

NO: R235

COUNCIL DATE: December 14, 2009

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **December 14, 2009**
FROM: **General Manager, Planning and Development** FILE: **4815-01**
SUBJECT: **Update on the Development of a Housing Action Plan**

RECOMMENDATION

The Planning and Development Department recommends that Council:

1. Receive this report as information;
2. Authorize staff to proceed with the next steps in the process of developing a City of Surrey Housing Action Plan that will include:
 - (a) utilizing the information and feedback that has been gathered to date to prepare a draft Housing Action Plan;
 - (b) presenting the draft Housing Action Plan to and receiving feedback from staff and community stakeholders on the Plan; and
 - (c) presenting the final draft Housing Action Plan to Council for consideration of approval; and
3. Authorize staff to proceed with the development of a strategy for considering legalization of one secondary suite per house in single-family residential zones as one means to address issues of affordable rental housing supply in Surrey.

INTENT

The purpose of this report is to:

- provide Council with an update on the status of the development of a Housing Action Plan;
- report on the results of consultations conducted with community stakeholders, members of the public, City Committees and staff, as documented in Appendix I of this report;
- report on the results of research and analysis of housing information and current City policies and regulations related to the issue of affordable housing in Surrey, as documented in Appendix II of this report;

- obtain approval from Council to proceed with drafting a Housing Action Plan for Council's consideration; and
- obtain approval from Council to proceed with the development of a strategy for Council's consideration toward the legalization of one secondary suite per house in single family residential zones in the City.

POLICY CONSIDERATIONS

The development of a Housing Action Plan responds to a number of Corporate and Regional priorities, including:

- **Plan for the Social Well-being of Surrey Residents** (the "Social Plan") – The Social Plan identified "Housing and Homelessness" as a priority issue. It estimated a need for an additional:
 - 125 to 150 emergency shelter beds;
 - 500 units of transitional and supportive housing; and
 - 5,000 units of housing for low income singles and families.

The Social Plan recommended that the City "*identify opportunities to further encourage affordable housing development and preserve affordable housing stock, including secondary suites, and maintaining stock preservation initiatives and zoning support*";

- **Surrey Official Community Plan** (the "OCP") – Surrey's OCP is currently undergoing a major review. The recommendations of the Housing Action Plan will be incorporated into the new OCP; and
- **Metro Vancouver's Regional Affordable Housing Strategy** – The *Regional Affordable Housing Strategy*, adopted by the Metro Vancouver Board in 2007, identified that as part of the new Regional Growth Strategy, municipalities would be required to develop housing action plans which set out strategies for meeting the "housing demand estimates" established by Metro Vancouver.

BACKGROUND

At the Regular Council Meeting on March 9, 2009, Council considered Corporate Report No. R030 and authorized staff to proceed with the development of a Housing Action Plan. The purpose of the Housing Action Plan is to articulate a vision, guiding principles and a plan for municipal actions to work toward achieving an adequate supply of housing to meet the full range of incomes and needs in Surrey.

Housing Action Plan - Scope

The Housing Action Plan will take into account the entire continuum of housing, including both non-market (social) and market (private rental and home ownership) housing. The following diagram illustrates the housing continuum from *Housing Matters BC: A Strategy for British Columbia*.

Housing Continuum

Source: Housing *Matters BC: A Strategy for British Columbia*, 2006

Emergency Shelter and Housing for the Homeless	Traditional Supported and Assisted Living	Independent Social Housing	Rent Assistance in the Private Market	Private Market Rentals	Home Ownership
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The Housing Action Plan will:

- identify priority housing issues and recommendations to address housing gaps and issues;
- separate the recommendations into those actions that the City of Surrey can take, and those that require action by others, including other levels of government; and
- prioritize actions into short term (2010-2015) and longer-term actions.

Housing Action Plan - Process

The development of a Housing Action Plan is focused on:

- Researching and analyzing available data on housing in Surrey;
- Compiling current City of Surrey policies and regulations that relate to housing affordability;
- Consulting with community stakeholders, members of the public, City Committees and staff on priority issues and suggested solutions and strategies;
- Preparing a draft Housing Action Plan, as outlined in the scope described above, receiving feedback from community stakeholders and staff, and presenting the draft Housing Action Plan for Council's consideration; and
- Receiving feedback from community stakeholders and City staff on the draft Housing Action Plan before presenting the final draft Housing Action Plan to Council for approval.

DISCUSSION

Surrey plays an important regional role in the provision of housing through the development of new neighbourhoods and densification of existing ones. Approximately 37,000 dwelling units have been constructed in Surrey over the past decade, and it is anticipated that 19,000 new units will be added in the next five years.

While Surrey provides some of Metro Vancouver's most affordable housing, a review and analysis of housing data, along with consultations conducted with staff and community stakeholders, have identified a number of priority housing issues to be addressed in Surrey's

Housing Action Plan. The consultations have also provided feedback on a range of possible solutions and strategies for addressing these issues.

Research

A comprehensive review and analysis of available data on housing in Surrey has been completed, with the 2006 Census and Planning and Development data as the primary sources of information. As well, the City's current policies and regulations related to housing affordability were compiled.

All of this information is presented in the "Housing Action Plan: Background Information", which is attached as Appendix II to this report. This housing information was used to inform discussions at consultation workshops, and will provide an evidence-base for the Housing Action Plan.

Consultation

Extensive consultation was undertaken to elicit feedback on determining the priority housing issues impacting Surrey residents and quality of life in Surrey, and to explore potential solutions and strategies for addressing these housing issues.

Consultations were conducted with:

- **The Housing Action Plan Multi-stakeholder Advisory Group** – A multi-stakeholder advisory group was established with representatives from the development community, industry groups, government ministries and agencies, and community agencies. The Social Planning Advisory Committee (SPAC) and Development Advisory Committee (DAC) both appointed representatives to the Housing Action Plan Multi-stakeholder Advisory Group. The SPAC also provided feedback on the Housing Action Plan at their June and September 2009 meetings. To date, the Multi-stakeholder Advisory Group has been convened for two half-day workshops;
- **The Housing Action Plan Inter-department Staff Advisory Group** – The staff advisory group includes representatives from a wide range of City departments with an interest or role in housing issues;
- **OCP Consultations** - The public had an opportunity to provide feedback on housing issues at the four public open houses held as part of the OCP review process in April and May 2009. In addition, the meeting agenda of the OCP Review Social Issues Coordination Committee, a committee comprised of service providers, community organizations and government, included a discussion of the Housing Action Plan.
- **Surrey Association of Sustainable Communities** – Staff provided a presentation and received feedback on the Housing Action Plan at the Association's November 2009 meeting.
- **Key Informant Interviews** – 16 one-on-one telephone surveys were conducted with staff from various advocacy groups, government agencies and non-profit housing providers, listed in Appendix I of this report.

Advice on the consultation process and facilitation of the Housing Action Plan Multi-stakeholder Advisory Group workshops were provided by CitySpaces Consulting Ltd. "Stakeholders" refers to all those who participated in the consultation process.

Priority Housing Issues

A number of priority housing issues or themes emerged through the data analysis and consultation process, as outlined below. For each theme area, data highlights and a brief summary of the feedback from the consultations are provided.

1. Diverse Housing Choices

Over the past decade there has been a significant increase in the proportion of new housing starts that are townhouses or apartments, as opposed to single family houses, and this trend is expected to continue into the future. However, the majority of Surrey's housing stock is in single-family detached dwellings. The data, along with the feedback received through the consultations, indicates that a more diverse housing stock is needed to better respond to the needs of households of different incomes, sizes, needs and at different life stages.

Data Highlights

- In June 2009, there were approximately 156,900 dwelling units in Surrey.
 - 63% of dwelling units (98,240 units) are in single family detached structures, including secondary suites and coach houses;
 - Low rise apartments (24,900 units) and townhouses (26,280 units) each account for about 16% of dwelling units, and 1% of dwelling units are in high rise apartments (1,975 units);
 - Manufactured homes (2,450 units) and duplexes (3,073 units) each account for 2% of Surrey's housing stock;
- Over the past decade, close to one-half of all new housing starts (49%) in Surrey have been either apartments or townhouses. In 2007 and 2008, approximately three-quarters of new housing starts were multi-family (73% in 2007 and 71% in 2008); and
- Surrey has an average household size of 3.0, as compared to the regional average of 2.2. Comprising 27% of its population, Surrey has one of the highest proportions of children amongst Metro Vancouver municipalities, and the highest proportion of multiple-family households in the region. The census defines "multiple families" as two or more families occupying the same dwelling (7% in Surrey versus a regional average of 3%). In Newton and City Centre, 11% of households are multiple-family.

Consultation Feedback

- Stakeholders commented on the importance of Surrey continuing to provide housing that is appropriate and affordable for families with children;

- The lack of information on multiple-family households was raised as an issue. Additional information would assist in understanding and planning for this segment of Surrey's population;
- The shift in demographics, with increasing numbers of seniors, will require more housing choices to accommodate a diverse elder population. The specific need for housing for single senior women was highlighted by several stakeholders;
- Currently, given the lack of other options, households reliant on Income Assistance or living on low wages are primarily housed in secondary suites, and "boarding houses" or "recovery houses"; and
- Some stakeholders commented on the impact of the redevelopment of older single-family neighbourhoods in Whalley and Newton and, specifically, the displacement of low-income residents and families with children.

2. Housing Affordability

Home ownership and rental housing is more affordable in Surrey relative to other areas of the Metro Vancouver region. However, there are a significant number of Surrey households facing affordability challenges, especially among renter households.

Data Highlights

- A Metro Vancouver study indicated that, based on April 2008 MLS data, a \$98,564 household income was required to purchase an "entry level" single-family house in Surrey (at the 20th percentile). An annual household income of \$76,271 was required to purchase a townhouse at the 50th percentile and an income of \$56,690 was required for a 2-bedroom condo at the 20th percentile. To put this into context, the median household income in Surrey in 2006 was \$60,168;
- The same Metro Vancouver study indicated that the average rent in Surrey for a purpose-built apartment unit was \$747 in 2007, requiring an income of \$29,800 to be considered "affordable". Of note is that a minimum wage income provides an annual income of approximately \$14,500, while the shelter component of Income Assistance for a single person is currently \$375 per month;
- Renter households in Surrey have a median income that is about one-half of the median income of owner households (\$37,090 for renter households compared with \$70,074 for owner households); indicating that home ownership is beyond the reach of most renters.
- 25% of Surrey households are renters. Of the approximately 32,000 renter households, 30% are one person households and 41% are families with children, either headed by a couple or a lone parent;
- One-third of renter households in Surrey (10,430 households) are considered to be in "core housing need", which means that their housing does not meet norms of affordability (costs more than 30% of income), adequacy or suitability. The median household income of Surrey households in core need is \$20,591;

- Among renter households in core housing need, 3,495 households are considered to be "at increased risk of homelessness" or INALH (11% of all renters). INALH is a CMHC definition meaning "in need and spending at least half their income on shelter". 47% of Surrey's INALH renter households are one-person households, and 24% are lone-parent family households. The average household income of INALH households is \$15,831; and
- The 2008 Metro Vancouver Homeless Count found 402 homeless people in Surrey – a figure that is widely recognized as an undercount. Only 24% of Surrey's homeless were found in a shelter, whereas in Vancouver, nearly one-half of the homeless were sheltered.

Consultation Feedback

- Not surprisingly, housing affordability was identified as a priority issue. There was general consensus that the affordability issues of low income renter households are a critical issue and a priority for the Housing Action Plan. However, ensuring that there continues to be affordable home ownership opportunities for middle income households was acknowledged to be important to support asset accumulation and to prevent an increased demand for rental housing.

3. Non-market Social Housing

Non-market social housing refers to housing that is operated by government or non-profit agencies and provides rents that are geared to income. Some social housing provides health and/or social supports, in addition to affordable housing.

The number of homeless, at-risk of homelessness or INALH households, and households in core housing need, as described above, demonstrates the significant need for additional social housing units in Surrey. While consultation feedback indicated that the Housing Action Plan should put a priority on actions to address homelessness and those at-risk, there was acknowledgement that a significant commitment of resources from other orders of government is necessary to respond to the housing issues of households at the low end of the housing continuum.

Data Highlights

- Surrey has approximately 7,000 non-market social housing units;
- 62% of these social housing units are low income rentals and co-operatives for families, singles, seniors, aboriginals and adults with disabilities (4,371 units). According to BC Housing, only about 300 of Surrey's low-income units are suitable for single people. Demand exceeds supply, with approximately 980 Surrey applicants on the BC Housing waiting list for non-market rental units in February 2009;
- 26% of social housing units are residential care and assisted living for seniors, and 7% are licensed care and assisted living for people with special needs, mental health disorders and addictions. Surrey has 2,279 licensed care and assisted living beds;
- Surrey has approximately 320 supportive and transition housing units/beds accommodating a diversity of population groups, including homeless people, women

fleeing violence, youth, and people with mental health and addictions issues. There are 70 emergency shelter beds for the homeless in Surrey; and

- Most low income and co-operative housing was constructed in the 1980s. Since 2000, over 90% of all social housing development has been for seniors (1,790 units), with the exception of some units of supportive housing for people who are homeless or at-risk of homelessness.

Consultation Feedback

- Eliminating homelessness was clearly identified as a priority issue in the consultations. Additional transition/supportive housing and low-income rental housing is urgently needed to accommodate the homeless and those at-risk of homelessness. It was acknowledged that a commitment from the federal and provincial governments is required, as municipalities do not have the mandate or resources to respond to this need;
- The withdrawal of the federal government from funding social housing in the early 1990s, with the exception of some very limited and sporadic funding for homelessness, was identified as a significant issue;
- Surrey's homeless and at-risk population is diverse and includes people with mental health and addictions issues, youth, Aboriginal people, refugee families with larger-than Canadian-average families, and women with children. This indicates that there is a need for a mix of unit sizes in social housing projects ranging from small units for singles, to units with multiple bedrooms for families with children;
- Service providers noted that many of the homeless and at-risk households face discrimination from landlords in the private rental market which adds additional barriers to securing housing;
- It was suggested that co-operative housing, which provides rental housing for a mix of medium and low income households within a mixed-income complex is a good model. A few stakeholders suggested projects that combine non-market with market housing may improve the financial viability of social housing projects;
- The impact of the over-concentration of social housing in specific neighbourhoods was raised. This related both to the concentration of some older, large, low-income family housing projects in Guildford, and the more recent supportive housing projects in Newton and Whalley; and
- Stakeholders noted that how the City manages neighbourhood opposition to the development of social housing projects is an issue that needs some attention.

4. Safe and Affordable Market Rental Housing

Private market rentals include units in purpose-built rental buildings, secondary suites and condominium units rented out by the owners. The majority of Surrey's rental housing is in secondary suites, and concerns about the legal status, safety and neighbourhood impacts of secondary suites generated considerable feedback from stakeholders and is clearly a priority issue for the Housing Action Plan.

Data Highlights

- Planning and Development data is able to identify approximately 28,000 rental units in Surrey;
- Secondary suites in single-family houses account for two-thirds of all known rental units, or approximately 19,000 known units. The City's Secondary Suite Cost Recovery program collected utility fees from approximately 14,400 secondary suites in 2009. BC Assessment data was used to identify additional known suites, which will be added to the program. Only about 10% of these suites (about 1,800) are on properties where zoning permits secondary suites;
- Purpose-built market rental units account for about 21% of Surrey's private rental market (approximately 5,900 units). Most are in low-rise buildings constructed in the 1970s. There is little construction of purpose-built market rentals, with only about 160 new units since the year 2000;
- An estimated 11% of market rentals, or about 3,100 units, are in condominiums. This estimate is based on a CMHC estimate that 19% of condominium apartments in "Suburban Vancouver" are rented out by the owner; and
- The remaining 1% of market rental units of approximately 370 units is in zones providing for coach houses.

Consultation Feedback

- The secondary suite issue generated considerable discussion and feedback in the consultations. Concerns and issues identified included:
 - Secondary suites represent the majority of the City's rental stock, so any municipal action or regulation needs to consider the impacts that it will have on the rental housing supply;
 - Secondary suites not only provide rental accommodation, but many households require the rental income in order to afford a mortgage;
 - Many commented on the need for more information about secondary suites. How many suites are there? Many stakeholders think that there are many more than 19,000 suites - who lives in them? What is the quality of suites? What are the rents and vacancy rates?
 - Some stakeholders felt strongly that the City should be enforcing its bylaws. While some favoured legalization, others expressed concerns about the feasibility of landlords being able to afford the upgrades required to meet the BC Building Code;
 - Concerns that suites are not paying their "fair share" for City services or property taxes were raised;

- It was noted that suites are creating parking problems in some neighbourhoods, especially when houses have more than one suite;
- While the *Residential Tenancy Act* applies to all suites, regardless of whether or not they comply with municipal zoning, some stakeholders commented that tenants in suites that have not been legalized may be reluctant to exercise their rights for fear that the suite will be shut down. Also, some secondary suite landlords may be unaware that they must comply with the *Residential Tenancy Act*; and
- The safety of suites was raised as being a serious issue as it is likely that most do not meet the BC Building Code. Stakeholders described a whole spectrum of quality and prices in secondary suites in Surrey.
- The lack of new purpose-built rental units was raised as an issue which limits rental options. Also, the current rental stock is old and some is in need of repair. The lack of new purpose-built rental units is not unique to Surrey. The development industry maintains that rental housing is not economically viable in the Metro Vancouver housing market;
- Some stakeholders commented on the important role that condominiums play in providing rental units, even though they generally have higher rents. It was suggested that there may be issues related to condominium owners' lack of knowledge of the *Residential Tenancy Act*, and also problems with the lack of building managers in the City's high rise condominium buildings; and
- Concerns were raised about unsafe conditions in "rooming houses" (sometimes also called "recovery houses"). Although rooming houses are not defined in the City's Zoning By-law, anecdotal information suggests there may be as many as 100 rooming houses in Surrey. A number of stakeholders expressed serious and urgent concerns about the safety conditions in rooming houses. While acknowledging the problems, a few stakeholders commented on the importance of rooming houses in providing accommodation for singles/couples on Income Assistance or earning very low wages, and students who have no other housing options.

