BHL

# Balanced Housing Lab

## Final Report

urban matters

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# Acknowledgments

We would like to thank the Steering Committee, who oversaw all elements of the project, providing input on the direction of lab groups, the overall composition of lab participants, and the development of prototypes.

## Balanced Housing Lab Steering Committee

- **Linda Buchanan:** Mayor, City of North Vancouver
- **Mary Ann Booth:** Mayor, District of West Vancouver
- **Khelsilem:** Councillor, Squamish Nation
- **Chris Lewis:** Councillor, Squamish Nation
- **Jonathan Wilkinson:** MP, North Vancouver
- **Patrick Weiler:** MP, West Vancouver-Sunshine Coast-Sea to Sky Country
- **Bowinn Ma:** MLA, North Vancouver-Lonsdale
- **James Forsyth:** Director of Regional Development, BC Housing

We would also like to thank the Project Working Group, who provided input on the engagement process, the selection of lab participants, and the implementation of prototypes.

## Project Working Group

- **Michael Epp:** Director of Planning and Development, City of North Vancouver
- **Coreen Alexander:** Planner 1, City of North Vancouver
- **David Hawkins:** Manager of Community Planning and Sustainability, District of West Vancouver
- **Winnie Yip:** Senior Community Planner, District of West Vancouver
- **Shazeen Tejani:** Community Planner, District of West Vancouver
- **Monica Jacobs:** Member Services Director, Squamish Nation
- **Bob Sokol:** Director of Planning and Capital Projects, Squamish Nation
- **Sarah Silva:** Chief Executive Officer, Hiy̓áḿ ta Sḵwx̱wú7mesh Housing Society
- **Mark Pearmain:** Superintendent, School District 44
- **Georgia Allison:** Treasurer, School District 44
- **Thomas Bevan:** Development Manager, BC Housing

A sincere thank you to the approximately 40 participants representing a wide range of perspectives and interests who participated in our four lab session, helping to develop and iterate prototypes.

Finally, we would like to thank the Canada Mortgage and Housing Corporation, who helped make this project possible. This project entitled "Balanced Housing Lab" received funding from the National Housing Strategy under the NHS Solutions Labs, however, the views expressed are the personal views of the author and CMHC accepts no responsibility for them.

*This project titled "Balanced Housing Lab" received funding from the National Housing Strategy under the NHS Solutions Labs, however, the views are of the author and CMHC accepts no responsibility for them.*

# Executive Summary

The Balanced Housing Lab (BHL) is an innovative partnership of governments on the North Shore of the Metro Vancouver area and includes the City of North Vancouver, District of West Vancouver, and Squamish Nation. The purpose of the BHL is to generate new models of collective action to address North Shore housing challenges, particularly for moderate to middle-income households in the workforce,[1] who are increasingly left unserved by current market housing options (both ownership and rental) but not eligible for limited affordable housing spaces that exist or are being developed.

Social innovation labs are an emerging process based on the premise that no single actor in the system can address a complex social problem on their own. Instead, diverse perspectives are needed to build a systems-wide understanding of the issues and root cases to ultimately develop and test meaningful solutions. Through a lab process, we aim to identify the key points in the system that can be leveraged to create meaningful change. Labs are intended to act as a social research and development (R&D) forum and offer a safe and creative space to explore and test new ways of doing things. BHL used the lab model as an approach for tackling the issues of moderate to middle-income housing on the North Shore.

Starting in September 2019, the BHL has been bringing together a diverse cross-section of North Shore residents, workers, employers, professionals and academics with expertise in housing to identify solutions that could readily be implemented by the three project partners and other stakeholders in the community. The project is being overseen by a Steering Committee and managed by a Project Working Group (for more information see Section 2.1). Four lab workshops were held between December 2019 and April 2020 that brought together a diversity of perspectives on housing and development on the North Shore all aiming to address the central lab question:

***How might we co-create diverse housing solutions that make it possible for people at different stages of life to live and work in the City of North Vancouver, Squamish Nation, and the District of West Vancouver?***

Overseen by a Steering Committee and guided by a Project Working Group, BHL was made up of six phases:

| | |
|---|---|
| **PHASE 1:** | Establishing BHL governance and process |
| **PHASE 2:** | Understanding the issues, opportunities, and existing solutions |
| **PHASE 3:** | Convening the Lab workshops to develop prototypes (Lab Workshops 1-4) |
| **PHASE 4:** | Testing prototype solutions |
| **PHASE 5:** | Development of a roadmap and Collective Impact Framework |
| **PHASE 6:** | Reporting back to lab participants |

Lab participants were recruited in Phase 1 to participate in Phases 2 and 3 and reconvene in Phase 6. Lab participants were drawn from the following groups:

- **North Shore business community**
- **Community members with an understanding of housing issues**
- **Planners in the housing sector**
- **Elders**
- **Representative of the workforce (e.g. business owners, fire department, police, schools)**
- **Financial institutions**
- **Representatives of the academic sector**
- **Project Working Group members**
- **Individuals with lived experience of housing issues**

1 For the purposes of the Balanced Housing Lab, moderate to middle-income earning has been defined as households earning $50,000 to $100,000 annually. For more detail see section 1.1 below.

In the first workshop, participants identified the following barriers to the development of balanced housing:

- **Infrastructure limitations**
- **Under-developed partnerships**
- **Competing priorities for resources**
- **Unclear government roles/jurisdictions**
- **Income levels not keeping pace with costs**
- **Scarcity of land**
- **Restrictive and lengthy development approvals processes**
- **High costs of development**
- **Lack of community support**
- **Cost and supply of housing stock**

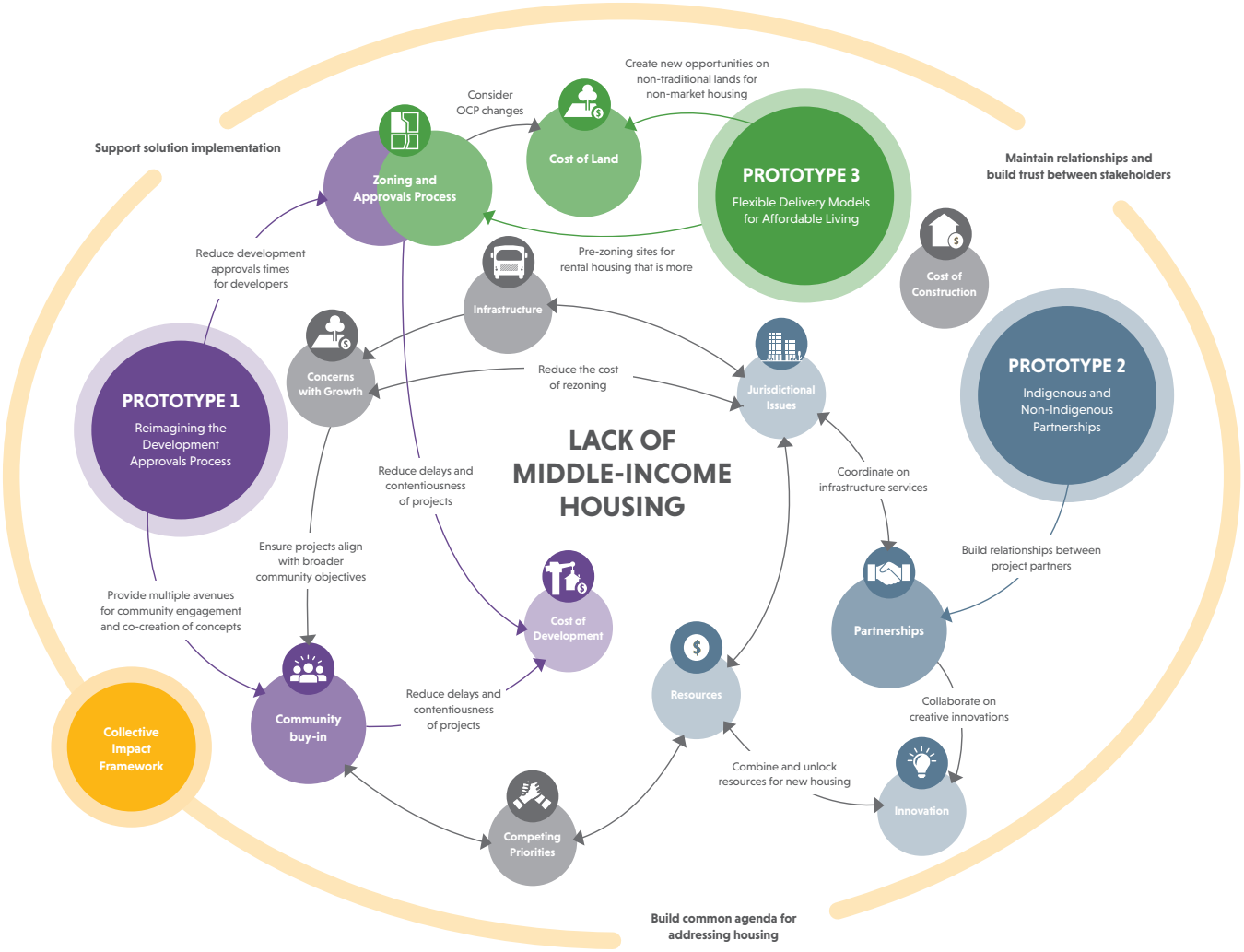
In order to address some of these challenges in strategic and systemic ways, the Steering Committee and Project Working Group identified three prototype areas to focus on through the remaining lab process and prototype testing:

1. **Process Prototype:** Reimagining the Development Approvals Process
2. **Partnership Prototype:** Indigenous and Non-Indigenous Partnerships
3. **Policy Prototype:** Flexible Delivery Models for Affordable Living

By reviewing the development approvals process, the Lab was seeking to address both the cost of development approvals – in time and therefore resources for a developer – and the potentially contentious nature of the development. By strengthening partnerships between Indigenous and non-Indigenous governments on the North Shore, opportunities for additional housing that serves both the Squamish Nation and non-Indigenous residents of the North Shore may emerge that can be more quickly and effectively acted on. Finally, by focusing on a policy intervention that aligns municipal tools with private sector developer resources and senior government funding, there may be an increase in new mid-market rental stock being brought online on the North Shore.

The map below outlines the ecosystem of balanced housing challenges and solutions developed through this lab. This ecosystem map uses the challenges and barriers identified by lab participants in the first Lab Workshop as a basis for understanding the key intervention points that each prototype addresses. The prototypes were intentionally diverse, with hope that intervening at different challenge points, greater systems-wide change could be effected.

**Figure 2: The Ecosystem of the Balanced Housing Lab**




The key findings in each prototype are discussed within the report, and iteration and testing is ongoing, even as this report is delivered. However, a number of key lessons learned emerged about the process during the testing/iteration phase:

- **Robust governance is key**
- **Systems disruptions won't stop a good process**
- **Iteration is key, but can be challenging**
- **Having the unusual suspects at the table creates opportunities**
- **Some elements of public engagement were lost during testing/iteration phases**
- **Prototypes may need to start small but that doesn't limit their potential to scale**
- **Most actors in the system are seeking change**

Moving forward, the project partners have committed to continuing to work together at the political and staff level, with ongoing testing and iterating of the prototypes, sharing lessons learned, and identifying future opportunities for collaboration and partnership.

# 1 Introduction

## 1.1 Project Overview

Regional and provincial housing trends have pushed market housing beyond the reach of many working households in Metro Vancouver. On the North Shore, homeownership is increasingly unattainable for moderate to middle-income households, while rental vacancy rates are at historic lows and the cost of renting is high. Many households are struggling to find suitable and affordable housing close to where they work and where their children go to school. Limited housing options and affordability for moderate to middle-income households is leading to a demographic 'missing middle' and the problem is expected to worsen as the population continues to grow.

The Balanced Housing Lab (BHL) is an innovative partnership of governments on the North Shore of the Metro Vancouver area and includes the City of North Vancouver, District of West Vancouver, and Squamish Nation. The purpose of the BHL is to generate new models of collective action to address North Shore housing challenges, particularly for moderate to middle-income households in the workforce.

Starting in September 2019, the BHL has been bringing together a diverse cross-section of North Shore residents, workers, employers, professionals, and academics with expertise in housing to identify solutions that could readily be implemented by the three project partners and other stakeholders in the community. The project is being overseen by a Steering Committee and managed by a Project Working Group (for more information see Section 2.1). Four Lab workshops were held between December 2019 and April 2020 that brought together a diversity of perspectives on housing and development on the North Shore all aiming to address the central Lab question:

***How might we co-create diverse housing solutions that make it possible for people at different stages of life to live and work in the City of North Vancouver, Squamish Nation, and the District of West Vancouver?***

## 1.2 Purpose of the Roadmap Report

This roadmap report provides a summary of the outcomes of the Lab process. It is intended to be a guide for other communities exploring similar challenges and opportunities and seeking to replicate the prototypes being piloted through the BHL. The roadmap offers guidance on the following:

- **Lab governance**
- **Understanding the complex nature of the problem**
- **Developing and implementing a range of prototypes**

2 For more information regarding housing costs and challenges on the North Shore see Housing Needs Fact Sheets, available at: https://www.cnv.org/city-services/planning-and-policies/housing/housing-lab

3 For the purposes of the Balanced Housing Lab, moderate to middle-income earning has been defined as households earning $50,000 to $100,000 annually. The Lab recognizes that to some extent this creates artificial boundaries on what constitutes a moderate to middle-income household: some households earning just below $50,000 annually would benefit from the solutions emerging from this lab process, as would some households earning over $100,000 annually. These thresholds were developed to allow for analysis of housing pressures and issues facing these households. More broadly, moderate to middle-income households are those households for whom there are few to no housing supports from government but are unable to readily find market housing options on the North Shore.

# 2
# Project Governance and Process

## 2.1 What is a Social Innovation Lab?

*"A social innovation lab (or simply social lab or "lab") refers to a process that brings together many stakeholders to address complex social problems involving research, experimentation, prototyping, and testing solutions."*

– McConnell Foundation

Social innovation labs are an emerging process based on the premise that no single actor in the system can address a complex social problem on their own. Instead, diverse perspectives are needed to build a systems-wide understanding of the issues and root cases to ultimately develop and test meaningful solutions. Through a lab process, we aim to identify the key points in the system that can be leveraged to create meaningful change.

Labs are intended to act as a social research and development (R&D) forum and offer a safe and creative space to explore and test new ways of doing things.

## 2.2 Lab Governance

The project was governed by the Project Steering Committee composed of the following individuals and organizations:

**Linda Buchanan**
Mayor, City of North Vancouver

**Mary Ann Booth**
Mayor, District of West Vancouver

**Khelsilem**
Councillor, Squamish Nation

**Councillor Chris Lewis**
Squamish Nation

**Jonathan Wilkinson**
MP, North Vancouver

**Patrick Weiler**
MP, West Vancouver-Sunshine Coast-Sea to Sky Country

**Bowinn Ma**
MLA, North Vancouver-Lonsdale

**James Forsyth**
Director of Regional Development, BC Housing

This group oversaw all elements of the project, providing input on the direction of Lab groups, the overall composition of Lab participants, and the development of prototypes.

A second layer of support was provided by the Project Working Group, consisting of staff from the three partners and other key stakeholders. The Project Working Group was composed of the following individuals:

**Michael Epp**
Director of Planning & Development, City of North Vancouver

**Coreen Alexander**
Planner 1, City of North Vancouver

**David Hawkins**
Manager of Community Planning & Sustainability, District of West Vancouver

**Winnie Yip**
Senior Community Planner, District of West Vancouver

**Shazeen Tejani**
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Member Services Director, Squamish Nation

**Bob Sokol**
Director of Planning and Capital Projects, Squamish Nation

**Sarah Silva**
Chief Executive Officer, Hiyám ta Swxwú7mesh Housing Society

**Mark Pearmain**
Superintendent, School District 44

**Georgia Allison**
Treasurer, School District 44

**Thomas Bevan**
Development Manager, BC Housing

## 2.3 Lab Participants

Through the early phases of the project, the Working Group identified key sectors and organizations that could provide different perspectives on the housing system. Approximately 40 participants accepted the invitation to participate. The large majority of these participants continued through the entire Lab process between December 2019 and April 2020. Participants came from a wide range of ages, life experiences, and professions, including the following:

- North Shore business community
- Community members with an understanding of housing issues
- Planners in the housing sector
- Elders
- Representative of the workforce (e.g. business owners, fire department, police, schools)
- Financial institutions
- Representatives of the academic sector
- Project Working Group members
- Individuals with lived experience of housing issues

## 2.4 About the BHL Process

The BHL was made up of six phases:

- **PHASE 1:** Establishing BHL governance and process
- **PHASE 2:** Understanding the issues, opportunities, and existing solutions
- **PHASE 3:** Convening the Lab workshops to develop prototypes (Lab Workshops 1-4)
- **PHASE 4:** Testing prototype solutions
- **PHASE 5:** Development of a roadmap
- **PHASE 6:** Reporting back to lab participants

The Balanced Housing Lab was initiated in July 2019 and convened project partners, Urban Matters, the consultant contracted to support the work, the Steering Committee, and Project Working Group to design the project process. The consultant then conducted research into a range of topics including housing needs for the partner communities, barriers to new housing for moderate to middle-income households, and existing solutions that have been implemented, both within the partner communities and elsewhere in the region, province and country. Sessions with the Steering Committee and Project Working Group were held in October 2019 to plan for the Lab workshops which were held between December 2019 and April 2020. Between each Lab workshop the Steering Committee and Working Group convened to review the outcomes of each workshop and determine appropriate next steps for research and refinement. The four Lab workshops unfolded as follows:

4 This research is summarized in the Knowledge Brief available on the project website: https://www.cnv.org/city-services/planning-and-policies/housing/housing-lab

**December 11, 2019:** Workshop 1 focused on challenge mapping and identifying opportunities to address these challenges.

**January 29, 2020:** Workshop 2 had lab participants assigned to one of three groups in order to generate initial prototype ideas. Each group was assigned a lead facilitator or coach from amongst the consultant team, to support the development of prototypes. These groups were:

- Group #1: Re-Imagining the Development Approvals Process
- Group #2: Indigenous and Non-Indigenous Partnerships
- Group #3: Flexible Delivery Models for Affordable Living

**February 26, 2020:** Workshop 3 involved refining and building upon the ideas generated in Workshop 2, and the refinements developed through the Steering Committee and Working Group meetings.

**April 22, 2020:** Originally scheduled for March 18, Workshop 4 was delayed due to COVID-19, and held on a virtual platform in April. During the session, participants were invited to review draft prototypes, offer refinements, and identify potential recommendations for testing/piloting the prototypes in a later phase of work.

The Steering Committee met again to review outcomes of the final workshop in June 2020. During the summer, Urban Matters and the project partners planned and developed strategies for piloting and testing the emergent prototypes. After the completion of the prototypes, Urban Matters worked with the Steering Committee and Project Working Group to draft the 'roadmap.' The project partners and consultant reported back to Lab participants about the outcomes of the prototyping process and on successes and lessons learned.

## 2.5 Communications and Public Engagement Activities

As part of the BHL process, a number of activities were carried to share information about the project with residents and stakeholders. The City of North Vancouver hosted the Balanced Housing Lab website and managed most of the communications about this project. Squamish Nation and the District of West Vancouver shared information about the lab for recruitment through online communications, social media and stakeholder networks.

Information about the Lab was hosted on the following website : https://www.cnv.org/City-Services/Planning-and-Policies/Housing/Housing-Lab

### On-Going

- All information related to this project is listed on the Balanced Housing Lab website including project timeline, Lab information, project partners, emerging prototypes, and next steps.

### November 2019

- Social media activities conducted through Lab's website to promote recruitment for participation in the Lab Workshops (86 applications received). Squamish Nation and the District of West Vancouver also shared recruitment information through their websites, social media and stakeholder networks.

### December 2019

- Social media activities used to promote the first Lab Workshop through the Lab's website and e-newsletter, including promotion by the Squamish Nation and District of West Vancouver through their social media and websites.

### February – March 2020

- A draft Social Media Plan with key project messages was created in conjunction with the three project partners.

- Communications about the Lab was put on hold due to the COVID-19 pandemic as the majority of partner communications efforts were focused on the COVID-19 pandemic.

### October – November 2020

- Social media activities undertaken through the City's website, e-newsletter, and Twitter to promote the Balanced Housing Lab project update and emerging prototypes report going to the City of North Vancouver's Council and the District of West Vancouver's Council.

### December 2020

- Request for Expressions of Interest posted on City's website and BC Bid seeking a developer to participate in the Pilot Development Approvals Process (Prototype 1).

### January 2020

- District of West Vancouver Mayor Booth highlighted the Balanced Housing Lab as part of her Mayor's Update: Year-in-Review.

### February 2021

- Update email on the status of the three emerging prototypes circulated to all Lab Participants.

### March 2021

- Social media activities undertaken through the City's website, e-newsletter, and Twitter to encourage the public to apply to participate in the Co-Creation Workshop part of the Pilot Development Approvals Process (29 applications received).

# 3
# The Current State

## 3.1 Housing Needs

This section provides a snapshot of the demographics and housing trends of middle-income households in BHL communities. A Housing Needs Study was conducted specifically for this project. For the full results from the Housing Needs study, see **Appendix 2**.

