



Office of the Chair  
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DEC 22 2017

File: CR-12-01  
Ref: RD 2017 Nov 24

Mayor Derek Corrigan and Council  
City of Burnaby  
4949 Canada Way  
Burnaby, BC V5G 1M2

Dear Mayor Corrigan and Council:

**Re: Transit-Oriented Affordable Housing Study**

In 2017, Metro Vancouver, together with BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity, completed the *Transit-Oriented Affordable Housing Study* (TOAH), undertaken to explore the constraints and opportunities of building new rental housing, particularly affordable housing to lower income households earning less than \$50,000 per year, in transit-oriented locations across Metro Vancouver. We are pleased to provide you with a copy of this study for your reference which can be accessed at the following link: <http://www.metrovancouver.org/services/regional-planning/housing-affordability/transit-oriented/Pages/default.aspx>.

At its November 24, 2017 regular meeting, the Board of Directors of the Metro Vancouver Regional District (Metro Vancouver) adopted the following resolution to share the TOAH Study findings with key decision-makers:

*That the MVRD Board:*

- a) *communicate the key findings from the Transit-Oriented Affordable Housing Study to the following parties in an effort to encourage the integration of rental housing in transit-oriented locations, including housing that is affordable to lower income households, as essential elements of equitable and resilient transit-oriented communities and funding decisions:*
- *the Federal Minister of Infrastructure and Minister of Communities and Families, Children and Social Development;*
  - *the Provincial Minister of Municipal Affairs and Housing, Minister of Transportation and Infrastructure, Parliamentary Secretary for TransLink, and Minister of Environment & Climate Change Strategy;*
  - *Mayors' Council on Regional Transportation;*
  - *member local governments; and,*
  - *the Urban Development Institute, Landlord BC, Co-operative Housing Federation of BC, and Greater Vancouver Home Builders' Association;*
- b) *send a letter expressing its appreciation to BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity for their participation and substantive contribution to the Transit-Oriented Affordable Housing Study; and*

Referred to:  
**Planning and Development Committee (2018.01.30)**

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CITY OF BURNABY

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CLERK'S OFFICE

- c) *direct staff to explore Key Finding 5 as outlined in the report dated October 20, 2017, titled "Transit-Oriented Affordable Housing Study", and report back to the Regional Planning Committee.*

The TOAH study findings are intended to be a resource about increasing the supply of affordable rental housing in transit-oriented locations to advance dialogue and evidence-based decision making. Five key findings emerged from the study (Attachment). The crux of the regional challenge is the mismatch between supply and demand for rental housing affordable to families making less than \$50,000 per year. The study estimates this shortfall will be in the order of 24,000 units over the next 10 years. The TOAH study also quantifies the fact that not all density is equal when it comes to maximizing transit ridership – renters, and particularly lower income renters, have higher transit usage rates. The study presents the evidence to build a strong case for accommodating renters to optimize transit investments and build complete communities.

The primary reason for the undersupply of new affordable housing is the inability of the rents generated to cover the costs of development (construction and land costs), and this challenge is amplified in transit-oriented locations. To alleviate this issue, local governments and housing developers are being creative in using various tools such as varying on-site parking requirements and development charges, finding access to sources of equity and cheaper financing, and pursuing shoulder areas more suitable for lower-cost wood frame construction. On the land side, projects are seeking lands at zero or discounted costs, and utilizing density bonusing to leverage market housing to achieve more affordable rental units.

There are a number of tools identified in the TOAH study that warrant further exploration to either be implemented or scaled up in the region. The certainty is that most of these efforts will require partnerships, and the convergence of resources, expertise and knowledge proportional to the size of the regional challenge. We welcome the opportunity to engage in dialogue with you on the findings of this report to explore new ways that will encourage equitable transit-oriented communities across Metro Vancouver.