5. **Affordable Home Ownership**

Three-quarters of Surrey households are owners. The consultations confirmed that continuing to provide affordable home ownership opportunities is important both to support individuals and families in building equity in a home, and to prevent an increased demand for rental housing.

Data Highlights

- 75% of Surrey households are owners, as compared to the regional average of 65%;
- Over the past decade, the creation of "small lot" residential and coach house zones has provided increased housing choice and more affordable ground-oriented housing. Surrey has close to 4,700 principal dwellings on small lots and close to 1,000 zoned secondary suites and coach houses on these properties. In 2000 to 2008, 21% of all new residential housing starts were on small lots.

Consultation Feedback

- There were comments from stakeholders about the importance of not adding to the costs of homeownership by the municipality imposing additional costs or charges, or by the developers including superfluous features in all new homes;
- Stakeholders suggested encouraging developers to include features that are sustainable and will reduce operating costs over the long term. However, it was noted that consumers are not necessarily willing to pay higher up-front capital costs when purchasing a new home;
- There were stakeholder comments about encouraging small lots, and small lots with secondary dwellings, more widely throughout the City, and not just in Neighbourhood Concept Plan areas; and
- Some stakeholders commented that the City of Surrey should encourage and support creative and innovative forms and designs of housing that will contribute to increasing affordable housing options.

6. Other Issues

Manufactured Homes:

- There are an estimated 2,450 manufactured homes in Surrey, housing approximately 4,700 residents. 72% are located in a zone specifically for manufactured homes (1,163 strata and 609 rentals). The remainder are located in tourist accommodation or other zones. Manufactured homes represent an affordable housing option, often favoured by seniors; and
- While manufactured homes did not emerge in the consultation process as one of the priority housing issues needing immediate action, plans to increase densities along the City's transit corridors indicates that provincial and municipal policies and regulations related to the relocation and compensation of manufactured home owners requires consideration.

Farm Worker Housing:

- Stakeholders concerned with agricultural issues in Surrey indicated that farm worker housing is not an issue at this time, as very few farmers have the need or interest in providing on-site living accommodation for workers.

SOLUTIONS AND STRATEGIES

Stakeholders provided a wide range of potential actions that the City of Surrey could take to address housing issues. The viability of these various solutions and strategies will be considered during the next phase in the process of developing the Housing Action Plan.

Solutions and strategies suggested by stakeholders are listed below. Also listed are some of the key existing City policies and programs that relate to housing affordability. More complete

information on the City of Surrey's policies and regulations is contained in the Housing Action Plan: Background Information, attached as Appendix II to this report.

Fiscal Actions

Current Policies and Programs

- **Surrey Homelessness and Housing Fund** – In 2007, the City contributed over \$9 million from its Affordable Housing Reserve Fund to establish the Surrey Homelessness and Housing Fund, as it was determined that these monies could better leverage other public and private investment by being housed in a private foundation. The Surrey Homelessness and Housing Fund is housed in the VanCity Community Foundation and is overseen by a community-based Board of Directors. Its purpose is to raise, manage and distribute funds to support initiatives that address homelessness in Surrey;
- **Memorandum of Understanding with BC Housing** – In 2008, the City signed a Memorandum of Understanding with BC Housing toward the development of three supportive housing projects in Surrey. Surrey is contributing City-owned sites on a long-term lease at a nominal rate and waiving all municipal fees and charges associated with these developments. These projects are being expedited through the planning application and zoning processes; and
- **Property Tax Exemptions** – On an annual basis, licensed care facilities can apply to the City for a property tax exemption.

Suggested Solutions and Strategies

For the most part, stakeholders agreed that financial investment in housing by the City should be directed primarily toward non-market social housing projects. A few stakeholders thought that some financial incentives could also be considered to stimulate the development of private market rentals and to encourage secondary suite owners to upgrade their suite. Some stakeholders commented that any actions that would result in increasing the cost of homeownership would be counterproductive and should be avoided.

Stakeholders' suggestions for fiscal action included:

- contributing City-owned land/land-banking;
- waiving development fees and charges for social housing;
- property tax exemptions;
- identifying a portion of general tax revenues that is dedicated to social housing/re-directing a portion of other municipal fees/charges that the City collects to affordable housing (e.g., tree preservation fees);
- considering a program that would provide small grants toward upgrading secondary suites to meet the BC Building Code; and
- providing incentives for developers to add sustainability features in new developments that will reduce housing costs over the long term.

Regulatory Actions

Current Policies and Programs

- **OCP Policies** - The current OCP includes policies related to:
 - maintaining an adequate supply of land and development opportunities for residential uses;
 - building communities that provide a mix of housing types;
 - facilitating special needs housing throughout the City;
 - balancing home ownership and rental housing in all areas of the City; and
 - limiting demolition or conversion of existing rental units.

These policies will be enhanced in the OCP update;

- **Secondary Suite Cost Recovery Program** – The Secondary Suite Cost Recovery Program was introduced in 1997 and collects extra utility fees for houses not on water meters and an extra garbage collection fee for houses that have a secondary suite; and
- **Interim Bonus Density Policy** - In 2008, an Interim Bonus Density Policy was adopted for City Centre and Guildford Town Centre areas. The Policy provides for the contribution of community amenities, including affordable housing or cash-in-lieu, in exchange for increased density. To date, no additional housing resources have been obtained through this density bonus policy.

Suggested Solutions and Strategies

A range of possible regulatory actions were identified by stakeholders including:

- Legalizing one secondary suite per house in all single family residential zones and developing policies/regulations for dealing with existing suites that do meet BC Building Code standards;
- Permitting secondary suites in strata apartments and townhouses;
- Introducing Zoning Bylaw amendments that will provide more flexibility in permitting transition/supportive housing projects to locate in single-family/duplex residential areas, and to increase the maximum number of beds permitted from the current maximum of six to 10;
- Revising the Interim Bonus Density Policy to be more widely applicable throughout Surrey with the amenity contribution limited to housing units or cash-in-lieu;
- Creating a policy requiring an affordable housing component or cash-in-lieu contribution for new developments;
- Allowing six-storey wood-frame construction as a means of reducing housing costs;
- Reducing parking requirements for both social and market rental housing projects;
- Expediting the development application and building permit processes for social and market rental housing projects;

- Introducing a standards of maintenance bylaw for rental accommodation;
- Supporting small lots, and small lots with secondary suites and coach houses, more widely in the City, not just in Neighbourhood Concept Plan areas;
- Amending City policies to address illegal rooming housing by increasing the number of permitted boarders and lodgers in single-family residential zones;
- Adopting policy guidelines to encourage a mix of dwelling unit sizes in both non-market and market multi-family developments to accommodate a range of household sizes, including singles and families with children; and
- Encouraging innovative housing types and designs, and considering ways to reduce the development application process to reduce the cost of developing new housing.

Education

Stakeholders suggested a number of actions related to building community awareness and support for affordable housing.

Suggested Solutions and Strategies

- Provide links on the City's website to information on housing programs and assistance available from government and other agencies;
- Support or facilitate public education efforts on the *Residential Tenancy Act*, especially for newcomers and for landlords of secondary suite and condominium units;
- To address community opposition to the development of social housing (NIMBY), develop public education materials on the success stories and positive neighbourhood impacts of existing social housing projects, and develop a plan for engaging the community at an early stage in the planning process of such projects;
- Provide residents with opportunities to contribute to housing solutions such as including a donation box toward the Surrey Homelessness and Housing Fund on the property tax notice, or sending out an insert on the Fund with tax notices or other City correspondence;
- Support research that will increase understanding and knowledge of the secondary suite and condominium rental markets;
- Support research that will increase understanding and knowledge of "multiple-family" households in Surrey; and
- Research opportunities for public-private partnerships for the development of affordable housing.

Advocacy

The Plan for the Social Well Being of Surrey Residents, adopted in 2006, recommends an advocacy role for the City in addressing homelessness and housing issues. Mayor and Council, as well as City staff, are actively participating in local and regional homelessness and housing committees, and are working in partnership with provincial staff on housing initiatives.

Suggested Solutions and Strategies

Stakeholders suggested that the City continue its efforts to lobby the:

- federal government for a national housing strategy;
- federal government for tax changes that would facilitate the development of market rental housing;
- provincial and federal governments for additional social housing units, including transition/supportive, low income and co-operative housing, and rent subsidies to allow low income people to access private market rentals; and
- Provincial government to develop safety standards for rooming houses.

Next Step

The next steps in the process of developing a Housing Action Plan will be to:

- utilize the information gathered through the review of housing data, as well as the feedback from the consultation process, to draft a vision, goals, objectives and actions;
- receive feedback from the Multi-Stakeholder Advisory Committee and Inter-departmental Staff Committee, and prepare a draft Housing Action Plan for Council's consideration;
- receive feedback from stakeholders on the draft Housing Action Plan; and
- present the final Housing Action Plan for Council's approval.

Secondary Suites

Given the concerns expressed through the Housing Action Plan consultation process, as well as another recent Planning process, staff recommend that the City of Surrey take action toward the development of a strategy toward the legalization of one secondary suite per unit in all single family residential zones.

Work to date on the Housing Action Plan has shown that Surrey currently has in excess of 19,000 un-zoned secondary suites. A survey of other municipalities within Metro Vancouver, undertaken by City staff, reveals that Surrey is one of only two municipalities within the region that has not taken action to legalize one suite per single family dwelling, subject to compliance with the BC Building Code.

In the documented absence of other forms of purpose built rental housing, it is important that the supply of affordable rental accommodations provided by secondary suites be acknowledged and legalized.

SUSTAINABILITY CONSIDERATIONS

The Housing Action Plan will implement "Action SC9: Adequate, Appropriate and Affordable Housing".

CONCLUSION

The City of Surrey plays a significant role in the provision of housing in Metro Vancouver as Surrey continues to support new housing supply in both new and existing neighbourhoods. As well, Surrey provides some of Metro Vancouver's most affordable home ownership opportunities, with 75% of Surrey residents being home owners. However, the cost and appropriateness of housing is an issue for some Surrey households. Accessing affordable and appropriate rental housing is a particular challenge for low income households and for special population groups that are homeless or at risk of homelessness.

A review of housing data, together with a consultation process, has identified priority themes or issues for the Housing Action Plan. In addition, a wide range of solutions and strategies have been suggested for addressing these issues.

The majority of Surrey's rental housing is in secondary suites. Concerns about the legal status, safety and neighbourhood impacts of secondary suites generated considerable feedback in the Housing Action Plan consultations, indicating that this is an issue requiring attention.

Based on the above discussion, it is recommended that Council:

- Authorize staff to proceed with the next steps in the process of developing a City of Surrey Housing Action Plan that will include:
 - utilizing the information and feedback gathered to prepare a draft Housing Action Plan;
 - receiving feedback from staff and community stakeholders on the draft Housing Action Plan; and
 - presenting the final Housing Action Plan for Council approval; and
- Authorize staff to proceed with the development of a strategy for considering legalization of one secondary suite per house in single-family residential zones as one means to address issues of affordable rental housing supply in Surrey.

Original signed by
Jean Lamontagne
General Manager
Planning and Development

JMcL/AM/HC/AD/kms/saw

Attachments

Appendix I - Housing Action Plan: Consultation Process

Appendix II – Housing Action Plan: Background Information

Housing Action Plan: Consultation Process

A Consultation process was undertaken as part of the Phase I (Needs Assessment) and Phase 2 (Solutions and Strategies) components of developing the *Surrey Housing Action Plan* (HAP).

Consultations were conducted through workshops with various stakeholder groups and through telephone interviews with various key informants. Advice on the consultation process and facilitation of the *HAP Multi-stakeholder Advisory Group* workshops were provided by CitySpaces Consulting Ltd.

Consultations were conducted with:

- ***The HAP Multi-stakeholder Advisory Group*** – which included representatives from the development community, industry groups, government ministries and agencies, and community agencies. Two half-day workshops were held on July 10, 2009 and September 25, 2009. Representative included the following:
 - BC Apartment Owners and Managers Association (invited)
 - Scott Olson, Fraser Valley Real Estate Board
 - Amy Spencer-Chubey, Greater Vancouver Home Builders' Association
 - Aubrey Kelly, Surrey City Development Corporation
 - Jeff Fisher, Urban Development Institute Pacific Region
 - Raghbir Gurm, Bridgewater Development Corp. and Development Advisory Committee Rep
 - Kevin Shoemaker, Polygon Group Ltd. and Development Advisory Committee Rep
 - Amy Wong, BC Housing
 - Lorraine Copas, Metro Vancouver
 - Tom Kennan, Ministry of Housing and Social Development - Fraser Region
 - Alice Sunderg, Surrey Homelessness and Housing Task Force
 - Karen Kreis, Social Planning Advisory Committee Rep
 - Darrell Ferner, OPTIONS: Services to Communities Society
 - Devinder Chattha and Raminder Kang, Progressive Intercultural Community Services (PICS) Society

- ***HAP Inter-department Staff Advisory Group*** – The HAP Staff Advisory Group included representatives from Planning and Development, Building, By-Law Enforcement and Licensing, Engineering Land Development, Legal Services, Realty Services, Fire Department and the Sustainability Office. Two meetings were held with this group on July 21, 2009 and October 9, 2009.

- ***City Committees*** - The Social Planning Advisory Committee (SPAC) and Development Advisory Committee (DAC) both appointed representatives to the HAP Multi-stakeholder Advisory Group. The SPAC also provided feedback on the HAP at their meeting on June 25, 2009 and September 24, 2009.

- ***OCP Consultations*** - The public had an opportunity to provide feedback on housing issues at the four public open houses held as part of the OCP review process on April 21, 28 and 30 and May 5, 2009. In addition, the OCP Review Social Issues Coordination Committee, which is comprised of service providers, community organisations and government, provided input on the HAP at its meeting on July 9, 2009.
- ***Surrey Association of Sustainable Communities*** – Staff provided a presentation and received feedback on the HAP at the Surrey Association of Sustainable Communities’ meeting on November 19, 2009.
- ***Key Informant Interviews*** – Sixteen telephone surveys were conducted with staff from various advocacy groups, government agencies and non-profit housing providers.
 - Marg Gordon, Executive Director, BC Apartment Owners and Managers Association
 - Martha Lewis, TRAC Tenant Resource and Advisory Centre
 - John Causey, Acting President, Treasurer and Membership Director, Surrey Manufactured Home Owners Association
 - Armin Amrolia, Director, Regional Development, BC Housing
 - Jim Flodin, Surrey Mental Health and Addictions - Community Residential Program, Fraser Health Authority
 - Don Littleford, Manager, Regional Housing, Metro Vancouver Housing Corporation
 - Kathleen Zimmerman, Regional Agrologist, Ministry of Agriculture and Lands
 - Janice Abbott, Executive Director, Atira Women's Resource Society
 - Bonnie Moriarity, Director of Housing and Shelters, Elizabeth Fry Society of Greater Vancouver
 - Terry Frank, Executive Director, Kekinow Native Housing Society
 - Kuldip Ardawa, Partnership Coordinator, Newton Advocacy Group Society (NAGS)
 - Soraya VanBuskirk, Advocacy Programs Manager, Newton Advocacy Group Society (NAGS)
 - Michelle Van Keith, Manager of Newton Resource Centre (with responsibility for PCRS housing programs in Surrey), Pacific Community Resources Society (PCRS)
 - Michael Wilson, Executive Director, Phoenix Drug & Alcohol Recovery and Education Society
 - Paul Wheeler, Executive Director, Semiahmoo House Society
 - Megan Baillie, Executive Director, South Fraser Community Services Society

City of Surrey
Housing Action Plan

Housing Action Plan



**Background
Information**

December 2009

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Executive Summary

This “Background Information” document is one component of the “Needs Assessment” phase of the City of Surrey’s Housing Action Plan (HAP). It is intended to inform discussions on the priority housing needs in Surrey, by providing information on the housing stock, population and current City policies related to housing. It covers the breadth of the housing continuum from non-market social housing to affordable homeownership.

Housing Continuum

Emergency Shelter and Housing for the Homeless	Traditional, Supported and Assisted Living	Independent Social Housing	Rent Assistance in the Private Market	Private Market Rentals	Home Ownership
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Source: BC Housing, “Housing Matters BC: A Strategy for British Columbia”, 2006

In December 2008, there were approximately 156,900 dwelling units in Surrey, with 63% in single family structures, 17% in townhouses, 16% in low rise apartments, 2% each in manufactured homes and two-family structures, and 1% of dwelling units in high rise apartments.

Ownership is the dominant tenure form in Surrey. According to the 2006 Census, 75% of Surrey households were owners and 25% were renters.

As of December 2008, Surrey’s population was estimated at 462,200. It is anticipated there will be further population growth of approximately 44,400 over the next five years between 2009 and 2013. In the coming years, Surrey’s housing needs will be shaped by an aging population, as well as an increased number of children, and a variety of household sizes and types.

Home ownership across a range of housing types is more affordable in Surrey compared to elsewhere in the region. Entry-level homeownership is attainable at the median household income level, and Surrey has some of the lowest rental costs in the region.

