



The **Agenda** of the **Mission Sustainable Housing Committee** meeting to be held in the **Welton Conference Room** at 7337 Welton Street and by videoconference on Thursday, February 8, 2024 at 3:00 pm.

1. CALL TO ORDER

2. ADOPTION OF AGENDA

3. MINUTES FOR APPROVAL

- (a) Minutes of the Mission Sustainable Housing Committee meeting held on November 9, 2023. Page 2

4. NEW BUSINESS

- (a) Election for Chair and Alternate Chair
- (b) Secondary Suite Program Update
Dan Sommer, Director of Development Services
- (c) Provincial Housing Legislation
Mike Dickinson, Manager of Long Range Planning and Special Projects
- (d) Affordable Housing Strategy Implementation
 - i. Quarterly Update Reports to Council
 - a. Third Quarter, 2023 Page 5
 - b. Fourth Quarter, 2023 Page 14
 - ii. Housing Coordinator Updates

5. ROUNDTABLE

6. NEXT MEETING

7. ADJOURNMENT



The **Minutes** of the **Mission Sustainable Housing Committee** meeting held in the **Conference Room** at 7337 Welton Street and by videoconference on Thursday, November 9, 2023 commencing at 3:00 pm.

Members Present: Michelle Puffer, SARA for Women, Alternate Chair
 Carol Hamilton, Councillor
 Danny Plecas, Councillor, Alternate Council Representative
 Camilla Boisvert, Fraser Health Authority
 Annie Charker, Citizen Representative - NO
 William Garcia, Mission Friendship Centre
 Gerald Heinrichs, Heinrichs Developments
 Nate McCready, Mission Community Services Society – joined meeting
 at 3:35 pm
 Emily McDowell, Ministry of Social Development and Poverty Reduction
 Judith Ray, Citizen Representative

Members Absent: Dawn Hein, Mission Association for Community Living, Chair
 Mission Association for Seniors Housing
 Mission Hope Central

Others Present: Larry Jhaj, Ministry of Social Development and Poverty Reduction

Staff Present: Mike Dickinson, Manager of Long Range Planning and Special Projects
 Dena Kae Beno, Housing Coordinator
 Dan Sommer, Director of Development Services
 Sharel Isabella, Planner 3
 Sandra Horvath, Administrative Assistant

1. **CALL TO ORDER**

The Chair called the meeting to order.

2. **ADOPTION OF AGENDA**

Moved and seconded,

That the agenda of the Mission Sustainable Housing Committee meeting held on November 9, 2023 be approved as circulated.

CARRIED

3. **MINUTES FOR APPROVAL**

Moved and seconded,

That the minutes of the September 14, 2023 meeting of the Mission Sustainable Housing Committee be approved.

CARRIED

4. NEW BUSINESS

(a) 2024 Meeting Schedule

The Committee was provided with the MSHC meeting schedule for 2024.

(b) Secondary Suites Program – Bylaw Introduction

The Committee was provided with a report to Council by the Director of Development Services, dated November 6, 2023 that introduces amendments to the City's bylaws that are needed to implement the proposed Secondary Suites Program.

D. Sommer presented an overview of the Program and the November 6 report, highlighting the guiding principles of the Program, initiatives presented by the Province related to the BC Building Code, the different types of existing suites, the program framework, program initiation/implementation timeline and special considerations to support the program including:

- Secondary suites annual fee (sliding scale for early registrants)
- Suites permitted in duplexes (within urban growth boundary and with City services)
- Detached coach home/garden cottage and a principal dwelling secondary suite on same property (within urban growth boundary and with City services)
- Enforcement of program
- Registration of “prospective” suites
- Communications strategy includes a public meeting
- Program exemptions – utility fees

(c) Affordable Housing Strategy Implementation

i. Housing Coordinator Updates

M. Dickinson and D. Beno provided an update to the Committee:

- The third quarter update on the implementation of the Affordable Housing Strategy will be presented to Council at their next regular meeting.
- BC Housing has approved the Santa Rosa Project.
- Events with nonprofits and stakeholders have yielded results for partnerships who are collaborating on developing new affordable housing projects.
- Staff are working with the consultant on updating the density bonusing program. The Affordable Housing Reserve Fund will be largely informed by these updates.

- Announcements regarding successful communities for the CHMC Housing Accelerator Fund (HAF) are starting to roll out. Staff are also exploring other CMHC funding opportunities.
- Work is ongoing for tenant protection and relocation policies. A potential renter's speaking forum would include landlords to take part in the discussion to address local needs and challenges.

5. ROUNDTABLE

The Committee members provided various updates.

6. NEXT MEETING

Thursday, February 8, 2024 at 3:00 pm in the Conference Room at 7337 Welton Street, Mission, BC and by videoconference.

7. ADJOURNMENT

Moved and seconded,

That the meeting be adjourned.

CARRIED

The meeting adjourned at 4:16 pm.



STAFF REPORT

To: Chief Administrative Officer **Date:** December 4, 2023
From: Mike Dickinson, Manager of Long Range Planning and Special Projects
Subject: **Affordable Housing Strategy Quarterly Report – Q3 2023**

Recommendation(s):

This report is provided for information. No staff recommendation accompanies this report and Council action is not required.

Purpose

This report provides an update on the City's progress towards implementing the top 13 strategy areas of the City of Mission Affordable Housing Strategy (AHS) for the third quarter of 2023. The report also includes information regarding the extension of the Social Housing Coordinator consultant position through 2024.

Background

In accordance with Council's direction, staff prepare quarterly reports to update Council on the progress of implementing the 2022 AHS.

Regarding AHS, Strategy 1.1 'Hire a Social Housing Coordinator', the Social Housing Coordinator was retained in September 2022 and has been actively engaged in implementing key affordable housing strategies during 2023. It was resolved at the Freestanding Committee of the Whole meeting on November 21, 2023 that a *Housing Coordinator (consultant) position be approved for 2024 and be funded through accumulative surplus*. This position is to be brought back for discussion as part of the 2025 budget preparation.

