

Neighbourhoods for a Sustainable Vancouver

September 24, 2012

Mayor Robertson and Councillors
City of Vancouver
453 West 12 Avenue
Vancouver, B.C. V5Y 1V4

Dear Mayor Robertson and Councillors,

Re: Mayor's Task Force on Housing Affordability

Neighbourhoods for a Sustainable Vancouver (NSV) has been made aware that the final report of the Mayor's Task Force on Housing Affordability will go to Vancouver City Council as soon as October 2, 2012. The proposed final report has not yet been made public, so we make our comments based on the Interim Report submitted to Council June 27, 2012.

<http://vancouver.ca/files/cov/mayors-task-force-housing-affordability-interim-report-june-2012.pdf>

When the next report goes to City Council we urge you to receive it for information only, and ask that you do not immediately approve of any of its recommendations. There has not yet been meaningful discussion and public consultation on these far-reaching recommendations.

While making housing more affordable in Vancouver is a crucial objective, and some of the Task Force recommendations are worthy of consideration, NSV remains concerned about many aspects of the interim report and the Task Force's process. The implications of this report are enormous for the City's future finances, livability, character, and many other impacts on its citizens. We are not confident that potential unintended consequences have been adequately explored and addressed.

Generally, it seems that the primary recommendations are geared towards increasing supply of housing. This approach is similar to the EcoDensity policy first proposed in 2007 against strong public opposition, except that the new recommendations paint the discussion with the brush of "affordability." But no one has adequately proven that unconditionally increasing density results in more affordability. In fact many of world's densest cities also happen to be the most expensive. New York and Hong Kong are two examples. We believe that increasing housing supply is only one consideration, with a broader discussion required about this and other options as well.

As just one example of problems with the Task Force consultation process to date, please see **Appendix A**, which outlines our concerns about the SFU / City Dialogue. **Appendix B** includes concerns NSV previously raised but have not been addressed to date.

In conclusion, a broader and more detailed public consultation and discussion is required before policy directions are given or specific recommendations adopted by City Council. Therefore, we ask City Council to **receive the upcoming report for information only.**

Sincerely,

The Steering Committee
Neighbourhoods for a Sustainable Vancouver
Group contact email: nsvancouver@hotmail.com

Website: <http://www.nsvancouver.ca/>

cc - The Mayor's task Force on Housing Affordability,

City Manager, Manager of Housing, Manager of Planning and Development

Appendix A, NSV to Vancouver Mayor and Council, September 2012

Comments on SFU / City Dialogue:

We would like to specifically address the SFU Centre for Dialogue and the City of Vancouver held dialogue on June 5, 2012 called *Density in a City of Neighbourhoods*.

The report of the dialogue is important because it is being fed into the consultation on the Mayor's Task Force on Housing Affordability. The article below in the Vancouver Sun Saturday September 15, 2012 refers to this dialogue. A number of our network attended and recall things much differently than presented by this article and the SFU/City of Vancouver report.

Below attached are links to the discussion guide written by Gordon Price and the dialogue report.

Note that the report tried to give the impression that community activists in each neighbourhood attended. Although some participants were active community members, most were from industry or special interest.

For example, one of the people listed in the preliminary SFU participant list from Kitsilano was Prof. Penny Gurstein, Director of School of Community and Regional Planning, UBC. This was raised as a potential conflict of interest and she was withdrawn.

SFU also insisted on Chatham House Rule: "participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed." All that was reported was the name of the neighbourhood and the number of participants from that neighbourhood, which gave the false impression participation was community based.

For instance, the Vancouver Sun said:

"City of Vancouver planners sat down a couple of months ago at a daylong session with 20 citizens who are involved in their respective neighbourhoods across the city to attempt to initiate this kind of dialogue around grappling with how to address density from a neighbourhood perspective... It was courageous of the conveners - SFU's Centre for Dialogue and a number of other SFU partners, together with the city - to try bring together neighbourhood activists to talk about density. The magic seemed to come from the orientation of the dialogue: a big-picture look at the city as a whole, where participants were encouraged to take a step back from their neighbourhood viewpoints."

