



## District of North Saanich

# STAFF REPORT

To: Rob Buchan  
Chief Administrative Officer

Date: September 2, 2015

From: Mark Brodrick  
Director, Planning & Community Services

File: 6480

Re: **Area 1 & 2, and Affordable Housing Review**

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### RECOMMENDATION(S):

That Council:

1. Approves the amount of \$100,000 for the estimated cost of the consulting project and directs staff to amend the Financial Plan as required.
2. Directs staff to prepare a RFP :
  - a) for the immediate commencement of Phase One (Goals, Community Values Survey),
  - b) to proceed with Phase Two (Area 1 & 2 review), and
  - c) to proceed with Phase Three (Affordable Housing Policy) subsequent to the completion and consideration of the external housing initiatives by MLA Gary Holman, MP Elizabeth May and the CRD.
3. Endorses the proposed consulting project deliverables (refer to Appendix C).

### STRATEGIC PLAN IMPLICATIONS:

This matter relates to the following Council strategic priorities:

***Protect and Enhance Rural, Agricultural, Heritage, Marine and Environmental Resources***

***Maintain a Strong Sense of Community***

### INTRODUCTION/BACKGROUND:

In its May 4, 2015 meeting Council (271) resolved the following:

1. *Endorse reviewing Areas 1 and 2, including a fulsome public consultation, preparing an affordable housing policy, and preparing consequential OCP amendments; and*
2. *Request staff to prepare a report recommending a process, scope and costs of this work.*

With consideration of Council's resolution above the purpose of this staff report is to recommend the process, scope and costs to review Area 1& 2 and to prepare an affordable

housing policy. This staff report reviews the aspects and includes a discussion to help guide the consulting project and Council's deliberations.

**Background:**

The 2015 – 2018 Strategic Plan contains the following direction (copied below) with regards to affordable housing and Area 1 & 2. Council's Strategic Plan direction is to retain a consultant to draft an affordable housing policy subsequent to the completion of the CRD's and MLA's housing initiatives. Staff understands that both of these initiatives should be completed by December 2015 and the consultant would finish the affordable housing policy by May 2016.

Desired Long Term Result		General Strategy	Dep't	Priority	Start Date	Finish Date	Comments
Housing policies that support local and regional initiatives	32	After completion of the CRD Housing Gap Analysis and the MLA's affordable housing initiative, hire a consultant to prepare an affordable housing policy.	PCS	high		May 2016	Include analysis and background of previous and current housing initiatives.
	34	Staff to prepare a report outlining options for addressing Council's concerns regarding growth areas established by Bylaw 1352.	PCS	very high	Feb 2015	May 2015	

The creation of Area 1 & 2 was based on a consulting report completed by CTQ. The CTQ report provided some options for the location of future growth and housing typologies. District staff were tasked with evaluating the report and making recommendations to a previous Council. Various factors were considered in staff's recommendations including the provision of servicing, sewer treatment plant capacity, proximity to urban development in Sidney, transportation links, and protection of the ALR.

Some relevant excerpts from previous housing documents are provided in Appendix B.

Staff note that the question of whether or not to undertake an OCP review still seems to be an unresolved public question. There may be some benefit to assess the current relevance and agreement with the present OCP values, goals, and objectives prior to undertaking the review of Area 1 & 2. This would perhaps help guide that review and also resolve the OCP question.

**DISCUSSION:**

**Community Values**

Council is reconsidering the policy direction of future growth for the community, and has also expressed intent to address affordable housing. There are long term implications of these decisions and community values are at the core of decision making. Given the recent history of development and the diversities of opinion within the community, Council may want to consider conducting an assessment of the current OCP values, goals and objectives and confirm community values.

There are four aspects associated with Areas 1 & 2. These are: (i) the size and location of these two areas, (ii) the number of dwelling units, (iii) the housing typologies, and (iv) servicing infrastructure including the provision of public transit. Council has expressed the intent to review Areas 1 & 2 and include a robust community consultation in that review. Staff understands the review pertains to all of the identified aspects.

#### Housing Continuum (Refer to Appendix A)

A housing continuum graphic aid is provided in Appendix A. Note that some of the categories are government assisted, non-market and market driven. As with all continuums the categories are not entirely discreet and there may be some overlap.

The CRD is currently working on a housing needs analysis which is anticipated to help define local housing gaps.

#### Rental Housing

A review of past housing documents and reports reveal that rental housing is considered as one form of affordable housing and is in short supply. Additional rental housing can be created by secondary suites (decision pending) and through the provision of guest cottages / laneway houses / carriage houses. Further consideration may be given to reducing the minimum area requirements for guest cottages which may encourage more to be built.

### **Process, Scope, Cost, and Timing**

#### **Process:**

##### Phase One (OCP Values Survey)

A consultant would be retained to undertake a survey to assess the community's values and attitudes toward future growth, community character, density options, servicing infrastructure including public transit; and affordable housing options. The consultant would evaluate and synthesize the community's input and engage Council in deliberations as to the need for an OCP review including options for the scope of an OCP review.

