
NEW WESTMINSTER HOUSING STRATEGY

Prepared by the City of New Westminster Planning Department



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EXECUTIVE SUMMARY

Preface

In October 1992, the Province of British Columbia passed Bill 20, which amended the Municipal Act to include the following section:

A Community Plan must include housing policies of the local government respecting affordable housing, rental housing and special needs housing. (S. 945 s. 2.1)

The *New Westminster Housing Strategy* examines how the City might best meet this requirement. As well, recognising the strong relationship between affordable housing and other housing issues such as growth management, the *Housing Strategy* seeks to address a broad and comprehensive range of housing issues.

As a primary, indispensable need, housing is closely tied to the social, cultural, historic and economic well being of a community.

The *New Westminster Housing Strategy* is the result an extensive examination of the City's housing stock, issues, and future needs that will enable the City to manage change well into the coming millennium.

Having identified the City's most important housing issues, the New Westminster Housing Strategy makes thirty-one recommendations dedicated to improving the way in which City Hall preserves New Westminster's many strengths, addresses residents' concerns, and manages growth. Abbreviated versions of the recommendations of the *New Westminster Housing Strategy* are included below.; detailed descriptions of the recommendations are included in each *Report*..

Rental Housing Recommendations

New Westminster has a relatively large stock of rental housing that form the bulk of the City's housing that are well located and affordable for households on lower incomes. While many of the rental buildings offer affordable and liveable suites, a small but consistent proportion have health, safety and security problems. **As New Westminster already has a large number of rental units, the goal of the Strategy is to encourage increased quality, but not quantity, of the City's rental housing stock.**

1. Upgrade The Existing Rental Stock

The City should encourage the replacement of old rental units with new rental housing by considering the adoption of policies encouraging the creation of rental units in multi-family rezonings, encouraging the creation of legal secondary suites, and encouraging existing commercial enterprises to create rental housing units above the ground level storefronts.

2. Re-examine the Moratorium on Strata Conversion

The Planning Department should examine the effects of the moratorium on conversion of rental units to strata titled units.

3. Support For Civic Initiatives

The Planning Department should continue to support Police Department and Health Department initiatives designed to address housing issues in New Westminster.

4. Monitoring Rental Housing

In the Official Community Plan, include a statement that recognises the value of the City's existing affordable rental housing. Furthermore, in conjunction with future Official Community Plan reviews, the Planning Department should continue to monitor the affordability and liveability of the City's rental stock.

5. Official Community Plan Goals

In the Official Community Plan, indicate as a goal to encourage a balance of owned and rented housing in the City. As well, include a goal to encourage new and existing rental housing choices that are sanitary, safe and secure.

Market Housing Recommendations

The Housing Strategy study revealed that New Westminster is a highly affordable city by virtue of its liveability, strategic location, reasonable rental and owned housing costs, many amenities, sense of community, and ample transportation options that do not require automobile use. As a result, many people view New Westminster as an ideal location to live.

Since the market housing needs of the above average income earners in New Westminster are met by current market forces, the recommendations of the Market Housing Report aim to address the needs of average and below average income earners. Recommendations are indicated in italics, while the related issues are indicated in regular text.

6. Monitor Market Housing

On an annual basis, the City should continue to monitor the housing market to check if new construction is supplying a housing units with a suitable range of choices in size, type and price range, and advise City Council accordingly.

7. Official Community Plan Goals

The Official Community Plan should seek to meet its share of the GVRD's projected housing demand for the year 2021 with a sufficient number and variety of dwelling units.

8. Settlement Patterns

Where possible, new housing growth should be encouraged to locate close to transportation options, services and employment.

9. Housing Affordable at the Median Income

In the Official Community Plan, ensure that a portion of new market housing that is affordable to households earning less than the City's median household income. The percentage of market housing that the City would encourage should be determined on an annual basis.

Innovative, Cost Effective Housing Recommendations

10. The Lowest Income Quartile

City Council policies that promote cost effective housing should target the lowest 25% of income earning households in New Westminster.

11. Non-Profit Housing Societies

The City should assist non-profit groups including local churches that own land to create non-profit housing on their under utilised land (e.g. parking lot), and to promote cost effective housing initiatives on an ongoing basis.

The City should forward the Housing Strategy's findings and information about housing needs to local churches and non-profit groups that own land, for their consideration.

12. Use of City Land

Consider using City owned land on which municipal facilities are sited as a source of land for non-market housing where opportunities allow. Over time, housing units could be constructed above the municipal facilities when they are rebuilt.

13. Regulatory Reform

Planning regulations and approvals processes should be examined for unnecessary impediments to the creation of non-profit housing.

14. Housing Agreements

The City should make use of housing agreements registered on land title to facilitate non-profit groups in creating market housing alongside non-profit units in order to subsidise the non-profit units.

15. Attracting Funding From Senior Levels of Government

Establish an annual target for non-market housing units in the City and notify the Ministry of Housing each year.

16. Rezoning Applications

On appropriate sites, examine the use of rezoning to higher density to encourage the creation of non-profit housing units.

17. Official Community Plan Goals

Examine including in the Official Community Plan, a goal that the City will play a facilitative role in encouraging the creation of a suitable and sufficient supply of non-profit housing.

Recommendations for Seniors Housing

18. Seniors' Housing

In the Official Community Plan, the City can identify locations that are more convenient for seniors to live in and access services. These areas should be an area of focus for future seniors' initiatives that support the existing seniors housing.

19. Secondary Suites

The City should adopt a policy that allows the creation of legal secondary suites in new construction and standards for conversion of existing building that meet current building codes.

20. Use of City Land

The City should examine its land holdings to determine which sites would be appropriate to long-term lease to non-profit groups dedicated to developing seniors non-market housing.

21. Seniors Housing Foundation

The City should encourage the formation of a seniors' housing foundation that accepts financial and land donations by making a donation.

22. Regulatory Reform

Regulatory disincentives for the creation of seniors co-operatives should be examined.

23. Non-Profit Housing Societies

Barriers to the creation of non-profit housing, such as the inappropriate location of most sites with potential for redevelopment, should be investigated and addressed.

24. Official Community Plan Goals

In the Official Community Plan, confirm existing policy that the City should encourage ownership of housing suitable for seniors. Also, include as a goal, to increase the suitability of housing for seniors in rented or non-profit as well as owned housing. Finally, include a goal to improve neighbourhoods as a place for seniors to live, and access services and transportation choices.

Recommendations for Growth Management

An increase in population in New Westminster has helped New Westminster become a diverse and vibrant City that plays an important part of the region. Future growth will require continued planning to ensure that the City's qualities valued by current residents are maintained, and the needs of the new residents are sufficiently met.

In the recommendations below, the discussion of these planning issues is presented in regular text, and the recommendations are indicated in italics.

25. Design

The City should continue to encourage attractive new buildings and grounds that are compatible with the existing character of the City:

- In cases where several residential parcels result from rezoning and/or subdivision (e.g. the reuse of former industrial lands), the City should encourage the developer to register design guidelines on the title of the property.
- The City should continue to rely on its Consultative Design Committee and Downtown Design Review Panel for input into the design of new structures in the City (except for single detached dwellings and duplexes, which are exempt).
- The City should examine the creation of voluntary design guidelines based on a design charrette attended by the community and assisted by architects. Adherence to the design guidelines should be voluntary and would inform the potential builder of the community's desired architectural and aesthetic goals.

The City should consider extending the Neighbourhood specific residential zone (e.g. NR-1) process to all of the City's current RS-1 districts, if the residents of the neighbourhoods are supportive of the initiative.

26. Fiscal Impacts

Future growth should be fiscally responsible (e.g. pay for any increased level of services or amenities that the community may require):

- For designated areas in New Westminster, the City should encourage investors to provide community amenities (such as child care centres, park space or affordable housing) as a condition of rezoning approval. The desired community amenities should be determined in advance, with community consultation as a part of a development policy (e.g. the Twelfth Street Rezoning Policy).

The City should continue to levy development cost charges on new development in Queensborough where new development requires servicing for roads, sewers, water and parks. If development in other neighbourhoods directly necessitates road, sewer, water or parks expenditures, the City should consider implementing development cost charges to cover these costs.

27. Services Match Growth

As New Westminster grows, the effects of growth may place pressure on the existing services and infrastructure networks.

To ensure that future growth does not exceed City capacity, the City should continue to plan growth where an adequate infrastructure network already exists or can be provided in a timely, economic and efficient manner. Given that the Greater Vancouver Regional District and the Province are projecting population growth to the year 2021, it is recommended that the City plan for population and housing demand to the same year.

28. Community Participation

Consultation with New Westminster residents during the Housing Strategy study process revealed that the community values consultation on growth issues.

It is recommended that City staff continue to meet with residents early and often to discuss population projections and identify challenges with growth management in a full and meaningful way.

29. Location of New Homes

In its Official Community Plan, the City should determine the most appropriate settlement patterns for homes in the future. The Official Community Plan should address changing community needs such as a shrinking household size, a large seniors population, and a projected demand for housing choices accessible from ground level.

A range of growth management options are suggested below. The five options hold several principles in common. Each option assumes that the City's existing housing capacity will be used, and that the City will continue to encourage growth in the Downtown and other areas where medium and high density housing already exists. As well, all growth options seek to exclude single detached areas from higher density development, and allow multi-family development rezonings on larger sites based on the merits of each proposal.

Each Growth Option meets the estimated growth to a total of about 41,000 homes in New Westminster by 2021.

Transportation Corridors Option

This option concentrates new growth along the SkyTrain corridor and commercial nodes where development is already located to make cost-effective use of existing infrastructure. Redevelopment would also be encouraged in areas where many of the City's low rise buildings predate existing building standards.

Implementation of this option would require us to:

- encourage more housing through adaptive reuse along Columbia Street
- increase the amount of housing allowed in commercial districts outside of the Downtown
- increase the allowed density of multiple dwelling districts from low to medium rise
- encourage redevelopment of the RS-2 districts along transportation corridors to townhouses and row houses
- in the Twelfth Street Corridor, continue to review applications in accordance with the Twelfth Street Corridor Development Policy
- require medium rise buildings to provide ground access to their grade level units (in order to increase the number of ground oriented homes)

RS-2 Zone and Secondary Suites Option

This option would allow the redevelopment of the RS-2 zoned lands (located mostly in the Uptown, Downtown, Brow of the Hill and Sapperton areas). As well, secondary suites would be permitted in the City's single detached districts.

Implementation of this option would require us to:

- review the RS-2 districts to determine which areas may be suited for redevelopment to townhouses and row houses

- write a secondary suites policy that would allow the creation of suites in single detached homes, and would provide guidance on regulating the currently unauthorised suites in existence
- require medium rise buildings to provide ground access to their grade level units
- encourage highrise projects to include a proportion of townhouses at grade

Commercial Arterials and Suites Option

This option concentrates new growth along the SkyTrain corridor and commercial nodes where development is already located. As well, secondary suites would be permitted in the City's single detached districts.

Implementation of this option would require us to:

- encourage housing through adaptive reuse along Columbia Street
- increase the amount of housing in commercial districts outside of the Downtown
- encourage redevelopment of the RS-2 districts along transportation corridors to townhouses and row houses
- in the Twelfth Street Corridor, continue to review applications in accordance with the Twelfth Street Corridor Development Policy
- write a secondary suites policy that would allow the creation of suites in single detached homes, and would provide guidance on regulating the currently unauthorised suites in existence

Shared Growth Option

The Shared Growth Option would allow moderate increases in density in all areas of the City on a proportionate basis. New growth would be concentrated along the SkyTrain corridor and commercial nodes where development is already located. As well, secondary suites would be permitted in the City's single detached districts.

Implementation of this option would require us to:

- allow some infill and small lot subdivision within a development policy that is devised in consultation with the community
- encourage housing through adaptive reuse along Columbia Street
- increase the amount of housing allowed in commercial districts outside of the Downtown
- write a secondary suites policy that would allow the creation of suites in single detached homes, and would provide guidance on regulating the currently unauthorised suites in existence
- review the RS-2 districts to determine which areas may be suited for redevelopment to townhouses and row houses
- encourage highrise projects to include a proportion of townhouses at grade

Undeveloped Areas Option

This option directs medium density growth to under-utilised sites and remaining under utilised industrial lands that would be rezoned for residential use.

Implementation of this option would require us to:

- encourage the redevelopment of Lower Twelfth Street to high and medium rise housing
- encourage the rezoning of industrial lands to medium and high density housing

Secondary Suites Recommendation

30. A Secondary Suites Policy

The City should examine options for implementing a secondary suites policy that would permit secondary suites in some areas of the City, and regulate their creation, maintenance and health standards.

Continue the detailed examination of the background issues, history, community comments and options for the implementation of a secondary suites policy that has been initiated. This will require consultation with the Building Department, the Health Department and the City Solicitor, among others.

31. Continue to Monitor Provincial Regulations

The City should continue to monitor the changes that the Province makes to the Municipal Act, Building Code and other relevant legislation that relate to the City's ability to implement a secondary suites policy.

Recent changes to the B.C. Building Code permit secondary suites equivalencies to better enable municipalities to implement a secondary suites policy. Outstanding issues regarding municipal liability remain to be resolved.

32. Continue to Monitor Relevant Court Cases and Decisions

The City should continue to monitor court cases and decisions in order to establish clarification on important secondary suites legal questions such as liability issues.

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REPORT ON THE HOUSING CONTEXT IN NEW WESTMINSTER

Introduction

Purpose Statement

The majority of a city's land is occupied by housing, and correspondingly, much of a city's well being relies on the state of its housing. In New Westminster, the state of existing and future housing requires review as political, market and demographic forces have changed increasingly since the last Official Community Plan update in 1982. Provincial and Federal housing roles have shifted; the moderate levels of growth in the past are anticipated to continue for the future; and a changing demographic make-up is resulting in smaller, older households. These changes have affected housing policy in Canada and have emphasised the need for a re-examination of housing priorities in New Westminster. In July, 1994, New Westminster City Council directed the Planning Department to conduct a study of current and anticipated housing needs in the City.

First and foremost, the purpose of the *Housing Strategy* is to fulfil a Provincial requirement that the City include policies regarding social, affordable and rental housing in its Official Community Plan. The Planning Department conducted extensive background research, community consultation and data examination and produced the *New Westminster Housing Strategy*. The *Strategy* identifies solutions to address key housing issues, projects a variety of housing needs over time, and sets the context for housing issues in the current update of the Official Community Plan.

The *Strategy* seeks to identify cost effective solutions that can function within a changing environment. As well, the *Strategy* will help fulfil a Provincial requirement for the City to include policies regarding affordable housing in the Official Community Plan.

Funding for the Housing Strategy

In January 1994, the City of New Westminster received a \$25,000 grant from the Province of British Columbia to prepare a housing strategy to address affordable housing. On July 25, 1994, City Council approved a further \$25,000 towards the preparation of the *Strategy*. Since City Council believed that affordable housing issues are intrinsically linked to the growth issues that the City is facing, the study's scope was broadened.

Upon completion of the housing strategy study and the adoption of its recommendations, the Province will pay the grant to the City. The Province has stipulated that the housing study be completed by the end of March, 1996.

Phases of the Housing Strategy

In September 1994, the Housing Steering Committee was formed to guide the strategy's process. The Steering Committee included three City Councillors, representatives from the building sector, the financial sector, the real estate sector and the non-profit housing sector, in addition to Planning Department staff.

Phase One: Background work on the study began with an in-depth examination of literature and data pertinent to New Westminster's housing. This data provided valuable information that was used in every phase of the study process.

Phase Two: Issues in housing were identified at a Community Workshop attended by Resident Association representatives and "at large" participants representing a range of stakeholders in housing. The purpose of the community workshop was to identify the City's important housing issues, and provide a forum for generating ideas and suggestions from various residents of New Westminster.

Phase Three: The Community Housing Survey was composed based partly on the results of the Workshop and partly on the findings of the literature search and data analysis. The purpose of the Survey was to inform the community of trends in demographics and affordability in New Westminster and to get direction from the community about housing choices for the future.

The three phases brought much important information and community comment to the forefront. This information was used to compile the recommendations that make up the suggested recommendations for housing in New Westminster.

Overview of the Methodology

Research and Data Analysis

A careful review of planning literature collected from Lower Mainland municipalities and around the continent was made. This search yielded valuable information about other cities successes as well as information about common problems in housing.

In addition to City Hall data on New Westminster housing, a custom run Statistics Canada database was examined. The database allowed cross tabulation of variables to be calculated.

As well, key informant interviews were informally conducted with knowledgeable people in the field.

The Housing Workshop

The City's Resident Associations were asked to select two representatives to attend the Workshop. As well, several "at large" residents were identified to represent various important groups of stakeholders related to housing issues; they were:

- 1 church representative
- 1 member from the non-profit sector
- 1 senior
- 2 renters
- 3 members from the multi-cultural sector
- 1 single mother
- 1 student from Douglas College

Housing Strategy Tool Kit

To prepare the participants for the workshop, the Planning Department wrote a Housing Strategy Tool Kit (*included in the appendix*). The Tool Kit introduces the reader to the general housing issues in the City, and then examines the following three housing issues in detail:

1. Secondary Suites
2. Affordable Market Housing
3. Intensification

Participants Grouped Into Themes

At the workshop, each participant was asked to sit on a group dedicated to one of the three themes. Each group reviewed the general section and one theme section of the tool kit, and collectively answered the questions.

To assist members of the public, a member of the Planning Department facilitated each group. Also, appreciating that either some participants use English as a second language or may be unfamiliar with the issues raised in the Tool Kit, a few days before the workshop, the Planning Department held a meeting for the participants to discuss the contents of the Tool Kit.

In addition to the representation at the workshop, several residents completed their tool kits privately and submitted them to the Planning Department. Also, several Resident Associations said that they will be completing a tool kit as their position relative to the tool kit and the housing strategy.

The Community Housing Survey

The Housing Workshop was used by the Planning Department as an opportunity to test out questions for the Housing Survey. As well, Planning Department staff incorporated the comments and suggested solutions made at the Housing Workshop into the City-wide Housing Survey.

Community Consultation in the Draft Housing Survey

The Planning Department distributed draft copies of the Survey to the following community groups for preliminary comment:

- the Resident Associations;
- the Merchant Associations;
- the participants of the November 1994 Housing Workshop;
- members of the City's design committees and Advisory Planning Commission;
- and, the School Board and Parent Advisory Councils.

Their comments were incorporated into the final Community Housing Survey.

Distribution, Drop Off and Open House

The Survey was sent to every household in the City through a postal walk. Survey respondents were invited to mail, fax or hand deliver their completed surveys to City Hall.

For residents with questions regarding issues in the Survey, the Planning Department held an open house at Royal City Centre. The open house ran for one week (Monday to Saturday), with staff available to field questions for two hours per day, four hours on the Saturday. Also, extra copies of the Survey and a drop-off box were available during mall hours.

Assumptions: Affordable Housing Definition

A primary assumption of the *Housing Strategy* is that housing should not cost the residents so much that it impedes their ability to pay the other necessary costs of living. A commonly used rule to assess housing affordability is that housing should not cost the household members more than 30% of their combined gross income.

Housing affordability problems, where a household is paying more than 30% of its income, affect two groups of people: one, low income renters may earn so little that even the lowest market rental rates are unaffordable; and two, low to middle income earners who can afford market rents, but cannot afford to buy the available lower end market housing units. Middle to high income earners, whether renting or owning, can afford housing even if it costs more than 30% of their household income. An important focus of the Housing Strategy is to address the needs of the renters who cannot afford to rent and renters who cannot afford to purchase a home. For this reason, the definition of affordable housing used in this housing strategy is as follows:

Affordable housing costs not more than 30% of gross income of those households in the lower two income quartiles.

In New Westminster, households earning less than \$32, 043 per year fall into the lower two income quartiles.

Organisation of the New Westminster Housing Strategy

The *New Westminster Housing Strategy* is not one, but rather eight *Reports* that together form the *Strategy*. The *Reports* seek to provide answers to several key questions about housing in New Westminster, and are organised as follows:

The Report on the Housing Context in New Westminster

In two sections, the *Report on the Housing Context in New Westminster* serves as an introduction to the issues that New Westminster faces as a part of a large and complex region, and as an independent and closely knit community. Section one, in reviewing the housing context of the City, seeks to answer the question: What can the City's role be in providing housing? The second section, which examines the past trends and present situation of housing in the City, asks: How has New Westminster provided quality housing over time? *The Report on the Housing Context in New Westminster* concludes by identifying the seven most important housing issues facing New Westminster, and directs the reader to the seven additional *Reports*.

The seven *Reports* (listed below) identify how New Westminster's housing stock currently meets the needs of City residents, and how the housing stock can continue to do so while managing change. Each *Report* suggests recommendations designed to strengthen New Westminster's legacy of affordable, adequate housing.

Managing a Resource: New Westminster's Rental Housing Stock

Shared Neighbourhoods (Secondary Suites in New Westminster)

Pride In Ownership: Market Housing

Barriers to Access: Affordability Problems in New Westminster

A Supportive Community: Seniors Housing in New Westminster

Homes for Special Needs

Managing Growth: A Focus on New Westminster's Strengths

Section One: The Housing Context

Participants In The Housing Market

At the federal, provincial and regional levels of government, changes in policy regarding housing have shifted in the past decade, most notably due to reductions in financial outlay. The role that government and non-government organisations play in the housing market depends upon how affordable housing is defined in their policy. The role of each is discussed in detail in Section Two.

Federal (CMHC)

The definition of affordable housing at the federal level takes into consideration the needs of home buyers in general, first time buyers, as well as those with special needs seeking to purchase, rent or renovate housing. However, affordable housing policy at the federal level is shaped by the funding limitations of the Canada Housing and Mortgage Corporation (CMHC). As a result, the CMHC affordable housing policy concentrates on two basic roles.

One, the CMHC funds programmes that promote access to home ownership. Most prominently, the CMHC insures mortgages. When insuring a mortgage, the CMHC requires the home buyer to pay a down payment of at least 10% of the first \$180, 000, and 20% of the remaining balance. First time home buyers qualify for the 5% minimum down payment programme, in which their loan will be insured up to a maximum purchase price of \$250, 000.

In addition to home ownership, the CMHC mortgage insurance programme also applies to new affordable housing developments (sponsored, for example, by a non-profit society). Furthermore, through the Residential Rehabilitation Assistance Programme (RRAP), the CMHC provides loans of up to \$10,000 for homeowners to either upgrade their unit or improve accessibility for those with disabilities. Portions of the RRAP loans are forgiven for households with low incomes. Both the RRAP and mortgage insurance roles of the CMHC do more to promote housing affordability through home ownership than rental.

Honouring commitments made before 1986, the federal government provides a rent supplement on a fixed number of affordable housing units. Since 1986, however, new rent subsidies have been assumed by the provincial government (managed by the BC Housing Management Commission).