However, this was far from the facts. The discussion guide was so biased and full of inaccurate information, the proposed participant from Dunbar withdrew. Several others thought of doing so as well but were persuaded to participate.

Attempts were made to copy and paste examples from the discussion guide but the settings do not allow it. Instead we have copied a quote from the Sun article:

'Price's paper also reminded participants that even when Vancouver has undergone change at a scale that would be unacceptable today, like the transformation of the West End in the 1960s, we have been able to introduce new forms of housing, absorb growth, mitigate the impacts and create a livable neighbourhood residents love.

"We tend to assimilate it and then when it's threatened with further change, want it declared heritage," Price reminded us of this irony.'

The discussion guide takes the position that the West End is the model for the future of the entire city. But at the same time Price neglects to explain that the reason the West End is at all as liveable as it is today is because of the design guidelines such as tower separation requirements that preserved much of the original neighbourhood based on the request by the community in the 1970's.

And Price advocates removing those guidelines to allow the process of complete transformation of the West End to tower forms to happen while condemning anyone who supports existing heritage.

The report suggests that much of the aversion to density is based on emotional values rather than facts. But this a misrepresentation. The sticky-notes that were placed under "values" have not been fully reported out and most would have been better described under "physical" or any of the other categories.

In spite of the flawed process, some worthwhile discussion did happen. However, we want it on the record that NSV fundamentally disagrees with the process of engagement undertaken, the biased discussion guide and with the dialogue report conclusions as presented.

This is just one of many examples of how public consultation is more about creating the appearance of consultation rather than meaningful related discussion by an informed community.

For your reference:

Gordon Price's Discussion Guide:

<http://www.carbontalks.ca/documents/Discussion%20guides/CarbonTalks-DensityDialogue-DiscussionGuide.pdf>

Carbon Talks Density Dialogue Report:

<http://www.carbontalks.ca/documents/Dialogue%20reports/DensityDialogueReport.pdf>

Vancouver Sun - Sept. 15, 2012 - Bob Ransford

Open talk needed when it comes to the 'D' word

Residents need to embrace big picture of development

<http://www.vancouversun.com/Open+talk+needed+when+comes+word/7248194/story.html>

Appendix B

The following are the NSV preliminary comments and concerns we raised in our previous letter dated June 27, 2012, which have not been addressed to date:

MTF Interim Report Recommendation 1: Increase supply and diversity of affordable housing.

We note that the main focus of the report is on supply. However, there are many influences on affordability and simply increasing supply may not solve the problem.

In order to realistically assess the issue of housing supply, the City should immediately publish the existing zoned capacity of the potential city-wide units and population that is currently built and is yet to be developed in each type of zoning, with a city-wide total and by neighbourhood. Staff was directed by Council to provide this information months ago, yet it still is not available.

According to *The Province* ([Vancouver sprouting cranes](#), June 22, 2012), there are 16 condo towers under construction and 67 proposed high-rises under consideration (including mixed-use commercial) in the City of Vancouver. With this and all the condos built over the last decade, one has to wonder why that huge increase in supply is not being reflected in reduced prices. Efforts should be made to analyze this and the 22,000 vacant and foreign held units identified in the 2011 census.

In fact increasing development is inflating development pressures and speculative inflation, such as we are seeing in the Cambie Corridor since that planning process was initiated.

There are currently completed CityPlan Community Visions in each of the single-family neighbourhoods that identify potentials for more housing choice. CityPlan also has it in the Terms of Reference to implement those housing types through a community-based process. However, the Neighbourhood Centre's Program undermines that process as demonstrated by the unsupported policy plan for Norquay. The failed Neighbourhood Centres Program should not be used as an example or model for implementing housing variety. Instead, work with each neighbourhood to implement their Community Vision through a CityPlan model.

Increasing supply over time should be in the scale and character of each individual neighbourhood. New development should not increase demolition of the older more affordable buildings that can be adaptively reused to increase secondary suite rentals and fixer-uppers.

MTF Interim Report Recommendation 2: Enhance the City's and the community's capacity to deliver affordable rental and social housing.