Of the 23 key strategy areas listed within the AHS, thirteen priority strategies were identified as the most impactful for implementation over the first three years. The most impactful strategies address Mission's greatest housing need as per the City's 2020 Housing Needs Assessment (HNA), which identified rental housing availability and affordability as the greatest housing need. As such, the top AHS strategies focus on building new affordable rental units and protecting and improving the current rental housing stock.

This report provides an update on headway made in the third quarter on the top thirteen strategies, as listed below.

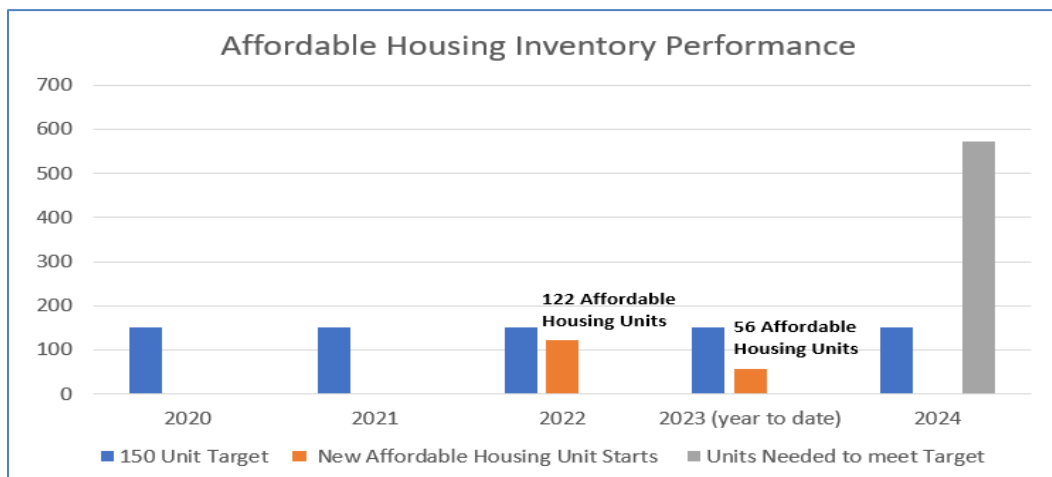
- Strategy 1.1 Hire a Social Housing Coordinator
- Strategy 2.1 Revise and clarify the density bonus program.
- Strategy 2.3 Create an Affordable Housing Reserve Fund.
- Strategy 3.1 Support SARA for Women
- Strategy 3.2 Build awareness of funding opportunities.
- Strategy 3.3 Foster partnerships between non-profit agencies with governments and developers for affordable housing and improve local non-profit capacity.
- Strategy 3.4 Complete an inventory analysis of public buildings and faith-based facilities and build affordable housing on identified sites.

- Strategy 4.1 Develop a framework to support strong growth management.
- Strategy 5.1 Develop a Standards of Maintenance bylaw.
- Strategy 5.2 Develop a Tenant Relocation and Protection policy.
- Strategy 5.3 Provide information on landlord and tenant rights & responsibilities.

Strategy 1.2, Streamline the development approvals process, is an ongoing priority reported to Council beyond this report. Strategy 2.2, Revise the Community Amenity Contribution Policy was completed in 2023.

Discussion and Analysis

The HNA report projected that 750 affordable rental housing units (150 affordable units per year) would be needed by 2024. Since the 2020 HNA, the City has issued building permits for 178 affordable housing units. An additional 572 new units are needed by the end of 2024 to meet the HNA's housing target. The chart below summarizes the City's annual affordable housing unit target and performance and units needed to meet the 750-unit goal by 2024.



Under the provisions of the housing agreements executed by the City as part of the Density Bonus program, all affordable housing units currently secured could be removed from the housing stock within 10 to 21 years. With the potential loss of these affordable units, more replacement units will be needed to maintain HNA targets. No new building permits have been issued for affordable housing units in the third quarter 2023.

HelpSeeker consultants prepared housing projections as part of the data analysis for the CMHC Housing Accelerator Fund (HAF) grant application and concluded that, “the community’s affordability constraints and the effects of inflation curbing home purchases will drive down housing building permit totals in comparison with previous years.” However, in coming years, with the larger number of development permits approved for apartments, Mission is expected to see a greater number of affordable housing units being constructed. The increase in affordable housing units will be determined by the market but will also be influenced through sound affordable housing policy with support from Council, senior government funding, and community partner involvement.

The table below shows the building permits issued for affordable housing units, from the time of HNA completion to the current date.

Building Permits for New Affordable Housing Units

Year & Quarter	Project Address	Project Type & Units	BP Issue Date	Tenancy Type	Total Affordable Housing Units	Studio Units	1 BDRM Units	2 BDRM Units	3 BDRM Units	Running Total of Affordable Units	Housing Agrmt Term (years)
2022 – Q1	33230 – 2 nd Ave.	92-unit apartment	Feb 24, 2022	Rental	92	32	32	28	0	92	21
2022 – Q1	7288 Maple St.	105-unit apartment	Mar 8, 2022	Rental	11	3	4	4	0	103	10
2022 – Q2	32690 – 14 th Ave.	103-unit apartment	Apr 21, 2022	Rental	11	0	11	0	0	114	21
2022 – Q2	32335 - Fletcher Ave.	105-unit apartment	Sept 8, 2022	Rental	8	3	3	2	0	122	21
2023 – Q2	7460 Hurd St.	50-unit apartment	Apr 25, 2023	BC Housing Project	50	0	0	0	0	172	No Housing Agrmt
2023 – Q2	33920 Best Ave.	54-unit apartment	June 23, 2023	Strata	6	0	6	0	0	178	10
Total Units		509			178	38	56	34	0	178	

Top AHS Strategies

Strategy 3.1 – Support SARA for Women

- BC Housing is building housing for SARA as part of a City, BC Housing, and SARA for Women partnership.
- SARA for Women will be the operator and the intent of tenure is heavily discounted rental units in perpetuity for second stage and long-term housing.
- Up to 60 new units are anticipated with a targeted late 2025 occupancy as forecasted by BC Housing’s consultant.
- BC Housing will provide capital funding and an operating subsidy to SARA for redevelopment and operations under its Women’s Transition Housing Fund Program.
- BC Housing is exploring options with MOTI to acquire a portion of MOTI lands adjacent to the development site which could yield additional units.
- Staff from various departments have been working closely with BC Housing’s consultant through the pre-application phase and coordinating Council approval for a grant transfer and Road Closure Bylaw.
- On July 17, 2023, Council approved funds of \$150,000 to make SARA whole from pre-development expenses incurred prior to the BC Housing partnership which advances the project today.
- On September 5, 2023, Council approved the Road Closure Bylaw for an underutilized portion of laneway immediately east of 33368 – 1st Avenue, to facilitate the development.