However, finding housing with affordable rents still poses a challenge to low wage earners and people on Income Assistance. Surrey faces the same challenges as other cities within the region in dealing with issues of homelessness, affordability, and housing newcomers including refugees.

This document provides a wide array of data and information on incomes, household types, and specific housing issues in Surrey.

PART I – THE HOUSING ACTION PLAN

CITY POLICIES AND PRIORITIES

In March 2009, Surrey Council authorised staff to proceed with the development of a Housing Action Plan (HAP). The HAP will articulate a vision, guiding principles and a plan for achieving the goal of an adequate supply of housing to meet the full range of incomes and needs in Surrey. The development and maintenance of a housing action plan is a response to corporate priorities that are reflected in other City policy documents:

- *Plan for the Social Well-being of Surrey Residents (Social Plan)* – The Social Plan, adopted by Council in 2006, identifies “Housing and Homelessness” as a priority. The HAP responds to the Social Plan recommendation that the City encourage the development and preservation of affordable housing.
- *Sustainability Charter* – One of the immediate actions called for in the Sustainability Charter, which was adopted by Council in 2008, is to “Increase the Supply of Adequate, Appropriate and Affordable Housing” by preparing a HAP that sets targets for a range of housing needs.
- *Official Community Plan (OCP)* – The priorities and recommended actions of the HAP will inform the OCP review process that is currently underway. The current OCP has policies to “Build Complete Communities”, to “Improve the Quality of Community”, which call for a range of housing types in Surrey to accommodate different ages, incomes, tenures, household compositions and abilities (special needs).

HOUSING IN THE REGIONAL CONTEXT

The Metro Vancouver Regional Growth Strategy, which is currently being updated, will require municipalities to produce housing action plans which set out strategies for meeting the affordable housing targets established by Metro Vancouver, while recognising that provincial and federal resources will be required to achieve targets at the low end of the housing continuum.

The draft Regional Growth Strategy, Metro Vancouver has provided estimates of housing demand for the region as a whole, and for individual municipalities. Based on a share of the estimated regional growth of 19,000 households per year

over the next decade, Metro Vancouver estimates a demand for 50,500 new housing units in Surrey in the next ten years.

Table 1 - Metro Vancouver Estimates of Future Housing Demand in Surrey

	10-year estimate		
Ownership Demand	32,800		
Rental Demand	17,700		
➤ “Affordable” Rental Demand - comprises demand from Low Income and Low to Moderate Income households		12,600	
– Low Income Demand (Social Housing) - affordable to households with incomes below 50% of the median income for the region			5,700
– Low to Moderate Income Demand - affordable to households with incomes between 50% and 80% of the median income for the region			6,900
Total Demand	50,500		

Source: Metro Vancouver, “Revised Housing Demand Estimates for the Draft Regional Growth Strategy”, January 23, 2009

Of the new housing units in Surrey, Metro Vancouver estimates demand for 32,800 ownership units, and 17,700 rental units. The estimates assume continuation of the current *regional* consumption pattern of 65% ownership and 35% rental and an unchanged income distribution. Metro Vancouver estimates that 12,600 of the rental units will need to be affordable to low and moderate income households. This includes an estimated demand for 5,700 non-market social housing units and 6,900 affordable market rental units.

HOUSING ACTION PLAN SCOPE AND PROCESS

The Housing Continuum

The Housing Continuum documents housing types, ranging from housing which provides more social service supports and requires greater levels of public funding (e.g. emergency shelters) to housing that has minimal or no supports or public funding (e.g. homeownership). The continuum includes both ‘social housing’ and ‘market housing’.

Figure 1 - Model of the Housing Continuum

Emergency Shelter and Housing for the Homeless	Traditional, Supported and Assisted Living	Independent Social Housing	Rent Assistance in the Private Market	Private Market Rentals	Home Ownership
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Source: BC Housing, "Housing Matters BC: A Strategy for British Columbia", 2006

The housing continuum model provides a means to conceptualise the range of housing types described in the OCP and other policy documents, which are intended to accommodate different ages, incomes, tenures, household compositions and abilities (special needs).

In this document, 'social housing' or 'non-market' housing refers to housing for low income households or *adults* with special needs that is operated by a public agency, non-profit society or housing co-operative. These social housing units may be fully government-funded or rents may be geared to income.

Under its Terms of Reference, the HAP will consider the breadth of the housing continuum, from non-market housing, to market rental, to affordable homeownership.

While the HAP recognizes the strong role that Surrey plays in the provision of home ownership in the region, the HAP will focus on areas that are facing challenges. For each scope area, the HAP will identify priority housing issues and:

- Recommend municipal action; and
- Recommend actions by others, including provincial and federal action.

The development of the HAP will involve:

- Phase 1 – Needs Assessment
- Phase 2 – Solutions and Strategies
- Phase 3 – Action Plan Development
- Phase 4 – Action Plan Adoption by Council

This background data document comprises one component of "Phase 1 Needs Assessment". This research and analysis provides information to inform discussions on the identification of priority needs and issues related to Surrey's housing stock, housing needs and City policies and practices impacting affordable housing.

RESEARCH APPROACH

This document compiles housing-related data from a variety of sources, including Statistics Canada, Canada Mortgage and Housing Corporation (CMHC), Metro Vancouver and the City of Surrey's Planning and Development Department. In general, information on Surrey's housing stock uses City of Surrey data. Demographic information is based on Census data, except that the overall population figure is derived from City data (December 2008).

Surrey maintains a GIS building inventory that is built on a combination of data sources including: BC Assessment Authority data; Surrey Building Permit information; Surrey secondary suite data; GIS Orthophoto imagery; and Surrey GIS Cadastre (lot and address) information. A key component of this inventory is up-to-date information on Surrey's existing housing stock.

Surrey's estimate of residential units includes attribute information that allow staff to estimate and map the number of units by type (including market and non-market rental units) and year of construction as well as residential unit counts for any geography within the city at the lot level. Comparative analysis yields differences between Surrey's building inventory and census housing information.

At the time of the 2006 Census, Statistics Canada accounted for 139,193 occupied/unoccupied private dwellings in Surrey compared to the City of Surrey's May 2006 estimate of 141,000 units. Based on the latest Census information, derived estimates from both the City and Statistics Canada are similar. This adds a level of confidence to the City's estimates. While both estimates aim to account for all residential units, Surrey's estimate is slightly higher than the Statistics Canada figure which suggests that it is likely that the census missed a small percent of multifamily and single family structures. Surrey's estimate takes into consideration all existing residential structures (updated monthly with new construction and demolitions) that provide a more accurate estimate of residential structures and their units.

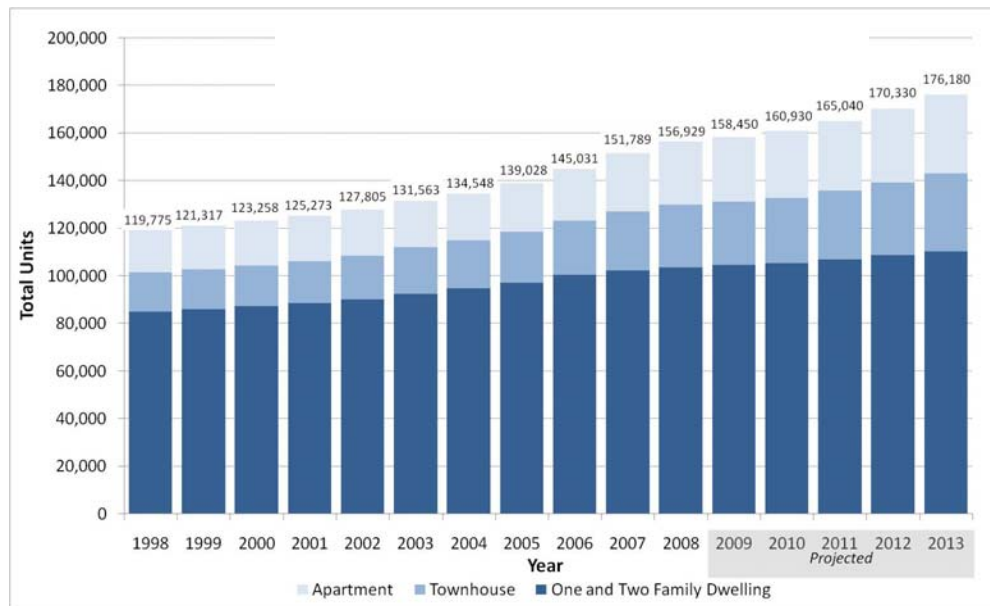
PART II: A SNAPSHOT OF SURREY'S HOUSING STOCK AND POPULATION

A. SURREY'S HOUSING STOCK

Residential Development Capacity

Over the last decade, approximately 37,200 dwelling units have been constructed in Surrey. As of December 2008 there were approximately 156,900 residential units, including legal and known secondary suites, in Surrey.

Figure 2 - Number of Housing Units in Surrey by Type (1998-2013)



Source: City of Surrey Planning and Development Department, December 2008

It is estimated that approximately 19,300 units will be added in the next five years, for a total of approximately 176,200 dwelling units projected for 2013.

The approximately 3,900 dwelling units added to Surrey's housing stock in each of the next five years, will be accommodated as follows:

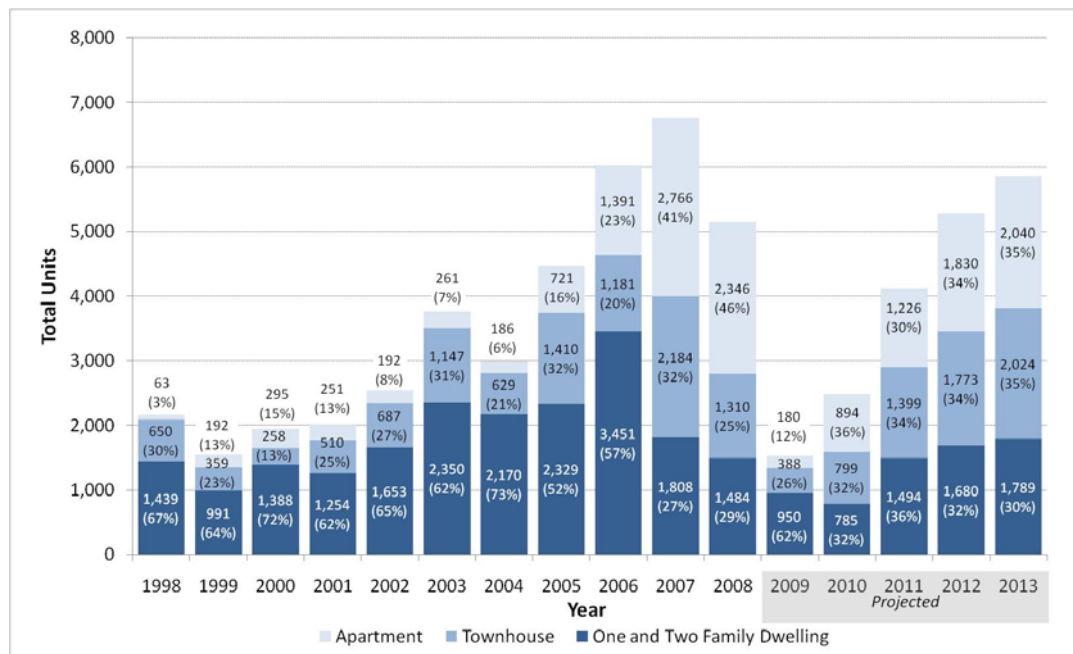
- 35% in Neighbourhood Concept Plan (NCP) areas (approximately 1,400 dwelling units per year);
- 23% in City Centre and the Town Centres (approximately 900 dwelling units per year); and

- 39% in infill residential development (approximately 1,500 dwelling units per year).

Residential Housing Starts

The majority of residential units in the City are single-family dwellings. The number of multi-family units as a percentage of total residential units has increased from 29% in 1998 to 34% in 2008. During the same time period, the proportion of multi-family units (including apartments and townhouses) in new residential starts increased from 33% to 71%. It is projected that by 2013, approximately 37% of Surrey's total housing stock will consist of multi-family dwelling units.

Figure 3 - Structural Type of Residential Housing Starts (1998-2008)



Source: City of Surrey Planning and Development Department, December 2008

Structural Type of Dwelling Units

Table 2 - Number of Dwelling Units in Surrey by Structural Type

	Cloverdale		Fleetwood		Guildford		Newton		South Surrey		Whalley		Surrey Total	
	# of units	% of total	# of units	% of total	# of units	% of total	# of units	% of total	# of units	% of total	# of units	% of total	# of units	% of total
Total	19,096	100%	18,056	100%	20,197	100%	37,486	100%	28,978	100%	33,116	100%	156,929	100%
Dwelling units within single family structures (including secondary suites and coach houses)**	12,508	66%	13,307	74%	10,974	54%	25,233	67%	16,129	56%	20,088	61%	98,239	63%
Manufactured homes	1	0%	260	1%	2	0%	868	2%	1,181	4%	138	0%	2,450	2%
Two family dwellings/duplexes	533	3%	102	1%	340	2%	367	1%	1,042	4%	689	2%	3,073	2%
Townhouses	4,078	21%	3,225	18%	3,368	17%	7,303	19%	5,417	19%	2,885	9%	26,276	17%
Low rise apartments	1,976	10%	1,162	6%	5,025	25%	3,715	10%	5,020	17%	8,018	24%	24,916	16%
High rise apartments	0	0%	0	0%	488	2%	0	0%	189	1%	1,298	4%	1,975	1%

Source: City of Surrey Planning and Development Department, December 2008

** Note there are approximately 78,700 single family structures in Surrey. The total number of dwelling units in single family structures is an estimate based on the number of *known* secondary suites.

In December 2008, there were approximately 156,900 dwelling units in Surrey. 63% of these dwelling units, including the number of principal dwellings, secondary suites and coach houses, were in single family homes. Surrey's six communities have varying proportions of its dwelling units in single family structures, from a high of 74% in Fleetwood to a low of 54% in Guildford.

Only 1%, or approximately 2,000 dwelling units, in Surrey are in high rise apartments¹. These high rise apartments are found only in Whalley and Guildford.

Approximately 24,900 dwelling units, or 16%, are in low rise apartment buildings. The highest proportions of low rise apartments are found in Whalley (24%) and Guildford (25%). Fleetwood has the lowest proportion of low rise apartments (6%).

Townhouses account for 17% of dwelling units in Surrey with approximately 26,300 units. Surrey's communities have similar proportions of their housing

There is a higher proportion of single family dwellings and lower proportion of high rise apartments in Surrey in comparison with the rest of the region. The 2006 Census data indicated that the proportion of occupied private dwellings in "single-detached and apartment, duplex" in Surrey was 61% in comparison with 49% for Metro Vancouver (secondary suites are included in the "apartment, duplex"). The 2006 Census data also indicated that the proportion of dwelling units in high rise apartments was 2% in Surrey as compared with 13% in Metro Vancouver.

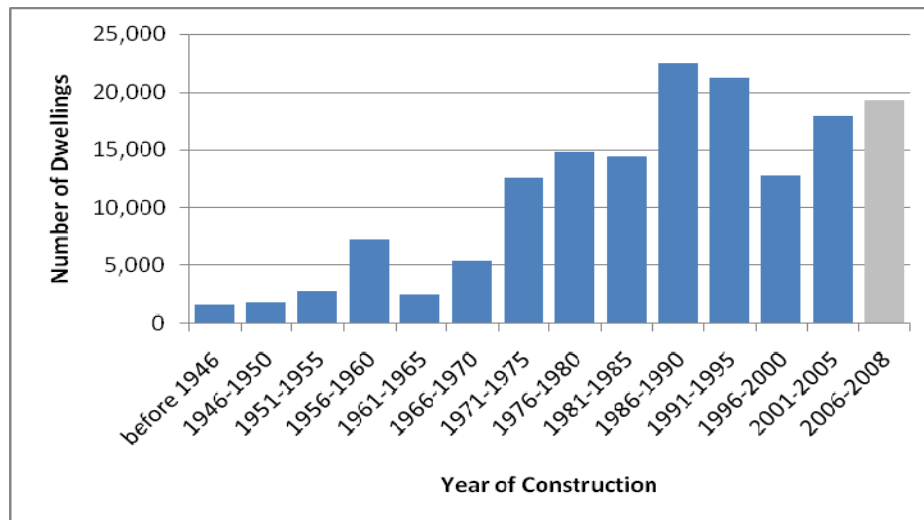
Note that these 2006 Census data figures are not comparable to the City's 2009 GIS building inventory data. In addition to growth occurring

¹ In this report, a 'high rise apartment' refers to an apartment building that is five stories or taller and a 'low rise apartment' refers to an apartment building with one to four stories.

stock in townhouses (17% to 21%), with the exception of Whalley which only has 9% of its dwelling units in townhouses.

Age of Housing Stock

Figure 4 - Period of Construction of Surrey Dwellings



Source: BC Assessment Authority, City of Surrey Planning Department, December 2008

Note that the number of dwellings constructed in the last time period is for a three-year period from 2006 to 2008 inclusive, as opposed to a five-year time period.

Table 3 - Age of Surrey Dwellings

Community	Median age of buildings in December 2008
Surrey	19 years
Cloverdale	11 years
Fleetwood	17 years
Guildford	22 years
Newton	17 years
South Surrey	20 years
Whalley (including City Centre)	29 years

Source: City of Surrey Planning and Development Department, December 2008

Over half of the dwellings in Surrey were constructed within the last two decades; an estimated 80,900 dwellings were constructed between 1989 and 2008.

The median age of existing buildings in December 2008 was 19 years. Dwellings in Whalley have the oldest median age, followed by dwellings in Guildford and South Surrey. Cloverdale has the lowest median age of dwellings amongst Surrey's communities.