Yours truly,



Greg Moore  
Chair, Metro Vancouver Board

GM/CM/RQ/rk

Encl: Report dated October 20, 2017 titled, "Transit-Oriented Affordable Housing Study" (Doc 23664819)

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To: MVRD Board of Directors

From: Regional Planning Committee

Date: November 3, 2017

Meeting Date: November 24, 2017

Subject: **Transit-Oriented Affordable Housing Study**

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**REGIONAL PLANNING COMMITTEE RECOMMENDATION**

That the MVRD Board:

- a) communicate the key findings from the *Transit-Oriented Affordable Housing Study* to the following parties in an effort to encourage the integration of rental housing in transit-oriented locations, including housing that is affordable to lower income households, as essential elements of equitable and resilient transit-oriented communities and funding decisions:
    - the Federal Minister of Infrastructure and Minister of Communities and Families, Children and Social Development;
    - the Provincial Minister of Municipal Affairs and Housing, Minister of Transportation and Infrastructure, Parliamentary Secretary for TransLink, and Minister of Environment & Climate Change Strategy;
    - Mayors' Council on Regional Transportation;
    - member local governments; and,
    - the Urban Development Institute, Landlord BC, Co-operative Housing Federation of BC, and Greater Vancouver Home Builders' Association;
  - b) send a letter expressing its appreciation to BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity for their participation and substantive contribution to the *Transit-Oriented Affordable Housing Study*; and
  - c) direct staff to explore Key Finding 5 as outlined in the report dated October 20, 2017, titled "Transit-Oriented Affordable Housing Study", and report back to the Regional Planning Committee.
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At its November 3, 2017 meeting, the Regional Planning Committee considered the attached report titled "Transit-Oriented Affordable Housing Study", dated October 20, 2017. The Committee subsequently amended the recommendation as presented above in underline style.

Attachment:

"Transit-Oriented Affordable Housing Study", dated October 20, 2017

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To: Regional Planning Committee

From: Raymond Kan, Senior Regional Planner, Parks, Planning and Environment

Date: October 20, 2017 Meeting Date: November 3, 2017

Subject: Transit-Oriented Affordable Housing Study

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**RECOMMENDATION**

That the MVRD Board:

- d) communicate the key findings from the *Transit-Oriented Affordable Housing Study* to the following parties in an effort to encourage the integration of rental housing in transit-oriented locations, including housing that is affordable to lower income households, as essential elements of equitable and resilient transit-oriented communities and funding decisions:
- the Federal Minister of Infrastructure and Minister of Communities and Families, Children and Social Development;
  - the Provincial Minister of Municipal Affairs and Housing, Minister of Transportation and Infrastructure, Parliamentary Secretary for TransLink, and Minister of Environment & Climate Change Strategy;
  - Mayors' Council on Regional Transportation;
  - member local governments; and,
  - the Urban Development Institute, Landlord BC, Co-operative Housing Federation of BC, and Greater Vancouver Home Builders' Association.
- e) send a letter expressing its appreciation to BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity for their participation and substantive contribution to the *Transit-Oriented Affordable Housing Study*.
- 

**PURPOSE**

To present the key findings from the *Transit-Oriented Affordable Housing Study* and request that they be forwarded to relevant decision makers as information to support the provision of rental housing in transit-oriented locations, including housing that is affordable to lower income households.

**BACKGROUND**

At its meeting on September 23, 2016, the MVRD Board adopted a resolution to communicate the emerging results of the *Transit-Oriented Affordable Housing Study* to federal provincial, and regional stakeholders. Since that time, the Study has reached substantive completion.

**TRANSIT-ORIENTED AFFORDABLE HOUSING STUDY<sup>1</sup>**

The purpose of the *Transit-Oriented Affordable Housing Study* is to incrementally advance information about the context and tools that could assist in making affordable rental housing projects financially viable in transit-oriented locations. Affordable housing is often defined as housing that

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<sup>1</sup> The original project title, *Mixed Income Transit-Oriented Rental Housing Study*, was updated for ease of communication.



doesn't exceed 30% of a household's pre-tax income. This study focused on rental housing affordable to lower income renter households who earn less than 80% of the regional median household income, or equivalent to approximately \$50,000 based on the 2011 National Household Survey data for the region<sup>2</sup>.

