

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: November 22, 2021

TO: Mayor and Council

FROM: Greg Newman, Acting Director, Planning and Development Services

SUBJECT: City of White Rock Housing Needs Report (2021)

RECOMMENDATIONS

THAT Council:

1. Receive the “Housing Needs Report,” included as Appendix A to the corporate report titled “City of White Rock Housing Needs Report (2021)” as the first Housing Needs Report for the municipality, prepared pursuant to Division 22 of the *Local Government Act* and the requirements of British Columbia Regulation 90/2019; and
 2. Direct staff to publish a copy of the “Housing Needs Report” on the City’s webpage.
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EXECUTIVE SUMMARY

This corporate report introduces the first “Housing Needs Report” for the City of White Rock. The Housing Needs Report (HNR) recognizes six (6) key areas of local housing need and includes a summary of demographic and housing-related data, as well as the results of a series of public engagement activities held between January and July 2021.

The six areas of local housing need recognized in the HNR include:

1. Affordable Ownership Housing;
2. Rental Housing;
3. Special Needs Housing;
4. Seniors Housing;
5. Family Housing; and
6. Shelters and Housing for People At-Risk of Homelessness.

Each of the areas of housing need are described further in this corporate report and the HNR itself. The Housing Needs Report includes the information required by the province through B.C. Regulation 90/2019. As outlined in the Regulation, completed HNRs are to be updated every five (5) years. Between each five-year period, municipalities are expected to pursue policy changes and other interventions that address areas of identified need, with the scheduled review allowing local governments, and the province, to measure the success of certain interventions. Should Council agree with the recommendation presented in this corporate report, the next step in this important planning work would be to evaluate strategies that could be used to address identified areas of need. The City’s Housing Advisory Committee has built into their 2022 Work Plan a

commitment to explore opportunities to support housing choice, and affordability, to address local needs and the overall quality of life for White Rock residents.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2021-156 March 15, 2021	THAT Council endorses the following as their top five (5) priorities: <ul style="list-style-type: none">• The Official Community Plan (OCP) Review• Solid Waste Pickup for Multi-Family• Housing Needs / Affordable Housing• Community Amenity Contribution (CAC) ‘shovel-in-the-ground’ projects• The City’s Relationship with Semiahmoo First Nation

The City’s Housing Advisory Committee (HAC) has been consulted throughout the preparation of the Housing Needs Report. Members of HAC provided valuable insight to staff and the City’s consultant as it relates to the experiences of White Rock residents and their housing needs. On October 26, 2021, the Housing Advisory Committee passed a motion endorsing the draft Housing Needs Report and the presentation of this work at the November 22, 2021 meeting of Council.

INTRODUCTION/BACKGROUND

In April, 2019, the Ministry of Municipal Affairs and Housing introduced amendments to the *Local Government Act* requiring that all municipalities complete housing needs reports for their communities by April, 2022, and that such reports be updated every five (5) years thereafter. The purpose of a housing needs report is to:

1. Enable the province to gain an understanding of changes in demographics and housing to plan for future housing needs;
2. Enable municipalities to better understand their current and future housing needs; and
3. Assist local governments in implementing policies and bylaws that respond to current and projected housing needs.

The first Housing Needs Report (HNR) for the City of White Rock is provided in Appendix A. The Housing Needs Report presents six (6) key areas of local housing need, including:

1. Affordable Ownership Housing;
2. Rental Housing;
3. Special Needs Housing;
4. Seniors Housing;
5. Family Housing; and
6. Shelters and Housing for People At-Risk of Homelessness.

Each of the above-listed areas of local housing needs are given greater merit in the following sections of this corporate report.

Evidence of Local Housing Needs

Areas of local housing need were identified through an evaluation of demographic and housing-related data and the trends observed between the 2006, 2011 and 2016 Census periods. This information is summarized in the “Part 1: Community and Housing Profile, White Rock,” included as Appendix A to the Housing Needs Report. The Profile was prepared for the City of

White Rock by Metro Vancouver and contains the data required for inclusion in a housing needs report as outlined by the Province through B.C. Regulation 90/2019.

As a complement to the Profile, White Rock staff prepared a Housing Needs Survey. The survey was launched via the City's "TalkWhiteRock" web platform (www.talkwhiterock.ca/housing) and was made available between January 2 and January 31, 2021. 406 responses to the survey were received. The following lists several of the key observations drawn from results of the survey. Appendix B to the Housing Needs Report includes all the responses to the survey.

- Majority of respondents (78%) identified as being 55 years of age or older;
- Majority of respondents (85%) indicated they own their home;
- Approximately 78% of respondents identified as living alone (117 respondents) or with a spouse/partner without children (205), 63 respondents (15%) noted living with their spouse and a child(ren), and 6 (1%) identified as a single parent living with a child(ren);
- The top three (3) housing challenges identified were:
 - the ability to afford future mortgage / rent payments;
 - the lack of parking available to the home; and
 - the need for repairs to the home.
- The top three (3) barriers to finding a home were:
 - Limited supply of the type of home sought;
 - Cost of a home purchase (and rent) was too high; and
 - Restrictions tied to strata limit access (e.g., age, no pets, no children, etc.)
- The top three factors sought when looking for a home were:
 - Cost of housing / price of home;
 - Type of home; and
 - Proximity to shops and services.

Two of the questions in the survey asked about the type of housing needed over the short and long term. As shown in Figure 1 below, over the short term (5 to 10 years), the majority of respondents (132 of 372, or 35%) provided that they would need an apartment, with the next highest need being a single detached home (26%), and supportive housing (15%). Over the longer term (20 to 30 years), most respondents (189 of 366, or 51%) referenced the need for supportive housing, followed by an apartment (29%) and a single detached home (16%).

