Acknowledgements

The Whistler Centre for Sustainability thanks BC Housing for the generous funding and support to make the project happen.

We also wish to thank our Advisory Committee members who provided invaluable advice throughout the project:

› Jill Atkey, BC Non Profit Housing Association
› Bill Aube, Vancity Credit Union
› Lynda Baird, BC Housing
› Mark Brunton, Columbia Basin Trust
› Meeri Durand, Regional District of Central Kootenay
› Jake Fry, Small Works BC
› Heidi Hartman, BC Housing
› Michelle Hoar, Consultant
› Simon Howse, Parastone Developments
› Denisa Ionescu, BC Housing
› Bob MacPherson, District of Tofino
› Cindy Moran, BC Housing
› Rob Veg, City of Cranbrook
› Tim Wake, Housing Consultant
› Bryan Yu, Central One

Thank you to Johan Stroman from Heartwood Solutions Consulting for pulling together the interviews and compiling the results.

Thank you to our workshop hosts and partners who helped organize very successful workshops:

› Castlegar: Meeri Durand (RDCK)
› Cranbrook: Gaby Zezulka (College of the Rockies), Kerri Wall (Interior Health), Ingrid Liepa (The Connecting Link), Rob Veg (City of Cranbrook)
› Courtenay: Andrea Cupelli (Comox Valley Coalition to End Homelessness)
› BC Non Profit Housing Association

And finally, thank you to our workshop sponsors:

› The Real Estate Foundation of BC
› The Columbia Basin Trust
› Canada Mortgage and Housing Corporation (CMHC)
Acknowledgements ........................................ 1
Project Background ...................................... 2
Introduction ............................................... 2
Project Overview ....................................... 2
Project Objectives ....................................... 2
What We Did and What We Heard .............. 3
Surveys and interviews ............................... 3
Scan of Leading Practices ............................ 4
Regional Workshops .................................. 6
Recommended next steps ............................ 8
Appendices ............................................. 10
**Project Background**

**INTRODUCTION**

Affordable housing continues to be a growing concern for communities large and small throughout BC. Most small communities have policies in their Official Community Plans (OCPs) supporting the development of affordable housing, yet implementation of these policies remains a challenge. In the larger urban centres, tools such as density bonuses, inclusionary zoning, amenity cost contributions and development cost charges can be used to support the creation of affordable housing units. However, in smaller communities, these tools may not be as effective or even possible, due to the lower density nature and/or rural culture, or the lower demand for development. Furthermore, housing options are more diverse in larger communities, and developers and builders are more able to provide different products. While housing prices in small communities are generally lower than in larger ones, the ratio of housing price to income has steadily increased, resulting in unaffordability. Finally, the lack of supply of affordable housing, in particular rental units, is a significant issue in smaller communities.

This project focused on building the knowledge and capacity of small communities to be able to develop more affordable housing, and targeted workforce (lower to middle income) housing needs.

**PROJECT OVERVIEW**

The Whistler Centre for Sustainability worked in collaboration with BC Housing to:

- Undertake research of the challenges and needs for affordable housing in small BC communities through surveys and interviews
- Research and write a Scan of Leading Practices in Affordable Housing
- Host three regional workshops to share the learnings and to facilitate discussions among housing stakeholders

**PROJECT OBJECTIVES**

- To understand the main challenges and capacity needs facing BC small communities in delivering affordable housing
- To identify the leading practices (tools, strategies, practices) in delivering affordable housing in BC small communities
- To share and increase knowledge in small communities around the most effective tools and strategies for building affordable housing
What We Did and What We Heard

SURVEYS AND INTERVIEWS

The Whistler Centre for Sustainability, supported by Heartland Consulting, conducted an on-line survey, targeting professionals and people working to implement affordable housing solutions, including representatives from the following sectors: non-profit housing, housing consultants, development and building, finance, local government and crown corporations. 41 people completed the survey from around BC. These surveys were followed by more in-depth interviews with 12 participants that were identified, representing a range of the survey respondents.

The overarching input included:

• All responses (but one) indicated need for workforce/middle income housing in smaller communities
• Most respondents indicated ‘fair’ to ‘poor’ progress on affordable housing, indicating there was progress in some areas but not others. The following primary reasons were given for the lack of progress:
  – Slow implementation
  – Little funding; lack of capacity
  – Market solutions not there
  – Low vacancy

The key challenges identified were:

• Lack of capital/funding; limited financing methods (most significant challenge)
  – High debt servicing ratio
• High/increased cost of development
• Risk is high for rental development
• Lack of political willingness
• Lack of knowledge of local government role; capacity
• Lack of available land
• Lack of capacity/experience/knowledge in non-profit sector (elevates soft costs)
Participants offered these ideas for resolving challenges:

- **Incentives for development**
  - Fast track affordable housing projects
  - Reduce parking requirements
  - Waive property transfer tax

- **Providing land**
- **Funding**
- **Less red tape**
- **Capacity building + funding for nonprofit sector**
  - Consultant / BC Housing support
- **New financial models and debt servicing mechanisms**

Provincial government was ranked the most frequently as the sector having influence on developing affordable housing, followed closely by non-profit organizations and local government.

The full summary report “What we Heard,” which captured the input received through the surveys and interviews, is attached as Appendix A.