##### **Phase One Deliverables:**

1. Community survey.
2. Identification of community values and attitudes toward future growth, community character, density options, servicing infrastructure, public transit; and affordable housing options.
3. Evaluation of the community input.
4. Report presented to Council with options and recommendations assessing the validity and currency of the current OCP goals and objectives as they pertain to growth, e.g. do residents want areas with urban densities and housing forms?

After considering the results of the community values survey, Council would deliberate on proceeding with Phase Two. Possible discussions might be:

1. Community values do not support urban growth areas in North Saanich: decision is to not proceed with OCP review and not to proceed with Phase Two.
2. Community values support some limited urban growth: decision is to not proceed with OCP review but to proceed with Phase Two.
3. Community values support expanded urban growth areas: decision is to proceed with a full OCP review (in lieu of Phase Two and Three).

Phase One Cost: survey \$20,000

### Phase Two (Area 1 & 2 review)

Assuming that an OCP review was determined not to be undertaken, the consultant would consider future growth in terms of (i) location, (ii) the number of dwelling units, (iii) housing typologies, (iv) servicing capacity, (v) public transit, (vi) market conditions, and (vii) the limitations of both the District's land base and the District's financial capacity.

The consultant would undertake robust community consultation which could include key informant interviews, stakeholder meetings, meeting with commissions, public open houses, survey, focus group meetings, open house, neighbourhood meetings, business community, web site, and possibly social media.

The consultant formulates options for the location of future growth, quantity, and housing typologies and presents the draft options to the community and Council for deliberation.

The consultant would evaluate the Council selected draft options (against market conditions including land costs, construction costs, and land assembly) and prepare a report with draft recommendations and present to Council.

The consultant would prepare a final report with recommendations and present to Council. Council would determine the preferred recommendations and the consultant would engage in public consultation to consult with residents of the proposed recommendations.

The consultant would prepare draft amending bylaws in preparation of readings.

### Phase Two Deliverables:

1. Robust community consultation.
2. Draft options, appropriate with community values, for Area 1 & 2 regarding future growth in terms of (i) location, (ii) the number of dwelling units, (iii) housing typologies, (iv) servicing capacity, (v) public transit, (vi) market conditions, and (vii) the limitations of both the District's land base and financial capacity.
3. Council presentations on draft and final reports, with recommendations and maps.
4. Prepare draft amending bylaws.

Phase Two Cost: \$45,000

### Phase Three (Affordable Housing)

The consultant reviews existing documents for completeness and reliability including the 2007 North Saanich Housing Needs Assessment, 2008 North Saanich Housing Strategy, 2013 Housing Strategy Implementation Plan, 2012 Affordable Housing for BC's Capital Region: Tools for the Future, various staff reports, and the final reports for the in progress housing initiatives by MLA Gary Holman, MP Elizabeth May, and the CRD.

The consultant considers the market driven and non-market housing categories from the housing continuum, the availability of public transit, and develops draft options for an affordable housing policy which are presented to the community and Council for deliberation.

The consultant would prepare a final report with recommendations and present to Council. The consultant would prepare a draft affordable housing policy and draft amending bylaws in preparation of readings.

**Phase Three Deliverables:**

1. Robust community consultation.
2. Review and consideration of historic and expected housing reports.
3. Identification of housing needs and gaps.
4. Draft options for an affordable housing policy with consideration of both market driven and non-market housing, and the availability of public transit.
5. Council presentations on draft and final reports, with recommendations for an affordable housing policy.

Phase Three Cost: \$35,000

**Scope**

The consultant would:

1. Review previous staff reports, historic and expected documentation.
2. Hold robust public consultation.
3. Consider the availability of public transit.
4. Advise Council on deliberations for an OCP review.
5. Develop and review options with Council for future growth areas and an affordable housing policy.
6. Develop draft and subsequent final recommendations with consideration of market considerations.
7. Prepare draft amending bylaws and a draft affordable housing policy in preparation of readings.

**Cost**

Staff time will be required to develop the RFP, prepare the professional services contract, and administer the consulting project. The consultant's contract is estimated to cost:

Phase One (OCP Values Survey): \$20,000

Phase Two (Area 1& 2 review): \$45,000

Phase Three (Affordable Housing Policy): \$35,000

Total: \$100,000

**Timing**

Phase One could start after Council's decision to proceed with the consulting project.

Phase Two would start after Phase One.

Phase Three would start after completion of Phase Two and the external and in progress housing initiatives are completed – which staff understands will be the end of 2015. The in progress housing initiatives include MLA Gary Holman, MP Elizabeth May, and the CRD. It is anticipated that these final reports will prove invaluable to advance and shape an affordable housing policy. This is consistent with the 2015-2018 North Saanich Strategic Plan and means a start date of May 2016.

**OPTIONS:**

Council may:

1. Consider proceeding with the three phase proposal and approve the required budget.
2. Do not include Phase One and proceed directly with Phase Two.
3. Do not include Phase One and proceed with Phases Two and Three concurrently.