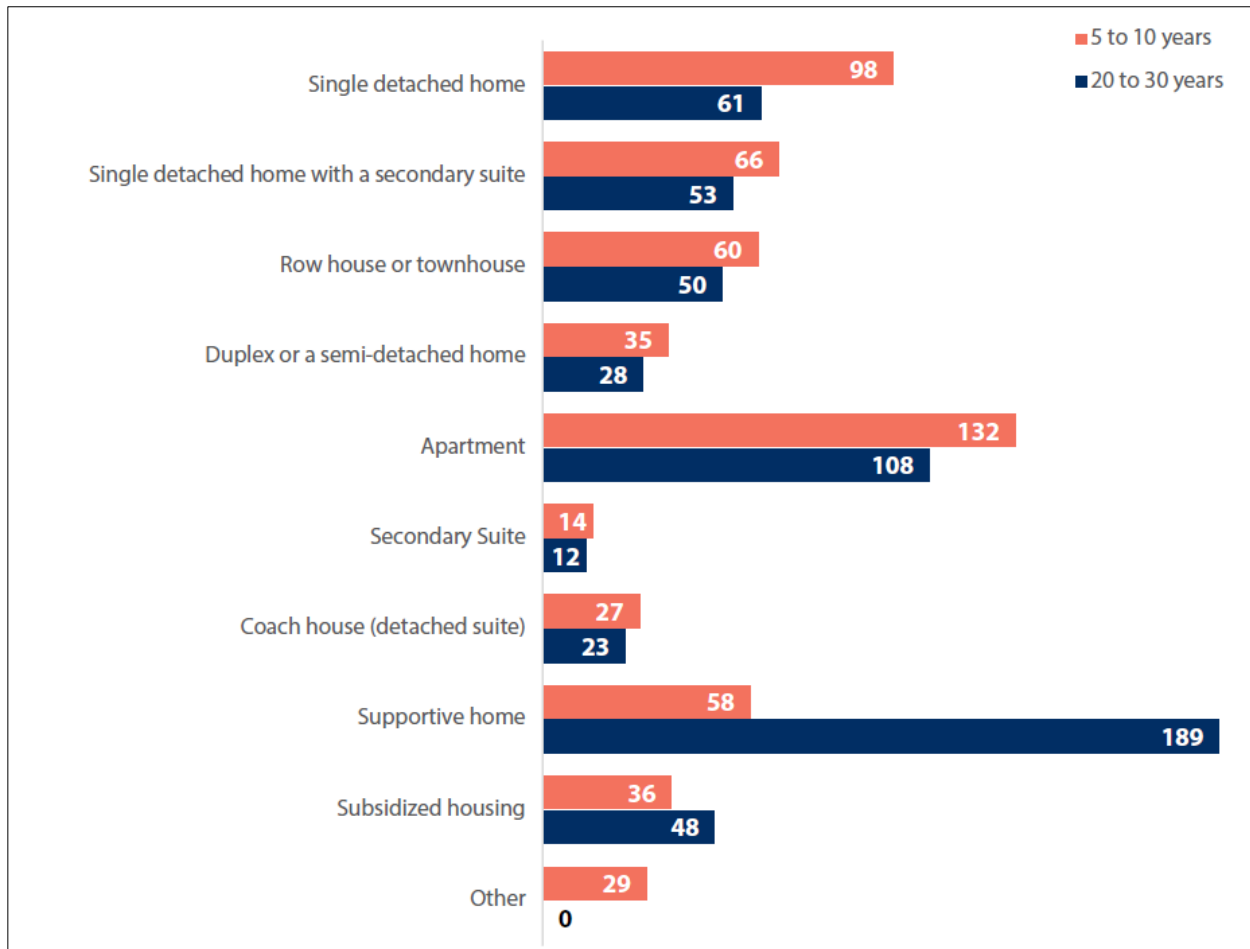


Figure 1: Survey Responses Regarding Short- and Long-Term Housing Needs (Housing Needs Report, 2021)

The increase in those identifying the need for housing supports, over the long term, may be attributable to the age of those completing the survey. White Rock is, however, comprised of an older demographic and therefore the findings of the survey are believed to be reflective of a real need to focus on increasing the services and supports available to seniors within the market.

Following the completion of the Housing Needs Survey, CitySpaces Consulting was retained to assist staff in carrying out broader community engagement regarding housing needs in White Rock. Between April and June, 2021, CitySpaces led a series of engagement activities including:

- a virtual public open house;
- renters housing forum; and
- four key stakeholder workshops.

Figure 2 that follows provides a summary of the engagement activity led by CitySpaces.



Figure 2: Engagement Activities "At-A-Glance"

As noted in Figure 2, CitySpaces carried out 12 “lived experience” interviews. These interviews allowed for more personal conversations with those identifying as: a low-income household, single-parent household, senior, person with a disability, newcomer to Canada, person who has suffered from homelessness, or a person who has suffered from substance abuse. The feedback received through the consultation phase of this project is summarized in an “Engagement Summary Report.” This report is included as Appendix C to the Housing Needs Report.

Areas of Identified Local Housing Need

The demographic and housing-related data summarized by Metro Vancouver has been reviewed against the results of the Housing Needs Survey and the findings of community engagement to identify six (6) areas of local housing need. These areas of need are described in detail below.

1. Affordable Ownership Housing

Metro Vancouver is recognized as having some of the highest home prices to household income in North America. Generally, home ownership is considered “affordable” if a household earning the median household income can purchase a home with ten percent (10%) down, a 25-year amortization period, and the resultant costs being no greater than 30 percent of the household income. With a median household income in of \$62,344 (2016 Census for White Rock), an affordable home would need to be no more than \$350,000. More recent analyses of housing affordability recognize the need for first-time home buyers to put 20 percent (20%) down and to include other “non-negotiable” shelter costs in the equation (i.e., utility costs (heat), strata fees, and internet services). Figure 3 illustrates the price of homes in White Rock and South Surrey, as identified by the Greater Vancouver Real Estate Board.

