

VanRIMS No.: 8-3000-11

MEMORANDUM

July 2, 2021

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Sandra Singh, General Manager of Arts, Culture, and Community Services
Katrina Leckovic, City Clerk
Chris Robertson, VCPC Liaison

FROM: Vancouver City Planning Commission

SUBJECT: Co-op Lease Renewals

As part of its mandate to advise Mayor and Council on issues relevant to the future of the city, the Vancouver City Planning Commission (VCPC) wishes to take this opportunity to provide input and comment regarding the Co-op Lease Renewal Framework Report.

Co-operative housing has played an integral role in affordable housing and community building in Vancouver since the 1970s. Co-ops are self-governed, mixed-income housing models, designed for affordability and community building. They are based on the values of mutual self-help, social responsibility, democratic control, equality and solidarity.

At the VCPC's 2018 *City for All* Summit, round table participants identified many housing and social priorities that are addressed by co-operative housing, including: addressing the ongoing challenge of social isolation; the affordability, suitability, and security of tenure for housing; the importance of community-led and non-profit housing, and; a desire to see more balanced socio-economic backgrounds in all housing.

We urge Council to consider the following critical benefits that co-operative housing provides:

- **Financially:** Co-ops operate on a non-profit, break-even model, which allows them to maintain deep levels of affordability; co-op housing charges are set by members based on annual operating budgets and capital reserves, not on market rates or member incomes. Many co-ops provide internal, anonymous subsidies, where some residents pay more than the established housing charges, offsetting those of low-

income residents; this allows for a diverse, mixed-income community. As the City of Vancouver addresses the ongoing housing crisis, that existing deep affordability is more important than ever to maintain.

Because of this model, co-ops are able to provide safe, secure, and affordable housing to people of all incomes. All co-op residents, regardless of income, are full members of the community, and low-income members live in the same units and have access to the same amenities as those with higher incomes.

The City of Vancouver's proposed framework would seriously weaken co-ops' right to self-govern, including maintaining affordable housing charges, and would reduce co-ops' capacity to self-subsidize lower income members. The long-term impacts of this change would force low-income members from their homes to accommodate higher payments to the City.

- **Socially:** Co-ops are also key to tackling social isolation and loneliness. Co-ops create community, and co-op members give up financial equity in favour of social equity and long-term security of tenure within their community. This has always been important, but has proven exceptionally so during the COVID-19 pandemic, and will continue to be crucial during this time of recovery.

The City's framework discussions, which started in January 2020, have already had significant repercussions on co-op communities. Several co-ops leases expire within the next 2 months to one year. Many members, faced for years with the uncertainty of lease renewal, have moved from their homes, or left the city altogether.

Recommendations

Vancouver is in a housing crisis. While the City has made significant progress in providing housing for middle-income residents, it is in the best interest of everyone to maintain existing affordable, mixed-income housing that can provide deeper levels of affordability than new builds. With this in mind, we encourage Mayor and Council to:

1. Maintain the existing non-profit housing co-operative model, including self governance. This model has proven successful, not only in Vancouver, but the rest of British Columbia and Canada for over 50 years.
2. Continue to work with the Co-operative Housing Federation of BC towards a framework that maintains the important diverse, mixed-income communities currently found in housing co-operative.
3. Ensure that any framework for renewing co-op leases protect co-ops' access to capital for building renewal and senior government assistance for capital investments or direct subsidies to low-income members.
4. Consider provisions that would ensure that over-housed co-op members be required to downsize to a suitable unit in order to make larger units available to low- and middle-income families with children.