Two, the CMHC conducts research into the issue of affordable housing, encourages regulatory reform, and conducts some demonstration projects. For example, the CMHC sponsors the Affordability and Choice Today (ACT) programme, which serves to fund research and demonstration projects into housing affordability options. ACT gives grants of up to \$20,000 toward local studies that demonstrate innovation in planning, design and construction technology that requires changes in by-laws. As well, ACT gives grants of up to \$10,000 to research responsible ways to expedite the approval process. The range of proposals awarded grants is diverse, and includes research into improving municipal regulations to support secondary suites, garden suites, live/work environments, streamlined development approval, as well as projects demonstrating Alternative Development Standards (ADS) and semi-detached, affordable housing.

Provincial Affordable Housing Policy

British Columbia Housing Management Commission's (BCHMC) role in providing affordable housing is influenced by a definition of affordable housing as subsidised housing for households whose housing costs exceed 30% of their incomes. BCHMC's affordable housing policy, however, encompasses much more than the cost of rent. This broad based understanding of affordable housing is reflected in their four housing programmes (Homes BC):

- Non-profit housing
- Homeless and At-risk Housing
- New Options for Home Ownership

- The Community Housing Initiatives Programme

1. Non-profit groups building and managing a housing project receive BCHMC subsidies that cover the difference between the cost of break-even cost of operation and the project's income derived from rent. A project's rent income is derived from the tenants of whom at least 60% must be Core Need renters (who pay only 30% of their incomes), while the remaining 40% of the tenants may include a range of income groups (who pay close to market rents). BCHMC selects which projects to subsidise based on factors such as rental housing vacancies in the area, whether the project mixes household size and type, and location to transportation choices and services. A project receives the subsidy until the mortgage has been paid.
2. A Homeless and At-Risk Housing subsidy is given to non-profit groups seeking to meet the special housing needs of drug dependent people, the mentally ill, inner-city youth, women and children leaving transition homes, and very young single mothers. The subsidy covers preliminary project development, interim financing, and the cost of break-even operation given that the tenant rent contributions are based on 30% of their income.
3. The New Options for Home Ownership programme targets middle income renters who can afford market rents but not the purchase price of a home. Although the programme targets families (defined as couples or singles with children), it is not limited exclusively to families. New Options for Home Ownership seeks to encourage limited-equity affordable housing that encompasses innovation in design, management, financial models and forms of ownership. The BCHMC provides financing (repayable at government interest rates) and partial mortgage guarantees for projects providing family housing that in the Greater Vancouver area can be purchased by families with incomes between \$40,000 and \$65,000. Furthermore, 30% of the units must be affordable to families with incomes below \$50,000. To qualify, households must be able to provide a 5% down payment.
4. Recognising that affordable housing involves more than cheap rent, the BCHMC funds the Community Housing Initiatives programme that promotes housing registries and relocation services, advocacy and public education, research, community development and training. In order to receive a grant to either develop or implement a project, the project must address the needs of low to moderate income renters or of people who face barriers to housing. The proposal development grants are up to \$5,000, and the project grants are awarded on an annual basis to cover the project's operation.

In addition to the four Homes B.C. programmes, the Province has passed two pieces of legislation to promote affordable housing in B.C.'s communities: Bill 20 requires that municipalities include policies regarding social, affordable and rental housing in their Official Community Plans. Recent amendments to the Municipal Act allow municipalities to enter into agreements with an investor to provide community amenities such as accessible, seniors or non-market housing.

Regional (GVRD) Affordable Housing Policy

The GVRD used to have more legislative planning powers and when these were lost its role in affordable housing changed. The GVRD's original policy with regards to affordable housing stressed the provision of rental housing for those unable to find adequate housing. However, this policy statement is presently under review, since financial constraints have reduced the GVRD's ability to provide rental housing.

At present, the GVRD's policy, as outlined in the Liveable Regions Strategy, favours a holistic approach to promoting housing affordability as part of a well-planned region. Affordable housing is viewed as a range of adequate housing choices, taking into consideration employment, demographic, and location of growth forecasts for the year 2021. Specifically, the strategy favours more compact and complete communities created through a concentration of growth and services in the inner suburbs, including New Westminster. GVRD policy regarding compact communities forecasts continued growth in New Westminster to the year 2021.

To encourage more complete communities and adequately house the growing population of above 45 year olds, the GVRD recommends an increase in the amount of lower density, ground-oriented residential units (townhouse, duplex and single family) and medium density units (e.g. stacked townhouse, low rise apartments with a portion of ground oriented units) as compared to the current trend of higher density, apartment unit construction. In addition, GVRD policy favours regional and municipal town centres where social, cultural and recreation facilities, in conjunction with employment, service and transit opportunities are easily accessible to residents.

Financial Institutions: VanCity Credit Union Programs

The VanCity Credit Union plays a well diversified role in promoting the development of affordable housing in the community. Its various approaches to community development are discussed in turn.

Community Investment Deposit Programme

VanCity manages the Community Investment Deposit programme -a source of lending capital that is funded by client deposits. Depositors specify that their savings should be used for the promotion of affordable housing.

The Community Investment Deposit programme grants reduced rate loans (about Prime minus .25%) to multi-unit projects demonstrating that 30% of the project's units will be affordable for, and occupied by, low-income earners in need. Affordable, in this case, is defined as having rent or mortgage costs of no higher than 30% of the combined income of the occupants. In addition, 1% of the interest accrued from the programme's deposits is applied to a subsidy for low income occupants. This subsidy is reviewed every five years, and directed to other units if it is no longer needed.

As a recent example, the Chinese Mennonite Church received a reduced-rate VanCity loan for a non-profit housing project being built in Vancouver's Chinatown.

The Role of Lending

In addition to the Community Investment Programme, VanCity grants market-rate loans to housing providers. For example, VanCity provides loans for equity co-ops, to which conventional lending institutions often will not lend capital. Equity co-ops contribute market housing that is affordable by virtue of its limited equity tenure and co-operative ownership. In order to retain affordability, limited equity co-ops may limit the resale price of the units to a percentage of market value, or tie the resale price to the consumer price index. Thereby, every co-operative resident over time benefits from reasonably priced housing, rather than windfall profits.

Development Role

VanCity also does real estate development with its VanCity Enterprises wing. Both social housing and affordable market housing are developed in conjunction with non-profit societies. Most notably, VanCity developed affordable housing above a VanCity branch at Hastings and Kamloops. Non-profit societies own and manage the projects developed by VanCity Enterprises.

Consultative Role

Based on the philosophy that housing is a community asset, VanCity's Community Foundation serves as a partner to community organisations which provide affordable housing. The Foundation provides consultation and funding, in addition to lobbying local governments on behalf of the organisation. Recent examples include a partnership with Co-operative Housing Association of B.C. to work on placing co-operative housing lands purchasing in a land trust. Also, the Foundation is considering purchasing a single room occupancy (SRO) hotel and renovating the units to upgrade their quality and liveability.

The United Way

Financially, the United Way plays a limited function toward affordable housing. However, the United Way has affiliate members, such as the Habitat Housing Society, that act as housing providers. As an affiliate, a society is allowed to receive donations only if it is so expressed by the donor.

The United Way does not give grants to its affiliates, only to members. Its members tend to meet housing demand for special needs. Members include the B.C. Community Living Society for the mentally handicapped, the new Westminster Mental Health Association, and the Association for the Physically Handicapped. Also, special projects receive funding as seed money, assessed on an annual basis. These special projects may or may not involve housing.

Lastly, the United Way acts as a planning consultant for municipalities, providing needs assessment studies and policy development. These studies occasionally deal with housing issues.

Conventional Financial Institutions

The role of conventional lending institutions cannot be underestimated. Affordable market housing (housing without government subsidy) is accessed, in most cases, with the help of a conventional loan.

Conventional lending institutions, such as banks or credit unions, require that gross debt service ratio (GDSR) should not exceed 32% of a household's income. The GDSR includes the costs of principal and interest payments, property taxes, heating costs and half of any condominium or strata fees. The CMHC uses a similar ratio to determine whether housing is affordable.

Development Industry

The private development industry usually produces affordable housing as a small component of a project with market rate units. The market units serve to make the project financially viable, while the affordable units help make the project possible. For example, regulatory hurdles such as rezoning applications are sometimes resolved through the inclusion of affordable units in a proposed project. This has been the case in Vancouver longer than in the rest of B.C. The project owner may pledge that remaining profit from a project will be used to advance affordable housing projects in the future.

The private market-built units are affordable due to a combination of government and private subsidies and co-operation: Provincial grants, City zoning approval, contributed time from consultants and contractors, and support from financial institutions such as VanCity Credit Union.

The unit is sold or rented only to "in-need" buyers (such as low income, single parents), and its continued use as affordable housing is ensured through a restrictive covenant on sub-leasing or sale.

In some cases, the investor pre-arranges financing for the individual units through a competitive bid process, thereby supporting the prospective owners in securing financing.

Non-Profit Societies

Non-Profit Housing Co-operatives

Co-operative housing is a form of housing whereby the structure and its dwelling units are owned communally by its residents. Ownership is in the form of shares, which entitle each resident to occupy a unit, and gives residents control of, and responsibility for, building management. In addition to a share purchase, the members pay a monthly housing charge which covers the co-op's mortgage, taxes, and operating costs.

According to the Co-operative Housing Association of B.C., there are two types of co-op housing: Pure Equity, and Limited Equity Co-ops. Pure Equity Co-ops sell their shares as they would units at market rates. As a result, affordability is not a prerogative of Pure Equity Co-ops; rather, this type of co-op allows residents more control over the selection of new members, and management of the building.

Limited Equity Co-ops, on the other hand, strive to provide affordable housing to their members. Affordability can be achieved in a number of ways including limiting the selling price of the unit to a percentage of the market rate (e.g. 80% of market value). As well, the units' selling prices can be tied to the cost of living index, or unit value can be separated from land value through a lease. These methods ensure that the unit value appreciates roughly at the same rate as the cost of living, and not at the rate of real estate prices. This technique is particularly useful in areas like the Lower Mainland where real estate values have increased dramatically in the past decade.

Co-operative Land Trust

Presently, the Co-operative Housing Association of B.C. is entering negotiations with local and Provincial governments to establish a co-op housing land trust. The objective of the Community Housing Land Trust Foundation is to guarantee that co-op lands will remain in co-operative ownership in perpetuity.

To this end, the Trust Foundation will accept donations of land from co-ops and interested donors, and will administer the use of the land. As well, the Trust Foundation hopes to buy co-operative lands where they are owned by the Provincial government, and lease them back to the residents.

The Land Trust Foundation is a response to the concern of co-op members who would like to ensure that their mortgaged co-ops, once completely paid for, will not be sold off for the profit of the members at that time. The Foundation hopes that with a sufficient land base in the Trust, it will be able to develop new affordable co-op housing.

Local Housing Consultants and Non-Profit Housing Societies

The role of housing consultants is to sponsor the organisation of planning and developing housing for non-profit societies. Consultants act as a liaison between the societies and government agencies, as well as the many professions involved in non-profit housing: architects, lawyers, financial institutions, and contractors. In many ways, housing consultants help community groups make informed decisions about and successfully manage the development of a housing project.

Innovations in Providing Affordable Housing

Planning policies that fall into the "Innovations" category tend to represent methods available under varying legal circumstances. For example in some American states, the law allows for greater municipal control with regards to inclusionary zoning or demolition fees or replacement requirements. These affordable housing policies are nonetheless useful for our study in that they represent the innovative options to explore with the objective of achieving a reasonable level of affordable housing.

Generally, the affordable housing policies can be organised into three types:

a) Requirements for Investors

Given that all levels of government are seeking ways to reduce their financial outlay for affordable housing, it is perhaps not surprising that investors are being targeted to shoulder some of the burden. Requirements imposed on the investor can take shape as inclusionary zoning that mandates an affordable housing land dedication as a condition of development approval for large projects. The land received is owned by the City, and managed and developed by non-profit societies that are assisted with provincial subsidies (as described in the section on Provincial Affordable Housing Policies). The units are rented at rates that ensure that a household does not pay more than 30% of its income on housing (*Source: Cameron Gray, Housing and Properties*).

Inclusionary zoning can also be used to allocate special needs housing, such as housing for seniors, handicapped or mentally disabled.

Another approach, used in Ontario, is a requirement that a percentage (in this case, 20%) of the units built be affordable, as defined by a price ceiling (in the Toronto area, the ceiling is \$156,000). In order to preserve existing affordable housing, cities make use of several tools to restrict the demolition of multi-family housing, Single Room Occupancies (SRO's) or any housing in high rental areas. These tools include restriction of demolition by area (*Provincial Commission on Housing Options* recommendation -not city practice), a financial levy fees on demolition (Vancouver, *Recommendations for an Affordable Rental Housing Strategy*, and Cameron Gray, *Housing and Properties*), or a one-for-one unit replacement requirement (San Francisco and Seattle: *Housing Quarterly Review*, p. 97).

In some American states, legislation allows cities to impose rent control -a power reserved in B.C. for the Provincial government (*Housing Quarterly Review*).

Density bonusing is a tool used to encourage, but not mandate, investors to dedicate affordable housing in a project. In exchange for a land dedication, the investor is permitted a higher floor space density than otherwise allowed (*Provincial Commission on Housing Options* recommendation). This policy bears some resemblance to the policies listed below under "Regulatory Reform" in that density bonusing allows the developer a wider profit margin.

b) Regulatory

Regulatory reform usually amounts to a costs savings that can act as an incentive to development. When cities provide cost reductions for developers, it is hoped that housing prices will decrease as a result of reduced development costs. There is, however, no regulatory means to ensure that housing becomes more financially affordable as a result of regulatory reforms. The relationship between regulatory reforms and housing affordability is arguably tenuous.

Development approval streamlining aims to reduce a developer's time and associated costs that are involved in attaining a development permit. In order to reduce the time-frame of their development application reviews, Fort Collins, Colorado, and Phoenix, Arizona have introduced early staff reviews before detailed plans are solidified (to avoid expensive abortive design work, and to save time). As well, these cities have combined all related review staff to form an approval team that handles only development applications. As a result of this "one-stop service", processing time in Phoenix has been reduced from four months to three weeks. Furthermore, building inspections have been streamlined by cross-training inspectors so that inspection can be completed in a single site visit..

Another measure of flexibility is added to present regulations through the use of performance zoning (or performance standards). Fort Collins uses performance zoning in conjunction with a point system to award density bonuses to. Unlike traditional zoning, performance zoning does not confine specific land uses to geographical locations; rather, all uses are permissible as long as they comply with performance criteria concerning aesthetics, environmental impact, compatibility with transit and so forth. The performance criteria are designed to encourage development that is compatible with surrounding uses and the community's objectives. Fort Collins' performance zoning approach allows developers to respond more quickly to market demands, and hastens the development approval processing time.

The *Interdepartmental Task Force on Affordable Housing* identifies land use bylaws in need of regulatory reform because they act as an impediment to low cost housing alternatives such as boarding houses, secondary suites, and units above commercial uses.

Other regulatory reform options include ensuring that zoning by-laws do not discriminate against manufactured housing (e.g. modular homes) (*Source: Regulatory Reform Initiatives*, p. 27). This option raises aesthetics issues that would have to be addressed at the same time.

c) Pro-active municipal strategies

Municipal strategies usually involve a city's land holdings, and often require difficult-to-find funding. The most obvious municipal based strategy toward promoting affordable housing is to "land bank". Burnaby has a long standing land banking policy whereby land is accumulated and long-term leased for non-market housing site (*Recommendations for an Affordable Rental Housing Strategy*, p.42).

Richmond has created the Affordable Housing Statutory Reserve which is funded by donations from developments which require rezonings. Legally speaking, the moneys received are gifts and are not conditions of rezoning approval. The City then purchases land which it leases to non-profit organisations wishing to build and manage affordable housing projects. However, as vital provincial funding available to the non-profit societies shrinks, Richmond is rethinking the role that the \$1.57 million can play in promoting affordable housing (*Interview with Richmond Social Planner, Carolyn Morrison*).

Section One Implications

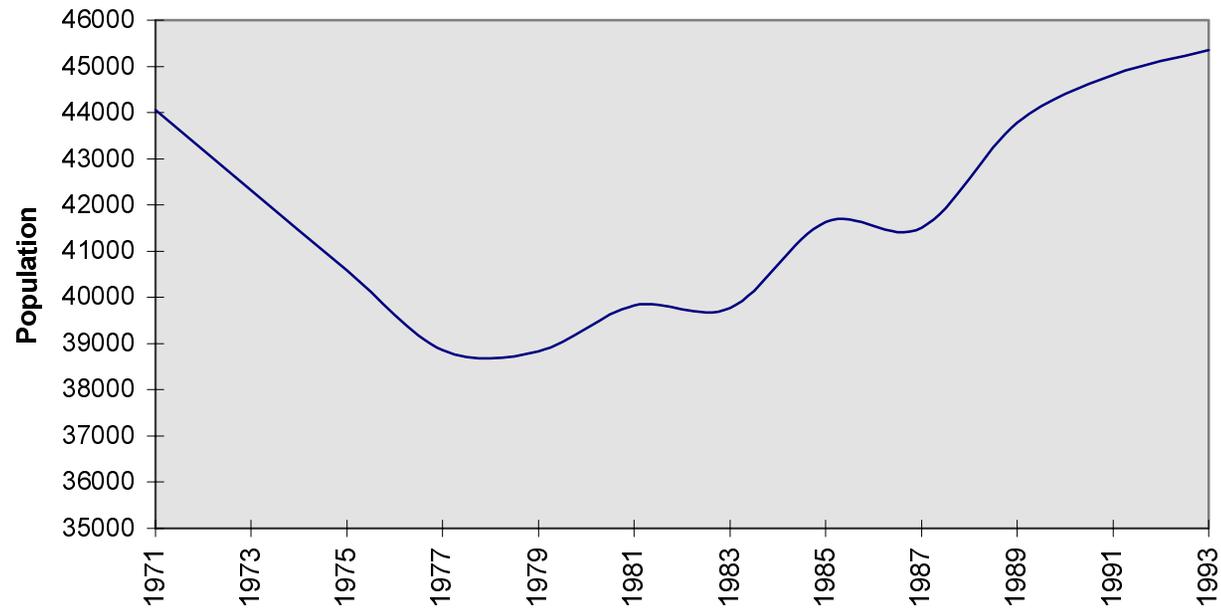
The two most influential components of the housing context for municipal governments are senior government funding and regulatory innovations. Recent trends indicate that grants from senior levels of government will continue to be uncertain as governments address budgetary concerns. At the same time, the message B.C. municipalities are receiving from the Province is that land use innovations will play an increasing role in the provision of affordable housing.

As a result of these changes in the housing context, cities in B.C. will shift emphasis away from a passive role in which grant applications are made and, if awarded, are implemented. A city's role in promoting cost effective housing will need to be adjusted in three main ways. One, cities will need to play an active role in developing partnerships with the non-profit sector and the development industry in order to bring affordable housing goals into being. These refined roles will require increased staff effort to establish partnerships. Two, cities will continue to make use of regulatory innovations, such as housing agreements and an emphasis on complete communities. The advantage of these innovations is the lower financial commitment they require from all levels of government. Three, cities will need to convey to senior levels of government the importance of direct funding for affordable housing (such as the Homes B.C. programmes) and indirect funding (such as ACT study grants). As well, cities will emphasise the need for further amendments to the Municipal Act giving municipalities additional control over meeting their affordable housing goals.

Section Two: New Westminster Past and Present

Over the past 20 years, New Westminster has seen fluctuations in its population, including some decreases in population size in the late 1970's. Over time, however, the City's population has been increasing steadily, with more rapid growth beginning around 1986 (e.g. advent of SkyTrain).

Figure 1: Growth in New Westminster Up to Present Day



(Source: BC Stats)

Changes in New Westminster's Housing Stock Over Time

Figure 2: Units by Type in New Westminster, 1974 to 1993

Year	Apartments*	% of all units	Single Detached Units	% of all units	Conversion	% of all units	Two Family	% of all units	Others	% of all units	Total
1974	9165	48.5%	5696	30.2%	2685	14.2%	154	0.8%	1186	6.3%	18886
1975	9383	49.1%	5712	29.9%	2649	13.9%	154	0.8%	1201	6.3%	19099
1976	9918	50.7%	5688	29.1%	2587	13.2%	150	0.8%	1237	6.3%	19580
1977	10427	51.9%	5685	28.3%	2529	12.6%	150	0.7%	1301	6.5%	20092
1978	10427	52.0%	5686	28.3%	2505	12.5%	150	0.7%	1292	6.4%	20060
1979	10535	52.1%	5682	28.1%	2547	12.6%	154	0.8%	1292	6.4%	20210
1980	10642	52.7%	5687	28.2%	2443	12.1%	158	0.8%	1249	6.2%	20179
1981	10883	53.4%	5663	27.8%	2411	11.8%	160	0.8%	1271	6.2%	20388
1982	10945	53.7%	5631	27.6%	2382	11.7%	160	0.8%	1271	6.2%	20389
1983	10963	53.6%	5668	27.7%	2380	11.6%	160	0.8%	1288	6.3%	20459
1984	11208	54.0%	5627	27.1%	2364	11.4%	160	0.8%	1380	6.7%	20739
1985	11711	55.1%	5618	26.5%	2364	11.1%	162	0.8%	1380	6.5%	21235
1986	11827	55.3%	5665	26.5%	2360	11.0%	156	0.7%	1379	6.4%	21387
1987	12092	55.7%	5721	26.4%	2360	10.9%	160	0.7%	1376	6.3%	21709
1988	12516	56.3%	5750	25.9%	2325	10.5%	156	0.7%	1494	6.7%	22241
1989	12951	57.2%	5748	25.4%	2314	10.2%	156	0.7%	1478	6.5%	22647
1990	13526	57.9%	5758	24.6%	2271	9.7%	158	0.7%	1656	7.1%	23369
1991	14078	58.7%	5805	24.2%	2271	9.5%	160	0.7%	1665	6.9%	23979
1992	14404	59.2%	5833	24.0%	2258	9.3%	160	0.7%	1695	7.0%	24350
1993	14759	59.3%	5871	23.6%	2251	9.0%	160	0.6%	1859	7.5%	24900

* Includes townhouses and rowhouses.

(Source: City of New Westminster, Planning Department)

New Westminster has been growing at a steady pace since 1985. The greatest number of new units produced were in the form of apartment units (see Figure 2). In addition to change in the City's number of units, the composition of housing units has shifted as well. From 1974 to 1993, apartment units have increased to form a majority of the City's total housing stock (from 48.5% to 59.3%) while the proportion of single detached units has declined. It should be noted that the actual number of single detached dwellings has increased.

(Source: Statistics Canada, 1991)

History of Housing Types

Single Detached

Single detached housing areas in New Westminster are the result of the single detached zoning by-law. Since the first by-law was introduced in the 1920's, housing regulation has acted to change many mixed-use residential districts with varied housing choices, to single-use housing districts with dwelling units designed for nuclear families.