Loss of Housing Stock

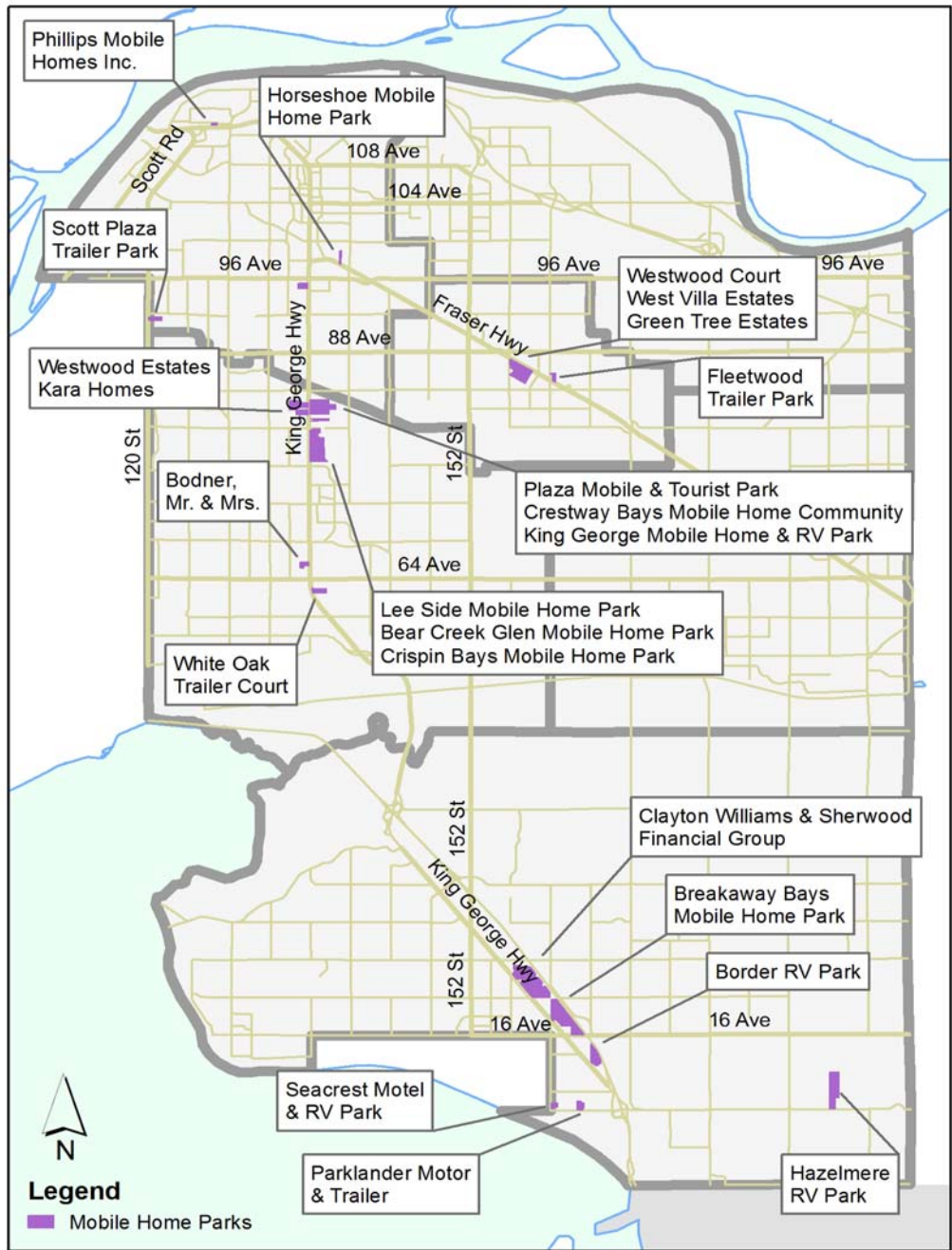
There do not appear to be significant issues in terms of the loss of housing stock in Surrey. While there is increasing pressure for redevelopment of lands occupied by older single-family detached houses in some of Surrey's more established neighbourhoods, most such redevelopment resulted in new single-family homes. In 2008, only 393 demolition permits were issued for single-family homes. To date about half of these demolitions permits have resulted in new construction with most of these being replaced with new single-family homes.

In 2008, only one demolition permit was issued for multi-family housing, and this was for one apartment building with eight rental units. There have been no applications for conversion of rental apartment buildings to strata condominium units.

Manufactured Homes

Approximately 2,500 of the dwelling units in Surrey, as of December 2008, were manufactured homes.

Figure 5 - Locations of Manufactured Homes in Surrey



Source: City of Surrey Planning and Development Department, December 2008

Note the map shows only those manufactured home parks and trailer parks where there is evidence of permanent manufactured homes (irrespective of zoning), and not all trailer parks and camp grounds.

Although manufactured homes account for only 2% of Surrey’s dwelling units, they provide housing to approximately 4,700 residents and represent an important form of affordable home ownership that may come under pressure for redevelopment.

In Surrey, manufactured homes had an average price of \$44,000 and an average monthly pad rent of \$600 (from 2006 MLS listings).

Of the manufactured homes in Surrey:

- Approximately 1,800 units were on properties in the “Manufactured Home Residential Zone (RM-M)”. Of these, approximately 600 are strata tenure where the pads are owned by the manufactured home owner, and the remainder are on rented pads;
- Approximately 500 manufactured homes were on properties zoned “Tourist Accommodation Zone (CTA)” where all of the pads are rented; and
- The approximately 150 remaining manufactured homes were located in single family or comprehensive development zones.

While the CTA Zone only permits tourist accommodation “for no more than 182 days in a 12-month period” or camps-sites or tourist trailer parks where “recreational vehicles for transient use” may be parked, it would appear that a number of these have transitioned to permanent accommodation.

New Ground-oriented Fee Simple Residential Zones

Small Lot and Coach House Zones

With the creation of “small lot” residential zones in 2000 and new coach house zones that permit a second dwelling unit in single family zones, opportunities were provided for increased housing choice and more affordable ground-oriented housing. The RF-12, RF-9 and RF-SD lots are smaller than the standard single family lot (RF) in Surrey, and the RF-12C, RF-9C and RF-9S lots permitted either a secondary suite or coach house in addition to the principal dwelling.

In the period from 2000 to 2008, approximately 5,600 dwelling units, accounting for 16% of all new residential housing starts, were constructed in these new zones. These residential starts added approximately 4,700 more affordable ground-oriented homes and 1,000 authorized secondary suites or coach houses with rental potential to Surrey’s housing stock.

In addition, the RF-SS zone, created in 1993, allows for a secondary suite within single family dwellings. Secondary suites in this zone amount to approximately 1,200 dwelling units.

Table 4 - Number of Dwellings Added Through the Creation of Small Lot Zones and Zones Permitting a Second Dwelling

Zone	# of principle dwellings	# of secondary suites and coach houses
Single Family Residential (12) Zone (RF-12)	2,447	not permitted
Single Family Residential (9) Zone (RF-9)	413	not permitted
Semi-Detached Residential Zone (RF-SD)	92	not permitted
Single Family Residential (12) Coach House Zone (RF-12C)	516	31
Single Family Residential (9) Coach House Zone (RF-9C)	1,066	844
Special Single Family Residential (9) Zone (RF-9S)	125	83
Single Family Residential Secondary Suite Zone (RF-SS)	not applicable**	1,231
Total	4,659	2,189

Source: City of Surrey Planning and Development Department, December 2008

** Note that principle dwellings in the RF-SS zone are not included here since they are not small lot dwellings.

Row Housing

The “Multiple Residential 23 Zone (RM-23)” was adopted in 2004 to accommodate row housing units, thus providing a new ground-oriented housing option. As opposed to townhouse developments, the RM-23 lots and units are fee simple, allowing for full ownership. To date this zone has not been taken up by home builders.

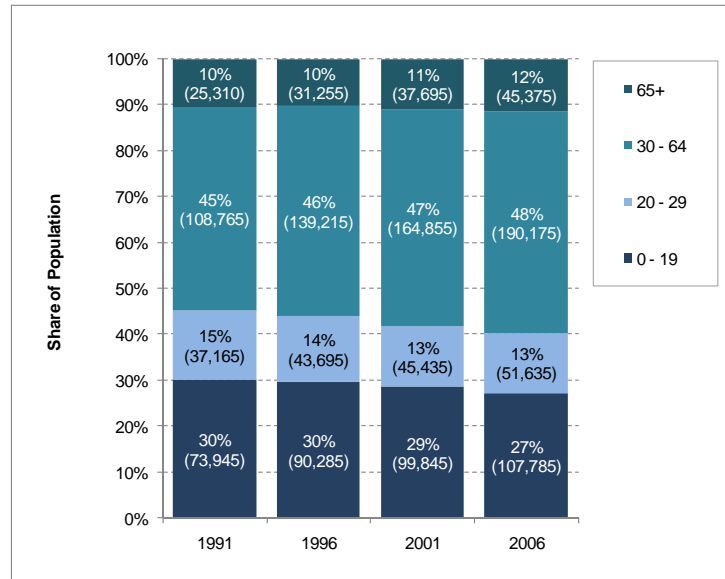
B. SURREY’S POPULATION

Over the last ten years, Surrey has experienced an average annual population growth rate of 2.5%. As of December 2008, Surrey’s population was estimated at 462,200 and it is anticipated there will be further population growth of approximately 44,400 over the next five years between 2009 and 2013 (City of Surrey Planning and Development Department).

As Surrey’s population continues to grow, an aging population, a continuing increase in the number of children and varying household sizes and types will impact future housing needs.

Aging Population and Increase in Number of Children

Figure 6 - Share of Population by Age, 1991 to 2006



Source: 2006 Census

Surrey's population is aging. The proportion and the number of seniors (65 plus) increased between 1991 and 2006. The number of seniors increased from approximately 25,300 in 1991 to approximately 45,400 in 2006.

67% of seniors live in a census family²; 11% live with other relatives; 1% live with non-relatives; and 21% live alone. There were approximately 9,000 seniors living alone in 2006.

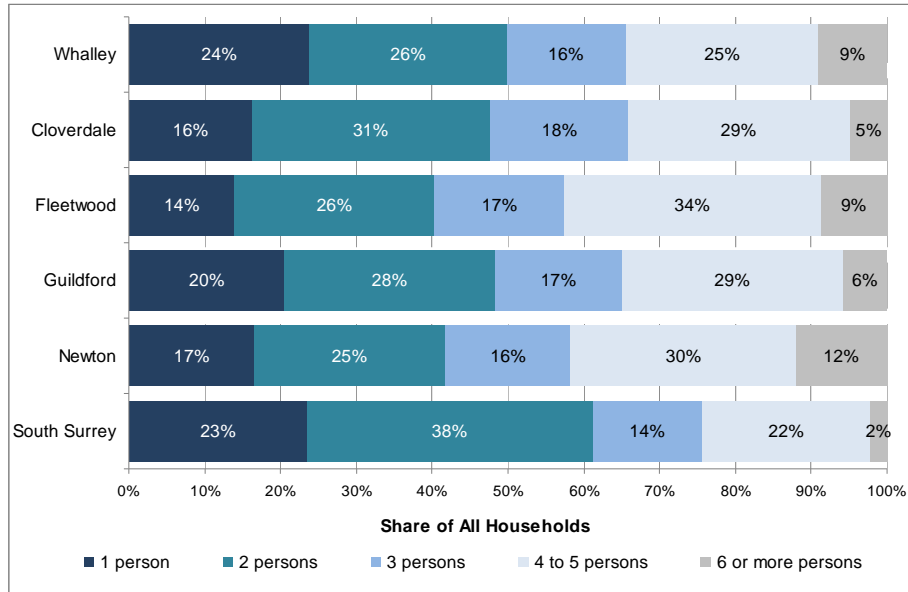
The number of children is continuing to increase. While the proportion of the population from birth to 19 years declined slightly between 1991 and 2006, the actual number of children increased from approximately 99,800 in 2001 to 107,800 in 2006. At 27%, Surrey has one of the highest proportions of children amongst Metro Vancouver municipalities. The Metro Vancouver average is 23%.

² Statistics Canada definitions:

- **'Census family'** refers to a married couple (with or without children of either or both spouses), a couple living common-law (with or without children of either or both partners) or a lone parent of any marital status, with at least one child living in the same dwelling. **'Children'** in a census family include grandchildren living with their grandparent(s) but with no parents present.

Household Size Characteristics

Figure 7 - Household Size by Surrey Community



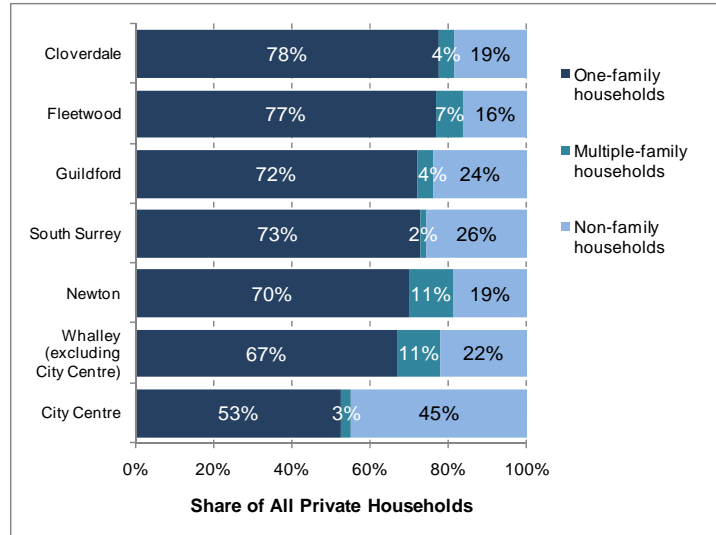
Source: 2006 Census

Surrey has an average household size of 3.0 persons per unit, which except for Anmore, is the largest in the region. In comparison, the average household size is 2.2 for Vancouver and 2.6 for all of Metro Vancouver (2006 Census).

Surrey’s communities have varying patterns of household size. Newton has the greatest number and highest proportion of private households with six or more persons (approximately 4,000 or 12% of households). Whalley has the greatest number and highest proportion of one-person households (approximately 6,700 households or 24%) in Surrey.

Multiple-family Households

Figure 8 - Household Composition by Surrey Community



Source: 2006 Census

Surrey has the highest proportion of multiple-family households³ in Metro Vancouver. According to the 2006 Census, 7% of all households in Surrey comprised more than one census family, which is more than double the Metro Vancouver average of 3%.

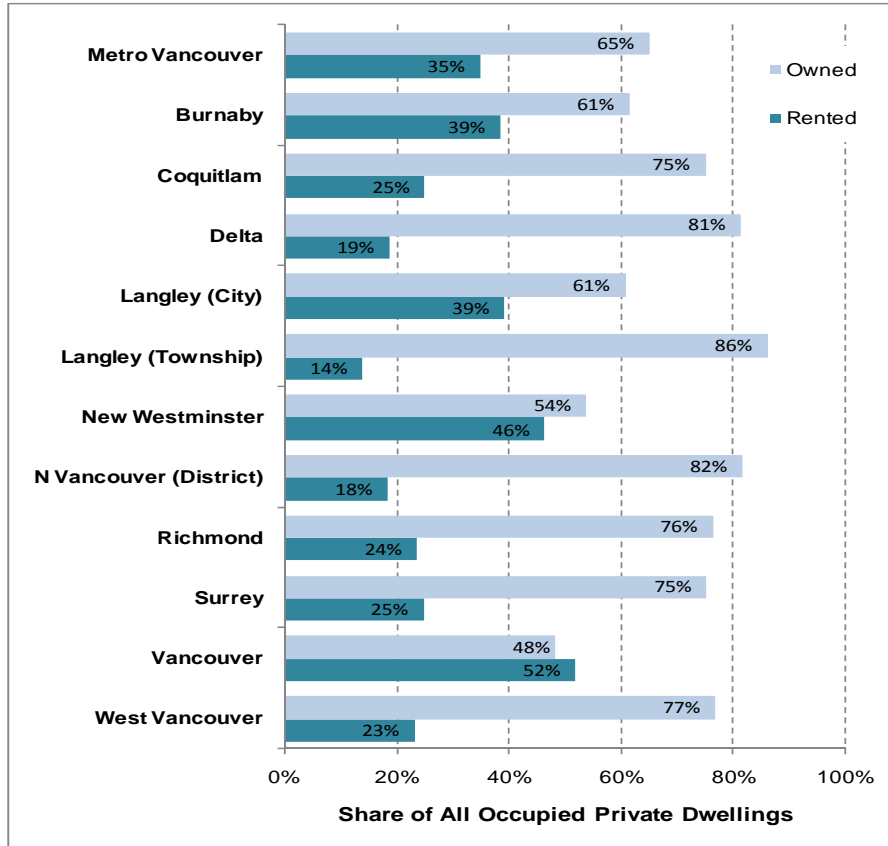
Among Surrey's communities, Newton has the highest proportion of multiple-family households (11%) and South Surrey has the lowest (2%).

³ Statistics Canada definitions:

- **'Multiple-family household'** refers to a household in which two or more census families (with or without additional persons) occupy the same private dwelling.
- **'Non-family household'** refers to either one person living alone in a private dwelling or to a group of two or more people who share a private dwelling, but who do not constitute a census family.

