An aerial night photograph of Vancouver, British Columbia. The image is dominated by the Fairmont Empress hotel on the left, a grand, multi-story building with a distinctive blue-tiled mansard roof and numerous lit windows. To the right, a modern city skyline is visible, including the prominent, illuminated top of the Vancouver Tower. A major road, likely Burrard Street, runs diagonally through the lower right portion of the image, showing light trails from traffic. The sky is a deep twilight blue, and the overall scene is a mix of historic architecture and modern urban development.

Housing Affordability's Effect on Businesses in Vancouver

The Start of a Conversation

Presented By:

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Presented To:

Vancouver Board of Trade, Civic Affairs Committee

Last Updated: August 24, 2015

In Brief

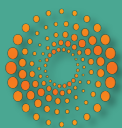
In 2014, Vancouver was famously ranked the 2nd least affordable city in the world.

We decided to ask businesses – how are you feeling the effects of our housing crisis?

41%

Felt it impacted their ability to attract & retain talent

“Sky-high housing prices are forcing many young professionals out of the city...with some choosing just to leave the region altogether.”



REUTERS

71%

Felt that rising real estate costs deter the expansion of established businesses & starting new businesses

“By 2020, 85 of 88 in-demand jobs will be unable to live in Metro Vancouver.”

Vancity

So what can the Vancouver Board of Trade do?

The Vancouver Board of Trade offers an ideal platform to further this discussion and lobby for reform that helps business:

1. **Bring together business leaders and subject matter experts in an event to discuss challenges & solutions to the affordability crisis**
2. **Adopt and promote affordability policies based on VBoT member input**

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Executive Summary

The issue of housing affordability in Vancouver is well documented and discussed from a variety of perspectives, including developers, families, low-income individuals, not-for-profits and several others.

Interestingly, a look at housing affordability's *impact on businesses* in Vancouver is studied markedly less. This report analyzes existing research and the results of a new survey to determine how Vancouver's affordability crisis impacts business operations. Also included is a review and compilation of 39 affordable housing solutions, drawn from Vancouver-specific sources.

The analysis identifies two key ways that housing affordability effects business in Vancouver:

1. **It hinders the ability to attract and retain employees:** 41% of business leaders surveyed felt that affordability impacted their ability to retain/attract employees.
2. **It reduces the attractiveness of purchasing/investing in new locations:** 71% of business leaders surveyed felt that rising real estate prices are a deterrent to opening new businesses and growing established businesses.

This survey offers a starting point for a business and bottom-line-driven discussion on Vancouver's housing affordability crisis. The Civic Affairs Committee (CAC) and the Vancouver Board of Trade (VBoT) are ideal platforms to further discuss this topic. Our recommendation holds two interdependent pieces:

1. **CAC and the VBoT to lead the discussion on housing affordability's impact on businesses:** Bring select business leaders and subject matter experts to discuss housing affordability's impact on business and what can be done to improve the current state.
2. **VBoT to adopt and promote policies based on member input:** Through dialogue and surveying members, the VBoT should seek to adopt and promote progressive housing affordability solutions (such as those listed in Appendix A) as supported by its members.

The current housing affordability conversation is driven by developers, renters, home owners, and non-profits. If businesses in Vancouver - beyond the developer segment - can build a united voice on housing affordability, we can change the direction this conversation and provide a new impetus to move towards more progressive housing policies.

Disclaimer: The findings and conclusions in this article are those of the authors and do not necessarily represent the views of the Vancouver Board of Trade and its member committees.

Introduction

Background

Housing related issues have been a core focus of the Vancouver Board of Trade's Civic Affairs Committee's monthly discussions. The vast majority of research and discussion on Vancouver housing concerns focuses around housing affordability in general, from the perspective of individual home owners, not-for-profits, and developers, rather than the perspective of businesses and business leaders.

Given the Vancouver Board of Trade's position as a platform for improving commerce in the city, a decision was made to develop a report illustrating how housing affordability affects business in Vancouver.

Scope

The scope of "Housing Affordability's Effect on Business in Vancouver" includes:

- **Existing Research and Analysis:** An analysis and key findings from news articles, presentations, and other research.
- **Survey Research and Analysis:** A survey of over 200 business leaders in Greater Vancouver, focusing on how housing affordability impacts their business operations.
- **Suggested Next Steps:** A survey and event strategy to further this discussion for the CAC and VBoT's future consideration.
- **Recommendation Review:** A table of housing affordability solutions for the VBoT's consideration, compiled from a variety of Vancouver-specific sources.