In 1926, the City introduced its first town planning by-law which separated residential, commercial and industrial uses, and required residential structures to have a 20 foot setback. This by-law, however, was still relatively relaxed: residential zones, for example, allowed office uses, schools, museums, libraries and charitable organisations.

By 1942, the City amended its single detached by-law to limit uses in the zone to single detached houses only. In the same year, these new regulations as well as all zoning on housing were suspended until 1955 by a Privy Council Order. In parts of New Westminster the result of the Privy Council Order was an increase in secondary suites, particularly in larger houses.

The history of single family zoning in New Westminster has meant that many single detached neighbourhoods are home to land uses not traditionally found in single family areas: apartments, secondary suites, rooming houses and corner stores. A greater mixture of land uses in single family areas contributes to housing affordability. For example, secondary suites provide rental opportunities and supplement the mortgage payments of many suite owners. As well, the proximity to commercial services can reduce the costs of transportation.

Secondary Suites and Boarding Houses

Illegal suites are those that are created without proper authorisation. Historically, residential districts, whether zoned or not, contained a wide mixture of housing types. In practice, single detached areas were few and restricted to the upper classes. The first zoning bylaws recognised this situation and generally allowed a wide variety of housing types in the residential districts. After World War II, there was both a large increase in the proportion of households consisting of two parents with children and a change in philosophy towards extending the benefits of exclusive one-family districts to all socio-economic classes. Cities expanded at a rapid rate and the planned single detached subdivision established a plane of lifestyle well above that which most people had previously enjoyed. The one family district enjoyed a tremendous prestige, manifesting itself as the appropriate way of living.

Post-war trends began to change significantly in the 1960's. The household with two parents and children became a smaller and smaller proportion of all households. However, attitudes were slow to change and the single family house and single family areas remained the ideal for many.

The creation of many secondary suites is the result of a variety of reasons:

- a) the increased cost of one family housing which put it beyond the economic reach of many households;
- b) the lack of multiple accommodation;
- c) the economic incentive to avoid regulations and provide additional income at limited cost by installing a rental suite.

The issue of illegal suites in one family dwellings raised important public policy questions about health and safety, fair taxation and neighbourhood impact. Since 1963, the City began to place more restrictions on secondary suites with minimal success. Secondary suite expansion continued to the present day spurred on by a healthy economy and population growth. City practice is to enforce the by-law on a complaint-only basis.

Through the New Westminster's history, market demand for secondary suites has been uninhibited by bylaws prohibiting them. The resilience of secondary suites serves as testament to their significance as a form of affordable housing for many households.

Neighbourhood Histories

Brow of the Hill

Location

The Brow-of-the-Hill is defined as the area located between Queen's Avenue to the south, Stewardson Way to the west, Sixth Avenue to the north and Eighth Street to the east. The neighbourhood is characterised by steep slopes on the west which rise to a plateau to the east.

Brief History

Spurred on by the construction of water and electrical utilities in the 1890's, the Brow of the Hill became New Westminster's early suburban neighbourhood. In the 30's and 40's the area experienced an increasing number of conversions of single family houses into suites and boarding houses (a stock that remains today). However, in the 1950's the growing number of apartment units began to outnumber single detached houses. By 1969, three out of four units in the Brow of the Hill were apartments.

Today the Brow of the Hill is very dominated by the apartment housing type. Although there has been slight growth of apartment and townhouse housing in the past 5 years, the area has a stable housing make-up.

The Brow of the Hill has an average rate of rental housing affordability: 42% of the renting households pay over 30% of their incomes on rent.

Brunette Creek

Location

Brunette Creek is defined as the area between the Fraser River and Brunette Avenue in Sapperton. It includes the foreshore and delta of the Brunette River as well as the area north of the Brunette River and east of Braid Street.

Brief History

The Brunette Creek area has, since 1874, been a primarily industrial area. As a result, its housing stock has been a small and declining mixture of single family dwellings, and dwellings with one or more additional suites. Today the number of units in the area totals no more than 18.

Connaught Heights

Location

The Connaught Heights neighbourhood is located in the northwest corner of the city. It is bounded by Tenth Avenue on the north, Twentieth on the east, Marine Drive on the south and Fenwick Street on the west. Burnaby borders the north and west boundaries of the neighbourhood.

Brief History

Connaught Heights' housing development only began in earnest in the 1930's. The housing make-up is predominantly single family dwellings mixed with a small number of apartments as well as single family dwellings which include one or more additional units.

North Arm North

Location

The North Arm North community includes Poplar Island and Fraser River frontage south of Stewardson Way.

Brief History

North Arm North has had a predominantly industrial history dating back to B.C.'s first lumber mill in 1862. As a result, the area had a very small residential component. Prior to 1988, the area's 100 plus residential units were primarily composed of roughly equal portions of apartment and single family units. However, in 1988, the Doman Industries property was rezoned to residential. The apartment and townhouse uses presently being constructed in the North Arm North are rapidly changing the character of the area from industrial to higher density residential.

Queen's Park

Location

Queen's Park is defined as the area of New Westminster lying south of Sixth Avenue, north of Royal Avenue and east of the Sixth Street commercial district. It is bounded by the 75.5 acre Queen's Park on the east.

Brief History

Located well away from the noise and air pollution of the downtown, Queen's Park of the 1880's became the prestigious home to the City's wealthy entrepreneurs. Already in the 1890's, Queen's Park had over 100 houses, many of them considered heritage buildings today. While many of the houses were large, several modest houses were constructed in the western and northern parts of Queen's Park. During the Second World War, housing shortages meant that many of the single family houses were converted into multi-family dwellings thereby altering the character of the area. Furthermore, 2 apartment buildings were added in the 60's. In the past 12 years, the housing make-up of Queen's Park has changed very little. But there has been a pronounced trend to heritage restoration.

Uptown

Location

Uptown is the area located between Royal Avenue to the south, Eighth Street to the west, Eighth Avenue to the north and Fifth Street to the east. Uptown is a rectangular shaped neighbourhood which contains some of New Westminster's highest density of land use as well as the a large shopping area of the municipality.

Brief History

During the 1880's, Uptown's early residential development sought to capitalise on waterfront views from the hillside vantage point; however, the real impetus for development was the Downtown to Marpole streetcar line constructed in the 1900's. A commercial district mixed with housing was established along the Sixth Street line. Today the Uptown's second largest housing type consists of suites in commercial buildings. Apartments, the neighbourhood's most predominant housing type, were attracted to the area in the 50's because of its central location and relatively level ground. Uptown's housing mix has remained stable in the past 12 years.

The West End

Location

The West End is defined as the area between Twelfth Street to the east, Sixth Avenue to the south, Twentieth Street to the west and Tenth Avenue to the north. The central heights portion is level between Twelfth Street and Twentieth Street and slopes toward the south and the Fraser River. This slope affords spectacular views along Thirteenth and Fourteenth Streets to the river flats.

Brief History

The West End saw much large scale single family residential development between the 1920's and 1940's, and in the 50's, several apartment buildings were built. The neighbourhood reflects its past with a housing mix which is predominantly single family housing. The West End has a relatively stable housing stock.

Downtown

Location

The Downtown of New Westminster is defined as being the area between the Fraser River to the south and west, Royal Avenue to the north, and the Pattullo Bridge to the east. The topography of the area is marked by extreme changes in elevation with bench lands resulting in panoramic views of the Fraser River. At one time, the Fraser River covered what is now Front Street.

Brief History

Downtown has its roots primarily in industrial uses supplemented by a residential suburb concentrated on the eastern side of the Downtown dating back to the 1880's. During the 1950's, this area was redeveloped with apartment buildings. When port and waterfront industrial lands became available for residential development in the 1970's and 80's the Downtown area saw an upsurge in residential construction. The bulk of housing construction has been of apartment units, followed by a lesser number of townhouses.

Glenbrooke North

Location

The Glenbrooke North neighbourhood is located in the area between Tenth Avenue to the north, McBride Boulevard to the east, Sixth Avenue to the south and Sixth Street to the west.

Brief History

Much of Glenbrooke North's early housing development took place in the 4 four years before the First World War. The area is characterised by a variety of housing sizes and styles, as well as diverse sizes of lots. A number of houses were located on double or split lots, thereby conveying and appearance of spaciousness.

North Arm South

Location

North Arm South is defined as that part of Lulu Island within the City of New Westminster that has been used for industrial purposes.

Brief History

The North Arm South neighbourhood's history has strong industrial roots, a land use the City has sought to maintain. As a result, the housing component of the area is limited and has been in decline over the past 12 years. Less than 50 units remain, 20 of which are rental.

Queensborough

Location

Queensborough is a flat low-lying area to the north-eastern end of Lulu Island. The North Arm of the Fraser River lies to the north, the Annacis Channel to the south and Richmond on the west. A high water table, relatively impervious soils and highly absorptive peat creates major drainage and soil settlement problems in the neighbourhood.

Brief History

The Queensborough lands were bought by the City of New Westminster in 1889. The area was used for a mixture of agricultural and industrial uses. Although Queensborough's inexpensive land and low taxes attracted many residents during the 20's and 30's, its residential use was limited by sewage restrictions posed by the soil conditions. The problem became so severe that in 1969 all residential construction was halted. The opening of the sewage treatment plant on Annacis Island allowed sewer construction in Queensborough. Residential construction resumed, and the first major residential subdivision opened in 1990.

Sapperton

Location

Sapperton is defined as the area between the former Penitentiary site to the west, the Fraser River to the south, the Brunette River and Coquitlam boundary to the east and Burnaby to the north. Sapperton enjoys upstream and downstream panoramic views of the Fraser River.

Brief History

The Sapperton neighbourhood began as an industrial area that evolved from a sawmill town to a diverse range of industrial uses including a brewery, a cannery and a tannery. The tramline extension to Sapperton in the 1890's resulted in residential and commercial growth. However, for the most part the neighbourhood grew into its present residential form after the second World War. In the late 50's, the City responded to growth of the Royal Columbian Hospital and other medical services in Sapperton by permitting higher density residential uses. By 1965, however, much of the area was rezoned to single family to allow the City more control over redevelopment.

Victory Heights

Location

Victory Heights is located directly west of Sapperton. The boundaries of the triangle-shaped neighbourhood are between Richmond Street, Cumberland Street and Tenth Avenue to the north. Victory Heights is characterised by steep slopes and panoramic views of the Fraser River. A street grid was superimposed on the topography with the exception of Cherry and Carnegie Streets, which follow the natural contours.

Brief History

Victory Heights was partially developed before the Second World War, but after the war, single detached houses and apartments were built to house returning veterans. In the 1970's the City sold the remaining vacant lands to be subdivided and developed. The area's housing stock consists of a highly stable mix of single family dwellings with a lesser number of apartments.

New Westminster's Present Housing Stock

New Westminster's housing stock contains concentrations of housing types at both high and low densities, with few units of medium density housing in between. As Figure 3 indicates, New Westminster has a large proportion of apartment units (65% of all units). Single detached houses represent almost one third of the City's units (28%). In comparison, medium density housing types such as row houses (1%), semi-detached or double houses (1%), and apartments in a detached duplex (4%) represent a total of only 6% of the City's housing stock.

Figure 3: Proportion of Households by Dwelling Type, 1991

		New Westminster	GVRD
Low Density	Single Detached House	28%	49%
	Semi-Detached or Double House	1%	2%
Medium Density	Row House	1%	6%
	Apartment in a Detached Duplex	4%	7%
High Density	Apartment, 5 or More Stories	22%	10%
	Apartment under 5 Stories	43%	25%
Other (moveable dwellings and other single attached houses) Other		0.3 %	1%

(Source: Statistics Canada, 1991)

Compared to the Greater Vancouver Regional District (GVRD), New Westminster's housing stock has some significant differences. The City's proportion of apartment units (over and under 5 stories) is approximately two times as high and New Westminster has a much lower percentage of single detached houses (about half) than in the GVRD.

Concentrations of Housing Types

The City is characterised by a high degree of homogeneity of housing types. In several of the City's neighbourhoods, some housing types were found to represent more than 40% of the neighbourhood's units. The housing types reaching this level of concentration include single family dwellings, apartment units under 5 stories, and apartment units over 5 stories.

Listed by housing type, the neighbourhoods are as follows:

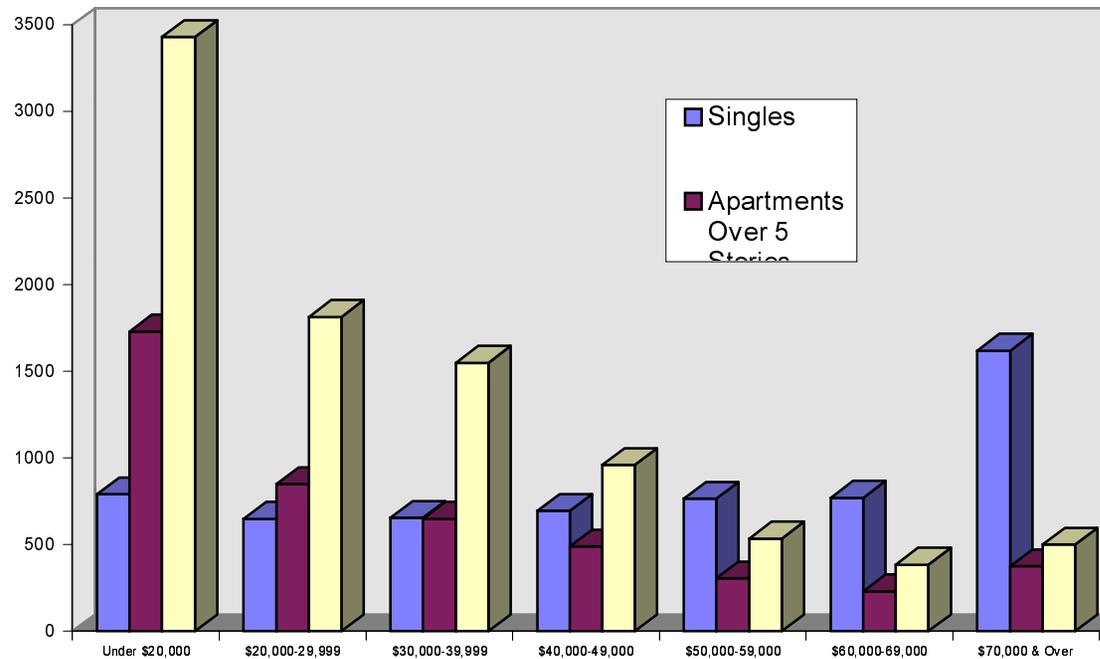
Figure 4: Concentrations of Housing Types Over 40% , by Neighbourhood

Housing Type	Neighbourhoods Where One Housing Type Represents Over 40% of All Households
Single Detached Houses	Glenbrooke North, Connaught Heights, Kelvin, Sapperton, North Arm South, Queen's Park, Queensborough, Victory Heights, and the West End
Apartment Units Under 5 Stories	Brow of the Hill, North Arm North, Uptown, Downtown, Glenbrooke South
Apartment Units Over 5 Stories	Uptown, Downtown

(Source: Statistics Canada, 1991)

Housing Type and Income

Figure 5: New Westminster Income by Selected Housing Types



(Source: Statistics Canada, 1991)

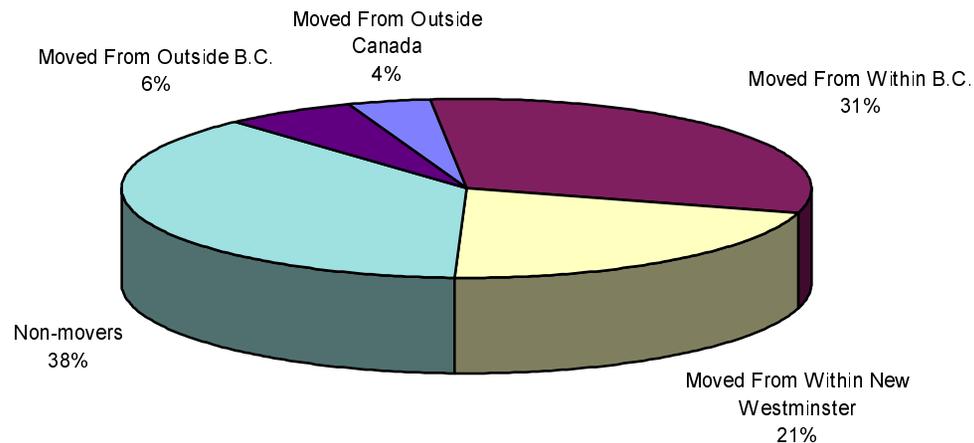
Figure 5 indicates that in the City's lower to middle income brackets, the number of households living in apartments (over and under 5 stories) is higher than those in single detached houses. Only in the highest income brackets do single detached households outnumber those in apartment units.

New Westminster's Neighbourhoods

New Westminster

In order to examine New Westminster's neighbourhoods, they have been compared to the City as a whole in terms of a number of indicators: affordability (% of renters paying less than 30% of household income on rent), stability (% of households that moved in the previous five years), median income of males and females, and recent changes in the neighbourhoods' housing make-up. These indicators for the City of New Westminster are discussed first, followed by an examination of each of the City's fifteen neighbourhoods in relation to the City as a whole.

Figure 6: New Westminster, 5 Year Migration Rate



Over the past five years, the majority of New Westminster's residents have moved at least once. Based on the Canada Census survey done in 1991, only 38% of the residents have not moved in the previous 5 years. This figure is comparable with the region (GVRD) as a whole, in which 42% of the residents have not moved in the previous 5 years.

The Census further indicates that 52% of New Westminster residents have moved in the past five years from within New Westminster or the Province. Despite some perceptions that recent population growth is caused by immigration, only 4% of New Westminster residents have moved to the City from abroad.

New Westminster's median income is lower than in the GVRD for males, females and families. The median income is the point at which half the residents earn less and half earn more.

Figure 7: New Westminster Median Income, 1991

	New Westminster	GVRD
Males	\$25,048	\$26,912
Females	\$15,562	\$15,571
Families	\$44,171	\$49,550

The proportion of the population that pays more than 30% of its household income on rent is a useful indicator of housing affordability. This method of analysis is used at the provincial and national levels. In 1991, 42% of New Westminster's renters paid over 30% of their household income on rent.

Neighbourhood Comparison

A brief description of each neighbourhood's location and history been noted below. Small sample sizes are noted.

Figure 8: New Westminster Neighbourhood Comparison

Neighbourhood	Affordability (% unable to afford rent)	Stability (% moved in past 5 years)	Median Income (Females)	Median Income (Males)	Changes in Housing Stock
Brow of the Hill	average	active	below average	below average	stable: some growth in townhouse and apartment units
Brunette Creek (sample size too small)	n/a	n/a	n/a	n/a	n/a
Connaught Heights	below average	stable	well above average	well above average	stable
North Arm North	well above average	very active	below average	below average	active: from industrial to medium and high density residential
Queen's Park	above average	average	well above average	well above average	stable
Uptown	below average	stable	average	below average	stable
The West End	above average	stable	well below average	well above average	stable
Downtown	average	active	above average	average	active: new apartments and townhouses
Glenbrooke North	below average	stable	below average	below average	stable
North Arm South (sample size too small)	n/a	n/a	n/a	n/a	n/a
Queensborough	above average	stable	well below average	above average	some new single detached houses
Sapperton	above average	stable	above average	above average	stable
Victory Heights	above average	stable	above average	well above average	stable

Conclusions

In many ways, New Westminster has provided high quality housing for its residents over time by adapting quickly to housing need. For example, secondary suites, whether permitted or not, have been created first in boarding houses to meet housing demand from the City's many unattached males, and later in single detached homes as the single family neighbourhood grew in scale and popularity. Location played a large role in New Westminster's housing affordability: one, at the neighbourhood scale commercial services were within walking range; and two, at the regional scale, living in the financial centre of the Fraser Valley meant that the City's residents were close to employment and major administrative services.

Today New Westminster's varied neighbourhoods offer residents a variety of owned and rented housing choices ranging in prices. The reasons for New Westminster's housing quality in the past and present will be the same reasons for housing affordability in the future.

In the course of the community consultation, background research and key informant interviews, a wide range of information was examined in order to gain a better understanding of the housing issues presently facing New Westminster. The key housing issues were identified and prioritised into seven categories, and due to the complexity of the issues surrounding each category, each was examined in depth in its own *Report*. The seven *Reports* are as follows:

- ***Managing a Resource***: New Westminster's Rental Housing Stock
- ***Shared Neighbourhoods*** (Secondary Suites in New Westminster)
- ***Pride In Ownership***: Market Housing
- ***Barriers to Access***: Affordability Problems in New Westminster
- ***A Supportive Community***: Seniors Housing in New Westminster
- ***Homes for Special Needs***
- ***Managing Growth***: A Focus on New Westminster's Strengths

Each *Report* describes why the issue was assigned a high priority and suggests recommendations to address the issues at hand. In order to facilitate comparison between issues, the *Reports* include the following sections:

1. ***Current Understanding and Emerging Trends***: discusses the issue's relevance to New Westminster presently and in the future.
2. ***Community Comment***: summarises discussions held with community members at the Housing Workshop on November 24, 1994. Comments and suggestions raised at other community meetings are included.
3. ***Objectives***: makes general and guiding statements about the role of the City with respect to the issue. The Objectives are used to design the more specific recommendations in the following section.
4. ***Recommendations***: suggests options the City could use to maintain or improve the housing stock. The Recommendations are numbered sequentially through all of the reports, so that each may be distinguished by its number.

Other issues of relevance are also discussed in the body of each *Report*. This ends the *Report on the Housing Context in New Westminster*; the remainder of the *New Westminster Housing Strategy* is contained in the seven above described *Reports*.

MANAGING A RESOURCE: RENTAL HOUSING STOCK

New Westminster's Rental Housing Stock

In New Westminster, rental housing is a valuable resource that helps provide the wide range of housing choices available in the City. Much of the City's rental housing stock is available at reasonable rates and in convenient locations throughout New Westminster. Rental housing represents a large proportion of the City's housing, and poses several challenges to the City in terms of managing this important resource.

Current Understanding and Emerging Trends

Figure 9: Rented Units by Structural Type

Apartment Under 5 Stories	7540
Apartment Over 5 Stories	3630
Single-Detached House	780
Apartment in a Detached Duplex	565
Semi-Detached or Double House	155
Row House	140
All Other Dwellings	35
Total	12,840

(Source: Census 1991)

Renter occupied units form the majority (e.g. 12,840 or 61.3%) of New Westminster's dwelling units (Statistics Canada, 1991). The City has the highest proportion of rental units among all the municipalities in the GVRD.

Figure 10: The Costs of Rent in New Westminster and the Census Metropolitan Area, October 1994

Area	Apartment Size			
	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom
New Westminster	\$ 461	\$ 555	\$ 718	\$ 938
Census Metropolitan Area	\$ 513	\$ 623	\$ 812	\$ 957

(Source: CMHC Rental Market Report, 1994)

New Westminster has the highest proportion of rental housing in the Lower Mainland: 61.3% of the City's households are renters compared to 43% in the Census Metropolitan Area (CMA) [Ministry of Housing, 1994]. As well, average rental rates in New Westminster are considerably lower than the average rents in the CMA (see Figure 10). The average rent for a two bedroom apartment is \$718 per month in New Westminster versus \$812 per month in the CMA. New Westminster boasts one of the lowest average rents on the Burrard Peninsula, below even Coquitlam, Port Moody and Port Coquitlam.