4. Do not proceed with any further review and maintain the OCP and Bylaw 1352.

**FINANCIAL IMPLICATIONS:**

There will be future staff time and consultant costs. The \$100,000 is not currently budgeted and there will need to be a Financial Plan amendment. Funding would be from the current operating budget for consultants as well as funding from surplus and the Planning Studies Reserve.

**LEGAL IMPLICATIONS:**

Amendments to the OCP and zoning bylaw require public hearings. CRD approval is required for amendments to the Regional Context Statement and the Regional Growth Strategy.

**CONSULTATIONS:**

The consulting contract would require robust public consultation including consultation on both draft and final recommendations.

**INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:**

Circulated for comments to Corporate Services, Emergency Services, Financial Services, and Infrastructure Services.

**SUMMARY/CONCLUSION:**

Robust public consultation will assist in determining (i) community values, (ii) issues, (iii) challenges, and (iv) priorities. The consulting project will aid Council's deliberations on undertaking an OCP review.

A review and consideration of historic and expected documents will help to inform and support the consulting project.

This staff report addresses a review of Areas 1 & 2 and the development of an affordable housing policy.

**Attachments:**

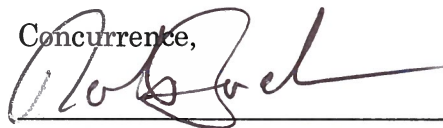
Appendix A: Graphics: Housing Continuum  
Appendix B: Excerpts from Existing Documents  
Appendix C: Consulting Project Deliverables

Respectfully submitted,



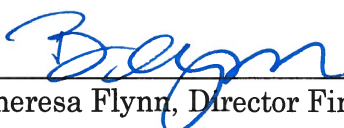
Mark Brodrick, Director Planning  
Community Services


Concurrence,



Rob Buchan  
Chief Administrative Officer

Concurrence:

  
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Theresa Flynn, Director Financial Services

  
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Patrick O'Reilly, Director Infrastructure  
Services

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Curt Kingsley, Director Corporate Services

  
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Gary Wilton, Director Emergency Services

## Appendix A: Affordable Housing Continuum



Source: Creating Market and Non-Market Affordable Housing: A Smart Growth Toolkit for BC Municipalities



## **Appendix B: Miscellaneous Excerpts from Existing Documents**

### **2007 Housing Needs Assessment**

- Lack of rental housing
- Lack of moderate income housing
- Limited choices for seniors, no purpose built senior's housing
- Limited choice for workforce
- Seniors often migrate from single family dwellings to apartments (downsize)
- Renters have more financial restrictions than owners
- Seniors, affordable, secondary suites, special needs

### **2008 Housing Strategy**

- Local government tools: OCP; land use designation; zoning; housing agreement; fees, charges, taxes; secondary suites; partnerships; advocacy; education
- North Saanich has the least range of housing choices
- Target secondary suites, households with income between \$72,000 to \$90,000
- Secondary swelling units - coach house, laneway, granny flat
- Small lots
- Multi-unit low (37/ha = 15/acre), and medium density (60/ha = 24/acre)
- Make 1: 10 new development units affordable

### **2013 CTQ Housing Strategy Implementation Plan**

- Senior's, affordable, secondary suites, special needs, workforce, rental, aging in place
- Small lots, increase in density, townhouses, three story apartments all subject to suitable location
- Suggested locations: east of Pat Bay highway near McDonald Park, adjacent to Sidney, near VAA, along McTavish, Sandown
- \$300,000 to \$425,000 range for three bedroom homes. Less for townhouses and apartment units
- Median income \$60,000 to \$80,000 range
- Estimated 400 to 500 homes need over the next 2-3 years
- North Saanich has the least range of housing options
- Townhouses 15-25 units/acre, apartments 30-50 units/acre, small lots 8-10 units/acre
- Adopt design guidelines form and character
- Consider an OCP review

### **2012 CRD Affordable Housing for BC's Capital Region: Tools for the Future**

- Housing Trust was created in 2005
- Consider secondary suites, tax exemptions, housing agreements
- Affordable (in addition to the CMHC 30% definition) also includes mortgage costs, transit, employment, income, land values, demographics
- Demolition control to reuse housing
- North Saanich low income rate increased between 1996 & 2006
- Affordable Housing = Housing is affordable when shelter costs do not exceed 30% of a household's before-tax income. This proportion is usually applied to those households with an income of 60% to 120% of the median income for the specific geographic location.
- Workforce Housing = Workforce housing affordability refers to housing affordability for households with an annual income of 80% to 200% of the median income for a specific locality.

## **Appendix C: Consulting Project Deliverables**

### Phase One Deliverables:

1. Community survey.
2. Identification of community values and attitudes toward future growth, community character, density options, servicing infrastructure, public transit; and affordable housing options.
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3. Council presentations on draft and final reports, with recommendations and maps.
4. Prepare draft amending bylaws.

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4. Draft options for an affordable housing policy with consideration of both market driven and non-market housing, and the availability of public transit.
5. Council presentations on draft and final reports, with recommendations for an affordable housing policy.