



UBC Faculty and Staff Housing Needs Assessment and Programs Review

November 2022

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Acknowledgements

The focus of this project is the UBC Vancouver campus. We acknowledge that this work takes place on the traditional, ancestral, and unceded territory of the xʷməθkʷəy̓əm (Musqueam) people. This land has always been a place of learning for the Musqueam who for millennia have passed on their culture, history, and traditions from one generation to the next on this site.

UBC Project Team

We would like to thank the UBC project team that provided direction and input throughout this process:

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Executive Summary

Overview

Purpose

The Faculty and Staff Housing Needs Assessment and Programs Evaluation (“the Study”) was completed to assist the University of British Columbia, Vancouver (“UBC” or “the University”) in better understanding the housing needs and aspirations of faculty and staff and how they may be impacted by the current housing market. This Study also examines how well UBC’s housing programs are supporting these needs and aspirations in service of the University’s recruitment and retention goals. The purpose of this Study is as follows:



Document available data on faculty and staff demographics to identify how demographics may influence housing needs



Assess on-campus and local housing supply trends to identify barriers to accessing and affording housing that is appropriate for different households



Conduct a high-level qualitative review of UBC’s faculty and staff housing programs to identify potential areas of improvement



Define unmet housing needs among faculty and staff, including the income levels of households facing gaps in the housing market, to identify opportunities to address these needs

The information in this document is intended to be used by UBC to inform the Campus Vision 2050 and the 2023 Ten-Year review of the Housing Action Plan. UBC undertook a separate process to assess student housing need and demand to support Campus Vision 2050 and the Housing Action Plan update.

Context

- » The most ideal workforce housing is envisioned as a “complete community”. More than just a roof over one’s head, this means walkability, access to amenities and transportation options, a well-designed buildings and neighbourhoods.
- » Overarching regional trends indicate that UBC’s nearby communities are tackling similar housing pressures: the high cost of housing and limited supply of desirable units, including larger units for families.
- » Housing research shows that some demographics may experience additional barriers to equity in housing, including discrimination in the rental housing market because of race, size of households, and/or 2SLGBTQIA+ identity and a lack of access to intergenerational wealth that may impact entry into homeownership.
- » In expensive markets like Metro Vancouver, research into workforce housing shows that multiple tools and policies are needed to address employee housing needs; the most commonly used tools are rental assistance programs, financial education and counselling, and the creation of rental or shared equity homeownership programs.

UBC Housing Programs

UBC offers **four Faculty Staff Housing Programs** that work to support the University’s recruitment and retention efforts and increase affordability for eligible households:

- 1. The Down Payment Assistance (DPA) Program**
Offers full-time tenure-stream faculty an interest-free loan of up to \$50,000 that is forgivable after five years.
- 2. The Prescribed Interest Rate Loan (PIRL) Program**
Assists eligible approved tenured or tenure-track faculty, as well as senior and executive-level administrative hires, with the purchase of a home through a one-time loan at a reduced interest rate. Loan amounts range from \$50,000 to \$500,000.
- 3. The Faculty Staff Restricted Rental Program**
Offers apartment units or townhomes to full-time faculty and staff at discounted rental rates, with a current stock of 951 units. UBC aims for its portfolio of rental housing for faculty and staff to be priced at approximately 25 percent below average market rental rates charged for purpose-built market rental housing on Vancouver’s West Side.
- 4. The Rent-Geared-to-Income (RGI) Pilot Program**
Offers full-time faculty and staff earning moderate incomes to access up to 110 rental units at a more affordable rate (charged at 30 percent of household income).

Employee Demographics

Highlighted below are key demographic indicators of UBC faculty and staff, in comparison with the region overall. UBC represents a unique community with a high concentration of higher-income positions and is not expected to match the region overall, especially on indicators such as income. However, this data reflects overall representation among faculty and staff when it comes to key demographic indicators and can be used to identify potential gaps to support recruitment and retention goals.

Indicator	Faculty	Staff	Metro Vancouver (unless otherwise noted)
Full-time Part-time	80% 20%	90% 10%	
Men	54%	36%	49%
Women	44%	57%	51%
Identifying as trans	0.7%	0.8%	0.2% (Canada)
Median age	50	40	41
Indigenous identity	1.5%	1.8%	2.5%
Visible minority	19%	34%	49%
Persons with disabilities	7%	7%	21%
Identifying as lesbian, gay, or Two Spirit	6%	7%	4% (Canada)
Median Salary	\$135,000	\$63,000	\$40,800

Highlights from the Report

Success Stories

UBC Faculty Staff Housing Programs are highly regarded by faculty and staff who access them, as well as by those involved in recruitment and retention processes. They are innovative in their reach and increase housing options in both the homeownership and rental markets.

The DPA program is popular and makes homeownership more attainable for all eligible faculty.



**Number of Recipients Since
Program Launched in 2009**

565



2021/2022 Total Issued

\$4,025,000

The PIRL program is UBC's most direct and strategic tool for the recruitment and retention of tenure-track faculty and senior administrators. It provides a significant benefit to program beneficiaries while offering the University a flexible and adaptive way to respond to recruitment and retention priorities.



**Number of Approved PIRLs since
program launch in 2017**

248 (127 activated)



2021/2022 Total Issued

\$10,000,000

The Faculty Staff Restricted Rental Housing program offers high quality on-campus purpose-built rental housing to eligible faculty and staff at rents lower than newer rental housing offered in the private market. The program provides housing stability, predictable rent increases, and convenient access to work in proximity to services, green spaces, and high-quality schools. Residents feel safe and value the high quality of the housing and its amenities.



Number of Units (2022)

951

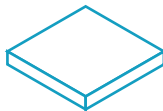


Average Rent (2022)

\$2,183

**Proportion of 3+ bedroom units
compared to Vancouver**

32% vs. 1%



\$2.76 vs. \$3.47

**Average rent per square foot compared to
new rental in Vancouver**



Current Program Participation

61/100 Households

Maximum target of 100 households



Maximum Household Income

\$57,500 – \$80,000

1 bedroom - 3 bedroom units



Average Rent (2022)

\$1,250

Level of Affordability*

44%

Lower than average for new rental in Vancouver

25%

Lower than average for all rental in Vancouver

**Not counting taxable benefit (see sections 5 and 6 for more information)*



Housing Gaps for Faculty and Staff

Employees in low to moderate income households face unaffordability and hardship in the regional housing market today and have few housing options at UBC and on Vancouver's West Side. UBC's Faculty Staff Restricted Rental and RGI programs work to respond to these challenges, but high demand and restrictive high demand and restrictive eligibility means not all households who wish to access the programs are able to. These programs are also considered taxable benefits which erodes their impact on household affordability.



Vacancy Rate (2021)

UBC and UEL:

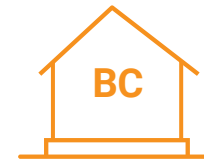
0%

Vancouver:

1.1%

Metro Vancouver:

1.4%



BC Housing's Housing Registry (2021)

14,552

+50% since 2015

The region continues to face significant housing affordability and supply challenges. Vacancy rates in the rental market remain extremely low and there is an extremely limited supply of larger rental units for families. While rising interest rates may temporarily dampen demand in the homeownership market, renters hoping to buy face greater challenges than ever as the monthly carrying costs of a mortgage have increased substantially.

Long commutes cost employees money, time, and impacts their health and wellbeing, and high costs and limited options may prevent the University from recruiting and/or retaining staff needed to deliver services.

Estimated Monthly Commuting Costs



Average Rent in Vancouver
(all units) (2021)

\$1,612

+55% since 2011



Average Rent in Vancouver
(built 2000 or later) (2021)

\$2,164

+55% since 2011



Public Transportation

\$103 to \$185



Private Vehicle

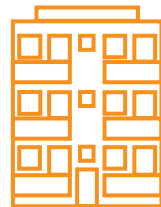
\$393 to \$563



Price of Typical Detached
Dwelling (June 2022)

\$2,592,800

+67% since 2012



Price of Typical Apartment
Condominium (June 2022)

\$813,000

+92% since 2012

Recommendations

This report makes a number of recommendations to improve UBC housing programs for faculty and staff to augment the role these programs play in recruitment and retention, and to support positive housing outcomes for UBC employees.

1.

General

- Increase housing programs for low to moderate income staff, increase their participation in existing programs, and explore additional programs to support staff into the future.
- Explore the use of housing programs to attract faculty and staff from historically marginalized groups (e.g., those who are Indigenous, visible minorities, women, and/or persons with disabilities).
- Implement a communications program to increase awareness among faculty and staff about UBC housing programs and eligibility.
- Monitor key performance indicators that demonstrate the impact of UBC faculty staff housing programs in relation to recruitment and retention as part of annual reporting to the UBC board.

2.

Down Payment Assistance (DPA) Program

- Explore increasing the loan amount, including for target groups, to ensure the DPA continues to be a benefit in recruitment and retention.
- Improve support for recipients during the purchase period.
- Expand program eligibility to support unique housing situations.
- Automate the taxable benefit process.

3.**Prescribed Interest Rate Loan (PIRL) Program**

- Explore the development of prioritization criteria to support the Office of the Provost in evaluating applications.
- Explore the size of PIRL required for effective recruitment and retention through market research.
- Monitor how funding is allocated by faculty and explore program adjustments as needed.
- Set intake dates for retention PIRLs.
- Improve communications regarding PIRL as a merit-based, limited program.
- Require retention PIRL applications to be made by faculties.

4.**Faculty Staff Restricted Rental Housing**




- Continue to build rental housing for Faculty and Staff
- Review waitlist prioritization with a focus on equitable access for staff
- Explore ways to support postdoctoral fellows and research associates
- Improve program administration through small process changes

5.

Rent-Geared-to-Income Pilot Program (RGI)

- Make the Pilot Program permanent.
- Improve program information.
- Introduce a communications plan to better reach intended beneficiaries, including during the hiring process.
- Improve management of unit mix.
- Update household income thresholds for staff eligible for the RGI program to better reflect market gaps.
- Explore the feasibility of setting rents below 30 percent of income to account for the cost impacts of taxable benefit.
- Explore the feasibility of new ways of making off-campus rental housing more affordable, such as offering portable rent subsidies, building RGI housing on other UBC sites, and/or implementing a free or more deeply subsidized transit pass for low to moderate income staff.
- Provide flexibility on income earned to accommodate tenants with variable incomes.
- Improve RGI administration process.

Current and Proposed Income Thresholds

Unit Size By number of bedrooms	Household Income Thresholds	
	Current	Proposed
	\$57,500	\$62,100
	\$69,000	\$82,100
	\$80,000	\$110,100



1 Project Overview

1.1 Purpose

1.1.1 Study Purpose

The Faculty and Staff Housing Needs Assessment and Programs Evaluation (“the Study”) was completed to assist the University of British Columbia, Vancouver (“UBC” or “the University”) in better understanding the housing needs and aspirations of faculty and staff and how they may be impacted by the current housing market. This Study also examines how well UBC’s housing programs are supporting these needs and aspirations in service of the University’s recruitment and retention goals. The purpose of this Study is as follows:

- Document available data on faculty and staff demographics to identify how demographics may influence housing needs;
- Assess on-campus and local housing supply trends to identify barriers to accessing and affording housing that is appropriate for different households;
- Conduct a high-level qualitative review of UBC’s faculty and staff housing programs to identify potential areas of improvement; and
- Define unmet housing needs among faculty and staff, including the income levels of households facing gaps in the housing market, to identify opportunities to address these needs.

The information in this document is intended to be used by UBC to inform Campus Vision 2050 and the 2022 Ten-Year Housing Action Plan Review. UBC is separately reviewing student housing policies as part of the Housing Action Plan Review.

1.1.2 Study Inputs and Limitations

This Study is comprised of two components: a faculty and staff housing needs assessment and a programs evaluation of UBC’s housing programs for faculty and staff. The data sources and limitations for each component are outlined below

Understanding faculty and staff housing needs

To better understand faculty and staff housing needs, this report incorporates information from the following data sources:

- Anonymized UBC employee salary and demographic data;
- 2010, 2016, and 2019 UBC employee housing surveys;
- Spring 2022 Campus Vision 2050 engagement findings related to housing;
- UBC housing data for Faculty Staff Restricted Rental (Village Gate Homes) and Westbrook Properties;
- CMHC Housing Market Information Portal data; and
- Publicly available literature on the local housing market.

