

Submission to Expert Panel on the Future of Housing Supply and Affordability
HIDDEN HOUSING SOLUTIONS IN SINGLE-FAMILY NEIGHBOURHOODS

SUMMARY

B.C. has an immense, untapped opportunity for creating new affordable units in housing that is already built but underutilized.

Half of B.C.'s housing stock is made up of single detached homes, comprising more than 90 per cent of residential land use. In metropolitan areas, small towns and rural areas, the vast majority of this fabric is hollowing out, bleeding population. Fifty-five per cent of these homes are occupied by only one or two people, and the share is rapidly growing. The fastest growing single detached household is now the solo. Seniors comprise a disproportionately large share of these homes.

Housing solutions should take advantage of existing housing stock, enabling the growth of diverse types of accessory dwelling units, such as laneway homes, additions, secondary suites and home sharing, offering cost-effective solutions that systemically address multiple problems:

Economic Sustainability	Social Sustainability	Ecological Sustainability
fiscally sound, ultra-low cost	broad housing affordability	big carbon reductions
job creation across BC	unique seniors housing	urban sprawl management
wood building stimulus	reduced social isolation	smart resource use
transit revenue & ridership		

Significant leadership by leading local governments have led innovation in this space. Leading senior governments are now expanding the opportunity, notably in California and Oregon. B.C. should join these leaders, expanding these opportunities, hurdling real but modest social, institutional and financial barriers. Failing to wholesomely address plummeting occupancy in single detached homes promises to exacerbate the most serious of these problems.

These solutions would contribute to a resilient, low carbon, economic and social recovery from COVID-19, increasing revenue for homeowners, creating jobs in construction and pre-fab wood building manufacturing and providing cost-effective seniors housing that supports mental health.

RECOMMENDATIONS

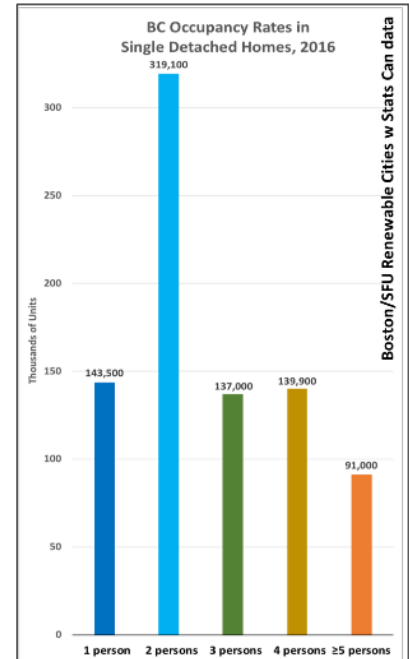
Renewable Cities at Simon Fraser University's MJ Wosk Centre for Dialogue recommends six measures to advance diverse ADU (accessory dwelling units) solutions. They present one of the largest, most cost-effective, untapped opportunities on affordable housing, climate action and social isolation.

1. Diversify residential energy conservation/climate action spending to consider occupancy
2. Build non-profit housing capacity to support home sharing and secondary suite management
3. Permit accessory dwelling units in all single detached neighbourhoods
4. Build attractive, affordable, net-zero, pre-fab, wood laneway homes
5. Make all new single and semi-detached homes secondary-suite ready
6. Adjust homeowner subsidies to incentivize increased occupancy

CONTEXT

To increase B.C.'s housing supply and affordability, Renewable Cities recommends a major focus on low-cost, high-impact hidden housing solutions in single-family neighbourhoods. New housing on single-family parcels is a key part of the solution for creating affordable housing. This approach would contribute to a resilient economic recovery from the COVID-19 pandemic through increasing revenue for homeowners and creating jobs in construction and pre-fab wood production. All levels of government, non-profit housing providers, as well as home builders and trades people can benefit from a more diverse suite of housing solutions, notably seniors and young people seeking more affordable housing solutions that support mental health and wellness.

Diverse accessory dwelling units, such as laneway homes, additions, secondary suites and home sharing on single-family parcels, offer a cost-effective solution for reducing greenhouse gas emissions, creating jobs, increasing affordability and reducing social isolation. There is an immense and untapped opportunity for creating new affordable units in housing that is already built but underutilized.