- The proponent is aware that a new rezoning application beyond the streamlined Zoning Amending Bylaw 6085-2022-5949(59) approved by Council on May 2, 2022, is required for any MOTI lands that may be added to the development site. In addition to an anticipated rezoning application, the project is subject to a subdivision and development permit application, a geotechnical report, servicing plan, street use permit and building permit. Staff will continue supporting BC Housing's consultant for this project.

Strategy 3.3 - Foster Partnerships Between Non-Profit Agencies with Governments and Developers for Affordable Housing & Improve Local Non-Profit Capacity, Strategy 3.4 - Complete an Inventory Analysis of Public Buildings and Faith-Based Facilities and Build Affordable Housing on Identified Sites

Getting new affordable housing units built requires foundational work. Raising awareness and fostering partnerships between developers, landowners, government, and non-profits is a top priority of the AHS. The City occupies a unique position to encourage dialogue and bring together diverse organizations to address housing needs. Much work in this area has been achieved over the course of the third quarter which includes application for the CMHC HAF grant.

Two dialogue forums, 'Faith in Mission - Affordable Housing Creation Exploration Dialogue', were held at the Leisure Centre on May 4 and May 11 bringing over 15 representatives from the faith-based community together. The 'Housing Innovation Day' held on June 14 brought over 60 partners together who have an interest, resources, mandate, or desire to explore or contribute to new affordable housing creation in Mission.

Direct outcomes of these events are the formation of three separate stakeholder groups working to build new multi-family affordable housing projects in different strategic locations across the City. The affordable housing pipeline represents the total number of units at different stages of preliminary concept, review, approval, construction, and occupancy. These three projects are in the preliminary concept stage of the affordable housing project pipeline and when completed, aim to yield an estimated 100 units or more increasing the overall number of new affordable housing units in the City. These partnerships and project concepts have contributed to the preparation of the CMHC HAF grant application. Staff continue to work with partners with the aim of preparing project applications with or without HAF funding, potentially leveraging other senior government partnerships.

Two of the three partnership projects require seed funding from senior government. The City's Affordable Housing Team will be reaching out to CMHC to inquire about what seed funding may be available and the status of Mission's CMHC HAF application submission. The AHS priority focus calls for the City to partner with senior government to access funding for housing and commit to advocacy. As part of this commitment, the Affordable Housing Team recognize the need for a tailored solution that goes beyond BC Housing's current priority to retain or have ownership of land transferred to them to provide capital and operating funding. It is recommended that the City pursue active discussion with BC Housing to explore funding commitment that would not require BC Housing to secure ownership of land (specifically, church-owned or City-owned land) for the projects in Mission's affordable housing pipeline.

Strategy 4.1 – Develop a Framework to Support Strong Growth Management, Strategy 4.2 - Design a Growth Management Public Communications Campaign

- The City is embarking on an OCP update, a year-long planning process with significant public and stakeholder consultation.

- A Request for Proposal (RFP) was posted on the City's website at bids.mission.ca and advertised on BC Bid with the project start date in December 2023, wrapping up in December 2024.
- In August, the City was awarded a \$150,000 'Complete Communities' grant from the Union of BC Municipalities for the submission of the 'Mission Complete Community Assessment' (MCCA) application.
- The MCCA work is combined with the OCP Update work project.
- The MCCA work will provide enhanced capacity in the OCP Update with geospatial mapping and data analysis, addressing key issues such as housing affordability, and will assess how complete Mission is today to better understand strengths, opportunities, and challenges with respect to growth in Mission's urban areas, and to assess various growth scenarios. This will also assist in the preparation of OCP housing policies and for implementation of the AHS initiatives.
- The grant doubles the OCP Update project budget.
- Council involvement is key in developing the OCP update and a start up meeting with Council is estimated early winter 2023-24.

Strategy 2.1 – Revise & Clarify the Density Bonus Program

This AHS strategy aims to ensure the City is equipped with the financial tools necessary to increase the number of affordable rental units and pay for amenities and services to keep up with population growth and community needs. Aside from general taxation, financial tools available to the City to help fund new affordable housing units are Density Bonusing (DB) and Community Amenity Contributions (CAC)s. This places impetus on the need for new housing to be developed through municipal policy mechanisms that offer increased density in exchange for affordable housing. The study will determine how DB and CAC tools are contributing to meeting Mission's housing needs and whether the program is performing as intended with options for improvement. Incorporated in the review is a housing market demand and projection and land economic analysis.

A Council workshop was held on August 28 to share findings to date about the study, discuss land economics and financial tools, and implementation options. Stakeholder engagement is proposed in early 2024 and additional Council workshops will be held with a final policy being brought forward to Council mid 2024. The Mulholland Parker review will inform the Affordable Housing Reserve Fund, Safe and Secure Housing Policies, and the OCP update. The informed policies will be brought forward for stakeholder and community engagement in early 2024, a series of Council workshops in the late Winter/early spring and brought forward for Council consideration of final adoption mid-year.

Strategy 2.3 - Create an Affordable Housing Reserve Fund

The purpose of this work is to build the City's capacity to collect and disburse capital and operating contributions for new affordable housing construction and for existing affordable housing preservation and renovation. An early draft Affordable Housing Reserve Fund bylaw has been developed and is awaiting the Mulholland Parker economic analysis findings prior to carrying out a departmental review, Council update, and stakeholder engagement. A final bylaw for Council consideration is estimated mid-2024.