### Middle-Income Households

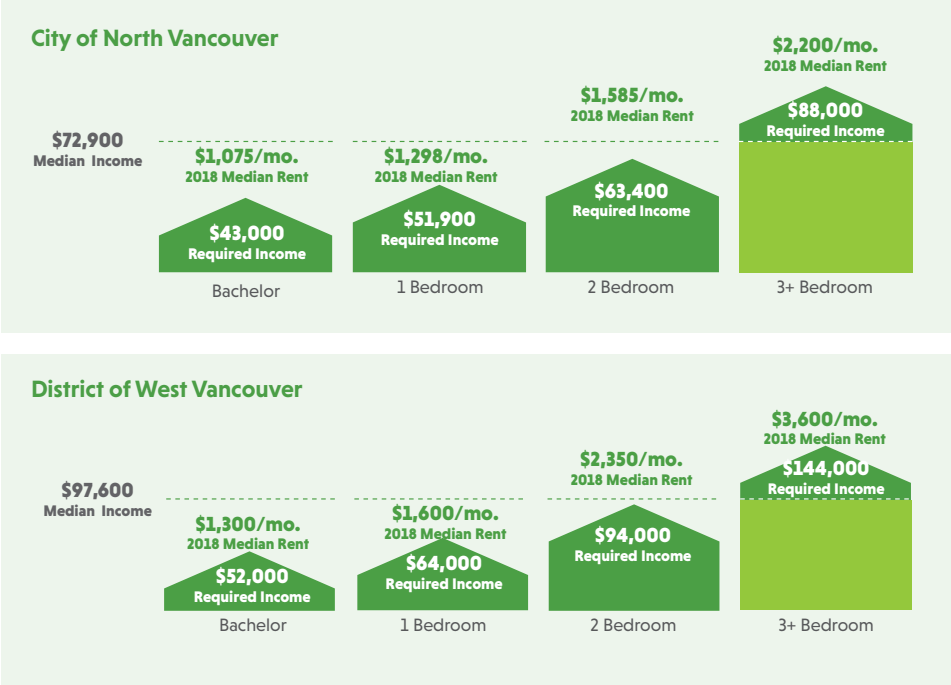
Middle-income households – individuals and families earning between $50,000 and $100,000 per year - are a significant portion of the North Shore community making up 11,525 households in the City of North Vancouver and District of West Vancouver, or 27% of all households. Nearly half of middle-income earners in the City of North Vancouver, one-quarter of middle-income earners in the District of West Vancouver, and more than half of individuals living in Squamish Nation rent their homes. These households are diverse and include all household types, from individuals living alone to families with children. Different household types have a wide variety of needs and likely face significantly different housing pressures. For Squamish Nation, members have identified that the need for affordable housing is the number one issue.

Many middle-income households, historically served by market housing, are struggling to find suitable and affordable housing close to work and schools. When housing options are limited, households live farther away from work or seek schools and employment elsewhere. Neighbourhoods and local businesses can be negatively affected as there may be a high turnover of residents and limited opportunities to put down roots and build community. As job opportunities on the North Shore grow, a lack of housing options and affordability can also increase congestion and commute times as workers move farther away. Between 2011 and 2016, the numbers of jobs on the North Shore grew by 12% while the population only grew by 4%. Among North Shore workers, 40% live elsewhere (mostly in Vancouver, Burnaby, Surrey, or Coquitlam).

## Housing Affordability

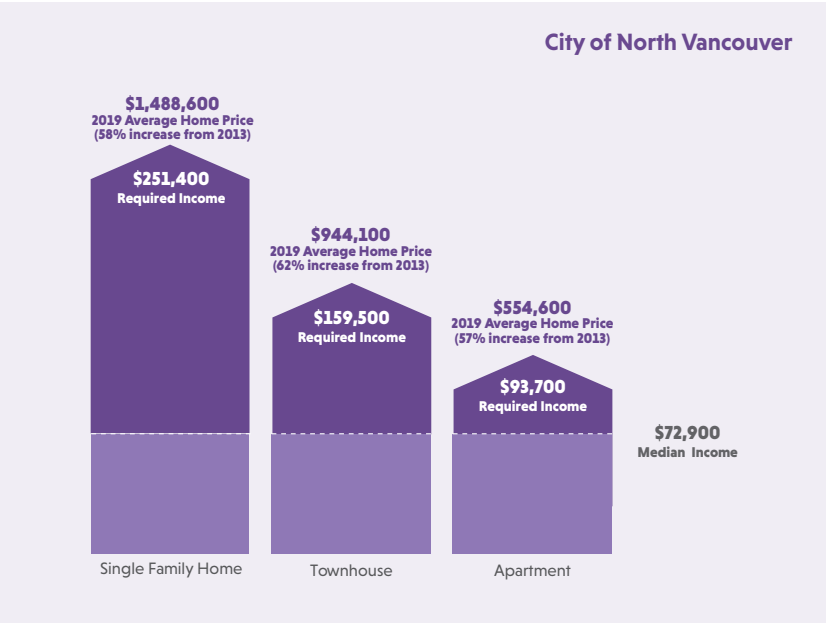
While median incomes from across the North Shore have grown over the past decade, it has not kept pace with the rising cost of housing. The Canada Mortgage and Housing Corporation (CMHC) considers housing to be affordable when a household spends less than 30% of before-tax household income on shelter costs. For renters, shelter costs include rent and any payments for electricity, fuel, water, and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water, and other municipal services.

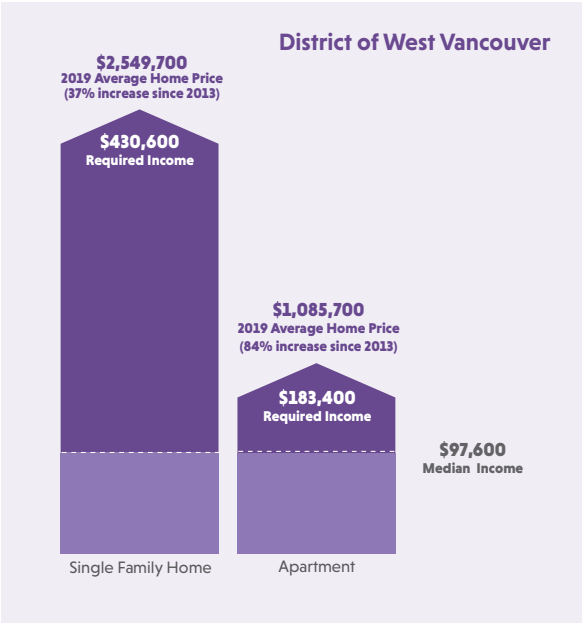
### Primary Rental Affordability Gap Analysis




*Source: Statistics Canada, 2016; CMHC, 2018.*

### Homeownership Affordability Gap Analysis



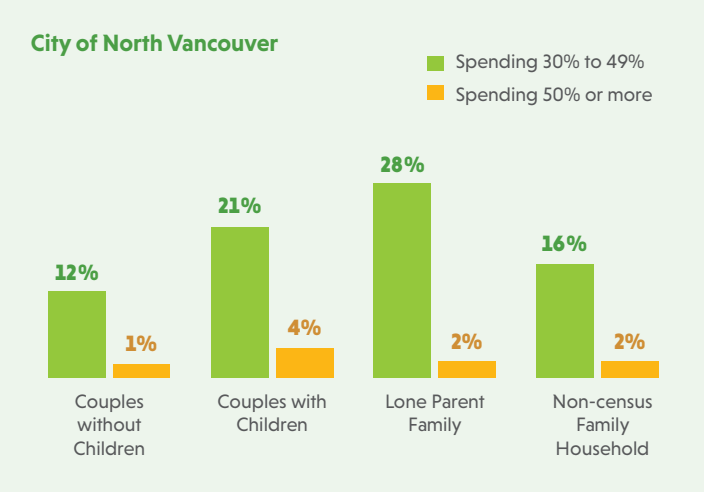

*Source: Statistics Canada, 2016; Real Estate Board of Greater Vancouver, 2019.*

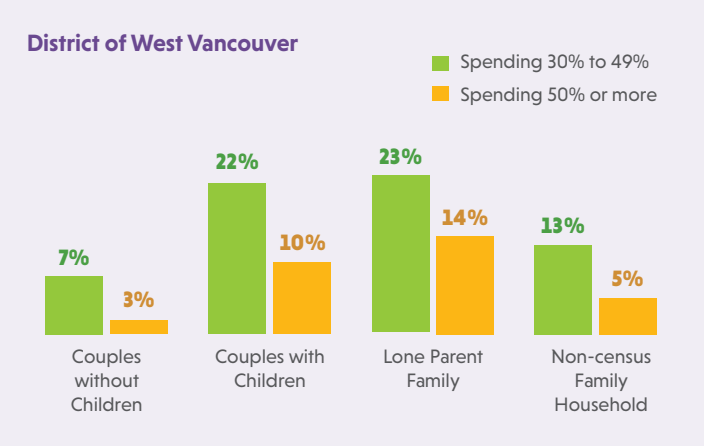
Overall, middle-income households are more likely to spend 30% or more of their income on shelter costs, compared to households earning more than $100,000. Across household types, a higher proportion of lone-parent families and couples with children face housing affordability issues compared to other household types.

Among middle-income households in the City of North Vancouver, 23% spent 30% or more of their income on shelter costs in 2016, compared to only 6% of households earning more than $100,000. Unsurprisingly, lower household incomes are more likely to face housing unaffordability: 34% of households earning between $50,000 and $59,999 faced housing unaffordability in 2016, compared to 11% of households earning $90,000 and $99,999. Forty percent of homeowners have paid off their mortgages and likely do not face housing affordability issues. Among family types, lone-parent families and couples with children are more likely to face housing unaffordability than others.

Among middle-income households (earning between $50,000 and $100,000) in the District of West Vancouver, 37% spent 30% or more of their income on shelter costs in 2016, compared to 12% of households earning more than $100,000. A similar proportion of owners (36%) and renters (39%) spend more than 30% of income on shelter costs. However, because there are far more owners than renters, the number of owners facing housing unaffordability is very high. Lone-parent families and couples with children are more likely to face unaffordability than others because of the high cost of larger units.

**Proportion of Middle-Income Households Facing Housing Unaffordability**




*Source: Statistics Canada, 2016*

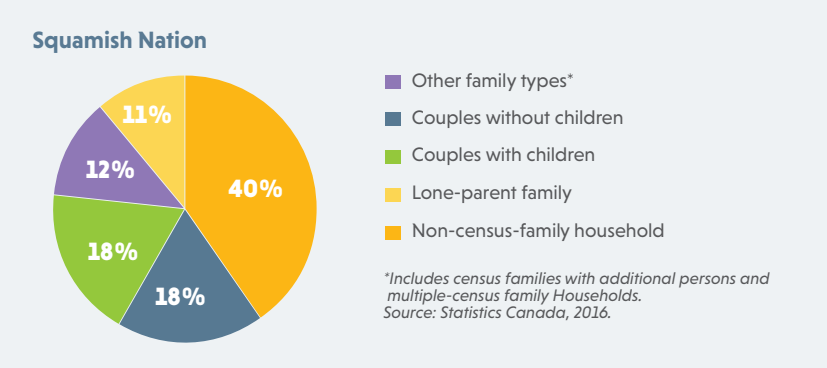
## Current Housing Market

While high demand for new housing has led to significant new construction on the North Shore in recent years, market housing is beyond the reach of many middle-income individuals and families. Between 2013 and 2019, the average resale housing prices increased significantly in the City of North Vancouver and in the District of West Vancouver.

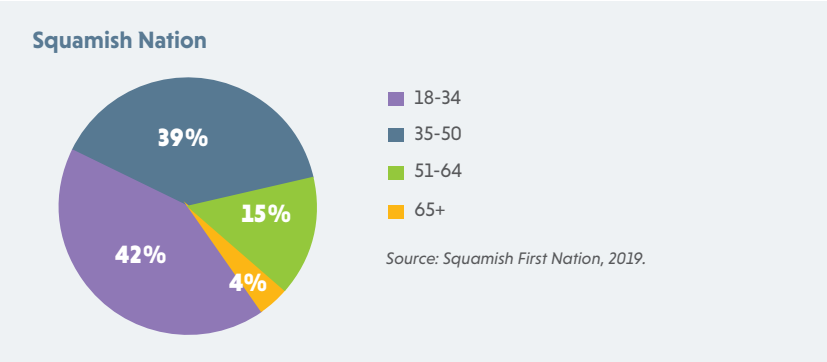
Rental vacancy rates also continue to stay at historic lows, putting pressure on households searching for housing. In 2020, the primary housing rental vacancy rate in the City of North Vancouver and the District of West Vancouver was 2.6% and 2.5%, respectively. These rates are higher than in recent years due to the impact of the COVID-19 pandemic. In 2019, the vacancy rates were 0.5% for the City of North Vancouver and 1.2% for the District of West Vancouver). A "healthy" vacancy rate for both renters and owners in generally considered to be between 3 and 5%. Middle-income households with children face the greatest barriers in affording rentals due to the cost of larger unit sizes.

As of 2020, there are 677 residential dwellings on Squamish reserve lands. 91% of the housing stock is single family dwellings. There are 1,039 members on the Nation's housing waitlist, reflecting the significant need for member housing. Almost half of those on the housing waitlist are currently living off reserve. 49% of off-reserve members on the housing waitlist live in Metro Vancouver or the Fraser Valley. There are 500 purpose-built and privately managed rental units on Squamish land on the North Shore.

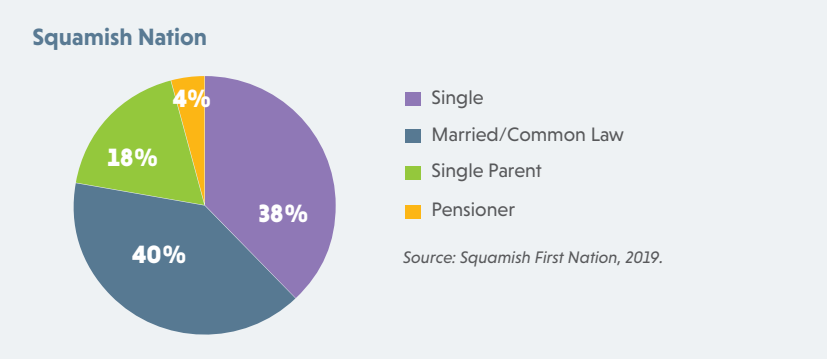
### Family Types of Middle-Income Households




### Age of Members on Housing Waitlist




### Household Type for Members on the Housing Waitlist




## COVID-19 Impacts

The COVID-19 pandemic has had significant economic affects on households and trends in the housing system are rapidly evolving. The pandemic has also further exposed some of the housing issues that are highlighted in this study. The statistical data reported in this document was collected prior to COVID-19 and has likely changed since the outset of the project. That being said, data collected during COVID-19 represents an atypical scenario that it many ways is a departure from recent trends. Because of this, recent data from just prior to the pandemic is important for understanding underlying issues in the housing system. The pandemic is impacting housing. While there has been a slight increase in rental vacancy rates, news reports throughout 2020 and 2021 have focused on the surging real estate market, despite the pandemic. [5]

5 Chan, Cheryl. (2021). "Metro Vancouver real estate sales, prices surge in February, despite pandemic." Vancouver Sun. March 02, 2021.Available at: https://vancouversun.com/news/local-news/metro-vancouver-real-estate-surge-in-february-despite-pandemic (Accessed March 17, 2021).

# 3.2 Barriers to Balanced Housing

Through a workshop with the Project Working Group and Lab participants in an early phase of the project, a range of unique and interconnected barriers that are preventing progress and reinforcing current conditions were identified.

**Figure 1: Challenge Mapping from Lab Workshop #1**

### Infrastructure

There is rapid development growth but infrastructure (e.g., transit) growth has not kept up. Less ridership opportunities means that workforce has not been as willing to live in different areas or further away from employment.

### Partnerships

Some partnership opportunities were seen as historically under-developed, particularly between different parts of the housing sector, municipal partners, and the province.

### Competing Priorities

The priority for housing has been focused on other groups such as vulnerable populations. Housing for the workforce has not been seen as integral for economic prosperity despite being a large demographic group in need.

### Government Roles/Jurisdiction

The roles of the municipal and provincial government have been unclear in planning processes. At the municipal level, there are limited tools, financial capacity, and resources. For Squamish Nation, there is a lack of financial capacity to meet the housing needs of its members.

### Income Levels

Income levels are not keeping pace with housing costs.

### Land

There is scarcity of land and competing strategies for long-term and short-term uses.

### Development & Approval Process

The current development and approval process is a restrictive and lengthy process. There are land-use limitations and zoning and development regulations. The public feels that there is a lack of fair representation in the public hearing process.

### Costs of Development

Developers are requiring more incentives to strive for more sustainable and affordable housing.

### Community Support

Housing issues are becoming political with some community members expressing resistance to change and attitudes of NIMBYism towards additional growth. Many also believe that affordability is a problem that cannot be solved.

### Cost & Supply of Housing Stock

Due to the high costs and lack of diverse affordable housing for both renters and homeowners, core public service providers are unable to live on the North Shore. The Squamish Nation has 1,100 people on the housing waitlist.

# 4 Prototype Solutions

## 4.1 The Ecosystem of Balanced Housing Solutions

During Phase 1 of the Lab, participants identified the barriers and challenges noted above. Through this the Staff Working Group and Steering Committee identified three key areas of focus that could be used to develop prototypes. These three focus areas were intentionally diverse, aiming to address different challenges throughout the housing ecosystem on the North Shore, through a process intervention (prototype #1), a partnership intervention (prototype #2), and a policy intervention (prototype #3).

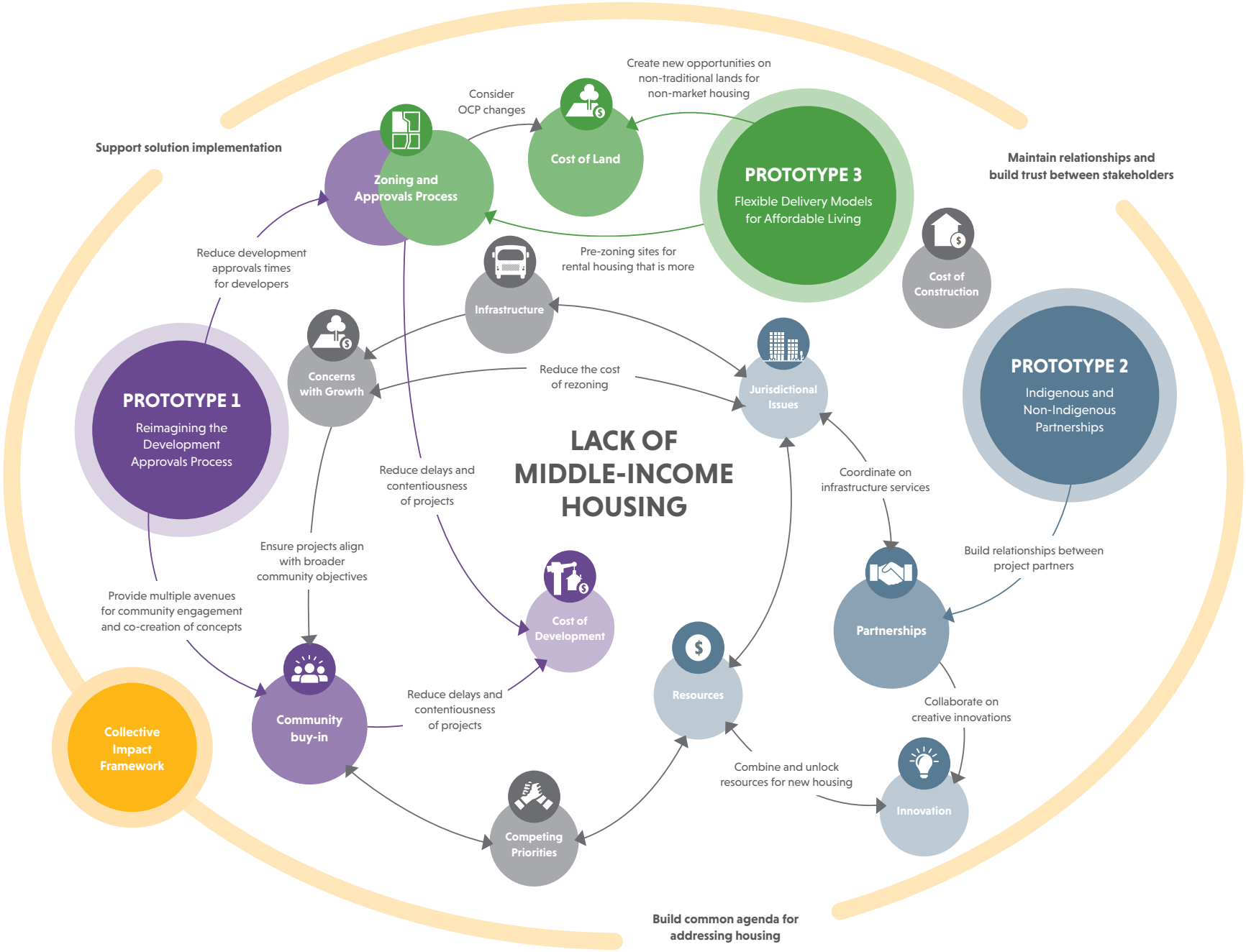
**The following solutions were explored in detail:**

1. **Process Prototype:** Reimagining the Development Approvals Process
2. **Partnership Prototype:** Indigenous and Non-Indigenous Partnerships
3. **Policy Prototype:** Flexible Delivery Models for Affordable Living

By reviewing the development approvals process, the Lab was seeking to address both the cost of development approvals – in time and therefore resources for a developer – and the potentially contentious nature of the development. By strengthening partnerships between Indigenous and non-Indigenous governments on the North Shore, opportunities for additional housing that serves both the Squamish Nation and non-Indigenous residents of the North Shore may emerge that can be more quickly and effectively acted on. Finally, by focusing on a policy intervention that aligns municipal tools with private sector developer resources and senior government funding, there may be an increase in new mid-market rental stock being brought online on the North Shore.