Analysis

Existing Research

Increasing residential housing costs are creating a human resource challenge with businesses unable to provide the wages required for their employees to live in Vancouver. Additionally, rising office, retail and industrial rents are growing the overhead for existing businesses, or new businesses looking to enter the Vancouver market.

Reuters finds that "business groups are raising the alarm about Vancouver's ability to attract and retain the talent needed to foster local successes like retailer Lululemon Athletica, or tech start-ups like video surveillance maker Avigilon Corp and social media manager Hootsuite"¹. The attached CAC/Insights West survey echoes these claims, finding that 41% of businesses, both large and small, believe that housing affordability negatively impacts its ability to recruit, and/or retain talent.

¹ "Vancouver home price surge worries businesses as they seek to hire, retain staff" Reuters [Vancouver] 28 Dec. 2014. Web. 15 June 2015. (<http://www.reuters.com/article/2014/12/28/canada-housing-vancouver-idUSL2N0T002F20141228>)

In addition to residential housing concerns, the rising costs of commercial rents have significant impact on a variety of businesses. Chapter's flagship store on Robson closed in June 2015 due to a significant rent increase. In an interview with Global BC, Sherman Scott, Associate Vice President, Colliers International says, "With the new Nordstorm opening up Pacific Centre across the street, this is the most high profile corner in Vancouver."²

Across the Strait of Georgia in Victoria, the same affordability concerns are stifling business growth. In search of solutions, the Victoria Chamber of Commerce investigated the reasons for lack of rentals and affordable real estate. In a magazine report entitled "Employees Need Housing", the Chamber urged improvements in the tax code, which would encourage owners to become landlords. The report names the introduction of the GST and capital gains taxes as factors leading to a decrease in quantity and turnover of the rental stock³.

To ease the transition into home ownership, Victoria's Chamber of Commerce suggests increasing density and allowing more multi-family units to be built. In addition, to make more neighbourhoods desirable for housing, the Chamber calls for a regional transportation plan.

The future for new businesses entering Vancouver looks challenging as the pool of skilled candidates is estimated to decrease, and the cost of real estate continues to rise. Further, rising real estate costs may have adverse long-term effects on the sustainability of Vancouver's small business community. However, through cooperation and dialogue, business owners have the opportunity to lobby for those incentives and investments which can improve our housing affordability crisis, and thus improve Vancouver's business climate.

Summary of Survey Findings

To directly understand the housing affordability issue from a business perspective, the Vancouver Board of Trade's Civic Affairs Committee contracted Insights West, a Vancouver based market research firm, to survey the local business community. The focus of the survey was to (A) determine the effect of housing affordability on the business community and (B) capture candid comments from business leaders on how to resolve this issue.

On behalf of the CAC, Insights West surveyed 201 adult British Columbians ages 18+ through an online survey. All participants were screened to ensure they are a business owner, a decision maker, or an influencer in the Personnel/Human Resources area of a company.

The composition of the 201 respondents is as follows:

- 65% Sole proprietors/ micro employers (0 - 3 employees)
- 25% Small employers (4-19 employees)
- 8% Medium size employers (20-99 employees)
- 2% Large employers (100+)

² Global News Hour BC. "High rent pushes small business owners out of Vancouver" Global News. 20 Jan. 2015. Web. 15 June 2015. (<http://globalnews.ca/video/1784103/high-rent-pushes-small-business-owners-out-of-vancouver>)

³ Victoria Chamber of Commerce. "Business Matters" July 2012. Web. 15 June 2015. (http://issuu.com/victoriachamber/docs/business_matters_july_magazine_for_web?e=1131338/3374854)

Respondents are further categorized into the following two groups:

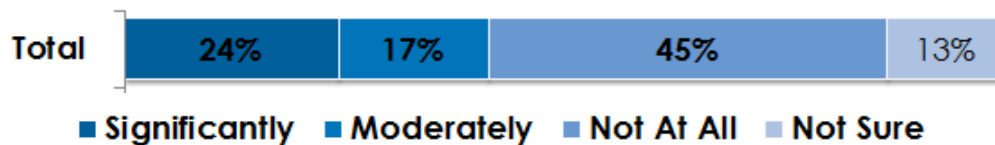
1. Small business (19 or less employees)
2. Medium to large business (20 or more employees)

Responses on how housing affordability affects their ability to recruit/retain employees, and whether rising real estate prices are a benefit or deterrent are discussed below.