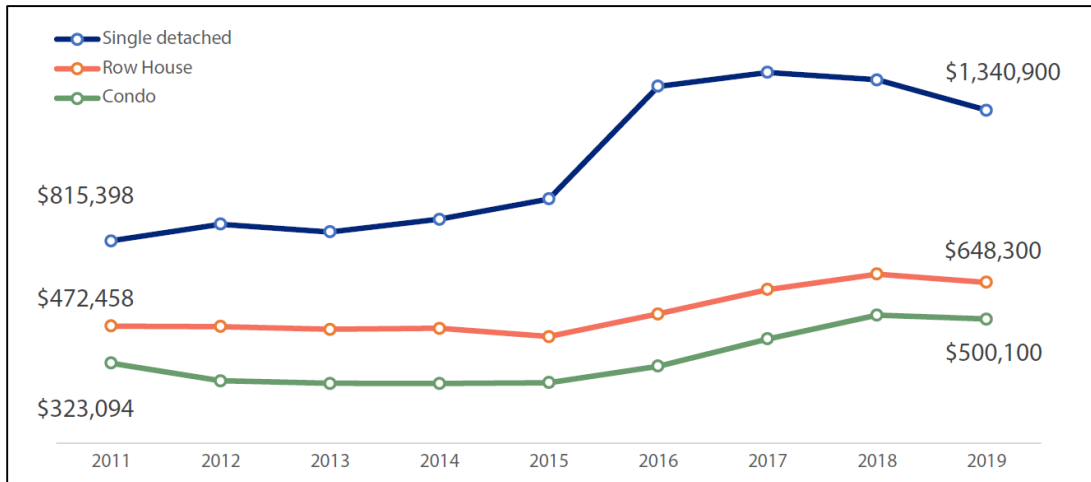


Figure 3: Sales Price, White Rock + South Surrey, Greater Vancouver Real Estate Board (2013 to 2019)

Setting sales prices against the affordability threshold for White Rock demonstrates the continuing decline in household affordability across the majority forms of housing (see Figure 4). The declining supply of affordable home ownership options in White Rock may result in people moving outside of the community to purchase a home or seeking options for local rental housing. As discussed in the next section, the limited availability of rental housing may be further stressed with a decline in local home ownership opportunities.

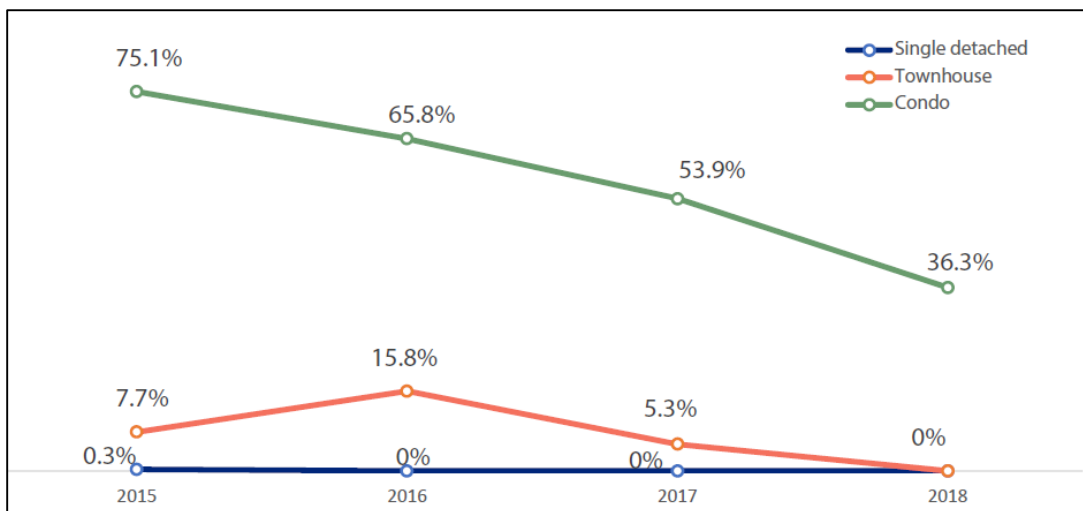


Figure 4: Affordable Sales by Structure Type, White Rock (2015 to 2018)

2. Rental Housing

As outlined in the 2016 Census, approximately 32% of the 10,005 households in White Rock are rental in tenure. Figure 5 identifies housing completions between 2011 and 2019 and recognizes both new rental construction and unit demolitions. Although the figure identifies a modest supply of new rental housing, it is understood that much of this housing is being brought into the community concurrent with the demolition of rental units. The overall availability of rental housing in White Rock has remained stagnant over the past decade with 3,210 units reported in the 2006 Census and 3,210 units reported in 2016.