The map below outlines the ecosystem of balanced housing challenges and solutions developed through this Lab. This ecosystem map uses the challenges and barriers identified by Lab participants in Lab Workshop #1 as a basis for understanding the key intervention points that each prototype addresses. The prototypes were intentionally diverse, with the hope that greater systems-wide change could occur by intervening at different challenge points.

**Figure 2: The Ecosystem of the Balanced Housing Lab**



### 4.1.1 Process Prototype Background

After the first Lab Workshop, the Working Group and Steering Committee identified the importance of considering how to address the inherently contentious nature of the development approvals process for projects that (a) aligned with the Official Community Plan and (b) have a component of the housing that serves moderate to middle-income earners.

Currently, the development approvals process for British Columbia municipalities (i.e., rezoning) requires the same adoption approach as any bylaw: three readings of the new zoning designation, with a public hearing held between the first and third reading. When these three readings have been passed, adoption of the bylaw must be given final approval by Council. Municipal councils in British Columbia can waive the requirement for a public hearing when a development proposal conforms to the Official Community Plan (OCP). These legislative requirements have remained unchanged for decades, despite significant social and technological changes. The province recently completed a Development Approvals Process Review and has recently released funding to support changes to local development approvals. The Balanced Housing Lab is at the forefront of this.

Given this process, and the opportunity to be flexible for developments that already conform to the OCP, the Lab Working Group and Steering Committee identified this as a key intervention point that could support the delivery of more Balanced Housing.

### 4.1.2 Partnership Prototype Background

While many First Nations and local governments across Canada work together on shared infrastructure and services, there are limited frameworks or precedents for how these levels of governments might work together on housing. The goal of Prototype Group #2 was to develop a shared understanding of barriers and opportunities when it came to Indigenous / non-Indigenous partnership on the North Shore, and to develop a prototype for putting this into action.

### 4.1.3 Policy Prototype Background

During Workshop 1, participants noted that with new tools available to local governments (e.g., rental-only zoning), new funding streams from the provincial and federal governments, and an increased need to develop affordable housing that serves moderate to middle-income households and not just lower-income households, new models of delivering housing could emerge, and might be developed by private sector developers, non-profits, or through new policies implemented by Lab partners. These models would be targeted at residents being priced out of the market, and individuals and households employed on the North Shore, but currently unable to afford to live here or experiencing housing need.

6 https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/local-governments/planning-land-use/dapr_2019_report.pdf

# 4.2 Process Prototype: **Re-Imagining the Development Approvals Process**

*Early Co-Creation Workshop and Public Engagement with Diverse Citizen Sample of Community*

## 4.2.1 Lab Question and Group Focus

The first focus area identified in the Solutions Lab was the need to reimagine the current development approvals process, which can be divisive, time-consuming, and contentious. This focus area aims to answer the following question:

***How might we reimagine the development approvals process such that it builds, rather than divides, community?***

As part of the work in this focus area, Lab participants identified some key concerns:

- **Public Awareness is a Barrier to a Successful Development Process:** The public may not be aware of what the OCP calls for in terms of land use and may also not be aware of the forms of housing that residents and workers on the North Shore currently require.
- **The Contentiousness of the Development Process Drives Costs Up:** The cost of undertaking a rezoning, particularly if it becomes contentious, drives prices up as it delays construction, but may also lead developers to lean toward more expensive forms of housing that will lead to a stronger return on investment.
- **The Public and Council are Involved Only Late in the Process:** The nature of the current development approvals process is such that both the public and Council may not be engaged until late in the process, when significant work has already been undertaken to build out a concept. Additionally, participants noted that ensuring broad, community-wide voices in the approvals process is challenging in its current format, and that more diverse feedback would strengthen Council certainty on support for moving ahead with a project. Earlier opportunities to include the public in co-creation of a concept and to report to Council on the concept were seen as strong opportunities to strengthen the development approvals process and reduce contention and conflict.

In order to address these concerns and turn them into opportunities, lab participants developed an alternative development approvals process intended to involve community members in the potential concept development and provide more opportunities for diverse voices to be heard in the early stages of the process. It was also intended to inform the City of North Vancouver Council, District of West Vancouver, and City/District staff of concept designs and ensure projects align with broader community objectives in the earlier stages of the project. The development approval times for developers (both for-profit and non-profit) who have concepts that align with the OCP and have a component that targets moderate to middle-income households would be reduced. The primary objectives of this prototype were to develop a process that could result in:

1. **Reducing the contentious nature of many development approvals processes**
2. **Ensuring that community voices are included earlier in concept planning than through the conventional approvals process**
3. **Including a greater diversity of voices in reviewing the concept, including residents and stakeholders who may face barriers to participating in the conventional approvals process**
4. **Providing strong avenues for broad community review of a development concept prior to First Reading of the development application at Council, in order to provide Council with a stronger insight into community sentiment about a project**

### 4.2.2 What Does It Look Like?

In order to select projects that would help the City pilot this prototype, the City of North Vancouver Council released a Request for Expressions of Interest to developers willing to participate in piloting an alternative development approvals process. Three key criteria were used to select projects. The proposed concepts should 1) be at the beginning of the development process (and not currently underway); 2) include a component of mid-market housing; and 3) conform with Official Community Plan policies. The developers were guided through the alternative development process outlined in **Appendix 1** and in the road map section below. Ongoing monitoring and an evaluation plan were in place and led by the project Lab team. The main aim of this prototype is to engage the community in dialogue about a proposed development before many of the main design and layout decisions have been made, allowing the developer to adapt (within the parameters that are required to make the project economically successful) the design to fit with community values.

The prototype has the following stages (see **Appendix 1** for more information)

**STAGE 1: Pre-Consultation**

Community members will be selected from a public call to participate in a co-creation workshop to discuss early project concept. High consideration will be given to individuals with lived experiences or who identify as Indigenous or groups that are underrepresented including: people facing housing challenges on the North Shore, local business representatives, local services (e.g., fire and police department, school district, hospitals), and other stakeholders determined on a case-by-case basis. One to two advisory design panel representatives will also be selected for the process based on relevance of their professional expertise and on a rotating fashion. City staff provided a high-level review of the developer's early concept.

**STAGE 2: Co-Creation with Community Stakeholders (Concept Development)**

A co-creation workshop will be hosted with community stakeholders, municipal staff, developer, architects, and the advisory design panel representatives to collaboratively develop the design concept.

**STAGE 3: Public Engagement About Concept**

A series of online and in-person engagement events and activities will be launched through the municipality to allow the public to learn about the project and share their experiences.

**STAGE 4: Concept Revision**

The project concept will be revised based on community engagement feedback and pre-consultation.

**STAGE 5: Project Brief and Initial Staff Review**

Developer to prepare a project brief, outlining the proposal; municipal staff to review brief and identify any remaining challenges that could stall the proposal, and also provide summary of community engagement in report back to Council; finally, municipal staff to draft zoning bylaw amendment will be prepared for council.

**STAGE 6: First and Second Readings**

Municipal council will receive staff report on recommendations to inform decision making and undertake first and second readings to determine any conditions required to be resolved prior to adoption. The municipality has the ability to waive the Public Hearing component of a rezoning at this point.

**STAGE 7: Detailed Application**

The developer refines proposal based on conditions laid out by municipal council and submits a detailed application to municipal staff for consideration.

**STAGE 8: Third and Fourth Readings**

A third reading and final reading will be undertaken by municipal council to move the application forward.

**STAGE 9: Implementation of Learnings**

A final evaluation report and lessons learned will be submitted to the municipality.

### 4.2.3 Preliminary Key Findings

The following key findings are a result of the planning and early stages of the process. As of the development of this report, the City, a developer, and a consultant to support facilitation were planning for the Co-Creation Workshop (Stage 2).

- **Length of time for the process:** Initially it was hoped that this prototype might expedite the existing development approvals process, while also making it more inclusive for individuals who might not typically be able to participate in Public Hearings. However, given efforts to select an appropriate and willing developer, the development of co-creation and public engagement materials and the evaluation components will likely make the pilot of this prototype as long (and perhaps longer) than a typical rezoning. However, it is anticipated that some streamlining of the process can take place upon completion of the pilot project and evaluation resulting in less back and forth required to change concept designs later in the approvals process and materials developed during the pilot feeding into next steps.

- **Additional resources required:** A new process with many unknowns on both the municipal and the developer side required stronger engagement from both the developer and City staff. This heightened level of engagement and preparation did therefore require additional staff and developer capacity and resources. This would be typical of any new process but was especially pronounced in early phases (co-creation and public engagement) of this prototype. As this process becomes more widely used, both City staff and developer expectations and understanding of the process will become clearer, and the level of resources required should be reduced.

- **Resistance from the public:** Changes to any established public process can meet resistance from the public, and changes to the development approvals process are no different. Two aspects of this prototype are vital to implementation: clearly communicating the rationale for piloting this prototype and ensuring that members of the public understand they have multiple avenues of participation.

- **Clear parameters in co-creation workshop about what is and is not flexible:** Early on it is fundamental that process participants understand what can be impacted through the co-creation workshop, and what can't. Participants will need to be engaged in discussions about design trade-offs to inform their decision making. In the case of the pilot site, the developer required a base density in order for the project to be viable. While this density could be achieved through various different built forms, it represented a key baseline parameter that could not be negotiated or adjusted through the co-creation process. Communicating from the outset with workshop participants will be vital.

# 4.3 Partnership Prototype: **Partnership Between Squamish Nation, City of North Vancouver and District of West Vancouver**

*Building Relationships to Work Together Effectively Across Jurisdictions*

## 4.3.1 Lab Question and Group Focus

A common refrain heard during the Lab was that when it comes to housing on the North Shore, challenges in one community can impact the whole North Shore. The opposite is also true: new housing options in one community can alleviate pressures across neighbours because of the proximity and the fluidity with which residents move, shop, work, and play across boundaries.

It was also recognized that historically, partnerships have not always included Squamish Nation and that land use decisions have even been harmful to First Nations on the North Shore. Partners and Lab participants felt strongly that new partnerships should be led by Squamish Nation.

Through this recognition, the following challenge question guided Prototype Group #2:

***How might we convene partners, led by the Squamish Nation, to help create new housing concepts that support both the needs of Squamish members and North Shore residents at large?***

Lab participants identified two opportunity areas for addressing this challenge question:

1. **Identify a housing-related project to work on together**
2. **Bring the three councils of Squamish Nation, City of North Vancouver, and District of West Vancouver together to build relationships at the elected official level**

## 4.3.2 What Does it Look Like?

In an ideal scenario, a project would be selected or designed that the partners could work on together. However, during the BHL process, a clear project could not be identified. Instead, the partners agreed that preliminary work was needed to build relationships across the three communities.

In response, a series of workshops were held at different levels, including the elected officials involved in the BHL Steering Committee and executive staff. The workshops were designed to delve into the barriers each partner faces in collaborating across jurisdictions and to identify opportunities to address these barriers. This process served to build the relationships needed to support collaboration on future projects. The process of meeting together regularly allowed the participating individuals to get to know their counterparts—at the levels of both elected officials and executive staff. In addition, the Directors of Planning from each of the communities continued to work together on the BHL Working Group.

At the end of the three workshops, next steps were identified to increase knowledge sharing, address some of the barriers to collaboration, and offer clear paths for continuing to work together. These next steps form a major component of Moving Forward Together in the final section of this report.

The last piece of this prototype is designing and implementing a joint event that brings together all the council members from each community to share the learnings from this Lab and to solidify a commitment to working together moving forward.

### 4.3.3 Key Findings

Lab participants in Prototype Group 2 included representation from all three partner communities, including staff from Squamish Nation, the City of North Vancouver, the District of West Vancouver, and local residents and workers. The outcomes of Prototype Group 2 are intertwined with the Lab as a whole. The Lab itself is a model for working together across jurisdictions. The workshops completed as part of Prototype Group 2 offered opportunities for elected officials and senior staff to deepen their relationships and understand each other's priorities. In this way, the parts and the whole are working together towards the same goal: more collaboration and partnership on housing in the BHL communities and across levels of government.

The following are the key findings from this process.

- **Working Across Jurisdictions:** Lab participants were surprised at how little they knew about the way things worked in the community next door. Participants from the different partner communities noted that there were many things they didn't know about the governance structure and priorities of neighbouring governments. The Lab provided an opportunity for participants—including staff at each partner community government—to learn about how First Nation and municipal governance operates and the differences between the two.

- **Commitment from Participants:** Lab participants demonstrated a real commitment to the process with high attendance from workshop to workshop. Participants were committed to the co-creation process and this reflected the strength of the Lab format for deeper problem-solving over other types of engagement that may be shorter-term or more superficial. The elected officials on the steering committee also showed ongoing commitment to the process, participating in three additional workshops together to go deeper on ways to collaborate. The process, however, does not end once the BHL is completed, the work of collaboration and partnership is ongoing and requires continued commitment from all parties.

- **Building on Past Experience:** Past experience in partnership can set precedents which can be opportunities or challenges. Rewarding experiences can make it more likely that partnerships will continue in the future. Past experience can also make things "stuck" when past ways of doing things are no longer relevant or useful. The Lab process revealed that old ways of doing things weren't always sufficient. For example, some of the models in place for how elected officials or staff should work together across jurisdictions are based on precedents sent 10+ years ago. With each new generation of leadership, there's an opportunity for renewed commitment and a new approach to working together.

- **Creativity and Uncertainty:** There are no templates for how First Nation and municipal governments should work together. This was both a challenge and an opportunity for creativity and new ways of thinking. Without templates, the process of exploring ideas in itself was an opportunity to work collaboratively.

- **The Right People in the Room:** At each stage of work on Prototype Group 2, there was a clear need to have the right people in the room. During the Lab workshops, participants felt they could come up with ideas, but couldn't direct how elected officials or staff should work together. During later workshops with staff and elected officials, the group continuously came back to the issue of having the right people in the room. During one workshop, several key people were unable to attend and the meeting was reconvened to make sure the right voices were in the room.

- **Informal Connections:** One of the most important aspects of this work was building relationships across the partner communities that extended beyond participation in meetings. Prior to the BHL, staff, especially at the municipalities, reported that they did not always know who to call at Squamish Nation. This has changed over the past year and a half, both because of new hires like the Director of Planning at Squamish Nation that provide a clear point of contact, and because of the work the partners put in through the Lab process.

- **Barriers to Collaboration:** There are numerous barriers to collaborating across jurisdictions that were identified through this process, including different timelines and budget priorities, different political priorities, staff capacity and resources, inheriting old processes that don't always work, and the fact that housing is not prioritized in community budgets. By uncovering these barriers, participants were able to identify opportunities to address them.

# 4.4 Policy Prototype: **Flexible Delivery Models for Affordable Living**

*Developing Housing Opportunity Areas to Increase Supply of Mid-Market Housing*

## 4.4.1 Lab Question and Group Focus

Group #3 focused on the following challenge question:

***How might we create innovative, flexible delivery models for affordable living that could make it possible for people who work on the North Shore to also live here?***

The suite of tools that were considered included local government measures, senior government funding and financing, and emerging design and land use innovations. Participants discussed how to combine them innovatively to develop new forms of housing that would better serve middle-income households. In structuring conversation around how best to serve increasingly underserved moderate to middle-income households, several key themes were touched on regarding land:

- **Housing is not available for those who work here:** Many of the core service workers (fire fighters, police, teachers, nurses, etc.) who work on the North Shore are unable to afford to live here. Further, service and retail workers (who work in grocery stores, restaurants, cafes, etc.) earn lower wages than skilled core service providers and are even less likely to be able to afford to work here.

- **Single family lots represent a significant portion of the land base across the North Shore:** Participants identified a need to better utilize single family land on the North Shore. In particular, participants discussed a way for existing landowners to access wealth by stratifying their single family dwelling through the creation of a secondary suite or additional suites. This secondary suite could be sold to a middle-income family or rented out. The intent would be to provide a form of affordable ownership for the middle-income family and some financial return to the existing homeowner. This is a precedent that is already being implemented in other BC communities (e.g., Kelowna and Coquitlam). However, it was also noted that while unlocking single family lots was considered important, it also represents a slower strategy for redevelopment that might take 10-20 years to have an impact in terms of new housing stock.

- **New models of housing delivery should provide multiple forms of tenure:** Participants noted that developments that provide a range of tenure types (e.g., near market and market rental, affordable ownership) would allow renters to enter the market and move between rental and ownership either within the same development or at least in the same community. By building on new programs for non-market rental, market rental, and affordable ownership, developers and non-profits may be able to create a greater number of affordable units with different tenures that serve the needs of a range of North Shore residents.

A wide range of topics were discussed and reviewed during the Lab Workshops including:

- **Gentle density on single family sites allowing both rental and affordable forms of strata ownership**

- **Exploring affordable home ownership models and programs**

- **Feasibility of developing co-operative rental and ownership housing**

- **Greater opportunities for moderately priced rental housing**

Through an iterative process, the Steering Committee and Staff Working Group identified Housing Opportunity Areas as a key focus for the policy prototype.

### 4.4.2 What Does it Look Like?

From this, the Working Group and Steering Committee focused in on potential solutions that maximized the potential of local government tools to create opportunities for moderate to middle-income housing.

The prototype, Housing Opportunity Areas, identifies opportunities for more mid-market housing within key land use designations in the City of North Vancouver and the District of West Vancouver. These 'Housing Opportunity Areas' are specific land use designations that either have not conventionally been used for residential dwellings or are currently used for housing but may be able to accommodate more mid-market housing. In the City of North Vancouver, this includes the "School and Institutional" and "Residential Level 5" OCP Land Use Designations. Within the District of West Vancouver, the BHL is looking at the RS-5 zoning designation. A goal of this prototype was to test a range of conditions, including a medium/high-density area, a low-density area, and institutional lands. This allows the findings to be applied more widely across multiple conditions on the North Shore and potentially replicated elsewhere.

A detailed land economics analysis was completed for the Residential Level 5 Land Use in the City of North Vancouver and RS-5 zoning in West Vancouver. This analysis studied the impacts of pre-zoning these lands in order to provide non-market rental, mid-market rental, or affordable ownership opportunities. For more detail on Housing Opportunity Areas, see **Appendix 1** and **2**, which outlines these studies and their implications in more detail.

#### City of North Vancouver School and Institutional Lands

Increasingly, school districts, churches and faith groups, and other institutional land-holders are considering the opportunity and social benefit their lands could provide through the development of non-market housing. As demonstrated by other municipalities, such as City of Vancouver and City of New Westminster, this can provide a variety of benefits including site revitalization, increased cash flow for non-profit users, enhanced community services, and more affordable housing. Currently, residential use is not permitted within the School and Institutional land use designation in the OCP. The Housing Opportunity Area concept for these lands seeks to add, through a text amendment to the OCP, non-market and mid-market oriented residential development as potential accessory uses within the School and Institutional land use designation. School and Institutional use would be required to remain the primary use. The accessory residential component would be for non-market housing and could create new potential to provide essential workforce housing for institutional partners or other affordable housing opportunities. Owners of these lands would face one less development barrier to creating new non-market developments using new government funding programs (e.g., CMHC's Co-Investment Fund or BC Housing's Community Housing Fund). This would increase the land available in the City that could potentially accommodate non-market rentals, and could encourage school and institutional partners (e.g., churches) to redevelop.

By changing the OCP to allow this use, local governments can signal a willingness to support affordable housing projects on lands that have traditionally been used for this purpose. Preliminary economic analysis shows that land values are unlikely to significantly increase on these properties, as it would not allow for market forms of development, and even non-market housing would be subject to a rezoning, ensuring that the projects brought forward would serve a community benefit in line with municipal priorities and objectives.

However, making amendments to the OCP can be a significant undertaking. In order to ensure that there is interest among school and institutional landholders, Council has directed staff to engage with them to determine if this new land use would result in some non-market projects coming forward. This will require further engagement with the executive staff and elected officials at School District 44, as well other key institutional landholders (e.g., faith groups, Vancouver Coastal Health, etc.). If there is sufficient interest from landholders in this designation, the City may consider proceeding with an OCP update.

#### City of North Vancouver School and Institutional Lands

**Current use:** To provide for services to the community, including schools, cultural institutions, places of assembly, recreation facilities, public care facilities, and utility services.