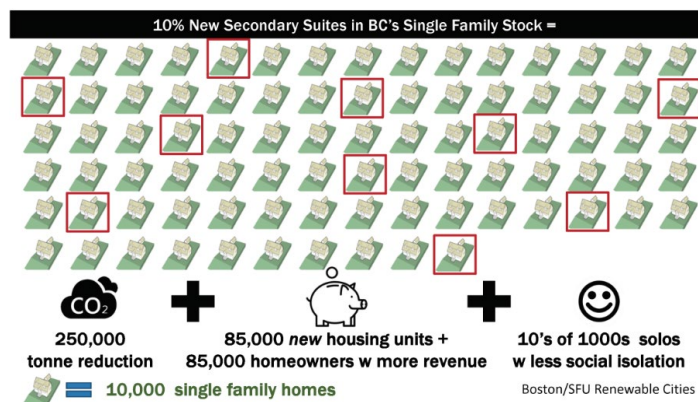
Occupancy rates in single-family homes have been falling for half a century, and this drop is accelerating. Half of B.C.'s housing stock is made up of single detached homes, comprising more than 90% of residential land use. Fifty-five percent are occupied by only one or two people. As of the last census, B.C. had more one person occupied single detached homes than three, four, five or more. The fastest growing single detached household is a solo. These solos are primarily a function of attrition: the children have fledged then a spouse has died. Indeed, 60% per cent of solos in single detached homes are people over 60, and the share is growing.

People living alone are far more likely to experience social isolation and loneliness than people living with others. The implications of social isolation are massive in terms of rates of mental illness, obesity, suicide and premature mortality. Under the right conditions, accessory dwelling units can allow them to downsize in their own homes and neighbourhoods. Despite their disproportionately large presence, seniors are less likely to have secondary suites or become home share hosts even if they are lonely or low-income.

The quest for cost-effective, seniors' housing solutions that systematically address physical and mental health, affordability and climate action makes these solutions much more compelling for an economic, social and environmental recovery from COVID-19.

Household occupancy is an important determinant of residential GHGs. The largest share of home GHGs, by far, is for heating. GHGs change negligibly based on occupancy. Home size is more important. Doubling occupancy in a home reduces GHGs per person ostensibly by half.

B.C. has approximately 850,000 single-detached homes. If just 10 per cent of these homes were incentivized to add another household, it could generate more than 85,000 new affordable



housing units, increasing revenue for 85,000 homeowners, contribute to at least one quarter of a million tonnes in GHG reductions annually, and create housing for seniors who choose to age in place.

When ADUs are situated proximate to jobs, services and transit in walkable neighbourhoods, the benefits in cutting transportation carbon and costs are even more dramatic. In B.C., while 30 per cent of average household revenue goes to housing, almost 20 per cent goes to transportation. People living in walkable, transit-supported neighbourhoods close to jobs spend less on transport, are more active and have healthier weights. Affordability will not be solved by focussing exclusively on housing. In fact, many low-income households in suburban and rural areas spend more on transportation than housing. No amount of transit extended into suburban and rural areas will fundamentally alter this high-cost, high-carbon transportation activity. Fundamental solutions involve intensifying housing close to jobs, services and transit in walkable neighbourhoods. ADUs are part of the solution.

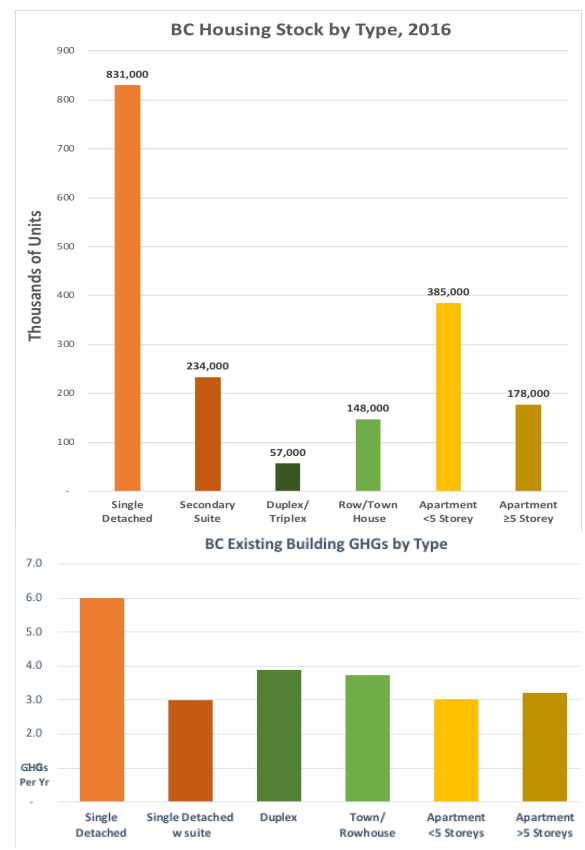
These solutions are viable across the vast majority of B.C. in rural areas, small towns and big cities, as the underlying demographic and housing fundamentals are the same.

Models for home sharing—intergenerational and senior-to-senior—are gaining traction. Happipad, a social enterprise based in Kelowna, B.C. facilitates shared rental arrangements for all age groups that allow hosts to earn extra income and guests to find affordable accommodation. Research by the University of Toronto highlighted key benefits for seniors participating in home sharing, such as reducing social isolation through companionship and help with daily tasks. They also highlighted the importance of agency facilitation for vetting and matching placements, problem-solving and conflict resolution.