Figure 11: Rental Units by Type

	New Westminster	GVRD
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	Number of Units	%	Number of Units	%
Total	12,995		254,055	
Regular Maintenance	9,380	72%	179,235	71%
Minor Repairs	2,670	21%	55,695	22%
Major Repairs	950	7%	19,130	8%

The proportion of rental housing requiring major repairs or minor repairs is typical for the region. New Westminster's low rents may be the product of an ageing rental stock: the City's entire housing stock (rental and owned), contains a relatively high proportion of housing built before 1946. The age of the City's housing stock may be affecting the City's overall lower rental rates.

Despite lower average rental rates than in the CMA, unaffordability rates in New Westminster are no lower than in neighbouring municipalities. This may be explained by the fact that on average New Westminster's renters earn \$30,157 per year compared to \$34,607 per year in the GVRD (*Statistics Canada, 1991*). Lower rents ensure that the City does not have a higher unaffordability rate than other Cities.

That the City's rate of unaffordability is on par with the region is a source of concern, given that statistics indicate close to half the renters in the region cannot afford their rents.

It can be concluded that New Westminster has a supply of rental housing that is different from the region's rental stock in two main ways. One, rental units represents a larger proportion of the entire housing stock than in other municipalities. Two, rents and incomes are on average lower than in the region. Other indicators of our rental stock's condition, such as affordability and level of maintenance, are commensurate with the region.

New Rental Housing

Given the present market rental rates in New Westminster and the Lower Mainland, the construction of new rental housing will be unlikely, although not impossible. The following example illustrates the financial difficulties of constructing and operating profitable rental housing.

Assuming that construction costs of new residential will cost approximately \$140 per square foot, a 700 square foot unit (a modest one bedroom) would cost \$98,000 to build. Taking into account building maintenance (\$500/year) and interest on the loan (\$8,820/year at 9% interest), the unit would have to command at least \$1.10 per square foot per month just to break even. At present market rates, a unit can rent for approximately 60 to 70 cents per square foot.

Creation of new rental units is more likely to be on a unit by unit basis where investors have purchased a strata titles unit as an investment.

Rental Moratorium

Presently, a moratorium on conversion prevents the stratification of much of New Westminster's rental stock. The rental units, many of which were built under tax incentives in the late 1960's, are protected under a moratorium on unstratified buildings. The buildings, now in their third decade, can be expected to be profitable to their owners for about another 20 to 30 years. After this point, the City can expect to begin lose its rental units to redevelopment.

Community Comment on Rental Housing

On the Community Housing Survey, 62% of respondents indicated support for maintaining the rental moratorium preventing the conversion of rental to strata units.

As well, discussion group participants have expressed concern about tenants being evicted from rental buildings being renovated. It was felt that renters have a stake in the units and should be allowed to move back in following the renovations.

Analysis

Rental housing allows the resident the flexibility of lower risk and financial commitment than owned housing. For many New Westminster residents, rental housing is an affordable housing option, partly due to the City's lower average rents. However, rental housing does not guarantee housing affordability. Rather, if it is well located, offers a range of prices, and is properly maintained, rental housing can be an affordable housing option.

If cutbacks to subsidised housing programmes continue, market rental housing will play an increasingly important role in providing affordable housing for those least able to afford their housing.

In New Westminster, the City with the highest proportion of rental units in the Lower Mainland, rental housing is of particular importance to the Housing Strategy. An important issue that will arise as the City's rental stock ages, will be the need to monitor the health and safety conditions in the City's rental units.

Figure 12: Housing Choices

Neighbourhood	Housing Choices for a Household Earning the Median Income	Housing Choices for a Household Earning Income at the 25th Percentile
Uptown	Rent a one bedroom or bachelor suite	No affordable housing choices
Brow-of-the-Hill	Purchase a lowrise 1 bedroom unit Rent a 1 bedroom or bachelor suite	No affordable housing choices
Glenbrooke North	Purchase a lowrise 1 bedroom unit Rent a 1 bedroom or bachelor suite	No affordable housing choices
Downtown	Purchase a lowrise 1 bedroom unit Rent a 1 bedroom, 2 bedroom or bachelor suite	No affordable housing choices
All New Westminster	Purchase a lowrise 1 bedroom or 2 bedroom unit Rent a 1 bedroom, 2 bedroom or bachelor suite	No affordable housing choices
Kelvin	Purchase a lowrise 1 bedroom or 2 bedroom unit Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite
Sapperton	Purchase a lowrise 1 bedroom or 2 bedroom unit Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite
Connaught Heights	Purchase a lowrise 1 bedroom or 2 bedroom unit, or a 1 or 2 bedroom highrise unit Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite or one bedroom
Queensborough	Purchase a lowrise 1 bedroom or 2 bedroom unit, or a 1 or 2 bedroom highrise unit Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite or one bedroom
Queen's Park	Purchase a lowrise 1 or 2 bedroom unit, a 1 or 2 bedroom highrise unit, or a semi-detached unit Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite or one bedroom
Glenbrooke South	Purchase a lowrise 1 or 2 bedroom unit, a 1 or 2 bedroom highrise unit, or a semi-detached unit Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite, one or two bedroom suite
West End	Purchase a lowrise 1 or 2 bedroom unit, a 1 or 2 bedroom highrise unit, or a semi-detached unit Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite, or one bedroom suite
Victory Heights	Purchase a lowrise 1 or 2 bedroom unit, a 1 or 2 bedroom highrise unit, a semi-detached unit, or a 2 or 3 bedroom row condominium Rent a 1, 2 or 3 bedroom suite or bachelor suite	Rent a bachelor suite, one or two bedroom suite
North Arm South	n/a	n/a
North Arm North	n/a	n/a
Brunette Creek	n/a	n/a

Rental Housing Objectives

As a result of the analysis of rental housing , two objectives are suggested. These objectives shape the content of the Strategy’s recommendations.

Objective 1: As the rental housing stock ages, the City should continue to ensure that the safety and health standards of its rental housing stock are maintained.

Objective 2: The City should allow the supply of owned housing and rental housing to move closer toward an equal proportion of the housing stock.

Rental Housing Recommendations

New Westminster has a relatively large stock of rental housing that form the bulk of the City's housing that are well located and affordable for households on lower incomes. While many of the rental buildings offer affordable and liveable suites, a small but consistent proportion have health, safety and security problems. **As New Westminster already has a large number of rental units, the goal of the Strategy is to encourage increased quality, but not quantity, of the City's rental housing stock.**

1. Upgrade The Existing Rental Stock

The City should encourage the replacement of old rental units with new rental housing by considering the adoption of policies encouraging the creation of rental units in multi-family rezonings, encouraging the creation of legal secondary suites, and encouraging existing commercial enterprises to create rental housing units above the ground level storefronts.

New Westminster does not require a net increase in rental housing; however, to replace the rental units lost to redevelopment over time, opportunities for the creation of new, higher quality units will likely be needed. Over the next 30 years, the greatest loss of rental units will result from the redevelopment of unstratified buildings that presently provide a large share of the City's rental dwellings.

To balance the loss of rental units over time, it is prudent that the City consider several options to create quality rental housing in a range of residential settings.

2. Re-examine the Moratorium on Strata Conversion

The Planning Department should examine the effects of the moratorium on conversion of rental units to strata titled units.

Low levels of maintenance may be the result of the moratorium, and the cause of the low security, health and safety standards of the City's rental stock. The Planning Department should examine the role that the rental moratorium plays in some of the City's rental buildings with respect to fire, seismic, building, and landscaping standards.

A preliminary examination of the rental moratorium is included in the appendix.

3. Support For Civic Initiatives

The Planning Department should continue to support Police Department and Health Department initiatives designed to address housing issues in New Westminster.

The City's rental stock, while available at comparatively inexpensive rates, has a greater degree of crime, health and safety standard problems compared to other Lower Mainland municipalities. Currently, the Police Department is managing the Crime Free Multi Family Programme that seeks to prevent crime in rental buildings through education and awareness. As well, in partnership with community groups, several civic departments are evaluating maintenance standards in New Westminster's rental buildings. It is recommended that a high level of co-ordination between civic departments be continued in order to address issues with the living conditions in the City's rental housing.

4. Monitoring Rental Housing

In the Official Community Plan, include a statement that recognises the value of the City's existing affordable rental housing. Furthermore, in conjunction with future Official Community Plan reviews, the Planning Department should continue to monitor the affordability and liveability of the City's rental stock.

Indicators of rental housing include vacancy rates, rental rates, rental housing starts and changes in the size of the stock over time.

5. Official Community Plan Goals

In the Official Community Plan, indicate as a goal to encourage a balance of owned and rented housing in the City. As well, include a goal to encourage new and existing rental housing choices that are sanitary, safe and secure.

New Westminster has a high concentration of rental housing (61% rental dwellings compared to 43% in the region in 1991). It is recommended that the City strive for an even balance of rental and owned housing (including limited forms of ownership such as co-operatives) by continuing to increase the supply of owned housing.

PRIDE IN HOME OWNERSHIP: MARKET HOUSING

Market Housing

A recent survey by Angus Reid revealed that 74% of Canadian renters consider home ownership somewhat important or very important. The most frequently cited reason for wanting to purchase a home was the pride of home-ownership (*Source: Angus Reid*). Market homes, unlike non-market homes, receive no subsidy to improve their affordability. In order to be affordable to moderate income households, market housing must be reasonably priced and well located. This report examines the role of market housing in meeting the housing needs of New Westminster residents.

Current Understanding and Emerging Trends

Most New Westminster households live in market housing. This housing ranges in size and cost from 1 bedroom condominiums to large single detached dwellings: affordability is a function of one's ability to pay and the availability of suitable housing. Municipalities often seek to ensure that sufficient housing choices are available for all residents, thereby encouraging appropriate and affordable market housing in the community.

Not all New Westminster residents live in affordable market housing: 17% of owners cannot afford the costs associated with home ownership (e.g. mortgage payments, maintenance costs). It is important to note that the affordability rate for owners in New Westminster is on par with rates in the GVRD.

In order to maintain its affordability, market housing adjusts to the needs of residents. In the future, growth pressures and declining average household incomes could compromise the affordability of the City's market housing. As well, demographic changes in average household size or average age can mean significant changes in how market housing serves its user.

Community Comment: Themes From The Market Housing Discussion

At the Housing Workshop, residents commented on current and anticipated growth in New Westminster. Their comments and suggestions are listed below.

Three main themes were discussed at the Market Housing Focus Group. They are:

- Need For City Policy On Affordable Housing
- Use of Bonusing Provision And Other Incentives To Stimulate Affordable Housing
- Options and Locations For Future Housing

Need For City Policy On Affordable Housing

General Discussion Regarding Housing Policy For The City

Participants at the community workshop thought that the City should have a comprehensive housing policy, and that the policy be progressive in nature. The housing policy should be forward thinking and provide guidance in long range planning issues.

The housing policy should not only deal with land use issues, but also changing demographic needs of the community. In addition, the housing policy should reflect resident attitudes regarding community living as well as provide direction to developers regarding future growth.

Housing Affordability and Choice

Participants provided insight regarding issues of housing affordability. The group felt that housing affordability was synonymous with housing choice for all residents of New Westminster, irrespective of socio-economic circumstances.

A City housing policy should provide the opportunity for affordable accommodation for the entire community. Also, the policy should be written with needy target groups in mind (e.g. seniors, single mothers).

Need For Housing Policy To Address Mix Of Income, Age and Needs

The consensus with the community workshop was that affordable housing means housing choices for all income groups, age groups and need groups (e.g. special needs, such as the disabled); and that the policy should provide guidance to prospective developers of the City's intent to provide for affordable housing.

With respect to the "ageing" of the population (making reference to demographic trend indicators in the region and the City), the City's housing policy should address ageing and life cycle trends in the population and try to offset this phenomenon by providing a variety of housing choices for a mix of income and age groups (in particular, young families who are first time home buyers)

Use of Bonusing Provision And Other Incentives To Stimulate Affordable Housing

Financial Incentives

The use of financial incentives was discussed at length in the focus group. The group thought that the use of incentives would probably stimulate affordable housing, perhaps more than other options.

There was general agreement at the community workshop that the City should examine the viability of special provisions for landlords who provide affordable housing for residents. Suggestions included, to defer property taxes and provide a subsidy for the City's utilities.

Zoning Incentives

The use of zoning incentives was discussed in detail. Participants thought that such incentives are a valuable opportunity to provide affordable housing. There was general agreement at the community workshop that the City's policy should provide the development community with guidance and direction, where the number of units was increased for affordable or special needs housing.

A key consideration is to integrate sympathetically into existing neighbourhoods which related to this concern was the issue of good design.

Options and Locations For Future Housing

Options For the City

With respect to options for the City to consider, the group generally agreed that the legalisation of secondary suites, the use of incentives, and the need for long range planning were options requiring further investigation.

The group also agreed that the continuation of the City's moratorium on the conversion of rental units to strata titled units meets the City's objectives of retaining affordable rental stock. However, the community group considered that the moratorium is a bandage solution.

Overall, the options for the City to consider are: legalise secondary suites; allow small lot subdivisions (such as in Queensborough); explore innovative housing choices; allow for small unit sizes in certain areas such as Downtown (this is especially applicable to single person household target groups); continue the City's moratorium on strata conversion; increase the supply of appropriately zoned land; and lastly, streamline the development approval process for affordable housing projects.

Locations and Priorities

Lastly, with respect to where the City should prioritise its efforts, the focus group made the following suggestions:

- Priority 1: Concentrate Future Growth In The Downtown
- Priority 2: Concentrate Future Growth Along Main Arterials
- Priority 3: Build Up Underdeveloped Areas
- Priority 4: Rationalise Under-utilised Industrial Areas
- Priority 5: Legalise Secondary Suites

Regional and Local Examinations of Market Housing

This section compares the ability of households in New Westminster to purchase market housing compared to households in the region. As a next step, housing opportunities in New Westminster's neighbourhoods are also examined.

Achieving Home Ownership

The barriers to home ownership are markedly different from those related to rental housing. Nearly half New Westminster's renting households are presently unable to afford their rent. These renters are highly unlikely to be able to purchase housing, even with City affordability initiatives, without significant increases in their income.

However, among the 58% of renting households that are able to afford their rents, some are close to being able to purchase a home. They may be discouraged from purchasing by low availability of low end housing on the market or a lack of understanding about what they can afford. These households would benefit from City incentives that encourage the creation of low end housing options.

Financial institutions normally establish a household's maximum affordability level based on interest rates, heating costs, and maintenance costs. Generally, a financier will not allow the costs of housing (e.g. mortgage payments plus associated costs) to exceed 32% of a household's income.

To examine the financial ability of New Westminster households to purchase a home in the City, an *Index of Affordability* was calculated. The Index compares New Westminster with the region.

Index of Affordability

The Index uses average housing prices (includes all housing types, from apartment to single detached dwelling) in the City or Region, and determines the proportion of the local households eligible to receive financing based on their assessed income levels. The financing calculations are based on an assumed conventional mortgage with 25 year amortisation, a 5% down payment, and 9.9% interest rate.

New Westminster Home Ownership: Market Housing in New Westminster

The average price of a home in New Westminster is \$190,762 (Source: CMHC Market Survey, September, 1994). To qualify for bank financing, the purchaser's annual household income would need to equal or exceed \$68,400 (monthly income of \$5,700).

Looking solely at income levels, this would mean that only 12% of current households can afford to purchase an average home in the City.

Analysis

To say that only 12% of New Westminster households can afford an average home is not entirely accurate. Among the 12% of New Westminster's households which can afford to purchase an average home, some may already own or have a mortgage on a home. Among the 78% of New Westminster households which can *not* afford to purchase an average home, some may already own a home. This may be the case with seniors, who presently have lower incomes than when they bought a home. As well, people who bought their homes when the cost of an average home was lower could presently own a home.

It can be concluded that the affordability index should be regarded as an indicator of housing costs relative to income; the index is best considered in comparison to the region as a whole.

GVRD Home Ownership: Market Housing in the GVRD

The average price of a home in the GVRD is \$247,831 (CMHC Market Survey, September, 1994). To qualify for bank financing, the annual household income would need to earn \$87,600 (monthly income of \$7,300).

Examining income levels, this means that 24% of households can afford an average home in the region.

Analysis

A comparison of the affordability index in New Westminster and the GVRD must consider two important things: home ownership levels, and accuracy of comparison.

Examination of existing levels of home ownership are an indicator of the applicability of the index of affordability. In the GVRD, half of all homes in the region are owned outright or mortgaged, compared to 39% in New Westminster.

Comparing the index of affordability between two areas is a useful exercise provided that home ownership levels are also compared.

The results are certain; New Westminster falls well below the regional average (e.g. GVRD) for the ability of its residents to purchase local housing. The index of affordability for the GVRD (24%) is double that of New Westminster (12%). The difference in home ownership rates skews the data such that the lower index rating in New Westminster has even more dire consequences. Not only can less New Westminster residents afford local housing than in the GVRD, but more residents do not presently own their homes.

Index of Neighbourhood Housing Options

The Index of Neighbourhood Housing Options was designed to assess the home ownership potential among New Westminster's neighbourhoods.

The Index indicates owned housing options available to households living in New Westminster's neighbourhoods based on each neighbourhood's median household income (where half the population earn more and half earn less). These income breakdowns were used to indicate purchased housing options for a typical New Westminster household earning at the City's median income.

The calculations are based on median housing costs for the City and the assumption that housing can not cost more than 30% of the household's income.

Figure 13: Index of Neighbourhood Housing Options

Neighbourhood	Housing Choices for a Household Earning the Median Income
Uptown	Limited affordable housing choices for sale
Brow-of-the-Hill	Limited affordable housing choices for sale
Glenbrooke North	Limited affordable housing choices for sale
Downtown	Limited affordable housing choices for sale
Average for New Westminster	Limited affordable housing choices for sale
Kelvin	Purchase a 1 bedroom condominium
Sapperton	Purchase a 1 bedroom condominium
Connaught Heights	Purchase a 1 bedroom condominium
Queensborough	Purchase a 1 bedroom condominium
Queen's Park	Purchase a 1 bedroom condominium
Glenbrooke South	Purchase a 1 bedroom condominium
West End	Purchase a 1 bedroom condominium
Victory Heights	Purchase a 1, 2 or 3 bedroom condominium
North Arm South	n/a
North Arm North	n/a
Brunette Creek	n/a

Index of Neighbourhood Housing Options: Analysis

The *Index* reveals that in several neighbourhoods, owned housing choices are non-existent for households earning at or below the median income. Even in neighbourhoods where higher median incomes enable more housing options, households with unique housing needs such as seniors, single students or families with children face limited suitable housing choices. For example, a typical household in Sapperton can afford to buy nothing larger than a 1 bedroom condominium unit. If the family consists of four people, a one bedroom unit may be affordable, but not very suitable.

The *Index* also reveals that no household earning the median income can afford to purchase a townhouse or single detached dwelling in New Westminster.

Affordability Problems of Homeowners

For those households that own their homes, housing affordability is not a guarantee. Although financial institutions are unlikely to finance the purchase of a home that they deem unaffordable for their client, it is nonetheless possible for homeowners to live in unaffordable housing. This may occur when a homeowner's income drops or unexpected costs of maintenance push the cost of housing (mortgage payments plus maintenance) above 30% of the household income. In New Westminster, 17% of homeowners cannot afford their housing.

Analysis of Market Housing

From the City's standpoint, market housing is a desirable housing option because municipal involvement is kept to a minimum.

Existing housing is often affordable by virtue of its age. Cities can enable their residents to continue to live in their current homes by simplifying their ability to make changes to these homes that better suit an ageing population such as the addition of a granny flat or secondary suite (to act as an income supplement).

The City's existing market housing is not affordable for all the City's residents, notably those in the lowest two income quartiles. Some of this demand for housing can be met with municipal innovations while the rest will require market intervention to create affordability.

Future residents in the City will find owned market housing in two ways. One, the creation of new units will supply the needs of those new residents who have sufficient incomes. Two, new residents will purchase existing housing that has been vacated by residents. Given the City's sedentary population, many of the residents who have vacated their homes will continue to live in New Westminster creating a demand for new housing. Maintaining a supply of new housing units will free up existing housing that can be rented or purchased at lower rates than new housing.

The City's role in encouraging new market housing will be to ensure that a sufficient supply of housing is available, appropriate for the users, and at a range of prices that allow even lower income residents access. New market housing can be encouraged using incentives for the creation of needed types of housing. As well, conventional planning tools that control the amount and type of housing can be used to encourage a supply of appropriate housing. The key to a successful market housing policy is to meet the demand for housing with a supply of appropriate and affordable housing types.

Market Housing Objectives

As a result of the analysis of market housing, three objectives are suggested. These objectives shape the content of the *Strategy's* recommendations.

1. A policy on market housing should recognise the importance of the City's existing market housing.
2. The City should seek to ensure that a sufficient supply of housing in terms of location, size, type, and characteristics is able to be supplied by the private market for future housing demand.
3. The City should encourage the creation of housing that meets the needs and is affordable at market rates for residents in the lowest two income quadrants.

Market Housing Recommendations

The Housing Strategy study revealed that New Westminster is in many respects an affordable city by virtue of its liveability, strategic location, reasonable rental and owned housing costs, many amenities, sense of community, and ample transportation options that do not require automobile use. For example, if people can live a reasonable lifestyle without two cars or perhaps without any car, their disposable income could in effect increase by as much as \$20 - 40,000. As a result, many people view New Westminster as an ideal location to live.

Since the market housing needs of the above average income earners in New Westminster are met by current market forces, the recommendations of the Market Housing Report aim to address the needs of average and below average income earners. Recommendations are indicated in italics, while the related issues are indicated in regular text.

6. Monitor Market Housing

On an annual basis, the City should continue to monitor the housing market to check if new construction is supplying a housing units with a suitable range of choices in size, type and price range, and advise City Council accordingly.

Monitoring of the market could be used as a guideline for discussions with investors in the rezoning application process. The discussion process during a rezoning application can be an opportunity for the City to secure a guaranteed number of market units affordable to households with low to moderate incomes.

7. Official Community Plan Goals

The Official Community Plan should seek to meet its share of the GVRD's projected housing demand for the year 2021 with a sufficient number and variety of dwelling units.

To avoid the steep rise in housing prices that result from high demand and an insufficient supply of housing units, it is recommended that the Official Community Plan recognise and take steps to achieve GVRD's long term forecasted housing demand.

8. Settlement Patterns

Where possible, new housing growth should be encouraged to locate close to transportation options, services and employment.