Limitations:

1. *Housing needs and affordability are household issues, not solely individual issues. As an employer, UBC does not have access to information on the composition or gross incomes of the families and households of its employees. This presents significant challenges in understanding what gaps employees may be facing in finding and maintaining housing that meet*

not only the needs of households, but also their aspirations in so far as they feel they can stay in the region, and at UBC, over the long term

The lack of household income information means that this Study cannot determine the number of households that are currently facing housing need. Further, household situations vary too widely to warrant generalizations; for example, the ability of households to meet their needs depends on not only household salary and composition, but also how long individuals and their families have lived in the region, whether they rent or own, whether they have access to inheritance or other types of family wealth, and numerous other factors.

In response to this limitation, a primary focus of this Study is to identify the household income thresholds that are likely to be unable to meet their housing needs, and to make recommendations on where future UBC housing programs could focus their attention.

2. *This Study refers to previous housing surveys of UBC employees, engagement findings from the Campus Vision 2050 process, and interviews with faculty and staff housing program administrators and beneficiaries. Broad engagement of UBC faculty and staff by Urban Matters was not within this scope of work.*

Evaluating UBC's housing programs

UBC's four faculty and staff housing programs—Prescribed Interest Rate Loan (PIRL) program, Down Payment Assistance (DPA), Faculty Staff Restricted Rental Housing, and the Rent-

Geared-to-Income Pilot Program—were evaluated. This evaluation consisted of the following information sources:

- Background review of existing documentation, including faculty and staff housing program enrollment data, waitlist information, annual updates on UBC's Housing Action Plan, previous studies of the program, and other available information;
- Interviews with staff who administer UBC's faculty and staff housing programs;
- Interviews with 15 faculty and staff housing program beneficiaries, as well as representatives from the University Faculty and Staff Tenants Association (UFASTA); and
- Interviews with senior administrators from five faculties who use the faculty and staff housing programs as part of recruitment and retention processes.

Limitations: *The review of UBC's faculty and staff housing programs was high-level and qualitative review intended to document how well these programs are working and how they could be improved to address well-known housing gaps among faculty and staff, as well as emerging gaps identified in this report to inform the upcoming update to UBC's Housing Action Plan. This review is not intended to be exhaustive.*

Exclusions

This Study does not look at housing for staff and faculty at UBC Okanagan. It also does not look at student housing which is being addressed through a separate process.

1.2 Housing Need and Aspiration

This Study explores the housing conditions at UBC, Vancouver, and neighbouring communities to understand the experience of faculty and staff interacting with the current market. For recruitment and retention, there are two key concepts that are relevant: housing needs and housing aspirations.

Housing need describes a situation where a household's housing options are not meeting the basic standards of *affordability*, *suitability*, and *adequacy*, defined below.¹

- Housing is *affordable* when shelter costs are less than 30 percent of total before-tax household income.
- Housing is *suitable* when there are enough bedrooms for the size and composition of the household. The National Occupancy Standard (NOS) is typically used to determine the appropriate number of bedrooms and includes the following criteria: a maximum of two persons per bedroom; married or common-law couples share a bedroom; parents have a separate bedroom from their children; household members 18 years or older have a separate bedroom unless they are sharing as part of a couple; children under five of any sex can share a bedroom; children between five and 18 can only share a bedroom with another child of the same sex.² Cultural practices, affordability, and availability of housing options

may impact a household's ability to conform to these requirements.

- Housing is *adequate* when the dwelling does not require any major repairs.

These definitions are best used to understand housing needs at a population level and applied to individual circumstances. For example, while the National Occupancy Standard is valuable as a general measure of whether a dwelling has enough bedrooms, it does not account for different cultural practices or individual preferences. While the affordability measure applies to most households, it does not measure the need for households with very high incomes who may be comfortable choosing to spend more than 30 percent of their income on housing. To understand whether or not a household is meeting the affordability standard, their individual housing choice is less important than whether or not they can afford a typical unit in the community of their choice, for example, at the median rent.

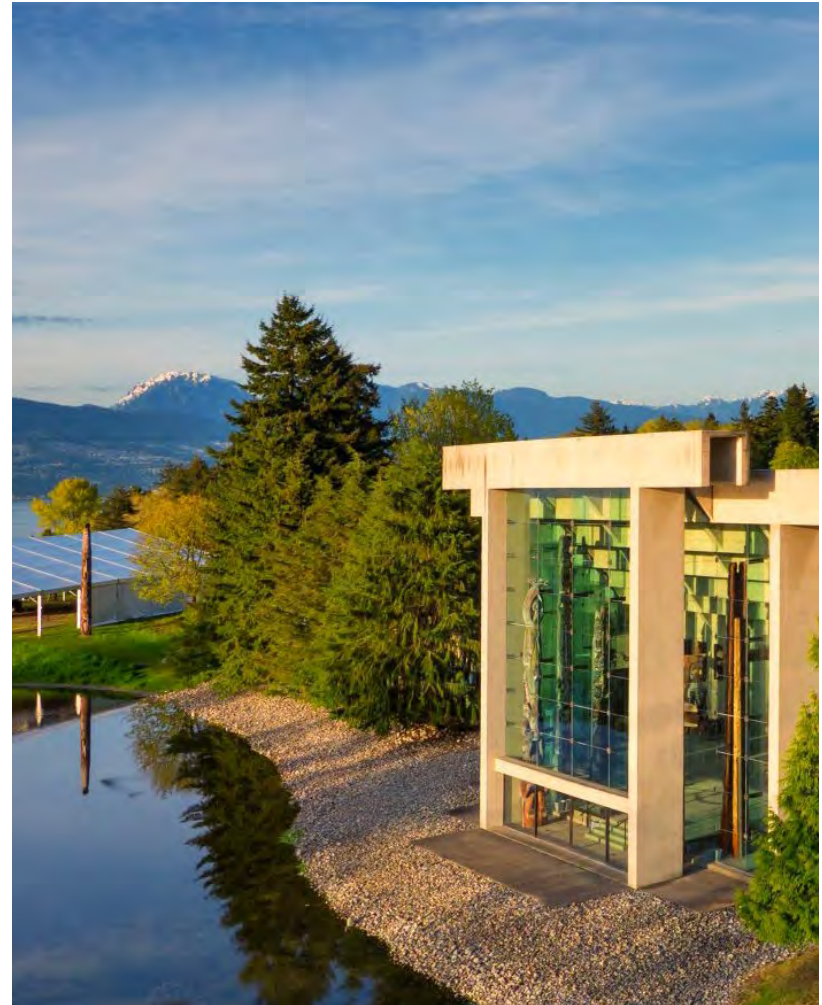
Housing aspiration differs from basic housing needs. It describes the broader goals a household may have for the type, size, and location of a dwelling, as well as other attributes, which provide a sense of satisfaction and stability over the long term. Within this report, housing aspiration is meant to describe

¹ <https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage037-eng.cfm>

² Further information can be found here: <https://www.cmhc-schl.gc.ca/en/professionals/industry-innovation-and-leadership/industry-expertise/affordable-housing/provincial-territorial-agreements/investment-in-affordable-housing/national-occupancy-standard>.

reasonable goals and expectations households may have for the type of housing they can achieve. It will differ from household to household for many reasons, from cultural and social factors to levels of income. Housing aspiration is less of a measurable quality than a qualitative assessment made by each household. However, it is important in the context of recruitment and retention because if a household is unable to meet its housing aspiration, its members may choose to seek employment or housing options elsewhere. Long-term job satisfaction requires that households can achieve some level of housing aspiration.

This Study begins by looking at housing need, particularly from the perspective of affordability, and then explores the current housing market within the context of long-term housing aspirations of UBC faculty and staff.



1.3 Planning and Policy Context

UBC is a large and fast-growing community. UBC creates plans and policies that guide its land development and investments in a way that supports the academic mission. This section of the report summarizes the key planning and policy documents that shape housing priorities on UBC's Vancouver campus, and which have informed the Faculty Staff Housing Needs Assessment and Programs Evaluation.

Implementation of recommendations will be guided and informed by existing policies and initiatives including UBC's Strategic Plan, the Indigenous Strategic Plan, Wellbeing Strategic Framework, Inclusion Action Plan, Rapid Transit Strategy, In Service (UBC's global engagement strategy), Anti-Racism and Inclusive Excellence Task Force Final Report and Recommendations, 20- Year Sustainability Strategy, the Green Building Action Plan, UBC's Climate Emergency Final Report and Recommendations and Climate Action Plan 2030.

1.3.1 Campus Land Use Planning

The UBC Land Use Plan (2011) outlines three main land uses: Academic (teaching, research, and other, including student housing), Green Academic (open areas that support land-based teaching, research, etc.), and Neighbourhood Housing Areas (providing a range of rental and long-term lease housing). The Land Use Plan also sets out objectives for public amenities, transportation, and service infrastructure.

The University is currently in the process of creating a new long-term plan for the Vancouver campus, Campus Vision 2050, which

supports the needs of the university and balances the multiple interests of xʷməθkʷəy̓əm (Musqueam) and the UBC community. Campus Vision 2050 is a comprehensive planning process for UBC's Vancouver campus, which includes a 30-year Vision, Land Use Plan update, and a new 10-Year Campus Plan.

In addition, UBC uses neighbourhood plans and social and community plans to provide more detailed guidance at more granular scales and/or on specific themes and topics (e.g. athletics, childcare). Among these thematic plans is the Housing Action Plan, which determines how UBC uses its land and financial resources to provide faculty, staff, and student housing.

1.3.2 UBC's Strategic Plan: Shaping UBC's Next Century

UBC's Strategic Plan sets a collective vision, purpose, goals, and strategies to guide UBC's decisions and actions, including resource allocation. The plan includes three core areas and 20 corresponding implementation strategies.

Core area one of the Plan, *People and Places*, focuses on wellbeing, recognizing housing and transportation as challenges necessary to address to improve the way that the UBC community works, and improve quality of life and student experiences. The Plan recognizes addressing housing and transportation as fundamental to UBC's continuing ability to attract and retain talent.

Strategy one of the Plan, *Great People, to attract, engage and retain a diverse global community of outstanding students, faculty, and staff*, identifies the need to address housing affordability. The strategy identifies the role of UBC to enhance support structures and services that help to address housing affordability in the Lower Mainland, as well as corresponding challenges including childcare. Strategy three, *Thriving Communities*, which focuses on supporting the ongoing development of sustainable, healthy, and connected campuses and communities, outlines the connection between UBC's approach to improving both housing and transportation. The strategy identifies a role for UBC in advocating for better transit to UBC campuses, to complement UBC's focus on providing housing supports.

Beyond the two strategies of the Plan, included are several themes which are relevant to the lenses through which UBC approaches housing. The theme of *Inclusion* is relevant to the need to apply an intersectional lens to demographic analysis and in evaluating housing programs. The themes of *Collaboration* and *Innovation*, similarly, are tied to the need to analyze and understand the local and regional housing context, as part of addressing factors impeding affordable housing and supporting access.

1.3.3 The University Community on Campus: UBC's Housing Action Plan

UBC's Housing Action Plan (HAP) was approved in 2012, informed by UBC's 2009 Student Housing Demand Study and 2010 Staff and Faculty Demand Study. The Plan was amended in 2017, informed by the Student and Staff and Faculty Demand Studies, updated in 2014 and 2016, respectively. The HAP

develops strategic policies and actions to address faculty, staff, and student housing needs.

UBC's Housing Action Plan establishes high-level policies and targets to be implemented over an approximately 30-year period that work to accomplish the following goals:

- Increase supply of rental and below-market price housing within the existing density provisions for each neighbourhood under development since 2012.
- Address the cost of housing options (such as increasing housing options and support for target groups).
- Influence the type of housing inventory (such as diversity of unit sizes and tenures) for strategic priority groups.
- Prioritize access to housing for strategic recruitment and retention purposes.

The guiding principles of the HAP focus on alignment with UBC's academic mission, balancing affordable housing with returns to endowments, supporting a year-round community with shops and services, achieving appropriate occupancy targets through the Land Use Plan, considering governance and land-use implications of housing policies, and using a communications strategy to engage the campus and stakeholders in the HAP.

For faculty and staff, the HAP aims to improve housing choices in terms of tenure options, size, and unit types that UBC employees can afford within 30 percent of their household income both on and off-campus. The HAP includes the following seven policies that directly support this objective:

- Introduce a restricted home ownership option and a Prescribed Interest Rate Loan (PIRL) program for tenure and

tenure-track faculty as an additional form of restricted faculty ownership support.