Strategy 5.1 - Develop a Standards of Maintenance Bylaw (Safe and Secure Housing Policy)

Regulations addressing inadequate living conditions, such as housing with mold, insufficient insulation, no heating, faulty wiring or plumbing, or poorly secured locks can help protect over 885 Mission tenants living in inadequate conditions. The Standards of Maintenance Policy and Bylaw have been drafted and early engagement with City departments has commenced in preparation of Council and external stakeholder engagement early 2024. Completion of the final Bylaw is estimated mid-2024.

Strategy 5.2 - Develop a Tenant Relocation and Protection Policy (TRPP) (Safe and Secure Housing Policy)

This policy will introduce a greater level of housing security for tenant households beyond the provisions of the Residential Tenancy Act. With many renter households living in dwellings in need of major repair and 77% of the purpose-built rental stock in Mission constructed before 1980, it is likely older developments will be required to complete major renovations or redevelopment, placing tenants at risk of being displaced over the next few years. This policy is proposed to include relocation assistance to displaced tenants, relocation cost coverage, first right to return to newly developed units at secured rental rate, consistent communication between applicant and tenants, and other provisions.

This work extends to updating the City's current Strata Conversion Policy and Bylaw to ensure policy alignment. The purpose of the Strata Conversion Policy specifies the conditions under which conversions of purpose-built market rental buildings to stratified (individual ownership) housing units will or will not be considered.

This is an important policy to maintain the limited rental housing stock in Mission and avoid undermining initiatives to add new affordable rental housing units to meet HNA rental unit targets. This policy will be informed by the Density Bonus Review that will provide foundational support. It has been drafted and is under review with department staff prior to Council feedback and stakeholder engagement expected in early 2024 for presentation to Council.

Strategy 5.3 - Provide Information on Landlord and Tenant Rights & Responsibilities (Safe and Secure Housing Policy)

The City can support housing stability and prevent housing loss by providing educational resources on the legal framework pertaining to tenancy in British Columbia. Cities can not only raise awareness of tenant and landlord rights and responsibilities but also raise awareness of support services offered by different organizations and by supporting local partner agencies.

Mission rental inquiry support planning is underway with various mechanisms to be reviewed by department staff. As part of this work, information on Landlord and Tenant Rights & Responsibilities is being prepared and will address informal lodging houses and recovery homes requirements. The aim is to increase effective tenant-landlord communication, foster positive tenant-landlord relationships, and provide resources and support to maintaining secured tenancy.

Strategy 1.1 – Hire a Social Housing Coordinator

This AHS strategy has been fulfilled as the City retained Dena Kae Beno (Tres Community Services) who has provided expert consulting services in the role of Social Housing Coordinator (the Coordinator) commencing in September 2022. This one-year contract has been extended until December 31, 2023 through use of remaining contract funding. Through this role the Coordinator has provided substantial professional support to the City in implementing key components of the Affordable Housing Strategy, as outlined above in this report.

Significantly, the Coordinator has advised and worked closely with staff, providing greater knowledge and capacity to manage and expedite affordable housing projects including the preparation of Housing Agreements. Through this work, the Coordinator has initiated the creation of an Affordable Housing Team that includes the Coordinator, the Manager of Long Range Planning and Special Projects, the Planner 3 – Long Range, and the Manager of Social Development. The development of this team has enabled greater capacity for the city in implementation of the AHS top priorities.

Notably, through the Coordinator's guidance and initiatives, strategic activities occurred, including the Faith in Mission Dialogue Series and the Affordable Housing Innovation Day. Through these events and other individual meetings, the Coordinator and AHT engaged with members of Mission's faith organizations, non-profit associations, First Nations, developers, senior government officials and others in exploring affordable housing projects, and in partnering for potential affordable housing development.

The Coordinator contributed significantly to the preparation of the city's application for the CMHC Housing Accelerator Fund (HAF). Her direct involvement in preparing the Wellness Strategy and preparation of the Foundry application are in addition to work undertaken in implementing the AHS.

At the November 21, 2023 Freestanding Committee of the Whole meeting, it was resolved that the Social Housing Coordinator position be approved for 2024 and funded through accumulated surplus. This provides the City with assurance that work will continue in researching and implementing the top thirteen AHS priorities. Foremost, within this scope of work will be completion of the Density Bonus program, completion of the Affordable Housing Reserve Fund, and initiatives for safe and secure housing (e.g., strategies for developing a standards of maintenance bylaw, tenant relocation and protection policy and information on landlord and tenant rights and responsibilities). Additionally, the Social Housing Coordinator will provide expert advice in updating the City's 2020 Housing Needs Assessment (mandated by the Province to be conducted during 2024), and to contribute guidance in preparing affordable housing policies for the forthcoming OCP Update.

Other Initiatives Above and Beyond the Top 13 AHS Actions

CMHC Housing Accelerator Fund (HAF) Application

- Council, at its July 17, 2023 Regular Meeting, authorized an application to CMHC for grant funding within the HAF program.
- The City developed a data-informed 'Action Plan'* to increase housing supply for the next 3 years and beyond, demonstrating ability to create sustainable change by improving capacity and resources.
- The City applied to CMHC, for the HAF grant on August 11, 2023
- On September 5, Council approved the Action Plan in order for the application to be processed further by CMHC.

*The City's 'Action Plan' includes 11 housing initiatives to increase the supply of housing and help to activate systems change in providing housing for a wide spectrum of Mission residents. The City's HAF grant application Action Plan initiatives are summarized in the September 5 Council report and include the following:

1. Affordable Housing Reserve Fund
2. Affordable Housing Density Bonusing (DB)

3. Safe and Secure Rental Housing Policies
4. Affordable Housing Creation
5. Resources and Capabilities Enhancement
6. Innovative Focused Population Approaches
7. Land Acquisition and Utilization
8. Integrating Affordable Housing into Decision-Making
9. Affordable Housing Innovation Lab
10. Performance Measurement
11. Affordable Homeownership Strategy

The grant could bring millions of dollars to the community to build affordable housing. HelpSeeker was hired by the City to negotiate the application success by helping prepare data-informed housing projections and housing need and socio-economic data based on 2021 Census data that is required by CMHC. The City's current Housing Needs Assessment, approved in 2020, is based on 2016 data. The total number of housing units projected to be permitted without any support afforded by HAF is approximately 1,000 units (based on a three-year period ending no later than September 1, 2026). The total number of housing units projected to be permitted with the support afforded by the HAF is 1,863. HelpSeeker anticipates an average annual rate of 336 building permits without HAF grant funding. However, if the City succeeds in securing HAF grant funding, which includes the projected action plan unit targets, the projected units is estimated to increase to 621 units annually.