Developing complete and inclusive communities is a goal of *Metro 2040*, the regional growth strategy and an essential principle of the *Regional Affordable Housing Strategy*. The Transit-Oriented Affordable Housing Study is part of a portfolio of research and policy that cuts through several Metro Vancouver work programs. The research and policy products include the following:

Metro Vancouver Research/Policy	Key Findings/Actions
2016 <i>Regional Affordable Housing Strategy</i> (Reference 1)	Goal 4 Increase the Rental Housing Supply along the Frequent Transit Network. Associated actions include advancing research with housing and transportation partners on ways to promote equitable transit-oriented communities.
2015 <i>Metro Vancouver Housing and Transportation Cost Burden Study</i> (Reference 2)	Addressing housing and transportation costs concurrently is a strategic approach to confronting the region's affordability challenges.
2012 <i>Metro Vancouver Apartment Parking Study</i> (Reference 3)	Opportunities to reduce apartment parking requirements near the Frequent Transit Network. Reduced construction cost could potentially support housing affordability and sustainable transportation choices.

Further, TransLink is committed to equitable transit-oriented communities through its *Regional Transportation Strategy* (Reference 4). The RTS includes an action for the regional transportation authority to work with partner agencies to encourage more affordable rental housing near the Frequent Transit Network. TransLink recognizes that improved access to frequent transit will help support transit ridership growth and modal shift, and thereby help reduce greenhouse gas emissions from the transportation sector.

#### STUDY PARTNERSHIP AND ACTIVITIES

To undertake the Study, Metro Vancouver established a partnership comprising BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity. The partners provided in-kind contributions. Staff also consulted with the Regional Planning Advisory Committee in the development of the scope of work, and engaged municipal staff in the various regional staff advisory committees throughout the study period.

The study comprises five major activities as follows:

<sup>2</sup> According to the 2011 National Household Survey, the regional median household income was \$63,000 in 2010. The corresponding income cut-offs for low income households is \$50,000 and for very low income households is \$30,000. With the release of the 2016 National Household Survey data, the income cut-offs for low and very low incomes will be updated for future research and policy initiatives.

Activity	Product	Status
<b>Activity 1</b> – Rental housing supply gap projections; review of current and innovative practices in Canada and United States; interviews in and outside region	Technical report was completed by the BC Non-Profit Housing Association with funding support from Real Estate Foundation of BC and Metro Vancouver. Key findings are referenced in this committee report.	Completed
<b>Activity 2</b> – Quantifying the relationship between household income, tenure (rent or own), and transit use	Findings presented to Regional Planning Committee in September 2016. The MVRD Board approved a resolution to communicate the findings to federal, provincial, and regional stakeholders.	Completed
<b>Activity 3</b> – Mapping inventory of public and non-profit lands in transit-oriented locations	Maps and analysis (to be determined).	Deferred to 2018
<b>Activity 4</b> – Financial viability gap analysis of purpose-built rental housing	Technical report completed by Coriolis Consulting Corp. for Metro Vancouver. Key findings are referenced in this committee report.	Completed
<b>Activity 5</b> – Communications strategy to encourage knowledge transfer	Communications strategy shared with study partners.	Completed

#### KEY FINDINGS

The Study provides incremental information about the context and tools that could assist in improving the financial viability of affordable rental housing projects in transit-oriented locations. The study is not intended to capture all of the causal factors and solutions for the housing affordability crisis in the region. In fact, many of the study findings will be already familiar to policy makers and practitioners. Many efforts are underway to increase the supply of rental housing. The value of the study is in collating the familiar as well as lesser known information in one package which can be used as a resource. The key findings are presented below. Supporting information is presented in the Appendix.

**Key Finding 1:** Demand for rental housing, particularly housing affordable to households earning less than \$50,000 per year, is not being met across the region.

**Key Finding 2:** Renter households, especially those earning less than \$50,000, are more likely to use transit. Increased ridership means a higher return on investment in transportation. Access to frequent transit reduces transportation costs and improves access to services and employment.

**Key Finding 3:** The primary reason new affordable rental housing is undersupplied is because the rents generated do not cover the costs of development (land and construction costs). The challenges are amplified in transit-oriented locations.

**Key Finding 4:** There are creative ways to tackle land and construction costs, but it remains very challenging to make new affordable rental housing financially viable.