Housing Tenure Characteristics

Figure 9 - Housing Tenure⁴ in Metro Vancouver



Source: 2006 Census

⁴ Statistics Canada definitions:

- **'Tenure'** refers to whether some member of the household owns or rents the dwelling, or whether the dwelling is band housing (on an Indian reserve or settlement).
- **'Private dwelling'** refers to a separate set of living quarters with a private entrance from outside or from a common hall, lobby, vestibule or stairway inside the building. The entrance to the dwelling must one that can be used without passing through the living quarters of someone else. This is in contrast to a **'collective dwelling'**, which has a commercial, institutional or communal nature (e.g. lodging or rooming houses, hotels, motels, tourist homes, nursing homes, hospitals, staff residences, group homes).
- **'Households'** refers to a person or a group of persons (other than foreign residents) who occupy the same dwelling. It may consist of a family group (**census family**) with or without other persons, of two or more families sharing a dwelling, of a group of unrelated persons, or of one person living alone. Unless otherwise specified, household data refers to private households only, and not to collective households. In the 2006 Census, the number of households equals the number of occupied dwellings.

According to the 2006 Census, 75% of Surrey households are owners and 25% are renters. Surrey's rate of homeownership is higher than the regional average of 65%, but lower than some suburban communities such as the Township of Langley (86%) and the District of North Vancouver (82%).

Surrey's rental rate, at 25%, is lower than the regional average of 35%.

Table 5 - Housing Tenure in Surrey

	Cloverdale	Fleetwood	Guildford	Newton	South Surrey	Whalley	Surrey total
# of occupied private dwellings	12,930	15,360	17,995	33,145	23,685	28,025	131,140
Owned	86%	83%	71%	73%	85%	63%	75%
Rented	14%	17%	29%	27%	15%	37%	25%

Source: 2006 Census

Cloverdale, South Surrey and Fleetwood each have ownership rates above 80%. The highest proportions of renter households are in Whalley (37%), Guildford (29%) and Newton (27%).

PART III: HOUSING AFFORDABILITY

A. INCOME IN SURREY

Household income⁵ is a major determinant of where individuals are able to obtain housing along the housing continuum.

Table 6 - Median Household Income in Surrey by Tenure

	2005
Median owner income	\$70,074
Median renter income	\$37,090
Renter income as % of owner income	53%

Source: 2001 Census

According to 2006 Census data, the median income of renter households in Surrey (\$37,090) in 2005 was slightly more than half the median income of owner households (\$70,074).

Table 7 - Median Income in Surrey by Household Type

	Median income in 2005
Couple family households with children	\$77,242
Couple family households without children	\$68,169
'Other' household types (includes multiple-family households, one-parent family and non-family households other than one-person households)	\$58,604
One-person households	\$30,007
All private households	\$60,168

Source: 2006 Census

One-person households and lone-parent families may have income and housing challenges. Whereas in 2005 the median income for Surrey households was \$60,168, it was \$30,007 for one-person households and \$37,160 for lone-parent families. The median income of female lone-parent families (\$35,553) was lower than that of male lone-parent families (\$45,317) (2006 Census).

⁵ Statistics Canada definitions:

- **'Household total income'** refers to the sum of the total incomes of all members of that household. Unless noted otherwise in this report, the income characteristics of private households refer to **before-tax income**.

Indications of income challenges can also be seen in Statistics Canada’s ‘low income cut-off’ (LICO) data. LICO is widely used as a measure of poverty and refers to income levels at which families or persons not in economic families⁶ spend 20% more than average of their income on food, shelter and clothing. Low income households are particularly high among female lone-parent families.

Table 8 - Median Income by Surrey Community

	Median household income
Cloverdale	\$72,956
South Surrey	\$70,762
Fleetwood	\$65,678
Newton	\$60,615
Guildford	\$52,062
Whalley	\$50,305
Whalley (excluding City Ctr)	\$55,948
City Centre	\$39,922
All Surrey	\$60,168

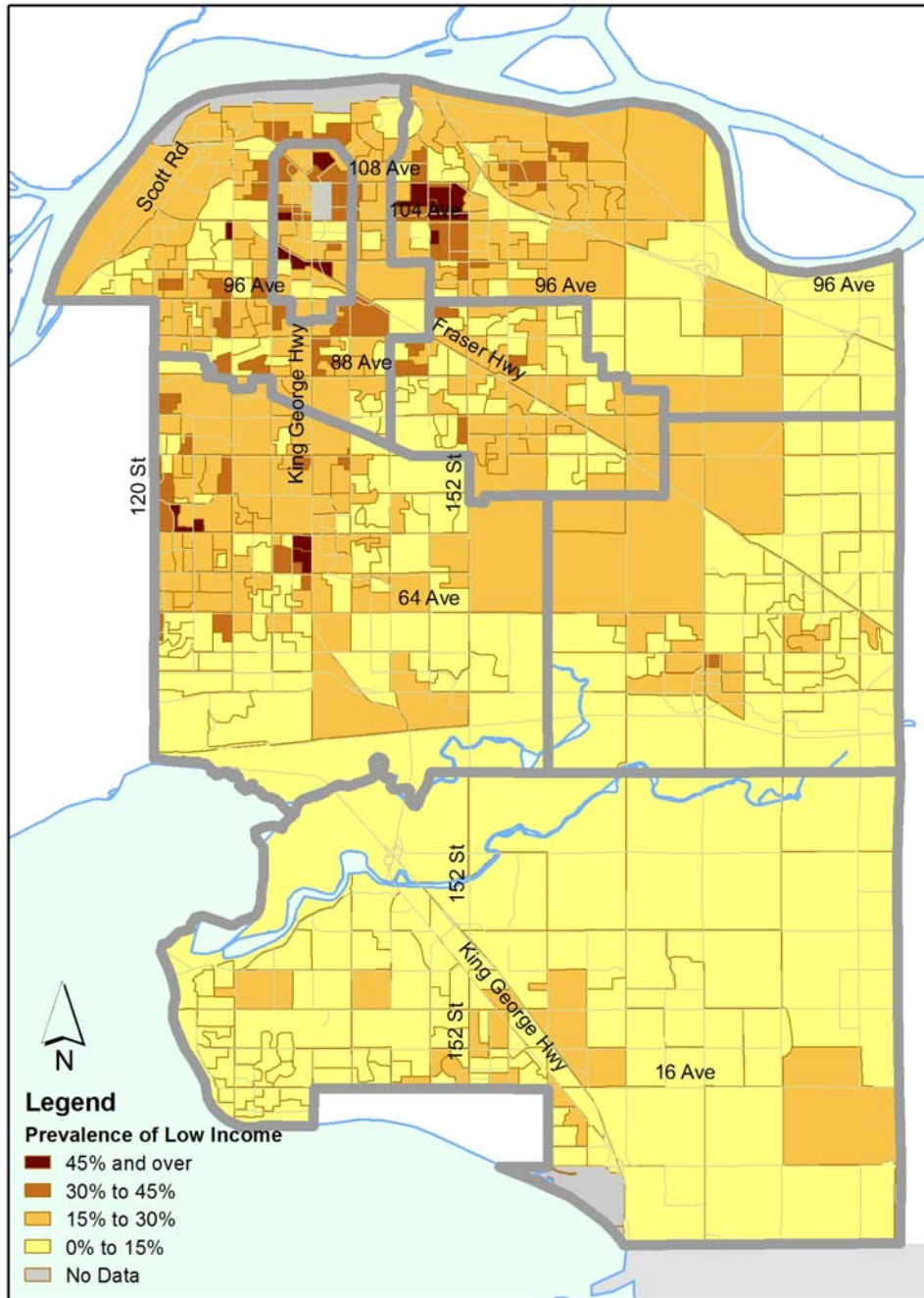
Source: 2006 Census

Median income data are consistent with LICO statistics indicating the prevalence of low income is highest in Guildford (22%) and Whalley (21%).

Figure 10 shows the distribution of low income tends to be concentrated in specific neighbourhoods, as opposed to being uniformly distributed across a community.

⁶ Statistics Canada definitions:
‘**Economic family**’ refers to a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common-law or adoption.

Figure 10 - Areas with High Prevalence of Low Income



Source: 2005 income reported in 2006 Census

This map indicates areas with a high prevalence of low income amongst persons 15 years of age and over in private households. Low income is determined by a household's income relative to Statistics Canada's low income before tax cut-offs (LICO-BT).

B. HOMEOWNERSHIP COSTS

Figure 11 - Income Required for Homeownership in Surrey

Surrey—Total Households 131,135		(2006 Census and April 2008 MLS data)			
Income Distribution	Number of Households	Total Owners 98,650			
		Single detached (20 th percentile)	Townhouse (50 th percentile)	2+ bed condo (50 th percentile)	2+ bed condo (20 th percentile)
Household Income 2005	131,135				
100K+	29,700				
90K to 99,999	7,135	\$98,564 ¹			
80K to 89,999	8,135				
Median Income All Households	9,600		\$76,271 ²		
\$60,168	11,305			\$65,886 ³	
60K to 69,999	12,225				\$56,690 ⁴
50K to 59,999	12,180				
40K to 49,999	13,190				
30K to 39,999	11,455				
20K to 29,999	9,965				
10K to 19,999	5,555				
Under \$10K					
Housing Cost		\$459,900 ⁶	\$339,900 ⁷	\$284,000 ⁸	\$234,500 ⁹

Source: McClanaghan & Associates, *Housing Affordability in Metro Vancouver*, May 2008

¹Qualifying income to purchase a single detached home at the 20th percentile based on MLS listings April 2008. ²Qualifying income to purchase a townhouse unit at the 50th percentile based on MLS listings, April 2008. ³Qualifying income to purchase a 2-bedroom condo apartment unit at the 50th percentile based on MLS listings April 2008. ⁴Qualifying income to purchase a 2-bedroom condo apartment unit at the 20th percentile (entry-level ownership threshold) based on MLS listings April 2008. ⁶Price for a single detached home at the 20th percentile based on MLS listings for April 2008. ⁷Price for a townhouse unit at the 50th percentile based on MLS listings April 2008. ⁸Price for 2 bedroom condo unit at the 50th percentile based on MLS listings April 2008. ⁹Price for a 2-bedroom condo apartment unit at the 20th percentile (entry-level ownership threshold) based on MLS listing April 2008.

A study for Metro Vancouver⁷ found that a single detached house in Surrey costing \$459,900 (20th percentile based on MLS listings in April 2008) is estimated to require a qualifying household income of \$98,564. The required qualifying income drops to \$76,271 for a \$339,900 townhouse (50th percentile) and \$56,690 for an entry-level \$234,500 2+ bedroom condominium (20th percentile). These required qualifying incomes assume a 10% down payment, 4.25% interest rate and a 25-year amortization period.

⁷ McClanaghan & Associates, *Housing Affordability in Metro Vancouver*, May 2008.

Table 9 - Unit Price by Housing Type across Metro Vancouver

	Single Detached (20th percentile)	Townhouse (50th percentile)	2-bedroom Condo Apartment (50th percentile)	2-bedroom Condo Apartment (20th percentile)
Langley C	\$414,000	\$299,900	\$239,900	\$224,900
Maple Ridge	\$449,000	\$319,900	\$274,900	\$233,800
Surrey	\$459,900	\$339,900	\$284,000	\$234,500
Delta	\$473,500	\$429,800	\$386,000	\$302,900
Port Coquitlam	\$479,000	\$409,800	\$299,900	\$259,800
New Westminster	\$498,000	\$419,000	\$354,900	\$299,900
Langley D	\$529,900	\$339,900	\$263,500	\$228,000
Coquitlam	\$599,900	\$488,800	\$347,000	\$279,900
Burnaby	\$668,000	\$439,900	\$407,900	\$325,000
Richmond	\$674,800	\$488,000	\$400,000	\$299,900
Port Moody	\$679,000	\$439,000	\$425,000	\$349,900
Vancouver	\$699,000	\$749,000	\$649,000	\$459,900
North Vancouver C	\$799,000	\$639,900	\$589,000	\$429,900
North Vancouver D	\$849,900	\$619,000	\$458,800	\$379,900
West Vancouver	\$1,295,000	\$949,900	\$969,000	\$699,000
Metro Vancouver	\$909,715	\$511,638	\$413,334	\$n/a

Source: McClanaghan & Associates, *Housing Affordability in Metro Vancouver*, May 2008.

The McClanaghan report noted that regional level data was based on sales data for the first quarter of 2008 reported by Canada Mortgage and Housing Corporation (CMHC) in *Housing Now* (April 2008), as information was not available at the specified percentile. All other data was based on MLS listings (April 2008).

As noted in **Table 9**, homeownership across a range of housing types is more affordable in Surrey compared with elsewhere in the region.⁸ Entry-level, multi-family homeownership is particularly accessible.

With a median income \$37,090 for *renter* households in Surrey (2006 Census), even entry-level homeownership is out of reach for many renters. An earlier study for Metro Vancouver found that less than 6% of renter households across Metro Vancouver had incomes at or above the level required to purchase the average single family home in the region, based on 2005 reported selling prices, and less than 18% of renter households could afford to purchase the average apartment/condominium.⁹

⁸ Similarly, in June 2009, the benchmark price of a typical single family detached home was \$484,997 in "Surrey-Central", \$502,438 in "Surrey-Cloverdale" and \$441,707 in "Surrey-North" (Fraser Valley Real Estate Board, *Monthly Statistics Package*, June 2009). Surrey prices were lower than the benchmark price of \$701,384 in Greater Vancouver (Real Estate Board of Greater Vancouver, *News Release: Market Conditions Drive Strong June Housing Sales*, July 3, 2009).

⁹ McClanaghan & Associates, *GVRD Affordable Housing Supply Analysis*, March 2006.

C. RENTS AND VACANCY RATES

**Table 10 - Average Market Rents and Vacancy Rates
for Private Purpose-built Apartments, October 2008**

		Bachelor	1 bedroom	2 bedroom	3 bedroom +	Total
Average rent	Surrey	\$577	\$709	\$878	\$962	\$799
	Vancouver CMA	\$754	\$880	\$1,124	\$1,356	\$937
Vacancy rate	Surrey	1.4%	2.3%	1.7%	2.9%	2.1%
	Vancouver CMA	0.4%	0.5%	0.7%	1.3%	0.5%

Source: CMHC, Rental Market Report: Vancouver and Abbotsford CMAs, Fall 2008

Surrey has some of the most affordable rents in the region. CMHC reported that in October 2008, the average market rent for a purpose-built¹⁰ apartment in Surrey was \$799. This is 15% lower than the regional average of \$937.

Limited information is available on rents in the secondary rental market.¹⁰ However, for condominium apartments, which comprise one component of the secondary rental market, CMHC research has found that condominium apartments tend to have higher rents than purpose-built rental units, because the stock of the former is typically newer and often has amenities not found in traditional rental units. In Suburban Vancouver, which includes Surrey, the average rent for a one-bedroom condominium apartment is \$847, compared with an average rent of \$788 for a one-bedroom purpose-built apartment.¹¹

CMHC defines “affordable housing” as shelter that costs less than 30% of a household’s pre-tax income. Based on this definition, the average rent in Surrey of \$799, would require an annual income of \$31,960 in order for the rent to be “affordable”. Despite lower rent costs in Surrey, low wage earners and people on BC Income Assistance face challenges in finding affordable housing. A minimum wage income is currently about \$14,560 per annum (based on \$8/hour and a 35-

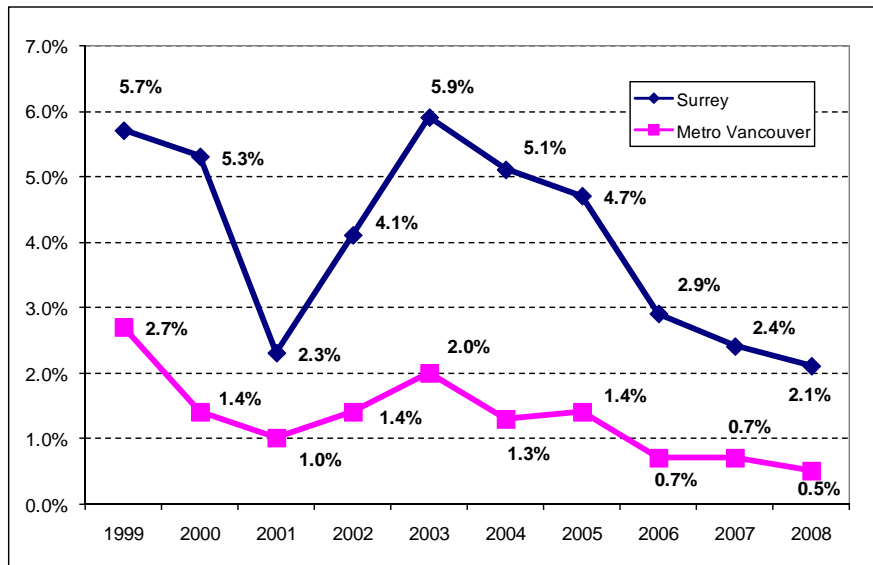
¹⁰ CMHC definitions:

- ‘**Purpose-built rental**’ buildings refer to those that were originally as rental projects; they are also referred to as the ‘**primary rental market**’.
- ‘**Secondary rental market**’ includes the following components: accessory apartments (separate dwelling units that are located within the structure of another dwelling type), condominiums, townhouses, duplexes and single or semi-detached residential homes that are rented out by the owner; as well as one or two apartments which are part of a commercial or other type of structure.

¹¹ CMHC, *Rental Market Report: Vancouver and Abbotsford CMAs*, Fall 2008.

hour workweek). The shelter component of Income Assistance for a single person is currently \$375 per month.

Figure 12 - Regional Comparison of Vacancy Rates for Private Purpose-built Apartments, 1999-2008



Source: CMHC, *Rental Market Reports*, 1999 to 2008

Over the past decade, Surrey has had higher vacancy rates than the regional average. In 2008, the vacancy rate for private purpose-built apartments in Surrey was 2.1% compared with 0.5% for Vancouver CMA.