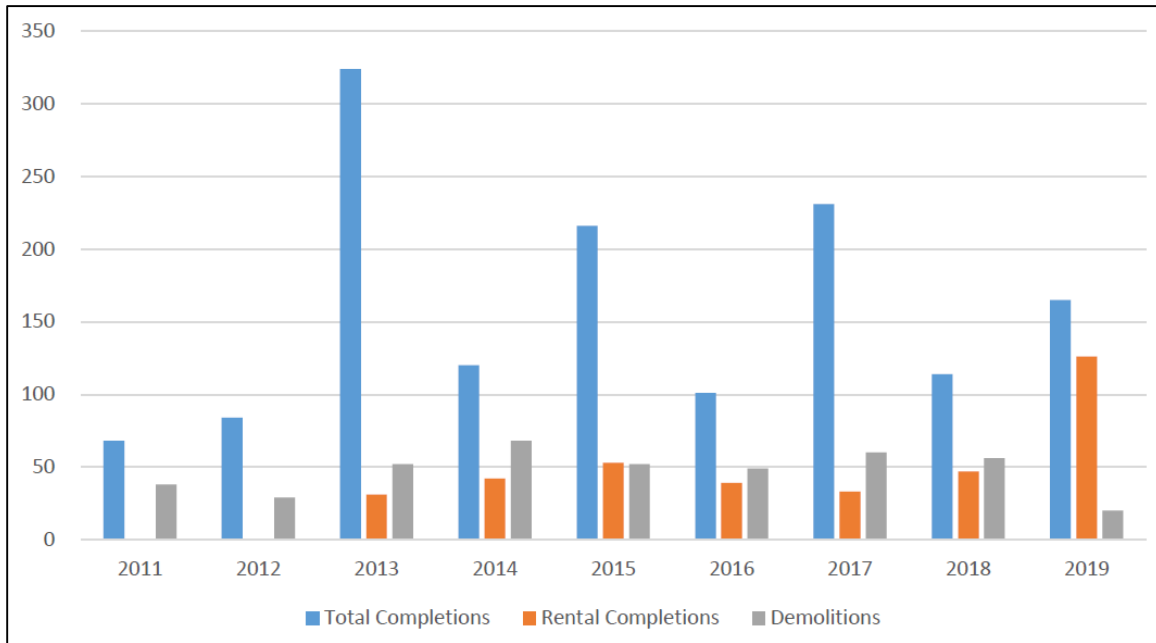


Figure 5: Housing Completions in White Rock, 2011 to 2019 (Canada Mortgage and Housing Corporation)

With a limited net new supply of rental housing, it is not surprising to see low overall rates of rental vacancy in the White Rock market. Generally, a “healthy” vacancy rate is considered to be between one and three percent. When rates fall below this level prices can rise placing additional strain on the market. The Canada Mortgage and Housing Corporation (CMHC) publishes an annual Rental Market Report. The Report identifies the supply of rental units within the “primary rental market” and the vacancy rate within this market. Figure 6 below illustrates the rental vacancy rates over the past decade as published by CMHC.

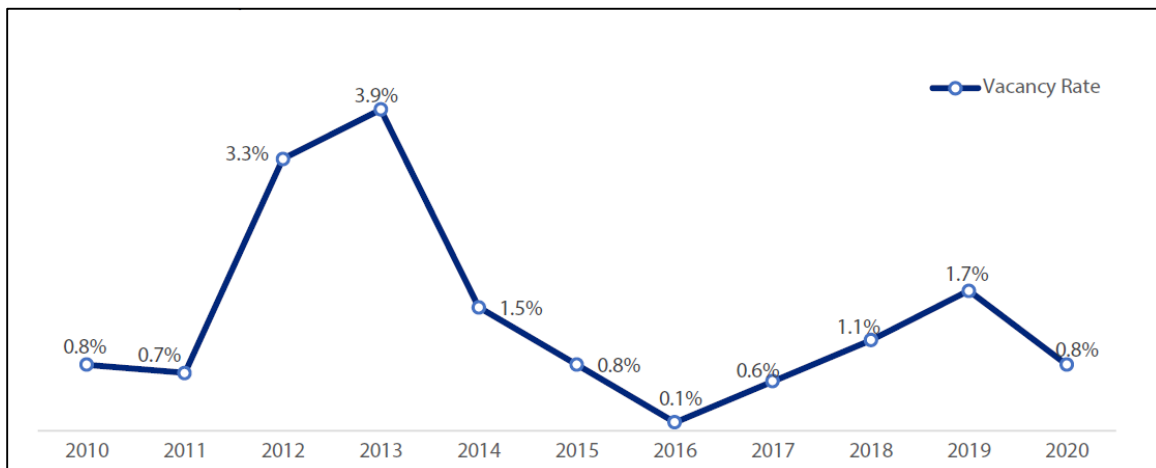


Figure 6: CMHC Rental Market Report (Rental Vacancy Rate, 2010 – 2020) – Entire Rental Universe

The most recent CMHC Rental Market Report was published in October, 2021. The Report provides that rental vacancy in October 2020 was highest within bachelor rental suites (1.3%), followed by one-bedroom units (1.0%), two-bedroom units (0.3%), and three-bedroom units (0.0%). The data is recognized as being “excellent” in terms of its reliability. For those who cannot afford to purchase a home and need housing with two or three bedrooms, the rental market data suggests that their ability to find accommodation in White Rock is significantly limited. The result of a lack of rental housing supply has caused an increase in rental rates for all sizes of rental dwelling unit in the City (see Figure 7).

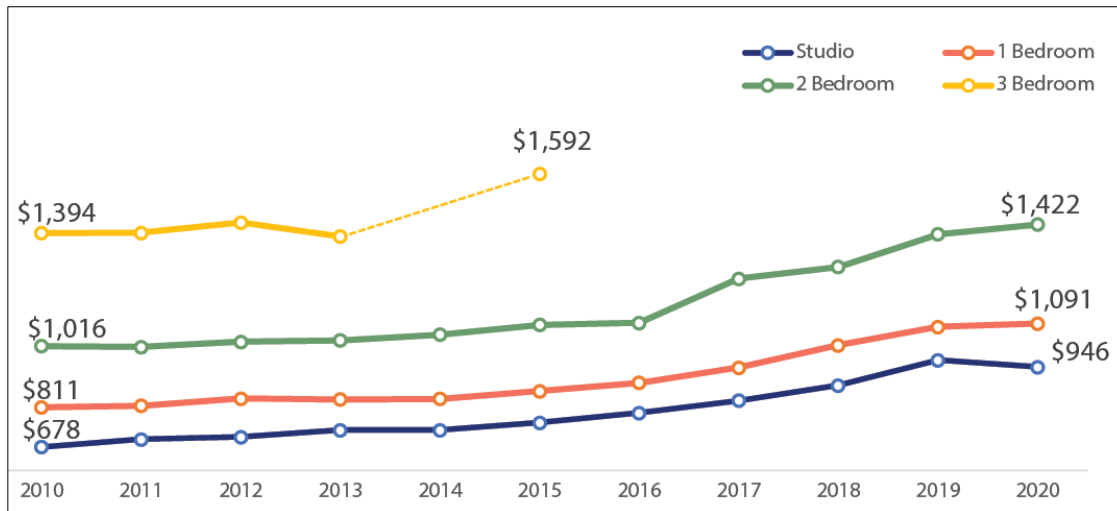


Figure 7: Rental Rates, White Rock (CMHC Market Reports)

In order to address the lack of rental housing supply there is a need to support rental housing construction and, importantly, the construction of more two and three-bedroom rental units.