The City worked closely with CMHC following submission of the application to answer questions, provide clarification and additional information. The City is waiting to hear on the status of the application.

Mission's youth housing and wellness system (Housing and Foundry on City-owned land)

On November 7, 2023, Mission's Foundry Expansion application was submitted to BC Foundry. The application was a multi-partner effort that included support from the City of Mission with Mission Community Services Society, lead agency, to form strategic partnerships that secured commitment from the Ministry of Children and Family Development, Fraser Health, Canadian Mental Health Association, Youth Unlimited, My House, Fraser House, Mission Friendship Centre, with support from Mission Hospice Society, Mission Association for Community Living, SARA for Women, and United Way.

The application submission process included the development of a data sharing agreement between partner agencies, strategic community partner conversations to map resources, funding, and service integration commitment to the Foundry, a shared governance model, and a Mission Foundry Youth Photovoice Team that brought together youth, who will benefit from Foundry services to inform what a Foundry and youth housing and support systems should include.

The CMHC HAF application included a youth housing and wellness system that provides a continuum of housing options for youth and young adults at multiple housing sites throughout the City. The concept contemplates streamlined, wrap-around, graduated level of supports decreasing as youth become more independent, well-connected to services, and age-out of youth systems.

A primary location for the youth housing and wellness system development would be the integration of housing and Foundry supports on the City-owned leisure lands.

Financial Implications

There are no financial implications associated with this report.

Communication

Through the preparation of the AHS, staff consulted with members of the Sustainable Housing Committee (SHC), Development Liaison Committee (DLC), non-profit housing providers, BC Housing, and other interested parties. AHS implementation continues through engagement with these committees, agencies, non-profits, faith organizations, and other interested parties. This report will be shared with the SHC and the DLC after it is received by Council.

Summary and Conclusion

This report provides an update on progress in implementing Mission's Affordable Housing Strategy (AHS) during the third quarter of 2023. AHS implementation priorities have had a significant focus on building data-informed and collaborative multi-sector capacity along with municipal policy tools that will create the necessary conditions to create new affordable rental housing units. Major initiatives underway include the density bonusing review, the CMHC HAF grant application, and stakeholder meetings for initiating partnerships in developing affordable housing projects. In addition to these AHS initiatives, the Foundry grant application has been completed, and safe and secure housing policies are under development.

Work underway and completed during this third quarter of 2023 is foundational to create the sustainable systems change to activate the City's Affordable Housing Strategy, to build effective partnerships, policy measures, and resources to meet the City's current and future affordable housing needs. It was resolved at the Freestanding Committee of the Whole meeting on November 21, 2023 that a *Housing Coordinator (consultant) position be approved for 2024 and be funded through accumulative surplus*. With sufficient resources made available by Council to fund the AHS implementation work, including continued work by the Social Housing Coordinator, significant work is underway towards implementing the top 13 AHS strategies by 2025 (within the first three years of the AHS's 10-year program).

Report Prepared by: Sharel Isabella, Planner 3
Reviewed by: Mike Dickinson, Manager of Long Range Planning and Special Projects
Reviewed by: Dan Sommer, Director of Development Services
Approved for Inclusion: Mike Younie, Chief Administrative Officer



To: Chief Administrative Officer **Date:** February 5, 2024
From: Mike Dickinson, Manager of Long-Range Planning and Special Projects
Subject: **Affordable Housing Strategy Quarterly Report – Q4 2023**

Recommendation(s)

This report is provided for information. No staff recommendation accompanies this report and Council action is not required.

Purpose

This report provides an update on the City's progress towards implementing the top 13 strategies of the City of Mission Affordable Housing Strategy (AHS) for the fourth quarter of 2023.

Background

At time of AHS adoption in 2022, Council requested regular updates on implementation progress. Council continues to provide resources for AHS implementation including retaining a Social Housing Coordinator (SHC) allowing for progress on affordable housing initiatives. The SHC leads implementation of the AHS supported by the internal Affordable Housing Team made up of staff members from the Long-Range Planning Division and Social Development Department. This approach provides planning and community development expertise to oversee and implement the AHS. The Social Housing Coordinator has advised and worked closely with staff, providing greater knowledge and capacity to manage and expedite affordable housing projects including the preparation of Housing Agreements. The development of this team has enabled greater capacity for the city in implementation of the AHS top priorities as well as coordination with other key Council strategies including the Official Community Plan and Wellness Strategy. Ongoing AHS implementation, which is based on a ten-year plan, depends on continued Council support for resources.

The Affordable Housing Team is currently working through a PESTLE (Political, Economic, Social, Technology, Environment, Legal) analysis examining political, economic, social, technological, legal and environmental factors effecting AHS implementation. The outcomes of this analysis and related opportunities and challenges will be shared with Council through the AHS implementation work plan.

Of the 23 strategy areas listed within the AHS, 13 priority strategies, as listed below, were identified as the most impactful for implementation over the first three years. The most impactful strategies address Mission's greatest housing need as per the City's 2020 Housing Needs Assessment (HNA), which identified rental housing availability and affordability as the greatest housing need. The top AHS strategies focus on building new affordable rental units and protecting and improving the current rental housing stock.

