

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: August 14, 2023

TO: Mayor and Council

FROM: Anne Berry, Director, Planning & Development Services

SUBJECT: Housing Accelerator Fund Application – Proposed Actions

RECOMMENDATIONS

THAT Council receive the corporate report dated August 14, 2023, from the Director of Planning & Development Services, titled “Housing Accelerator Fund Application – Proposed Action” for consideration; and

1. Direct staff to continue to work with the consultant to complete the submission of an application on behalf of the City of White Rock to the federal government Housing Accelerator Fund and;
 2. Endorse the seven (7) actions and correlating initiatives outlined in this corporate report as described.
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EXECUTIVE SUMMARY

The purpose of this report is to present the findings of the assessment of the Housing Accelerator Fund (HAF) application criteria and to provide recommended actions to support the City’s HAF application, for Council consideration.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2023-294 July 10, 2023	THAT Council receive for information the corporate report dated July 10, 2023, from the Director of Planning & Development Services, titled “Federal Housing Accelerator Fund Application Requirements and Recommended Process” for consideration; and 1. Approve the allocation of \$15,000 from the Operating Contingency to retain the services of a consultant to assist in the preparation of an application to the Housing Accelerator Fund; and 2. Direct staff to prepare an Action Plan for Council approval, with recommendations on seven actions the City could commit to in support of an application to the Housing Accelerator Fund; and

	<p>3. Direct staff to identify which strategic and departmental priorities are recommended to be paused in order to allocate resources to the Housing Accelerator Fund application, and subsequent processes.</p> <p>CARRIED</p>
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INTRODUCTION/BACKGROUND

At the July 10, 2023 regular council meeting, Council directed staff to retain the services of a consultant to assess whether the City could make a strong application submission under the Federal HAF grant program, and to determine which of the 25 possible actions would best align with Council's strategic priorities, taking into account White Rock's specific needs, and what would have the most success to support an application for the creation of new residential units.

Following the July 10, 2023 regular council meeting, staff retained the services of Modus Planning, Design & Engagement Inc. to conduct the assessment and determine recommendations for the specific actions which would best meet application criteria established by CMHC.

The purpose of this report is to present the findings of the assessment of the HAF application criteria and to provide recommended actions to best support the City's HAF application that would potentially achieve a successful outcome, for Council consideration.

Application Criteria

For the City to apply, under the large/urban category, the following is required:

1. Develop an Action Plan that includes at minimum seven (7) of the prescribed initiatives the Federal Government has established (more on this below). The City must be able to demonstrate that at least (7) seven of them can be satisfied. Each action must be endorsed by Council prior to receiving grant funding, and ideally prior to applying to the funding program.
2. Commit to a housing supply growth target that increases our annual average growth rate by at least 10% and must exceed at least 1.1%. This is achievable but will require the City to increase its unit supply by an additional 59 units over the three year period, over and above the current average of 588 expected over the same three year period.
3. Complete or update a housing needs assessment report. The City's current document is satisfactory, so it is staff's understanding that an update is not required at this time.
4. Submit periodic reports to CMHC, based on required data and timelines as established by CMHC. This would be subsequent to being successful in receiving funding and would be ongoing based on a timeline established by the CMHC.

As noted above, in order to meet the CMHC criteria for an annual average growth rate increase of at least 10% and 1.1% annually the City needs to generate approximately an additional 20 units each year, for the next three years, above the current rate of 588 expected over the same three year period. Based on the City current OCP, Council's Strategic Priorities, and community

values being taken into consideration the following actions and initiatives are recommended to support the City’s HAF application:

Action	Initiative(s)	Estimated Additional Units over 3 year period based on time required to implement	Assumptions
Encourage accessory dwelling units	Allow two secondary suites on single detached lots in all single detached zones (RS-1, RE-1, RE-2, RE-3, RI-1)	8	5% of homes with existing suites add a second suite to their lot
	Allow garden suites (a coach house without lane requirements) in all single detached zones (RS-1, RE-1, RE-2, RE-3, RI-1)	8	1% of single detached lots build a garden suite
	Permit suites in duplexes/triplexes/townhomes (RT-1, RT-2, RM-1, RM-2)	8	10% of existing duplexes/triplexes incorporate suites 50% of new duplexes/triplexes incorporate suites 10% of new townhomes incorporate lock-off suites
Promote Infill Development	Integrate duplexes and triplexes as a right into single detached RS-1 zone (removes need for rezoning and aligns with OCP)	20	Doubles duplex/triplex applications per year
	Remove limiting provisions for duplexes/triplexes on block frontages and adjacencies		
Mixed use redevelopment of city-owned properties	Redevelop 1510 Johnston Road & 15322 Buena Vista Ave	110 (but will not be constructed within 3 year timeframe so not included in additional count)	
Promote and allow more housing types that serve	Update OCP/Zoning bylaw to include a new policy on adaptable units:	~220 adaptable units out of status quo	~615 units every three years, large majority (~550) are multi-family

vulnerable populations	Residential developments with five units or more are required to have 40% adaptable units	(not included in total additional count)	<p>40% of 550 units = 220 adaptable units</p> <p>While not increasing the total supply, it does increase the supply of adaptable units and addresses major housing need</p>
Waiving public hearings on affordable housing projects	Waive design panel, public hearing and approve DP in-house for affordable housing projects that meet OCP requirements	15	<p>3 months process savings</p> <p>~1 affordable housing project that aligns with OCP is proposed each year</p> <p>3 months x 1 projects/year x 3 years = 9 months savings</p> <p>So if an affordable housing project typically takes ~24 months duration to go through all the approvals, there is room for $\frac{3}{8}$ of an additional affordable housing project within that 3 year timeline.</p> <p>Assuming a 60 unit project = 22.5 units</p>
Implementing changes to decision making such as delegating Development Approval Authority to municipal staff	Delegate minor DVPs to staff	68	<p>~1 months savings</p> <p>~2 minor DVPs per year</p> <p>1 month x 2 projects/year x 3 years = 6 months savings</p> <p>Over 3 years, gain $\frac{1}{2}$ a year's worth of</p>

			capacity that can be used towards processing more residential projects
			~102 units (of varying unit types)
	Explore pre-approved designs for duplexes & triplexes that don't require DPAs	34	~1 months savings ~2 DPs per year for duplexes/triplexes 1 month x 2 projects/year x 3 years = 6 months savings Over 3 years, gain ½ a year's worth of capacity that can be used towards processing more residential projects ~102 units (of varying unit types)
Incorporate climate adaptability into OCP	Update OCP to incorporate climate action plan	0	May need to do another study (or update existing) before incorporating it in the OCP
Total new units		145	
Potential Funding		\$2.9 Million +	

Table 1

It is important to note that implementing some of the above actions will trigger a concurrent review of other existing City bylaws, particularly those that support infrastructure related to development.

There is a series of evaluation criteria and an assigned points system that the CMHC will use to assess applications. The Consultant has applied the evaluation criteria to the proposed actions and initiatives in order to assess their potential impact. Scoring is based on implementation time (how long it would take to implement), timeliness (time it takes before results are seen), supply impact (how many additional units are created by the initiative), and system impact (faster processing, continues to incent units in the long-term) of each initiative. The anticipated ranking

is outlined below:

Action	Initiative(s)	Score (Out of 15)
Encourage accessory dwelling units	Allow two secondary suites on single detached lots in all single detached zones (RS-1, RE-1, RE-2, RE-3, RI-1)	7
	Allow garden suites (a coach house without lane requirements) in all single detached zones (RS-1, RE-1, RE-2, RE-3, RI-1)	7
	Permit suites in duplexes/triplexes/townhomes (RT-1, RT-2, RM-1, RM-2)	7
Promote Infill Development	Integrate duplexes and triplexes as a right into single detached RS-1 zone (removes need for rezoning and aligns with OCP)	11
	Remove limiting provisions for duplexes/triplexes on block frontages and adjacencies	
Mixed use redevelopment of city-owned properties	Redevelop 1510 Johnston Road & 15322 Buena Vista Ave	5
Promote and allow more housing types that serve vulnerable populations	Update OCP/Zoning bylaw to include a new policy on adaptable units: Residential developments with five units or more are required to have 40% adaptable units	11
Waiving public hearings on affordable housing projects	Waive design panel, public hearing and approve DP in-house for affordable housing projects that meet OCP requirements	11
Implementing changes to decision making such as delegating DAA to municipal staff	Delegate minor DVPs to staff	15
	Explore pre-approved designs for duplexes & triplexes that don't require DPAs	9
Incorporate climate adaptability into OCP	Update OCP to incorporate climate action plan	3

Table 2

Further details relating to both Tables 1 and 2 above are provided in the consultant's report, appended to this report as Attachment A.