3. Special Needs Housing

The following is taken directly from the Housing Needs Report and is reflective of feedback received through engagement with White Rock residents and local service providers.

“Special needs housing, particularly accessible units, is needed in White Rock. This includes wheelchair accessible units, units that can accommodate mobility aids, and adaptable units. There is an opportunity to incorporate a high standard of livability given the aging population in White Rock and persons with disabilities or who have experienced mental health challenges. Drawing from what was heard during engagement, suggestions from the community that could make units accessible and livable in these circumstances include design features (elevators, ramps, wide corridors), quiet and calm places, low stimulating environments, and access to natural light, fresh air, and nature.”

Policy 11.1.2 in the City’s Official Community Plan looks to support Age-Friendly Housing for People with Disabilities and promotes “age-friendly measures that respond to the needs of older individuals and people with disabilities by:

- a) Developing design criteria for accessible units and establishing a minimum number of units required to be accessible in new developments; and
- b) Reducing parking requirements for dwelling units that are secured by a housing agreement for occupancy by persons with disabilities”

Moving forward, additional policy measures and incentives could be used to achieve greater supports for those with special needs.

4. Seniors Housing

The City of White Rock is comprised of a higher proportion of those aged 50 and older when compared with related age-cohort proportions found in the region. As our residents age, it is anticipated that their housing needs will change. The results of the Housing Needs Survey provide that over the next decade there will be a demand for more apartment units, perhaps necessary to accommodate those choosing to downsize from a single-family home. Furthermore, over the longer, 20-to-30-year horizon, participants in the survey acknowledged the need for seniors housing with supports. For those who have the financial resources available to support “independent” seniors living, where special services are provided by the

operator, data published by CMHC provides that there is currently a healthy supply of such housing. As illustrated in Figure 8 below, rental vacancy within senior’s independent living units in the South Surrey / White Rock market area falls between 5 and 20%.

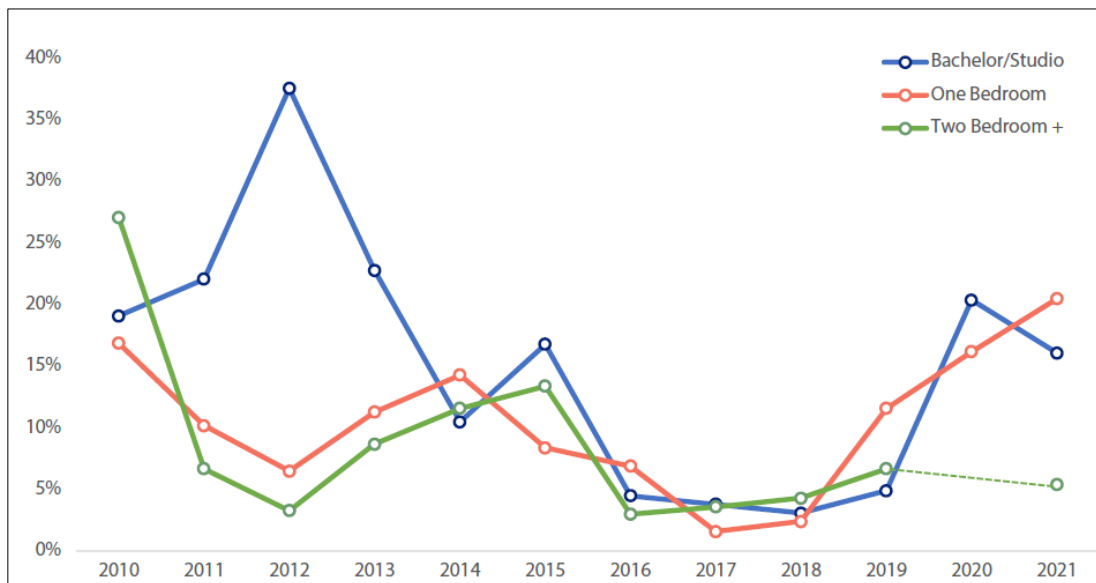


Figure 8: Independent Seniors Housing Vacancy, White Rock and South Surrey (CMHC)

The rental rates associated with independent seniors living are outlined in Figure 9.