Survey Findings: Attracting and Retaining Employees

As discussed, existing articles and reports claim that a variety of businesses feel that housing prices negatively impact a business' ability to recruited talented or skilled employees.

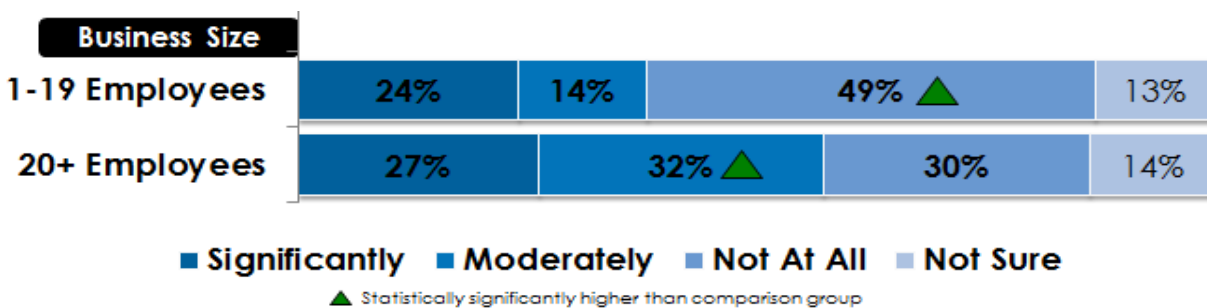
This survey found just that, with a sizable minority of total respondents (41%) feeling a significant or moderate impact on their human resource functions due to housing affordability challenges (Fig. 1).



(Figure 1)

Q: How has the affordability of housing affected your ability to recruit, and/ or retain talent for your business?

It was further noted that medium and large businesses feel the impact of housing affordability on their hiring practices to a stronger degree than their small-business counterparts, with 58% finding that housing affordability is affecting their ability to recruit and retain talent (Figure 2). Potential causes could include the volume of employees needed, or the specificity of the role that larger businesses need to fill. Filling specialized roles often involves procuring employees from other cities, whereas Vancouver's housing prices may be seen as a deterrent.



(Figure 2)

Q: How has the affordability of housing affected your ability to recruit, and/ or retain talent for your business?

Survey Findings: Real Estate Prices and Business Ownership

Our survey indicates a clear stance on whether rising real estate prices were a benefit or a deterrent to business ownership. The vast majority of total respondents (71%) felt that rising real estate prices were a deterrent to business owners. Interestingly, 7% of total respondents saw benefits from rising real estate prices (Figure 3).



(Figure 3)

Q: Do you see rising real estate prices (office/retail/industrial buildings) as a benefit or deterrent as a business owner?

Though the focus of this report is about housing affordability, we recognize that affordability issues in the commercial real estate market also negatively affect businesses. Rising real estate prices increase the amount of capital required to start or expand businesses requiring property for warehousing, retail, or office space. As real estate prices rise, office, warehouse, and retail space outside of Vancouver become more attractive for new and growing organizations.

Survey Findings: Conclusion

The link between housing affordability and the ability to retain or attract talent is clearly felt by a sizeable minority (41%) of respondents. Further, a majority (71%) of business leaders felt that affordability concerns acted as a deterrent to acquiring retail/office/warehouse space in the city (Appendix B).

This is a starting point on discussion on how affordability impacts the business environment in Vancouver. As the Vancouver business climate is of particular concern to the Vancouver Board of Trade and the Civic Affairs Committee, additional research can now be suggested from the results of this survey.

Moving Forward

Suggested Policies

Over the past few years, subject-matter experts across British Columbia have suggested a myriad of different ideas to address housing affordability concerns. These ideas look into what municipalities, the Province, the Federal government, and businesses can do to address Vancouver's housing crisis. The ideas range from amending the building code to allow for higher wood frame structures, to businesses providing their employees down-payment assistance.

The Vancouver Board of Trade should seek to adopt and take an official stance on affordability policies based on input from its members. However, the complexity of housing affordability solutions poses a challenge to obtaining informed feedback from members.