**Key Finding 5:** There are initiatives in other jurisdictions that may be worth exploring in the Metro Vancouver region, as well as existing initiatives that could potentially be scaled up, to generate new affordable rental housing near frequent transit. Partnerships with other levels of government, non-profit housing providers, and other regional stakeholders will be key.

#### **KNOWLEDGE TRANSFER AND NEXT STEPS**

With the substantive completion of the Study, the next steps are to communicate the key findings to a broad range of stakeholders who have established, or have the potential to establish, direct or indirect roles in policy, funding, or advocacy for the integration of affordable rental housing in transit-oriented locations. To aid in this knowledge transfer, a number of tools have been prepared in collaboration with the study partners.

- **Communications Strategy** – the strategy sets out the roles and responsibilities amongst the study partners for communicating the study findings in a clear and consistent way to different audiences using different techniques, including social media.
- **Key Messages Document** – the document sets out the key messages and supporting information drawn from the research. The study partners may adapt the content when preparing briefing notes, reports, and, presentations. The study partners will be positioned to communicate the key findings within their respective organizations and with their organizational networks, and to respond to inquiries about the study as appropriate.
- **Webpage** – a dedicated webpage has been created on the Metro Vancouver website to allow study partners and regional stakeholders to link directly to the study documents.

The study partners look forward to future opportunities to share the study findings at relevant conferences, workshops, and webinars, and through publications. Metro Vancouver's Regional Planning and Regional Housing Policy and Planning Divisions will continue to undertake policy research to support the work of member local governments and partner agencies (e.g. parking studies, corridor planning and monitoring). Staff will undertake the mapping of lands under public and non-profit ownership and present findings in early 2018.

#### **ALTERNATIVES**

1. That the MVRD Board:

- a) communicate the key findings from the *Transit-Oriented Affordable Housing Study* to the following parties in an effort to encourage the integration of rental housing in transit-oriented locations, including housing that is affordable to lower income households, as essential elements of equitable and resilient transit-oriented communities and funding decisions:
  - the Federal Minister of Infrastructure and Minister of Communities and Families, Children and Social Development;
  - the Provincial Minister of Municipal Affairs and Housing, Minister of Transportation and Infrastructure, Parliamentary Secretary for TransLink, and Minister of Environment & Climate Change Strategy;
  - Mayors' Council on Regional Transportation;
  - member local governments; and,
  - the Urban Development Institute, Landlord BC, Co-operative Housing Federation of BC, and Greater Vancouver Home Builders' Association.

- b) send a letter expressing its appreciation to BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity for their participation and substantive contribution to the *Transit-Oriented Affordable Housing Study*.
2. That the MVRD Board receive for information the report dated October 20, 2017, titled "Transit-Oriented Affordable Housing Study".

#### **FINANCIAL IMPLICATIONS**

There are no financial implications to this report.

#### **SUMMARY / CONCLUSION**

The *Transit-Oriented Affordable Housing Study* was led by Metro Vancouver in partnership with BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity. The Study incrementally advances information about the context and tools that could assist in making affordable rental housing projects financially viable in transit-oriented locations. The value of the study is in collating the familiar as well as lesser known information in one package which can be used as a resource by policy makers and practitioners.

The case for fostering equitable transit-oriented communities is compelling – renter households, especially those earning less than \$50,000, are more likely to use transit. Increased ridership means a higher return on investment in transportation. Access to frequent transit reduces transportation costs and improves access to services and employment.

Through the Study, the BC Non-Profit Housing Association estimates that the projected rental housing supply gap for lower income households in the Metro Vancouver over the next 10 years could range from 24,000 to 27,000 units. The scale of the supply gap requires a clear understanding of some of the factors affecting the financial viability of rental projects and the coordinated actions by many actors on par with the scale of problem. The rent levels affordable to lower income households making less than \$50,000 per year do not cover the cost of construction, whether in concrete or wood. The challenges are amplified near frequent transit where in many locations there is an expectation for higher density which can generally be accommodated through concrete construction only. Even if construction costs could be lowered, there is insufficient capital to compete against strata development for land. Alternatively, encouraging rental projects in neighbourhoods designated for medium density would allow for lower-cost wood frame construction to be supportable. The potential trade-off is decreased access to frequent transit for lower income households.