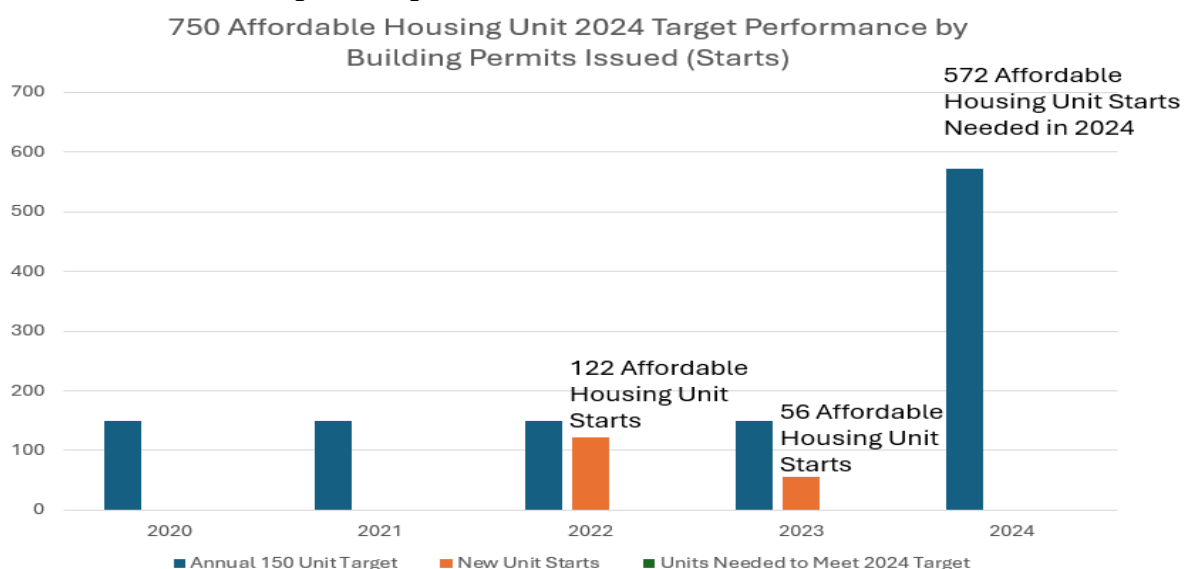
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- Strategy 5.3 Provide information on landlord and tenant rights & responsibilities.

This report does not include an update on Strategy 1.2, Streamline the development approvals process, given its priority also falls under the Development Planning and Building divisions that report progress directly to Council. Strategy 2.2, Revise the Community Amenity Contribution Policy was completed in 2023. Monitoring the policy and making necessary changes to keep up with anticipated growth and community benefit will be key to Mission's success as a complete and liveable community.

Discussion and Analysis

As summarized in the table below, the 2020 HNA report which used 2016 Census data, projected that 750 affordable rental housing units (150 affordable units per year) would be needed by 2024. The City has issued building permits for 178 affordable housing units, falling short of the projected affordable housing unit target by 572 units. Building permits were issued for 122 affordable housing units in 2022 nearly meeting the annual target. In 2023, the annual affordable housing units with issued building permits dropped well below the 150-unit target to 56 units. The affordable housing unit target is based on 2016 Census data and projected by staff to have increased in recent years. Based on recent provincial legislative changes aimed at improving the provision of housing, funding will be provided by the province to support the City in implementing those changes, including preparation of an updated Housing Needs Report (HNR) using 2021 Census data to be completed in 2024. The new HNR will include and updated affordable housing unit target.



Under the provisions of the Housing Agreements executed by the City as part of the Density Bonus program, which do not currently require affordable housing units in perpetuity, all affordable housing units currently secured could be removed from the housing stock within 10 to 21 years. With the potential loss of these units from the City's affordable housing stock, affordable replacement units will be needed increasing already ambitious annual affordable housing targets. The SHC is working with staff on making changes to Housing Agreement standards to require affordable housing units in perpetuity.

Significant intervention at the provincial, federal, and local level will be integral to meeting affordable housing unit targets in 2024 and beyond. Council has positioned itself well to address the upcoming provincially mandated Housing Needs Assessment update with resource support for the AHS, hiring a SHC and submission of a CMHC Housing Accelerator Fund (HAF) application. The number of affordable housing units over the next few years will be determined by a combination of initiatives including the market, sound affordable housing policy and resources with support from Council, senior government funding, and community partner involvement.

Much groundwork has been completed to date to advance several new proposed and improved affordable housing policies that will be coming forward to Council in 2024. Council's support for implementing sound policy directions and providing resources aimed at increasing and protecting the affordable housing unit stock, is key to meeting affordable housing unit targets and successfully addressing the 572 affordable housing unit s shortfall.

Building Permits for New Affordable Housing Units

Year & Quarter	Project Address	Project Type & Units	BP Issue Date	Tenancy Type	Total Affordable Housing Units	Studio Units	1 BDRM Units	2 BDRM Units	3 BDRM Units	Running Total of Affordable Units	Housing Agr'mnt Terms (years)
2022 – Q1	33230 – 2 nd Ave.	92-unit apartment	Feb 24, 2022	Rental	92	32	32	28	0	92	21
2022 – Q1	7288 Maple St.	105-unit apartment	Mar 8, 2022	Rental	11	3	4	4	0	103	10
2022 – Q2	32690 – 14 th Ave.	103-unit apartment	Apr 21, 2022	Rental	11	0	11	0	0	114	21
2022 – Q2	32335 - Fletcher Ave.	105-unit apartment	Sept 8, 2022	Rental	8	3	3	2	0	122	21
2023 – Q2	7460 Hurd St.	50-unit apartment	Apr 25, 2023	BC Housing Project	50	0	0	0	0	172	No Housing Agr'mnt
2023 – Q2	33920 Best Ave.	54-unit apartment	June 23, 2023	Strata	6	0	6	0	0	178	10
Total Units		509			178	38	56	34	0	178	

No new building permits have been issued for affordable housing units in the fourth quarter of 2023.

A Housing Needs Report (HNR) is required in 2024 as part of the new provincial legislation. Mission will benefit significantly from the analysis required for the HNR including updated housing need data. This data will inform AHS implementation, the OCP update, Wellness Strategy implementation, as well as support and leverage partnerships with higher levels of government.

Top AHS Strategies

Strategy 3.1 – Support SARA

Staff continues to work with BC Housing and SARA to advance a housing project that the City has played a partnership role in.