Appendix A holds a variety of potential solutions described in concise and simple terminology. Disseminating this table to its members prior to obtaining feedback will support informed feedback on a complex and important topic.

Suggested Next Steps

1. The Vancouver Board of Trade to host a participatory conference to further this discussion within the business community, and educate the community on what actions can be taken to address the housing affordability crisis.
 - **Purpose:** (1) To support a dialogue on how businesses are affected by housing affordability issues, (2) identify what businesses can do to address these concerns in Vancouver, and (3) generate discussion on policy positions for the VBoT to take on behalf of the business community
 - **Topic:** A Discussion on Housing Affordability's Impact on Business in Vancouver, with a profile of what other businesses have done and what potential policies exist to address these issues
 - **Speakers:** Vancouver-based HR leaders, small business owners, and housing affordability subject matter experts from across the globe. A particular effort should be taken to include Vancouver-based and international business leaders who have addressed housing affordability challenges using their own internal resources (i.e. without public policy changes).
2. The Vancouver Board of Trade to take positions on municipal, provincial, and federal policies that affect housing affordability based on VBoT member input.
 - Develop a survey for that disseminates the various potential housing affordability solutions to its members and gather their feedback
 - Post the results of the survey
 - Take an official stance on housing affordability solutions based on this survey in an effort to lobby and change government policies to improve the business climate in Vancouver

Conclusion

The complex topic of housing affordability is generally discussed from the perspective of home-owners, renters, and developers, and not-for-profits, overlooking the effect on Vancouver's other business segments. Surprisingly (with the exception of developers) Vancouver businesses have yet to sustain a powerful, united stance on housing affordability, despite the effects to their bottom line.

Like the Victoria Chamber of Commerce's actions on the topic, organizations such as the Vancouver Board of Trade offer unique platforms for this topic to be discussed and gain traction. Events with a specific focus on housing affordability and businesses - beyond the perspective of developers - offer a unique opportunity to gather insights from the local business community.

As the voice of business interests in Vancouver, the time for the VBoT to speak up on housing issues is now. The impact of housing affordability on businesses can no longer only be a topic that is discussed in newspapers and by developers. It is a broad-based concern and the VBoT has the position and influence to advocate for change on behalf of the wider business community.

Appendix A - Recommendation Review

The following appendix contains a consolidated review of recent recommendations to encourage affordable housing. It is to act as a reference, both for those with a thorough understanding of affordable housing issues and solutions, and for those with an introductory knowledge of affordable housing. The recommendations are broken down into five different categories: Municipal, Provincial, Federal, Home Builders, and Businesses.

Though these ideas are not new, they are borrowed from reports from Metro Vancouver, presentations by Michael Geller, an architect with the Geller Group, and conversations with Tom Durning of TRAC Tenant Resource & Advisory Centre.

MUNICIPAL	
Measure	Description
Standards of Maintenance Bylaws expansion to cover all forms of housing (secondary suites, houses, condos).	Standards of maintenance bylaws are a tool for local governments to order repairs to rental housing, and they ensure that housing meets minimum health and safety standards. At this time, the city of Vancouver's standards of maintenance bylaw only applies to purpose built rental housing.
Amendments to laneway housing rules	There are many guidelines that those developing laneway houses in the city of Vancouver must follow. To make laneway housing more viable, the City of Vancouver could consider amending those rules to allow for more flexibility. Examples include allowing for different sizes (long and thin laneway houses), relaxing parking requirements in transit-centric neighbourhoods, and allowing for the sale of laneway houses.
Continue to promote new rental construction of rental housing through targeted incentives	The economics of building rentals versus strata construction vary greatly. The carrying costs of a rental building are much higher than a strata where profit is seen immediately when all units have been sold. Incentives for building of rental housing including relief from municipal development permitting fees, recognition of rental as a community amenity, parking reductions, flexibility on unit size, and density bonuses can potentially make rental housing a viable option for developers.
Permit transfer of density to another site.	<p>Where an existing rental site is under developed based on the allowable density under zoning, this measure would allow the transfer of the allowable (but unused) density to another site in exchange for a housing agreement to maintain existing rental building.</p> <p>This approach has significant limitations because it relies on appropriate "receiving" sites for the density which can be problematic. It is most useful in cases where the donor and receiving sites are adjacent or close to each other and/or where the donor and receiving sites have the same owner.</p> <p>Flexibility to allow averaging density over multiple sites, or leveraging density for affordability could make this measure more useful.</p>