Inappropriately located housing can represent additional costs to the resident. It is therefore recommended that new growth should be within walking distance (e.g. four blocks) to the City's many public transportation options, services and employment opportunities.

9. Housing Affordable at the Median Income

In the Official Community Plan, ensure that a portion of new market housing that is affordable to households earning less than the City's median household income. The percentage of market housing that the City would encourage should be determined on an annual basis.

It is recommended that the proportion of new affordable market housing that the City encourages should be determined annually so that the housing goal will be suited to changes in economic conditions and government funded housing programmes. It is anticipated that reductions in funding for housing programmes from senior levels of government will mean that increasingly, affordable housing will be supplied by the market private and non-private sectors.

BARRIERS TO ACCESS: INNOVATIVE, COST EFFECTIVE HOUSING

Innovative, Cost Effective Housing

Irrespective of whether one can afford to pay for housing, everybody needs housing he or she can afford. In the past, innovative, cost effective measures such as subsidies and market intervention have been used to keep housing costs down for lower income earners. Current budgetary reductions in funding from Provincial and Federal governments, have meant that municipalities will need to identify local opportunities to encourage innovative, cost effective housing.

This *Report* seeks to better understand these housing issues through an analysis of people who need cost effective housing. While the discussion focuses on rental dwellers in New Westminster, it is important to recognise that rental housing is not necessarily a source of cost effective housing. Rental housing dwellers are examined in order to get an understanding of the character and magnitude of demand for cost effective housing.

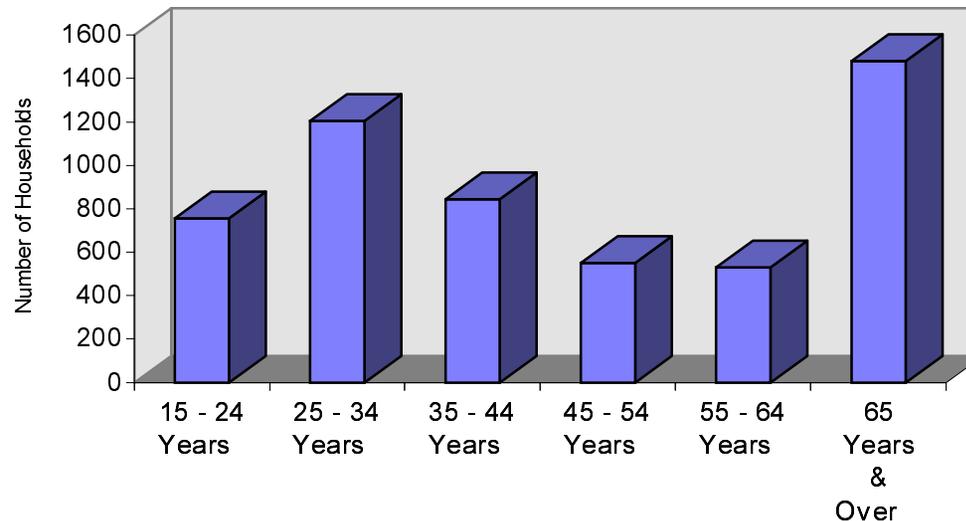
Current Understanding of the Need for Cost Effective Housing

Rental dwellers tend to have the greatest need for cost effective housing. On average, they earn low to moderate incomes, have little or no equity, and nearly half the time, pay more than 30% of their incomes on rent. It is for this reason that the characteristics of renting households unable to afford their housing in New Westminster are examined in detail.

The Stock of Unaffordable Housing

Housing unaffordability is closely tied to income. As a result, one can expect that people earning lower incomes will be more likely to have housing affordability problems. The statistical analysis supports this assumption. In New Westminster, above average numbers of female senior citizens, seniors in general, lone parents and lone persons live in unaffordable housing. As well, female led households are 50% more likely to be living in unaffordable housing than male led households (51% of female led households live in unaffordable housing vs. 34% of male led households).

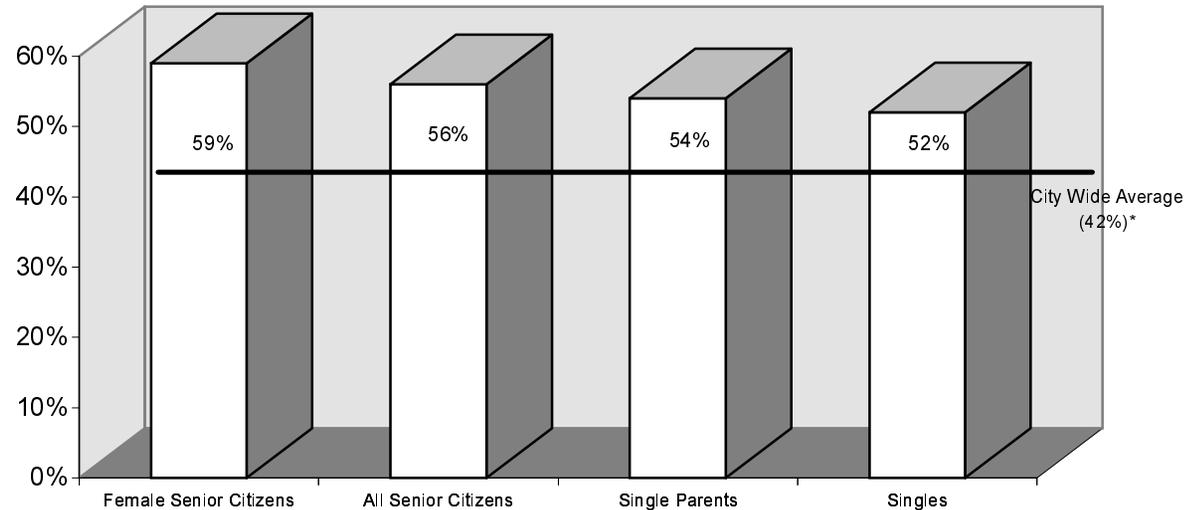
Figure 14: Households Living in Unaffordable Housing, by Age of the Maintainer



(Source: Statistics Canada, 1991)

The higher incidence of elderly and young households living in unaffordable housing is not surprising given the lower average incomes among these age groups (see Figure 14).

Figure 15: Household Types Paying More Than 30% of Household Income on Rent, 1991



*42% of the City's renting households pay over 30% of their income on housing

(Source: Statistics Canada, 1991)

In New Westminster, 42% of renting households live in that are deemed unaffordable (e.g. where the occupant household pays more than 30% of its income on rent). Certain household types have an above average likelihood to experience affordability difficulties (see Figure 15); households led by senior citizens, female senior citizens, lone parent, lone persons. Neighbourhoods with the greatest magnitude of unaffordable rental units are Uptown (1,530), Brow of the Hill (1,520) and Downtown (945).

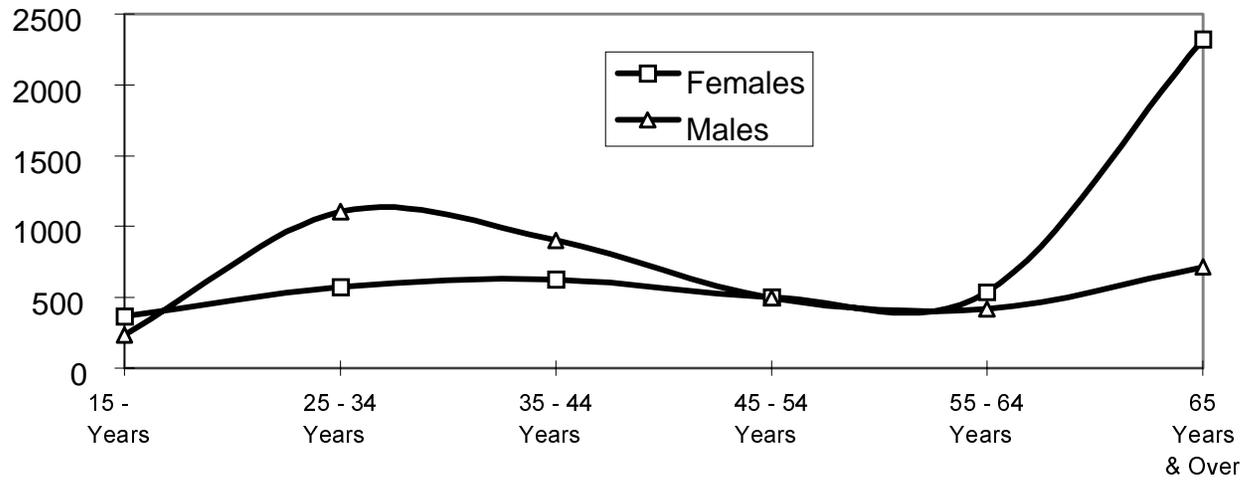
One Person and Lone Parent Households

Due to the constraints of single incomes, one person and lone parent households tend to experience housing problems much more than other household types in New Westminster. For this reason, the characteristics of these household types have been examined in greater depth.

52% of one person and 54% of lone parent households live in unaffordable housing. In real numbers, however, one person households outnumber lone parents. New Westminster has 3,470 one person households compared to 570 lone parent households living in unaffordable housing.

One Person Households

Figure 16: One Person Households, by Age and Gender

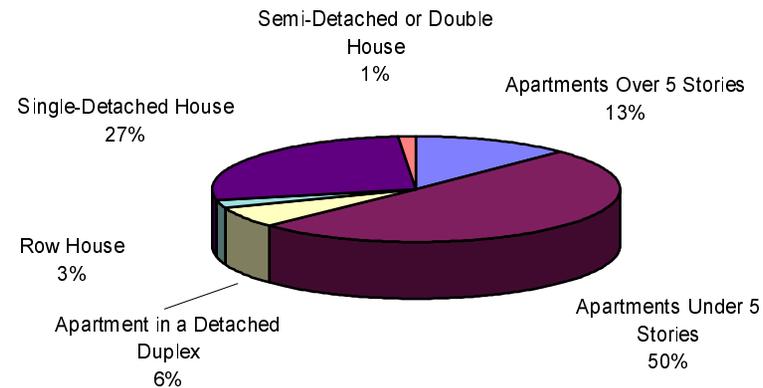


(Source: Statistics Canada, 1991)

On average, one person households are more likely to be female (56% of lone persons). However, in the younger age groups, males outnumber females in one person households. In the age groups above 55 years, the number of females living alone escalates dramatically. This rise in numbers is not surprising given the tendency for females to outlive males.

Lone Parents

Figure 17: Lone Parent Households in New Westminster



(Source: Statistics Canada, 1991)

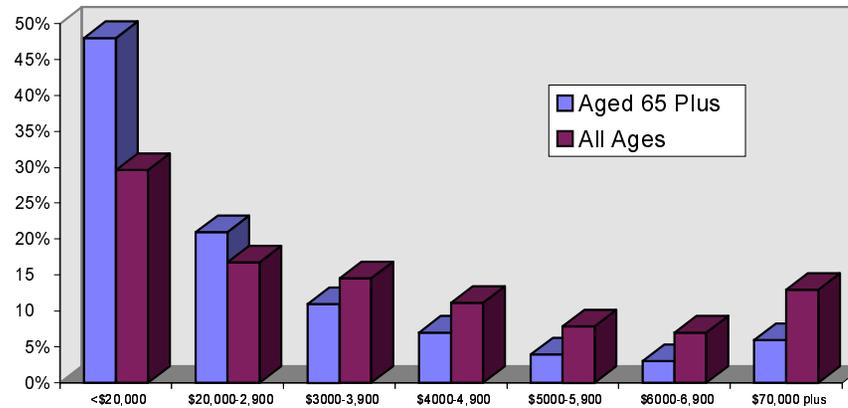
Over half of New Westminster's lone parents live in unaffordable housing (54% of lone parents), half live in apartment units less than 5 stories (50% of lone parents), and the vast majority are female (84% of lone parents).

Seniors

The average age of the Canadian population is rising. As the number of senior citizens relative to the general population increases, the housing stock will change accordingly. It is useful to examine the characteristics of New Westminster senior citizen households.

Senior-led Households

Figure 18: Senior Led Households vs. All Ages, by Income, 1991



(Source: Statistics Canada, 1991)

Compared with the overall population in New Westminster, seniors tend to earn lower annual incomes. As the chart above indicates, seniors are over represented in the two lowest income groups (under \$29,000 annual income), and underrepresented in the higher income groups. Moreover, housing affordability is more of a problem among seniors than among the overall population: 56% of seniors live in unaffordable housing, compared to 42% of the City as a whole.

Areas of the City with the highest numbers of senior citizen households include Uptown, Brow of the Hill, and Glenbrooke North.

Senior led households have a high tendency to live alone (59% of seniors).

Senior, Female-Led Households

Senior citizen females have some characteristics that accentuate the differences between seniors and the general population.

With respect to seniors, 84% of female-led households live alone, compared to 30% of senior males. The high proportion of lone female seniors indicates the longer life span of females.

Figure 19: Proportion of Senior Females by Income Range

Income Range	Senior Females	Seniors Only	All Households
<\$20,000	63%	48%	30%
\$20,000-29,000	17%	21%	17%
\$30,000-39,000	8%	11%	15%
\$40,000-49,000	4%	7%	11%
\$50,000-59,000	3%	4%	8%
\$60,000-69,000	2%	3%	7%
\$70,000 plus	3%	6%	13%

(Source: Statistics Canada, 1991)

The income of senior, female-led households is drastically lower than the incomes of seniors in general, and for the City in general. Senior female-led households are highly over represented in the lowest income group: 63% senior female led households earn less than \$20,000 annually, compared with 30% of all New Westminster households. Furthermore, among those who rent their homes, senior female-led households are far more likely to live in unaffordable housing: 59% of senior females who rent cannot afford their housing versus 56% of all renting seniors and 42% of all renting New Westminster households.

Despite lower incomes, female led households are almost as likely to own their home as males. Given that female-led households are often singles, this trend probably indicates the inheritance of the housing at the passing of the spouse.

Correlation with Other Factors

It is useful to examine the characteristics of the Lower Mainland’s cities with both high and low rates of households renting unaffordable housing. This type of analysis can provide insight into how we can increase affordable housing choices in the City.

A number of variables were compared against the proportion of households with a rent ratio of over 30% in Burnaby, the City of Langley, Coquitlam, Delta, the District of Langley, New Westminster, North Vancouver City, North Vancouver District, Port Coquitlam, Port Moody, Surrey, Richmond, Vancouver, West Vancouver and White Rock. The data used to calculate a correlation is mostly from 1991 except for average rent, which is from October, 1994. A regression analysis was used to calculate whether the variable is correlated to the amount of households in the cities that pay more than 30% of their incomes on rent.

The correlation coefficient was calculated for the following variables:

Figure 20: Variable Compared to Housing Affordability

	Correlation Coefficient	Level of Correlation
percentage of buildings built before 1971	0.08	negligible
percentage of rental units requiring major repairs	0.10	negligible
percentage of buildings built before 1941	0.32	moderate
the average rent for a two bedroom apartment	0.34	moderate
percentage of renting households	0.42	moderate
the average income of renting households	-0.40	moderate (negative association)
average income of renting households excluding the 4 top municipalities	-0.81	very strong (negative association)

It is interesting to note that if the regression analysis is calculated for renter’s average income excluding the four cities with the highest average income for renters (i.e. Delta, Richmond, North Vancouver District and West Vancouver, have highest average incomes for renters in ascending order), the results are markedly different. The analysis reveals a very strong negative correlation between income and the affordable housing. Negative correlation means that as average income rises, the number of people unable to afford housing decreases.

It is not clear why excluding average renter’s incomes from the 4 top cities from the calculation changes the results. There may be several factors at work:

- It is possible that the wealthiest renters are willing to pay over 30% of their incomes on housing because their incomes are high enough that they are unaffected.
- It is possible that in the 4 wealthiest municipalities, rental supply is low and at a premium.
- It is possible that locational factors are at play in the wealthiest municipalities. That is, people value living in a wealthy area so highly that they are willing to pay over 30% of their incomes on rent. This may be the case with seniors who value living in a familiar setting over affordable housing.

Regardless of whether all or some of these factors are at work, what we understand is that income and unaffordable housing are inversely related. As average income rises, the number of households in unaffordable housing decreases.

Community Comment

The Community Housing Survey asked respondents to comment on a variety of affordable housing initiatives.

Figure 21: Options to Encourage Affordable Housing - Housing Survey Levels of Support

	Yes		No	
	Frequency	%	Frequency	%
Encourage creation of apartments above commercial uses or commercial streets	160	89%	19	11%
Encourage non-profit groups to build affordable housing (establish partnerships with non-profit societies, lobby senior governments on behalf of societies, and share information)	157	87%	23	13%
Establish an action plan for encouraging affordable housing	157	86%	25	14%
Encourage local demonstration projects such as lofts in the downtown, or "granny" flats for seniors	138	82%	30	18%
Encourage licensed secondary suites and establish a how-to guide on converting surplus space to a secondary suite	139	79%	38	21%
Explore the idea of provincial tax incentives to encourage affordable housing	129	75%	43	25%
Apply for available grants to study new affordable housing innovations	123	71%	50	29%
Require new developments to include a percentage of affordable housing as a condition of rezoning	126	70%	54	30%
Hasten the development approval process for affordable housing	114	67%	57	33%
Maintain the present freeze on converting rental housing to owned units (i.e. stratification)	103	62%	63	38%
In some places, allow higher density in exchange for developer-built affordable housing	88	53%	79	47%

The majority of respondents endorsed all but one of the suggested options to encourage affordable housing. Depending on the option, support ranged from 62% to 89% of the respondents.

Only the density incentive option did not receive a clear majority of support (53%). With a sampling error at plus or minus 6.6%, we can confidently say that between 46% and 58% of respondents support the option.

Taking into consideration the sampling error, support for maintaining the rental moratorium ranges from 54% to 68%.

Respondents suggested using City land for affordable housing, a rental moratorium on all rental units, allowing secondary suites, and using the former Woodlands site for affordable units. Respondents noted that affordable housing should have a desirable location, and should be near green space. Seniors, especially females, need affordable housing the most, according to the comments.

Analysis of the Barriers to Housing

The barriers to housing involve both the costs of housing and the characteristics of housing, such as type or location. Any successful cost effective housing initiatives will involve overcoming both these aspects of the barriers to housing. While the City's first priority should be to enable people to find market housing without the need for financial assistance, many residents' incomes are not sufficient to afford even the lowest market rates. Financial subsidies or market intervention would be required to ensure housing is affordable for the lowest income earners.

The costs of appropriate housing characteristics can also contribute to the costs of housing. Those people most likely to live in unaffordable housing, such as seniors, females, singles, lone parents or younger people, tend to have characteristics that represent additional costs in their housing needs. Part of the affordability problem for seniors is the additional costs of housing to meet their special needs. These needs may be related to security, wheelchair accessibility and the need to be within walking distance of services of households in the case of households that do not have access to a car.

A common perception is that the development industry should be required to subsidise cost effective housing needed in the community. These costs however, are seldom absorbed by the investor but rather the purchaser. For this reason, policies that add to the cost of new housing need to be evaluated for the impact they may have on market housing. To address the housing needs of the community in a cost effective manner, the *Housing Strategy* suggests has a series of options to encourage the efforts of non-profit societies and to maximise the effects of senior government programmes.

Innovative, Cost Effective Housing: Objectives

As a result of the analysis of cost effective housing, three objectives are suggested. These objectives shape the content of the *Strategy's* recommendations.

1. As a priority, initiatives for cost effective housing should target the City's low income earners presently unable to afford their housing.
2. New Westminster should also plan for the housing needs of future residents living on incomes in the lowest two income quadrants.
3. The City should also seek to ensure that sufficient housing options are available with characteristics that meet the needs of City's households in the lowest two income quadrants.

Innovative, Cost Effective Housing Recommendations

10. The Lowest Income Group

City Council policies that promote cost effective housing should ensure, the lowest 25% of income earning households in New Westminster, are considered.

Since the housing needs of the City's lowest earning households are unlikely to be met by market forces alone, governments can help facilitate the creation of cost effective housing. Provincial and federal governments are no longer able to provide support for non-market housing programmes to the extent they did previously, and they expect municipalities to play a more direct role in the facilitation of non-profit housing.

It is therefore recommended that when considering non-profit housing initiatives, the City should consider New Westminster's lower income households most in need of housing. It has been determined that, in New Westminster, those households earning less than \$16,862 annually (the household income level at which 25% of New Westminster households earned less in 1991) are highly unlikely to be able to afford to rent a unit. It is at this quarter of the City's population, that non-market housing initiatives should be directed.

For example, a rezoning could be conditional on the provision of an agreed upon number of housing units which are affordable to households earning at or below \$16,862 annually or designed for special needs, (e.g. senior disabled). This requirement could be registered on land title with a housing agreement. Furthermore, the City could use this income-based policy as a tool to gauge the suitability of future non-profit housing proposals.

11. Non-Profit Housing Societies

The City should continue to work with non-profit groups that own land to facilitate non-profit housing on their under utilised land (e.g. parking lot), and to promote cost effective housing initiatives.

The City should make available the Housing Strategy's findings and information about housing needs to local groups that own land, for their consideration.

To manage the liaison with churches and other non-profit organisations, the City could set aside staff time as part of the annual workplan (*i.e.* within existing staff levels). The staff representative could advise and assist land owning non-profit organisations who wish to create housing units. Information meetings could be held for housing societies to cover topics such as the housing needs of New Westminster, the approvals processes and potential areas in which non-profit units would serve the community best.

Non-profit organisations (including churches) are often unaware of the potential of their land and of the City's objective to create non-profit housing on the land, particularly for seniors and special needs housing. Furthermore, the City should recognise on the proactive efforts of non-profit societies and housing advocates and assist where necessary with the information and technical expertise of City staff.

12. Use of City Land

Consider using City owned land on which municipal facilities are sited as a source of land for non-market housing where opportunities allow. Over time, housing units could be constructed above the municipal facilities when they are rebuilt.

Over time, City-owned facilities, such as recreational structures or the Health Department offices, will require reconstruction. Redevelopment may provide an opportunity to intensify the land use by including non-market housing units in the new construction. Under this option, management of the units could transferred to a recognised non-profit housing society, while ownership of the land would remain with the City.

Implementation of this recommendation would require, as a first step, an inventory of City-owned lands and facilities suitable for future redevelopment with respect to location, community comment, and compatibility with the existing land use.

13. Regulatory Reform

Planning regulations and approvals processes should be examined for unnecessary impediments to the creation of non-profit housing.

Discussions with housing societies have revealed that the City's approvals process, designed to process applications for market units, can act as an impediment to proponents of non-profit housing projects. It is recommended that in addition to playing a facilitative role in building applications, the City should examine the feasibility of relaxed parking standards and a fast track system for non-profit housing projects. As well, the phasing of City development application charges to reduce the financial impact at the early stages (e.g. local improvement area) should be investigated.

14. Housing Agreements

The City should make use of housing agreements registered on land title to facilitate non-profit groups in creating market housing alongside non-profit units in order to subsidise the non-profit units.