- Continue implementation of the DPA program for faculty and senior administration.
- Build up to 30 percent of all new housing on campus as rental (subject to market demand).
- Build up to 20 percent of future on-campus housing as below-market restricted rental for faculty and staff.
- Develop a Rent-Geared-to-Income pilot project that includes up to 100 units for lower-income staff and up to 10 units for faculty relocating with children.
- Encourage a range of unit sizes that reflect UBC's workforce.
- Provide preferential, early access for faculty and staff to purchase new market leasehold units.

UBC Housing Programs that Support the Housing Action Plan

A detailed overview of UBC's housing programs can be found in Section 6 of this report.

1.3.4 Other Guiding Documents

This Study references several other guiding documents that outline UBC's priorities in areas not addressed by land use plans. This includes UBC's Wellbeing Strategic Framework and the President's Task Force on Anti-Racism and Inclusive Excellence Final Report.

The **Wellbeing Strategic Framework** is identified as a priority in UBC's Strategic Plan. It applies to both Vancouver and Okanagan campuses. It is guided by the *Okanagan Charter*, an international

charter for health promoting universities and colleagues, which calls upon post-secondary schools to embed health into all aspects of campus culture and to lead health promotion action and collaboration locally and globally. The Framework applies to all who work, study, play, and live at UBC campuses. The Wellbeing Strategic Framework identifies the following housing-related goals:

- UBC is deeply engaged with our local and global community members, and we work with them to create complete, sustainable, and vibrant campus communities that not only support the academic mission but also provide a range of housing choices, amenities, and services such as childcare.
- UBC attracts, engages, and retains a vibrant and diverse community to learn, work, play, and live on our campuses.
- UBC aims to be a model of a vibrant, complete, sustainable community at an urban neighbourhood scale complete with diverse housing options, active transportation choices, and community programs to enhance human and ecological wellbeing.

The **President's Task Force on Anti-Racism and Inclusive Excellence Final Report** is the culmination of a collaborative process to address racism and bias on campus, spurred on by the growing societal discourse around racial inequities. The final report identifies actions for UBC to take to address racism and bias on campus for students, faculty, and staff. This report does not dive deeply into the topic of housing, however, its intent in articulating and working to address racial inequities at UBC has implications for UBC's understanding of housing issues facing faculty and staff, and its distribution of investments to improve housing outcomes for its employees. Recognizing this, the UBC Faculty and Staff Housing Needs Assessment and Programs

Evaluation considers how race and other social inequities impact faculty and staff housing options and outcomes.

The Task Force addresses housing primarily in the realm of student housing, calling attention to how IPBOC students may face greater challenges in their housing, whether living in multi-generational homes or facing significant unaffordability in the rental market. The Task Force does make one specific recommendation and that is to “treat Black staff hires as priority

hires and provide wraparound services to Black staff relocating to Vancouver for UBC jobs (including supports for housing, prioritization for childcare, orientation to Canada as a new immigrant and culture and environment education)”.³

A glossary of technical terms used in this report is provided at the back of this document for reference

1.4 Document Structure

Section	Content
2 – Context	Review of factors complementary to housing, known regional barriers to accessing affordable housing, and promising practices in workforce housing
3 – Demographic Overview	Salary and demographic data of UBC employees
4 – Housing Context	Summary of housing market data for UBC and neighbouring communities, including the rental and homeownership markets
5 – Affordability Analysis	Assessment of household income required to afford local housing costs in the rental and homeownership markets, as well as a scenario analysis exploring potential household scenarios and their options in the private rental market
6 – Housing Programs Evaluation	Results from the UBC Housing Programs Evaluation
7 – Conclusion	Summary of findings and recommendations

³ The President’s Task Force on Anti-Racism and Inclusive Excellence Final Report: 54 Steps on the Pathway to an Anti-Racism and Inclusively Excellent UBC, 2022, pg. 160. <https://antiracism.ubc.ca/task-force-report/>



2 Context

2.1 Overview

This section summarizes publicly available information on factors complementary to housing and barriers to accessing affordable housing. This information is intended to complement the findings from the previous sections and to support the identification of opportunities UBC has to improve housing outcomes for faculty and staff.

2.2 Key Findings

The most ideal workforce housing is envisioned as a “complete community”

The results from the 2019 UBC Faculty and Staff Housing Survey indicate that UBC faculty and staff value the same neighbourhood characteristics as some of the best practices identified in literature on workforce housing. This includes having family-friendly amenities within walking distance and being well-served by retail and health care services. The best practices on workforce housing identified other key characteristics, such as having mixed income and intergenerational communities, well-designed communities and buildings, and housing options to support all life stages.

The overarching regional trends indicate that UBC’s nearby communities are tackling similar housing pressures

The nearby communities of Vancouver, Richmond, Burnaby and Surrey are tackling housing affordability challenges related to homeownership, distribution of new housing supply and type, limited supply of available rental units—especially 3+ bedroom units, and long non-market housing waitlists across the region. Some groups, such as single parent households, individuals living alone, and Indigenous households are mostly likely to be in core housing need.

Some demographics experience additional barriers to equity in housing

The review of literature, and emerging literature, identifies some barriers that people may experience when finding and maintaining appropriate housing. These barriers include population-level differences in homeownership rates which reflect race-based and other inequities, lack of culturally supportive housing, and discrimination from landlords experienced by Indigenous households, recent immigrants, and households with members who identify as 2SLGBTQIA2+.

Multiple tools and policies are needed to meet workforce housing needs in expensive housing markets

UBC already uses best practices for workforce housing through its program to support homeownership and affordable rental. Using multiple tools is necessary in the context of Vancouver’s housing market. The most promising practices for UBC include rental assistance in the private market, financial education and counselling, and shared equity homeownership.

2.3 Factors Complementary to Housing

2.3.1 What We Know Faculty and Staff Want

When looking for a home, the surrounding neighbourhood and its available amenities are often just as important as the home itself. The Campus Vision 2050 public engagement and 2019 UBC Faculty and Staff Housing Survey asked participants to rank different neighbourhood characteristics by importance. The top three characteristics identified were:

- Affordability of housing
- Safety of the neighbourhood
- Quiet neighbourhoods

Participants were also asked to indicate the importance of various service and amenities within walking distance of their homes. Participants identified the three most important amenities as:

- Childcare
- Schools
- Community playground/equipment

These were followed by:

- Health care
- Public transportation
- Employment
- Groceries/shops.

Amenities and services within a home or housing development are also important for supporting overall housing satisfaction. Staff and Faculty were asked to indicate the importance of various services and amenities as part of their housing. Priority amenities included the following:

- Generous easy access storage in the suite/home
- Garage or underground parking
- Supplementary storage out-of-suite for seasonal or bulk items, and convenient access to indoor secure bike storage for frequent use

UBC staff who support employees find housing also report that many households—especially those with children—have expressed interest in ground-level units with outdoor space.



The following have been identified through research as best practices for workforce housing:

- Mixed (mixed-income, use, and intergenerational)
- Connected (walkable, well located, service enriched)
- Well-designed (attractive, sustainable, compact)
- Well executed (leverages partnerships, financially innovative)



2.3.2 Findings from Other Research

A literature review was completed to identify characteristics, services, and amenities complementary to housing. These complementary factors have been shown to support residents' overall satisfaction with their housing and increase their connection to place.

Housing to support life's stages

Access to housing options that can grow with families and support various life stages are important to supporting housing needs and overall housing satisfaction. Housing transitions often happen as an individual or couple's family grows, children age, and family needs change. Because of this, the diversity of housing types and tenures within a neighborhood and its ability to support these life stages may affect its transiency and, in turn, its residents' social engagement and happiness.⁴ Neighborhoods that have a broader range of housing types and tenures provide more opportunities for residents to stay in the neighborhood over their lifecycle. Areas that have this diversity of housing type and tenure are found to have lower levels of residential transition.⁵

Outdoor spaces

Research on housing satisfaction has confirmed strong links between open, natural, and green environments and overall resident satisfaction.⁶ Whether it be access to a large area of

undisturbed natural environment, or the ability to see trees or small green space from the window of a home, outdoor green space is known to improve the wellbeing of residents. These spaces also provide greater opportunity for interaction with neighbours and better social cohesion.

Transportation

A neighborhood is not only a place but also a point of access to jobs, recreation, shopping, and other features of a broader city and region. Access is enabled by a neighborhood's transportation system, which should provide infrastructure that allows for not only driving but also the safe and convenient use of transit, biking, and walking. Infrastructure includes features such as pedestrian paths, bike lanes, bus and transportation stops, and parking. Studies have found that individuals' happiness may diminish if inadequate transportation or mobility interferes with their pursuit of their life goals (e.g., visiting frequently with family or friends) or leads them to use a less desired transportation mode.⁷ Accessible and convenient transportation options and infrastructure may encourage residents to stay in a neighbourhood rather than relocating to more convenient areas.

Walkability

Built environments which encourage walking can lead to a healthier and happier lifestyle by providing the opportunity for

⁴ Centre for Healthy Communities, University of Alberta. Healthy Homes Healthy Communities. 2021. <https://healthycommunitiesathome.ca/>

⁵ Pfeiffer, D., Cloutier, S. Planning for Happy Neighbourhoods. May 2016. Journal of the American Planning Association.

⁶ Pfeiffer, D., Cloutier, S. Planning for Happy Neighborhoods. May 2016. Journal of the American Planning Association.

⁷ Pfeiffer, D., Cloutier, S. Planning for Happy Neighbourhoods. May 2016. Journal of the American Planning Association.

exercise, and more safe and secure public spaces by reducing the number of car crash fatalities and vehicle-related air pollution.⁸ Walkable neighborhoods also encourage greater sociability, convenience, and overall resident satisfaction.

Home ownership versus rental tenure

Though not explicitly an amenity or service, a large body of research from Canada and around the world finds that homeownership leads to greater levels of happiness and life satisfaction.⁹ There are several reasons for this higher level of life satisfaction, from having a sense of financial security and 'rootedness' to having greater control over one's life.¹⁰ Greater opportunity for owner tenure-ship may contribute to greater satisfaction and longer retention of staff and faculty as homeowners tend to stay in place longer than renters.¹¹

Social spaces

Positive and inviting social spaces can help to foster greater social cohesion, a stronger sense of community, and feelings of safety. In turn this can lead to greater satisfaction in one's housing and location. Communities that have greater availability of well-designed gathering spaces have been linked with higher levels of social capital, trust, support, sense of community, and neighbourliness.

Culturally supportive housing

Cultural preferences inform housing choices and needs. Research has shown that a housing supply that insufficiently meets the needs of diverse populations can lead to loss in cultural traditions and reduced community ties.¹² Considering a more diverse housing stock with flexibility in the use of space would support a greater variety of family and cultural needs and further support community cohesion and satisfaction.

⁸ 80-80 Cities. The importance of walkability: Introduction to the Walkonomics app. 2021. <https://www.880cities.org/the-importance-of-walkability-introduction-to-the-walkonomics-app/>

⁹ The Canadian Real Estate Association. The Homeownership Dividend for Canadians. 2021. https://www.crea.ca/wp-content/uploads/2021/04/Homeownership-White-Paper_2021_ENG_Mar-30-1.pdf

¹⁰ The Canadian Real Estate Association. The Homeownership Dividend for Canadians. 2021. [https://www.crea.ca/wp-](https://www.crea.ca/wp-content/uploads/2021/04/Homeownership-White-Paper_2021_ENG_Mar-30-1.pdf)

[content/uploads/2021/04/Homeownership-White-Paper_2021_ENG_Mar-30-1.pdf](https://www.crea.ca/wp-content/uploads/2021/04/Homeownership-White-Paper_2021_ENG_Mar-30-1.pdf)

¹¹ Pfeiffer, D., Cloutier, S. Planning for Happy Neighbourhoods. May 2016. Journal of the American Planning Association.

¹² Rachelson, H., Wong, J., Han, E. An Exploration of Approaches to Advance Culturally Appropriate Housing in Canada. April 2019. <https://housingresearchcollaborative.scarp.ubc.ca/files/2019/06/Culturally-Appropriate-Housing-2019PLAN530-CMHC.pdf>

2.4 Barriers to Accessing Affordable Housing

This section reviews the broader literature to identify challenges that individuals and households may encounter in the Metro Vancouver housing market. While affordability is a major barrier, individuals and households also experience the housing market differently depending on both societal barriers and individual circumstances. This section also explores known barriers related to gender, race, 2SLGBTQ2IA+ identity, and others.