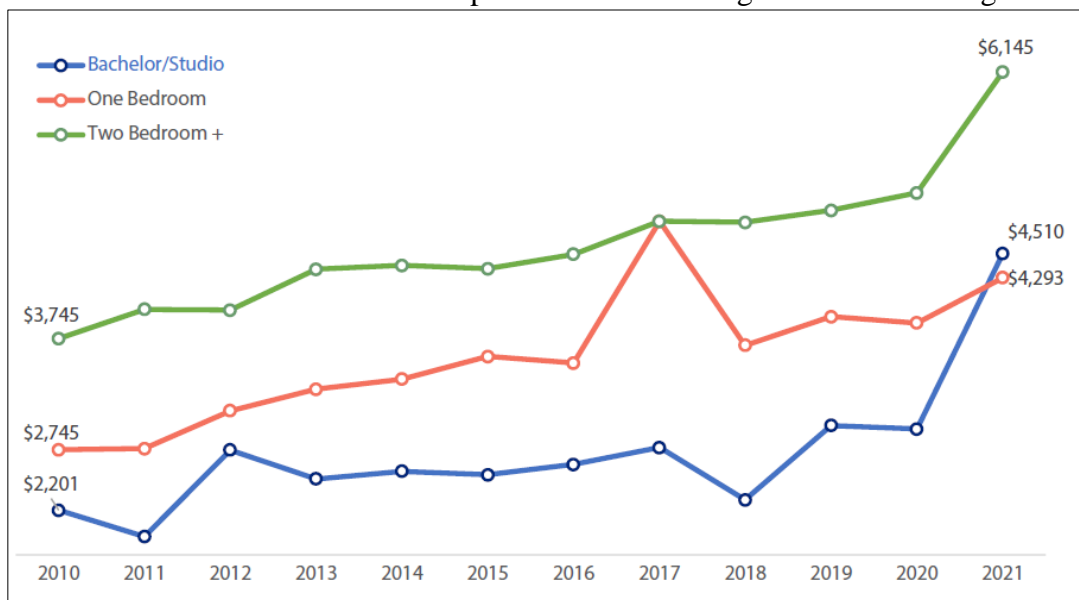


Figure 9: Independent Seniors Housing Rental Rates, White Rock and South Surrey (CMHC)

For many, it is anticipated that rental rates tied to independent seniors housing opportunities may be financially out of reach. In the absence of affordable market rental options, seniors may need to rely on supports provided through agencies like BC Housing.

BC Housing collects data on households that have applied for social housing in Metro Vancouver through the Housing Registry, a centralized database for those non-profit housing providers that have chosen to participate. The waitlist tracks applicant households by municipality across the region, as well as by specific characteristics including family or single person households, seniors, persons with disabilities and households needing

wheelchair access. Figure 10 provides a breakdown of those on BC Housing’s non-market housing wait list. The Figure clearly illustrates the high proportion of seniors waiting for suitable housing options. As the White Rock population ages there will be a growing need to look at housing equipped to accommodate the needs of seniors and the affordability thresholds that can be borne by residents requiring access such housing.

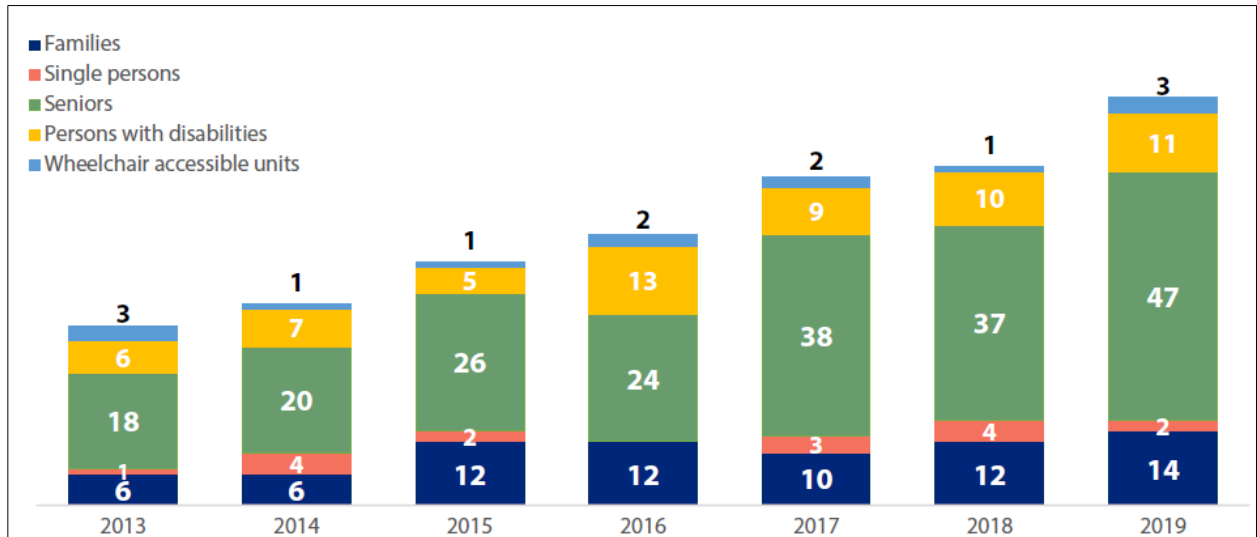


Figure 10: BC Housing Wait List for Non-Market Housing

5. Family Housing

2016 Census data provided in Appendix A to the Housing Needs Report recognizes the median value of households in White Rock based on the number of bedrooms (see Table 1).

Table 1: Median Household Value by Number of Bedrooms

Number of Bedrooms	Number of Dwellings	Median Value
0 bedrooms	20	n/a
1 bedroom	860	\$250,506
2 bedrooms	3,150	\$349,789
3 bedrooms	1,320	\$1,001,637
4+ bedrooms	1,450	\$1,499,358
Total	6,790	\$600,196

To “afford” a two-bedroom home with a purchase price of \$1M dollars, based on the aforementioned assumptions regarding home ownership, a household would need to have a gross income of approximately \$180,000. To afford a three-bedroom home at \$1.5M, the household would need to have a gross income of approximately \$270,000. Table 2 provides the proportion of homes in White Rock within each household income bracket.

