



**BCNPHA**

**BC Non-Profit Housing Association**

Mixed Income Transit-Oriented Rental  
Housing – Activity 1 draft report

BCNPHA Housing Central Conference, 2016

November 23, 2016

**[WWW.BCNPHA.CA](http://WWW.BCNPHA.CA)**

# Study Partners



# Objectives for Activity #1

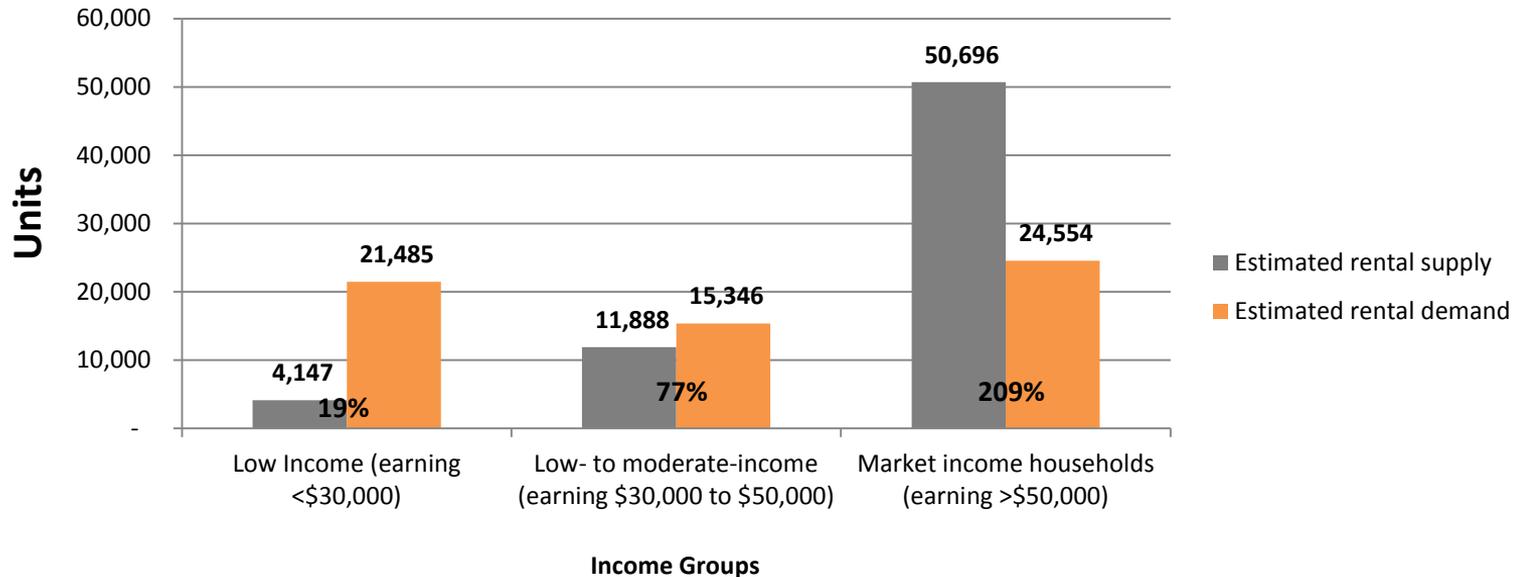
1. Housing supply and demand analysis
2. Environmental scan
3. Literature review
4. Interviews with key stakeholders

# Section 1 -Supply Gap Analysis, 2016-2016

- Estimate gap between rental supply and demand by various income groups over next 10 years
- Data sources:
  - CMHC completions data
  - BCNPHA Rental Demand Projections
  - 2001, 2006, 2011 long form census and National Household Survey

