municipality?

9. What are some of the specific types of successful affordable and special needs housing initiatives or programs which have been implemented in your municipality? In your opinion, what are the critical elements of their success?

10. In what ways could these programs be modified to be more successful in providing housing on the ground to those in need?

11. What resources (for example, staff, consultants etc.) have you used in your housing needs assessment and policy development?

12. Is your municipality willing to form partnerships with other groups, for example, developers and non-profit housing associations in order to ensure the development of affordable and special needs housing units?
13. Has your municipality been successful in terms of working with the private sector to build affordable housing units?

14. Does the private sector playing a large role in the provision of affordable and social housing within your municipality? Is the private sector playing a larger role presently than it did 5 years ago?

15. Do you feel that there is a lack of coordination or understanding of the private housing market?

16. Does the private sector participate in any way in the development of housing policies or programs in your municipality?

17. Do you feel that the private sector is ready and willing to assist your municipality in coordinating joint housing projects?

18. Does your municipality actively engage in working associations or partnership arrangements with the non-profit housing associations working in your jurisdiction?

19. Do the non-profit housing groups play a large role in the housing policies of your municipality?

20. What type of contribution do such groups make to the development of a housing development or program?

21. Are non-profit housing groups more actively involved in the provision of housing in comparison with 5 years ago?

*Changing Government Role:*

22. Have you attended any of the workshops, conferences or information sessions coordinated by the provincial government with respect to the recent set of provincial housing policies?

23. Have you received helpful information from the Provincial Ministry of Housing?

24. Have other bodies or agencies provided useful or helpful information?

25. Has coordination with other local government agencies (e.g. an exchange of information with respect to municipal housing policies) provided you with useful information?

26. Has there been an appreciable change in the types and amount of initiatives undertaken by your municipality since the introduction of Bills 20, 31 and 57?

27. Did the introduction of Bill 20 initiate a significant change in the magnitude of your municipality's housing initiatives?
28. What has been your overall experience and reaction to the series of provincial housing legislation introduced since 1992? How would you classify your experience with regard to these additional housing policy responsibilities?

29. Are the resources available to your municipality appropriate to the job at hand? That is, are the powers and planning tools that you possess appropriate to the task of providing affordable and special needs housing to those in need within your municipality? If not, what other powers would you benefit from?

30. Can you identify any barriers or obstacles that prevent local government from enacting appropriate local housing policies or programs?

31. What can senior levels of government do to assist your municipality with the development and implementation of local housing policies?