Local governments have creatively applied different combinations of tools to improve the financial viability of market and affordable rental housing projects, such as reductions in parking requirements and development charges, and density bonusing. Additional tools may be worth exploring – tools that could help scale up what many local governments in the region are already doing today by targeting construction costs and/or land costs. These tools include transit-oriented structured loan funds, transit-oriented inclusionary housing policies, zoning for rental housing, integration of funding programs from other levels of government, land trusts, and property tax incentives. Partnerships with other levels of government, non-profit housing providers, and other regional stakeholders will be crucial.



The next steps are to communicate the key findings to a broad range of stakeholders who have established, or have the potential to establish, direct or indirect roles in policy, funding, or advocacy for the integration of affordable rental housing in transit-oriented locations. To aid in this knowledge transfer, a number of tools have been prepared in collaboration with the study partners, including a communications strategy, key findings document, and a dedicated project webpage on the Metro Vancouver website. Staff recommends alternative one.

**Attachments** *(Orbit #23563763)*

1. Transit-Oriented Affordable Housing Study - Activity 1: Supply Gap Analysis, Environmental Scan, and Literature Review – BC Non-Profit Housing Association
2. Analysis of the Financial Viability of New Purpose-Built Rental Housing at Transit-Oriented Locations in Metro Vancouver – Coriolis Consulting Corp.

**References**

1. Regional Affordable Housing Strategy
2. Housing and Transportation Cost Burden Study
3. Apartment Parking Study Summary Booklet
4. TransLink Regional Transportation Strategy (p. 25)
5. Transit-Oriented Affordable Housing Study  
Webpage <http://www.metrovancouver.org/services/regional-planning/housing-affordability/transit-oriented/Pages/default.aspx>

## APPENDIX – KEY FINDINGS AND SUPPORTING INFORMATION

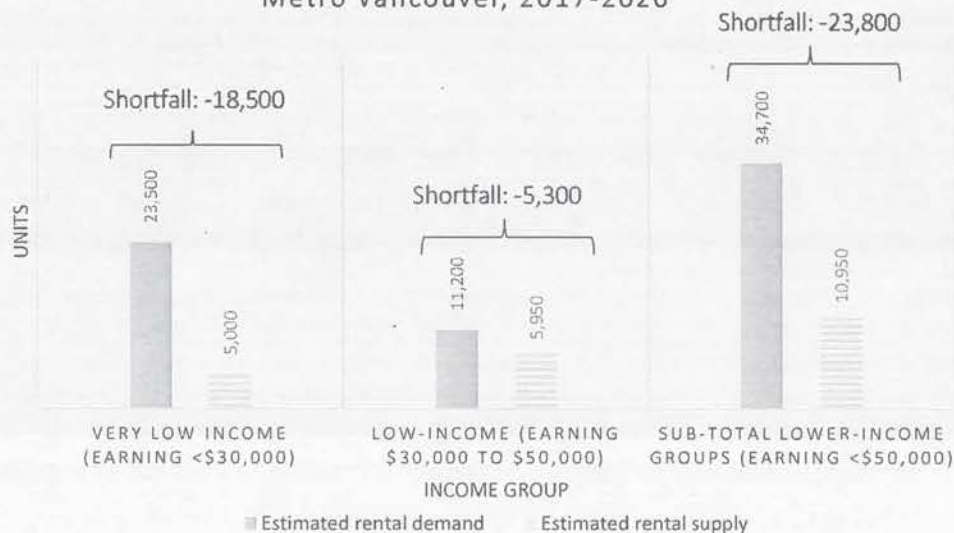
### KEY FINDINGS

The Transit-Oriented Affordable Housing Study provides incremental information about the context and tools that could assist in improving the financial viability of affordable rental housing projects in transit-oriented locations. The study is not intended to capture all of the causal factors and solutions for the housing affordability crisis in the region. In fact, many of the study findings will be already familiar to policy makers and practitioners. Many efforts are underway to increase the supply of rental housing. The value of the study is in collating the familiar as well as lesser known information in one package which can be used as a resource. The key findings, and supporting information, are presented below.