# Supply gap analysis, 2016-2026

## Estimated Rental Demand and Supply, Metro Vancouver, 2016-2026



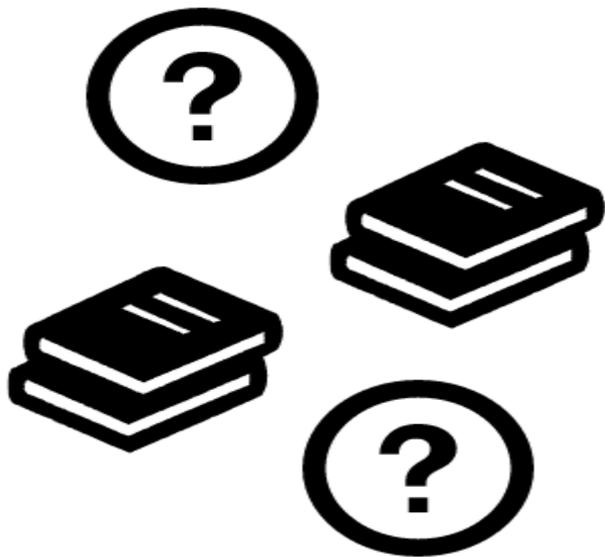
## Section 2 – Environmental scan

- Reviews recent investments, initiatives, policies for affordable rental housing and public transit
- Provides a regional context for potential partnerships to create deeper levels of affordability, opportunities to integrate housing and transit policy

# Regional Context for Affordable Housing and Transit – investments and initiatives

	Affordable Rental Housing Investments/Initiatives	Transportation Investments/Initiatives
<b>Federal</b>	<p><b>Budget 2016:</b></p> <ul style="list-style-type: none"> <li>-\$1.4B for provinces over 2 years (\$150M for BC)</li> <li>-\$739M for Aboriginal peoples' housing</li> <li>-Commitment for National Housing Strategy</li> <li>-\$2.5B affordable Rental Housing Initiative (ARHI)</li> <li>-\$208M for Innovation Fund</li> </ul> <p><b>Other Initiatives</b></p> <ul style="list-style-type: none"> <li>-Increases to CMHC seed funding program</li> </ul>	<p><b>Budget 2016:</b></p> <ul style="list-style-type: none"> <li>-\$3.4B Public Infrastructure Fund, allocated over 3 years (\$370M for Metro)</li> <li>-Commitments to fund 50% of new transit projects</li> </ul>
<b>Provincial</b>	<p><b>Budget 2016:</b></p> <ul style="list-style-type: none"> <li>-\$355 million over 5 years</li> <li>-New property transfer tax (PTT) brackets</li> </ul> <p><b>September 2016:</b></p> <ul style="list-style-type: none"> <li>-\$500M for affordable rental housing, funded in part through Foreign Ownership Tax (15% PTT).</li> </ul> <p><b>Other initiatives:</b></p> <ul style="list-style-type: none"> <li>-Community Partnership Initiative</li> <li>-RAP and SAFER</li> </ul>	<p><b>March 2016:</b></p> <ul style="list-style-type: none"> <li>Provincial transit plan: <i>BC On the Move</i></li> <li>-Commitment to fund 33% of new transit projects</li> </ul> <p><b>May 2016:</b></p> <ul style="list-style-type: none"> <li>-\$246M to match 2016 Federal Budget investments</li> </ul>
<b>Municipal</b>	<ul style="list-style-type: none"> <li>-Municipalities across the region developing programs and creating supportive regulatory frameworks and fiscal incentives</li> </ul> <p><b>Vancouver</b></p> <ul style="list-style-type: none"> <li>-Rental 100 Program</li> </ul> <p><b>New Westminster</b></p> <ul style="list-style-type: none"> <li>-Secured Market Rental Program</li> </ul>	<p><b>2015:</b></p> <ul style="list-style-type: none"> <li>-Mayors' Council on Regional Transportation: Regional Transportation Investment: a Vision for Metro Vancouver</li> <li>-Failed Transit referendum</li> </ul> <p><b>May 2016:</b></p> <ul style="list-style-type: none"> <li>-Update to Mayors' plan based on 50% federal funding criteria</li> </ul>

## Section 3: Literature Review



- What have other jurisdictions have done to promote affordable housing near transit?
- What are the policy tools, emerging/best practices, policy learning?