**Proposed new use:** These lands must continue to provide original institutional purpose on site (school, church, health care, etc.); new land use allows for non-market housing programs that can provide a moderate stream of revenue to institutional partners, and are managed by a non-profit and administered through a housing agreement. This could include various forms of non-market housing.

### City of North Vancouver Residential Level 5 Land Use

The second component of the Housing Opportunity Areas prototype is to develop policy that encourages a greater contribution of mid-market rental units when Residential Level 5 lands are being redeveloped. By encouraging a higher contribution of these units, the City will be creating more housing opportunities for moderate to middle-income renters in the City. The implementation of this prototype is outlined in detail in **Section 5.4**. It involved the completion of a land economics study that examined the impacts of changing certain conditions under which development takes place to determine the feasibility of requiring an additional contribution of units when these conditions are met. The two primary conditions examined were:

- To better understand how reduced processing times can be achieved through a pre-zoning that allows for redevelopment when it provides a higher contribution of mid-market units than under current density bonusing
- The impact of alternative financing through CMHC's Rental Construction Financing Initiative (RCFI), which provides favourable lending rates and longer-term amortization periods than market financing

Section 4.4.4 shows key findings from this analysis.

### District of West Vancouver RS-5 Single Family Zoning

The third component of the Housing Opportunity Areas prototype is to develop policy in the District that allows gentle density in a single family zone near an existing Town Centre Local Area Plan (Ambleside) in order to determine whether it can accommodate a contribution of affordable ownership units, or mid-market rental when redeveloping between 1 and 3 lots. By allowing gentle density and a higher contribution of these units, the District will be creating more housing opportunities for moderate to middle-income renters in the City.

The work being undertaken on this prototype also involves testing land economics scenarios that examine the impacts of changing certain conditions under which development takes place to determine the feasibility of requiring an additional contribution of units when these conditions are met. These conditions include:

- Allowing a land assembly of up to 3 lots within the zone in order to achieve economies of scale for developers;
- Allowing multi-family townhouse forms in this zone to increase density;
- Exploring opportunities for gently increasing density in order to require a developer contribution of affordable ownership units or mid-market rental units.

Section 4.4.4 shows key findings from this analysis.

#### District of West Vancouver RS5 Zoning

**Current use:** Zoning designation is for single family homes near the Ambleside neighbourhood, and partially contained by the Ambleside Town Centre Local Area Planning Boundary.

**Proposed new use:** Consider pre-zoning these lands to allow townhouse-type multi-family on between 1 and 3 existing lots. Allowing this greater density would be in exchange for a development contribution of affordable ownership units and/or mid-market rental units within new developments.

### 4.4.3 Key Findings

Below is a summary of the findings from the land economics analysis conducted regarding the School and Institutional and Residential Level 5 Land Use Designation (medium density apartment) in the City of North Vancouver and RS-5 zoning in the District of West Vancouver.

#### City of North Vancouver School and Institutional

The School and Institutional land economics review focused on removing barriers to innovative non-market or affordable residential development on non-traditional lands. However, rather than recommending pre-zoning as a policy level for the municipality to use, this housing opportunity area found that a balanced approach would allow for this type of housing through the OCP:

- The diversity of site sizes and locations means that case-by-case rezoning is still required to make sure that proposed projects meet municipal priorities.
- The introduction of allowance for affordable units unlikely to result in significant land price uplift.
- Through combination of long-term land lease at rates that are geared to allowing for project viability, there may be opportunity to introduce a sizeable number of units at much deeper levels of affordability.
- Given the level of effort required in amending the OCP, there should be sufficient interest shown by suitable landholders in pursuing some form of non-market project prior to implementing the amendment. This needs to be explored through an engagement process prior to any OCP amendments.

#### City of North Vancouver Residential Level 5

The purpose of the pro forma financial analyses was to test the conditions under which sub-market rental units could be delivered by for-profit developers on "Residential Level 5" areas in the City of North Vancouver. The analyses are conducted for a hypothetical "Level 5" parcel.

**Scenarios Tested and Viability Thresholds**

- Development scenarios looked at overall development viability and how it varied depending on changes in density and changes in proportion of sub-market units.
- Two density levels were tested: 2.2 and 2.6 FSR.
- All scenarios assume that a developer is able to access development financing through CMHC, which offers low interest rates and up to 50-year amortization periods if certain levels of affordability can be achieved.
- Rents are set at either 10% below actual market rates, or 10% below the average CMHC rents for North Vancouver.
  - To access CMHC financing, all units must be offered at 10% below market rents
  - In addition, we look at whether a project can also absorb units at a much deeper level of affordability
- All scenarios assume underground parking, and assume that land is purchased at $200 per buildable square foot.
- Development viability is assessed by looking at a variety of developer return metrics, noting that different types of developers will judge project viability differently.
  - For instance, a developer who is looking to build and sell a project may be more interested in the profit on cost; if it does not achieve a certain threshold (e.g. 15% profit on cost is typical), then it is not viable.
  - However, another developer may be more interested in a longer term build and hold scenario; that developer could judge viability based on long-term cash flow, better captured using an Internal Rate of Return (IRR). Even if a project does not achieve a viable profit threshold, for this developer the project may still be considered viable if it shows a reasonable IRR.
- Project viability thresholds:
  - As build and hold: at least 12% levered IRR
  - As build and sell: at least 12% profit on cost, and ideally 15% profit on cost.

### Outcomes

| | Scenario 1 | Scenario 2 | Scenario 3 |
|---|---|---|---|
| **FSR** | 2.6 | 2.2 | 2.6 |
| **# Units at 90% of Market** | 56 | 47 | 46 |
| **# Units at 10% below CMHC average rents** | 7 | 6 | 17 |
| **Profit on Cost** | 11% | <1% | 4% |
| **Levered IRR** | 15% | 11% | 14% |
| **Viable?** | Yes, as build-and-hold<br>Marginal as build-and-sell | Marginal as build-and-hold<br>No as build-and-sell | Yes as build-and-hold<br>No as build and sell |

### Take Aways

- Scale is important. At 2.6 FSR, a project offering 7 units at 10% below CMHC average rents is achievable. However at 2.2 FSR, a project with the same unit ratio is much more challenged and likely not viable.
- Project viability could be significantly improved, and opportunities for more deep subsidy units increased, if the pathway to approval and construction were expedited.
  - For example, in Scenario 3 ff the time from land purchase to construction were reduced by 50%, the IRR would increase to 24% and offer more room for greater subsidized unit delivery.
- Some of the incentives that can help to reduce developer risk and create the ability to offer more affordable units include:
  - **Expedited approvals.** This can reduce both carrying costs during approvals, and reduce construction cost uncertainty as exposure to materials and labour inflation is reduced.
  - **Pre-zoning:** entitlement risk needs to be 'priced in' to the required returns. If a developer has a clear path to a viable project, lower returns can be justified.
- Mechanisms (e.g. housing agreements) for ensuring that a component of a project remains more affordable in perpetuity (e.g. restricted resale, property appreciation limits etc.), or rental in perpetuity, are important considerations. This is particularly the case for smaller infill projects that may not be eligible for senior government funding.
- Project scale translates to opportunity to offer deeper levels of affordability.
- All scenarios tested here assume that a project is eligible for CMHC financing. These types of programs bring greater affordability to components of a project that meet the criteria of these programs. For any of the above projects to 'pencil' under market financing assumptions, they would need to have some combination of greater density and significantly expedited approvals.
- could be turned over and sold at 75% of market rates while still achieving an overall project that is viable.
- The analysis further suggests that up to 15% of floor area could be offered as non-market rentals (at 90% of CMHC average), while still achieving a viable project.
- Take Away: Further density provides more room for more affordability, provided that the land price remains static (i.e. that the additional density is not 'baked in' to the land sale price).

### 4.4.3 Key Findings

#### District of West Vancouver RS-5 Single Family Zoning

The purpose of the pro forma financial analyses was to test the conditions under which sub-market affordability could be achieved on an RS-5 zoned lot (or lot assembly), while still achieving typical developer returns. The analyses examined how financial viability of a development project varies depending on (1) overall development scale / density, and (2) introduction of non-market components into an otherwise market rate ownership project.

**Scenarios Tested**

- Three sets of analyses were prepared, at three density levels: 0.8 FSR, 1.0 FSR, and 1.2 FSR.
- For the 0.8 FSR scenario, analyses were prepared for both a single hypothetical RS-5 zoned parcel based on the average size of lots in the area (8,611 square feet), and for a 3-lot assembly.
- For the 1.0 FSR and 1.2 FSR scenarios, only the 3-lot assembly is considered.
- For the 0.8 FSR scenario, modelling assumed new market units with sizes up to about 1,700 square feet.
- For the 1.0 and 1.2 FSR scenarios, unit sizes for ownership units ranged from about 1,100 to 1,500 square feet, while non-market units (ownership and rental) ranged in size from just under 800 square feet to just under 1,000 square feet.
- Testing for each scenario assumes a starting point of a 100% market ownership project, and then viability is tested by introducing non-market ownership units, market rental units, or non-market rental units. Note that in the 0.8 FSR scenarios, rentals are considered only at market rates, while for the higher density scenarios the rental units are assumed to be offered at 90% of CMHC average rates.

Note that project viability is judged by whether a project can achieve at least a 15% profit on total development costs.

Non-market ownership units are modelled at 80% of market prices in the low density (0.8 FSR) scenarios, and at 75% of market prices in the higher density (1.0 and 1.2 FSR) scenarios.

Non-market rental unit rates are set at 90% of the CMHC average rent in West Vancouver.

**Outcomes – Single Lot Analysis (0.8 FSR)**

- If four units, with an average size of about 1,700 square feet, are each sold at prevailing market rates (around $1,000 per square foot), and a developer purchases a lot at prevailing market rates of about $350 per square foot of land, the project is viable.
- If the project is reconfigured such that 3 units are sold at market rates and a single unit is sold at around 80% of market, the project would fall below the viability threshold.
- If the project has 3 market condo units and a single market rental unit, the project falls well below the financial viability threshold.

| | Single Lot 1 | Single Lot 2 | Single Lot 3 |
|---|---|---|---|
| **Lot Size** | 8,611 square feet | | |
| **Market Condo Units** | 4 | 3 | 3 |
| **# Sub-Market Condo Units** | 0 | 1 | 0 |
| **# Market Rental Units** | 0 | 0 | 1 |
| **Profit as % of Total Costs** | 15% | 9% | 5% |
| **Viable?** | Yes | No | No |

## Outcomes – Lot Assembly Analysis (Multiple Densities)

*Low Density (0.8 FSR)*

- If three lots are assembled (25,833 square feet combined), and a 12-unit project is developed, the economics of the project changes. Through increased scale, there are more market units to offset the relative decrease in revenue from introduction of either a non-market condo or a market rental.
- When configured as 12 market ownership units, the project is viable for a 'typical' developer.
- With the introduction of one slightly smaller unit (~1,300 sq.ft.) sold at 80% of market rate, the overall project profitability falls, but not so much that the project would become unviable.
- If 2 units were sold at 80% of market rates, the project becomes unviable.
- Introduction of 2 market rental units would not allow for a viable project for most developers.

| | Lot Assembly 1 | Lot Assembly 2 | Lot Assembly 3 | Lot Assembly 4 |
|---|---|---|---|---|
| **Lot Size (assembly)** | 25,833 square feet | | | |
| **# Market Condo Units** | 12 | 11 | 10 | 10 |
| **# Sub-Market Condo Units** | 0 | 1 | 2 | 0 |
| **# Market Rental Units** | 0 | 0 | 0 | 2 |
| **Profit as % of Total Costs** | 15% | 14% | 12% | 11% |
| **Viable?** | Yes | Yes / Marginal | Np | No |

*Medium Density (1.0 FSR)*

- At 1.0 FSR, the ability for a project to 'carry' non-market units increases.
- Under the base case, there are 19 market ownership units ranging in size from about 1,100 to 1,500 square feet, offered at market rates of $1,000 to $1,100 per square foot (higher per-square-foot for smaller units). This project is quite viable.
- If 10% of the total floor area of this project were turned over to smaller ownership units (under 1,000 square feet) offered at 75% of market rate ($750 per square foot), this would yield 3 non-market units and still achieve a profit-to-cost ratio that is viable for a typical developer.
- Further, if the proportion of floor area dedicated to non-market ownership is increased to 15% (or 4 non-market units), the project becomes marginal, but possibly still viable for select developers.
- Similarly, if about 6% of floor area is turned over for affordable rental units (offered at $1800 per, month, which is 90% of the average CMHC rent in the District), a project can still be made to pencil. However, if that floor area allocation is increased to 10%, the project would fall below viability thresholds.
- Take Away: Additional density creates more room to achieve non-market outcomes.

| RS-5 Infill Pro Forma Summary - 1.0 FSR (3-Lot Assembly Only) | | | | | |
|---|---|---|---|---|---|
| Total Floor Area | 25,833 | | | | |
| % Floor Area Market Ownership | 100% | 90% | 85% | 94% | 90% |
| % Floor Area Non-Market **Ownership** | 0% | 10% | 15% | 0% | 0% |
| % Floor Area Non-Market **Rental** | 0% | 0% | 0% | 6% | 10% |
| # Market Ownership Units | 19 | 16 | 15 | 17 | 16 |
| # Non-Market Ownership Units | 0 | 3 | 4 | 0 | 0 |
| # Non-Market Rental Units | 0 | 0 | 0 | 2 | 3 |
| **Profit** | **20%** | **16%** | **14%** | **16%** | **12%** |
| **Viability?** | **Yes** | **Yes** | **Marginal** | **Yes** | **No** |

**Viability threshold is 15% profit-to-cost*

*High Density (1.2 FSR)*

- At 1.2 FSR, the ability for a project to carry non-market units increases further.
- Under the base case, there are 23 market ownership units ranging in size from about 1,100 to 1,500 square feet, offered at market rates of $1,000 to $1,100 per square foot. This project is well above the viability threshold.
- The analysis suggests that up to 25% of floor area could be turned over and sold at 75% of market rates while still achieving an overall project that is viable.
- The analysis further suggests that up to 15% of floor area could be offered as non-market rentals (at 90% of CMHC average), while still achieving a viable project.
- Take Away: Further density provides more room for more affordability, provided that the land price remains static (i.e. that the additional density is not 'baked in' to the land sale price).

| RS-5 Infill Pro Forma Summary - 1.2 FSR (3-Lot Assembly Only) | | | | | |
|---|---|---|---|---|---|
| Total Floor Area | | | 31,000 | | |
| % Floor Area Market Ownership | 100% | 90% | 75% | 95% | 85% |
| % Floor Area Non-Market **Ownership** | 0% | 10% | 25% | 0% | 0% |
| % Floor Area Non-Market **Rental** | 0% | 0% | 0% | 5% | 15% |
| # Market Ownership Units | 23 | 20 | 17 | 21 | 18 |
| # Non-Market Ownership Units | 0 | 4 | 9 | 0 | 0 |
| # Non-Market Rental Units | 0 | 0 | 0 | 2 | 6 |
| **Profit** | **26%** | **21%** | **17%** | **24%** | **16%** |
| **Viability?** | **Yes** | **Yes** | **Yes** | **Yes** | **Yes** |

**Viability threshold is set at 15% profit-to-cost ratio*

**Take-Aways**

- Scale matters.
  - At 0.8 FSR, the single lot scenario must be 100% market rate to be viable, whereas with 3 assembled parcels there is some (although still very limited) room to 'absorb' non-market ownership or market rental units.
  - Increasing site density increases the ability to absorb non-market units. The proportion of floor area that can be turned over to non-market uses (ownership or rental) will increase as density goes up.
  - At 1.2 FSR for instance, modelling shows the ability to turn over up to 15% of floor area to non-market rental, or up to 25% of floor area for ownership units at 75% of market prices, and still generate viable projects.
- If scale of assembly is paired with increased density, the ability to deliver affordable housing within the framework of a for-profit market project increases substantially. At 1.2 FSR, significant proportions of the floor area can be offered at well under market prices and a viable project is still achievable.
- The viability of introducing non-market units (ownership or rental) into the higher density scenarios assumes that land prices do not rise to reflect the higher density allotments. In other words, the land value increase that is inherent with increased density must be 'captured' through the provision of non-market housing units, rather than passed on to the land vendor. This underscores the importance of transparency of municipal expectation of developers (through policy) in advance of a land sale.
- If assembly and density are paired with other incentives, projects with non-market components become both viable and appealing to develop. Some of the incentives that can help to reduce developer risk include:
  - **Expedited approvals.** This can reduce both carrying costs during approvals, and reduce construction cost uncertainty as exposure to materials and labour inflation is reduced.
  - **Pre-zoning:** entitlement risk needs to be 'priced in' to the required returns. If a developer has a clear path to a viable project, lower returns can be justified.
- Mechanisms (e.g. housing agreements) for ensuring that a component of a project remains more affordable in perpetuity (e.g. restricted resale, property appreciation limits etc.), or rental in perpetuity, are important considerations. This is particularly the case for smaller infill projects that may not be eligible for senior government funding.
- Project scale translates to opportunity to offer deeper levels of affordability.
- Larger developments that incorporate more significant components of rental or affordable home ownership may be eligible for financing through CMHC's Rental Construction Financing Initiative (RCFI) or BC Housing's Affordable Home Ownership Program, which could bring greater affordability to components of a project that meet the criteria of these programs.

# 5
# Looking Forward: **Road Map for the Balanced Housing Lab**

## 5.1 About this Road Map

This Road Map is intended to outline the steps for moving forward with each of the prototypes that emerged from the Lab process. These road maps are intended to outline the major milestones, key actors and capabilities, research and evaluation, and the effective policies and resources required in the implementation of each prototype, so that they can be replicated by other communities, scaled for greater impact and learned from.

## 5.2 Process Road Map: Re-Imagining the Development Approvals Process

A blueprint for an alternative development approvals process based on Prototype 1 is included below. This is the road map currently being used to pilot the prototype in the City of North Vancouver, with a developer who has agreed to participate. As of the completion of this report, the process had reached Stage 2.

## Figure 3: Blueprint for Re-Imagining the Development Approvals Process

| | STAGE 1: Pre-Consultation | STAGE 2: Co-Creation with Community Stakeholders (Concept Development) | STAGE 3: Public Engagement About Concept | STAGE 4: Concept Revision | STAGE 5: Project Brief and Initial Staff Review | STAGE 6: First and Second Readings | STAGE 7: Detailed Application | STAGE 8: Third and Fourth Readings | STAGE 9: Implementation of Learnings |
|---|---|---|---|---|---|---|---|---|---|
| MAJOR MILESTONE | **Milestone 1:** Post a public call to participate in the co-creation workshop on the municipality's project page.<br>**Milestone 2:** Select community participants for co-creation workshop.<br>**Milestone 3:** Select date for co-creation workshop. | **Milestone 4:** Host co-creation workshop for development of the potential design concept collaboratively with community stakeholders and representatives of advisory design panel. | **Milestone 5:** Host engagement events and launch an online municipality project page that acts as a digital hub and allow the public to learn about the project, stay updated with engagement events, and share their experiences through different stages. | **Milestone 6:** Revise project concept based on public feedback and pre-consultation. | **Milestone 7:** Prepare a staff report and draft zoning bylaw amendment for Council. | **Milestone 8:** Undertake first and second readings. | **Milestone 9:** Refine proposal and submit detailed application to municipal Staff for consideration. | **Milestone 10:** Undertake third reading.<br>**Milestone 11:** Adopt zoning bylaw amendment and approve application. | **Milestone 12:** Receive Evaluation Report and incorporate changes and learning into the development approvals process. |
| KEY ACTORS & CAPABILITIES | **TECHNICAL SYSTEMS**<br>**Action 1:** Developer and municipality discuss early development concept and any potential technical challenges to the proposed project concept.<br>**Action 2:** Developer's early project concept should provide a high-level site plan and demonstrate how the project intends to meet the policies in the municipality's Official Community Plan.<br>**Action 3:** Municipal staff will provide high-level feedback on designs and identify any concerns<br>**CAPABILITIES**<br>**Action 4:** Community members will be recruited to participate in a co-creation workshop. They will be asked about their demographics, lived experiences, and professional expertise. Selected community members will be trained on OCP policies, zoning bylaw, and other municipal policies and provide advice on the development concept.<br>**Action 5:** Municipality will identify interested volunteers immediately and keep an open call for this process in order to expediate initial phases. A date is mutually agreed upon by developer and municipal Staff for co-creation workshop. | **KEY ACTORS**<br>**Action 9:** Municipal staff will present Official Community Plan policies and land use designations. Developer and architect will present project vision to engage dialogue and collaboration with community stakeholders. | | | **TECHNICAL SYSTEMS**<br>**Action 17:** Developer will provide a project brief outlining certain parameters (e.g., density, height, community amenities, etc.).<br>**Action 18:** Municipal staff will review project brief to ensure that major challenges identified in Stage 1 that could stall the proposal at the application stage are addressed by developer. Municipal staff will prepare a draft zoning bylaw amendment based on proposed project brief. Municipal staff will also prepare a report outlining conditions.<br>**Action 19:** Municipal staff will provide summary of geographic representation of engagement participants as well as community perceptions by postal code findings to inform Council decision making. | **KEY ACTORS**<br>**Action 20:** Municipal Council opts to receive or reject application. Council can undertake first and second readings if needed to determine conditions required to be resolved prior to adoption or waive the public hearing (i.e., the proposed project and zoning bylaw are consistent with OCP and engagement approach is sufficient). If the public hearing is waived, the application proceeds to the next stage. | **TECHNICAL SYSTEMS**<br>**Action 21:** Developer refines proposal based on conditions laid out after project concept passes second reading. | **TECHNICAL SYSTEMS**<br>**Action 24:** Municipal staff ensures all proposed amenities and commitments are secured through agreements as required.<br>**KEY ACTORS**<br>**Action 25:** City Council will undertake third reading. If the application moves forward, the final reading will be undertaken during the same session. | |