Table 2: Number and Percentage of Households by Household Income Bracket

Household Income	White Rock						Metro Vancouver	
	2006		2011		2016		2016	
	#	%	#	%	#	%	#	%
Under \$5,000	235	2.5%	240	2.4%	245	2.4%	28,215	2.9%
\$5,000 to \$9,999	175	1.8%	170	1.7%	95	0.9%	15,325	1.6%
\$10,000 to \$14,999	255	2.7%	285	2.9%	330	3.3%	28,505	3.0%
\$15,000 to \$19,999	600	6.3%	460	4.7%	435	4.3%	38,730	4.0%
\$20,000 to \$24,999	620	6.5%	685	6.9%	600	6.0%	35,910	3.7%
\$25,000 to \$29,999	410	4.3%	470	4.8%	450	4.5%	35,430	3.7%
\$30,000 to \$34,999	390	4.1%	515	5.2%	540	5.4%	36,585	3.8%
\$35,000 to \$39,999	500	5.3%	340	3.4%	405	4.0%	36,525	3.8%
\$40,000 to \$44,999	420	4.4%	520	5.3%	410	4.1%	36,175	3.8%
\$45,000 to \$49,999	410	4.3%	360	3.6%	445	4.4%	36,890	3.8%
\$50,000 to \$59,999	760	8.0%	795	8.1%	875	8.7%	69,510	7.2%
\$60,000 to \$69,999	795	8.4%	625	6.3%	715	7.1%	66,100	6.9%
\$70,000 to \$79,999	640	6.7%	710	7.2%	625	6.2%	60,325	6.3%
\$80,000 to \$89,999	475	5.0%	735	7.5%	550	5.5%	54,510	5.7%
\$90,000 to \$99,999	390	4.1%	460	4.7%	455	4.5%	49,305	5.1%
\$100,000 to \$124,999	865	9.1%	885	9.0%	760	7.6%	100,350	10.4%
\$125,000 to \$149,999	495	5.2%	535	5.4%	630	6.3%	72,235	7.5%
\$150,000 to \$199,999	695	7.3%	545	5.5%	730	7.3%	82,570	8.6%
\$200,000 and over	390	4.1%	520	5.3%	715	7.1%	77,700	8.1%
Total households	9,515	100.0%	9,865	100.0%	10,005	100.0%	960,890	100.0%

The data above clearly demonstrates the low proportion of households in White Rock capable of purchasing a home at \$1M or greater. For those who do not have the established equity value in existing assets, or the financial resources made available through other sources, the feasibility of purchasing a home large enough to raise a family in White Rock is limited. Considering further the extremely limited supply of two- and three-bedroom units within the rental market, for which vacancy rates are 0.3% and 0.0%, respectively, rental housing for families is also not an option.

The Housing Needs Report recognizes the challenges faced by low- and moderate-income families and their ability to access ground-oriented rental and homeownership units. Several of those engaged in the housing needs review provided that the lack of local supply is causing families to leave the City in search of options elsewhere. Policy 11.1.1 of the City’s OCP provides useful direction regarding the need for more “family-friendly housing.” The Policy is regularly identified in the presentation of new development schemes to Council and in day-to-day conversations with would-be applicants. Continuing the exploration of strategies to support families in White Rock will be an important action to follow Council’s adoption of a Housing Needs Report.

6. Shelters and Housing for People At-Risk of Homelessness

The need for shelters and housing for people at-risk of homelessness is recognized in the Housing Needs Report. The Report provides that a point-in-time homeless count for the White Rock-Delta area identified 33 persons experiencing homelessness in 2020 (see Figure 11).

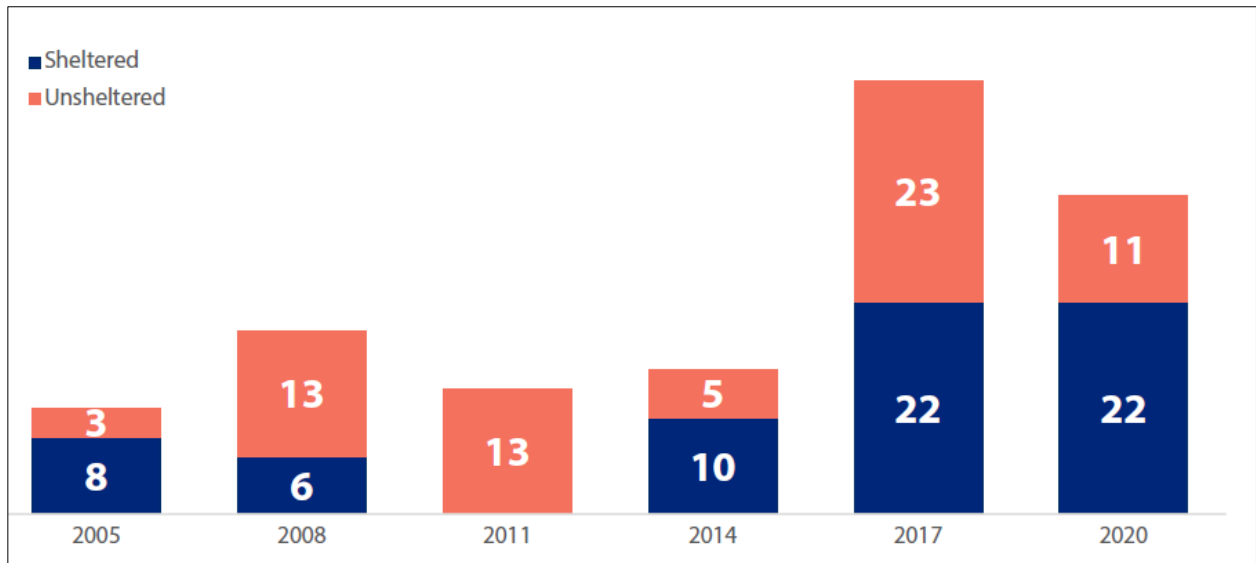


Figure 11: Metro Vancouver Homeless Count, 2005 - 2020

The extreme weather shelter located in South Surrey, which also serves the White Rock community, has been operational since 2008. In 2019, the shelter had 20 individuals access the space nightly. Increasing affordability constraints and emerging vulnerability patterns are creating the conditions for more at-risk populations. As such, the number of people experiencing homelessness in White Rock has the potential to rise in the coming years. There is enough evidence to support small facilities or group home projects, such as a safe house or small shelter facility. There is also an opportunity to implement homelessness prevention strategies and a rapid re-housing program before homelessness becomes an unmanageable situation. This is an area of need that may benefit from collaboration with the City of Surrey.

Summarizing the Number of Housing Units Required

One of the Provincial requirements tied to preparing a Housing Needs Report is to identify the number of units required over the next five (5) years. More specifically, B.C. Regulation 90/2019 provides that local governments are to define the number of bachelor, one-bedroom, two-bedroom, three-bedroom, and four (or more) bedroom units required. Metro Vancouver's Regional Growth Strategy (RGS) estimates that White Rock will require an additional 1,100 units to accommodate projected growth to 2026; White Rock's own housing estimates anticipate 11,158 units in 2026 or 1,153 new units from the 10,005 identified by the 2016 Census.

