

Affordable housing: Coun. Bassam wants a referendum

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Councillor Roger Bassam used the last District of North Vancouver Council meeting before the summer to present a central part of his election campaign: a non-binding question added to October's ballot asking District voters to endorse a plan to invest \$150 million to create 1,000 units of affordable housing over the next decade.

Bassam describes the question as "a test for the community"; a proposal to "tax the local property owners and invest that tax in non-market housing to the benefit of the broader community and families in need."

One way the District encourages developers to include non-market housing is by awarding them density bonuses, which usually allow added floors or more units in new buildings in exchange for including non-market housing units. Or the District can encourage the construction of more of this type of housing through agreements with developers to forgo the payment of Community Amenity Contributions (CACs) in exchange for the provision of rental and non-market housing.

Development Cost Charges (DCCs) may also be waived, leaving the District to cover the shortfall in DCC reserves used for things like roads, sewers, and infrastructure. The hope has been that this mix



of initiatives will allow the District to meet the housing commitments included in the Official Community Plan and the November 2016 Rental and Affordable Housing Strategy.

Bassam's argument is that the cost of all of these incentives to the District, and to local taxpayers, will inevitably incur at least a \$150 million price tag.

His concern is that the District does not have a mandate to build housing. His ballot question is asking voters to endorse his plan to implement a more straightforward

approach: that District tax dollars should be used to fund non-market housing directly.

According to Statistics Canada and the Canada Mortgage and Housing Corporation (CMHC), about one quarter of District residents rent their homes, and more than 40% are paying "unaffordable" housing costs. Bassam attributes this in part to a lack of new rental housing builds in recent decades, and points out that the last "boom" in rental construction was during the time of the Federal government Multi-Unit Residential Buildings (MURB) program in the 1970s and 1980s. MURBs offered investors a significant tax shelter in exchange for financing the construction of purpose-built rental properties.

Even though CMHC and others subsequently questioned the direct impact of MURBs on construction, the period did see a significant amount of rental accommodation created.

A 1981 CMHC report said "There is little question that MURBs were an important component in the recovery in rental construction in the mid to late 1970's."

However, it appears likely that, if left to its own devices, the rental market would have begun to respond to the excess demand on its own – albeit at higher rents." Bassam is direct in his appeal to voters. "The consequences of not intervening in the housing market are clearly adverse to the community well-being, and we should invest in

non-market housing to mitigate the impacts. An investment in non-market housing will provide benefits to individual families with modest financial means and to the entire community."

Not everyone on Council approved of Bassam's question, with outgoing Councillor Doug Mackay-Dunn suggesting that a more direct question would be "Do you support more height (in new developments) to achieve at least a thousand units of non-market housing?" Council member Lisa Muri stated flatly that "a ballot question is not a responsible way to ask this question", expressing doubt that there was enough time for staff to develop a communications campaign to explain such a complex issue to voters.

Muri referred back to the 1996 referendum asking for approval to spend \$26 million dollars on recreation facilities, which barely passed with only 51% of the vote.

Councillor Jim Hansen said "At the end of the day we are a democracy, and I'm curious to know what the response to this will be. Councillor Mathew Bond added a question of his own. "What happens if it fails?"

The question to be placed on the October 20, 2018 general local election ballot: "Do you authorize the District of North Vancouver to spend up to \$150 Million to create not less than 1000 units of non-market housing to be constructed not later than January, 2029?"