The information in this section is drawn from the following sources: recently published municipal housing needs reports,¹³ CMHC, Real Estate Board of Greater Vancouver data, the Canada-British Columbia Housing Expert Panel, Centre for Equality Rights in Accommodation, and BC Housing. Since 2019, local governments have been legislatively required to complete housing needs reports. Key findings from these reports informed our analysis.

2.4.1 Overarching Regional Issues

The Metro Vancouver region is experiencing housing pressures due to the high cost of housing and limited supply of housing that are affecting all but the highest income households. A review of housing needs reports completed for neighbouring municipalities identified the following overarching regional housing issues.

Cost of a detached dwelling is out of reach for most households

Affordability analyses were completed for several of the communities included in this report and compare actual local housing costs to household incomes. These analyses show that very high incomes are required to afford homeownership in the community. Even in communities that have slightly lower housing prices, such as Burnaby and Surrey, households earning the median income cannot afford homeownership.

Need for more housing supply and availability

Households have different housing needs, and the availability of housing by structural type is not evenly distributed across the Metro Vancouver region.¹⁴ Households may have to re-locate for more affordable options further away from UBC or compromise with smaller unit sizes due to the cost of housing. The majority of high-density development outside Downtown Vancouver is concentrated in urban centres across the region and near transit

¹³ Note that UEL was not required to prepare a housing needs report but has recently completed one. It is not yet publicly available.

¹⁴ CMHC. Housing Supply Report. 2022. [https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-](https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/market-reports/housing-supply-report/housing-supply-report-2022-05-en.pdf?rev=e66a4117-594f-4b3e-8477-c33fbe1e7766)

[research/market-reports/housing-supply-report/housing-supply-report-2022-05-en.pdf?rev=e66a4117-594f-4b3e-8477-c33fbe1e7766](https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/market-reports/housing-supply-report/housing-supply-report-2022-05-en.pdf?rev=e66a4117-594f-4b3e-8477-c33fbe1e7766)

centres.^{15,16} While these may be more affordable housing options, a large proportion of new housing is made up of smaller unit sizes, which make it difficult to meet the needs of larger households, multi-generational families, families with children, and increasingly, households with members who are able to work from home.

Need for more diverse housing types

While single-detached houses meet the needs of larger families with children or multi-generational families, without significant financial assistance or extremely high incomes, these households can only afford to purchase or rent in suburban markets with lower housing prices. This can result in longer commuting distances and higher vehicle transportation costs. The individual housing needs reports published by Vancouver, Richmond, Burnaby and Surrey identified a need to encourage more compact forms of housing (e.g., townhouses, row houses). This is a housing type that meet the needs of households who cannot afford detached homes and cannot live in apartments.

Limited supply of available rental housing, especially 3+ bedroom units

A healthy rental vacancy rate is generally considered to be between three percent and five percent. Vacancy rates across UBC's neighbouring communities (Vancouver, Richmond,

Burnaby, and Surrey) are far lower than what would be considered healthy for both landlords and renters. These vacancy rates have continued to remain low, despite efforts of communities to incentivize rental development and the impact of the pandemic on migration.

Both CMHC rental data and engagement data identify a need for more units with 3 or more bedrooms for larger renter households in Richmond, Burnaby, and Surrey.

Renter households are more vulnerable to core housing need

Renter households across communities are far more likely to be in core housing need than owner households. While 11 percent of owner households in Metro Vancouver were in core housing need in 2016, 34 percent of renter households experienced core housing need.

Among renter households in Metro Vancouver, the following demographic groups are associated with higher rates of core housing need:

- Single parent households – 48 percent in core housing need
- Individuals living alone – 39 percent in core housing need
- Indigenous households – 38 percent in core housing need¹⁷

¹⁵ Government of BC. Opening Doors – Final Report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Availability. 2021. https://engage.gov.bc.ca/app/uploads/sites/121/2021/06/Opening-Doors_BC-Expert-Panel_Final-Report_Jun16.pdf

¹⁶ CMHC. Housing Supply Report. 2022. <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/market-reports/housing-supply-report/housing-supply-report-2022-05-en.pdf?rev=e66a4117-594f-4b3e-8477-c33fbe1e7766>

¹⁷ CMHC. Housing Market Information Portal. 2022.

Single parent families and individuals living alone have the lowest incomes

Single parent families and individuals living alone (non-census families), who make low to moderate incomes, face affordability challenges in the region as they have typically have much lower household incomes than other household types such as couples with or without children. Single parent families, in particular, are particularly disadvantaged in the housing market as the costs of larger unit sizes required for children typically assume two incomes.

Long non-market housing waitlists

As discussed in Section 4.2.2, non-market housing providers are seeing unprecedented wait lists due to the limited supply of more affordable housing options in the private rental market. Historically, non-market housing has primarily been targeted towards households earning low incomes. Increasingly, it is being advocated for moderate income households who have, in previous decades, been well-served by the private housing market.

Opposition to housing development in established neighbourhoods

Opposition to development is often found in established neighbourhoods, particularly in affluent areas where land values

are high. Expressions of “not in my backyard” or “NIMBYism” are related to concerns of higher density developments and the impact on noise, traffic, crime and/or property values.¹⁸ There are also concerns about the potential of new developments to displace residents who have lower incomes and rely on lower rents offered by older buildings. The lack of new housing supply becomes a barrier for individuals who are looking for housing in Metro Vancouver, whether it is rental housing or housing for purchase. Across the region, there are areas of high land values with zoning that is restricted for single-detached use only.¹⁹

2.4.2 Barriers to Equity in Housing

The experience of finding and maintaining appropriate housing is not the same for any group. Individuals, including current and prospective UBC staff and faculty, experience different barriers to accessing affordable housing depending on their household needs, socio-economic status, and identity. Newcomers to Canada, persons with disabilities, groups of visible minority, Indigenous people were a few groups that were identified in local government housing needs reports and research studies as more likely to face barriers to housing.

¹⁸ Government of BC. Opening Doors – Final Report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Availability. 2021. https://engage.gov.bc.ca/app/uploads/sites/121/2021/06/Opening-Doors_BC-Expert-Panel_Final-Report_Jun16.pdf

¹⁹ Government of BC. Opening Doors – Final Report of the Canada-British Columbia Expert Panel on the Future of Housing Supply and Availability. 2021. https://engage.gov.bc.ca/app/uploads/sites/121/2021/06/Opening-Doors_BC-Expert-Panel_Final-Report_Jun16.pdf

Differences in homeownership reflect race-based and other inequities

A research report conducted by CMHC found that homeownership rates differ across Canadian groups of different ethnic origins.²⁰ Based on 2016 Census data, it was found that homeownership rates were lowest for Black, Arab, Indigenous, and Latin American, Korean and Filipino groups—and that most of these groups experienced a decrease in homeownership rate from 2006 to 2016. The lower homeownership rates could be due to a number of potential factors, including potential implicit biases in the housing finance systems, current direct forms of discrimination, spillover effects from broader economic inequalities, and historic discriminatory practices.²¹

Discrimination in the rental housing market

Discrimination in the rental housing market can be direct or be built into more subtle rental policies, and can occur at any stage during the rental process (e.g., screening during the application process, disrepairs, and evictions). In a 2013 report published by the Centre for Equality Rights in Accommodation, research

findings suggested that discrimination occurs frequently in the rental housing market based on race, ethnicity, place of origin, citizenship and family status at the early stages of house-seeking for prospective tenants.²² The research found that all prospective tenants had at least one more imposed rental condition (e.g., required guarantors, excessive deposits).

Immigration status

Recent immigrants or newcomers to Canada often rely on the private rental market to obtain housing. However, this group may experience barriers to accessing housing due to private landlord requirements for additional proof of Canadian credit history and proof of employment, which may be difficult for recent immigrants or newcomers to have. In addition, private landlords may illegally deny housing for newcomers based on a persons' race, ethnicity, place of origin, and income level or source; or require co-signors/guarantors and illegal rent deposits.²³

²⁰ CMHC. Homeownership Rate Varies Significantly by Race. 2021. <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/housing-finance/research-insights/2021/homeownership-rate-varies-significantly-race-en.pdf?rev=af9ae04d-00bd-43ce-8619-d5e5d4a37444>

²¹ CMHC. Homeownership Rate Varies Significantly by Race. 2021. <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/housing-finance/research-insights/2021/homeownership-rate-varies-significantly-race-en.pdf?rev=af9ae04d-00bd-43ce-8619-d5e5d4a37444>

²² Centre for Equality Rights in Accommodation. Housing Equality for New Canadians: Measuring Discrimination in Toronto's Rental Housing Market. 2013. <https://housingrightscanada.com/wp-content/uploads/2022/08/Housing-Equality-for-new-canadians-FinalReport.pdf>

²³ CMHC. Literature Reviews on Housing Needs: Newcomers. 2019. <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/housing-needs/understanding-housing-needs/understanding-housing-needs-racialized-individuals-communities-69753-en.pdf?rev=db206fe2-6cee-4c27-a1b1-c462806a0c2e>

Cultural housing needs

The design of buildings and units tends to favour some household types over others, especially individuals living alone and nuclear family arrangements (two parents living with children). However, households may have cultural practices and preferences than are not well-served by typical housing options. For example, some households may prefer to live in an intergenerational household formation with grandparents, parents, and children living together. This formation may require larger units than are typical in today's housing market, especially as the detached dwelling is out of reach for most households. Even in suburban areas where land values are lower, Indigenous families have difficulty finding larger homes that are affordable and suitable for intergenerational arrangements, which could include relatives and additional family members.²⁴ Other types of

practices may require modifications in design and amenities to better serve the needs of different households, for example, integrating better ventilation to support Indigenous practices of smudging or various cooking practices.²⁵

2SLGBTQIA+

2SLGBTQIA+ individuals experience stigma and transphobia, homophobia, and biphobia which can be barriers to finding affordable, safe, and secure housing. Individuals who identify 2SLGBTQIA+ are diverse and may experience compounding barriers because they are Indigenous, newcomers, seniors, single parents and other identities that are more likely to experience discrimination.²⁶ While discrimination can affect any income group, individuals with low incomes face the most significant impacts because their housing choices are fewer.

²⁴ Surrey Urban Indigenous Leadership Committee. Understanding the Housing Experiences of Indigenous Households in Surrey, Housing Report. 2020. <https://surreyindigenousleadership.ca/downloads/skookum-lab-housing-report-20202.pdf>

²⁵ CMHC. Literature Reviews on Housing Needs: Racialized Individuals and Communities. 2019. <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/housing-needs/understanding-housing-needs/understanding-housing-needs-racialized-individuals-communities-69753-en.pdf?rev=db206fe2-6cee-4c27-a1b1-c462806a0c2e>

[housing-needs/understanding-housing-needs-racialized-individuals-communities-69753-en.pdf?rev=db206fe2-6cee-4c27-a1b1-c462806a0c2e](https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/housing-needs/understanding-housing-needs/understanding-housing-needs-lbgtq2-community-69747-en.pdf?rev=eebd13b7-7ef5-43e9-9192-1408eef4a6e2)

²⁶ CMHC. Literature Reviews on Housing Needs: LGBTQ2+ Community. 2019. <https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/housing-needs/understanding-housing-needs/understanding-housing-needs-lbgtq2-community-69747-en.pdf?rev=eebd13b7-7ef5-43e9-9192-1408eef4a6e2>

2.5 Promising Practices in Workforce Housing

Effective workforce housing initiatives are comprised of a set of policies, incentives, and programs that work together to meet housing needs. No single tool or policy alone can solve workforce housing needs, especially in a tough housing market like Metro Vancouver. The following outlines different models' employers or local governments might consider for supporting the purchase of, or further developing the availability of, workforce housing to meet the needs of community. Case studies are provided where available.

2.5.1 Employer Assisted Housing

Employer assisted housing (EAH) is an employer-provided benefit, usually designed to assist employees in becoming homeowners. EAH programs often include grants for down payment assistance, low-interest loans, matched dollar savings plans, credit counseling, and/or homebuyer education. In Canada, these types of benefits are considered taxable benefits for employees.