## Figure 3: Blueprint for Re-Imagining the Development Approvals Process

| | STAGE 1: Pre-Consultation | STAGE 2: Co-Creation with Community Stakeholders (Concept Development) | STAGE 3: Public Engagement About Concept | STAGE 4: Concept Revision | STAGE 5: Project Brief and Initial Staff Review | STAGE 6: First and Second Readings | STAGE 7: Detailed Application | STAGE 8: Third and Fourth Readings | STAGE 9: Implementation of Learnings |
|---|---|---|---|---|---|---|---|---|---|
| RESEARCH & EVALUATION | **MARKETING AND COMMUNICATIONS**<br>**Action 6:** Municipality staff, developer, and an external facilitator will manage the public call on the municipality's project page and select up to 20 stakeholders, with high consideration for selecting those with lived experiences or who identify as Indigenous or groups that are underrepresented to participate in the co-creation workshop (including Advisory Design Panel representatives, people who have faced housing challenges on the North Shore, local business representatives, neighbourhood representatives, local services, and other relevant stakeholders as determined on a case-by-case basis).<br>**RESEARCH**<br>**Action 7:** Municipal staff, developer, and external facilitator will identify key questions and themes that will guide stakeholder and public engagement and further shape the project concept.<br>**Action 8:** Municipal staff, developer, and external facilitator will select the appropriate engagement mechanisms for stakeholder and public engagements. | **EVALUATION**<br>**Action 10:** Municipal staff and developer will facilitate and guide conversations, record conversations and synthesize project outcomes to inform the concept development.<br>**Action 11:** Undertake first round evaluation with City Staff, developer and workshop participants to evaluate Stages 1 and 2. | **COMMUNICATIONS**<br>**Action 12:** Municipal staff and developer will work together to determine the most appropriate engagement approaches depending on the purpose, project cycle, and target audiences. Different engagement approaches include hard copy flyers, virtual town halls, surveys, community surveys, digital posters, QR code or digital advertisement, online forums, webchat forums, or pop-up booths.<br>**Action 13:** Municipal staff will incentivize the public to engage by demonstrating that their participation and feedback will have real influence over outcomes of process. | **EVALUATION**<br>**Action 14:** Developer will review feedback received from the public and incorporate changes to the project concept while maintain viability of the proposal.<br>**Action 15:** City staff will ensure that high-level feedback from pre-consultation has been incorporated into the concept.<br>**Action 16:** Undertake second round evaluation with City Staff, developer and public engagement participants to evaluate Stages 3 and 4. | | | **TECHNICAL SYSTEMS**<br>**Action 21:** Developer refines proposal based on conditions laid out after project concept passes second reading.<br>**EVALUATION**<br>**Action 22:** Developer submits detailed application to municipal staff for consideration.<br>**Action 23:** Municipal staff checks application for completion to ensure it meets all technical requirements.<br>**Action 24:** Advisory Design Panel and Council reviews application.<br>**Action 25:** Developer and municipality begin work on legal agreements once amenity components are resolved. | | |
| POLICY & RESOURCES | | | | | | | | | **Action 28:** If possible use new Local Government Development Approvals funding from the Union of BC Municipalities to support further implementation of the successful elements of this approach. |

## Considerations for Implementation & Scaling

There are several considerations for broader implementation and scaling of this prototype throughout the municipality. While there are risks, these can be mitigated through actions taken by the municipality and developers using this process.

- **Risk 1: Significant community resistance to piloting the process**
  - **Mitigation Strategy:** A robust and transparent evaluation component showing what worked well and what didn't when piloting the prototype
- **Risk 2: That the timeframe or resource investment for the process does not offer developers a tangible benefit**
  - **Mitigation Strategy:** By developing and refining a prototype that reduces overall community conflict initial investment can yield more certainty about the outcome of the development process
- **Risk 3: That increased staff resources are required to manage this process if scaled**
  - **Mitigation Strategy:** While staff will still be required to review findings, the intent of this prototype is to put into place resources and materials, as well as processes (e.g., digital public engagement platform) that allow staff resources to remain at least on par with typical development approvals. Additionally, early co-creation and public engagement efforts on a project that is not viable from a public perspective can reduce the staff investment in development application review that might be required in a more traditional development application that is unsuccessful.

In scaling this prototype, the key criteria used to guide the pilot should be kept as the basis for developer eligibility to use the alternative development approvals process: that the concept conforms to the Official Community Plan, and that a component of the project meets the needs of moderate to middle-income earners. The lessons learned from this prototype can be broadly applied by municipalities across the region, and Southwestern BC.

## Anticipated Impacts

This prototype is anticipated to have the following impacts during implementation and scaling:

- **Less divisiveness in development proposals that provide housing for moderate to middle-income earners by allowing for earlier, engagement with a co-creation group reflective of the diversity of the community.**
- **Earlier development information to the public and to Council about what is proposed in a development.**
- **More certainty to developers early on about the success of a project.**

# 5.3 Partnership Road Map: Indigenous and Non-Indigenous Partnerships

## Why Work Together

Housing unaffordability and unavailability, like many urgent challenges facing First Nations and local governments, are complex issues that cross jurisdictional boundaries. These types of challenges can be better addressed when partners come together to work collaboratively. Together, they can better advocate for the broader community, pool resources, and strengthen the case for senior government investment. However, working together is not easy or straightforward. Even when neighbours may be on good terms, working across governments with different governance and staff structures—not to mention priorities—can be challenging. The work of Prototype Group 2 was to identify a process for building relationships and trust between the three partner communities to support future collaboration on housing.

## Roadmap for Building Relationships and Trust Across Jurisdictions

The Balanced Housing Lab demonstrated the commitment of the City of North Vancouver, Squamish Nation, and the District of West Vancouver to working together to address the shared issue of a lack of housing affordable to working households. The Balanced Housing Lab includes four components to strengthen relationships between the three partners. This work was done with the intention of creating a foundation of trust to support housing opportunities.

1. **Shared project:** The BHL was a shared project involving the Directors of Planning from each of the communities, along with members of their teams. Planning staff participated in each of the Lab workshops and continued to be involved in the development of the prototypes. This shared project was supported by the fact that the Directors of Planning have regular check-in meetings to share information and discuss topics of mutual interest. Later in the process, executive staff from each community met for a workshop to build relationships and identify opportunities to work together on an ongoing basis. Having a shared project or problem to solve is a valuable way to build relationships.

2. **Commitment of elected officials:** The BHL Steering Committee included Squamish Nation Councillors Lewis and Khelsilem, City of North Vancouver Mayor Buchanan, and District of West Vancouver Mayor Booth. These four elected officials were deeply committed to the BHL process and were actively involved in the work completed for Prototype Group 2, including participating in three workshops to imagine how the three communities could work together moving forward.

3. **Creating connections between executive staff:** One of the key outcomes of Prototype Group 2 was a workshop with executive staff from the three communities which led to the identification of tangible next steps for greater collaboration and integration between their teams, including the identification of staff resources needed to support this work.

4. **Shared goal:** To continue the work beyond the BHL, the partners identified the shared goals of working together on a shared protocol agreement for how they want to work together moving forward and continuing discussions on bringing together the three Councils for a joint event to further build relationships at the political level. These shared goals provide a structure for continuing this work beyond the Lab itself.

## Barriers to Partnership

Prototype Group 2 identified common and persistent barriers to working together across jurisdictional boundaries, particularly between First Nations governments and municipalities:

- **Histories of decisions at various levels of government that have caused harm to First Nations communities and eroded trust**
- **Timelines and budgets that don't align with those of neighbouring governments**
- **Different political processes and priorities at any given moment**
- **Lack of staff capacity in general and dedicated staff resources for specific initiatives**
- **Not knowing staff roles and responsibilities within each government and who to talk to for issues and opportunities**
- **Staff and elected officials inherit processes and agreements that may be outdated or not conducive to working together**

These exist in many different communities and are not specific to housing. They represent invisible and structural barriers that need to be overcome to support collaboration.

## Next Steps for Working Together

### Political level

- Working together on a shared protocol agreement for how we want to work together and an annual letter of intent for more immediate priorities.

### Staff level

- Executive staff could assign planning staff to start looking at off-site servicing and to start communicating regularly with counterparts so that plans (even very preliminary or exploratory) are known and can be planned for. This should also involve the District of North Vancouver and Metro Vancouver.
- Executive staff could connect with their counterparts during the development of budgets, as well as to report back on what was approved by their council.
- CAOs of municipalities meet at regular intervals for "yarns", casual catchups and information sharing. Squamish Nation can be invited to join these.

## Anticipated Impacts

This prototype is anticipated to have the following impacts during implementation:

- **Stronger relationships at the elected official, executive staff, and planning staff levels.**
- **Clear steps for how to engage across jurisdictions on an ongoing basis.**
- **Plans for creating a shared protocol agreement to solidify a framework for working together into the future.**

# 5.4 Policy Road Map: Housing Opportunity Areas

A blueprint for Housing Opportunity Areas based on Prototype 3 is included below. As of the development of this report, Council for the City of North Vancouver had approved a limited scale pilot of the project, with the objective of finding three test sites for this land use. This same process is being used as a road map for the District of West Vancouver, which has completed the land economics study on its RS-5 zone.

**Figure 4: Blueprint for Implementing Housing Opportunity Areas**

| | STAGE 1: Policy Review | STAGE 2: Land Economics Study | STAGE 3: Developer Workshop | STAGE 4: Develop Policy Options | STAGE 5: Council Workshop | STAGE 6: Refine Policy Options | STAGE 7: Community Engagement | STAGE 8: Council Approval | STAGE 9: Implementation | STAGE 10: Monitoring and Review |
|---|---|---|---|---|---|---|---|---|---|---|
| MAJOR MILESTONE | **Milestone 1:** Identify municipal Housing Opportunity Areas) i.e. suitable land use designations) | **Milestone 2:** Complete land economics analysis | **Milestone 3:** Review analysis in partnership with developers | **Milestone 4:** Identify range of options for implementation | **Milestone 5:** Receive Council direction regarding scale of pilot project:<br>• Limited scale (small number of test sites)<br>• Moderate scale (opt-in for all land in the land-use designation)<br>• Large scale (blanket pre-zoning for all sites) | **Milestone 6:** Develop bylaw recommendations for applicable sites. | **Milestone 7:** Public engagement summary report | **Milestone 8:** Council motion to approve zoning bylaw changes | **Milestone 9:** Develop necessary tools (e.g. zoning tool, housing agreements, etc.) | **Milestone 10:** Complete review of 1, 3 and 5-year policy impacts to determine scaling considerations. |
| KEY ACTORS & CAPABILITIES | | | **Action 4:** Municipality and consultant to present preliminary findings in workshop format to developers to receive input and feedback on directions. | | **Action 6:** Municipal Staff to present prototype and policy options to Council to receive input and direction. | | **Action 8:** Develop and implement community engagement strategy for reaching neighbours, local residents, developers and other key stakeholders.<br>**Action 9:** Develop a final summary report, identifying key themes from engagement, with a recommended policy and level of impact. | **Action 10:** Seek Council approval for recommended policy. | **Action 11:** Municipal Staff to develop necessary housing agreements, zoning guidelines to support implementation. | |

## Figure 4: Blueprint for Implementing Housing Opportunity Areas

| | STAGE 1: Policy Review | STAGE 2: Land Economics Study | STAGE 3: Developer Workshop | STAGE 4: Develop Policy Options | STAGE 5: Council Workshop | STAGE 6: Refine Policy Options | STAGE 7: Community Engagement | STAGE 8: Council Approval | STAGE 9: Implementation | STAGE 10: Monitoring and Review |
|---|---|---|---|---|---|---|---|---|---|---|
| RESEARCH & EVALUATION | **Action 1:** Municipality and consultant review municipal Land Use Designations and determine if there are areas appropriate for a pre-zoning approach<br>**Action 2:** Determine how new pre-zoning would augment or build on existing density bonusing/ affordability requirements (if already in place) | **Action 3:** Municipality and Consultant undertake land economic study, using local developers as information sources to determine the extent to which pre-zoning when combined with other tools (e.g. RCFI financing and Housing Agreements) can augment the amount of affordable housing provided in selected land-use designations. | | | | | | | | |
| POLICY & RESOURCES | | | | **Action 5:** Municipality to develop policy options for low, moderate, high impact scaling of Housing Opportunity Areas. | | **Action 7:** Refine policy options based on Council direction. | | | **Action 12:** Implement policy | |

## Considerations for Implementation & Scaling

There are several considerations for broader implementation and scaling of this prototype throughout the municipality. While there are risks, these can be mitigated through actions taken by the municipality through policy implementation.

- **Risk 1: High uptake by developers and significant development in a short period of time**
  - Mitigation Strategy: Ensure the piloting of the prototype occurs at a scale that will not disrupt and then adjust as necessary going forward.
- **Risk 2: Low uptake by developers and no measurable changes.**
  - Mitigation Strategy: Communications to promote the program through social media and other advertising.
- **Risk 3: That development checks and balances typical to a rezoning process be lost through pre-zoning.**
  - Mitigation Strategy: Ensure any new zoning put in place be explicit about form and design required in new developments.

In scaling this prototype, consideration should be given to how widely it would be implemented in the CNV's Residential Level 5 Land Use Designation, and the DWV's RS-5 zoning. Scaling this type of solution will be highly contextual, and will require careful consideration from municipal staff, the development community, and elected officials.

## Anticipated Impacts

This prototype is anticipated to have the following impacts during implementation and scaling:

- **Greater opportunities to ensure that both mid-market and slightly below-market rental units are part of the long-term redevelopment scenarios for much of the City's existing rental stock.**
- **Opportunity to open up a conversation about the level of interest in putting non-market rental on institutional/ school lands in the City.**
- **Opportunity to consider forms of gentle density in a single family neighbourhood in West Vancouver which would also allow for some modest gains in affordability.**

# 5.5 Moving Forward Together

This section summarizes the priorities and activities that will keep the goals of the Balanced Housing Lab moving forward. Many of the shared learning and commitments to collaboration were explored through the Partnership Prototype, which provides a clear explanation of how the three core Lab partners will continue to convene, collaborate and share information.

## Shared Priorities

The Balanced Housing Lab was convened around two shared priorities that will continue to live on and serve as guiding principles:

- **Improving the availability and affordability of housing for moderate to middle-income households in the BHL communities**
- **Improving cross-jurisdictional collaboration on housing and priorities**

## Supporting Activities

After the BHL is completed, the partners are moving forward with a number of activities that support the implementation of the prototypes and build on the work that's been done to create relationships for collaboration:

### Collaboration

- Elected officials to work together on a shared protocol agreement for how we want to work together and an annual letter of intent for more immediate priorities.
- Senior staff to assign planning staff to start looking at off-site servicing and to start communicating regularly with counterparts so that plans (even very preliminary or exploratory) are known and can be planned for (to also include District of North Vancouver and Metro Vancouver).
- Sharing learnings between core partners on the implementation and scaling of the alternative development approvals and housing opportunity areas prototypes.
- Executive staff to connect with counterparts during development of budgets, as well as to report back on budgets approved by councils.
- Squamish Nation executive staff to be invited to regular ongoing meetings between executive staff at the municipalities.
- Partners will continue to look for shared projects and support each other on common priorities.
- Planning staff plan to meet one to two times a year over.

### Housing

- Working broadly with landholders in the City of North Vancouver's School/Institutional land use designation around interest in developing an OCP amendment to allow non-market housing in this land use designation.
- Working to reduce conflict and increase community buy-in during development approvals processes, including sharing learnings and outcomes from piloting the alternative development approvals, and building an understanding of how lessons learned from the pilot can be more broadly applied across both the CNV and DWV.
- Continuing to look at land base for opportunities to create non-market and moderate to middle-income housing across all partners.

## Specific Next Steps for Prototypes

Moving forward, the partners will continue to implement the prototypes:

- **Alternative Development Approvals process:** The City will continue implementation with a developer selected to pilot the process. The first co-creation workshop is scheduled for April 8, 2021, with public engagement to take place in May 2021. The District of West Vancouver will continue to monitor this implementation, using lessons learned to apply to its own development approvals process.

- **Indigenous and Non-Indigenous Partnership:** At the political level, the partners will work together on a shared protocol agreement for how to work together and an annual letter of intent for more immediate priorities, while at the staff level relationships will be strengthened both formally and informally (as noted in Section 5.3).

- **Housing Opportunity Areas:**

  - The City will engage with key school and institutional landholders including elected officials at School District 44, to determine level of interest in providing non-market housing on their lands, which could lead to an OCP amendment allowing this.

  - The City will begin an implementation process for piloting the Housing Opportunity Area concept for up to 3 sites within the Residential Level 5 land use designation.

  - The District will determine opportunities to implement lessons learned about density and affordability in the RS-5 zone.

- **The staff from each of the partners that have been involved in the BHL process will continue to communicate and share learnings as the prototypes are implemented.**

## 5.6 Knowledge Dissemination Strategy

There are numerous formal and informal avenues for sharing learnings from the Balanced Housing Lab. These include conferences, webinars and other formalized learning opportunities, as well as informal convening opportunities. With the implementation of the prototypes still ongoing, it may be premature in early 2021 to share final learnings and outcomes from each prototype area, we anticipate that learnings will take one of two forms:

- **Sharing general lessons learned about the Lab process as well as preliminary and ongoing learnings from implementation (2021)**
- **Sharing final outcomes and lessons learned from the prototype implementation (late 2021 and 2022)**

### Conferences and Webinars

The Planning Institute of BC has an annual conference, as well as ongoing webinar activities. With the 2021 conference taking place in June, we anticipate looking to the 2022 PIBC conference to apply. In the meantime, we see an opportunity for an interim webinar (approximately 1.5 hours) to share lessons learned about the Lab process and preliminary learnings from implementation in 2021.

### CMHC's Expert Community on Housing

Additionally, the Lab partners would also target a presentation to the Expert Community on Housing, convened by CMHC. This would be an online webinar intended to highlight the Lab learnings and outcomes for other community-based housing organizations, experts in the field of housing, local government planners, and researchers.

### Regional Planning Committees

Both Metro Vancouver and the Capital Regional District (CRD) have region-wide coordinated planning committees, with local government planners who meet regularly to share information about land use, planning, and affordable housing. These are the Regional Planning Advisory Committee, Housing Subcommittee, in Metro Vancouver and the Development Planning Advisory Committee in the CRD. Targeted presentations to both these groups, in highly urbanized environments comparable to Vancouver's North Shore, could lead to broader uptake of the prototypes being implemented through the Balanced Housing Lab.

### Print and Other Media

Print and other news media (e.g., the Vancouver Sun) could be targeted by elected officials on the Steering Committee to provide a broader understanding of the Lab, and in particular highlight the importance of the inter-governmental approach taken by the core partners, and the focus on Truth and Reconciliation in the partnerships that were strengthened through the Balanced Housing Lab between the Squamish Nation, District of West Vancouver, and City of North Vancouver. These could take the form of op-eds, news articles, or blog posts highlighting the ongoing co-operation posted on the partners' web-pages.

In addition, Planning West and Plan Canada are both print journals targeted to members of the Planning Institute of BC and Canadian Institute of Planners, respectively. Highly visual summaries of the work done, using materials developed in the Lab, could highlight the BHL's work and prototypes.

# 6
# Conclusions & Lessons Learned

While this report represents the end of the Balanced Housing Lab's funding from CMHC, this is more of a milestone. Continuing forward, the project partners have a framework for future collaboration, a road map for implementation, iteration, learning and scaling, and next steps for disseminating the outcomes of the prototypes. This work will continue for the foreseeable future, with much more collaboration and iteration to come. However, this also represents a good time to reflect on what has been learned over the course of the Lab. The lessons listed below provide a summary of key lessons learned throughout this process that can be applied to both the future work of the Balanced Housing Lab, and other processes used by the core members and others seeking to develop housing labs in their own communities.

## Robust Governance is Key

That a robust governance structure is key to forward movement – involvement of elected officials and staff as well as key organizational partners meant that the Lab was able to be more successful at everything from recruiting a diversity of participants to moving forward and testing prototypes; while a robust governance structure can slow things down (scheduling meetings, ensuring appropriate oversight, etc.), in the long run it means the prototypes are gaining more traction in the decision-making and implementation phase. BHL had involvement from First Nations, federal, provincial, and local governments at the Steering Committee. This was vital in helping steer the prototypes that are both innovative and politically achievable. It also ensured that all layers of potential partners and funders were aware of the process and progress being made.

## Systems Disruptions Won't Stop a Good Process

That even in a global pandemic, there is an appetite to move forward with innovative solutions. Due to the COVID-19 pandemic, the underlying conditions driving this lab have worsened and the need for these solutions has grown.