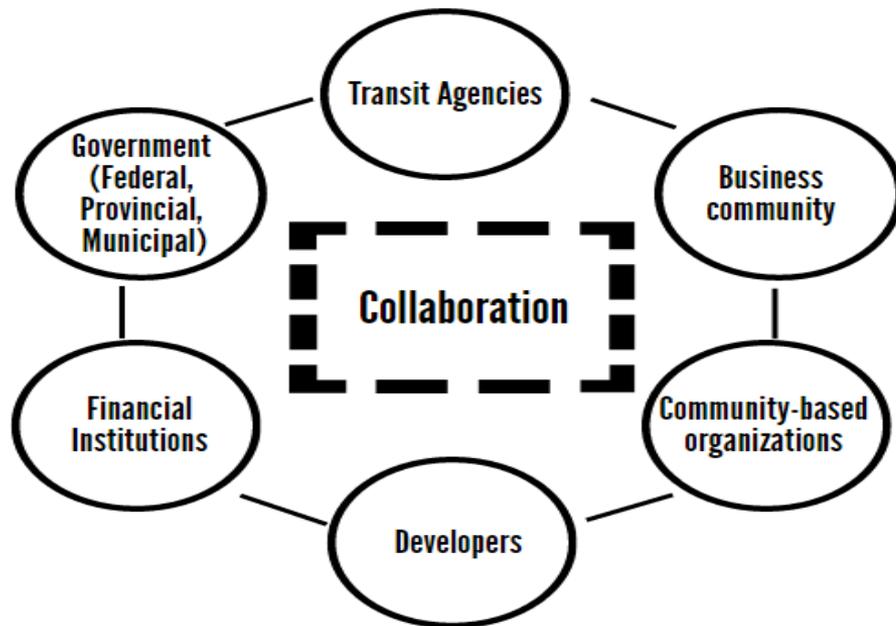
# Literature review: Equitable Transit-Oriented Development

**Key concept:** Equitable Transit-Oriented Development

“Equitable TOD refers to development and investment decisions that help households of all incomes have the opportunity to share in the benefits of walkable, livable, transit-rich communities” – Hickey, 2013

# Collaboration and Cooperation needed

- Regional approach
- Need a 'quarterback' agency
- Relationships, leadership, shared visions, buy-in
- Does not happen overnight!



# Example: Growing Transit Communities Partnership - Puget Sound Regional Council

## The Growing Transit Communities Strategy

October 2013



Growing Transit Communities



-Partnership of over 30 organizations/governments across Puget Sound region

-Implementation plan to promote region-wide equitable transit-oriented development

# Specific policy tools

- Range policy tools that various levels of government can employ to promote mixed-income rental housing near transit
- Various policy interventions from various levels of government/organizations help to create levels of affordability.

# Example of policy tools for senior levels of government

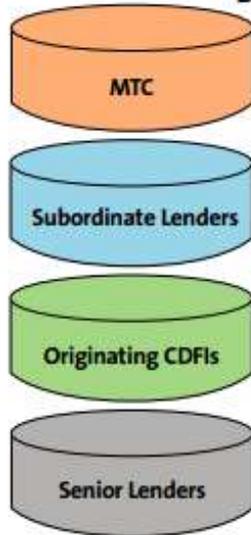
Measure	Description of tool	Examples
<b>Adapt housing programs</b>	Provide incentives and criteria in affordable housing programs to ensure transit location is prioritized	-Qualified Allocation Plans under Low-Income Housing Tax Credit System (US) -National Rental Affordability Scheme (Australia)
<b>Adapt transit programs</b>	Tie conditionality and/or award transit funding based on its integration with local land use priorities.	-Federal Transit Agency's New Starts program (US)
<b>Supply-side housing programs</b>	Stable, predictable, reliable sources of grant, debt, and equity funding and financing to provide certainty to affordable housing developers.	-Low-income housing tax credits (US) -Supply-side housing finance (Austria)
<b>Grants to facilitate coordination and cooperation</b>	Provides financial resources to facilitate partnerships between	-Sustainable Communities Initiative (US)