Homebuyer Assistance

Homebuyer assistance is most frequently implemented as employer support through down payment support and secondary financing such as zero or low-interest loans that are repayable upon sale or refinancing of a property. UBC already provides homebuyer assistance to faculty through the DPA and PIRL programs.

Rental Assistance

Rental assistance provides an attractive option for many types of employers. Depending on the characteristics of their workforce and the types of housing available to their workers, employers might absorb a portion of an employee's monthly rent, help an employee pay a security deposit, or help with the costs of searching for a place to live. Rental assistance (housing allowance) is considered a taxable benefit and would need to be accounted for in an employee reported income each year.

Case Study

Audible, Newark, New Jersey

Audible has implemented a rental assistance program they call "Our Newark Now! Live local Incentive Program". Through the program all Audible employees living in Newark, New Jersey (the location of Audible's global headquarters) are provided a \$500 a month subsidy toward their housing expenses.

Financial Education and Counseling

Many EAH programs include financial education and counseling as a key component of their programs, generally as a complement to a homebuyer assistance program.

New Construction

Employers may choose to invest in the construction of new homes through direct development investments or establishing a land bank. UBC develops and manages rental housing for faculty and staff on campus.

Employer constructed homes are made available to employees, often at a discounted, affordable price, and are coupled with loans or grants for down payment or rental assistance. New construction may be supported through land donations, participating in a land bank, investment in or development of rental properties, and partnering with developers to create affordable homes.

Where an employee is inhabiting a home for less than fair market value of such accommodations, this is considered a taxable benefit for the employee. Employers are required to estimate a reasonable amount for the housing benefit which is usually the fair market value for the same type of accommodations, minus any rent the employee pays.

In the case of a loan, employees are also considered to have received a taxable benefit. The taxable benefit is calculated each year by totalling the interest on the loan (calculated at the prescribed interest rate determined at the time of the loan and maintained for five years following). If a loan is partly or fully forgiven, the forgiven amount is considered employment income and is added to the employee's T4 slip in the year the amount is forgiven.

Case Study

San Mateo Community College District, San Mateo, California

Through a partnership with a luxury apartment developer and a financial consultant, in combination with strong community outreach efforts, the College District built 44 affordable rental units for employees on a former parking lot owned by the college. Monthly rents in the residential development, called College Vista, are half the cost of market-rate housing in the area. The College District also administers a mortgage assistance program for employees interested in purchasing a home, offering up to \$75,000 in the form of an interest-free soft second loan.

Renovation

In renovation programs, employers provide loan or grant assistance to employees to help cover the costs of improving their homes. This type of assistance helps employees protect their assets and build wealth, but only benefits those employees who are already homeowners.

Shared Equity Homeownership

Shared equity homeownership models support buyers to enter the housing market by aiding with a down payment. This helps a home buyer to afford the down payment while also resulting in lower monthly mortgage payments, making housing more affordable. In return for providing a portion of the down payment, the shared equity investment provider will be entitled to receive a portion of the appreciation or depreciation of the home's value, (usually in addition to the initial investment),

either at a pre-determined date or when the homeowner chooses to sell, rent out the home, or buy out the shared equity investment provider in advance of any set repayment date.

Case Study

Stanford University, Stanford, California

Stanford University offers a variety of EAH programs, one of which is down payment support through an organization called Landed. Landed will contribute to a personal down payment for a combined 20 percent down payment. In exchange for down payment support, Landed will share an equity gain or depreciation at the time the home is sold or refinanced. The program is open to Stanford staff who receive benefits. Unlike Canadian universities, the Stanford program is not considered a taxable benefit.

Land Donation

Large employers, such as universities, may have excess land to donate to affordable housing projects developed by third-party entities. In exchange, employers can require that their employees receive priority in purchasing or renting a certain number of units. Long-term affordability can also be maintained through retaining a right of first refusal when properties are sold.

2.5.2 Local Government Tools

Inclusionary Housing Policy/Zoning

Inclusionary housing policies aim to encourage the development of affordable housing units in the private market. This includes a variety of initiatives that engage private developers in providing a percentage of affordable housing in an otherwise market housing development. Policies could include incentives for developers to off-set the cost of housing development and can include development fee relief, reduction in parking requirements, or greater height allowance.

Case Study

City of Victoria, British Columbia

The City of Victoria has an inclusionary zoning policy which aims to encourage the development of new affordable housing through rental or homeownership units in large strata developments seeking additional density. Small or moderate developments seeking additional density are required to contribute to the Victoria Housing Reserve Fund, which then provides grants for the development and retention of affordable housing.

Case Study

Whistler Housing Authority, Whistler, British Columbia

Whistler implements an Employee Housing Services Charge bylaw which requires developers of new commercial, tourist or industrial properties to either build accommodation for their future workers or provide cash-in-lieu to the Whistler Housing Authority (WHA). Fees are then administered by WHA to develop further workforce housing. To date, the WHA has enabled 80 percent of Whistler's workforce to live and work within municipal boundaries. The WHA can also negotiate with private residential developers to grant higher density rights if that increase is used for affordable housing for the workforce. Affordable home ownership units are bound by a covenant registered on title restricting the ownership and occupancy to a resident employee of Whistler.* To maintain the units as affordable for local workers when they are resold, the WHA maintains a waitlist of qualified purchasers and sets maximum resale prices tied to the core consumer price index. In addition, the WHA also holds a right of first refusal/option to purchase, in order to block a sale should a buyer attempt to sell to a non-qualified purchaser. The WHA also owns a portfolio of 800 affordable rental beds with occupancy restricted to local employees. Rates are significantly below Whistler's market rental rates and are restricted to increase at inflation.

**Toronto Region Board of Trade. Housing a Generation of Workers: Defining the Problem. <https://workforcehousing.trbot.ca/leaders-housing/>*

Case Study

Village of Radium Hot Springs, British Columbia

The Village has implemented zoning changes to allow for and incorporate employee accommodations across a range of zones. Employee accommodation was defined and incorporated as permitted accessory uses with the specification that these units cannot be used as short-term rental accommodation.

Public Land Donation

Public land policies make government-owned land available at reduced or no cost for affordable, workforce, or mixed-income housing. Public land could include land owned by the local government, school district, parks authority or even a public utility agency, and can include both vacant and underutilized parcels. Unlike local governments, UBC manages a large land base and is able to directly develop housing. In this way, UBC has more direct opportunities to create needed housing compared to local governments, who do so indirectly through other parties, such as working with non-profits, BC Housing, or private developers.



3 Demographic Overview

3.1 Overview

This section looks at available demographic indicators for UBC faculty and staff. It is based on 2021/2022 demographic and salary data for UBC employees provided by UBC's Planning and Institutional Research Office (PAIR), as well as the results of the U Count at UBC—the University's annual equity survey of all faculty and staff.

As part of UBC's participation in the Federal Contractors Program, UBC collects demographic data from faculty and staff to comply with federal employment equity regulations. The following five demographic indicators are reported:

- Aboriginal persons, identified in the U Count survey as individuals who self-identified as First Nations (Status, non-Status, Treaty), Métis, Inuit, and North American Indian. Note that this report uses Indigenous instead of Aboriginal.
- Persons with disabilities, identified in the survey as persons who have a long-term or recurring physical, mental, sensory, psychiatric, or learning impairment(s) and who consider themselves to be disadvantaged in employment by reason of that impairment.
- Visible minorities, identified in the survey as persons (other than Aboriginal peoples as earlier defined) who are non-white, regardless of place of birth or citizenship.
- Individuals who identify as lesbian, gay, bi-sexual, two-spirited, or an analogous term. –
- Individuals who identify as trans, transgender, gender fluid, or an analogous term.

The available data does not allow finer grained analysis than by these categories, but it is acknowledged that individuals may have multiple and intersecting identities and life experiences that impact their work experience as well as their experience in the housing system. As part of this report, UBC is interested in understanding how housing can support the University's Equity, Diversity, and Inclusion goals as they relate to recruitment and retention. Multiple avenues of research have identified that some demographic groups are more likely to face barriers such as discrimination in their housing search and bias in their interactions with landlords and neighbours. Section 6 of this report further explores the impact of identity and life experience on an individual or family's experience in the housing system.

Note that the U Count survey is voluntary and self-reported by employees. It is possible that it may undercount some of the demographic indicators depending on participants' interest or comfort in participating in the survey or disclosing the information.

3.2 Key Findings

Salaries: The majority of staff, postdoctoral fellows and research associates, and term and part-time faculty earn less than \$100,000, and close to one-third earn less than \$50,000. Median incomes are \$135,000 for faculty and deans and \$63,000 for staff. Deans, associate deans, and tenure stream faculty generally earn incomes that are considered very high within the context of regional individual incomes.

Full-time status: Eighty percent of faculty and deans and 90 percent of staff work full-time.

Age: The median age for faculty and deans is 50, while the median age for staff is 40. Forty-eight percent of staff are under 40 years of age, compared to only 20 percent of faculty and deans.

Gender: Women are slightly under-represented among faculty and deans (44 percent) and over-represented among staff (57 percent), compared to the regional population. 0.7 percent of faculty and deans, and 0.8 percent of staff identified as trans, transgender, gender-fluid, or analogous term, compared to 0.2 percent of the Canadian population based on limited available data.

Indigenous identity: 1.5 percent of faculty and deans and 1.8 percent of staff identified as Indigenous, compared to 2.5 percent of the regional population.

Visible minority: Nineteen percent of faculty and deans identified as a visible minority, compared to 34 percent of staff and 49 percent in the regional population.

Persons with disabilities: Seven percent of faculty and staff identified as persons with disabilities, compared to 21 percent of the provincial population.

2SLGBTQIA+: Six percent of faculty and seven percent of staff identified as lesbian, gay, Two Spirit, or an analogous term, compared to four percent of the Canadian population based on limited available data.

Dependents: Thirty six percent of UBC employees have dependents under the age of 25. The average number of dependents is 1.6 and the median is two.

3.3 Profile of UBC Faculty and Staff

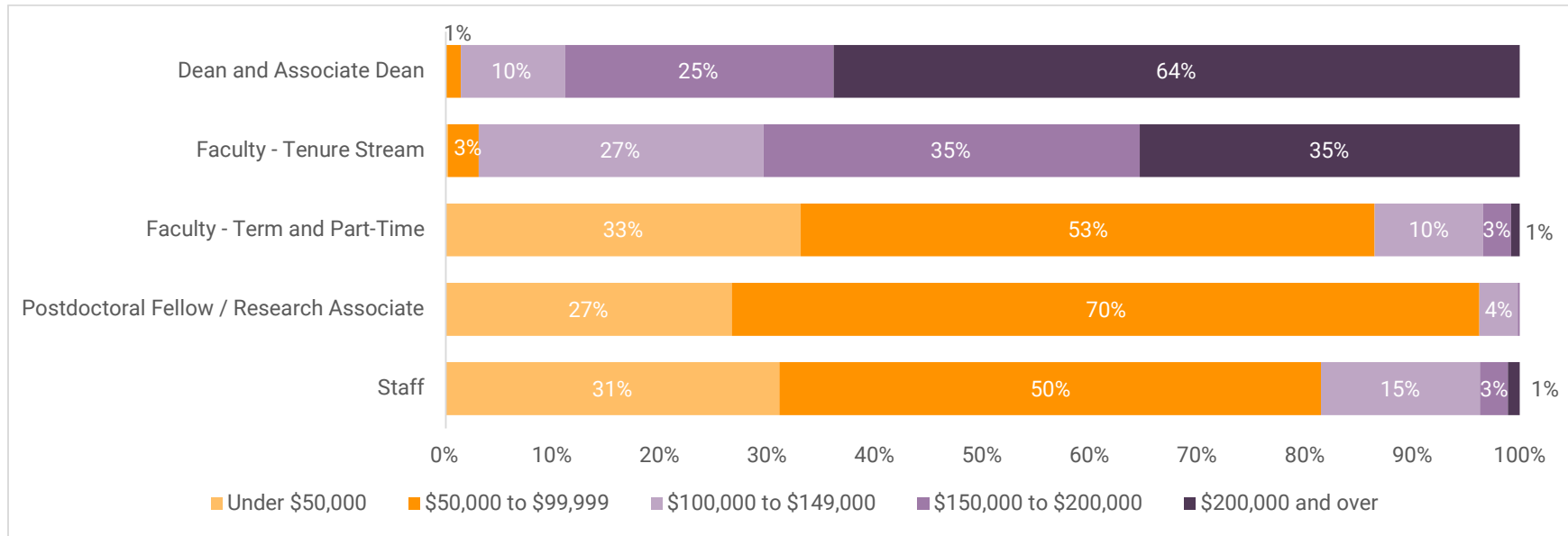
As of the 2021/2022 academic year, UBC employed 15,849 faculty and staff. Eighty-eight percent of employees worked full-time (13,892) and 12 percent worked part-time (1,957). Figure 1 shows the income distribution of five categories of employment at UBC: deans and associate deans, faculty – tenure stream, faculty – term and part-time, postdoctoral fellow/research associate, and staff.