MUNICIPAL	
Measure	Description
Acquisition of existing rental properties	Direct municipal purchase of rental property or enabling a NP society to purchase an existing rental property can help preserve existing rental. Many municipalities have Affordable Housing Funds which could be used to purchase a property outright or to lever other funding and/or financing for an NP purchaser. Traditionally, city and NP owned rental units are often used as affordable housing for those living in poverty. These housing units could also be considered for workforce housing use.
City owned land for affordable rental housing	Making surplus municipally owned land available for market or workforce rental housing development can help to increase the supply and affordability of rental housing.
Support non-traditional housing sizes for both ownership and rental	With an ever increasing population, limited land space, and skyrocketing real estate prices, the dream of owning a single family home on existing standard lot sizes is gone. We now need to look to smaller non-traditional housing options. Eg. Allow for smaller detached homes (12+ units/acre), narrow lots, smaller multi-family suites (eg. 420sqft 2-bedroom units), small studios (eg. 320 sqft. Studios).
Zero Lot Lines as an accepted standard	Many commercial zones have buildings with zero lot lines, but it isn't standard for residential units. With zero lot lines, developers can increase density without significant height increases. Zero lot lines also allow for a court-yard for residents. This is the commonly practiced way of building residential units in Paris.
Relocatable modular units in parking lots	Many parking lots sit empty across the city. These vacant spaces could temporarily be filled with relocatable modular units that function as affordable or workforce housing.
Increase density through zoning	In 2015, the housing affordability and livability advisory committee in the city of Seattle recommended many neighbourhoods that are zoned single-family to be zoned as multi-family. This leaves the decision of whether to sell to developers and move elsewhere up to residents. By doing so, over time, these once single family zones will have multiple units on single lots.
Secondary suites in townhouses and duplexes	Single family homes often have secondary suites and are used for many different purposes including housing in-laws, acting as a mortgage helper, and providing a home for a returning adult-child. At this time, the City of Vancouver does not allow them in townhouses and duplexes.
Remove community amenity contributions for rental housing	Rental housing should be seen as a community amenity and not be required to pay community amenity contributions.
Remove negotiations from community amenity contribution conversations	Community amenity contributions are negotiated between the City of Vancouver and developers. Negotiating lends to the appearance that some developers that are friendly with the City of Vancouver are "getting a better deal." By creating a more predetermined and not versus negotiated approach around community amenity contributions, developers will know what to expect.

MUNICIPAL	
Measure	Description
Lowering Community Amenity Contribution Amount	Community amenity significantly contribute to housing unaffordability in the city of Vancouver. It is wishful thinking that developers absorb the cost of community amenity contributions. In the Cambie St. corridor, CACs added an estimated \$45/sqft to homebuyer costs ⁴ .
Explore alternative financing strategies for energy retrofits where retrofit costs are paid from energy savings	One model is the "property assessed payments for energy retrofits", or "PAPER." The model is designed for homeowners, but could potentially be adapted for rental property owners. The idea is enable property owners to obtain financing for renovations to improve the energy efficiency of their property and repay through a temporary fee on their property tax bill. Cost savings from energy efficiency ideally will exceed payments. For a program like this to work for rental housing, the energy efficiency savings would need to accrue to the building owner to offset the investment. In order for the approach to be successful, some creative thinking is needed as to how the cost savings can be captured to pay the financing. Toronto Real Estate Board president calls the program "a winner for citizens, governments and future generations." The province of Nova Scotia has made the mechanism available for Halifax Regional Municipality. Regulatory changes at the provincial level could make it easy for municipalities to set up and clarify their authority to use the mechanism for private property energy retrofits when property owners opt in.
Increased heights for wood frame buildings	In present day, all new multi-family residential developments require sprinkler systems in the event of a fire. This has increased the amount of time that a building can burn for before it collapses. Presently, wood frame buildings in the City of Vancouver can only be six stories, but they could in theory be built higher and still be safe in the event of an emergency. Wood frame buildings are cheaper to build in contrast to concrete.
Vacant Property Tax	Vacant properties across the City of Vancouver could potentially house renters. A vacant property tax would discourage homeowners from keeping their residential units empty.