# Example of local and regional policy tools

Measure	Description of tool	Examples
<b>Public land</b>	Public lands can be leased or sold directly to affordable housing developers.	-Various jurisdictions (e.g. King County Surplus Program for Affordable Housing)
<b>Mapping opportunity sites</b>	Provide information on vacant and underutilized land, its zoning, location and existing use to identify for (re)development opportunities near transit.	-The Association of Bay Area Governments Opportunity Sites Inventory (San Francisco) -Portland Housing Bureau
<b>TOD Acquisition Funds</b>	Provides low-interest loans to cover acquisition, construction, soft costs for equitable TOD development in transit-oriented locations.	-Denver TOD acquisition fund -Bay Area Transit-Oriented Affordable Housing Fund -Puget Sound Regional Equitable Development Fund
<b>Joint Development</b>	Typically involves transit agencies providing land at a lower cost to developers, so that these agencies can recognize future revenue in a site.	-Metro (LA) 35% of all housing units in Metro joint developments projects must be affordable Metropolitan Rapid Transit Authority (MARTA) requires 20% affordable housing on transit owned land.
<b>Transit-Oriented Inclusionary zoning</b>	Typically mandates a percentage (usually between 10 to 25 percent) of units within a development be affordable for lower-income households	-Massachusetts Smart Growth Zoning Overlay District Act of 2004
<b>Reductions in Parking requirements</b>	Reduces municipal parking requirements for developments in transit-oriented locations.	-Various jurisdictions (e.g. Denver, Atlanta, Bay Area)
<b>Density Bonusing</b>	Providing additional density through increased floor space ratios or building heights in exchange for projects with a mixed income component.	-Various jurisdictions (e.g. Denver, Atlanta, Bay Area)

# Important tool: Transit-Oriented Affordable Housing Funds

## Bay Area Transit-Oriented Affordable Housing Fund



### Funders

- Bay Area Local Initiatives Support Corporation
- Citi Bank
- Corporation for Supportive Housing
- Enterprise Community Loan Fund
- Ford Foundation
- Living Cities
- Low Income Investment Fund
- Morgan Stanley
- Northern California Community Loan Fund
- San Francisco Foundation
- Silicon Valley Community Foundation

### Eligibility Requirements

- Located within priority development area in nine-county Bay Area and within one-half mile of transit
- Local support
- Organizational standards of borrower

### Products

- Predevelopment Loans
- Acquisition Loans
- Construction Bridge Loans
- Construction-to-Mini-Permanent Loans
- Leveraged Loans

# Section 4: Policy Tools in Metro Vancouver

- Based on 11 key informant interviews
- Interviewees from broad range of organizations
- What policy tools exist in Metro already?
- What are barriers and opportunities for implementing other tools identified in literature review?

# What policy tools are in existence in Metro Vancouver?

Measure	Currently used in Canada/BC/Metro?	Description
Adapt federal housing programs to ensure transit location is factored into funding decisions	Yes	-BC Housing factors in transit locations in funding decisions through points-based criteria
Supply-side housing programs	Yes, but not ongoing	-Supply side programs usually one-time injections or short-term (e.g. PIAH, IHI).
Public land	Yes	-Various municipalities lease or sell land to affordable housing developers (e.g. City of Vancouver)
Mapping opportunity sites	Yes	- Identification of Transit-oriented sites as part of MITORH research.
Transit-oriented parking reductions	Yes	-Example: City of New Westminster under Secured market rental program
Density Bonusing	Yes	-Used in various municipalities in Metro Vancouver
Adapt federal transit programs and investments to ensure integration	No	-Federal/provincial transit investments are not tied to conditionality
Grants to facilitate coordination and cooperation	No	No program exists
TOD Acquisition Funds	No	Not currently in existing. Need identified through interview participants.
Joint Development	No	-TransLink to sell surplus lands to fund transit expansion; Holds land by Statutory Right of Way, limiting allowable density.
Transit-Oriented Inclusionary zoning	Partial	-Inclusionary zoning used by various municipalities across Metro, but not adopted on a regional, corridor approach.

# Participant comments - coordination

- Need a regional approach to affordable housing and transit investments
- Potential solution: Province could tie transit investments to land use requirements (zoning for appropriate density, inclusionary targets).
- Grants to support regional collaboration and cooperation welcome

# Participant comments: senior government programs

- BC Housing currently uses transit location in funding decisions for PIAH, IHI, IAH
- Recent provincial and federal dollars welcome, but need ongoing funding
- The province could create an ongoing Affordable Housing Fund, sourced from Foreign Ownership Tax (Property Transfer Tax), tie funding to transit

# Participant comments: local government tools

- Reduction in parking requirements seen as an important local tool
- A lack of financing for site acquisition – should further explore regional TOD Affordable Housing Fund
- All tools are municipal tools help!

# Thank You!