The vacancy rate for private purpose-built apartments in Surrey has fallen over the last five years, from 2.9% in 2006, and 2.4% in 2007 to 2.1% in 2008. These recent vacancy rates are below the 4% vacancy rate at which the City's policy is not to approve conversions from rental to strata title units.

PART IV: RENTERS AND RENTAL STOCK

A. RENTER CHARACTERISTICS

Table 11 - Renter Households in Surrey¹²

	# of households	% of renter households
Couple family households without children	4,370	14%
Couple family households with children	8,145	25%
Lone parent family households	5,055	16%
Other family households	3,220	10%
One person households	9,665	30%
Two or more person households	1,830	6%
Total renter households	32,285	100%

Source: 2006 Census

While one person households make up a large proportion of renter households in Surrey (30%), 41% of renter households are families with children, either headed by a couple or a lone parent. Children may additionally be included in 'other family households'.¹³

¹² Note that while the City's December 2008 building data is not comparable to 2006 Census household data, the City estimates there are approximately 35,300 rental units, based on the number of social housing units and private market rental units. For a discussion on the number of secondary suites which comprise a high proportion of private market rentals, see the section on **Private Market Rental**.

¹³ Statistics Canada definitions:

- **'Other family households'** refers to multiple-census family households with or without additional persons and to one-census family households with additional persons. In 2001, this category was called 'Multiple-family households' and did not include one-family households with additional persons.

Core Housing Need and INALH Households

Table 12 - Core Housing Need and INALH in Surrey Renter Households¹⁴

Renter Household Type	Core housing need			INALH households		
	# of households	% of core need		# of households	% of INALH	
Family Households	6,390		61%	1,710		49%
Couple family households without children	910		9%	510		15%
Couple family households with children	2,225		21%	270		8%
Lone-parent family households	2,505		24%	850		24%
Other family households (core need)/ Multiple family households (INALH)	755		7%	80		2%
Non-family households	4,035		39%	1,785		51%
One person households	n/a		n/a	1,660		47%
Two or more person households	n/a		n/a	125		4%
Total	10,430		100%	3,495		100%

Source: 2006 Census

According to the 2006 Census, there are 10,430 renter households in Surrey that are in core housing need as defined below. These households have a median income of \$20,591.

Of the renter households in core housing need, 3,495 are 'INALH' households, or households which are required to spend at least half of their income on shelter. These households are considered to be facing extreme housing challenges and at increased risk of homelessness. INALH renter households in Surrey have an average income of \$15,831.

32% of INALH renter households in Surrey (1,120 households) are households with children, headed either by a couple or lone-parent.

One person households make up the greatest proportion of INALH renter households in Surrey (1,660 households comprising 47% of INALH households).

Refugee Population

Surrey has emerged as the primary destination for "Government-Assisted Refugees" (GARs). A recent study for the City of Surrey¹⁵ on the housing experiences of refugees found that 1,016 newly-arrived GARs or 295 family units settled in Surrey from 2004 to 2008.

About half of these GARs were children and youth under the age of 19 years. Many had "high needs", including low literacy levels in their own language, significant physical and mental health issues, and

¹⁴ CMHC definitions:

- **'Core housing need'** refers to households whose housing falls below the norms of expectations in terms of either adequacy (condition), affordability (costs less than 30% of before-tax household income) or suitability (size) and who would have to spend more than 30% of before-tax household income to pay the median rent of alternative housing that would meet all three standards. Core housing need analysis includes only non-farm and non-reserve private dwellings. Households comprised of full-time students between the ages of 15 to 29 are considered to be in a transition stage of life and therefore are not in core housing need.
- **'INALH'** households are a subset of households in core housing need and refer to those that are in need and spending at least half of income on shelter.

¹⁵ Kathy Sherrell and Immigrant Services Society of BC, *At Home in Surrey: The Housing Experiences of Refugees in Surrey, B.C.*, April 2009.

more single-headed households. Household sizes were typically larger than Canadian average households.

While relatively affordable rents have made Surrey an attractive destination, the study indicated that the majority of GARs live in housing that is both unaffordable and overcrowded. Most live in private rental apartment units and rely on government transfers for income, so affordability challenges are prevalent. Of the GARs that were interviewed for the study:

- 15 out of 22 spent over 51% of household income on housing; and
- 7 out of 22 spent over 75% of household income on housing.

Of the GARS that were interviewed for the study:

- 3 were 4+ person households living in a 1-bedroom apartment;
- 8 were 6+ person households living in a 2-bedroom apartment; and
- 4 were 7 person households living in a 3-bedroom apartment.

Homeless Population¹⁶

Table 13 - Total Homeless Population by Municipality Found - March 11, 2008

Municipality found	Sheltered homeless		Street/service homeless		Total homeless	
	Number	Percent	Number	Percent	Number	Percent
Burnaby	9	1%	77	5%	86	3%
Delta/White Rock	6	1%	11	1%	17	1%
Langley	12	1%	74	5%	86	3%
Maple Ridge/Pitt Meadows	50	5%	40	3%	90	3%
New Westminster	52	5%	72	5%	124	5%
North Vancouver District and City	60	6%	63	4%	123	5%
Richmond	19	2%	37	2%	56	2%
Surrey	95	9%	307	20%	402	15%
Tri-Cities	18	2%	76	5%	94	4%
Vancouver	765	70%	811	52%	1,576	59%
West Vancouver	0	0%	4	0.3%	4	0.2%
Total respondents	1,086	100%	1,572	100%	2,658	100%
Not stated	0		2		2	
Total	1,086		1,574		2,660	

Source: Social Planning and Research Council of BC et al., *Still on Our Streets: Results of the 2008 Metro Vancouver Homeless Count*, December 2008 Edition (Revised March 9, 2009)

The 2008 Metro Vancouver Homeless Count found 402 homeless people in Surrey, which accounts for 15% of the regional homeless population. As a point of reference, Surrey has 19% of the regional population. The Homeless Count numbers are conservative estimates and widely recognized as an undercount.¹⁷

Only 24% of Surrey's homeless were found in a shelter. In contrast, in Vancouver, nearly half (48%) of the homeless were sheltered.

¹⁶ Note that Table 13 and Table 14 provide show the distribution of the total homeless population by the municipalities in which they were found during the 2008, 2005 and 2002 counts, as opposed to the number of people who were enumerated. People who refused to complete the count questionnaire are included in these figures and they are assigned to the municipalities according to the proportion of homeless people who were enumerated in each year.

¹⁷ The Homeless Count is regarded as an undercount because it does not assess the full extent of the 'hidden homeless' (people who stay temporarily with family or friends, are unable to acquire or keep their own place, or are 'at-risk' of homelessness); it acknowledges difficulties in finding and counting people who are homeless but not in shelters or accessing any services for the homeless; and it does not include people staying in detox facilities, recovery houses or hospitals who do not have a place to stay when they leave.

Table 14 - Increase in Homelessness by Municipality - 2002, 2005 and 2008

Municipality found	Total # of homeless			% change		
	2002	2005	2008	2002-2005	2005-2008	2002-2008
Burnaby	18	42	86	133%	105%	378%
Delta/White Rock	11	12	17	9%	42%	55%
Langley	18	57	86	217%	51%	378%
Maple Ridge/Pitt Meadows	66	44	90	-33%	105%	36%
New Westminster	74	97	124	31%	27%	66%
North Vancouver District/City	33	88	123	167%	41%	276%
Richmond	31	35	56	13%	60%	81%
Surrey	171	392	402	129%	3%	135%
Tri-Cities	14	40	94	186%	135%	571%
Vancouver	670	1,364	1,576	104%	16%	135%
West Vancouver	14	2	4	-86%	100%	-71%
Total respondents	1,121	2,173	2,658	94%	22%	137%
Not stated	0	1	2	-	100%	-
Total	1,121	2,174	2,660	94%	22%	137%

Source: Social Planning and Research Council of BC et al. (March 9, 2009)

The total homeless population in Surrey increased from 171 in 2002, to 392 in 2005, and 402 in 2008. This represents a 129% increase from 2002 to 2005, and a 3% increase from 2005 to 2008.

Table 15 - Profile of Homeless Persons in Surrey

	Number	Percent
Gender		
Men	252	67%
Women	126	33%
Total respondents	378	100%
Age groups		
Youth	53	14%
Adults (25-54)	287	77%
Seniors (55 plus)	35	9%
Total respondents	375	100%
Aboriginal identity		
Aboriginal	108	30%
Not Aboriginal	248	70%
Total respondents	356	100%

Source: Social Planning and Research Council of BC et al. (March 9, 2009)

Most homeless persons are men. However, there are proportionally more homeless women in Surrey (33%) than in Metro Vancouver as a whole (27%). 53 people or 14% of the homeless in Surrey are youth and 35 people or 9% are seniors. 108 people or 30% of homeless in Surrey identified as Aboriginal.

B. NON-MARKET SOCIAL HOUSING

Social Housing Stock

Surrey currently has approximately 7,000 social housing units in the non-market range of the housing continuum (accounting for approximately 20% of the “rental housing” stock).¹⁸

Table 16 - Number of Social Housing Units in Surrey

Type of Social Housing	# of units	% of social housing units
Aboriginal housing	155	2%
Co-operative housing	1,033	15%
Low-income housing for families, seniors, adults with disabilities and singles	3,183	45%
Government funded and/or non-profit operated residential care and assisted living for seniors	1,809	26%
Other licensed care and assisted living for special needs, mental health and addictions	470	7%
Transition and supportive housing	322	5%
Emergency shelter beds	71	1%
Total	7,043	100%

Source: City of Surrey Planning and Development Department, June 2009

¹⁸ This number, with the exception of a supportive housing program for youth in one private market building, excludes rent supplements in private market developments. In this report, ‘social housing’ refers to housing for low income households or *adults* with special needs that is operated by a public agency, non-profit society or housing co-operative. Housing units or beds in privately-run market facilities (e.g. senior’s housing/facilities) that are funded or subsidized by government agencies are also included in the number of social housing units.

Table 17 - Type of Transition and Supportive Housing

Type of transition/ supportive housing	# of units	% of total transition/ supportive housing units
Aboriginal	18	6%
Addictions	76	24%
Homeless	69	21%
Mental Health	58	18%
Women	98	30%
Youth	3	1%
Total	322	100%

Source: City of Surrey Planning and Development Department, June 2009

Low income rentals and co-operatives for aboriginals, families, seniors, adults with disabilities and singles account for 62% of Surrey's social housing stock (approximately 4,400 units). BC Housing has identified approximately 300 of these units as suitable for single people.

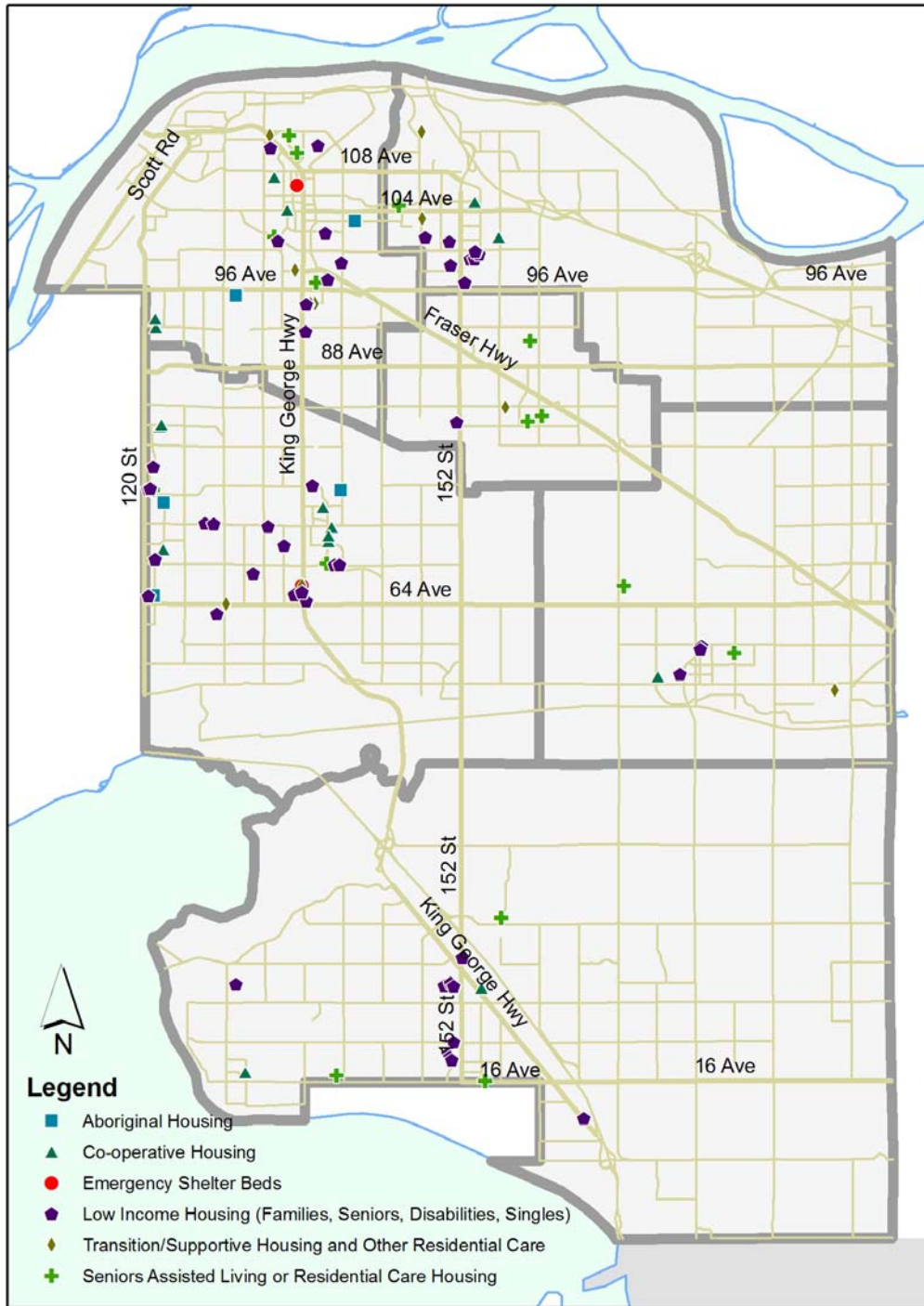
Seniors housing in residential care and assisted living units funded by government or run by non-profit organisations account for 26% of social housing (approximately 1,800 units).

Surrey has 322 units of supportive and transition housing. This includes housing for aboriginals (18 units); people with addictions (76 units) and mental health issues (58 units); people who are homeless or at-risk of homelessness (69 units); women who are fleeing violence or are at risk-of-homelessness (98 units); and youth (3 units).

There are 71 shelter beds for homeless people.

Demand exceeds the supply of social housing, with approximately 980 Surrey applicants on the waiting list for non-market rental units in February 2009. Most applicants, 533 of them, are waiting for family housing. There are also 160 applicants for seniors housing, 145 applicants for housing for people with disabilities and 47 applicants for singles housing.

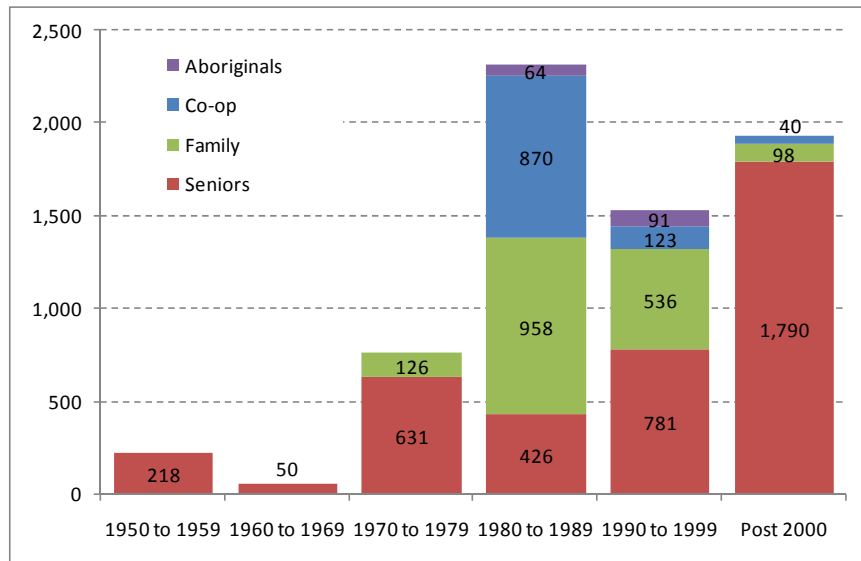
Figure 13 - Locations of Social Housing in Surrey



Source: City of Surrey Planning and Development Department, June 2009

Construction Period of Social Housing Units

Figure 14 - Construction of Social Housing Units in Surrey by Type¹⁹



Source: City of Surrey Planning and Development Department, June 2009

The majority of co-operative and low income housing units for aboriginals, families, seniors and single people were constructed during the 1980s.

In the last decade, most social housing that has been constructed has been for seniors.

¹⁹ In **Figure 14**, the seniors housing unit numbers include independent living, residential care, assisted living, and "mixed" buildings that include both *market* and funded or non-profit operated housing for seniors. The housing units for families and seniors also include apartments identified by BC Housing as suitable for single people.