## Iteration is Key, But Can be Challenging

That iterative design can be non-linear and uncomfortable. It may feel like you're treading the same ground and sometimes you actually are. At the same time, there is incredible valuable in this process where deeper outcomes can be achieve by looking at the problem from all levels.

However, it can also be challenging to take an iterative process when time is an issue. As a Lab we may have lost some opportunities for better communication due to pressure to complete a phase in a prototype, or because the prototype may not have been ready to share. In the future, ensuring a more robust communication strategy after the Lab workshops and during prototype development and testing could strengthen the public component of the Lab process even more.

## Having the Unusual Suspects at the Table Creates Opportunities

The involvement of School District 44 and BC Housing in the Working Group strengthened the process. These perspectives, outside of local government, helped us better understand the challenge we were working to address, as well as identify new opportunities to address the challenge by involving those who aren't always at the table (the unusual suspects). For example, this process helped illuminate how the School District could be involved in housing without needing to sell its land which helped inform Prototype 3.

Similarly, having such a broad array of participants during the Lab workshops made for a much more fulsome discussion than might happen through traditional planning processes. Unfortunately, as noted above some of this was lost in the second phase of the project both due to COVID-19, and a shift to more focused prototyping. Nonetheless, this format provides an example of how other complex issues can be tackled.

## Some Elements of Public Engagement Were Lost

As noted above, with a shift into prototyping and a general slowing of public engagement opportunities due to COVID, some elements for further public engagement were lost. While the alternative development approvals prototype included a significant public engagement component, the partnerships prototype and housing opportunity areas prototype have had a few opportunities for the public or Lab participants to meaningfully engage with them. This was a factor of both the prototype testing being a more focused iteration process with selected experts (rather than a broader public appeal) and a function of the Lab running during a pandemic. However, in future, including stronger communications to the public in the latter half of a Lab, would serve the process better.

## Prototypes May Need to Start Small – But that Doesn't Limit their Potential to Scale

That even when systems change is the intent of a Lab, realistic, doable prototypes may still wind up being the solutions you land on. That doesn't mean they don't have 'radical' potential, particularly when they get scaled up. For example, shifting dialogue around the development approvals process has the potential to really reduce the contentious nature of some kinds of development within the City and District, and if expanded could change the nature of dialogue around housing development in Metro Vancouver.

While these solutions have started with a local focus, they have tapped into issues common across many communities in Metro Vancouver and beyond. While the solutions are local, they can also be readily adapted by other municipalities.

## Most Actors in the System are Seeking Change

Participants in the Lab were selected based on their willingness to be creative and think differently about potential housing solutions. Even so, the appetite for change was impressive to all the core Lab partners. A wide range of participants, both inside and outside the Lab were eager to be consulted and provide input on the development of prototypes. This level of engagement and expert input drove the success of the prototype development and meant that there were ready participants when it came to testing and implementation, to help pilot and review the prototypes, ultimately leading to stronger products.

# Appendix 1: Summary of Draft Prototypes

# Development Approvals Process Pilot

## Overview

The Balanced Housing Solutions Lab (BHL) is an innovative partnership of local governments on the North Shore of the Metro Vancouver area, and includes the City of North Vancouver, District of West Vancouver, and Squamish Nation. BHL is an engagement and technical exercise intended to generate new solutions that shift the way our housing system as a whole is addressing the current housing crisis, particularly the growing problem of affordability for moderate to middle-income earners on the North Shore.

One focus area identified in the Solutions Lab is the need to reimagine the current development approvals process, which can be divisive, time-consuming, and contentious. This focus area aims to answer the following question:

> How might we...
>
> Reimagine the development approvals process such that it builds, rather than divides, community?

As part of the work in this focus area, input from lab participants from the first phase of the BHL has informed the design of an alternative development approvals process that promotes more meaningful opportunities for community members, Municipal Staff, Council, and developers to co-create and engage with proposed housing projects.

## Purpose of the Pilot Project

The alternative development approvals prototype outlined below is intended to provide community members a 360-degree view of the potential development concept and more opportunities for diverse voices to be heard in the early stages of the process. It is also intended to inform the City of North Vancouver and District of West Vancouver Councils and municipal staff of concept designs and ensure projects align with broader community objectives in the earlier stages of the project.

In order to select projects that will help the City and District pilot this prototype, two key criteria are being used to select projects: the proposed concepts should include a component of mid-market housing and conform with the Official Community Plan policies.

*Please note: This pilot project is a work in progress and this brochure will be updated over time as the City of North Vancouver and District of West Vancouver and its partners gather learnings and insights from participants of the program. The following pilot process will be illustrated using the City of North Vancouver as an example.*

# Stages of Development Approvals Process

## **STAGE 1:** PRE-CONSULTATION — *MONTH 1*

**Description:**

- **Developer** and **City of North Vancouver staff** (e.g. engineering, planning, fire, building, etc.) discuss early development concept and any potential technical challenges to the proposed project concept.
- **Developer's** early project concept should provide a high-level site plan and demonstrate how the project intends to meet the policies in the City of North Vancouver's Official Community Plan.
- **City Staff** will provide high-level feedback on designs (e.g. comments on site access, height, massing, known off-site requirements) and identify any concerns.
- A public call will be posted on the City's project page for community members to apply to participate in the co-creation workshop. When applying, community members will be asked about their demographics, lived experiences, and professional expertise. Selected community members will be trained on OCP policies, zoning bylaw, and other City policies and provide advice on the development concept.

### Participants:

- City Staff
- Developer
- External Facilitator

- **City Staff, developer**, and an **external facilitator** will manage the public call and select up to 20 stakeholders, with high consideration for selecting those with lived experiences or who identify as Indigenous or groups that are underrepresented, to participate in the co-creation workshop (Stage 2) from the following groups:
  - *Advisory Design Panel representatives*[1]
  - *People who have faced housing challenges on the North Shore*[2]
  - *Local business representatives*
  - *Local neighbourhood representatives*
  - *Local services (e.g. fire and police department, school districts, hospitals)*
  - *Other relevant stakeholders as determined on a case-by-case basis*
- A date will be mutually agreed upon by the developer and City Staff for the co-creation workshop with community stakeholders in Stage 2.
- **City staff, developer**, and **external facilitator** will identify key questions and themes that will guide stakeholder and public engagement and further shape the project concept.
- **City staff, developer**, and **external facilitator** will select the appropriate engagement mechanisms for stakeholder and public engagements.

[1]Two to three Advisory Design Panel representatives will be selected for the process based on relevance of their professional expertise and on a rotating fashion.

[2]According to best practices, stakeholders with lived experiences will be compensated for their participation.

[3]To support a World Café style workshop during COVID-19, City staff and developer can use a virtual meeting platform that follows the City's guidelines for virtual engagement. City staff can manage and can use the "breakout rooms" function in a virtual meeting platform to mimic the idea of rotating tables. Using the breakout rooms function, City staff can manually assign participants to different rooms with City staff, the developers, and architect. After a set amount of time, City staff can switch the rooms of participants.

## **STAGE 2:** CO-CREATION WORKSHOP WITH COMMUNITY STAKEHOLDERS (CONCEPT DEVELOPMENT)

*MONTH 1*

### Description:

- **City Staff** and **developer** will host a World Café style workshop with community stakeholders and representatives of the advisory design panel.
- **City staff** will present Official Community Plan policies and what the land use designation allows for the subject site (e.g. land use, density) at the beginning of the workshop.
- **Developer** will present their project vision and brings their architect to engage in dialogue with community stakeholders.
- Tables will be set up around a room with a mix of City Staff, the developer, architect, and stakeholders that create opportunities for dialogue and collaboration to explore key engagement questions and topic areas. Stakeholders will move from table to table.
- **Stakeholders** will provide local knowledge, lived experiences, understanding of local neighbourhoods, and professional expertise to inform the concept development (e.g. guiding principles, history, vision, outcomes, aspirational goals).
- **City staff** and **developer** will facilitate and guide conversations, take minutes and record conversation and synthesize project outcomes. Input received in the co-creation workshop will inform the concept development prior to Stage 3.

**We aim to work with two developers through this process; one will lead the co-creation independently, and one will have the support of an external facilitator. In piloting this, the external facilitator will use Urban Matters as part of the prototype evaluation process.*

### Participants:

- City Staff
- Advisory Design Panel representatives
- Developer (and architect)
- Community Stakeholders

## **STAGE 3:** PUBLIC ENGAGEMENT ABOUT CONCEPT *MONTH 2*

### Description:

- **City staff** and **developer** will present the concept developed in Stage 2 to the public through a virtual platform and engagement process that includes a menu of options for engagement.
- **City staff** will launch an online City project page that will act as a digital hub and allow the public to learn about the project, stay updated with upcoming engagement events, and share their experiences through all stages of the project.
- This stage is intended to serve as an alternative to the Public Hearing Process, which can be contentious and may not always capture a diverse cross-section of community voices. This public engagement is intended to find a variety of ways for the public to engage with the project and provide input in advance of First Reading. These opportunities meaningfully engage participants to ask questions, express concerns or excitement for the project, and to check in on the project progress.
- In addition, this stage is designed to increase access of engagement by offering multiple formats for both residents and stakeholders to participate, at different times throughout the day, and encourage dialogue between the **developer**, the City, and the public.
- The public can register through the City's project page to stay informed throughout the pilot project by providing their email and postal code.
- The public is invited to provide feedback to the concept through various forms of engagement and dialogue with **City staff** and the **developer.**
- **City staff** will incentivize the public to engage by demonstrating that their participation and feedback will have real influence on the outcomes of the process.

### Engagement Tools:

Engagement tools and approaches may vary depending on the purpose, project cycle, and target audiences. The engagement tools described below provide a menu of options for the two pilot projects. The selection of tools and approaches will be tailored to each pilot project and compared against each other for effectiveness of meaningful engagement. The City and developer will work together to determine the most appropriate engagement approaches.

For the purposes of the pilot project, an additional evaluation survey will be posted to the City's project page and emailed to participants at the end of each engagement stream for the public to provide feedback on their experience of the overall engagement process. This evaluation survey is not intended to be replicated outside of the pilot project, rather the findings from the survey will be used to improve the overall process in either Pilot 1 and Pilot 2 (whichever occurs later).

### Participants:

- City Staff
- Developer
- External Facilitator (optional)

## Virtual Town Hall:

- **City staff** and **developer** will host a virtual town hall using an online meeting platform that follows the City's guidelines for virtual engagement.
- **City staff** will advertise the virtual town hall on the City's project page and through the City's social media platforms (e.g. Facebook, Twitter, Instagram).
- Participants will sign up to attend the live town hall on the City project page and will be asked to provide their name, email and postal codes[4]. City staff will use participant postal codes (collected via log in) to track community perceptions by geographic distribution.
- **External facilitator** will help moderate Q+A sessions between City Staff, developer, and participants at the end of their presentation.
- Participants can use the 'raise your hand' option on online meeting platform to comment or ask questions in turn.
- **Developer** will answer specific comments and questions related to the concept in real-time.
- The virtual town hall can be recorded and shared on the City's project page for those who were not able to participate during the live presentation.

## Survey:

- **City staff** will design the project survey to include questions that will provide a better understanding of the diverse range of respondents and their perspectives on the project.
- **City staff** will advertise project survey on the City's social media platforms (e.g. Facebook, Twitter, Instagram).

## Community QR Code Survey Advertisement:

- **City staff** will put up posters and advertisement about the project in locations where residents shop or visit (e.g., grocery and retail stores, schools, community centre) and for those who work in the North Shore but cannot afford to live here (e.g. bus shelters, SeaBus terminals, hospitals, fire halls).
- Posters and advertisement will include a short description of the project, the project page link, and a QR code that can be scanned by residents using their phone cameras. QR codes will direct residents to a short survey about the pilot project on the project page with a chance to win a prize draw (e.g. gift card) at the end.
- **City staff** will design the project survey to include questions that will provide a better understanding of the diverse range of respondents and their perspectives on the project.
- **Developer** will provide gift card for draw.

## Digital Posters:

- **City staff** will post digital posters, including concept renderings and infographics, on the City's project page to provide information about the pilot project to the public.

[4] Providing postal codes will not be mandatory

## **STAGE 3:** PUBLIC ENGAGEMENT ABOUT CONCEPT *MONTH 2*

### Online Forum:

- **City staff** will create a moderated forum section on the City's project page that allows the public to submit comments related to their experience or ask questions of City Staff and the developer related in Stages 3 to 8.
- **City staff** will approve posts that abide by City guidelines and rules.
- **City staff** and **developer** will post answers to questions from participants within 2 to 3 business days.
- A visual map of where virtual town hall and engagement participants live can be included on the project page to show where respondents are responding from and increase transparency of the process.

### Digital Advertising:

- **City staff** will use social media advertisements and project graphics to promote and boost posts about the project, the project page, and survey on all platforms.

### Webchat Forum:

- **Developer** will set-up a webchat (e.g. Discord, Slack, etc.) forum to facilitate online discussions with the public .
- Participants will sign up for the webchat forum on the City project page and will be asked to provide their name, email and postal codes. City staff will use participant postal codes to track community perceptions by geographic distribution.
- **Developer** will monitor and moderate posts. Questions will be automatically set to be posted privately and made public once approved.
- **Developer** will reply to comments and questions from participants within 2 to 3 business days.
- **City staff** will participate in the webchat forum and reply to comments and questions that are applicable.
- Webchat forum will abide by general City guidelines and rules while an external communication channel hosted by the developer will allow for a more streamlined process for the developer to participate.

### Pop-Up Booths:

- Due to COVID-19 and its implications, City staff and developer will be unable to organize pop-up booths to engage with the public at convenient locations at this time; however, this could be a viable option for future projects.

## **STAGE 4:** CONCEPT REVISION *MONTH 3*

### Description:

- **Developer** will review the feedback received from the public in Stage 3.
- **Developer** will consider community feedback and incorporate changes to the project concept while maintaining viability of the proposal. City staff will also ensure that high-level feedback from Pre-Consultation has been incorporated into the concept.

### Participants:

- Developer

## **STAGE 5:** PROJECT BRIEF AND INITIAL STAFF REVIEW *MONTH 4*

### Description:

- **Developer** will provide a project brief outlining the proposal that outlines certain parameters (e.g. density, height, community amenities, etc.).
- **City Staff** will review the project brief to ensure that the major challenges identified in Stage 1 that could stall the proposal at the application stage are addressed by the developer.
- **City Staff** will provide a summary of geographic representation of engagement participants from across the City, neighbouring communites, and beyond, as well as community perceptions by postal code using findings from Stage 3 to inform Council's decision making.
- **City Staff** will prepare a report back to Council outlining their recommendation for Council to approve the proposed project subject to certain conditions or to reject the proposal until certain provisions are met. These could include, but are not limited to, review and refinement of the public realm and off-site works, further negotiation regarding proposed project amenities, and further design refinement to address issues and concerns identified in previous stages.
- **City Staff will prepare a draft zoning bylaw amendment based on the proposed project brief**

### Participants:

- City Staff
- Developer

## **STAGE 6:** FIRST AND SECOND READINGS *MONTH 5*

### Description:

- **City Council** will receive the staff report on recommendations to inform their decision making.
- **City Council** will receive the draft zoning bylaw amendment.
- **City Council** opts to proceed or reject the application. If the application proceeds, Council undertakes the first and second readings and determines any conditions required to be resolved prior to adoption.
- If Council decides at this stage that a public hearing is not needed, i.e. the proposed project and the proposed zoning bylaw are consistent with the OCP and the engagement approach and summary report of engagement findings is sufficient, then Council can waive the public hearing.
- If the public hearing is waived, then the application proceeds to the next Stage. If the public hearing is not waived, then a public hearing will be held after notice is given.
- City Staff and the applicant work to resolve any conditions required prior to adoption.

### Participants:

- City Staff
- City Council

## **STAGE 7:** DETAILED APPLICATION *MONTH 6*

### Description:

- If the project concept passes second reading, then the **developer** revises the proposal based on the conditions laid out.
- Developer submits a detailed application to City Staff for consideration.
- The application is checked by **City Staff** for completion to ensure it meets all technical requirements.
- If the application is complete, it will proceed forward to the Advisory Design Panel, then to Council.

### Participants:

- City Staff
- Developer

## **STAGE 8:** THIRD AND FOURTH READINGS *MONTH 8*

### Description:

- Staff ensures all proposed amenities and commitments are secured through agreements as required.
- City Council will undertake 3rd reading. If the application moves forward, then the final reading will be undertaken during the same session.
- After final reading, the zoning bylaw amendment is adopted and the application is approved.

### Participants:

- City Staff
- City Council
- Developer

# Convening Partnerships for Housing on the North Shore: Preliminary Considerations

## Challenge Question

How might we convene partners, led by the Squamish First Nation, to help create new housing concepts that support both the needs of Squamish members and North Shore residents at large?

## Shared Considerations

- Increased housing options in any community benefit the entire North Shore
- Each partner faces capacity and resource challenges when it comes to housing, though they may look different
- Partnership would help leverage opportunities not otherwise available
- Each partner must be able to demonstrate benefits to their respective residents
- Partnership requires political direction
- Ways of working across jurisdictions should continue to evolve to meet changing leadership and community needs
- Desire to understand each partner's priorities, processes, and timelines
- Effective cross-jurisdictional relationships and coordination could have benefits for infrastructure, services, transportation, etc. on the North Shore
- Indigenous and non-Indigenous residents live in all partners' communities
- Many North Shore residents are not aware of jurisdictional boundaries
- Housing has ripple effects on economy, transit and community vibrancy
- There is limited cross-jurisdictional engagement on housing and land use decisions between First Nations and local governments

## Past Partnerships Success

- North Shore Homelessness Task Force
- Integrated North Shore Transportation Planning Project (INSTPP)
- Spirit Trail development
- Cultural events and public art

## Squamish Nation

### Objectives

- Positive legacy for future generations
- Housing for Squamish members and North Shore community at large
- Capacity building related to planning and managing housing development
- Economic development and employment opportunities

### Partnerships

Partnerships could include collaboration, mentorship, and capacity building

Partnerships must be based on reciprocity

Historical decisions have created skepticism about the benefits of partnerships

Opportunity to address persistent North Shore housing needs

Many North Shore residents have limited knowledge of land use on the North Shore and how it has negatively affected Squamish Nation

Desire for consideration of Squamish Nation's needs to be a part of planning for the North Shore

### Housing

Engage broader Squamish Nation in identifying housing needs and development goals

Creation of the new Hiýám ta Sḵwx̱wú7mesh Housing Society helps address questions about the enforcement of the Residential Tenancy Act on reserve lands

Legal structures on reserve require new ways of generating taxes and revenue for infrastructure (being explored)

Private developers have demonstrated interest in working with Squamish Nation

Developing on reserve lands has different challenges than local government – community buy-in, services, etc.

Servicing and infrastructure agreements are key to unlocking development potential of reserve lands

Squamish Nation has historically had limited internal capacity for planning and development approvals, but is currently working to develop these functions

## City of North Vancouver

### Objectives

- Housing for local workers
- Suitable and affordable housing for families and connection between housing and childcare

### Partnerships

City, as well as other North Shore communities, have seen significant administrative and political changes in recent years which means a lack of continuity as well as the creation of new opportunities

Lack of protocols around partnerships

Limited internal expertise for working effectively with First Nations communities

City is limited in addressing the scale of this housing challenge alone

Beneficial for partners to know housing development plans, scale, and opportunities to leverage other community benefits such as housing

A risk of City involvement is that it could slow things down – approvals, community opposition, etc.

### Housing

City prioritizes limited housing resources for low-income households and there is limited ability for the City to invest in middle-income earner housing

Historically, municipalities have had limited role in housing, beyond land use

The City's primary tool for addressing housing need has been leveraging private development for affordable housing units, but the number of large projects each year is small

Affordable Housing Reserve is limited in relation to cost of building housing

Small city, limited resources and tax base

## District of West Vancouver

### Objectives

- Housing to support a more diverse demographic (e.g., aging population, families, local workers)
- Leveraging limited resources to support community needs

### Partnerships

Staff capacity is limited, dependent on Council priorities

Limitations to investing in projects across jurisdictional boundaries

District can share technical knowledge – planning, engineering, urban design

Most effective partnerships live beyond specific individuals or elections cycles

A risk of District Involvement is that it could slow things down - approvals, community opposition, etc.

District can't address local housing needs alone – number of units that District can create through own initiatives is far smaller than number needed

### Housing

Land value in District is much higher that neighbouring communities – limits ability of private or non-profit sector to respond to the housing challenge

Employers across sectors are struggling to attract workers

Vocal opposition to change and housing development

Mismatch between housing stock, demographics, and needs of healthy economy

Limited financial resources for direct investment in housing

Small tax base, primarily residential

Limited public lands for housing development

# Flexible Delivery Models For Affordable Living:
## Housing Opportunity Areas

The prototype that has emerged incorporates elements of this lab group's work, input from the Steering Committee and Working Group, and is intended to identify opportunities for more mid-market housing within key land use designations in the City of North Vancouver and the District of West Vancouver. These 'Housing Opportunity Areas' are specific land use designations that either have not conventionally been used for residential dwellings, or are currently used for housing but may be able to accommodate more mid-market housing. In the City of North Vancouver, these include School and Institutional lands and Residential Land Use Designation 5. Within the District of West Vancouver the BHL is looking at the RS-5 zoning designation. The prototype would pre-zone the lands under both these land use designations in order to provide non-market and mid-market rentals or affordable ownership. Additionally, our analysis will also look at opportunities for gentle density in a zone within the District of West Vancouver.