For regional context, Figure 2 shows the distribution of individual pre-tax incomes across Metro Vancouver. Within the region, faculty and deans are considered very high-income earners. Only five percent of individuals in Metro Vancouver earn more than \$150,000 per year, while 89 percent of deans and 70 percent of tenure stream faculty earn this much. This information provides context on the regional housing market where UBC faculty and

deans, as well as higher salary staff, would be competitive in relation to other workers in the region. While term and part-time faculty, postdoctoral fellows and research associates, and staff are typically in lower income categories than faculty and deans, they generally also show a higher income distribution than the region as a whole. Approximately one-third of term and part-time faculty, post-doctoral fellows and research associates, and staff earn below \$50,000.

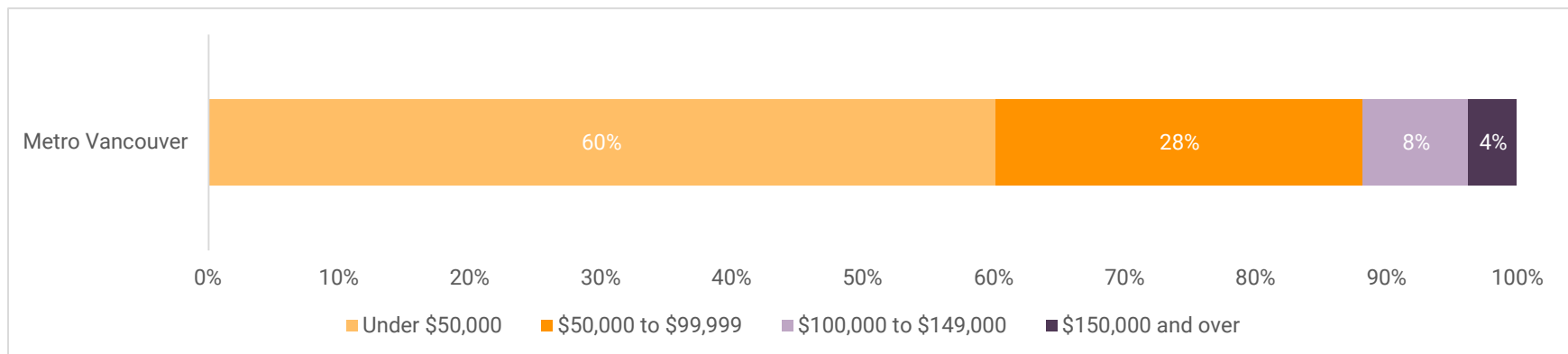
Salaries at UBC are informed by the financial mandate provided by the Province of BC and negotiated within the parameters of terms and conditions, including collective agreements, for each employee group. These offer both protection to employees as well as constraints in setting salaries.

Figure 1: Distribution of Annual Salaries by Job Categories, UBC Employees, 2021/2022



Source: Planning and Institutional Research (PAIR) Office, 2022.

Figure 2: Distribution of Individual Incomes, Metro Vancouver, 2020



Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

3.3.1 Faculty

The following section explores the demographic characteristics of faculty based on available data. This category includes dean, associate dean, tenure stream faculty and term/part-time faculty positions.

UBC

Source: Planning and Institutional Research (PAIR) Office, 2021.

Note: Equity-related data is self-reported and should be considered an undercount.

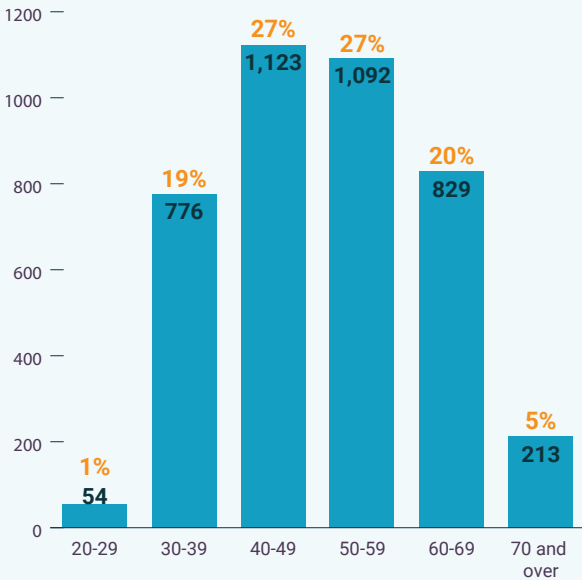
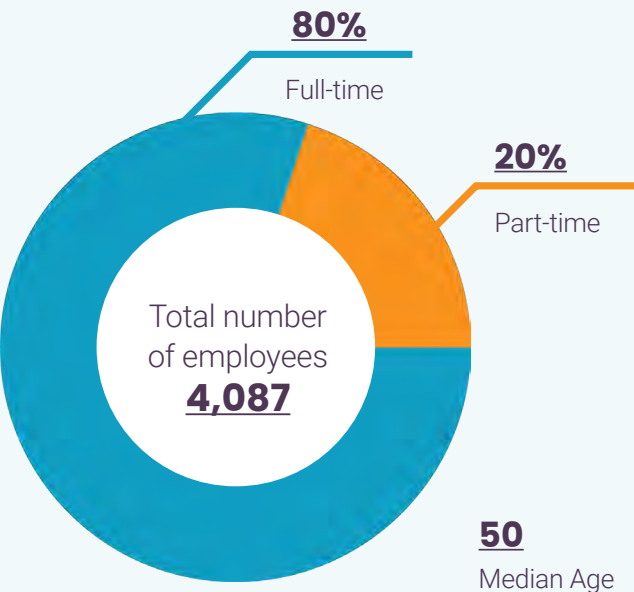


Figure 3: Faculty and Deans, Age Distribution

Comparisons (where available)

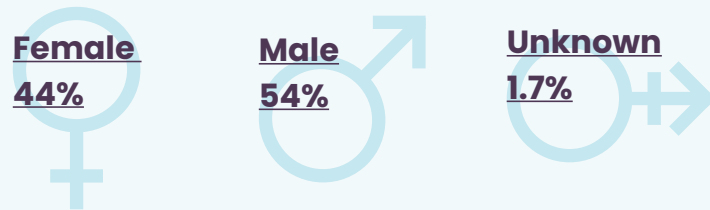
Sources are provided where relevant.

Metro Vancouver
Median age: 40.8

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Gender

Human Resources (HR) data



Employee survey



Note: Employees are not required to disclose their gender to UBC; the HR data shows “unknown” where employees did not report their gender. The HR data on gender and the employee survey data on trans identity are not integrated. The gender or sex identity shown in the HR data may or may not correspond with an employee’s sex at birth or gender identity depending on a variety of different life experiences. An employee may also identify as female or male, as well as trans.

Men+: 49%
Women+: 51%

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Trans: 0.2% (Canada)

Source: Statistics Canada. A statistical portrait of Canada’s diverse LGBTQ2+ communities

Indigenous identity
2.5% (Metro Vancouver)
Visible minority
49% (Metro Vancouver)

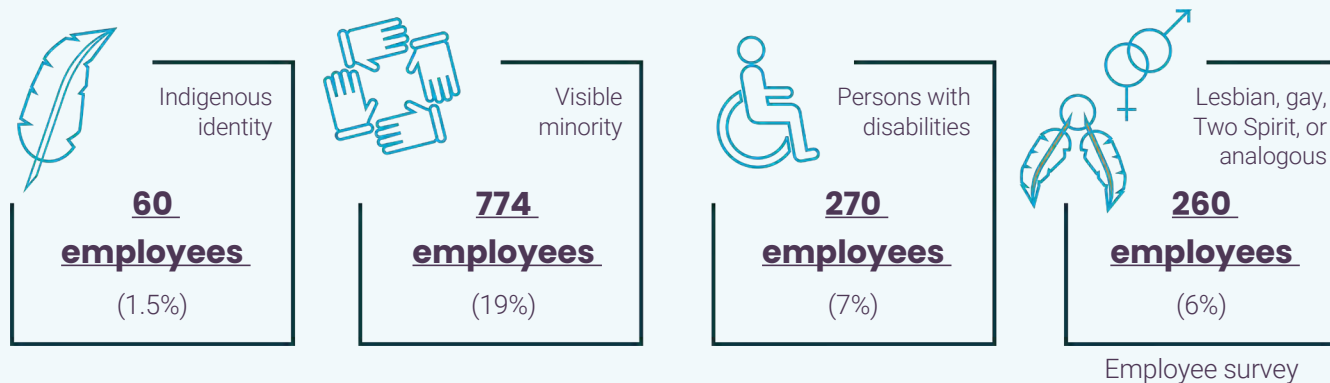
Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Persons with disabilities
21% (Metro Vancouver)

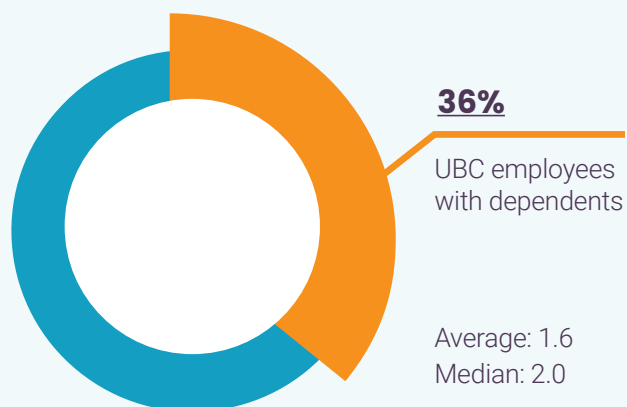
Source: Statistics Canada, 2019 Persons with and without disabilities aged 15 years and over, census metropolitan areas – Table 13-10-0750-01.

Lesbian, gay, Two Spirit, or analogous
4% (Canada)

Source: Statistics Canada. A statistical portrait of Canada’s diverse LGBTQ2+ communities, 2018.



Dependents under 25 (all employees)



Note that dependent data was not provided by job category, and data represented here applies to all employees.

Average number of children: 1.7
Average size of families: 2.8
Average household size: 2.5

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Median salary and salary quintiles (rounded)

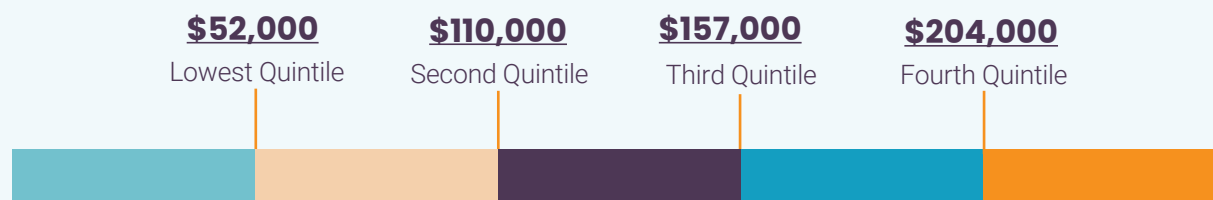
Median salaries:

Overall: \$135,000

Dean and associate dean: \$222,000

Faculty – tenure stream: \$178,000

Faculty – term and part-time: \$52,000



Median total income of individuals in 2020: \$40,800

Median total income of households in 2020: \$90,000 (Metro Vancouver)

12% of individuals in Metro Vancouver earned \$100,000 or more

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Figure 4: Faculty and Deans, Salary Quintiles

3.3.2 Staff

The following section explores the demographic characteristics of staff at UBC. This category includes all staff positions, postdoctoral fellows, and research associates.

UBC

Source: Planning and Institutional Research (PAIR) Office, 2021.

Note: Equity-related data is self-reported and should be considered an undercount.