Strategy 3.3 - Foster Partnerships Between Non-Profit Agencies with Governments and Developers for Affordable Housing & Improve Local Non-Profit Capacity, Strategy 3.4 - Complete an Inventory Analysis of Public Buildings and Faith-Based Facilities and Build Affordable Housing on Identified Sites

Over the course of 2023, the City brought together over 75 partners across 3 strategically planned discussion forums resulting in adding potentially 100 units to the affordable housing 'pipeline' – a term describing the total number of units at different stages of preliminary concept, review, approval, construction, and occupancy. Two 'Faith in Mission - Affordable Housing Creation Exploration Dialogue' forums and the 'Housing Innovation Day' were held last spring with attendees having an interest, resources, mandate, or desire to explore or contribute to new affordable housing creation in Mission.

This foundational work of raising awareness and fostering partnerships between developers, landowners, government, and non-profits is a necessary early step in building new affordable housing and an initiative being recognized by higher levels of government. Municipalities occupy a unique position to encourage dialogue and bring together diverse organizations to address housing needs. This, combined with the City's foundational work completed to date, CMHC has offered to explore options to help fund Mission's next Affordable Housing Innovation Day with the goal of sharing and emulating this work in other municipalities from a knowledge transfer and capacity building perspective, particularly related to approaches of partnering with faith-based groups and non-profits to unlock housing potentials.

A draft event plan has been prepared and under review with staff for another Affordable Housing Innovation Day to be held this spring. The event will focus on funding housing readiness, climate resilient design, community development integration, and building partnerships to advance 'housing systems change' – the objective behind CMHC's Housing Accelerator Funding grant program.

In advance of the forum, the Affordable Housing Team will continue working with the emergent discussion forum stakeholder groups to explore CMHC seed funding options to help progress projects through the affordable housing pipeline. Over the next few months, the stakeholder groups will be provided with municipal data, resources, and support allowing sharing of project overviews at the upcoming forum.

Staff have been in regular contact with CMHC on the status of Mission's Housing Accelerator Fund (HAF) application submission. To date, CMHC has advised staff that Mission's HAF application is under review and that the City will be advised of the application in the near future. BC Housing's current priority is to retain or have ownership of land transferred to them as a condition of providing capital and operating funding. This model is not well suited for the projects in Mission's pipeline, specifically, church-owned land. It is recommended that the City pursue active discussion with BC Housing to explore funding commitment that would not require BC Housing to secure ownership of land.

Strategy 4.1 – Develop a Framework to Support Strong Growth Management, Strategy 4.2 - Design a Growth Management Public Communications Campaign

- The OCP update is a year-long planning initiative that includes a public engagement process. The project will start in early 2024 and complete in early 2025.
- In August 2023, the City was awarded a \$150,000 'Complete Communities' grant from the Union of BC Municipalities for the submission of the 'Mission Complete Community Assessment' (MCCA) application. This MCAA work is combined with the OCP update doubling the total OCP budget allowing for enhanced data informed planning and engagement process and deliverables.
- The MCCA work will provide enhanced capacity in the OCP Update with geospatial mapping and data analysis, addressing key issues such as housing affordability, and will assess how complete Mission is today to better understand strengths, opportunities, and challenges with respect to growth in Mission's urban areas, and to assess various growth scenarios. This will also assist in the preparation of OCP housing policies and for implementation of the AHS initiatives.
- Council involvement through the planning process is key in developing the OCP update and a start up meeting with Council is estimated early this year.

Strategy 2.1 – Revise & Clarify the Density Bonus Program

This initiative aims to ensure the City is equipped with the financial tools necessary to increase the number of affordable rental units and help meet affordable housing unit targets set by the HNA. It helps to ensure the City can pay for much needed community amenities and services to keep up with population growth and community expectation. Aside from general taxation, financial tools available to the City to help fund new affordable housing units and pay for a wide range of community amenities are Density Bonusing (DB) and Community Amenity Contributions (CACs). The city's CAC program is planned to be replaced in 2024 by a new Amenity Cost Charge (ACC) process, as mandated by the province that will not include the ability to collect funding for affordable housing but is exclusively focussed on community amenities. This places impetus on the need for new housing to be developed through municipal policy mechanisms that offer increased density in exchange for affordable housing and general amenities.

Mulholland and Parker Land Economists have been retained to undertake a study for the city to review the existing Density Bonus program. The study is near completion and will determine how DB can contribute to meeting Mission's housing needs and whether the program is performing as intended with options for improvement. This review by the land economist incorporates the effects of the new provincial housing legislation in Bill 44 for Small Scale Multi-Unit Housing (SSMUH), in Bill 47 for Transit-Oriented Areas (TOAs).

A Council workshop was held on August 28, 2023, to share the Density Bonus study findings and hear Council feedback. Ahead of stakeholder engagement proposed in early 2024, an additional Council workshop is scheduled for February 12th to discuss study outcomes and potential directions within the greater context of housing need, AHS implementation, the recently adopted Wellness Strategy, as well as new legislative changes (Bills 44, 46 and 47). An additional Council workshop will be held with a final policy being brought forward to Council mid 2024. A draft public engagement strategy has been prepared and reviewed by staff.

The Mulholland Parker review will inform the preparation of an Affordable Housing Reserve Fund, a suite of Safe and Secure Housing Policies, and the OCP update. The informed policies will be brought forward for stakeholder and community engagement in early 2024, a

series of Council workshops in the late spring and brought forward for Council consideration of final adoption mid-year. Changes in provincial legislation have informed the pace of the economic analysis effecting the study timeline and subsequent AHS policy implementation work plan.

Strategy 2.3 - Create an Affordable Housing Reserve Fund

The purpose of this work is to build the City's capacity to collect and disburse capital and operating contributions for new affordable housing construction and for existing affordable housing preservation and renovation. An early draft Affordable Housing Reserve Fund bylaw has been developed and is awaiting the Mulholland Parker economic analysis findings prior to carrying out a departmental review, Council update, and stakeholder engagement. A final bylaw for Council consideration is estimated mid-2024. The economic analysis will inform the program's parameters and target affordable housing priority areas for contributions to be provided to.