One of the methods that could be used to estimate the breakdown of units, by bedroom size, required over the next five (5) years would be to carry the "status quo" forward as it relates to the current proportion of each unit size within the housing stock. For example, per the 2016 Census the proportion of two-bedroom units in White Rock made up approximately 42% of the total and the proportion of units with four or more bedrooms made up roughly 16% of the total. Applying these proportions to the additional 1,153 units forecast over the next five (5) years would be a means of continuing the status quo.

Alternative to this approach, Council could seek to interrupt the housing mix through policy and other land use interventions. These measures may help shift unit supply to address some of the areas of local housing need identified within the Housing Needs Report. Council could, for example, look to support fewer one-bedroom and four-or-more bedroom dwelling units by setting general limits on their proportions in new development schemes. Similarly, Council could continue to incentivize family-friendly housing through policy measures and, potentially, zoning which seeks to replace lower profile housing (e.g., single-detached homes and duplexes)

with more modest forms of “missing middle” housing, being low-rise (3 – 4 storey) apartment buildings and townhomes. Table 3 below identifies the status quo scenario and a scenario which illustrates the impact that interventions could have to address areas of local housing need.

The method used in the “status quo” scenario was simply carrying the existing proportion of units (by size) forward from 2016 to 2026. The “intervention” scenario includes manual adjustments to the proportion of one-, three-, and four+-bedroom units to more-closely align new unit supply with the areas of need recognized in the Housing Needs Report. Specifically, the proportion of one-bedroom units would be reduced, through redevelopment, with emphasis placed on additional three-bedroom units. Furthermore, the proportion of four-bedroom units, or larger, would be similarly reduced through measures that support two- and three-bedroom units. For example, policy and regulatory interventions could be pursued which enable the removal of larger single-detached dwellings, and their replacement with smaller (three-bedroom) detached, or attached dwelling units (e.g., single family homes, duplexes, triplexes, and/or townhomes).

Table 3: Anticipated New Units By Size, Status Quo Versus Intervention Scenarios

Unit Size	2016 Census	Scenarios			
	(% of total)	2026 Status Quo		2026 Intervention	
Bachelor	55 (0.5%)	61 (0.5%)	+6	61 (0.5%)	+6
One-Bedroom	2,500 (24.9%)	2,788 (24.9%)	+288	2,391 (21.4%)	-109
Two-Bedroom	4,245 (42.4%)	4,734 (42.4%)	+489	4,734 (42.4%)	+489
Three-Bedroom	1,565 (15.6%)	1,745 (15.6%)	+180	2,526 (22.6%)	+961
Four+ Bedroom	1,640 (16.3%)	1,829 (16.3%)	+189	1,445 (12.9%)	-195
Total	10,005 (100%)	11,158	+1,153	11,158	+1,153

It is important to acknowledge that any interventions made over the next three (3) years will take time to materialize in measurable changes to the proportion of dwelling units realized in White Rock. Therefore, while the numbers in Table 3 may not be realized in 2026, they are presenting a direction that will help White Rock address community housing needs into the future.

Next Steps in Addressing Local Housing Needs

This corporate report presents Council with the first Housing Needs Report for the City of White Rock. Legislation applicable to the preparation of housing needs reports provides that such reports are to be updated every five (5) years. As measures are implemented to address local housing needs, future iterations of housing needs reports can be used to report back on the progress being made in White Rock.

Overall, staff believe the Housing Needs Report included as Appendix A presents a strong foundation upon which to initiate actions that will help address the six (6) areas of local housing need. As communities throughout the Lower Mainland finalize their housing needs reports, they are now diverting their attention towards the implementation of housing action plans. Working with its Housing Advisory Committee, White Rock may now look to pursue actions that will help address local housing needs.

LEGAL IMPLICATIONS

With the posting of the adopted Housing Needs Report on the City's webpage, Council would satisfy its obligations under the *Local Government Act* per BC Regulation 90/2019.

ALIGNMENT WITH STRATEGIC PRIORITIES

One of Council's top priorities is to prepare a Housing Needs Report to support efforts to address areas of local housing need while contributing to a high quality of life for White Rock residents. Staff are of the opinion that the Housing Needs Report included as Appendix A to this corporate report provides the City with a strong starting point for the exploration of land use strategies and interventions that can be used to the six (6) areas of identified housing need. Over the next year, Council could choose to initiate policy amendments and other measures to set the stage for improvements to the overall quality of housing in the City.

OPTIONS / RISKS / ALTERNATIVES

The following options are available for Council's consideration:

1. Defer adoption of the Housing Needs Report and direct staff to provide additional information regarding aspects of the work presented in this corporate report.
2. Deny adoption of the Housing Needs Report.

CONCLUSION

This corporate report presents Council with the first-ever Housing Needs Report for the City of White Rock. If the Housing Needs Report is ultimately endorsed by Council, the next step in this important work would be to begin the process of evaluating, and implementing, measures that will help address the six areas of local housing need, identified in the HNR.

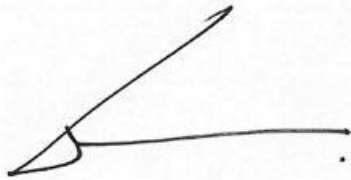
Respectfully submitted,

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Greg Newman, MCIP, RPP
Acting Director, Planning and Development Services

Comments from the Chief Administrative Officer

I concur with the recommendations of this corporate report.

A handwritten signature in black ink, appearing to read "Guillermo Ferrero". The signature is simple and consists of a few sharp, angular strokes.

Guillermo Ferrero
Chief Administrative Officer

Appendix A: Housing Needs Report, City of White Rock