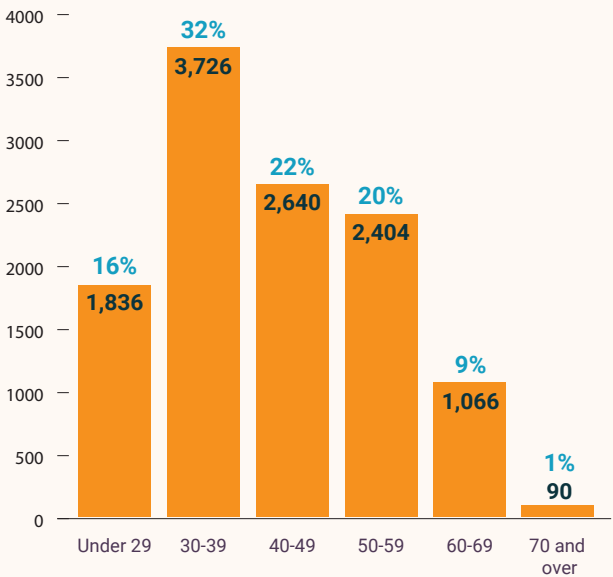
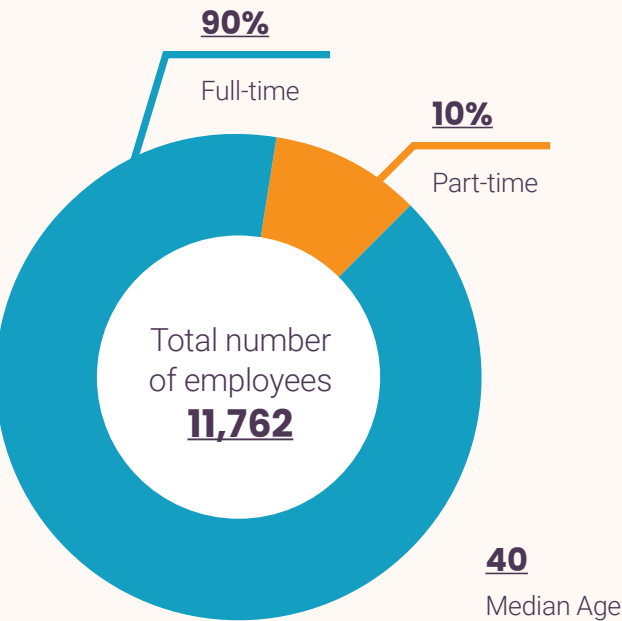


Figure 5: Staff, Age Distribution

Comparisons (where available)

Sources are provided where relevant.

Metro Vancouver
Median age: 40.8

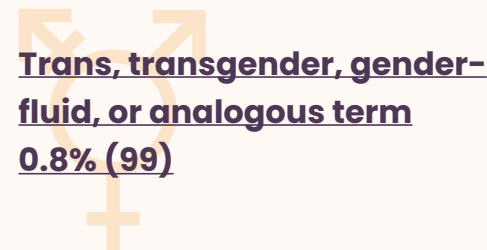
Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Gender

Human Resources (HR) data



Employee survey



Note: Employees are not required to disclose their gender to UBC; the HR data shows “unknown” where employees did not report their gender. The HR data on gender and the employee survey data on trans identity are not integrated. The gender or sex identity shown in the HR data may or may not correspond with an employee’s sex at birth or gender identity depending on a variety of different life experiences. An employee may also identify as female or male, as well as trans.



Men+: 49%
Women+: 51%

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Trans: 0.2% (Canada)

Source: Statistics Canada. A statistical portrait of Canada’s diverse LGBTQ2+ communities

Indigenous identity
2.5% (Metro Vancouver)
Visible minority
49% (Metro Vancouver)

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

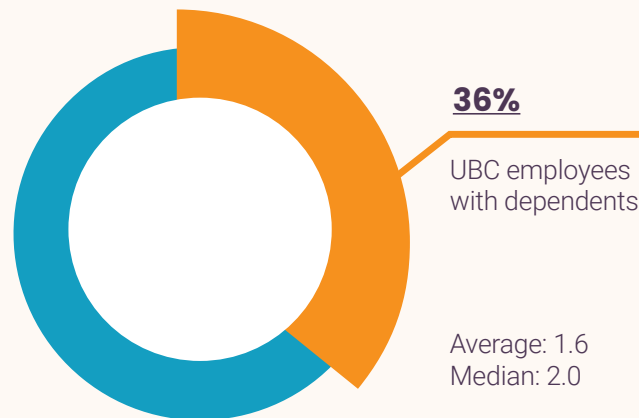
Persons with disabilities
21% (Metro Vancouver)

Source: Statistics Canada, 2019 Persons with and without disabilities aged 15 years and over, census metropolitan areas – Table 13-10-0750-01.

Lesbian, gay, Two Spirit, or analogous
4% (Canada)

Source: Statistics Canada. A statistical portrait of Canada’s diverse LGBTQ2+ communities, 2018.

Dependents under 25 (all employees)



Note that dependent data was not provided by job category, and data represented here applies to all employees.

Average number of children: 1.7
Average size of families: 2.8
Average household size: 2.5

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.

Median salary and salary quintiles (rounded)

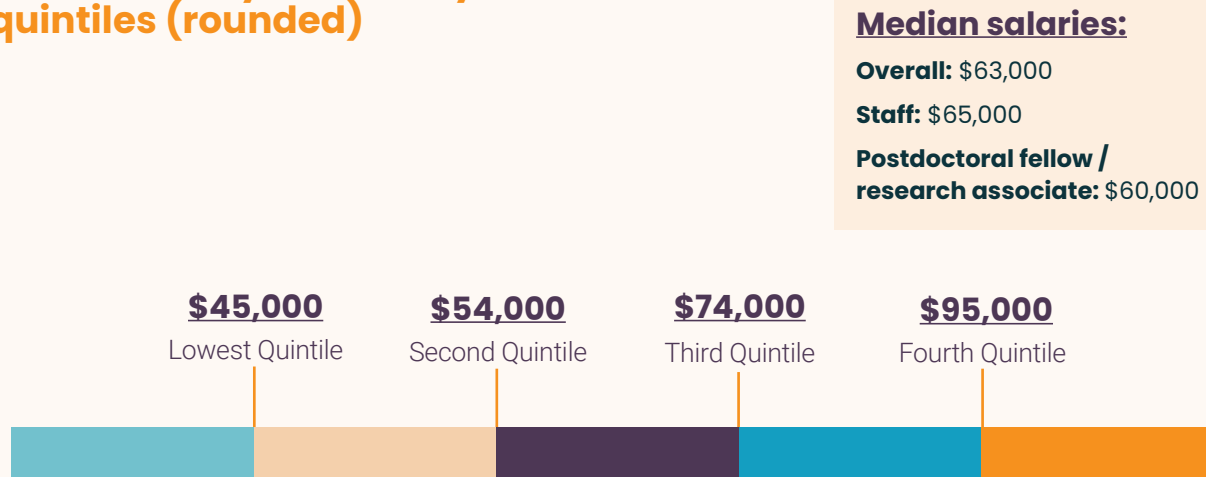


Figure 6: Staff, Salary Quintiles

Median total income of individuals in 2020: \$40,800

Median total income of households in 2020: \$90,000 (Metro Vancouver)

12% of individuals in Metro Vancouver earned \$100,000 or more

Source: Statistics Canada, 2021 Census Profile, Greater Vancouver, BC.



4 Housing Context

4.1 Overview

This section looks at the rental and homeownership housing markets at UBC and in neighbouring communities of Vancouver, Burnaby, Richmond, and Surrey. These communities were selected as they represent where the majority of faculty and staff live. UBC Human Resources data shows that 54 percent of UBC employees lived in Vancouver, 14 percent lived at UBC or UEL, seven percent lived in Richmond, six percent lived in Burnaby, five percent lived in Surrey, and 14 percent lived in all other communities within reasonable commuting distance.

The information presented here is drawn from a variety of sources, including UBC's own data, the CMHC Housing Market Information Portal, the Real Estate Board of Greater Vancouver, and housing needs reports completed by municipalities in the region. This section provides the following housing context information relevant for faculty and staff:

- UBC's housing stock, including the number of people who lived in UBC neighbourhoods and the types of tenure and building typologies available at UBC.
- Rental market at UBC and in the select neighbouring communities.
- Homeownership market at UBC and in the select neighbouring communities.
- Housing under construction and planned at UBC and in select neighbouring communities, where information is available.

Note that while many students find housing in the private market, including in UBC-owned rental buildings, this section does not address student housing or the experience of students in the private rental market.

The 2021 Census reported that there were a total of 1,104,532 dwellings in Metro Vancouver in that year, 95 percent of which were occupied permanently. Among households, 62 percent owned their home (647,870) and 38 percent rented (394,710). The rate of homeownership was lower in the City of Vancouver, with 45 percent of households owning their home, and Metro Vancouver A (which includes UBC), with 43 percent of households owning their home. This is due to a combination of very high costs to homeownership and a larger stock of rental housing than other communities in Metro Vancouver.

While there are 394,710 renter households in the region, CMHC reports only 117,168 purpose built rental units as of 2021. This means that only 30 percent of renter households are served by this stock, and 70 percent occupy units in the secondary rental market, such as rented condominiums, townhomes, and detached dwellings, as well as secondary suites and laneway homes, among others.

4.2 Key Findings

UBC Faculty Staff Restricted Rental Housing offers larger unit sizes than neighbouring communities, a need which was identified in the UBC Housing Action Plan. However, demand for units at UBC, especially family-sized units, will continue to be high due to the low supply of rental housing in the region overall.

There is a higher proportion of larger unit sizes (3- or 4- bedroom apartment units and townhouses) available in Faculty Staff Restricted Rental Housing than in neighbouring communities. In contrast, UBC's market rental stock is predominately made up of smaller units (studio, one-bedroom, and two-bedroom units) with fewer larger unit sizes than neighbouring communities, where the need for larger unit sizes has been identified in local housing needs reports.

UBC Rent-Geared-to-Income (RGI) units offer notably lower average rents than UBC market rentals, and Faculty Staff Restricted Rental Housing. However, the program serves a small number of recipients relative to UBC's total faculty and staff population.

The RGI program had 61 occupied units in June 2022 the majority of which (34) were housed in one-bedroom units. The average

monthly rent for a one-bedroom unit in the program was \$1,174, in comparison to \$1,725 in Faculty Staff Restricted Rental units, and \$1,993 in UBC market rental units.

UBC housing projections, guided by the UBC Strategic Plan, will see the number of units in the Faculty Staff Restricted Rental program exceed the number of market rental units.

Current UBC Housing Action Plan policies (which are under review as part of the Ten-Year Review of the Housing Action Plan) state that 30 percent of all new housing on campus will be comprised of rental units and 20 percent of on-campus housing will be rented as below-market restricted rental for faculty and staff.

UBC's entire housing stock is distributed to serve different segments of the market and users.

As of 2022, there are 6,796 units in UBC's housing portfolio. Sixty-eight percent of these units are leasehold strata units, 18 percent are market rental units, and 14 percent are non-market rental units. All together, these units serve 15,155 residents, which includes faculty, staff, students, and the general public.

The housing prices for detached dwellings and townhouses neighbourhoods near UBC nearly exceed \$1.5 million and \$1.0 million, respectively.

The Home Price Index (HPI) benchmark prices for detached dwellings, townhouses, and apartments in the neighbouring markets of UBC have continued to grow from 2012 to 2022. Surrey and Burnaby had the least expensive housing prices out of UBC and UEL, Vancouver, Burnaby, and Surrey. Apartments, which have been a more attainable option, saw faster sale price growths than detached dwellings in some communities. The HPI benchmark price for an apartment at UBC and UEL exceeded \$1.0 million in June 2022.

The purpose-built rental housing stock in UBC's neighbouring communities is old and the lowest average rents are found in communities farther away from UBC.

In 2021, 73 percent of the purpose-built housing stock at UBC and UEL, Vancouver, Richmond, Burnaby, and Surrey were built in 1980 or earlier. The average market rent (provided by Wesbrook Properties) at UBC were higher than in neighbouring communities, and comparable to newer rental units in Vancouver (built in 2000 or later). Burnaby, Richmond, and Surrey offer significantly lower average rents, but require longer commute times and likely higher transportation costs depending on mode of travel.

There is high demand for rental housing across Metro Vancouver, including UBC's neighbouring communities.