C. PRIVATE MARKET RENTAL

Market Rental Stock

Table 18 - Estimated Market Rental Units in Surrey by Structural Type²⁰

	# of units	% of total
Coach houses	366	1%
Secondary suites	18,882	67%
Townhouses	456	2%
Low rise apartments *	5,159	18%
High rise apartments	282	1%
Estimated condominium apartments rented out by owners	3,100	11%
Total	28,245	100%

Source: City of Surrey Planning and Development Department, December 2008

There are an estimated 28,200 private market rental units in Surrey.

Secondary Suites

The majority of Surrey's private market rental units are secondary suites in single family structures. There are approximately 18,900 known secondary suites in Surrey, representing about 67% of Surrey's market rental stock. The suites are in the following categories:

Table 19 - Breakdown of Known Suites by Type

	# of units	% of total
Authorized suites	1,822	10%
RF-12C zone	29	0%
RF-9C zone	526	3%
RF-9S zone	36	0%
RF-SS zone	1,231	7%
Unauthorized suites	17,060	90%
Paying utility fees	14,407	76%
Not yet paying utility fees	2,653	14%
Total	18,882	100%

Source: City of Surrey Planning & Development Department, December 2008

The Surrey Zoning By-law currently provides for legal secondary suites in the following zones:

- the Single Family Residential Secondary Suite (RF-SS) Zone;
- the RF-9C and RF-12C Coach House Zones which provide one secondary suite or one coach house; and
- the Special Single Family Residential (RF-9S) which provides for one secondary suite or one coach house in addition to small scale office and retail uses.

²⁰ The data on low rise apartments include the market rental units in seniors' housing buildings that have a mix of both non-market (social housing) and market units (indicated by "**").

There are an estimated 1,200 secondary suites in the RF-SS Zone and a combined total of approximately 600 suites in the RF-12C, RF-9C and RF-9S Zones.

As well, there are approximately 17,100 secondary suites which are not provided for in the zoning by-law, but which are known by the city. The majority of these suites pay an annual utility rate as per the City's *Secondary Suite Cost Recovery Strategy* (see **Policy O-26(a)** in **Table 22** for detail). The owners of these suites pay an additional \$695.00 per year to cover the additional costs of sewer, water and garbage collection services or \$106.00 if the house is metered. The City is continually identifying unauthorized suites by a variety of methods. This means that at any given time there are some previously unknown, unauthorized suites that are not yet paying the utility fee.

It is acknowledged that there are additional secondary suites which are not known or accounted for in Surrey's building inventory at this time. Metro Vancouver estimates that approximately 18% of single family structures in the region contain secondary suites.²¹ Caution should be noted in that these regional and local figures are only estimates.²²

There are approximately 78,700 single family structures in Surrey. Based on this, approximately 24% of single family structures in Surrey contain secondary suites. The only available secondary suite data comes from the British Columbia Assessment Authority and the City's own records. As new suites are identified, if there is only one suite per property, and there are no complaints about the property, the property owner is charged the additional utility fee and the suite is allowed to remain.

Purpose-built Rental Stock

Table 20 - Purpose-built Market Rental Units in Surrey

	# of units	% of total
Townhouse	456	8%
Low rise apartment*	5,159	87%
High rise apartment	282	5%
Total purpose-built	5,897	100%

Source: City of Surrey Planning and Development Department, December 2008

In December 2008, there were approximately 5,900 non-stratified, purpose-built townhouse and apartment units in Surrey, accounting for about 21% of all private market rental units (see **Table 20** above).

Table 21 - Purpose-built Market Rental Units in Surrey by Community

²¹ Metro Vancouver, *Regional Growth Strategy Background: Residential Development Capacity Study*, April 2009, p. 2 Table 1.

²² The Metro Vancouver secondary suite estimate is based on 2006 Census data reconciled with British Columbia Assessment Authority information. The City of Surrey secondary suite estimate is based on its own inventory that is produced and maintained through the *Secondary Suite Cost Recovery Strategy* and is reconciled with British Columbia Assessment Authority information.

	Cloverdale	Fleetwood	Guildford	Newton	South Surrey	Whalley	Surrey
Townhouse	10	8	84	354	0	0	456
Low rise apartment*	216	53	2,008	354	399	2,129	5,159
High rise apartment	0	0	0	0	0	282	282
Total purpose-built	226	61	2,092	708	399	2,411	5,897
% of Surrey purpose-built	4%	1%	35%	12%	7%	41%	100%

Source: City of Surrey Planning and Development Department, December 2008

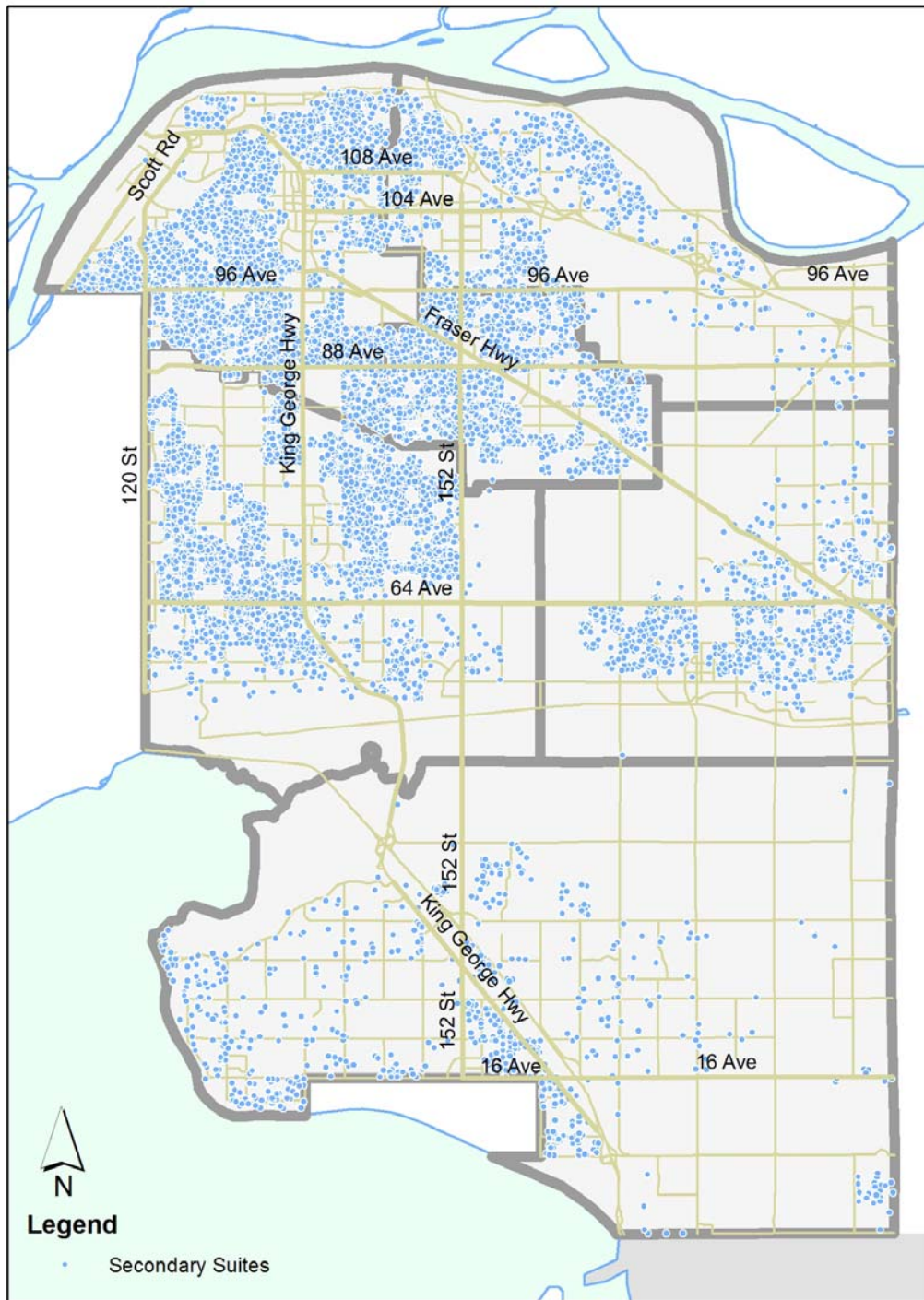
Most of Surrey's purpose-built market rental stock is found in Whalley (41%) and Guildford (35%).

Condominium Apartment Rentals

Limited information is available on the secondary rental market in Surrey. CMHC estimated that in October 2008, 18.8% of condominium apartments in *Suburban* Vancouver, which includes Surrey, were rental units.²³ There are an estimated 16,500 strata-titled apartments units in Surrey (December 2008). Assuming 18.8% of these units are rented, there are approximately 3,100 condominium apartment rental units in Surrey, comprising an estimated 11% of market rental units.

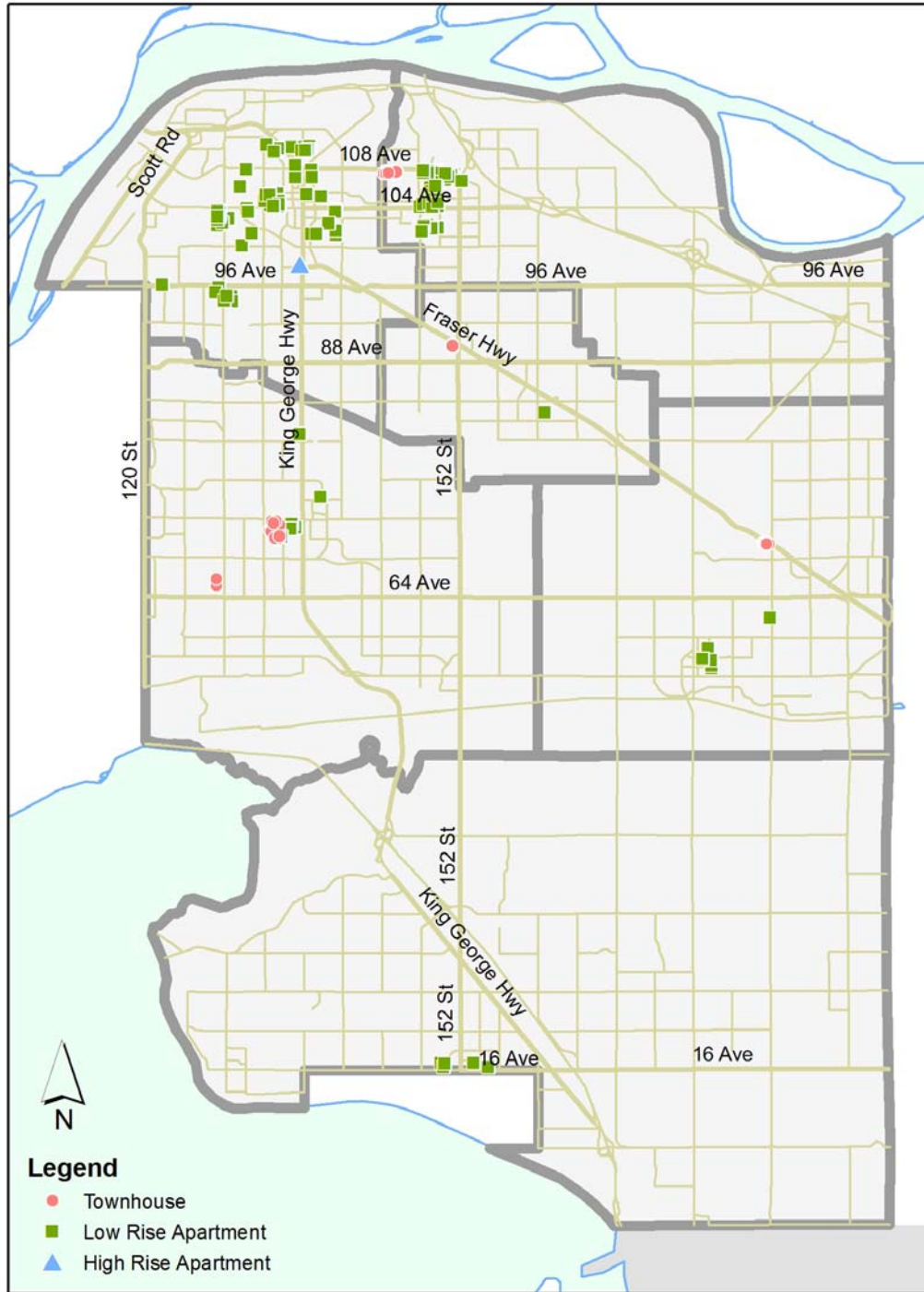
²³ CMHC, *Rental Market Report: Vancouver and Abbotsford CMAs*, Fall 2008.

Figure 15 - Locations of Known Secondary Suites in Surrey



Source: City of Surrey Planning and Development Department, December 2008

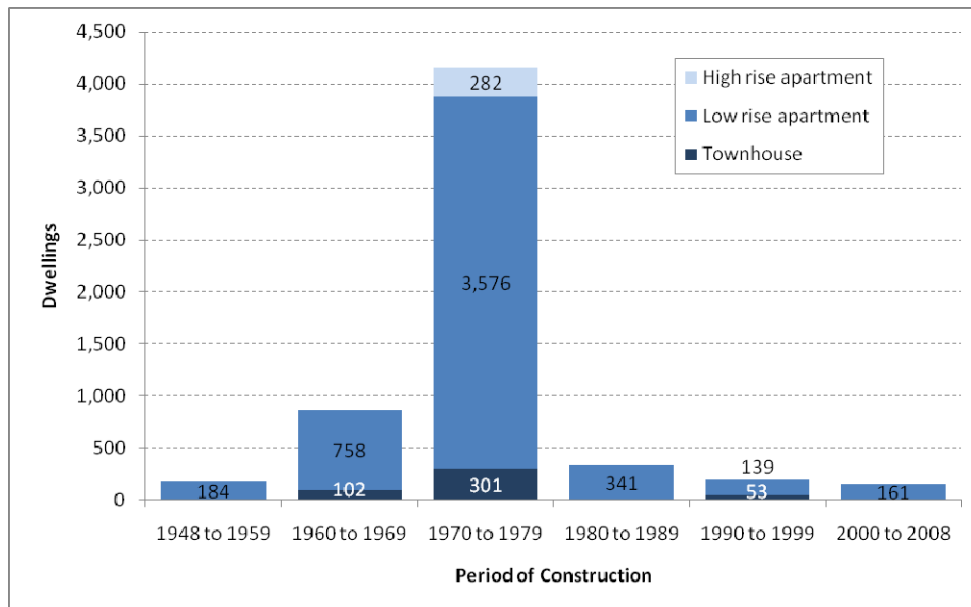
Figure 16 - Locations of Purpose-built Market Rental Stock in Surrey



Source: City of Surrey Planning and Development Department, December 2008

Construction Period of Market Rental Units

Figure 17 - Construction of Market Rentals in Purpose-built Apartments and Townhouses in Surrey²⁴



Source: City of Surrey Planning and Development Department, December 2008

The majority of private market rental units in purpose-built rental buildings (approximately 4,200 of 5,900 townhouse and apartment units) were constructed in the 1970s. Only about 160 units of purpose-built market rentals have been constructed between 2000 and 2008.

²⁴ Market rental units for seniors in "mixed" buildings that include both market and social housing for seniors are not included in this data.

PART V: SURREY'S HOUSING POLICIES

A. CORPORATE POLICIES AND PRIORITIES

Official Community Plan

The City of Surrey's current *Official Community Plan (OCP)*, adopted in 1996, is currently undergoing a second major update. The priorities and recommended actions of the Housing Action Plan (HAP) will inform the OCP review.

Under Section 2 of the current OCP, housing is addressed under three main policy areas:

- *A. Manage Growth for Compact Communities;*
- *C. Build Complete Communities;* and
- *I. Improve the Quality of Community.*

The particular importance to the HAP is the section on "Improve the Quality of Community". Key policies are summarized below.

Manage Growth for Compact Communities

The OCP provides a framework for the development and build-out of new neighbourhoods which supports the provision of market housing.

- Policy A-1.7 and Policy A-1.8 call for higher densities and taller buildings closest to urban centres and decreasing densities and heights away from these centres.
- Policy A-2.1 and Policy A-4.2 address the supply of residential land and call for the allocation of land and development opportunities to provide a range of residential development options, including developing new neighbourhoods to maintain an adequate supply of land for housing.
- Policy A-4.2 stipulates that when residential growth capacity is less than five years, the City should begin planning for new Urban-designated neighbourhoods.

Build Complete Communities

- Policy C-2.1 gives the examples of making use of smaller residential lots, second dwellings on properties, multiple unit residential developments, and mixed use developments to achieve compact development.
- Policy C-2.4 states that higher residential densities which support transit service and the presence of variety in housing forms (i.e. townhouses, low rise apartment buildings and mixed use developments) enable neighbourhood centres to function as a civic focus.

Subsection C-3 sets out three housing-related policies to build complete communities:

- Policy C-3.1 promotes a mix of housing types that supports "all age and income groups, renters and household types" and that there be an emphasis on "development of smaller houses on smaller lots, ground-oriented housing, and high density housing particularly within and surrounding the City Centre and the Town Centres."

- Policy C-3.2 reinforces managing growth for compact communities, and a variety of higher density housing types in and around Town Centres to reinforce existing nodal development pattern and community structure.
- Policy C-3.3 states that creating a mix of residential and business uses in a neighbourhood will support a variety of lifestyles and contribute to the economic and social viability of the community.

Improve the Quality of Community

Subsection I-4 “*Accommodate Affordable, Rental, and Special Needs Housing in All Parts of the City*” sets out policies to allow people to “live with honour and dignity regardless of income levels and abilities”.