Housing agreements are a tool the City can use to ensure that a non-profit society builds housing for a named user such as seniors, or low income families. This tool is especially useful when non-profit housing units are combined with market units in a project.

It is recommended that the City examine the legal issues surrounding housing agreements and prepare an information brochure for non-profit housing societies.

15. Attracting Funding From Senior Levels of Government

Establish an annual target for non-market housing units in the City and notify the Ministry of Housing each year.

While senior levels of government have dramatically reduced housing programmes over the past decade, some funding still remains. The City should continue to emphasise to senior levels of government the important role this funding plays in providing housing to lower income households.

16. Rezoning Applications

On appropriate sites, examine the use of rezoning to higher density to encourage the creation of non-profit housing units.

A Council policy could work with investors to provide non-market housing units. This policy could, in designated areas, allow the City to permit an increase in density on a site if the owner provides the City with a community benefit such as cost effective housing (termed an "amenity").

The advantage of this type of policy is the simplification of the process that determines rezonings and may encourage the required provision of non-profit housing units or other amenity.

The implementation of the recommendation would require a detailed analysis and extensive community consultation to determine the most appropriate amenity requirements and regulatory structure.

17. Official Community Plan Goals

Examine including in the Official Community Plan, a goal that the City will play a facilitative role in encouraging the creation of a suitable and sufficient supply of non-profit housing.

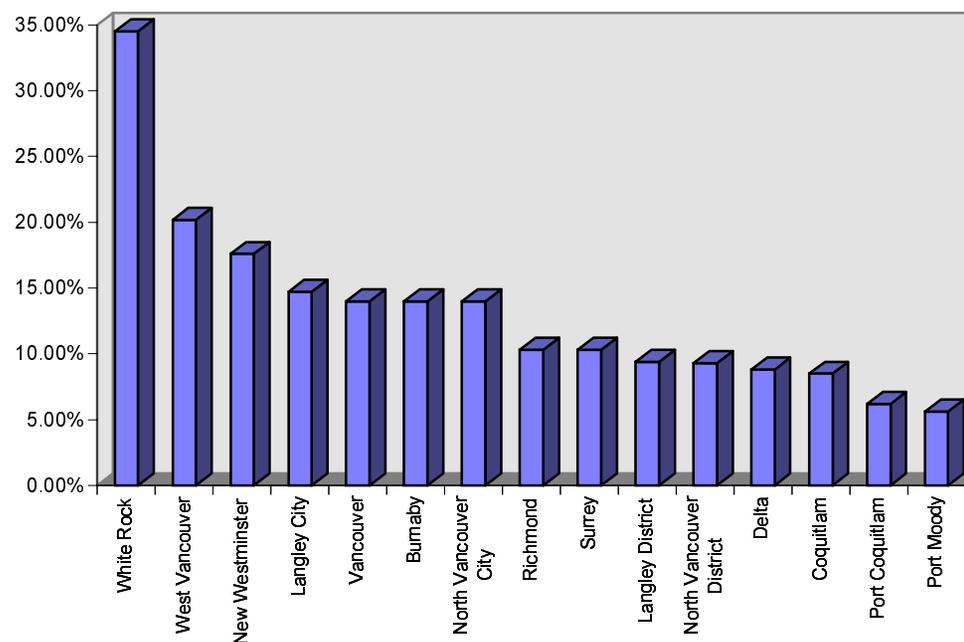
BUILDING A SUPPORTIVE COMMUNITY

Senior Citizens in New Westminster

New Westminster's small geographic size, walkable scale and easy access to transportation choices makes the City an attractive community for seniors to live. However, the City still faces several unique challenges to ensure a highly suitable and affordable environment for its seniors.

Current Understanding and Emerging Trends

Figure 22: The Proportion of Seniors in Lower Mainland Municipalities, 1991



(Source: BC Housing Management Commission)

With 17% of its population aged 65 or over, New Westminster has one of the highest proportions of seniors in the Lower Mainland. The region as a whole is not expected to reach New Westminster's seniors proportion for another 20 years (see Figure 23 and

Figure 24).

Figure 23: Senior Citizens in New Westminster, 1991 to 2021

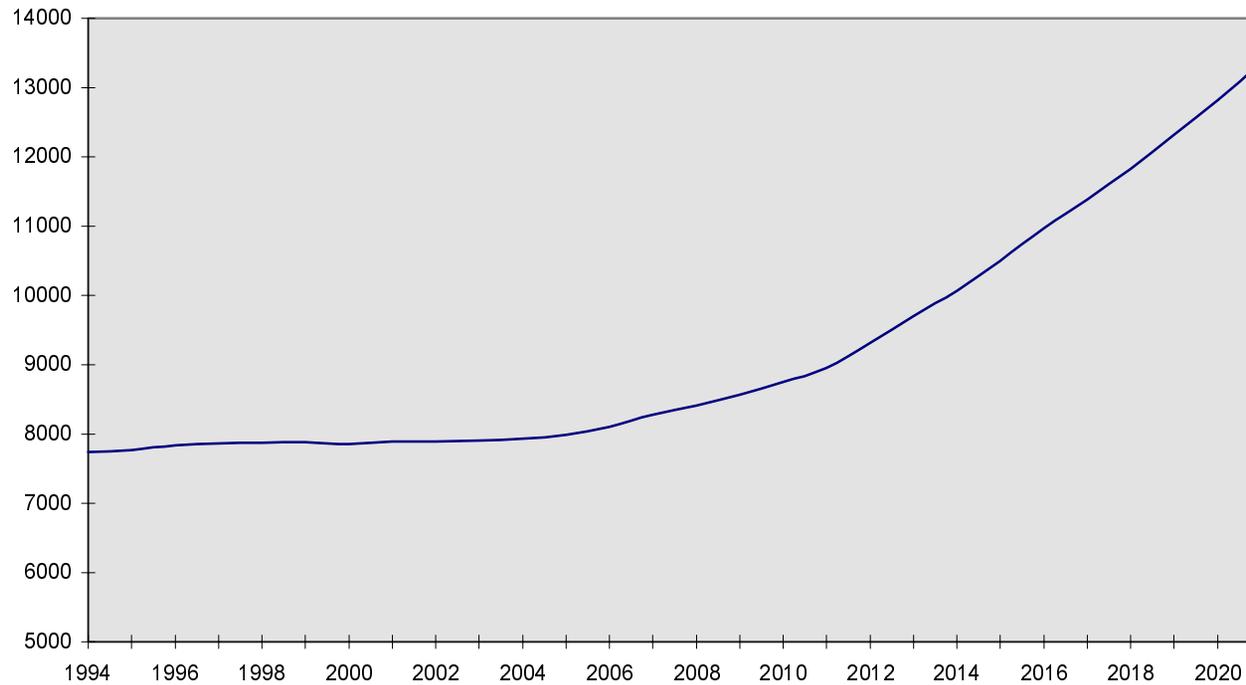
Year	Persons Aged 65 and Over	Total Population	Percentage of the Population
1991	7,732	44,811	17%
2021	13,177	73,298	18%

Figure 24: Senior Citizens in British Columbia, 1991 to 2021

Year	Persons Aged 65 and Over	Total Population	Percentage of the Population
1991	427,200	3379800	13%
2021	1012600	5731500	18%

(Source: BC Stats)

Figure 25: Seniors in New Westminster: 1994-2021



(Source: B.C. Statistics)

Growth in New Westminster's seniors population will be incremental for about the next fifteen years, after which the number of seniors in the City will grow more rapidly (*see Figure 25*). The number of seniors is expected to increase by 73% between 1994 and the year 2021.

Characteristics of the New Westminster Seniors Population

Seniors are well distributed throughout New Westminster's neighbourhoods, with the exception of the Brunette Creek neighbourhood. Concentrations of seniors exist in some areas (*see Figure 26*).

Figure 26: Senior Households in New Westminster Neighbourhoods, 1991

Neighbourhood	Households Aged 65 Plus	Proportion of Senior Households in Each Neighbourhood
Uptown	1515	39%
Brow Of The Hill	830	19%
Glenbrooke North	685	47%
Downtown	465	15%
Sapperton	410	22%
Victory Heights	355	29%
West End	320	22%
Queen's Park	160	16%
Kelvin	135	19%
Connaught Heights	95	18%
Queensborough	85	16%
Glenbrooke South	70	10%
North Arm North	35	18%
North Arm South	15	38%
Brunette Creek	0	0%
Total	5175	24%

Source: Statistics Canada, 1991

The majority of seniors living in New Westminster live on their own: 84% of senior females and 30% of senior males live alone. The high proportion of single females reflects the tendency for females to outlive males as well as a documented preference for senior females to live on their own (*Source: Simon Fraser University study, My Turn Now*). Appendix B has a break down by gender and age.

Seniors have some of the lowest household incomes in the City. As a result, 56% of the City's renting senior citizens pay more than 30% of their household income on rent, meaning that their housing is, by Statistics Canada definition, unaffordable. An even higher proportion of senior females (59%) cannot afford their rent. This may also mean that senior females prefer to pay a premium (e.g. more than they can afford) to live in a convenient and secure neighbourhood, and choose to do so instead of spending money on other items, such as a car).

About half of the City's seniors rent their homes (51%), and half (49%) own. Among those who own, affordability can also be a problem. Seniors' lower than average incomes may mean that they cannot afford the maintenance costs, taxes or mortgage payments for their owned homes.

New Westminster's Seniors Housing

Over time, New Westminster has developed a tradition of caring for its elderly. The City has played a leadership role in the facilitation and initiation of seniors housing. In 1945, the City founded Pioneer Place - a wholly owned and operated City facility for seniors with limited financial means. The City successively expanded Pioneer Place to 57 housing units. In the same year, the Salvation Army founded the Buchanan Memorial Sunset Lodge on Blair Avenue. Over a three year period in the 1950's, the Province allowed the conversion of old houses to rest homes, resulting in fifteen rest homes being established. In the 1960's, senior governments made funds available for the construction of purpose-designed apartment buildings. The Free Methodist Church sponsored the 63 unit Wesley Manor in 1965, and the Connaught Heights Pentecostal Church sponsored the 50 unit Pentecostal Villa in 1967. In 1970, the Rotary Club sponsored its 100 unit tower at 25 Clute Street on land leased from the City. The City sponsored an identical tower at 45 Clute Street. North of these sites, the Presbyterian Church sponsored the 193 unit, two building complex known as Dunwood Place in 1975. In 1978, the Royal Columbian Legion sponsored the 129 unit Legion manor at 505 Sixth Avenue. In 1980, the City made available at a lease rate of \$1.00 per year, the land for the 76 unit Kiwanis Intermediate Care Facility. In 1987, the Netherlands-Humana Society sponsored the 80 unit Moody Park Tower (formally known as Holland House).

Currently, the City has about 715 non-market (subsidised) housing units for seniors (*see Figure 27*). Most are sponsored by non-profit societies and churches. The City of New Westminster also sponsors 100 units in Ross Tower.

Figure 27: Non-Market Seniors Housing in New Westminster, 1995

Name	Address	Year	Site Area (Sqft)	Floor Space (Sqft)	No. of Units
Moody Park Tower	525 Eighth Street	1989	23,515.8	53,175.0	80
Pentecostal Villa	2222 Edinburgh Street	1967	35,971.0	45,502.0	50
Wesley Manor	815 Kennedy Street	1965	29,130.0	32,202.0	62
Dunwood Place	909 Colborne Street	1975	76,752.7	127,914.0	193
Ross Tower	45 Clute Street	1970	26,600.0	54,976.0	101
Rotary Tower	25 Clute Street	1970	27,245.5	56,784.0	100
Legion Manor	505 Sixth Avenue	1978	34,481.7	78,103.0	129
Total			253,696.7	448,656.0	715

Note: List Excludes Agape Services

Source: New Westminster Planning Department

Seniors Housing - A Needs Assessment

To quantify the need for seniors housing in New Westminster, six steps have been undertaken. They are:

1. Projecting the seniors population;
2. Determining the number of seniors expecting to move (subtracting total seniors population by a percentage of seniors planning to move);
3. Of the seniors expecting to move, determine if they are homeowners or renters;
4. Of homeowners and renters expecting to move, determine how many of these seniors want to remain in New Westminster (multiply a percentage to seniors planning to move);
5. Of seniors expecting to move and wanting to remain in New Westminster, convert this figure into numbers of housing units (by multiplying a household factor); and
6. Subtract this information from the existing number of seniors units in New Westminster.

Figure 28: First Step - Seniors Population

Age	Population Estimate Year 1995	Population Projection Year 2000
65 - 74	3900	3643
75 - 84	2922	2961
85+	946	1252
Total 65+	7,768	7,856

Source: BC Stats

Second Step - Number Of Seniors Planning To Move

- The St. Peter's Housing Society survey asked seniors several questions, including how many were planning to move in the next five years. 39% of respondents said that they are planning to move.

Third Step - Determine if Homeowner or Renter

- The survey also revealed that 42% of seniors owning homes are planning to move out of their single family home or condominium within the next five years. Moreover, the survey found that 58% of seniors renting are planning to move in the next five years.

Fourth Step - Number Of Seniors Wanting To Remain In New Westminster

- The St. Peter's Housing Society Survey also asked seniors where they would want to live if given appropriate choices. Of the seniors planning to move, 73% said that they would want to remain in New Westminster.

Fifth Step - Average Number of Seniors per Household

- Data from BCHMC reveal that the average senior household size is 1.5 persons.

Sixth Step - Supply Of Seniors Units In New Westminster

- New Westminster has a total of 715 non-market (subsidised) housing units for seniors.

Quantifying Seniors Housing Needs for the Years 1995 and 2000

Figure 29: Needs Assessment for Seniors Housing for the Year 1995

1. Seniors Population in 1995	7,768
2. Seniors Expecting to Move (39%)	$7,768 \times 39\% = \mathbf{3,030}$
3. Percentage of Homeowner or Renter Expecting to Move	$3,030 \times 42\% = \mathbf{1,273}$ homeowners $3,030 \times 58\% = \mathbf{1,757}$ renters
4. Number of Seniors Expecting to Move and Stay in New Westminster	$1,273 \times 73\% = \mathbf{929}$ home owning seniors $1,757 \times 73\% = \mathbf{1,283}$ renting seniors Total = 2,212 seniors
5. Number of Seniors who Expect to Move Divided by Average Household Size	$929 / 1.5 = \mathbf{619}$ potential homeowner units $1,283 / 1.5 = \mathbf{855}$ potential renter units Total = 1,474 units
6. New Units Needed (i.e. number of existing seniors units minus demand)	$715 - 1474 = \mathbf{-759}$ units

Figure 30: Needs Assessment for Seniors Housing for the Year 2000

1. Seniors Population in 2000	7,856
2. Seniors Expecting to Move (39%)	$7,856 \times 39\% = \mathbf{3064}$
3. Percentage of Homeowner or Renter Expecting to Move	$3064 \times 42\% = \mathbf{1,287}$ homeowners $3064 \times 58\% = \mathbf{1,777}$ renters
4. Number of Seniors Expecting to Move and Stay in New Westminster	$1,287 \times 73\% = \mathbf{940}$ homeowners seniors $1,777 \times 73\% = \mathbf{1,297}$ renting seniors Total = 2,237 seniors
5. Average Household Size = Number of Seniors who Expect to Move Divided by Average Household Size	$40 / 1.5 = \mathbf{626}$ homeowner units $1,287 / 1.5 = \mathbf{865}$ renter units Total = 1,491 units
6. New Units Needed (i.e. number of existing seniors units minus demand)	$715 - 1,491 = \mathbf{-776}$ units

Community Comment

Given the sizeable seniors population in New Westminster, it is not surprising that seniors issues received much discussion during community consultation events. Listed below is a summary of comments raised at the Seniors Issues Forum, held in April, 1995.

Participant Comment

The comments of participants at the Seniors Issues Forum have been recorded and listed below by subject:

Adaptable Housing

- bathtubs and showers need to be wheelchair accessible
- light switches and door handles should be easily useable by persons with physical difficulties
- some units appear to be inadequately designed - for example, the cupboards are placed too high to reach
- in Queen's Park Hospital, some features were too expensive to install

Ageing in Place

- ageing in place means that people of all ages can live in the community
- congregate meal programmes should be considered
- we need to promote transit systems instead of cars
- could we eliminate cars altogether and replace them with transit in some areas?
- on the other hand, cars provide safety and choices; we need reduced car use, not eliminate car use

Affordability

- there should be a variety of affordable housing choices for seniors
- the City does not have enough market rental housing
- we expect we will face a crisis in housing availability for seniors

Seniors Housing Policy

- the City should have a seniors housing policy that includes seniors housing
- design guidelines for seniors housing should be considered
- the Official Community Plan should identify appropriate and inappropriate areas of the City for seniors housing
- the City should prepare an inventory of appropriate potential sites for seniors housing
- a Not In My Back Yard (NIMBY) reaction can delay or prevent the creation of seniors' housing when neighbours are concerned about their property values

The full transcript of the Issues Forum is included in the appendix of this document.

A city-wide newsletter condensed the discussion at the Issues Forum for all New Westminster households. The mail back portion of the newsletter received many comments, summarised below:

- Seniors want affordable housing, a wide variety of commercial services, a safe environment and better public transportation service.
- Seniors housing should be integrated with other age groups.
- Examine options for seniors other than living independently (e.g. co-operative living arrangements)

The Characteristics of Seniors Housing

The socio-demographic attributes of seniors in New Westminster were examined to prioritise the characteristics of seniors housing that is needed. The following seniors housing priorities were identified based on key informant interviews, the unique characteristics of the City's seniors population, and survey responses (*Source: City's "Community Housing Survey" and a 1993 survey by the Seniors Housing Information Programme*).

1. Available without unreasonably long waiting lists.

An important aspect of meeting seniors housing preferences will be the availability of appropriate housing without long waits. New Westminster's high proportion of seniors coupled with survey results indicating that 39% of the City's seniors indicate they are planning to move within the next 10 years make the need for available seniors housing in the City an important priority. An important element of the intention of some seniors to move is that 91% of those planning to move indicate that they would prefer to remain close to their current residence.

Seniors housing needs can change rapidly with the onset of illness, rendering their current housing no longer appropriate. For this reason, the local availability of other seniors housing choices will play a vital role in responding to seniors housing needs. Seniors' reasons for wanting to move may also include affordability problems, accessibility problems in current housing, or an inability to manage the work associated with single detached dwellings.

2. Reasonably Priced Housing

The most frequently cited reason for seniors needing to move is the cost of living. In New Westminster, seniors incomes are, on average, lower than in other municipalities; for example, there is a higher incidence of seniors earning less than \$25,000 per year than in Burnaby (69% versus 57%). These financial constraints mean that the community needs to ensure that a sufficient supply of seniors housing is available at reasonable rates in a variety of payment options including private ownership, rental and a range of other ownership options such as limited equity co-operative tenure or life leases.

3. Allow and Encourage Independent Living

In 1984, a national series of meetings on seniors issues called "Listen to Me!" concluded its findings with the following statement:

"The primary interest of seniors is to continue to live independently in the community and preferably in their homes."

The concept of ageing in place holds true today and influences much of contemporary seniors housing policy. The Seniors Housing Information Program (S.H.I.P.) survey of New Westminster and Burnaby seniors in 1993 reveals that seniors prefer to live in adult oriented, multiple family projects with purpose designed features suited to their needs, with the proximity to transportation options and services (e.g. health care, shopping). Seniors prefer neighbourhoods which are well lit, attractive and feel safe, and residences which provide opportunities for resting and conversation.

Since 60% of New Westminster's seniors live alone, helping them to live independently will involve a comprehensive strategy related to the cost, type and location of housing in the community. While the location of seniors housing in the community is important, the Seniors Housing Information Program notes that, due to New Westminster's smaller scale, seniors have become quite experienced at organising transportation options.

Cities can expect that in anticipation for retirement, baby boomer residents currently under 65 years will seek out housing options that will best meet their future needs as seniors. This demand for senior-suitable housing may place pressure on existing seniors housing options.

Housing Appropriate for Seniors, Based on Age

The housing needs of seniors are not consistent among all seniors. Depending on age, seniors tend to favour particular housing characteristics.

Active Retirees and Semi-Retirees aged 55 to 75 years:

- have a mixed preference for renting and owning
- increasing preference of multi-family housing
- easy care and security are major concerns
- location and price are major concerns
- depend on pension and investment income
- may be in-migrants

Sedentary seniors aged 70 to 80 years:

- have a mixed preference for renting and owning
- increasing preference of multi-family housing as well as for supportive housing
- have more single person households
- easy care and security are major concerns
- location and price are major concerns
- depend on pension and investment income
- may prefer to return to familiar settings

Frail elderly seniors aged 80 and older:

- increasing preference for rental
- increasing preference for multi-family dwellings
- personal care and security are major concerns
- depend on pension and investment income as well as family support
- may prefer to return to familiar settings to live

**(Source: City Spaces Consulting, 1992 -Nanaimo Housing Study, Technical Report, p. 17)*

Implications: Seniors Housing

New Westminster has a relatively high proportion of seniors in the population, who are long time residents wanting to remain in the community. The Provincial Government focus of “ageing in place” and shift in support for seniors housing has better enabled municipalities to respond to their housing needs. In the context of fiscal restraint, municipal governments need to identify strategic mechanisms such as private/public partnerships to facilitate construction of purpose built seniors housing. The forecasted growth of seniors population creates the need for proactive planning by municipalities, to respond to ageing population, and gives the opportunity to amend municipal regulations to accommodate forecasted growth.

Seniors Housing Objectives

As a result of the analysis of seniors housing , three objectives are suggested. These objectives shape the content of the *Strategy’s* recommendations.

1. New Westminster should improve as a City that is suitable for seniors to live in and access services.
2. Consideration should be given for the comparatively high proportion of seniors in New Westminster with respect to their unique needs and preferences. In particular, the financial difficulties faced by the City’s seniors should be addressed.
3. The City should seek to meet future seniors’ housing demand with regulatory incentives and by encouraging non-profit groups and other levels of government to contribute their support.

Recommendations for Seniors Housing

18. Seniors' Housing

In the Official Community Plan, the City can identify locations that are more convenient for seniors to live in and access services. These areas should be an area of focus for future seniors' initiatives that support the existing seniors housing.

A preferable distance for seniors to walk is about 4 city blocks (return trip). Furthermore, seniors are less likely to own or operate an automobile than other ages. This means that not all areas of New Westminster are highly suited for seniors to live.

The areas in New Westminster most suitable for seniors' housing are in the Uptown and the Brow of the Hill neighbourhoods, the Columbia street area and the East Columbia Street area. These neighbourhoods are characterised by a high proportion of commercial services, community services (such as the public library and parks), and bus routes within easy walking distance. As well, these areas contain a terrain with a slope not more than 5% grade; the exception is the East Columbia Street area which is mostly between 5% and 10% grade. It should be noted that these neighbourhoods already contain the highest concentrations of seniors in the City and could, therefore, be expected to do so.