The actions and initiatives proposed are generally in keeping with the density provisions of the Official Community Plan. Some revisions of certain provisions will be necessary (such as the maximum block frontage percentage for duplexes), however the overall intent of the initiatives are to seek a gentle increase in the number of residential units being created. The proposed initiatives are consistent with the City's Housing Needs Assessment recommendations and are ones that will generate more affordable forms of family friendly housing, in addition to supporting shorter application processes.

FINANCIAL IMPLICATIONS

There are no further budgetary implications anticipated for the application portion of HAF. If successful, and once the grant funding is awarded there would be reporting requirements on the part of the City. If successful in being selected to receive funding staff recommend reporting back to Council with the grant amount, and estimates for any costs associated with the actions, to ensure the funding is adequate to proceed, prior to accepting the funds.

The City's Chief Financial Officer must sign off on the viability of the proposed actions in order to submit the application.

LEGAL IMPLICATIONS

Once grant funding is awarded and accepted, the City will have made a commitment to completing the actions and setting the unit count targets.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

Community engagement levels would vary depending on each individual action selected.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

None at this stage. Other departments will have involvement subject to the actions selected.

CLIMATE CHANGE IMPLICATIONS

One action is specific to updating the City's Climate Action Plan. Increasing residential units within the City will support enhanced transit infrastructure in the future and will help to decrease pressures to develop environmentally sensitive areas and on protected agricultural lands in other parts of the lower mainland. Tree preservation and replacement measures will help to preserve habitat, support drainage measures and protect residents from heat island effect impacts.

IMPLICATIONS FOR TREE PRESERVATION AND TREE CANOPY ENHANCEMENT

The requirements of the Tree Protection Bylaw would apply, however, amendments to the zoning bylaw would need to take into consideration lot coverage impacts.

ALIGNMENT WITH STRATEGIC PRIORITIES

Several of the proposed actions are in alignment with Council's strategic priorities.

1. Enable appropriate market housing builds to address inventory shortages and build tax revenue.

2. Increase at and below market rental housing inventory.
3. Improve permit process to reduce wait times.
4. Realize service delivery efficiencies via digital transformation and aligning existing processes with best practices.
5. Deliver a plan, identifying location, funding, and partners, to build an affordable housing project

OPTIONS / RISKS / ALTERNATIVES

Several of the recommended actions are aligned with current strategic priorities and associated projects that are underway, and as such are anticipated to have a minimal impact to the departmental work that is currently planned. Others, such as the Climate Action Plan update, will require additional resourcing and have the potential to impact anticipated timelines for other strategic priorities. This may be mitigated if the City is successful in its application as grant funding can be utilized to retain the services of consultants and/or additional staff to support the actions.

Should Council wish to pursue the status quo, and not apply to the HAF, the following alternative recommendation is provided for Council consideration:

That Council:

1. Direct staff to continue to focus on the currently established strategic and departmental priorities without pursuing the Housing Accelerator Fund.

CONCLUSION

Based on the recommended actions and initiatives, the City is able to meet the target yields desired by the CMHC, for the submission of an application. The actions and initiatives proposed are generally in keeping with the density provisions of the Official Community Plan and are consistent with the City's Housing Needs Assessment recommendations being ones that will generate more affordable forms of family friendly housing, in addition to supporting shorter application processes.

Respectfully submitted,



Anne Berry,
Acting Chief Administrative Officer

Appendix A: Memo dated August 10, 2023, from Patrick Oystryk, Senior Planner at Modus, titled "Housing Accelerator Fund Application"

Appendix B: Staff report, dated July 10, 2023, titled "Federal Housing Accelerator Fund Application Requirements and Recommended Process"