**Key Finding 1: Demand for rental housing, particularly housing affordable to households earning less than \$50,000 per year, is not being met across the region.**

Metro Vancouver analysis of rental housing data from 2011 to 2014 shows that new rental housing supply fall short of total rental demand by about 6,800 units. The new rental housing supply met only two-thirds of the demand for affordable housing for lower income households earning less than \$50,000 per year. Taking into account past trends and recent development activity through 2016, the BCNPHA estimates that over the next 10 years (2017-2026) the total regional housing shortfall for lower income households could reach between 24,000 to 27,000 units.

Estimated rental demand and supply by low-income groups,  
Metro Vancouver, 2017-2026

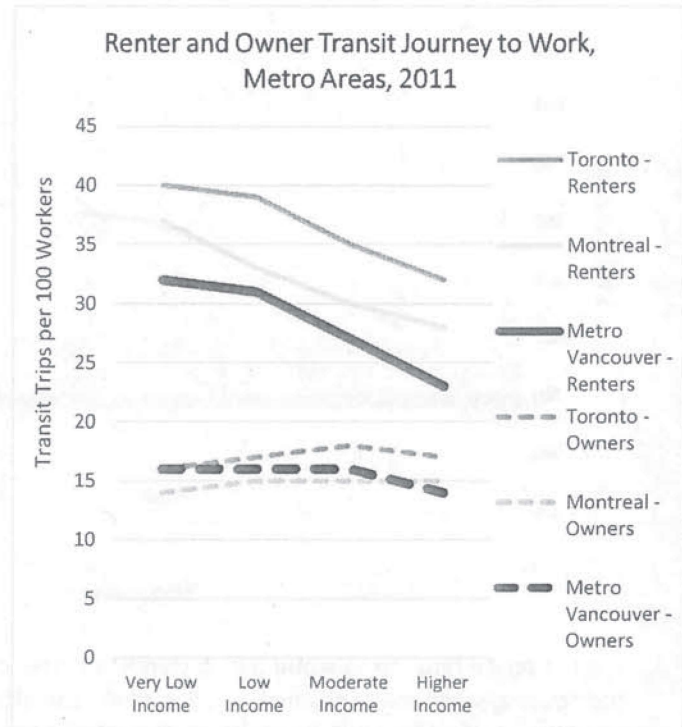




**Key Finding 2: Renter households, especially those earning less than \$50,000, are more likely to use transit. Increased ridership means a higher return on investment in transportation. Access to frequent transit reduces transportation costs and improves access to services and employment.**

Transit usage rates for renters consistently exceed that for owners, even after controlling for density, household income, and location. Transit usage rates for renters generally rise as income declines, but transit usage rates remain generally flat for owners. Lower income households have the highest transit usage rates. These patterns are consistent amongst the big regions in Canada, and within select rapid transit, B-Line, and frequent bus corridors in Metro Vancouver.

