

City fleshes out details of strategic housing plan

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By Tracy Sherlock

Rent banks, more co-op housing and limits on profits for homeowners and developers are among the strategies being considered as the City of Vancouver tries to reduce homelessness and increase housing affordability.

In a plan that goes before council today, the city proposes to provide \$42 million in land and capital grants over 10 years to create 38,000 new affordable homes, including 7,900 supportive and socialhousing units, 11,000 market rental units and 20,000 new condo and "ownership" units by 2021.

Coun. Raymond Louie said in an interview that strategies may include: . A "rent bank" where tenants facing eviction for not paying their rent can apply for either a loan or a grant, which is then paid directly to the landlord.

. Long-term leases, where the city maintains ownership of the land, which is leased at preferred rates for a defined term but is always owned by the city.

. Units that have fixed limits on the profits that homeowners can make when selling, which would end property speculation; any rise in property value beyond the set limit could be directed to the city for other social-housing projects.

. Limits to the profits that developers can make on the land speculation in projects; special consideration for a project's approval may be based on the developer making a lower profit.

. Increasing co-op ownership and rentals, where a financial institution or the government makes the initial outlay of cash and is repaid over a long period of time.

Some of these ideas have been successfully tried elsewhere, including in Whistler, where developers pay into a trust fund that pays for price-controlled units. Ontario operates a rent bank, funded by the province. Vancouver already has some suites on long-term leases in False Creek.

And a project on Cordova Street built earlier this year has served as a test of lower-cost home ownership, Louie said.

"The developer took no profit, there was no advertising, the architect threw in and Vancity partnered in terms of financing. The city gave a little bit of relaxation as well," Louie said. "All of these little pieces helped to lower the price of the home."

The city is already using strategies such as exchanging density bonuses for new market rental suites or social housing, and this plan calls for that practice to continue, Louie added.

The plan addresses the continuum of housing, from homelessness to home ownership, because easing pressure in one area will alleviate shortages in other areas, Louie said. Most of the strategies rely on partnerships with other levels of government, financial institutions, non-profit organizations and developers.

Wendy Pedersen, an advocate for low-income housing from the Carnegie Community Action Project, said her group would like to see the government building 10 new socialhousing units a year for the next five years instead of the one a year called for in this plan.

"We can't live for 40 or 50 years in this condition," Pedersen said, adding that the plan's lack of detail makes it difficult to know if it's good or bad.

Michael Geller, a former official with the Canada Mortgage and Housing Corporation who was project manager for the redevelopment of the south shore of False Creek, also noted "a paucity of details" in the report.

"The report is significant for what it doesn't say," Geller said in an email. "For instance, there's nothing about how the city is going to get social or affordable housing built on the many sites that have been preserved for this purpose on the north shore of False Creek and Coal Harbour that are lying fallow, or [are] used for parking." Louie could not say where in the city the new projects would be developed, but he did say the city would not be financing any of the projects.

The housing strategies in the plan are aimed at all income levels. Louie said the new social-housing units would be subject to low-income cutoff qualifications, but it is still undetermined whether eligibility for the new market rental units or home-ownership units would be income-dependent. To qualify for a rent subsidy in B.C., a family must earn less than \$45,000 per year. For social housing there are certain residency and family qualifications, and rent is usually targeted at 30 per cent of gross income.

Louie cited a rental rate of about \$2 or \$2.25 per square foot as affordable. At that rate, a 400-or 450-square-foot apartment would rent for about \$900 a month, which is much cheaper than paying a mortgage, Louie said.

City council would have to approve all of the projects, Louie said.

Meanwhile, government officials took advantage of the unveiling of a new supportive housing development in Vancouver's Downtown Eastside on Monday to announce they'll carry through with previous commitments to support affordable housing in B.C.

The federal and provincial governments will each contribute \$90 million over the next three years to support the housing needs of low-income individuals, families and seniors.

The announcement came at the official unveiling of Sorella, a new 108-unit development at 525 Abbott St. that houses 12 pregnant single women and 35 children.

All three levels of government contributed to the project, with a \$14.6-million grant from the B.C. government, more than \$6.1 million from the federal government and the city providing the \$2.6-million piece of property.

Conservative Heritage Minister James Moore said the federal government favours partnerships with provinces instead of a nationwide framework for housing.

"The rhetoric of a national housing strategy sounds good," Moore said, when asked by reporters why the federal government has resisted calls for a national housing strategy. "The truth is we think this structure - this framework - works better."

After the opening ceremony, Mayor Gregor Robertson said "mayors across the country have been asking for a national housing strategy for years.

"The reality at this point is the federal government is more focused on targeting funding into programs such as this."

Robertson said he welcomed the funding and the federal government's interest in working with the province to help municipalities, but more is needed. "Ultimately we'd like them to keep stepping up and contributing more, because we have a long way to go."

Rich Coleman, B.C.'s minister responsible for housing, said that in the last 10 years, "the province has invested \$2.8 billion and created more than 20,000 new units of affordable housing."