It is recommended that the City designate these areas as senior-friendly areas because they are highly suited to senior citizen residents. It should be noted that the seniors-friendly areas are not intended to preclude seniors from living, shopping or accessing services in other areas of the City.

It is recommended that, where possible, the City seek to strengthen the supportive living environment for seniors in the Areas. Initiatives that address seniors issues and improve the City as a place for seniors to live, shop and access services should be prioritised, where practical, so that they can be meet the needs of the greatest number of seniors. The City should examine the following initiatives:

- a) a rezoning policy that encourages amenities to seniors to be able to located in one of the seniors areas.
- b) rezoning policy that better enables new seniors housing and seniors facilities to locate in one of these areas.
- c) municipal capital expenditures, such as improved street lighting and extending the curb cuts (that allow wheelchairs to traverse the gap between sidewalk and street), could receive priority in these areas.
- d) should a wheelchair accessible design policy be implemented, the City should consider targeting these areas first.

19. Secondary Suites

The City should adopt a policy that allows the creation of legal secondary suites in new construction and standards for conversion of existing building that meet current building codes.

Secondary suites can help home owning seniors generate extra income needed to contribute towards home maintenance and annual taxes. Furthermore, a suite can provide a residence for a companion or caregiver. Additional recommendations pertaining to secondary suites should be examined as part of a Report on Secondary Suites.

20. Use of City Land

The City should examine its land holdings to determine which sites would be appropriate to long-term lease to non-profit groups dedicated to developing seniors non-market housing.

It is recommended that the City should consider long-term leasing of City owned land to non-profit societies for the purpose of creating housing units. In particular, the City should consider the use of City-owned land where a City owned lane abuts a site owned by a non-profit group that wishes to build housing. The City could examine long-term leasing the land to the non-profit group in order to increase the size of their site and thereby increase their floorspace allowance.

If a site is occupied by a City facility and is suitable for intensification (e.g. when the facility requires reconstruction, a seniors housing component would be included).

21. Seniors Housing Foundation

The City should encourage the formation of a seniors' housing foundation that accepts financial and land donations by making a donation.

New Westminster has a considerably higher proportion of senior residents than the Greater Vancouver Regional District, and furthermore the City's seniors have more housing affordability problems than any other age group. As government funding for housing programmes declines, the importance of non-profit housing societies has increased. It is recommended that a Non-profit Seniors Foundation to advance the housing needs of seniors be supported by the City. The City could provide legal expertise, assign staff to assist in start-up and encourage community groups to get involved.

22. Regulatory Reform

Regulatory disincentives for the creation of seniors co-operatives should be examined.

Seniors co-operative housing projects benefit from the support of the City in rezoning or variance applications. Furthermore, the creation of co-operative housing may be impeded by municipal regulatory challenges such as a lengthy approvals process or non-essential requirements. The City could examine how regulations could be modified to attract more co-operative seniors housing.

23. Non-Profit Housing Societies

Barriers to the creation of non-profit housing, such as the inappropriate location of most sites with potential for redevelopment, should be investigated and addressed.

Non-profit groups sometimes have available land that could be developed for non-market seniors housing. However, some sites are not always best suited to senior's housing. Under existing regulations, the rezoning and sale of the land could be a lengthy and costly process. It is recommended that a rezoning policy be examined.

A housing policy using incentives could be applied to lands owned by non-profit groups. This policy could, in limited areas, allow the City to permit an increase in density on a site if the owner provides the City with a community benefit such as affordable seniors housing (termed an “amenity”). The policy could state that if the non-profit group provides a specified number of affordable seniors housing (in a designated area in the City), a portion of the site would receive permission to develop a portion of the site for market housing. The group could then sell off the developable portion of its land (and the development rights) in order to fund the provision of the amenity (e.g. the affordable seniors housing). The policy would not change the existing (institutional) zoning of the property if the group chooses not to provide affordable seniors housing.

24. Official Community Plan Goals

In the Official Community Plan, confirm existing policy that the City should encourage ownership of housing suitable for seniors. Also, include as a goal, to increase the suitability of housing for seniors in rented or non-profit as well as owned housing. Finally, include a goal to improve neighbourhoods as a place for seniors to live, and access services and transportation choices.

MANAGING GROWTH: A FOCUS ON NEW WESTMINSTER'S STRENGTHS

Managing Growth

The Province's adoption of the *Growth Strategies Act* in 1995 enables municipalities, along with other municipalities in the region, to decide on a regional and local growth management strategy and a means to implement these strategies. The intent of the legislation is to avoid urban sprawl and ensure that housing is located close to existing services and facilities (source: the *Georgia Basin Initiative*, 1996).

New Westminster, like other municipalities in the GVRD, faces important challenges with managing economic and population growth. Growth management in New Westminster involves a close focus on the many strengths of New Westminster that residents value and have expressed in extensive community consultation over the past two years. The *Report on Growth Management* examines the changes in Canada and in New Westminster that have brought about the need for careful growth management of the City's numerous resources.

Current Understanding and Emerging Trends in Managing Growth

Over the past 20 years, some population trends have been changing the supply and demand of housing in British Columbia:

1. An Ageing Population.

As the average age of the Canadian population rises, housing needs in the country will continue to shift toward the unique needs of senior citizens. New Westminster has a relatively large seniors population: 17% of the City's residents are senior citizens, compared to 13% in British Columbia as a whole. The City's senior population has been increasing as indicated by increasing median age, life expectancy, median age of death, and elderly dependency ratios (*Source: B.C. Statistics*).

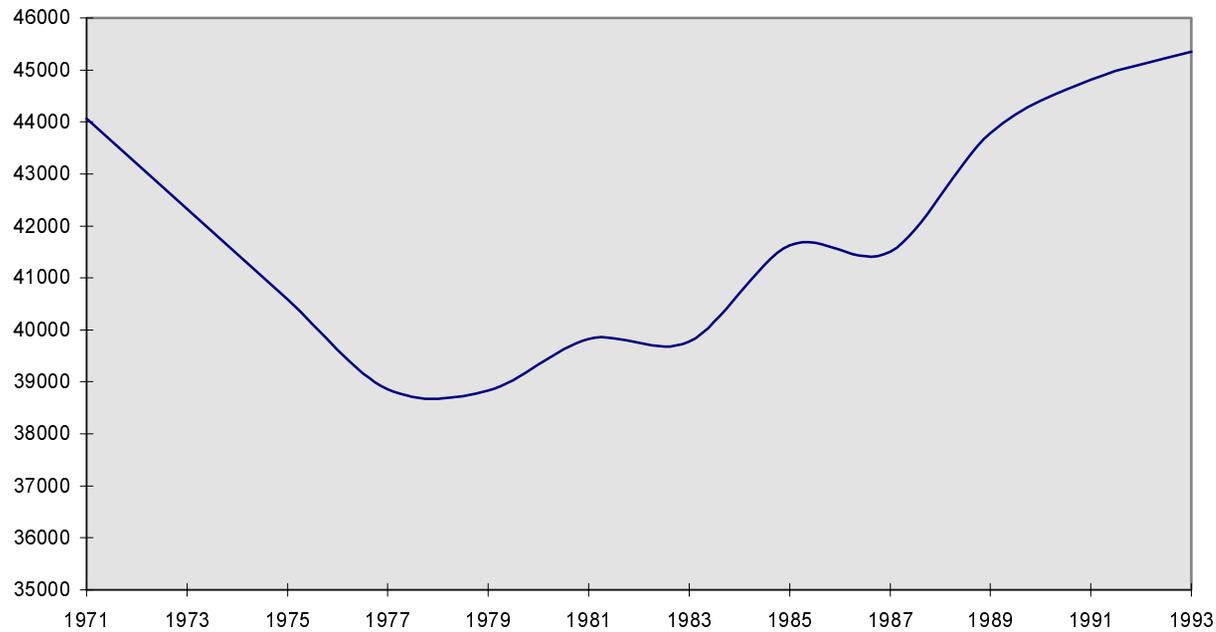
2. A Shrinking Average Household Size.

New Westminster has a lower than average household size that this is expected to remain lower than the Province's average household size through the next 30 years. The implication of small household sizes for housing would be that more units of housing would be required to house the population, and many households may also prefer smaller sized units.

3. Population Growth

Economic stability has attracted new residents to the province, and to New Westminster. Since 1970, New Westminster's population has experienced growth as well as some small declines (*see Figure 31*). The population decline in the early 1970's can be attributed to a shrinking household size, and the growth in the 1980's to an increase in housing units. Overall, the City's population has grown moderately over the past 25 years.

Figure 31: Population Trend in New Westminster, 1971 to 1993



(Source: B.C. Statistics)

The Growth Management Act

In addition to population trends, political changes will also shape the future housing stock in the Province. In June, 1995, the Province of British Columbia passed the *Growth Strategies Act*. The *Act*, which was enacted as an addition to the *Municipal Act*, includes an enabling statement for municipalities in B.C. to manage growth by consensus at a regional level. Regional growth management *must* include population projections for at least 20 years, and address housing, transportation, regional district services, parks and natural areas, and economic development (S. 942.18 in the *Municipal Act*).

In partnership with their neighbouring municipalities in the regional district, municipalities are able to employ three tools for growth management:

Regional Growth Strategy: is a regional vision for growth management that is accepted by each municipality in the region.

Regional Context Statement: forms part of a municipality's Official Community Plan, and is referred to the region for acceptance.

Implementation Agreement: is a partnership agreement between the region and the member municipalities that spells out how the Regional Growth Strategy will be carried out.

The recommendations set out in the New Westminster Housing Strategy seek to anticipate the forthcoming growth management process at the regional level, and at the present time, address current local issues.

Community Comment: Managing Growth

At the Housing Workshop and on the Community Housing Survey, residents commented on current and anticipated growth in New Westminster. Their comments and suggestions are listed below.

Housing Policy Needed

The Participants at the Housing Workshop indicated that New Westminster should draft a housing policies to manage present and future levels of growth in population.

Housing policies should be progressive in nature and provide guidance in long range planning issues. Residents felt that the housing policies should not only deal with land use issues, but also changing demographic needs of the community. In addition, the housing policies should reflect resident attitudes about community living as well as provide direction to developers regarding future growth. A comprehensive zoning policy should be considered in the housing policy.

Affordable Housing

The group raised the issue of housing affordability despite not having a stated need for affordable housing themselves. Intensification was seen as one means of developing affordable housing.

Residents discussed the role of developers in providing affordable housing. The idea of establishing demolition fees or density bonusing to support the development of affordable housing was favoured.

The Impact of Growth on Transportation

Residents are concerned that rapid growth in the City and the region over the past ten years has had put undue stress on the existing transportation systems. As a result of the ambience and many community amenities of New Westminster, many people have chosen to live in the City and commute within New Westminster or to other destinations. Residents feel that streets and highways have become busier and more difficult to use.

Residents indicate that future growth should be planned in a manner that does not increase commuting times or distances.

The Impact of Growth on Single Family Neighbourhoods

New Westminster has many single family neighbourhoods which offer an atmosphere of ambience and friendliness to their residents. Residents express concern that population growth in the City could adversely affect the qualities of their neighbourhoods that they value highly. These qualities include green space, the City's small-town feel, and the architectural quality of many of the City's buildings.

Public Consultation

Residents indicated that the public consultation process for residential growth could be refined. They were interested in being consulted on the planning of the housing growth, especially for proposals that add many more new units to the City's housing stock. Furthermore, residents said they would like an opportunity for more input into the initial planning of projects.

Residents noted that they felt more comfortable when they were provided with information that gave them an understanding of the relevant issues surrounding a proposal. This information should be available well in advance. The Housing Workshop was cited as a good example of the preferred method of community consultation.

Small Town Character

Residents indicate that they value the “small town” character of New Westminster where they can walk to shopping, services and entertainment. As the City grows, these qualities of the City should be maintained and even enhanced.

Some concern was been raised that growth may bring crime to New Westminster. Safety is an important aspect of quality of life in New Westminster.

Aesthetics of New Development

Residents indicated that they are concerned about the design quality of new development. New development is not always compatible with the character and standards of existing development. Some residents are concerned that new multi-family development could be built according to 1950’s standards and aesthetics. Residents would like new development to have better quality design than that.

Residents also express concern about the design of single detached units, noting that the size, architectural design, exterior materials and colour of new can make a unit incompatible with the neighbourhood.

Heritage

Residents were concerned about the effects of growth on the City’s rich heritage legacy. Participants at the Housing Workshop indicated that they would favour infill housing if it were used to finance heritage restoration. For example, a heritage homeowner with a large lot could sell a portion of the lot (to be used for infill housing), and use the proceeds from the sale to finance heritage restoration.

Growth Projections

At the Envision New Westminster Workshop, on the topic of Housing, Affordability and Growth Management, the group had concerns about the growth projections for the City supplied by the Greater Vancouver Regional District. Participants felt that the forecasted population had been decided for the City by the Regional District without adequate community consultation. It was also noted that the forecasting could be flawed due to undue confidence that immigration will continue at high rates. Immigration, the group noted, has been curtailed by federal authorities since the GVRD projections were made.

Housing Choices for New Westminster Residents

Highly liveable cities have a mixture of housing choices that suit the many different needs of their inhabitants. People’s housing needs vary not only among individuals, but over time as they age. In this section, the housing choices that New Westminster residents may choose in the future are examined in detail, by housing type.

New Westminster is prized as a city that has a wide range of housing choices. As a result, residents who grew up in the City are able to continue living in New Westminster whether they are young adults, mature empty nesters, young families or senior citizens. It is important that a balance of housing choices meets housing needs in the present day as well as the future.

Single Detached Housing

Current Understanding and Emerging Trends

As of 1991, New Westminster had 5,955 single detached dwelling representing about 28% of the City’s housing. Under the existing Official Community Plan, the City has a projected capacity for approximately 700 to 800 additional single detached units.

Community Comment

New Westminster residents have indicated a strong preference for single detached dwellings and single detached neighbourhoods. On the Community Housing Survey, 80% of respondents indicated high or moderate support for single detached dwellings in New Westminster.

Residents have raised concern about the aesthetics of large single detached dwellings, commonly known as “monster houses”. The City’s efforts to address resident concerns about aesthetics involve residents at the neighbourhood level. Neighbourhood zoning such as the NR-1 zone have been applied in two neighbourhoods that feel it is necessary.

Implications: Single Detached Dwellings

Single detached dwellings tend to be the most valuable housing type and are, therefore, available to the smallest proportion of the market. In New Westminster, where most of the land base is already developed to some degree, demand for low density single detached dwellings will eventually exhaust the space constraints for low density in the City. The affordability of single detached dwelling will be further reduced as demand exceeds supply. In the future, opportunities for the creation of land zoned for new single detached dwellings will need to be examined on an ongoing basis, as should medium density housing types that offer similar qualities as single detached dwellings.

Apartment Units

Apartment Housing: Current Understanding and Emerging Trends

Presently, apartment units are the predominant form of housing in New Westminster. Neighbourhoods with the highest concentrations of apartment units include the Downtown, Uptown, Brow of the Hill, North Arm North, and Glenbrooke South (*Source: Statistics Canada, 1991*). According to Strategics Consulting, apartments will continue to be in the majority (*Source: Strategics, 1995*).

Community Comment on Apartment Housing

Community members have raised several issues about apartment units in the City. There is concern about the aesthetics of apartment buildings, especially that new apartment construction will be built in a 1950’s block style with poor street presence and poor landscaping.

There is some community concern that density, increased automobile traffic and parking demand could be caused by new apartment units and this could negatively impact the liveability of the City. On the other hand, other community members have commented positively on apartment buildings for their availability, views and aesthetic appeal.

Implications: Apartment Housing

Apartment units are a suitable housing choice for a broad range of people because they can provide a high level of security, moderate purchase and maintenance costs, and wheelchair accessibility. Accessibility provided by apartment dwellings is of particular importance to our older than average population in New Westminster.

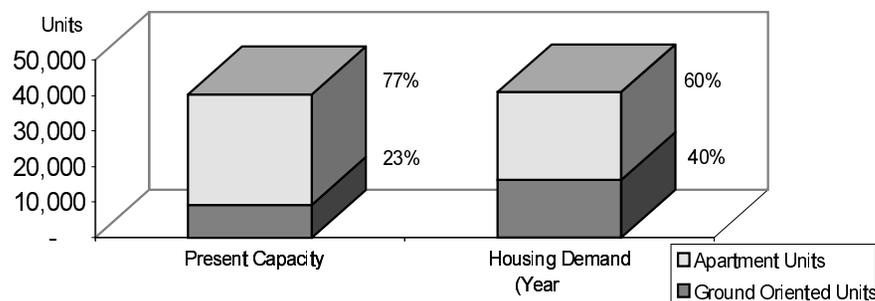
Accordingly, the forecasted demand for housing in New Westminster is predominantly for apartment units. Apartment units are forecasted to make up over 60% of New Westminster’s housing stock by the year 2021. Currently, apartment units represent about 55% of the City’s housing stock (*Source: Planning Department*).

Ground Oriented Housing

Ground Oriented Housing: Current Understanding and Emerging Trends

Ground oriented housing allows the resident access to an owned parcel of land. Examples of this type of housing include: single-detached and semi-detached houses, as well as duplexes, secondary suites, townhouses and row housing. These types of housing provide the resident with a parcel of land on which to take advantage of B.C.'s mild climate for gardening, outdoor recreation or creating a children's play space. Owning a parcel of land, regardless of size, is an asset that many people value highly.

Figure 32 Present Capacity vs. Forecasted Demand (Year 2021) For Housing, by Type



(Source: GVRD, 1993)

Figure 33 GVRD Forecasting and Assessment of Present Capacity

Housing Type	1991	2006	2021	Present Capacity
Ground Oriented	7,300	11,693	16,332	9,343
Apartment	13,900	19,839	24,665	31,045
Total	21,200	31,532	40,997	40,388

Although the GVRD's forecasts for housing vary slightly from the City's own forecasts, the forecast has several significant implications. The GVRD has observed that people between the ages of 35 and 64 are most likely to choose ground oriented housing, while 15 to 34 year olds and people over 65 tend to choose apartment dwellings. As the average age of the population increases, the fastest growing age group in the Lower Mainland will be those aged 45 to 64 year olds. New Westminster can expect to experience demand for ground oriented housing, as a result of these demographic changes (see Figure 32 and Figure 33).

Community Comment on Ground Oriented Housing

The Community Housing Survey asked respondents to indicate their level of support for a selection of ground oriented housing options. People were also asked to suggest other ground oriented options.

Figure 34: Which Ground Oriented Housing Options Should the City Encourage in New Westminster?

	High or Moderate Support	Minor or No Support
single detached houses	80%	20%
townhouses	80%	21%
improve design of lower units in apartment buildings	77%	20%
duplexes (2 units)	73%	27%
other	64%	3%
secondary suites	63%	38%
houses on small lots	60%	40%
"granny flats " (separate unit next to the house, intended for a relative or caregiver)	55%	45%
divide existing homes into 2	37%	59%
infill: second house on a lot	29%	66%

New Westminster residents indicated clear degree of support for most of the ground oriented housing options on the survey (See Figure 34). Among the favoured types of ground oriented housing, support ranged from 60% to 80%.

“Divide Existing Homes into 2” and “Infill: Second House on a Lot” received the least support with a majority of “minor” or “no support” votes at 59% and 66% respectively. “Granny Flats” received about an even number of responses “for” and “against”.

“Other” options that respondents suggested included housing co-operatives, row housing, garden apartments, ranchers, commercial uses with units above, trailer parks, and housing with inner courtyards. As well, the temporary use of unused commercial properties for housing was suggested.

Implications: Ground Oriented Housing

Challenges facing the City regarding ground oriented housing will be to meet a community need for ground oriented homes while balancing a community desire that they be at a suitable scale and well designed. The strength of a growth management strategy will rely on its ability to ensure that growth is managed to reflect current needs and the small town character of New Westminster.

Opportunities around Future Housing Demand

Are There Advantages To Growth?

The advantages of growth are highly related to the economic benefits of growth:

Economy Vitality: presently, the Lower Mainland enjoys the fastest growing economy in the country. New Westminster’s local economy could benefit from the region’s overall prosperity, including new employment.

A Healthy Tax Base: related to the economy, growth brings revenue into the City’s tax base which supports service levels for residents.

New Residents, New Ideas: the City would become an even more vibrant place to live, shop, work and spend leisure time.

Redevelopment: growth can bring economic strength which, in turn, means new investment for heritage restoration, housing choices, and revival of under-utilised commercial buildings and sites.

More Community Amenities: growth can provide the population base to support opportunities for additional community amenities such as theatres, coffee houses and speciality shopping nearby.

What Are The Issues With Growth?

Given that most New Westminster residents are very pleased with the current quality of life in the City, it is understandable that they are concerned about how growth could change New Westminster. Growth in the region will bring changes, some of which may be unwelcome. Outlined below are some of the possible impacts.

Higher Housing and Land Prices: more demand for housing (especially ground oriented housing) could drive up prices if the supply of housing is limited. Higher rents and prices for housing may be especially problematic for young couples starting out, students, or senior citizens. The cost of housing could deeply affect their lives unless options other than single detached homes are considered.

More Traffic: greater numbers of people can mean more cars on the roads, unless growth is concentrated in a compact area, which can be readily served by transit.

Longer Commutes: the present pattern of growth is sprawling up the Fraser Valley, pushing jobs and other destinations further apart. As a result, average commuting distances would continue to increase.

More Air Pollution: a by-product of more car use would be higher air pollution levels, unless automobile use is replaced with sustainable transportation options.

Existing Services Used Beyond Capacity: population growth can result in use beyond capacity of existing community services such as recreation centres, schools and hospitals, as well as infrastructure services such as roads. New growth needs to be located near services to ensure that existing investment in infrastructure is used cost effectively before expensive extensions are built.

How Can We Manage Growth?

Economic opportunities, desirable weather and the high quality of life in the Lower Mainland, mean that growth in the region and the City of New Westminster is, in many aspects, inevitable. If the City is unprepared, the predicted growth could have many drawbacks for the residents of New Westminster. By planning for growth, we are able to use innovative tools to minimise its drawbacks and make the most of its advantages.

Intensification is an efficient use of land for housing. Intensification is when housing is built or converted to higher densities than existed previously. As well, intensification also means that housing is located reasonably close to a mix of complementary uses necessary to meet the residents' needs (e.g. commercial services, transportation choices, employment). When necessary, these services are included in the development, in order to support the growing population.

Intensification differs from densification in that *in addition to* higher residential densities, intensification includes the provision of services, transportation choices and public amenities (parks, community services). Intensification promotes land use mixes and optimal placement of new housing to ensure that residents are able to walk, bicycle or bus/Skytrain to the services they need.

Many cities have come to identify intensification as a possible solution for today's urban problems. These problems include an increasing demand for smaller and more affordable housing, the high costs of energy (especially gasoline), down-sizing of other levels of government, and the high costs to the city to provide infrastructure for low density development. Intensification is further discussed in the Technical Appendix to the Report on Growth Management.