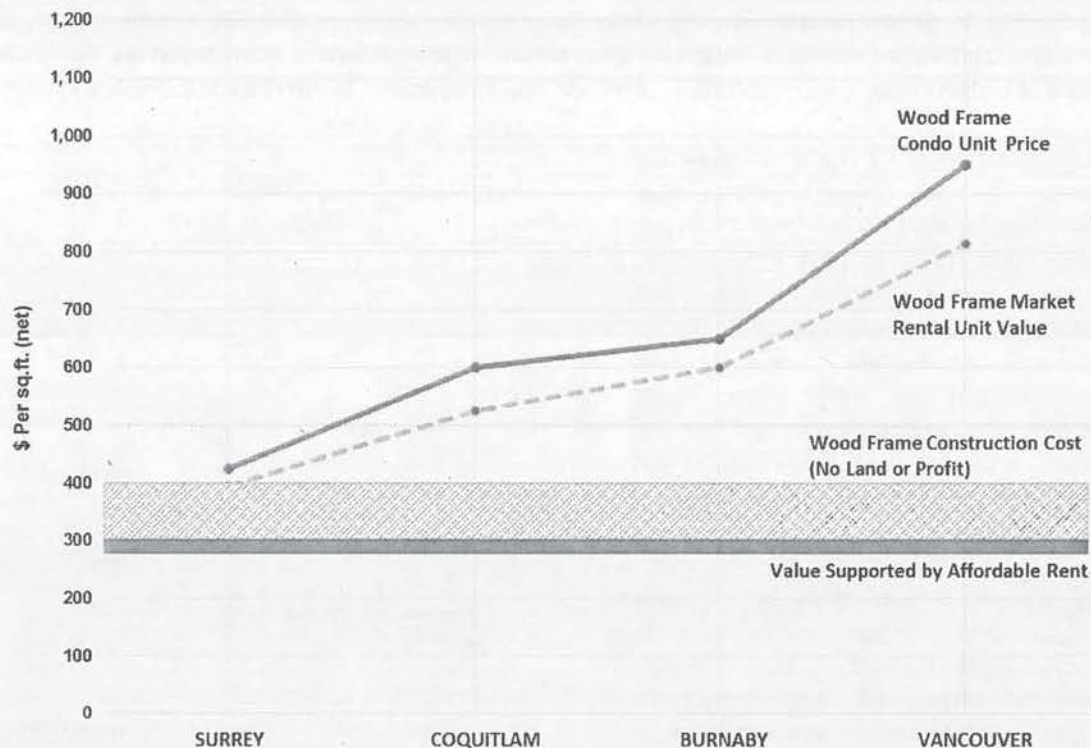
Having access to frequent transit may make it easier to absorb high housing costs. In general, renter households have a higher combined housing and transportation cost burden than do owner households (49% to 40%). Lower income renter households can have a cost burden close to two-thirds of their pre-tax income.



**Key Finding 3: The primary reason new affordable rental housing is undersupplied is because the rents generated do not cover the costs of development (land and construction costs). The challenges are amplified in transit-oriented locations.**

The challenges for purpose-built rental housing were quantified based on an analysis of 13 sites in four housing submarkets in the region. To make a rental housing project financially viable, the expected rental income must be able to cover the construction cost, cost of land, and developer's profit (except in a non-profit project). Rents that are affordable to lower income households cannot even cover the cost of construction for wood frame construction (\$300-400/sqft), which is lower than concrete construction (\$400-500/sqft). For affordable rental housing<sup>3</sup>, even if construction costs could be reduced, the rental income still would not be able enough to pay for land. All in else being equal, a developable parcel will be sold to the highest bidder for either a strata or market rental housing development.

<sup>3</sup> In the analysis, an annual household income of \$50,000 was assumed to support a rent of approximately \$1,300 per month for a 2+ bedroom; and, an annual household income of \$30,000 was assumed to support a rent of \$800 per month for a studio or 1 bedroom.



Market rental housing in wood frame stands a better chance of being financially viable. In three of the housing submarkets examined, full market rent is capable of paying for construction and having remaining capital for land. Even though the competing strata development can outbid for land, the variance is much narrower, meaning it will take less adjustment to construction costs and/or land costs to make these market rental projects financially viable. One trade-off is that the density supportable by wood frame given current regulations is less than that for concrete construction.

These challenges are amplified in transit-oriented locations. Regional and local policies encourage higher density development in locations within walking distance to frequent transit to support modal shift and compact communities. The expectation for higher density generally necessitates concrete construction, which is not a viable option for affordable rental housing and very challenging for market rental housing in many submarkets. In the absence of public intervention, it may be easier financially to orient medium density development in wood frame further away from frequent transit and towards neighbourhoods designated for medium levels of density. The potential drawback to this option is whether access to transit would be reduced. Even then, this scenario is not a silver bullet – medium strata development may still be bidding for the same parcels.



**Key Finding 4: There are creative ways to tackle land and construction costs, but it remains very challenging to make new affordable rental housing financially viable.**

Even within the current funding and regulatory context, many local governments have been able to catalyze new purpose-built rental housing through creative means by targeting construction costs and/or land costs, and by working in partnership with other levels of government and non-profit partners. The following is neither an exhaustive or prioritized list of tools, but rather a representation of the menu of actions that may be selected and combined in different ways to help, depending on a project's context, improve a project's financial viability.