Strategy 5.1 - Develop a Standards of Maintenance Bylaw (Safe and Secure Housing Policy)

Mission residents including children and seniors are living in inadequate conditions, such as housing with mold, insufficient insulation, no heating, faulty wiring or plumbing, or poorly secured locks. This policy aims to help protect Mission tenants living in these inadequate conditions. The Standards of Maintenance Policy and Bylaw have been drafted. Early engagement with City departments has commenced in preparation of Council and stakeholder engagement early 2024. Completion of the final Bylaw is estimated mid-2024. Consideration of opportunities for scaling up resources will be part of the policy review and Council workshop.

Strategy 5.2 - Develop a Tenant Relocation and Protection Policy (TRPP) (Safe and Secure Housing Policy)

Maintain the limited rental housing stock and avoid undermining initiatives to add new affordable rental housing units to meet HNA rental unit targets is an overarching priority of the AHS. With the cost of housing increasingly outweighing household income, some residents are forced out of the ownership housing market into rental tenure. Times are changing and rental tenure is becoming increasingly common with a strong demand for more rental units and affordable rental units as people are squeezed out of market rental accommodation. A large segment of Mission residents struggles to afford today's market rental rates which is why the HNA's most critical identified housing need is rental and affordable rental units. With a projected shortfall of 572 affordable rental housing units, protecting and maintaining the existing affordable rental stock is critical to meeting the HNA housing targets.

This policy will introduce housing security for tenant households beyond the provisions of the Residential Tenancy Act by proposing to include relocation assistance to displaced tenants, relocation cost coverage, first right to return to newly developed units at secured rental rate, consistent communication between applicant and tenants, and other provisions. The policy could apply to mobile home parks. A mobile home park component is being considered as an option to be brought forwarded to Council earlier than the suite of safe and secure housing policies to ensure redevelopment aligns with Council priorities.

The Density Bonus Review is a key part of preparing this policy as land economic information will help determine policy options. TRPP has been drafted and is under review with department staff prior to requesting Council's feedback and stakeholder workshop engagement expected in early 2024. Bylaw adoption is projected by Council mid-year.

This work extends to updating the City's current Strata Conversion Policy and Bylaw to ensure policy alignment. The purpose of the Strata Conversion Policy specifies the conditions under which conversions of purpose-built market rental buildings to stratified (individual ownership) housing units will or will not be considered.

Strategy 5.3 - Provide Information on Landlord and Tenant Rights & Responsibilities (Safe and Secure Housing Policy)

The City can support housing stability and prevent housing loss by providing educational resources on the legal framework pertaining to tenancy in British Columbia. Cities can not only raise awareness of tenant and landlord rights and responsibilities but also raise awareness of support services offered by different organizations and by supporting local partner agencies.

Mission rental inquiry support planning is underway with various mechanisms to be reviewed by department staff. As part of this work, information on Landlord and Tenant Rights & Responsibilities is being prepared and will address informal lodging houses and recovery homes requirements. The aim is to increase effective tenant-landlord communication, foster positive tenant-landlord relationships, and provide resources and support to maintaining secured tenancy.

Other Initiatives Above and Beyond the Top 13 AHS Actions

Mission's youth housing and wellness system (Housing and Foundry on City-owned land)

On November 7, 2023, Mission's Foundry Expansion application was submitted to BC Foundry. The application was a multi-partner effort that included support from the City of Mission with Mission Community Services Society as lead agency, to form strategic partnerships that secured commitment from the Ministry of Children and Family Development, Fraser Health, Canadian Mental Health Association, Youth Unlimited, My House, Fraser House, Mission Friendship Centre, with support from Mission Hospice Society, Mission Association for Community Living, SARA for Women, and United Way.

The application submission process included the development of a data sharing agreement between partner agencies, strategic community partner conversations to map resources, funding, and service integration commitment to the Foundry, a shared governance model, and a Mission Foundry Youth Photovoice Team that brought together youth, who will benefit from Foundry services, to inform what a Foundry and youth housing and support systems include.

The CMHC HAF application included a youth housing and wellness system that provides a continuum of housing options for youth and young adults at multiple housing sites throughout the city. The concept contemplates streamlined, wrap-around, graduated level of supports decreasing as youth become more independent, well-connected to services, and age-out of youth support systems.

A primary location for the youth housing and wellness system development would be the integration of housing and Foundry supports on the city-owned leisure lands.

New Provincial Housing Legislation

Staff have been reviewing the new Provincial housing legislation initiated under Bills 44, 46 and 47 and are preparing to update the Zoning Bylaw, OCP and other municipal bylaws with funds provided by the province in support of implementing the requirements of this new legislation aimed at advancing housing affordability in Mission. A council workshop was held January 23rd to discuss the new housing legislation with Council.

Financial Implications

There are no financial implications associated with this report.

Communication

Through the preparation of the AHS, staff consulted with members of the Sustainable Housing Committee (SHC), Development Liaison Committee (DLC), non-profit housing providers, BC Housing, and other interested parties. AHS implementation continues through engagement with these committees, agencies, non-profits, faith organizations, and other interested parties. This report will be shared with the SHC and the DLC after it is received by Council.

Summary and Conclusion

This report provides an update on progress in implementing Mission's Affordable Housing Strategy (AHS) during the fourth quarter of 2023. AHS implementation priorities have had a significant focus on building data-informed and collaborative multi-sector capacity along with municipal policy tools that will create the necessary conditions to create new affordable rental housing units. Major initiatives underway include the density bonusing review, the CMHC HAF grant application, and stakeholder meetings for initiating partnerships in developing affordable housing projects. In addition to these AHS initiatives, the Foundry grant application has been completed, and safe and secure housing policies are under development. City staff are reviewing the new provincial housing legislation (Bills 44, 46, and 47) to understand their implications and to prepare updated policies, bylaws and administrative practices in support of housing affordability.

Work underway and completed during the fourth quarter of 2023 is foundational to create the sustainable systems change to activate the City's Affordable Housing Strategy, to build effective partnerships, policy measures, and resources to meet the City's current and future affordable housing needs. With sufficient resources made available by Council to fund the AHS implementation, work progress is underway towards implementing the top 13 AHS strategies by 2025 (within the first three years of the AHS's 10-year program).

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