Implications: Growth Management

The Report on Managing Growth has sought to understand how New Westminster will change in the future, and how much change is appropriate. Beyond educated guesses at population and housing stock, it is difficult to predict what changes New Westminster will experience over time. Community consultation, however, has emphasised the New Westminster's strengths and has given the City direction on how much change is appropriate for the City. The objectives for the City's growth management address: one, the preservation of the best aspects of New Westminster life; and two, taking advantage of opportunities for community improvements.

Growth Management Objectives

As a result of the analysis of growth management issues, several objectives are suggested to shape the content of the Strategy's recommendations:

1. Growth management should complement the scale and aesthetics of New Westminster's existing neighbourhoods.
2. New Westminster should examine options to manage the forecasted housing needs for single detached, multi-family and ground oriented housing.
3. Single detached areas should be protected from incompatible levels of density.
4. The efficiency of New Westminster's many transportation links should not be compromised by future growth, nor should transportation compromise the liveability of the City's residential and commercial areas.
5. Growth should be used as an opportunity for the City to fulfil other City objectives such as the creation of more child care facilities, cost effective housing, open space, public art, heritage preservation and employment opportunities.
6. As the community grows, the City should maintain ongoing community consultation on the issue of growth management.

Recommendations for Growth Management

An increase in population in New Westminster has helped New Westminster become a diverse and vibrant City that plays an important part of the region. Future growth will require continued planning to ensure that the City's qualities valued by current residents are maintained, and the needs of the new residents are sufficiently met.

In the recommendations below, the discussion of these planning issues is presented in regular text, and the recommendations are indicated in italics.

25. Design

Consultation with community members revealed that design issues are of great importance to the quality of New Westminster's future growth. Community members emphasised that the appearance of new housing should reflect the City's small town origins, neighbourhood ambience and overall small scale.

The City should continue to encourage attractive new buildings and grounds that are compatible with the existing character of the City:

- In cases where several residential parcels results from rezoning and/or subdivision (e.g. the reuse of former industrial lands), the City should encourage the developer to register design guidelines on the title of the property.
- The City should continue to rely on its Consultative Design Committee and Downtown Design Review Panel for input into the design of new structures in the City (except for single detached dwellings and duplexes, which are exempt).
- The City should examine the creation of voluntary design guidelines for single detached dwellings and duplexes based on a design charrette attended by the community and assisted by architects. Adherence to the design guidelines should be **voluntary** but would help inform the owner and/or builder of the community's desired architectural and aesthetic goals.

The City should consider extending the Neighbourhood specific residential zone (e.g. NR-1) process to all of the City's current RS-1 districts, if the residents of the neighbourhoods are supportive of the initiative.

26. Fiscal Impacts

Future growth should be fiscally responsible (e.g. pay for any increased level of services or amenities that the community may require):

- For designated areas in New Westminster, the City should encourage investors to provide community amenities (such as child care centres, park space or affordable housing) as a condition of rezoning approval. The desired community amenities should be determined in advance, with community consultation as a part of a development policy (e.g. the Twelfth Street Rezoning Policy).

The City should continue to levy development cost charges on new development in Queensborough where new development requires servicing for roads, sewers, water and parks. If development in other neighbourhoods directly necessitates road, sewer, water or parks expenditures, the City should consider implementing development cost charges to cover these costs.

27. Services Match Growth

As New Westminster grows, the effects of growth may place pressure on the existing services and infrastructure networks.

To ensure that future growth does not exceed City capacity, the City should continue to plan growth where an adequate infrastructure network already exists or can be provided in a timely, economic and efficient manner. Given that the Greater Vancouver Regional District and the Province are projecting population growth to the year 2021, it is recommended that the City plan the infrastructure for population and housing demand within the same time frame.

28. Community Participation

Consultation with New Westminster residents during the Housing Strategy study process revealed that the community values consultation on growth issues.

It is recommended that City staff continue to meet with residents early and often to discuss rezoning proposals, particularly those that significantly increase population projections.

29. Location of New Homes

In its Official Community Plan, the City should determine the most appropriate settlement patterns for homes in the future. The Official Community Plan should address changing community needs such as a shrinking household size, a large seniors population, and a projected demand for housing choices accessible from ground level.

A range of growth management options are suggested below. The five options hold several principles in common. Each option assumes that the City's existing housing capacity will be used, and that the City will continue to encourage growth in the Downtown and other areas where medium and high density housing already exists. As well, all growth options seek to exclude single detached areas from higher density development, and allow multi-family development rezonings on larger sites based on the merits of each proposal.

Each Growth Option meets the estimated growth to a total of about 41,000 homes in New Westminster by 2021.

Transportation Corridors Option

This option concentrates new growth along the SkyTrain corridor and commercial nodes where development is already located to make cost-effective use of existing infrastructure. Redevelopment would also be encouraged in areas where many of the City's low rise buildings predate existing building standards.

Implementation of this option would require us to:

- encourage more housing through adaptive reuse along Columbia Street
- increase the amount of housing allowed in commercial districts outside of the Downtown
- increase the allowed density of multiple dwelling districts from low to medium rise
- encourage redevelopment of the RS-2 districts along transportation corridors to townhouses and row houses
- in the Twelfth Street Corridor, continue to review applications in accordance with the Twelfth Street Corridor Development Policy
- require medium rise buildings to provide ground access to their grade level units (in order to increase the number of ground oriented homes)

RS-2 Zone and Secondary Suites Option

This option would allow the redevelopment of the RS-2 zoned lands (located mostly in the Uptown, Downtown, Brow of the Hill and Sapperton areas). As well, secondary suites would be permitted in the City's single detached districts.

Implementation of this option would require us to:

- review the RS-2 districts to determine which areas may be suited for redevelopment to townhouses and row houses
- write a secondary suites policy that would allow the creation of suites in single detached homes, and would provide guidance on regulating the currently unauthorised suites in existence
- require medium rise buildings to provide ground access to their grade level units
- encourage highrise projects to include a proportion of townhouses at grade

Commercial Arterials and Suites Option

This option concentrates new growth along the SkyTrain corridor and commercial nodes where development is already located. As well, secondary suites would be permitted in the City's single detached districts.

Implementation of this option would require us to:

- encourage housing through adaptive reuse along Columbia Street
- increase the amount of housing in commercial districts outside of the Downtown
- encourage redevelopment of the RS-2 districts along transportation corridors to townhouses and row houses
- in the Twelfth Street Corridor, continue to review applications in accordance with the Twelfth Street Corridor Development Policy
- write a secondary suites policy that would allow the creation of suites in single detached homes, and would provide guidance on regulating the currently unauthorised suites in existence

Shared Growth Option

The Shared Growth Option would allow moderate increases in density in all areas of the City on a proportionate basis. New growth would be concentrated along the SkyTrain corridor and commercial nodes where development is already located. As well, secondary suites would be permitted in the City's single detached districts.

Implementation of this option would require us to:

- allow some infill and small lot subdivision within a development policy that is devised in consultation with the community
- encourage housing through adaptive reuse along Columbia Street
- increase the amount of housing allowed in commercial districts outside of the Downtown
- write a secondary suites policy that would allow the creation of suites in single detached homes, and would provide guidance on regulating the currently unauthorised suites in existence
- review the RS-2 districts to determine which areas may be suited for redevelopment to townhouses and row houses
- encourage highrise projects to include a proportion of townhouses at grade

Undeveloped Areas Option

This option directs medium density growth to under-utilised sites and remaining under utilised industrial lands that would be rezoned for residential use.

Implementation of this option would require us to:

- encourage the redevelopment of Lower Twelfth Street to high and medium rise housing
- encourage the rezoning of industrial lands to medium and high density housing

Technical Appendix to the Report on Growth Management

Intensification

When examining intensification policies, it is important to understand all their implications on the community. The implications of intensification, as well as some commonly held concerns and perceptions about intensification, are discussed in detail below.

Crime Rates

It has been found that where intensification is used to develop diverse and vibrant areas, crime levels are reduced. This applies to areas of all income levels.

High Density Does Not Mean High-Rise

There is a common misconception that high density living is in a skyscraper. Medium and low rise buildings, as well as accessory suites or granny flats all qualify as intensification that are not high-rise form. Good architectural design is the key to achieving high quality, low impact land efficient housing.

The Cost of Servicing Low Densities

The City is responsible for the infrastructure services that every resident has a right to: sewer, water, storm-drainage, access to a road network, police and fire.

With land efficient development, costs for these services are lower because in general, the cost of services is primarily based on the distance they serve, not the number of people. Therefore, intensification, which reduces the distance between housing units, can be a cost effective method for servicing the City.

An Efficient Transportation System

Most people are aware that car use is becoming less and less convenient due to the cost of fuel, higher stress levels, and traffic delays. Yet many choose to use cars for transportation. Often people endure the inconvenience of car use because the alternatives seem difficult: transit schedules may be inconvenient; and bicycling and walking may involve long distances (and steep hills).

By increasing densities and mixed use development, intensification brings housing and services closer together. In this way, intensification can help to encourage a more frequent transit service due to higher ridership demands, thereby increasing the attractiveness of alternatives to automobile transportation.

The Environmental Impact Of Residential Development

While it is difficult to measure environmental improvements exactly, comparisons can be made with more certainty. According to one study done by the Canadian Urban Institute there are several well supported beliefs regarding the merits of intensification; they can be summarised as:

- if vehicle use is reduced, air quality will improve
- intensified cities use energy and materials more efficiently
- intensification protects farmland from urban sprawl

Perceptions of Intensification

Typically, when a community is considering proposals for intensification, four issues tend to be raised:

- perception of a decline in property values
- concern about increased noise levels and a reduction of privacy
- expectation of parking problems
- compatibility of design/aesthetics to maintain or enhance streetscape.

Property Values

While studies show that it is a concern of many communities, property values are not affected by medium density development. In some cases, property values may increase for existing homes.

Privacy, Noise and Parking

These concerns arise from the fact that intensification brings more people into a smaller area. Appropriate design and planning means higher noise levels, a decrease in privacy and parking problems are avoidable. Design regulations can ensure that the building form addresses the problems that can arise from higher density living. For example, to avoid parking problems regulations can require a development to provide its own on-site parking spaces. Deciding which design regulations are appropriate depends on local conditions and the character of the neighbourhood.

Aesthetics Concerns

Aesthetics, particularly around intensification, are an important concern for residents. Although the law cannot regulate attractiveness (e.g. colour, architectural style), there are several mechanisms for the community and for City to influence the larger design aspects of a small housing project. Good design can be encouraged with regulations on a structure's massing (bulk and height), its location on the site, and placement of windows, entrances or driveways, for example. Design guidelines can be used for larger projects (3 or more units).

Household Growth

A common perception in Lower Mainland municipalities is that, due to economic pressures, some people are choosing to share living space in order to defray the costs of housing. Ethnic Canadians may be cited as being inclined to this type of shared housing. However, actual household size in the Lower Mainland has declined for the past 30 years, and is predicted to continue declining. In 1991, the metropolitan region's household size reached an average of 2.6 persons, down from 3.6 persons 30 years prior.

City governments throughout the Lower Mainland, and indeed in all of Canada, will continue to deal with change in housing demand that results from shrinking household sizes.

Five Types of Intensification

Residential intensification can take place in a variety of ways, but intensification always involves some increase in density. There are five types of intensification, which will be described below.

Conversion: increases the number of units in an existing house. Conversion refers to the creation of an additional suite in a single family or duplex house.

Infill: refers to the construction of housing on under-used or unused land in a residential community. Infill development should be designed to fit into the surrounding neighbourhood. Since infill housing takes place in existing neighbourhoods, it uses existing building lots which are vacant (unused) or new lots created through subdivision (under-utilised).

Redevelopment: the creation of housing units on under-utilised sites, sometimes involving the removal of an existing or obsolete structure (e.g. remove an existing one story commercial building and replace it with a 4 story mixed use structure with commercial on the ground level and residential above). Redevelopment provides a large number of new units. In the past decade, New Westminster has seen a significant amount of redevelopment on waterfront lands now better suited to residential use than industrial use.

Adaptive Reuse: new housing built in structures originally intended for a non-residential use (e.g. industrial use). The City allows a rezoning on the grounds that the character of the area has changed, making it suitable for a new use (e.g. residential).

Suburban Densification: increases densities in new subdivisions, usually through regulations allowing smaller lot sizes. For the most part, this type of intensification applies to large undeveloped areas.

SHARED NEIGHBOURHOODS: REPORT ON SECONDARY SUITES

Current Understanding and Emerging Trends

As a component of the rental housing discussion, the issue of secondary suites is pertinent in New Westminster, as well as the region.

New Westminster has an estimated 2,000 secondary suites, including both licensed and unlicensed suites. RS-2 areas, where conversions creating suites are permitted, are limited in size compared to other single detached dwelling areas (RS-1 or NR-1) where suites are not permitted. The demand for suites tends to be greater than the amount that can be legally supplied, resulting in the clandestine creation of suites contravening zoning and other regulations.

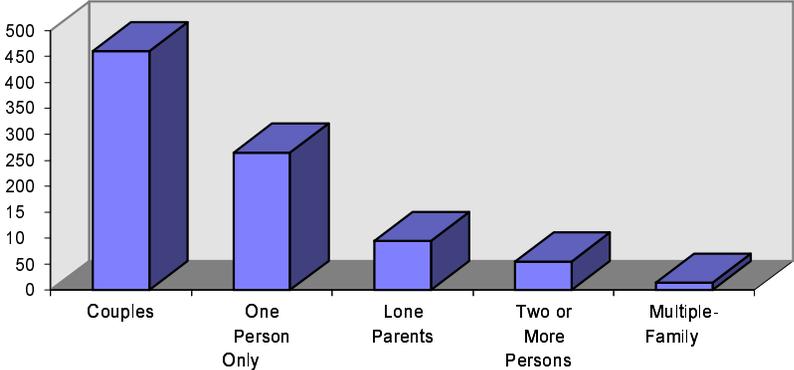
Secondary Suite Data

Data from Statistics Canada about secondary suites in New Westminster provides an understanding of people living in suites.

When enumerating housing types, Statistics Canada makes an attempt to count secondary suites, whether legal or not. However, compared to Planning Department estimates, the Statistics Canada data accounts for only about one-third of the existing secondary suites. It is possible, the actual number of secondary suites is greater than both estimates. While the Statistics Canada numbers are incomplete, they do offer some general insight into New Westminster residents that live in secondary suites.

Households Living in Secondary Suites

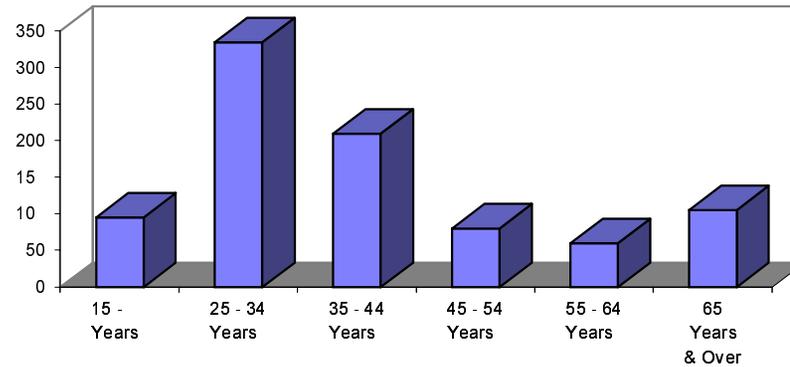
Figure 35: Secondary Suite Dwellers, by Household Type



(Source: Statistics Canada, 1991)

Most secondary suites in New Westminster are occupied by couples (51%), followed by lone person households (occupying 30% of secondary suites). About half of the couples living in secondary suites have children at home, and half are without.

Figure 36: Secondary Suite Household Heads, by Age



(Source: Statistics Canada, 1991)

Younger households occupy more secondary suites than the older age groups. As people age, their likelihood of living in secondary suite diminishes. However, secondary suite occupancy increases slightly for households aged 65 and over, possibly indicating their lower incomes.

Although secondary suites are spread out across the City, the highest concentrations of secondary suites are in the West End, Sapperton and Kelvin neighbourhoods.

Community Comment: Themes from the Secondary Suites Discussion

The Housing Workshop on Secondary Suites met in November, 1994, to discuss the issues and potentials for suites in New Westminster.

Secondary Suites as Affordable Housing

Participants in the Housing Workshop noted that secondary suites play a role in providing affordable housing. The group noted that secondary suites can reduce the costs of housing for renters and owners, broaden the range housing choices, and in some cases provide housing for in-laws or relatives. It was further noted that a fair system was required to ensure that the affordability of suites as well as neighbourhood compatibility are maintained.

The Impact of Secondary Suites in Single Family Neighbourhoods

The group expressed a mix of opinions about the compatibility of secondary suites in single family neighbourhoods. Responses ranged from outright acceptance of suites to serious concerns about secondary suites in residential neighbourhoods.

The range of opinions on secondary suites underlines the complexity and volatility of the issue. There was no clear consensus on a secondary suite policy; however, participants noted that a policy should address concerns raised by the discussion group. These concerns relate to two aspects of secondary suites: safety and health in the suite, and direct impact on the neighbours. Safety concerns dealt with ceiling heights, lack of natural lighting, poor means of exit, and overall low health standards. The concerns about neighbourhood impacts involved reduced street parking, potential stress on community facilities (such as swimming pools and parks), and poor property maintenance.

The Regulation of Existing Secondary Suites

The discussion group expressed a high degree of support for some forms of regulation of secondary suites. While many specific regulation suggestions were not made, the group felt that the above mentioned impacts of secondary suites should be addressed through regulation.

The suggestions made noted that secondary suites should be fairly taxed to cover the cost of the services they use. As well, a policy of tolerance for minor problems with suites was suggested, so that major problems could be more easily rectified

The Regulation of New Secondary Suites

With regards to new suites, a high level of support was given for a limitation of one suite per house, a requirement that the owner live in the residence, and an additional requirement that off-street parking be provided. As well, a size limit on suites was moderately supported. The group raised some potential locations for new secondary suites. Granny flats, and suites over garages, were supported provided that open space was preserved. The idea of allowing secondary suites as condominiums (strata titled suites) was suggested.

Community Comment: The Housing Survey

Making use of the issues and potentials raised by the Housing Workshop discussion, the Community Housing Survey asked respondents to comment on possible options for a secondary suites policy. Respondents were also invited to suggest alternate options.

Figure 37: Which of the following possible options for secondary suites do you agree with?¹

	Agree		Disagree	
	Frequency	%	Frequency	%
Actively Discourage	23	13%	149	87%
Discourage	25	15%	146	85%
Keep Present Policy	80	49%	84	51%
Encourage	109	62%	67	38%
Actively Encourage	118	70%	50	30%

A secondary suite policy was supported by residents. The “Actively Encourage” and “Encourage” options were supported by 70% and 62% of respondents respectively. The sampling error of 6.6% means that the difference between the two percentages is not significant. In other words, one cannot say that the “Actively Encourage” option was preferred over “Encourage”. However, the difference between the two “Encourage” options and the other three options is significant.

Keeping the present policy toward secondary suites received less support than the above mentioned options; however, the option attracted the support of about half (49%) of respondents. Actively Discouraging and Discouraging suites received support from only 15% and 13% of the respondents, respectively.

The survey respondents made many detailed comments about secondary suites policy. The comments can be grouped into two categories:

¹ Definitions of the five secondary suite options are listed in the Community Housing Survey in the question on secondary suites, p. 3.

The Impact of Secondary Suites

Respondents raised concerns about the impact that suites may have on the community. Comments regarding potential impacts at the neighbourhood level related to noise, pets, health standards, parking, pollution, recycling, tree cutting and problems with absentee landlords. It was noted that allowing suites might tend to encourage larger, “monster” style homes.

Respondents also raised concerns about impacts at the city-wide level such as overloading of community services and traffic.

Some respondents suggested asking residents in the neighbourhood whether they would agree to secondary suites.

The Secondary Suite User

Respondents commented that secondary suites are an affordable form of housing for the renters and may act as a mortgage helper for the owners. Concern was raised that overly restrictive regulations might result in closing down of suites. As well, a suggestion was made that suites be required to have windows low enough to see out of. Safety and health issues were raised with respect to the secondary suite user.

Figure 38: Level of support for regulation ideas for secondary suites.

	Yes		No	
	Frequency	%	Frequency	%
Require all suites to meet Building Code requirements	155	88%	22	12%
Require 1 off-street parking space to be provided	144	80%	36	20%
Limit suites to one per house	137	78%	39	22%
Require owner to live in the residence	134	74%	47	26%
Allow suites only in single detached homes	119	70%	50	30%
Limit the maximum size of suites (i.e.. 900 square feet, or a percentage of the total square footage)	102	58%	73	42%
Allow suites in duplexes	76	44%	98	56%

The majority of respondents said secondary suites should be encouraged, but were clear that secondary suites should also be controlled. Nearly all of the regulations suggested in the question received a significant majority of support, favoured by between 70% and 88% of the respondents.

Respondents were split about evenly on limiting the maximum size of secondary suites (58% support) and disallowing suites in duplexes (44% support).

Respondents added comments about unlicensed secondary suites not paying their “fair share” of taxes or avoiding compliance with the regulations. Suggestions for regulations dealt with parking, a minimum size requirement for units, a separate entrance requirement, the number of people allowed in a suite, fire safety and pets.

Other suggestions ranged from lifting the regulations to more regulations and stronger punishment for offenders.

Analysis of Secondary Suites

New Westminster's secondary suite stock provides housing for some of the City's residents with comparatively lower financial resources and possibly a need for ground oriented housing: younger people (aged 25 to 34), singles and couples with children. Noting that secondary suites are a form of affordable rental housing for the tenant and a supplementary income for the homeowner, the residents of New Westminster indicate support for a policy that would legalise and regulate secondary suites as well as encourage the creation of new suites. Although residents support secondary suites in the community, they raise several concerns that should be addressed in a suites policy. These concerns are about the impact that suites may have on their immediate neighbours, the failure of suites to pay their "fair share" of property and utility taxes, the safety and health standards of suites, and the problem of suite dwellers losing their homes due to expensive regulatory requirements.

Secondary Suites Recommendation

30. A Secondary Suites Policy

The City should examine options for implementing a secondary suites policy that would permit secondary suites in some areas of the City, and regulate their creation, maintenance and health standards.

Continue the detailed examination of the background issues, history, community comments and options for the implementation of a secondary suites policy that has been initiated. This will require consultation with the Building Department, the Health Department and the City Solicitor, among others.

31. Continue to Monitor Provincial Regulations

The City should continue to monitor the changes that the Province makes to the Municipal Act, Building Code and other relevant legislation that relate to the City's ability to implement a secondary suites policy.

Recent changes to the B.C. Building Code permit secondary suites equivalencies to better enable municipalities to implement a secondary suites policy. Outstanding issues regarding municipal liability remain to be resolved.

32. Continue to Monitor Relevant Court Cases and Decisions

The City should continue to monitor court cases and decisions in order to establish clarification on important secondary suites legal questions such as liability issues.