Targeting construction costs:

- *reduce on-site parking requirements*
- *reduce development charges*
- *reduce construction financing costs*
- *encourage wood frame construction in medium density areas*

Targeting land costs:

- *provision of lands under public or non-profit ownership for a discounted price or at zero costs*
- *use density bonus on a strata development project to achieve market rental and/or affordable rental units*

**Key Finding 5: There are initiatives in other jurisdictions that may be worth exploring in the Metro Vancouver region, as well as existing initiatives that could potentially be scaled up, to generate new affordable rental housing near frequent transit. Partnerships with other levels of government, non-profit housing providers, and other regional stakeholders will be key.**

Through Activity 1, BCNPHA reviewed policies and programs in other jurisdictions that could be potentially applicable in the region, as well as existing initiatives that could potentially be scaled up. Their potential acceptability and effectiveness in addressing either construction or land costs will require further research. Several sample initiatives are described below. Partnerships with other levels of government, non-profit housing providers, and other regional stakeholders will be required in most instances.

Transit-oriented affordable housing loan funds: *a dedicated regional pool of funding is made available in the form of loans at below-market rates to affordable housing developers to pay for land acquisition, predevelopment activities, or construction expenses for projects in eligible transit-oriented locations. Once these loans are paid back into the fund, new loans can be issued. In the United States, these funds are capitalized with public, philanthropic, and private monies. Transit-oriented affordable housing loan funds have been established in the Puget Sound region (\$21 million), Denver region (\$24 million), and the San Francisco Bay Area (\$50 million fund).*

Transit-oriented inclusionary housing policies, including zoning for rental housing: *This action sets the expectation for the development community to include affordable rental housing as part of a project application. The certainty provided in policy may work to recalibrate land prices and expectations near*

frequent transit. Zoning lands for rental housing may have a similar effect (municipalities have the authority to zone for affordable housing, provided the affected property owner consents to the zone).<sup>4</sup>

Integration of other government transportation and housing funding: Current provincial and federal funding commitments for transportation do not allow for funds to be spent on land acquisition. These funding programs do not set out expectations or conditions for integrating affordable rental housing in transit-oriented locations either. Conversely, current provincial and federal affordable housing programs use a point-based system to evaluate projects for funding. Even though proximity to transit is typically one criterion, it is weighted lower relative to other attributes such as affordability, sustainability, and building accessibility.

Federal tax incentives: In the United States, the Low Income Housing Tax Credit, created in 1986, has influenced a large proportion of affordable rental housing. Tax credits are issued to state housing agencies, who then allocate the credits to housing providers in a competitive process. The housing providers then sell the tax credits to investors in return for equity contributions toward eligible housing projects. Private investors who contribute equity to the development of new or rehabilitated affordable rental housing receive a dollar-to-dollar reduction in their federal income taxes. The Canadian federal government is not currently contemplating the development of such a program, but rather is focused on the provision of low-cost financing and grants.

Federal grants to facilitate coordination among local stakeholders: From 2011-2015, the US federal government provided \$250 million in Sustainable Communities Initiative grants to local communities to integrate planning processes around housing, transportation, economic development, and other objectives. These grants were used to develop multi-stakeholder planning processes and research that led to defined plans for the preservation and promotion of affordable housing in transit corridors. One example is the Growing Transit Communities Partnership in the Puget Sound area, which brought together over 100 public, private, and non-profit partners to develop individualized plans for 74 transit stations on three transit corridors. No comparable federal programs exist in Canada.

Land trusts: The Vancouver Community Land Trust Foundation of BC was established in 2015 and has a mission to acquire, create, and preserve affordable housing through a land trust structure. This model could potentially be adapted and scaled up to support affordable rental housing near frequent transit.

Property tax incentives: The Community Charter (Section 226) provides municipalities with the ability to reduce property taxes for certain land uses. A reduced property tax burden can allow rents to be lowered, or more of the rental income can be put towards debt servicing. The drawback is that local governments would have to make up the foregone property tax revenue through other means.

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<sup>4</sup> In 2007, the UBCM convention endorsed a resolution from the City of Burnaby requesting that the provincial government amend Section 903 of the *Local Government Act* to authorize local governments, if they should so choose, to enact land use regulations that would regulate residential rental tenure through zoning and other measures.