**SCAN OF LEADING PRACTICES**

The Scan of Leading Practices was undertaken to highlight proven approaches to affordable housing in small communities, along with some new approaches to housing that seek to address the identified challenges and opportunities for affordable housing. While there are certainly roles for senior government to play in policy, partnership and funding for housing, the approaches highlighted in the Scan focus on what is possible to implement and access at the local level. The Scan covered three categories of leading practices:

- **Municipal tools**
  - Inclusionary zoning and density bonus
  - Intensification and tenure through rezoning
  - Reducing costs by streamlining approvals and other incentives
  - Short-term rentals regulations
  - Covenant tools

- **Partnerships (land and financing)**
  - Land: Municipal land and land trusts; NPO land
  - Financing: Housing fund - employee works and service charges or levy; Alternative Capital; Design and Operations savings
• Capacity building for organizations and the community
  o Housing organization and growing capacity
  o Housing strategy
  o Communication and education

Each leading practice included a brief description, the actors and partners required, ease of implementation, speed of delivering housing, benefits, considerations and implementation process.

Each leading practice was described on one page, so each page can be printed separately – these pages were printed on large posters for the workshop Gallery Walk.

The Scan report was emailed to all the participants registered in the three workshops, and was disseminated via the Whistler Centre for Sustainability e-newsletter on December 7th to local governments across BC.

The Scan of Leading Practices report is attached as Appendix B.
REGIONAL WORKSHOPS

We held three regional workshops with the following number of participants:

November 1 – Castlegar (49)

November 3 – Cranbrook (55)

December 8 – Courtenay (80)

The agenda for the three workshops followed this format:

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30</td>
<td>Registration, coffee</td>
</tr>
</tbody>
</table>
| 9:00  | Welcome and introductions  
      | Review agenda and objectives  
      | Individual desired outcomes |
| 9:30  | Presentation of results of surveys and interviews                       |
| 9:50  | Presentation of housing challenge/context                               |
| 10:10 | BREAK                                                                   |
| 10:30 | Case studies in affordable housing                                       |
| 12:00 | LUNCH + gallery walk                                                    |
| 12:45 | Housing keys to success – presentations and diving deeper group discussions |
| 2:30  | Developing your strategy for affordable housing – small group work      |
| 3:15  | Large group sharing of ideas                                            |
| 3:35  | Experts provide feedback on housing challenges                          |
| 3:55  | Next steps, thank you                                                  |
| 4:00  | Wrap                                                                    |

The three workshops were very well received, and workshop evaluations rated them quite high (average 4.37/5).
While the three workshops generated tremendous and very diverse conversations, a few common themes emerged:

- Need for local champions and political willingness
- Identification of land is first step, with possible support from a regional land trust
- Need to build greater understanding within local government, who has tools
- Non-profits want to collaborate but need to clarify own mission and figure out the steps for collaboration; also need to clearly understand the development process – working with a developer/development consultant can make the process easier
- Start building something as soon as you can!
- Access to a regional housing entity or resources and expertise at a regional level is required
- Importance of building a housing fund
- Leveraging the increasingly positive conditions for purpose built affordable rental housing where possible

The summary report of each of the three workshops are attached as Appendix C.
**Recommended Next Steps**

It is evident that affordable housing remains a challenge in small communities around BC, and that there is an appetite for increased learning, capacity building and partnerships. While this workshop intentionally focused on the successful practices and keys to success in building affordable housing, it appears that a stronger understanding of the policy tools that can be effective in advancing affordable housing is still required.

The workshops aimed to provide educational as well as sharing and networking opportunities, to generate conversation among and between communities in a region, and to share local leading practices and successes. The workshops provided an opportunity for participants to begin thinking about the next practical steps they can take to advance affordable housing. However, the workshops were not meant to address the specific and unique challenges, opportunities and strategies that would be appropriate for each community – these are the next steps that we recommend.

At the end of each workshop, there were seeds of ideas generated that involved going ‘deeper’ in a community to bring together the key players to build housing, and to identify the specific roles and next steps in moving forward. Some communities specifically requested a follow-up workshop that would bring together the right people to start developing a specific action plan. Therefore, we propose our next steps, in consultation with BC Housing, would be:

1. Reconnect with the workshop hosts in each region, and anyone else who expressed a desire to take the next steps, to identify what would be most useful for their community to continue to build knowledge and capacity for affordable housing, for example, access to professional level of housing development knowledge in the region.

2. Identify further research required to help support those community needs. For example, we may take some of the leading practices from the Scan report and do some further research to outline the details of how they have been successfully implemented and in what type of community, and create mini ‘how-to’ guides.

3. Design and offer additional workshops and learning opportunities that would meet the following goals:
a. Identifying ways for non-profits to effectively collaborate for building affordable housing

b. Bring together the key players in a community to develop an affordable housing action plan (rather than a high level strategy)

c. Facilitate ongoing resource sharing, for example, by organizing and hosting a webinar series that brings together BC Housing, CMHC and regionally-based development consultants to answer questions according to a development checklist process
Appendices

A. “What we Heard” summary report of surveys and interviews
B. Scan of Leading Practices in Affordable Housing Report
C. Summary report of the three regional workshops
   • Castlegar (November 1, 2017)
   • Cranbrook (November 3, 2017)
   • Courtenay (December 8, 2017)