PROVINCIAL	
Measure	Description
Amendment of the Strata Property Act to remove the enactment that allows strata corporations to restrict the number of rental units	The strata property act allows for strata corporations to put restrictions on the number of rentals within the building with the exception of an owner having an exemption from the developer or a homeowner facing significant financial distress as a result. As a result, some condo units are left unoccupied whereas they could have been rented to a tenant.

PROVINCIAL	
Measure	Description
Review all provincial taxes, including property transfer tax, to ensure they do not impede delivery of rental housing relative to other forms of residential use	Transfer taxes add to the cost of purchase and can potentially impede the delivery of rental housing. Further inquiry needs to be done to determine the effect of provincial taxes and their effect on rental housing.
Modify property assessment practices that over-value rental properties	Property assessments on apartment buildings do not take into consideration that some units with long term tenants earn significantly less income than other units. Apartment owners often find their buildings over-valued, and have to submit a tenant schedule. Over-valued rental property assessment result in costs being passed onto tenants in the form of higher starting rents or above-guideline rent increases.
Develop tax incentives to encourage the building of rental housing	Building of rental housing is not as financially attractive as building condo units for sale. There are longer term carrying costs associated with rental housing that do not exist with residential units that go up for sale. Keeping this in mind, the Federal government can encourage the building of rental housing through business tax credits.

FEDERAL	
Measure	Description
Federal strategy to preserve and renew existing affordable rental housing	With the aging of the private rental stock and social housing stock, a large number of affordable rental units in the region are at risk. A comprehensive strategy that addresses the preservation, repair upgrade and renewal of the existing private and social housing stock is urgently needed at a time when the federal government has eliminated the Rental Rehabilitation Assistance Program and subsidies for tens of thousands of social housing units are being phased out through the expiry of operating agreements.
Re-introduction of the Federal Rental Rehabilitation Assistance Program	The Rental Residential Rehabilitation Assistance Program (Rental RRAP) offered financial assistance to landlords of affordable housing to pay for mandatory repairs to self-contained units occupied by low-income tenants. Mandatory repairs are those required to bring properties up to minimum levels of health and safety.
Capital and Operating subsidies to increase the affordability of rental housing.	Expanding the affordable rental supply will require funding to bring the construction costs down or provide long term rent subsidies to increase affordability. Funding should be targeting to facilitate both preservation of existing rental (increasing viability and affordability and preventing demolition or conversion) and to facilitate replacement of affordable rental in redevelopment sites that are in urban centres with good access to transit.

FEDERAL	
Measure	Description
A National Economic Strategy that includes an adequate supply of rental housing as an essential element	The last National Housing Strategy expired in the early 1990s. Since then, every Premier across Canada has asked for the Federal Government's support in addressing their housing issues. A coordinated effort to address housing issues across the country is needed now.
Develop tax incentives to encourage the building of rental housing	Building of rental housing is not as financially attractive as building condo units for sale. There are longer term carrying costs associated with rental housing that do not exist with residential units that go up for sale. Keeping this in mind, the Federal government can encourage the building of rental housing through business tax credits.
Federal tax credits to encourage/facilitate energy retrofits and upgrades in rental housing. (FCM)	<p>Federal tax credits are used to encourage activities that meet public policy objectives and/or that stimulate the economy. Energy retrofits and upgrades to rental housing accomplish many public policy objectives, and the associated construction activity generates significant economic activity in terms of jobs, sales of goods and materials, etc.</p> <p>An "eco-energy" Rental Housing Tax Credit could help improve the quality of the rental stock, reduce high utility-cost burdens for tenants, reduce emissions and environmental impact, and increase resale and future rental value to landlords. A tax credit could be targeted to rental property owners who house low-to-moderate income tenants when they invest in energy-efficiency upgrades. Tenants commonly pay utilities; no incentive currently exists for landlords to invest in energy retrofits.</p>
CMHC joint lending program	CMHC could consider providing partial guarantees to rental building loans
Rental guarantee program	To encourage the building of rental housing, CMHC could consider guaranteeing rents to builders, and provide top-ups where those minimum rents are not met.
Financially support the building of housing co-ops	In the past, the Federal Government provided financial supports to encourage the building of co-op housing. Since these incentives expired, new co-ops are rarely built.