## City of North Vancouver School and Institutional Lands

By designating School and Institutional for non-market housing, owners of these lands would be able to develop new non-market developments using new government funding programs (e.g. CMHC's Co-Investment Fund or BC Housing's Community Housing Fund). This would increase the land available in the City that could potentially accommodate non-market rentals, and could encourage school and institutional partners (e.g. churches) to redevelop, if they do not need to undertake a significant rezoning process.

These non-market units would be required to be operated by a non-profit and kept within affordable levels, as defined by the City and dictated under a housing agreement. Preliminary economic analysis shows that land values are unlikely to significantly increase on these properties, as any market form of development would still require an OCP amendment and a complete rezoning process. The pre-zoning would only be targeted at non-market housing development. Additionally, any pre-zoning would not eliminate the need for a development permit, and design guidelines would be developed to ensure consistency in building type across these lands.

### City of North Vancouver School and Institutional Lands

**Current use:** To provide for services to the community, including schools, cultural institutions, places of assembly, recreation facilities, public care facilities, and utility services.

**Proposed new use:** These lands must continue to provide original institutional purpose on site (school, church, health care, etc.); new land use allows for non-market housing programs that can provide a moderate stream of revenue to institutional partners, and are managed by a non-profit and administered through a housing agreement. This could include various forms of non-market housing.

## City of North Vancouver Residential Land Use Level 5

The second component of the Housing Opportunity Areas prototype is to develop policy that encourages a greater contribution of mid-market rental units when Residential Level 5 lands are being redeveloped. By encouraging a higher contribution of these units, the City will be creating more housing opportunities for moderate to middle-income renters in the City.

The work being undertaken on this prototype currently involves testing land economics scenarios that examine the impacts of changing certain conditions under which development takes place to determine the feasibility of requiring an additional contribution of units when these conditions are met. These conditions include:

- The primary condition is to better understand how reduced processing times can be achieved through a pre-zoning that allows for redevelopment when it provides a higher contribution of mid-market units than under current density bonusing;[1]
- Another significant contributing condition would be the impact of alternative financing through CMHC's Rental Construction Financing Initiative (RCFI), which provides favourable lending rates and longer-term amortization periods than market financing;
- Other conditions could include the impact of reduced land costs for long-term land owners[2] and the impact of additional incentives[3]; and
- Additional incentives may be considered; however, these would likely have marginal impacts on the overall financial feasibility of a project.

Preliminary economic analysis shows that under conditions where favourable financing is available, processing time for development approvals is reduced, and land cost is slightly reduced, that a higher contribution of mid-market units may be possible. Under these conditions, a redevelopment remains financially feasible and compares favourably to current density bonusing options available to land owners.

### City of North Vancouver Residential Level 5

**Current use:** Land use designation captures a significant portion of older purpose built housing stock in CNV, with approximately 60% rental, 40% ownership. Currently the land use allows for FSR: 1.6, with a maximum bonus FSR of an additional 1.0 under density bonusing program.

**Proposed new use:** Consider prezoning these lands to allow for mixed-income, purpose-built rentals with a greater component of mid-market rental than is currently captured under the density bonusing program.

1 Feasibility of the extent to which greater contributions can be requested are under analysis; however preliminary feasibility analysis shows there may be opportunities under certain conditions to increase the requested contribution of moderately priced rental units.

2 This assumption is designed to discourage widespread purchasing and redevelopment of lands, and instead for the policy to act as an incentive for established land-owners to consider redevelopment under favorable conditions.

3 These would likely have marginal impacts on the financial feasibility, but should be considered to determine impact that these measures could have.

Land owners with property in these areas could pursue a conventional redevelopment scheme, with an allowed density of 1.6 FSR, and up to an additional 1.0 FSR where non-market units or mid-market units are provided However, by prezoning these lands and requiring a higher proportion of mid-market units there would be an incentive for developers willing to work under the conditions noted above to pursue a housing development that would lead to a greater number of mid-market units contributed to housing supply. The policy will be calibrated such that this approach remains financially feasible and appealing,
but not so favourable that it encourages a wholesale redevelopment wave throughout the Residential Level 5 lands.

**Summary of Housing Opportunity Areas for the City of North Vancouver**

| | Status Quo | Secured Rental Housing with Bonus Density | Housing Opportunity Areas |
|---|---|---|---|
| CNV Residential Land Use 5 | Market strata development<br>Up to 1.6 FSR<br>Rezoning required<br>Feasible under existing market conditions and financing | 10% of rental units must be mid-market rental units[4] in perpetuity<br>Up to 2.6 FSR<br>Rezoning required<br>Feasible under existing market conditions and financing | At least 10% – 15% of units must be mid-market rentals in perpetuity<br>85 – 90% of units must be at 10% below actual market values for new rental<br>No rezoning required<br>Financial feasibility requires making use of CMHC's Rental Construction Financing Initiative (RCFI) |
| CNV School and Institutional | To provide for services to the community, including schools, cultural institutions, places of assembly, recreation facilities, public care facilities, and utility services. Significant new public and community uses should be concentrated in or around the Lonsdale Regional City Centre. | n/a | • Must continue to provide original institutional purpose on site (school, church, health care, etc.)<br>• New use allows for non-market housing programs that can provide a moderate stream of revenue to institutional partners<br>• Affordability of units would be provided in perpetuity<br>• Units would be non-profit managed |

4 Mid-market rentals are defined as 10% below CMHC's average market rent for the City of North Vancouver. This figure includes both older purpose-built rental and new purpose-built rental, and can be significantly lower than market rents for new purpose-built rental.

## District of West Vancouver RS5-Single Family Zoning

The third component of the Housing Opportunity Areas prototype is to develop policy in the District that allows gentle density in a single-family zone near an existing Town Centre Local Area Plan (Ambleside) in order to determine whether it can accommodate a contribution of affordable ownership units, or mid-market rental when redeveloping between 1 and 3 lots. By allowing gentle density, with a requirement to contribute some portion of units toward mid-market rental or ownership, the District will be creating more housing opportunities for moderate to middle-income households in the community.

The work being undertaken on this prototype also involves testing land economics scenarios that examine the impacts of changing certain conditions under which development takes place to determine the feasibility of requiring an additional contribution of units when these conditions are met. These conditions include:

- Allowing a land assembly of up to 3 lots within the zone in order to achieve economies of scale for developers
- Allowing multi-family townhouse forms in this zone to increase density
- Requiring a developer contribution of affordable ownership units or mid-market rental units
- Understanding how new provincial and federal programs (affordable home ownership programs and rental construction financing) may impact the financial viability of these proposed changes

Preliminary economic analysis shows that under conditions where land assembly and greater density is possible, a contribution of affordable ownership units may become viable. This analysis is ongoing and does not yet consider the potential impact of senior government programs on the overall viability of this program.

### District of West Vancouver RS5 Zoning

**Current use:** Zoning designation is for single family homes near the Ambleside neighbourhood, and partially contained by the Ambleside Town Centre Local Area Planning Boundary.

**Proposed new use:** Consider prezoning these lands to allow townhouse-type multi-family on between 1 and 3 existing lots. Allowing this greater density would be in exchange for a development contribution of affordable ownership units and/or mid-market rental units within new developments.

# Appendix 2: Housing Fact Sheets

# Housing Needs Fact Sheets

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BALANCED HOUSING LAB

## Introduction

Market housing is increasingly beyond the reach of working households in Metro Vancouver. On the North Shore, homeownership is increasingly unattainable while rental vacancy rates are at historic lows and the cost of renting is high. In the City of North Vancouver, the average home sale price increase by 59% between 2013 and 2019, while median household income grew by an estimated 18% over this time period. For comparison with the rental market, the median rent increased by 34% between 2013 and 2018. In the District of West Vancouver, the average home sale price increase by 26% between 2013 and 2019, compared to an estimated 13% increase in median household income. For comparison, the median rent increased by 31% between 2013 and 2018.

**For the purposes of this study, middle-income households are defined roughly as households earning between $50,000 and $100,000 before tax per year.**

Many middle-income households, historically served by market housing, are struggling to find suitable and affordable housing close to work and schools. When housing options are limited, households live farther away from work or seek schools and employment elsewhere. Neighbourhoods and local businesses can be negatively affected as there may be a high turnover of residents and limited opportunities to put down roots and build community.

As job opportunities on the North Shore grow, a lack of housing options and affordability can also increase congestion and commute times as workers move farther away. Between 2011 and 2016, the numbers of jobs on the North Shore grew by 12% while the population only grew by 4%. Among North Shore workers, 40% live elsewhere (mostly in Vancouver, Burnaby, Surrey, or Coquitlam).

The Balanced Housing Lab (BHL) was created through a partnership with the City of North Vancouver, District of West Vancouver, Squamish Nation, senior levels of government, and other stakeholders to work together to move the dial and create more workforce housing opportunities. This fact sheet synthesizes demographic and housing data for middle-income earners to provide a snapshot of trends in BHL communities.

# Definitions

**Housing Unaffordability**—The Canada Mortgage and Housing Corporation considers housing to be unaffordable when a household spends 30% or more of before-tax household income on shelter costs.

**Shelter Costs**—For renters, shelter costs include rent and any payments for electricity, fuel, water, and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water, and other municipal services.

**Middle-Income Households**—Individuals and families earning between $50,000 and $100,000 per year before tax. These income thresholds provide a framework but are not fixed. Solutions may address households earning below $50,000 or above $100,000. Within this income range, there is significant diversity depending on household size, stage of life, abilities, security of work, family support, and many other factors.

**Primary Rental Stock**—Purpose-built rental units, historically made up of buildings that are 100% rental, though this is changing. The development of purpose-built rental units declined dramatically after the early 1990s due to rising interest rates and the elimination of senior government grants and tax credits aimed at encouraging this type of housing.

**Secondary Rental Stock**—Rented homes, secondary suites, individually rented condominium units, and other forms of rental that are not purpose-built. In recent years, most new rental stock has been in the form of secondary rental such as secondary suites, and this has become an important source of rental housing for many individuals and families.

# City of North Vancouver

BHL
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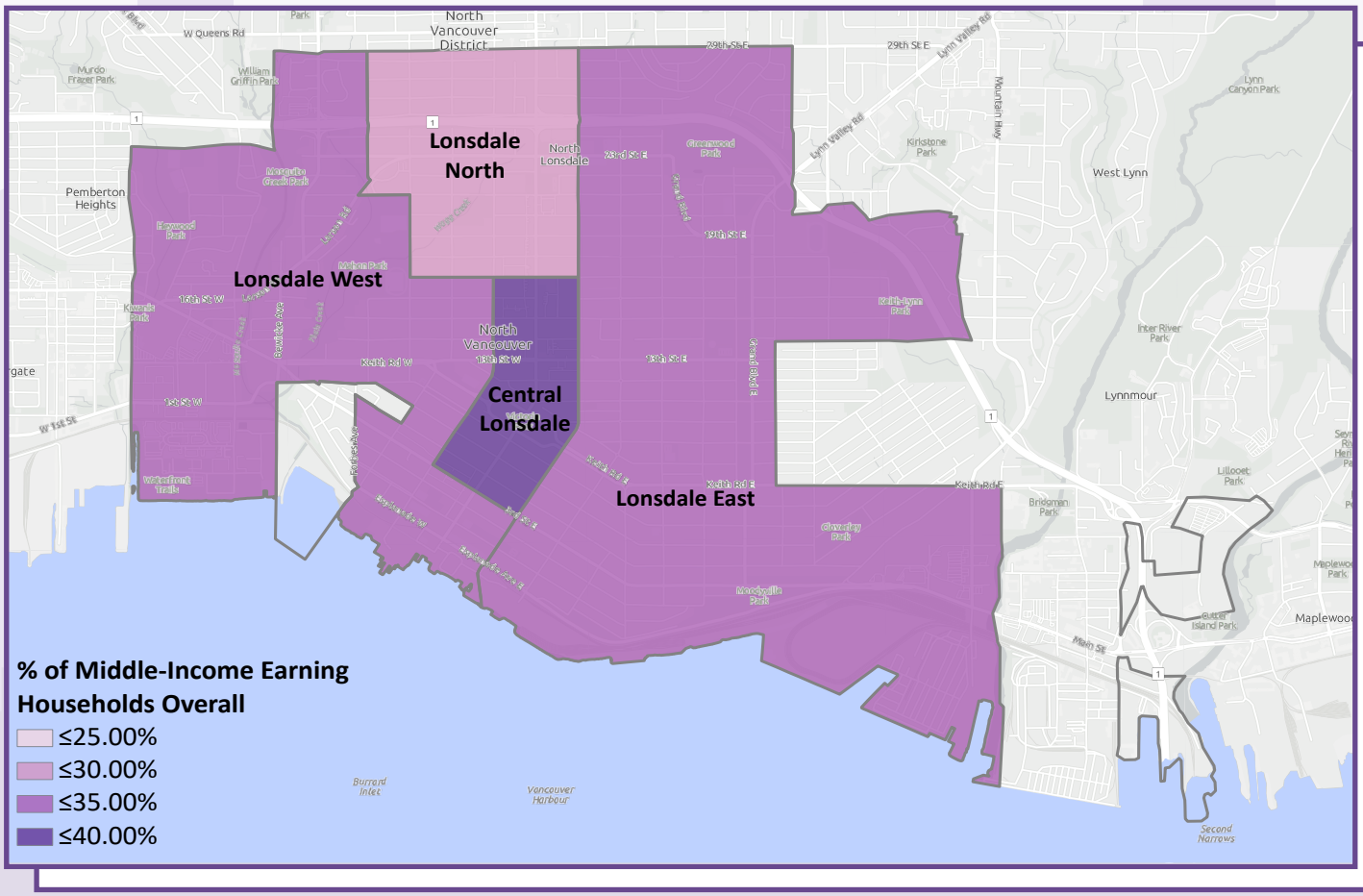
## Proportion of Middle-Income Households in City Neighbourhoods




*Source: Statistics Canada, 2016.*

# Demographics

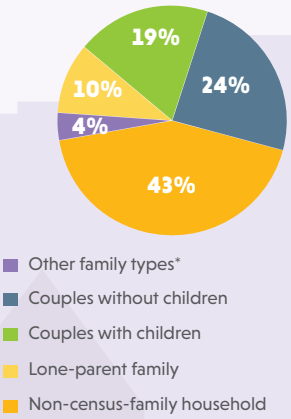
7,890, or 32% of City of North Vancouver households earn between $50,000 and $99,999. The highest concentration of middle-income households is Central Lonsdale, where 35% of households fall into this category.

## Household Type

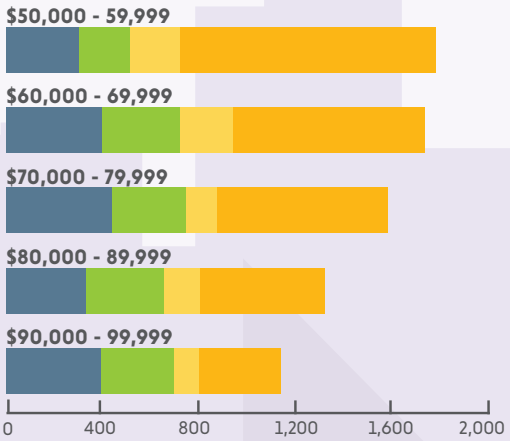
Among middle-income households, 67% are non-census family households (individuals living alone or with roommates) or couples without children, compared to 23% of families with children (either couples or lone-parents).

Non-census-family households (individuals living alone or with roommates) and lone-parent families are more likely to be in lower income brackets.

**Family Types of Middle-Income Households**




**Family Types by Income Bracket**

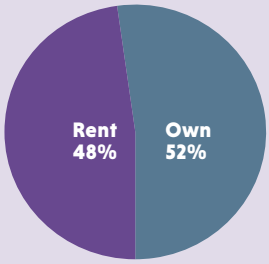



**Includes census families with additional persons and multiple-census family Households.*
*Source: Statistics Canada, 2016.*

## Tenure

Almost half of City of North Vancouver middle-income households are renters and this is reflected across household types. Central Lonsdale has the highest proportion of renters among middle-income households: 58%.

**Tenure of Middle-Income Households**




*Source: Statistics Canada, 2016.*

# Housing Market

## Housing Affordability

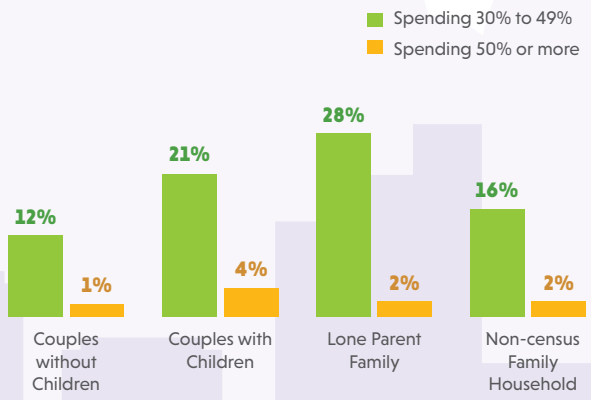
Among middle-income households in the City of North Vancouver, 23% spent 30% or more of their income on shelter costs in 2016, compared to only 6% of households earning more than $100,000. Unsurprisingly, lower household incomes are more likely to face housing unaffordability: 34% of households earning between $50,000 and $59,999 faced housing unaffordability in 2016, compared to 11% of households earning $90,000 and $99,999.

40% of homeowners have paid off their mortgages and likely do not face housing affordability issues. Households without a mortgage are likely older households who have had more time to pay off their mortgage, or households with significant family support in making a home purchase. However, compared to the general population, a larger number of middle-income homeowners (27% faced housing unaffordability in 2016) are facing housing unaffordability than renters (16%). This likey reflects differences between long-term homeowners and recent homeowners.

**Lonsdale West had a higher rate of unaffordability among City of North Vancouver neighbourhood, with 29% of households spending 30% or more on shelter costs in 2016. In Central Lonsdale, only 14% faced housing unaffordbaility.**

Among family types, lone-parent families and couples with children are more likely to face housing unaffordability than others.

**Proportion of Middle-Income Households Facing Housing Unaffordability**

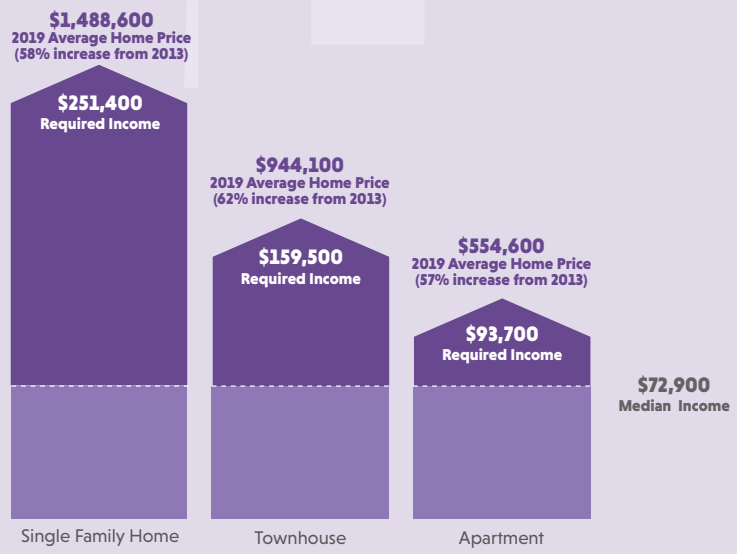



*Source: Statistics Canada, 2016.*

## Homeownership

Between 2013 and 2019, the average resale housing price increased dramatically for all housing types in the City of North Vancouver. Prices have declined slightly since 2018 due to changing federal and provincial regulations, and other factors.

**Homeownership Affordability Gap Analysis**



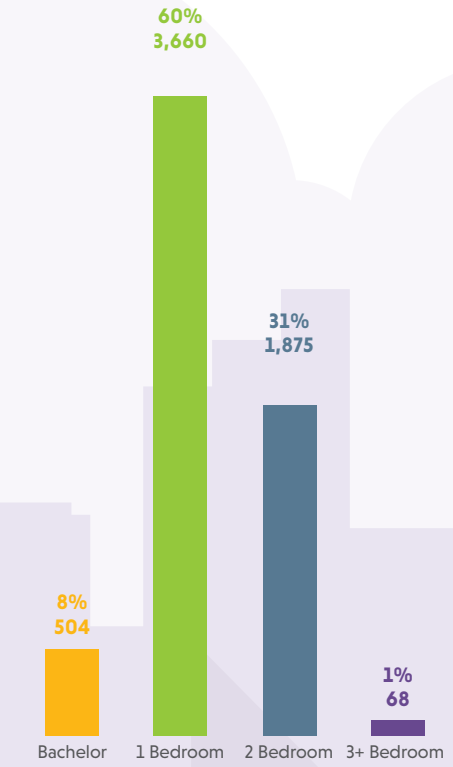

*Source: Statistics Canada, 2016; Real Estate Board of Greater Vancouver, 2019.*

## Rentership

As of 2018, CMHC counted 6,107 purpose-built rental units in the City of North Vancouver. The 2016 Census counted 11,615 renter households. It is estimated that more than 5,000 renter households (~47%) rent in the secondary rental market. The data shown in this section is about purpose-built rental.