Quote from report: "*Create a new City-owned entity to deliver affordable rental and social housing by using City lands. Mobilize the community to support affordable housing through community land trusts and alternative financing models.*"

This has been tried before and failed. VLC Properties Ltd. produced very few rentals and eventually became a condo development company called Concert Properties. The City already has a land trust called the Property Endowment Fund and a staffed department to administer it.

Creating another level of bureaucracy that is managed by an unelected appointed board that has effective control of city owned land, city funding and project approval authority, could be extremely problematic with potential conflict of interest issues.

It is unclear how this would work if the City retains ownership of the land and a development partner had to finance the project without being able to use the title to the land for financing.

Careful consideration should be given before using the City's assets in this way. Possibly it should go to referendum.

MTF Interim Report Recommendation 3: Protect existing social and affordable rental housing and explore opportunities to renew and expand the stock.

Protection and improvement of existing rentals is an important goal.

However, there are problems with the Rate of Change bylaw that need to be resolved since it does not actually protect existing rentals. The requirement to replace rentals with 1:1 presently does not require the units to be the same size or have any restrictions on rental rates. If existing rentals are too severely redeveloped, they will result in displacement and be just as unaffordable as new development. This could very easily turn into City-sanctioned renovation.

Under current Rate of Change, existing larger rental units could be reduced to as small as 320 sq. ft. Often smaller size is how "affordability" is defined by the City - even though these small units may be significantly more costly per square foot than the ones they replace. It also could involve significant density bonuses that would make resulting buildings out of scale with the surrounding neighbourhood.

The key to making this work would be making the incentives to upgrade a building modest, such as allowing the expansion of the penthouse level to be larger with roof decks. Many older rental buildings only have a small penthouse because of regulations in the 1950's and 1960's. The incentives should be specific options not based on proforma which gets distorted.

Also, there would need to be revisions to the Rate of Change bylaws so that existing rental units could not be substantially reduced in size. Existing tenants should be able to reoccupy their suite after renovation for similar rents with a modest increase in rent to reflect costs over time.

MTF Interim Report Recommendation 4: Streamline and create more certainty and clarity in the regulatory process and improve public engagement processes.

These are worthy goals. Bringing certainty to the CAC process is a good thing as long as development contributes to amenities that are needed to service the increased population. As it is now, funds from development fees to the City only covers a small portion of the capital and operating costs to service the development. The rest is subsidized through property taxes.

The report recommendation of inclusionary zoning is essentially what was specified under further work as part of Secured Market Rental Housing Policy, or Son of STIR, which stated rentals could "be implemented through changes to the Zoning and Development By-law (e.g. adding a provision for density bonusing for market rental housing in district schedules or relaxations of regulations to allow additional height and/or density for market rental housing.)

Again "the devil is in the details," and this recommendation could be problematic. It could result in large rental projects all over the city without requiring a rezoning – creating the potential for major conflicts between developers, neighbourhoods and City Hall, as we have witness in an example like the current application at 1401 Comox for a 22-storey tower with the developer seeking dramatic increases in height and density.

Or, as proposed under the successor to the STIR program, developers may seek to redevelop RT(multi-unit) zones on arterials as apartment buildings based on RM4-N without rezoning as long as they are market rentals. A negative outcome could be the loss of existing rental units in heritage/character buildings.

These problems are just a few examples, and they could be avoided if the incentives were modest and reasonably placed. For instance, if C2 zones allowed new development to add one storey of rentals to the 3 storeys of residential strata currently allowed above one storey of commercial for 5 storeys total, that may be acceptable in some locations.

But if pro formas are used to assess the incentive, the scale will be too big because negotiated bonuses tend to be too rich in favour of the developer. If prescriptive methods are used instead, any prescriptive increases should be modest, site appropriate and community supported.

Regarding the composition of the Task Force, we are concerned also about the participants of the Mayor's task Force being heavily weighted towards the development industry whose interest is generally about profit not affordability, sustainability, or the public good. More inclusive participation would result in more balanced results. Checks and balances are essential.