While secondary suites and coach houses are increasingly common in some municipalities, many social, institutional and policy barriers constrain the supply and diversity of ADU and home sharing options. Some of the known barriers include the capacity for seniors to take on landlord responsibilities, access to capital for minor retrofits, social acceptance of secondary suites and home sharing, relationship management, and perceived and legitimate legal risks. Other barriers are institutional. While exceedingly practical, increasing occupancy in a single detached home is not a traditional strategy for affordability, climate action or social inclusion.

Failing to wholesomely address plummeting household occupancy in single detached homes will undermine long-term efforts to address climate change, affordability and social isolation. The oldest baby boomers are just 74 years old. There are two decades in this massive demographic, overwhelmingly living in single detached homes, waiting unwittingly in line to inadvertently contribute to these crises.

The collapse in single-detached home occupancy is an immense opportunity to address multiple policy objectives. It presents one of the largest, most cost-effective, untapped opportunities on affordable housing, climate action and social inclusion.



Boston/SFU Renewable Cities w Stats Can, NRCan, BC Hydro data

RECOMMENDATIONS

SFU Renewable Cities recommends the following six regulatory, fiscal and capacity building measures to advance integrated, cost-effective solutions to housing affordability, seniors housing, social isolation and climate change. These systemic solutions can contribute to a resilient economic and social recovery from the COVID-19 pandemic through increasing revenue for homeowners and creating jobs in construction and pre-fab wood production.

1. Diversify residential energy conservation/climate action spending to consider occupancy

- Extend conservation spending provincially and with energy utilities to upgrades to establish a secondary suite or accommodate a home share

2. Build non-profit housing capacity to support home sharing and secondary suite management

- Build capacity of non-profits to support home sharing, secondary suite and laneway home management on behalf of seniors (people over 60 comprise one-third of couples and 60 per cent of solo occupants in single detached homes)
- Provide financing for rental and home sharing program management, e.g. seed financing, modest operational financing relative to social housing support

The tremendous success of Community Living B.C. has many lessons for facilitating home sharing and secondary suite management with non-profit housing providers.

3. Permit accessory dwelling units (ADU) in all single detached neighbourhoods

- Many local governments have already done exceptional work to permit ADUs. This local government leadership should be extended across the province to all municipalities.
 - Permit one ADU on single detached parcels across all municipalities, e.g. a secondary suite or a laneway home (following Oregon and California leadership)
 - Permit two ADUs on every SD parcel on every frequent transit route across B.C.
 - Permit three ADUs on every SD parcel proximate to a rapid transit route (skytrain, rapid bus) across B.C.

To address total household (transportation and housing) affordability and climate action, existing and new high-quality transit services (in TransLink and BC Transit service areas) should be contingent on meeting minimum residential and employment density thresholds. Accessory dwelling units can make an important contribution to strong ridership and cost-effective transit service.

4. Build attractive, affordable, net-zero, pre-fab, wood laneway homes

- Work with pre-fab wood home manufacturers to mass manufacture attractive, affordable, net zero laneway homes that can be placed into the backyards of interested British Columbians in return for agreements for long-term, affordable rental housing

This policy can help drive demand for growth and innovation in pre-fabricated, net zero building manufacturing: an important growth sector for secure, stable jobs in forest-dependent communities, and an essential strategy to enable the entire province to get to the top of B.C.'s step code.

5. Make all new single and semi-detached homes secondary-suite ready

- Make all single and semi-detached homes secondary-suite ready under the building code, entailing pre-wiring and plumbing to accommodate bathroom and kitchen and ceiling and/or wall assemblies that are fire and sound proof. To maximize liveability, grant all new single detached and semi-detached homes with secondary suite-ready units an additional height allowance, placing units at/or close to grade, allowing occupants to enjoy natural light and enter with few or no steps, improving accessibility for seniors and people with disabilities.

It is a modest incremental cost during construction to build secondary suite ready homes and significantly increases the likelihood they will be used at some point in the future.

6. Adjust homeowner subsidies to incentivize increased occupancy

- Explore ways to adjust current subsidies for single family homeowners to incentivize increased occupancy, e.g.:
 - Make property tax deferrals for seniors more attractive if homeowners provide proof of occupied ADUs or large households
 - Increase homeowner grant for those that have ADUs that are occupied, building on the incentive for seniors and people with disabilities

Existing subsidies inadvertently incentivize low household occupancies.

Submitted June 26, 2020

Renewable Cities, a program of SFU Morris J. Wosk Centre for Dialogue, works with policy-makers and practitioners to accelerate the transition to renewable, restorative, resilient cities through meaningful engagement, critical research, capacity building and policy innovation.