HOME BUILDERS and DEVELOPERS	
Measure	Description
Building of duplexes and semi-detached	Duplexes are residential units that sit on one legal property and are strata titled. Semi-detached units are considered to be on two legal properties with one party-wall agreement. These forms of increase density on single family lots.
Fee simple row-housing	Not everyone wants to pay someone else to cut their lawn and be a member of a strata. For centuries, all over the world, homeowners have sorted out their problems one another either amicably or through court. A form of development to consider is fee-simple row housing. At this time, not a popular form of development, but as awareness grows, a viable option for home-ownership that does not come with monthly strata fees.

HOME BUILDERS and DEVELOPERS	
Measure	Description
Zero Lot Lines as standard building design	Many commercial zones have buildings with zero lot lines, but it isn't standard for residential units. With zero lot lines, developers can increase density without significant height increases. Zero lot lines also allow for a court-yard for residents. This is the commonly practiced way of building residential units in Paris.
Factory produced housing	Factory produced housing is a more cost-effective and predictable method of building housing because it is done in a controlled environment and is not impacted by the elements.
Lock off suites in condos	Lock-off suites in the sky allow for condo owners to earn rental income to help pay off their mortgage. They are an attractive purchase, and have been shown to be successful in the City of Burnaby.
Condo living room with doors	In an increasingly unaffordable real estate market, home owners are looking for the biggest bang for their buck. Condo units that offer doorways for their living rooms allow for homeowners to have added flexibility with their space. They can use that space as a second bedroom, office, or as it was intended, a living room.
Shared equity home loans	A challenge for lower income earners desiring to enter the real estate market is the lack of a down payment. With a shared equity home loan, a developer or non-profit will lend a buyer part of the down-payment, and also benefit from any increase in home equity in proportion to the percentage of total mortgage value that the loan represented.

BUSINESSES	
Measure	Description
Provide down-payment incentives in exchange for a certain number of years of service.	Currently many organizations offer employees educational assistance in exchange for a certain number of years of service. In the United States CVS and Harley Davidson Co. in addition to many others offer their employees down payment assistance ⁵ . This benefit can potentially attract employees to work for the company, and helps workers build roots within a community.
Workforce Housing	Workforce housing attracts skilled workers where they would previously be deterred due to housing costs.

⁴ "Removing Uncertainty from Community Amenity Contributions" *BC Chamber of Commerce* [Vancouver] 2014. *Web*. 18 July 2015. (<http://www.bcchamber.org/policies/removing-uncertainty-community-amenity-contributions>)

⁵ "Companies Offer Housing Assistance to Retain Employees" *Workforce* [Chicago] 12 Feb 2008. *Web*. 15 June 2015. (<http://www.workforce.com/articles/companies-offer-housing-assistance-to-retain-employees>)

Appendix B - Insights West Survey Results, May 21 2015

13. D1 How much does the affordability of housing affected your ability to recruit, and/ or retain talent for your business? Choose one.

	Total 100% (201) W 100% (201)		A2 - Size of Organization - A2 - Size of Organization			
			1-19 100% (125) W 100% (157)		20 + 100% (76) W 100% (44) B	
Significantly	24%	49	24%	38	27%	12
Moderately	17%	35	14%	22	32%	14 A
Not at all	45%	91	49%	77 B	30%	13
Not sure	13%	26	13%	21	14%	6

14. D2 Do you see rising real estate prices (office/ retail/ industrial buildings) as a benefit or deterrent as a business owner? Choose one.

	Total 100% (201) W 100% (201)		A2 - Size of Organization - A2 - Size of Organization			
			1-19 100% (125) W 100% (157)		20 + 100% (76) W 100% (44) B	
Benefit	7%	15	8%	13	5%	2
Deterrent	71%	143	69%	109	77%	34
No Effect	13%	27	15%	23	9%	4
Not sure	8%	16	7%	11	11%	5

15. D3 The City of Vancouver has recently proposed applying Community Amenity Contributions "CACs" to industrial and office developments. CACs are in-kind or cash contributions provided by property developers when City Council grants development rights through rezoning. In the past, CACs have only been applied on the following: Park space, Libraries, Childcare facilities, Community centres, Transportation services, Cultural facilities, and Neighbourhood houses. Do you support or oppose this proposal to allow CACs to be applied to industrial and office developments? Choose one.