- Policy I-4.1 calls for the City to facilitate development of affordable housing for low and moderate income groups, including through the identification of potential sites or areas through the Neighbourhood Concept Plan process. The OCP defines affordable housing as owned or rented housing that meets the needs of individuals or families in the low to moderate income range and costs less than 30% of gross household income.
- Policy I-4.2 encourages affordable and social housing to be evenly distributed throughout the City, in a way that is compatible with existing patterns of development and integrated into the existing community as a component of other housing developments.
- Policy I-4.3 reinforces the objectives of complete communities and neighbourhood centres by supporting opportunities for home ownership and maintaining a minimum amount of rental housing in all areas of the City. The policy limits demolition or conversion of existing rental units, unless City-wide vacancy rates are higher than 4%.
- Policy I-4.4 calls upon the City to work with government and private non-profit agencies and the community to facilitate special needs housing throughout the City, and where appropriate, to do so as part of the Neighbourhood Concept Plan process. Special needs housing include housing for people with physical and mental disabilities and people in crisis such as battered women and the homeless.

Sustainability Charter

The *Sustainability Charter* was adopted by Council in September 2008 as a framework to guide the City’s actions and decisions. The Charter identifies housing as a key component of “Socio-cultural Sustainability” and articulates a vision of a sustainable Surrey as being a city with “livable communities that provide a range of affordable and appropriate housing options” that “meet the needs of households of various sizes, compositions, and income levels” and where “those with special needs will have the supports they need to enable them to live as independently as possible.” The development of a Housing Action Plan is listed as one of the immediate actions to be undertaken to advance the Vision and Goals of the Charter.

Plan for the Social Well-being of Surrey Residents

Council adopted the *Plan for the Social Well-Being of Surrey Residents* (Social Plan) in February 2006, to provide strategic direction for the City’s actions on social issues in Surrey. The Social Plan identified “Housing and Homelessness” as one of five priority social issue areas for the Plan to address. For those issues that are the primary responsibility of provincial and federal levels of government, including

housing and homelessness, the Social Plan identified three roles for the City: understanding, advocating and supporting solutions to the issues.

The Social Plan identified significant gaps in the housing continuum in Surrey, including an estimated additional need for: 125-150 youth and adult emergency shelter beds; 500 units of transitional and supportive housing; and 5,000 units of low income housing for the homeless, families and singles.

The Social Plan recommended that the City:

- *Continue to participate on the:*
 - *Surrey Homelessness and Housing Taskforce;*
 - *Regional Steering Committee on Homelessness; and*
 - *Other related forums (i.e. the Mayor's Taskforce on Homelessness)*
- *Encourage public education around homelessness and solutions to homelessness;*
- *Encourage the establishment of a Housing and Homelessness Foundation;*
- *Monitor funding opportunities and policy directions by other levels of government and others in relation to the identified gaps (i.e. the proposed New Canadian Housing Framework) and inform appropriate taskforces and roundtables;*
- *Facilitate the establishment of an intergovernmental roundtable to address, among other issues, the social service gaps related to housing and homelessness;*
- *Develop locational guidelines for shelters and transitional housing projects;*
- *Review zoning provisions in order to accommodate and integrate needed facilities in the City;*
- *Identify opportunities to further encourage affordable housing development and preserve affordable housing stock, including secondary suites, and maintaining stock preservation initiatives and zoning support;*
- *When locational guidelines are developed, include them in the terms of reference for the Neighbourhood Concept Plan (NCP) planning process; and*
- *Develop a policy and program to provide some seed money towards the implementation of solutions for housing gaps (e.g. Phoenix House), possibly using the Affordable Housing Reserve Fund as a source of funding.*

B. CITY OF SURREY POLICY MANUAL

The City of Surrey Policy Manual contains policies on a variety of areas which have been adopted by Council. These policies are intended to serve as a guide to City staff in regard to daily operations and enable decision-making within policy as set by Council, as well as to guide members of Council so that “their decisions where required will be made within the policy”. However, many of these policies are not considered in current decision-making by staff and/or Council.

Table 22 - City Operational Policies Affecting Affordable Housing

Policy Area	Policy, Approval Date and Practice
<p>Affordable housing</p>	<p>Policy O-24 “Affordable Housing Strategy” (August 12, 1991)</p> <ul style="list-style-type: none"> – The policy sets out guiding principles and strategies for affordable housing in Surrey. It outlines goals of: <ul style="list-style-type: none"> ▪ <i>Adequate shelter</i> - that the fundamental nature of the need for adequate shelter justifies direct subsidy and 25% of shelter units should be affordable to the lowest quartile of the range of housing incomes in Surrey; ▪ <i>Home ownership</i> – that the opportunity for home ownership should be available to as many Surrey residents as possible, especially for first time home buyers and the municipality has a regulatory and indirect role in encouraging home ownership opportunities; and ▪ <i>Diverse communities</i> – that there should be a mix of demographic and income characteristics, clusters of affordable housing should be distributed in each of Surrey’s communities, and there should be no requirement or objective that every subdivision or project requires an affordable housing component, although larger development could be expected to contribute towards this goal. – The policy also sets out roles and responsibilities of the development community and local and regional government (e.g. a municipal focus on greatest need, that is, on shelter and not home ownership), as well as strategies and objectives to address affordability (e.g. through densification, reduced lot sizes, and regulatory and processing improvements). – The policy was followed by the creation of an <i>Affordable Housing Statutory Reserve Fund</i> (created in 1992; now known as the Affordable Housing Special Reserve Fund) and an <i>Affordable Housing Implementation Strategy</i> (adopted in 1993 and amended in 1994). – The Affordable Housing Implementation Strategy required residential developers either to make 20% of their proposed dwelling units affordable to low and moderate income households or to make a cash-in-lieu contribution of \$750 per lot or unit to the Fund. The affordable housing contribution was eliminated in 1997. – Interest accrued from the Affordable Housing Reserve Fund was initially used to fund the <i>Surrey Home Ownership Assistance Program</i> (see details

Policy Area	Policy, Approval Date and Practice
	<p>below). In 2007, \$9 million was transferred from the Fund to establish the <i>Surrey Homelessness and Housing Fund</i> (see details below).</p> <p>Policy No. 40 “Affordable Home Ownership Policy” (adopted September 13, 1999 and amended January 21, 2002, March 24, July 7, 2003)</p> <ul style="list-style-type: none"> – The objective of the policy was to financially assist households who live or work in Surrey and who would not typically be able to enter the housing market. – The Home Ownership Assistance Program, which operated between 2000 and 2006, provided interest free loans to first time homebuyers with below average household income in the City.
<p>Density bonusing</p>	<p>Policy O-54 “Interim Bonus Density Policy” (adopted October 15, 2007 and amended February 2008 and April 2009)</p> <ul style="list-style-type: none"> – The policy stipulates that land developers may build additional density (a “density bonus”) in City Centre and Guildford Town Centre in exchange for amenity contributions to the City. – The policy requires that the benefiting developer provide a percentage of the lift in the market value of the land, achieved through the increased density, as value back to the City. The policy applies to development applications proposing densities greater than 3.5 floor area ratio (FAR) for lands designated <i>City Centre</i> and <i>Commercial</i> and greater than 2.5 FAR for lands designated <i>Multiple Residential</i> in City Centre and greater than 1.5 FAR for lands designated <i>Multiple Family</i> in Guildford Town Centre. – The policy provides for a phase-in period, which includes the following stipulations: Applications that are currently in-stream, which were received after October 1, 2007 and prior to July 1, 2009 and are completed by October 1, 2010, are subject to a contribution at issuance of building permit equal to a 25% land lift. Upon full implementation of the policy, applications received after January 1, 2011 will be subject to a contribution equal to 75% of the land lift value. – The policy allows for the bonus density value to be achieved through amenities such as affordable housing; civic amenities including child care spaces, public meeting spaces, civic and cultural facilities, public art, open space, publicly accessible parks or gathering places, etc.; or a cash-in-lieu payment. – In April 2009, the policy was amended as part of the City Economic Investment Action Plan and creation of the City Centre Economic Investment Zone. The bonus density policy will not apply in City Centre to high density residential projects which have a construction value in excess of \$25 million, for applications submitted prior to March 31, 2010, where construction commences by December 31, 2010 and final approval is granted by December 31, 2012. – The bonus density policy was accompanied by the creation of a Density Bonus Reserve Fund in 2008.
<p>Development process</p>	<p>Policy O-18 “Municipal Incentive Grant for Rental Housing” (October 23, 1989)</p>

Policy Area	Policy, Approval Date and Practice
<p>efficiencies</p>	<ul style="list-style-type: none"> - The policy states that rental housing multiple-family development projects should be fast-tracked whenever possible, to obtain final approval of either rezoning or building permit within four months of the application. <p>Policy O-20 “Subsidized Social Housing” (January 29, 1990)</p> <ul style="list-style-type: none"> - The policy states that applications for subsidized social housing with approved and conditionally approved unit allocations by senior governments have priority within the Planning Department, the Permits and Licenses Department, and other departments involved.
<p>Locational and operational guidelines</p>	<p>Policy O-34 “Manufactured Home Park Location Criteria” (December 11, 1995)</p> <ul style="list-style-type: none"> - The policy provides locational guidelines for selecting and supporting manufactured home parks, including that the site be in an area designated for urban residential development which is suitable for densities of nine units per acre. <p>Policy No. O-44 “Temporary Homeless Shelter” (May 3, 1999)</p> <ul style="list-style-type: none"> - The policy defines a temporary homeless shelter as “a building which provides temporary accommodation at no cost for persons in need during the period between November 15 and March 1” and provides operational guidelines for the shelter, including on the number of beds and requirements for a business licence. - The definition of a temporary homeless shelter has limited application at present, as the Province has largely converted seasonal “cold/wet weather” shelter beds to year-round beds, with additional funding for Extreme Weather Response mats. (Extreme weather is dealt with under the City’s emergency response, at which time zoning and other regulations are not enforced.) <p>Policy No. O-39 “Locational Guidelines for Alcohol and Drug Recovery Houses” (June 22, 1998)</p> <ul style="list-style-type: none"> - The policy provides locational guidelines for alcohol and drug recovery houses, which are to be used as part of the analysis in rezoning applications to determine the suitability of a site for a recovery house. The guidelines include requirements for location on arterial roads; equal distribution across Surrey’s communities; and minimum distances of 600 metres, or conditions if less than 600 metres, from schools, parks, child care and other recovery houses. - Changes in 2004 to Provincial regulation of alcohol and drug recovery houses have meant that rezoning applications for these facilities have been limited, as only those licensed by Fraser Health Authority would meet Zoning By-law definitions. The regulation of safe and affordable housing for people recovering from addictions is being considered under a separate process from the Housing Action Plan.
<p>Manufactured</p>	<p>Policy O-34A “Manufactured Home Park Redevelopment and Strata</p>

Policy Area	Policy, Approval Date and Practice
home park strata conversion protections	<p>Conversion Policy” (December 11, 1995)</p> <ul style="list-style-type: none"> – The policy provides for a process for redevelopment and strata conversion of existing manufactured home parks, which supplements the provisions outlined in the Condominium Act and the Residential Tenancy Act. The policy includes a requirement to notify tenants of both the application and the Council meeting date to consider the application; a plan for relocation of existing residents; and right of first refusal to purchase for existing tenants.
Rental stock strata conversion restrictions	<p>Policy M-10 “Procedures for Processing Strata Title Applications” (March 11, 1991)</p> <ul style="list-style-type: none"> – The policy states that Council will not approve conversions from rental to strata title units, unless Surrey’s vacancy rate reaches or exceeds 4%, as determined by the Canada Mortgage and Housing Corporation (CMHC). – According to CMHC, the vacancy rate for private apartments in Surrey has only fallen below 4% in four of the last ten years, three of which were in the past three years. Vacancy rates were 2.9% in 2006, in 2.4% in 2007 and 2.1% in 2008.

Policy Area	Policy, Approval Date and Practice
Secondary suites	<p>Policy O-26 “Secondary Suites - Beaver Creek Heights Area” (December 16, 1991); Policy O-33 “Secondary Suites - Panorama Park Area” (February 24, 1997); and Policy O-35 “Secondary Suites - Fairview Ridge” (April 7, 1997)</p> <ul style="list-style-type: none"> – The City has had a Secondary Suite Policy Map since 1992 which indicates areas where suites would be allowed and has had provisions for the “Single Family Residential Secondary Suite Zone (RF-SS)” since 1993. However, the above noted policies specifically prohibit secondary suites in three areas of Surrey. <p>Policy O-26(a) “Secondary Suite – Refund Schedule” (April 5, 1993)</p> <ul style="list-style-type: none"> – The policy provides a schedule for refunding fees paid on applications to rezone existing single family properties to permit a secondary suite. In reality, few applications are made to rezone to the RF-SS Zone despite the refund schedule and the reduced development application fees (amounting to approximately 60% less for the rezoning fee and 80% less for the public hearing fee as compared with other residential land development applications). – In March 1997, the City adopted a Secondary Suite Cost Recovery Strategy to recover the cost of providing utility services for all known secondary suites, whether or not the suites were permitted by zoning. In May 2009, the City collected utility fees for approximately 16,200 “authorized” and “unauthorized” secondary suites in Surrey. Authorized suites are permitted by zoning and have building, plumbing and electrical permits. Unauthorized suites have not gone through the legalization process for rezoning and permit approval.

Policy Area	Policy, Approval Date and Practice
	<ul style="list-style-type: none"> - The 2009 utility rates for secondary suites in unmetered homes are: \$342 for sewer, \$247 for water and \$106 for garbage, for a total of \$695. For metered homes, only a garbage charge of \$106 per can is collected for a secondary suite. - The City's By-Law Enforcement Section generally does not require the removal of unauthorized secondary suites where there is only one suite on a property (authorized or unauthorized), but it does enforce the B.C. Building Code requirement that there be only one suite. Other Code requirements are not enforced. - If there is only one secondary suite, By-law Enforcement notifies the Property Tax and Utility Section to add utility charges to the property tax bill of the registered property owner. Where there is more than one secondary suite, a notice of Demand for Removal is issued, following which By-law Enforcement will inspect the property to ensure that only two cooking facilities remain.
Smaller lots	<p>Policy O-52 "Small Lots Residential Zones Policy" (January 17, 2000)</p> <ul style="list-style-type: none"> - The policy provides guidelines for rezoning to small lot zones in areas designated Urban under the Official Community Plan. - The policy was accompanied by the creation of three new zones: "Single Family Residential (12) Zone (RF-12)"; "Single Family Residential (9) Zone (RF-9)"; and "Semi-Detached Residential Zone (RF-SD)". These small lots were intended to provide an alternative form of ground-oriented housing for family living that was more affordable than houses on the standard lot (15-metre wide and 560 square metres in size), as well as to contribute to the densification of Urban areas as called for in the Official Community Plan. - With subsequent rezoning of properties, housing affordability and diversity were further addressed by the creation of other new types of small residential lots that permitted a secondary suite or coach house, in addition to the principle dwelling (the RF-12C, RF-9C, RF-9S and RF-SS Zones). <p>Policy O-30 "Single Family Infills" (July 4, 1994)</p> <ul style="list-style-type: none"> - The policy provides guidelines for a desirable interface between existing and new urban single family lots: the width of new lots created in "infill" and "street frontage completion" developments are to have widths similar to the widths of existing lots or be a minimum width of 16.5 metres.

C. CURRENT INITIATIVES AND ACTIONS

Memorandum of Understanding with BC Housing

In March 2008, the City of Surrey signed a Memorandum of Understanding (MOU) with BC Housing toward the establishment of supportive housing units in Surrey. The MOU applies to two housing projects currently under development on City-owned land.

The two projects proposed in the MOU are:

- *Alder Gardens (YWCA Project)* - A 36-unit supportive housing project in Newton for single women with dependent children who are living in Surrey and are at-risk of homelessness or in core housing need.
- *Creekside Health and Housing Centre (Provincial Partnership Project)* - A health services and housing project for men and women recovering from addictions, which will accommodate an addictions and mental health clinic, a 25-bed sobering centre, 32 Stabilization and Transitional Living Residence (STLR) beds and 40 transitional housing units.

An additional project was added in 2009:

- *Timber Grove Apartments* - A supportive housing project in City Centre that will be operated by Coast Mental Health and provide 52 studio apartments for individuals who are homeless or at-risk-of-homelessness.

Under the terms of the partnership agreement with BC Housing, the City of Surrey has committed to lease the sites at a nominal rate for 60 years and to waive all municipal development costs and fees. In addition, the non-profit sponsors of the housing projects may apply on an annual basis for a property tax exemption. The City has also committed to expediting the approval process for these housing projects.

Preconstruction costs and capital and operating funding for these projects will be arranged through Provincial agencies.

Surrey Homelessness and Housing Fund

In June 2007, Council approved the transfer of over \$9 million from the City's *Affordable Housing Reserve Fund* to establish the *Surrey Homelessness and Housing Fund* (the Fund). The aim of the Fund is to raise, manage and distribute funds to support initiatives that address homelessness. The Surrey Homelessness and Housing Society, with a community-based board of directors, was established to oversee the Fund. The Fund is housed at the Vancity Community Foundation.

The Surrey Homelessness and Housing Society was officially launched in April 2008. An inaugural, one-time grant of \$1-million was awarded to Atira Women's Resource Society in October 2008 to assist in funding the construction of Maxxine Wright Place, a transitional housing project for at risk women who are pregnant and/or parenting new babies.

Beginning in 2009, the Society will have an annual grant program. In 2009, the total funds distributed will total \$200,000. The Society will also provide "responsive grants". These are grants awarded outside of the regular annual granting cycle in response to an emergency, such as where the health and safety of Surrey residents are in jeopardy, or when there is a compelling opportunity that may be missed or there is a significant opportunity to leverage other monies, and these opportunities were not known in time for the regular annual granting cycle.