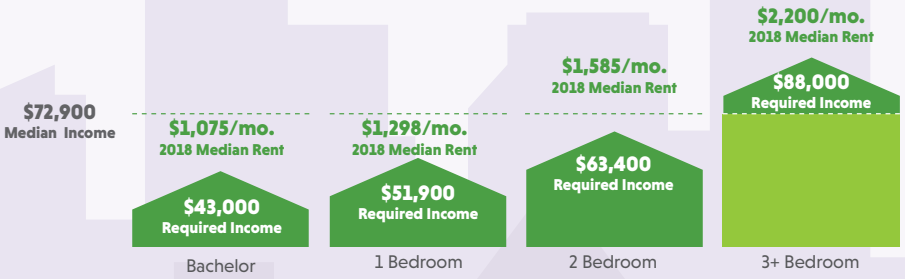
In 2018, the City had a primary rental vacancy rate of 0.8%. Between 2013 and 2018, median rent in the City rose by $349 or 34%, from $1,039 to $1,388, far higher than the estimated growth in median household income of 18% over this period. Middle-income households with children face the greatest barriers in affording rental in the City.

### Primary Rental Unit Sizes




*Source: CMHC, 2018.*

### Primary Rental Affordability Gap Analysis




*Source: Statistics Canada, 2016; CMHC, 2018.*

**Central Lonsdale has the largest stock of purpose-built rental units among BHL neighbourhoods. However, only 1% of primary rental stock in the City is made up of units with three or more bedrooms.**

**There are 9 co-operative housing buildings offering 465 units in the City of North Vancouver. 43% of these units are 3-bedrooms, indicating that non-market housing providers are likely filling in a gap left by market rental.**

**6% of middle-income households in the City of North Vancouver live in subsidized housing.**

# District of West Vancouver

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**Proportion of Middle-Income Households in District Neighbourhoods**

*Source: Statistics Canada, 2016.*

# Demographics

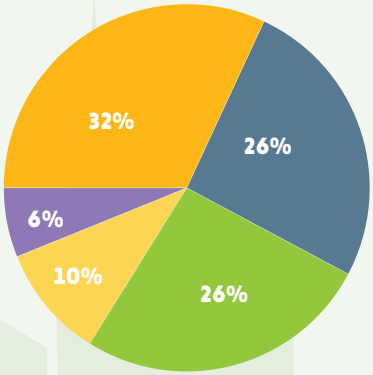
3,635, or 22%, of District of West Vancouver residents earn between $50,000 and $99,999.

## Household Types

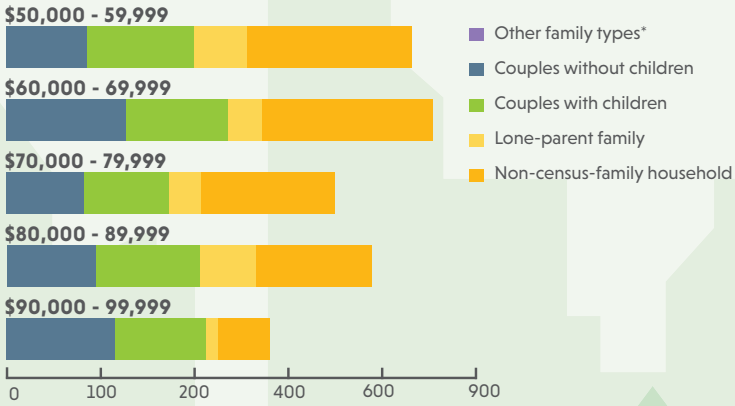
Among middle-income households, 58% are non-census family households (individuals living alone or with roommates) or couples without children, compared to 36% of families with children (either couples or lone-parents) and 6% other family types.

Across income brackets, non-census-family households have lower incomes than other family types.

**Family Types of Middle-Income Households**




**Family Types by Income Bracket**

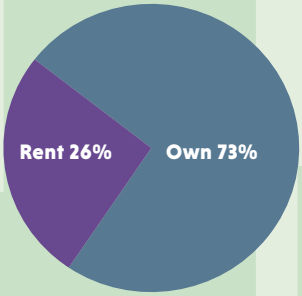



**Includes census families with additional persons and multiple-census family households.*
*Source: Statistics Canada, 2016.*

## Tenure

The District of West Vancouver has a high rate of homeownership among middle-income households (2016 Census). There were higher rates of renting among lone-parent families (45%), non-census family households (33%), couples with children (29%). Only 13% of couples with children rent. This is likely due to a combination of higher incomes among couples with children and the low availability of family-sized rental in the District.

**Tenure of Middle-Income Households**




*Source: Statistics Canada, 2016.*

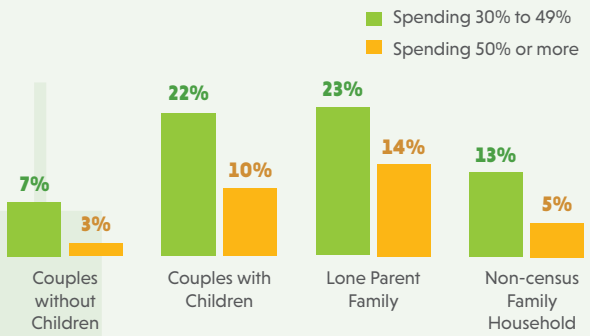
# Housing Market

## Housing Affordability

Among middle-income households in the District, 37% spent 30% or more of their income on shelter costs in 2016, compared to 12% of households earning more than $100,000. A similar proportion of owners (36%) and renters (39%) spend more than 30% of income on shelter costs. However, because there are far more owners than renters, the number of owners facing housing unaffordability is very high. Housing affordability improves the higher income households make: 47% of households earning between $50,000 and $59,999 faced housing unaffordability in 2016, compared to 37% of households earning $90,000 and $99,999.

Lone-parent families and couples with children are more likely to face unaffordability than others because of the high cost of larger units.

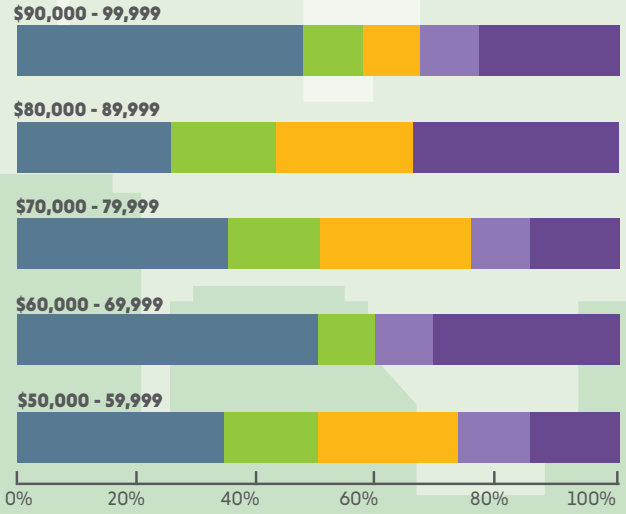
**Proportion of Middle-Income Households Facing Housing Unaffordability**



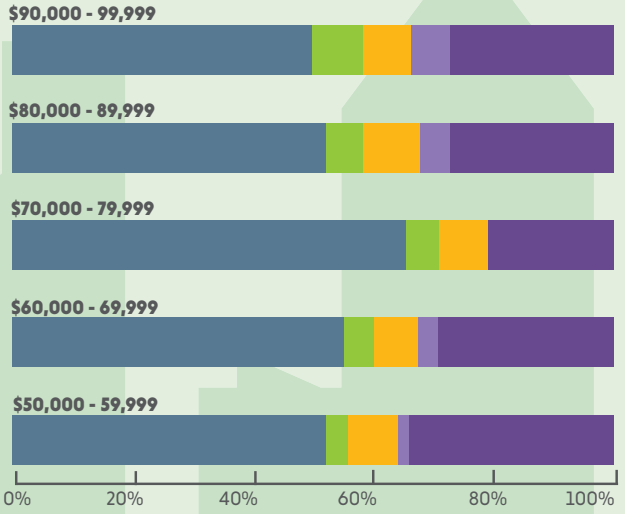

*Source: Statistics Canada, 2016.*

Shelter costs show a polarized situation in the District. There are a large number of households spending less than $1,250 per month in shelter costs—an amount that would be considered affordable to all households making more than $50,000. There are also a very large number of households spending more than $2,500 per month in shelter costs—an amount considered unaffordable for households making less than $100,000.

**Shelter Costs for Renters**




**Shelter Costs for Owners**



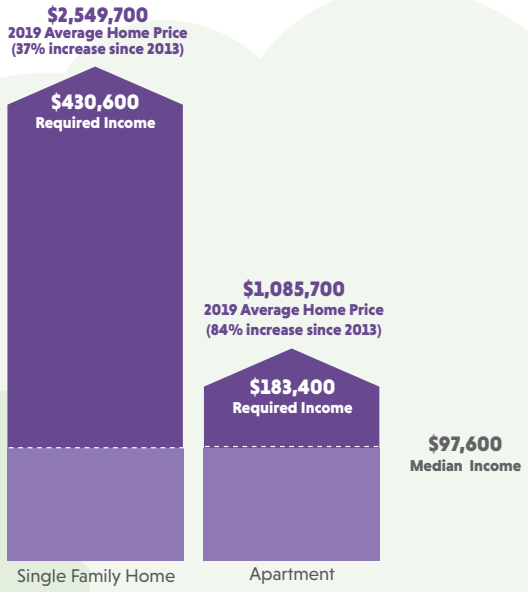

Less than $1,249 | $1,250 - $1,499 | $1,500 - $1,999 | $2,000 - $2,499 | $2,500 or more

*Source: Statistics Canada, 2016.*

## Homeownership

Between 2013 and 2019, the average resale housing price increased dramatically for all housing types in the District. The average sale price of a single family home, in particular, saw a large upward swing between 2013 and 2016, but has since come down. Changes in senior government regulations have impacted high value homes most significantly. The average price of an apartment has almost doubled over this time period. Based on these average prices, homeownership is out of reach for middle-income households.

### Homeownership Affordability Gap Analysis




*Source: Statistics Canada, 2016; Real Estate Board of Greater Vancouver, 2019.*

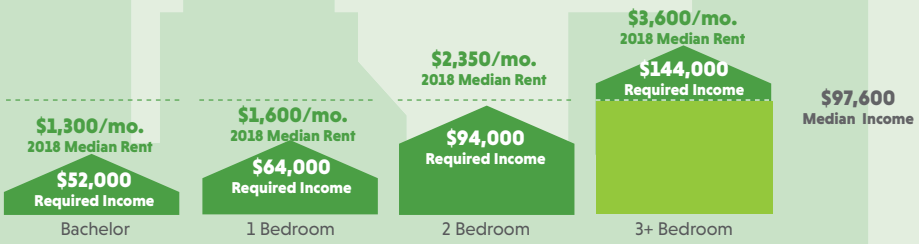
## Rentership

As of 2018, there are approximately 1900 purpose-built rental units in the District of West Vancouver. The 2016 Census counted 4,260 renter households. It is estimated that there are more than 2,300 renter households (~55%) renting in the secondary market. The data shown in this section is about purpose-built rental.

In 2018, the District had a primary rental vacancy rate of 0.6%. Between 2013 and 2018, median rent in the District rose by $400 or 31%, from $1,300 to $1,700, far higher than the estimated rise in median household income over this time of 13%. Similar to the City, households with children are likely facing significant barriers in the rental market due to the cost of larger unit sizes.

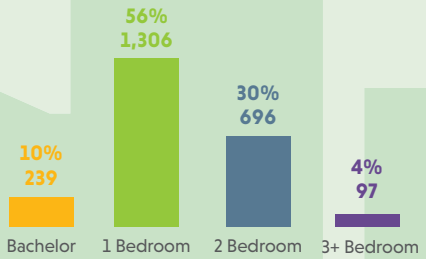
**There are 149 units of co-operative housing in the District across four buildings. Most units have age restrictions (e.g., seniors-only or ages 12 and over).**

### Homeownership and Primary Rental Affordability Gap Analysis




*Source: Statistics Canada, 2016; CMHC, 2018.*

### Primary Rental Unit Sizes




*Source: CMHC, 2018.*
*This data includes purpose-built rental units in the District of West Vancouver (~1900 units) and Squamish Nation's Capilano 5 Reserve (~500 units).*

Individuals and couples without children who are looking for smaller units are likely able to afford median rents in the District of West Vancouver. However, households that require units with 2 or more bedrooms are likely priced out of the primary rental market.

# Squamish Nation

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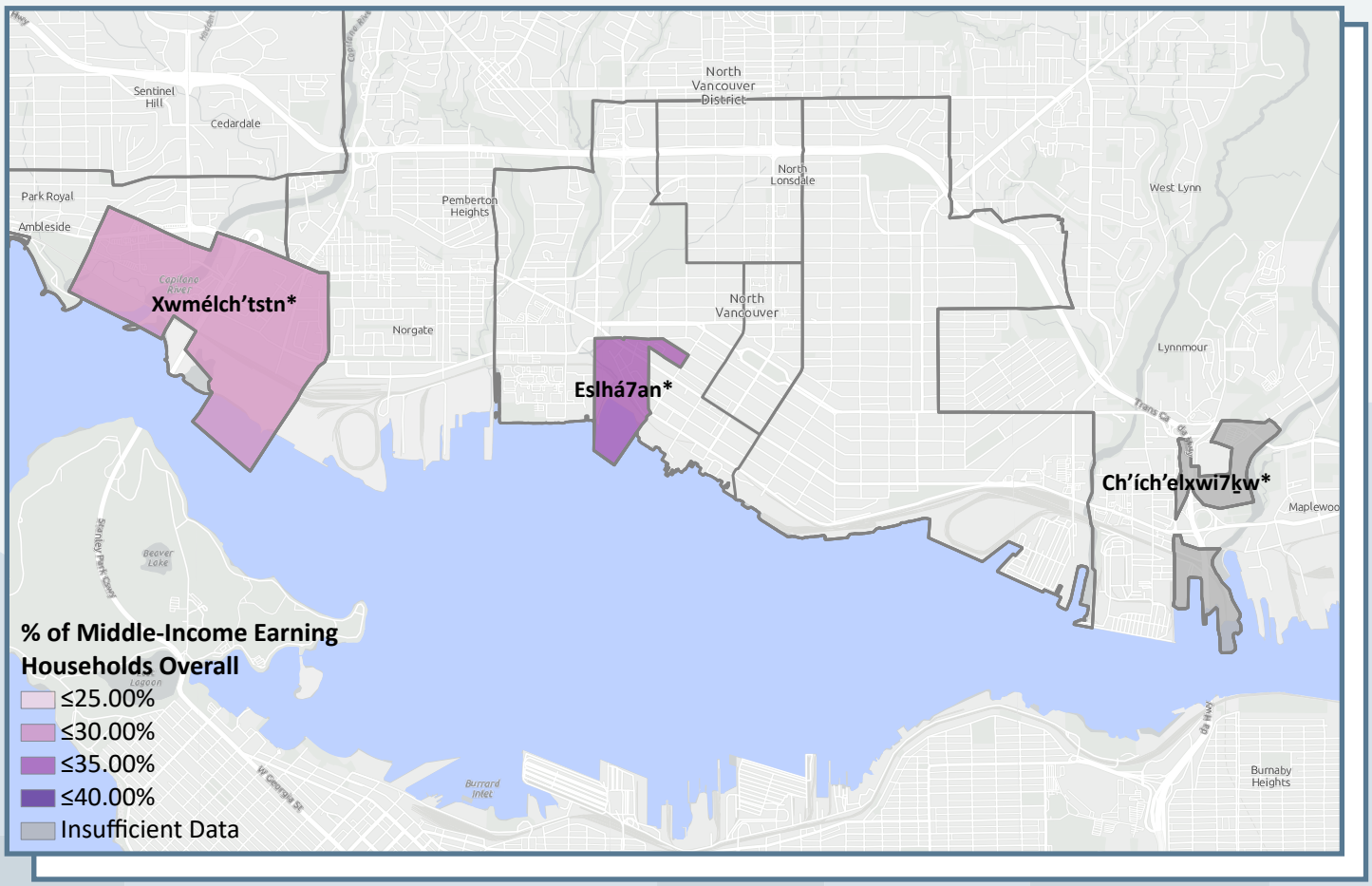
**Proportion of Middle-Income Households in Squamish Communities on the North Shore**




*Source: Statistics Canada, 2016.*

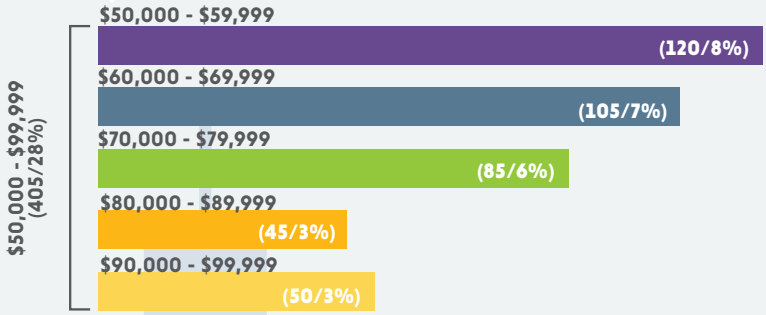
Three Squamish Nation communities are participating in the Balanced Housing Lab: Xwmélch'tstn, Eslhá7an, and Ch'ích'elxwi7k̲w. Squamish Nation also includes reserve communities in other regions.

Income data from Statistics Canada is only available for Xwmélch'tstn and Eslhá7an. Without information for Ch'ích'elxwi7k̲w, the figures in this fact sheet are slight undercount.

# Demographics

Squamish First Nation has 2,083 members living on Squamish reserve lands and 2,009 members living in other communities. At least 405 households in Squamish communities on the North Shore earn between $50,000 and $100,000 per year. The figure is likely slightly higher with Ch'ích'elxwi7kw, but information for that community is not available. This represents approximately 28 percent of the communities.

**Among BHL communities, Xwemelch'st (29%), Ch'ích'elxwi7kw (25%), and Eslhá7an (34%) have the highest proportions of families with children, including couples with children and lone-parent families. Ch'ích'elxwi7kw has the highest proportion of lone-parent families (25%).**

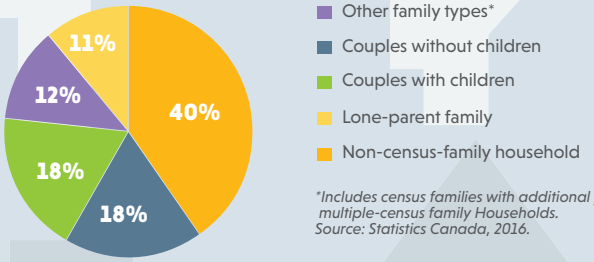



*Income data does not include Ch'ích'elxwi7kw (Seymour Creek 2)*

## Household Types

While data for middle-income households is not available, the graph shows family types for all households in Squamish communities on the North Shore. The most common family type is individuals living alone or with unrelated roommates (non-census-family household, 40%), followed by couples with children (18%), couples without children (18%), other family types (12%), and lone-parent families (11%).

### Family Types of Middle-Income Households




*Includes census families with additional persons and multiple-census family Households.*
*Source: Statistics Canada, 2016.*

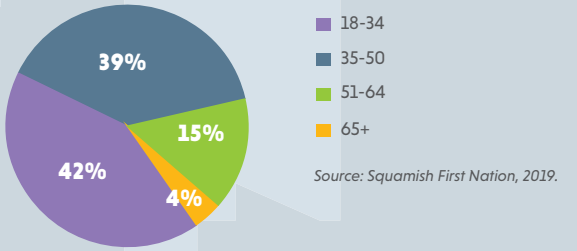
# Housing Market

As of 2020, there are 677 residential dwellings on Squamish reserve lands. 91% of the housing stock is single family dwellings.

There are 1,039 members on the Nation's housing waitlist, reflecting the significant need for member housing. Almost half of those on the housing waitlist are currently living off reserve. 49% of off-reserve members on the housing waitlist live in Metro Vancouver or the Fraser Valley.

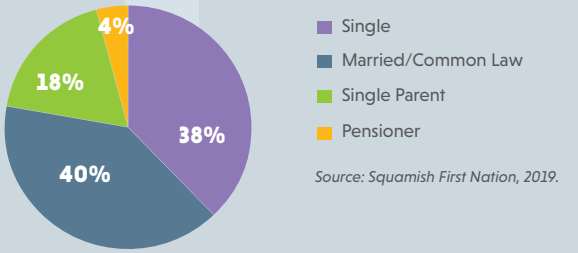
There are 500 purpose-built and privately managed rental units on Squamish land on the North Shore. CMHC counts these within the West Vancouver area.

### Age of Members on Housing Waitlist




*Source: Squamish First Nation, 2019.*

### Household Type for Members on the Housing Waitlist




*Source: Squamish First Nation, 2019.*