	Total 100% (201) W 100% (201)		A2 - Size of Organization - A2 - Size of Organization			
			1-19 100% (125) W 100% (157)		20 + 100% (76) W 100% (44) B	
Strongly support	14%	29	16%	25	9%	4
Somewhat support	32%	64	31%	49	34%	15
Somewhat oppose	13%	27	13%	21	14%	6
Strongly oppose	12%	24	13%	21	7%	3
Not sure	28%	57	27%	42	34%	15

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“Removing Uncertainty from Community Amenity Contributions” *BC Chamber of Commerce* [Vancouver] 2014. Web. 18 July 2015. (<http://www.bcchamber.org/policies/removing-uncertainty-community-amenity-contributions>)

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“Help Wanted: Salaries, affordability, and the exodus of labour from Metro Vancouver”. *VanCity* [Vancouver] 2015. Web. May 2015. (https://www.vancity.com/SharedContent/documents/News/Help_Wanted_May_2015.pdf)

Further Readings

A selection of publications which provide context to the complex topic of housing affordability in Vancouver.

Article Name	Publisher	Date Written	Article at a Glance	Housing affordability's effect on business
<u>Final Report from the Mayors task force on Housing Affordability</u>	City of Vancouver	12-09-24	Task force recommendations provide a framework for progress, delivering a set of bold and pragmatic actions to confront out city's lack of affordability. Council directed staff to implement the Task Force's action plan with revisions to Actions 1, 2, 3 and 13.	No
<u>Measures to Promote the Preservation and Renewal of Existing Rental and Development of New Rental</u>	Metro Vancouver		A series of recommendations to address municipal, provincial, and federal policies that affect housing affordability in Metro Vancouver	No
<u>Proposed Oakridge Centre redevelopment draws opposition</u>	Georgia Straight	13-05-30	Proposed 42 story high-rise will be voted on next Vancouver Council meeting. Community is concerned about effects of densifying population in the Oakridge area.	No
<u>DTES: 260 agencies, housing sites crowd DTES</u>	Vancouver Sun	14-06-27	30 year plan for social housing and social services. Spending and housing sites are concentrated into one area. Planning for more options will effect the neighbourhoods in Vancouver. More communities could offer low-income services as the DTES.	No
<u>The Future of the DTES: The submission of the Inner City Neighbourhood Coalition</u>	Michael Geller	13-10-07	As social housing effects business and the population of communities. The recommendation of the Local Area Planning Process and Planning Department has upset particular people within these communities.	Yes
<u>Critics decry Grandview-Woodland development plan</u>	Georgia Straight	13-07-03	Vancouver consulted with community about housing plans. Community is unhappy with the major densification the plans call for. This problem affects the local communities and neighbourhood.	No

Article Name	Publisher	Date Written	Article at a Glance	Housing affordability's effect on business
<u>Population of census metropolitan area</u>	Statistics Canada	15-12-02	Population of census metropolitan areas	No
<u>Vancouver approves Beach Towers expansion in the West End</u>	Georgia Straight	13-02-26	West end beach tower complex is approved for an infill development. Affordable housing with set rent prices was rejected.	No
<u>Upset Vancouver residents derail homeless housing info session for former Ramada</u>	Metro	13-12-23	Vancouver residents are angry that Ramada hotel will be used for social housing. Information session did not help. Community feels that they were not given enough information or a platform to voice concerns.	No
<u>Pressure builds on B.C. to update and reopen Riverview mental hospital</u>	Vancouver Sun	13-09-15	Municipal politicians forced to deal with the fallout of the closing the Riverview mental hospital are calling on B.C. to reopen it, update it and develop it as "modern centre of excellence" in mental health care.	No
<u>Are Online Vacation Renters Displacing Vancouverites?</u>	Tyee	14-06-27	Short-term rental companies like AirBnb could be creating problems for Long-term rentals, which in Vancouver is already problematic. Other cities like San Francisco and Portland have increased regulations on such accommodation websites in attempt at protecting communities from unaffordable housing.	No
<u>Airbnb's vacation home-sharing raises housing concerns</u>	Canadian Broadcast Corporation	14-07-06	Short-term rental sites like AirBnb may impact Vancouver's overburdened long-term rental market. Regulations by both the tourism industry and the city of Vancouver will have to be reviewed in the near future. Other North American cities have regulations.	No
<u>In high-cost Vancouver, the trick is getting strangers to pay the mortgage</u>	Globe and Mail	13-12-02	Increase in short-term rentals by homeowners who need to supplement their expensive mortgages may affect the long-term rental market. There is less hassle on the homeowner when dealing with long term tenants.	No