Rental vacancy rates continue to remain low across the primary rental market and secondary rental market across the Metro Vancouver region, including UBC and UEL, Vancouver, Richmond, Burnaby, and Surrey. In 2021, the primary rental market vacancy rates across these communities were 1.7 percent or less and the secondary rental market vacancy rate for Metro Vancouver was 0.8 percent for the region. Outside of market rental housing and UBC faculty and staff housing options, people seeking housing can access non-market housing options and co-operative housing. However, the ongoing housing affordability crisis in the region has led to growing waitlists for non-market housing and co-operative housing.

Faculty Staff Restricted Rental rates are generally lower than lower than comparable newer purpose-built rental units in UBC's neighbouring communities.

Faculty Staff Restricted Rental units are generally newer and have more up-to-date amenities than the typically much older rental stock in neighbouring communities. Faculty and staff who access UBC's rental housing programs incur taxable benefits because of the lower rent, which may offset some of the affordability gained by living at UBC. *This is further explored in the affordability analysis in Section 5.*

4.2.1 UBC Housing Stock

This section of the report provides an overview of UBC's housing stock, including types of units and affordability levels. Section 6 provides further detail about how UBC Faculty Staff Housing Programs currently work and how they may be improved, including non-market rental options for faculty and staff.

As of 2022, UBC neighbourhoods were home to an estimated 15,155 residents living across 6,796 dwelling units. UBC neighbourhoods offer a diverse range of housing options for faculty, staff, and students, as well as the public.²⁷

UBC Properties Trust (UBCPT), a private trust wholly owned by the University and mandated to optimize land development for the university, is responsible for implementing UBC's Neighbourhood Plans and Housing Action Plan policies for the amount and type of neighbourhood development. UBCPT is the master developer of UBC's neighbourhoods as well as the developer and manager of UBC-affiliated housing in the neighbourhoods. This role includes providing UBC with advice on the financial considerations of different options for faculty, staff, and other housing programs.

Housing options at UBC includes the following:

- **Leasehold strata units** that offer homeownership options. These are available to buyers in the private market and are not restricted to UBC employees, although the UBC Housing Action Plan provides priority access to faculty and staff to

purchase units. UBC sells 99-year leases to private developers. This allows units to be bought and sold like freehold properties for the duration of the lease. Many of these units are rented in the secondary market to the UBC community.

- **Market rental units** which are managed by Wesbrook Properties, part of UBC Properties Trust, and operate like any purpose-built rental developments. They are open to the public and many faculty, staff, and students live in these market rental housing options. Some units are restricted to high priority populations, such as seniors and households with someone who works or studies on campus.
- **Faculty Staff Restricted Rental**, which are non-market housing units managed by Village Gate Homes, part of UBC Properties Trust, and are restricted to UBC employees. These units are rented at approximately 25 percent below-market rents across the portfolio, making them an attractive option for employee recruitment and retention. The participants of the Rent-Geared-to-Income (RGI) pilot programs are housed in the Faculty Staff Restricted Rental housing and these programs will be discussed later in the report.

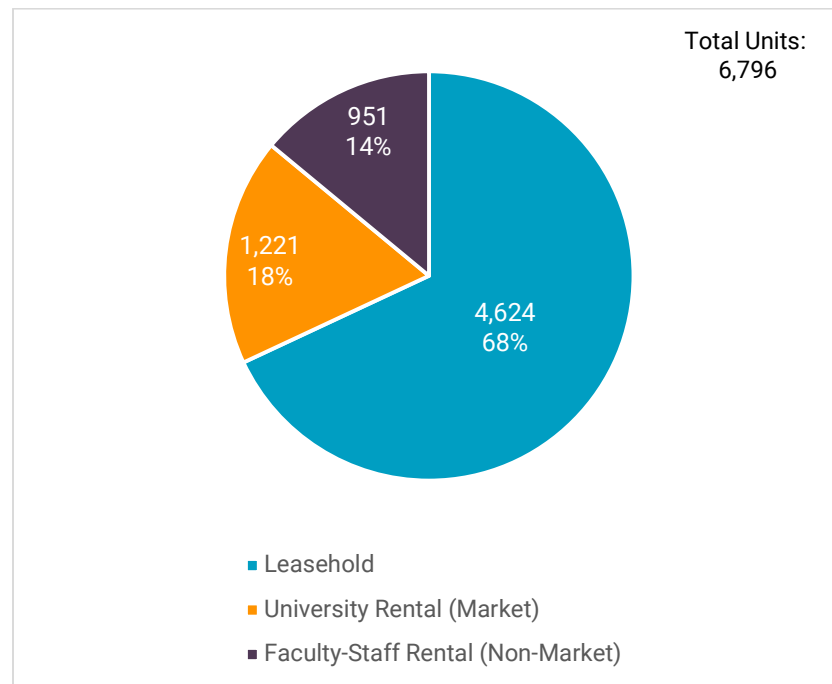
Within proximity to UBC are the University Endowment Lands (UEL), which offer a limited range of housing options in the private market. Because of its proximity, some housing data sources consider UBC and UEL to be a single geography. However, they are governed differently and separately, and have significant differences in their housing stock.

²⁷ Data on student housing is not part of this report.

Figure 7 shows the breakdown of UBC's housing stock by tenure, Figure 8 shows the population breakdown by tenure. Of the 1,221 market rental units at UBC, 534 units are available to the public, 134 units have age-restricted occupancy, and 553 units have occupancy restricted by university affiliation.

Out of the total 951 Faculty Staff Restricted Rental units, UBC allocates 110 for RGI restricted to staff and faculty earning below pre-set household income limits. These are further discussed later in this section of the report.

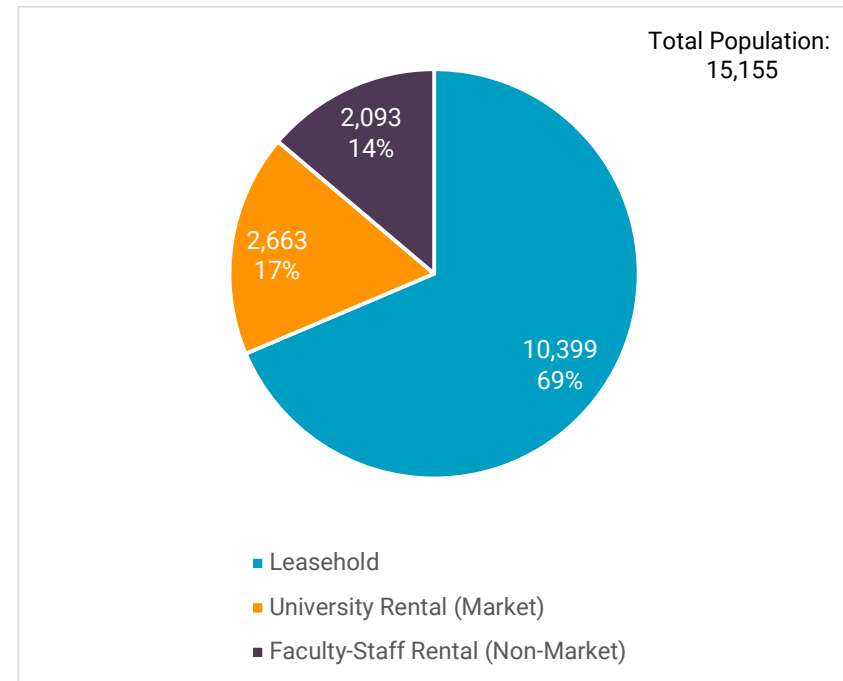
Figure 7: UBC Housing Stock (Units) by Tenure, UBC Neighbourhoods, 2022



Source: UBC Housing Database, 2022

Note: Unit counts include buildings that were built as of August 2022.

Figure 8: Estimate of Population Living in Staff and Faculty Housing Units in UBC Neighbourhoods by Tenure, 2022

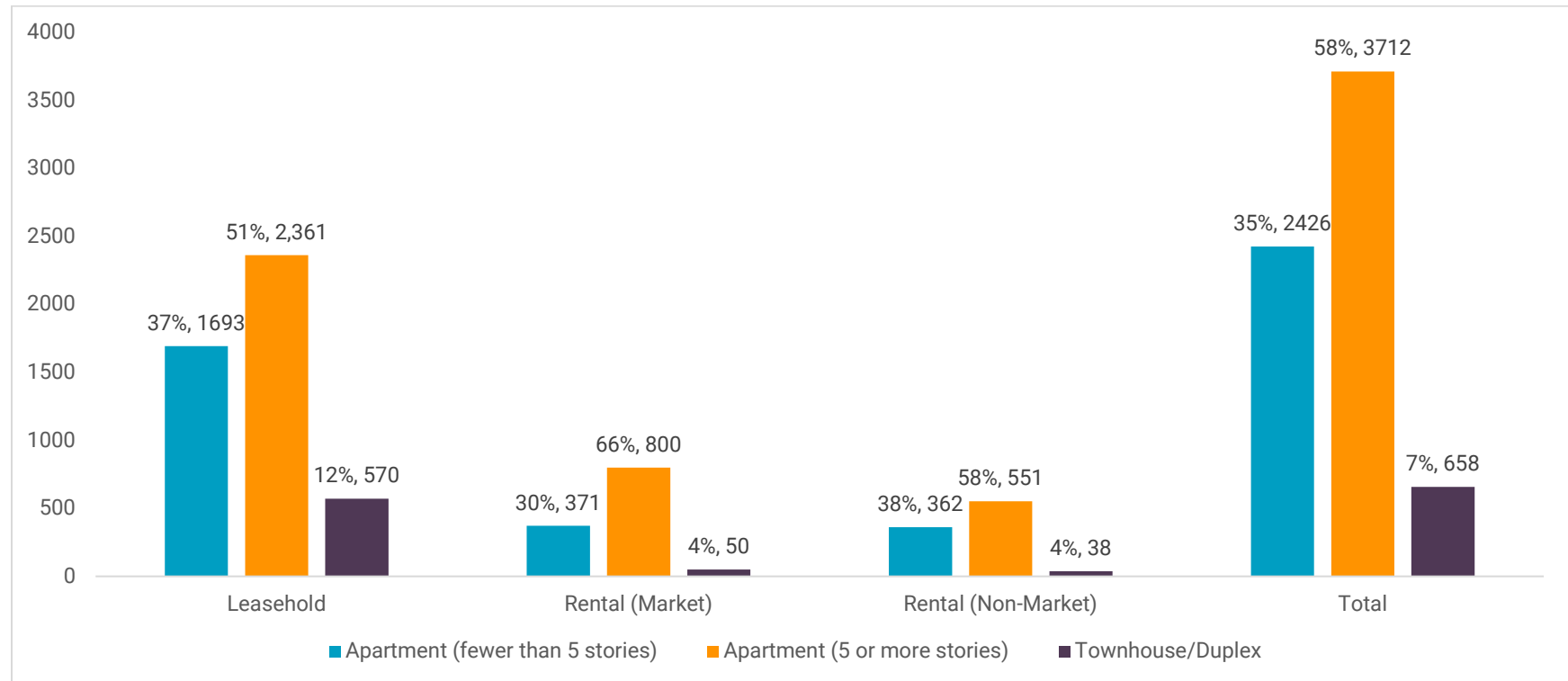


Source: UBC Housing Database, 2022

Note: Population estimates are based on Statistics Canada - 2016 Census. Greater Vancouver A. Catalogue Number 98-400-X2016017. The population for each dwelling type is an estimate based on an average 2.7 individuals per unit for duplex apartments, 2.3 for apartments under five stories, and 2.1 for apartments five stories or more.

UBC's housing stock is comprised of multi-family dwellings across a range of densities with 58 percent of units in apartment buildings with five or more stories. These structure types are based on strategic decisions aimed at making efficient use of available land while fitting in with the overall design of the UBC campus (Figure 9).

Figure 9: Housing Stock by Structure Type, UBC Neighbourhoods, 2022



Source: UBC Housing Database, 2022

4.3 Rental Market

Note on Geographies

The best available data on housing at UBC is that provided directly by UBC for the purposes of this report. In some cases, data from CMHC regarding UBC and UEL (combined) is used to provide direct comparison with data available for neighbouring communities. Note that while this information is valuable for comparison, the data reported directly from UBC is more current and specific to UBC's housing stock.

The rental market includes three sources of rental housing:

- The **primary rental market** describes units in purpose-built rental buildings, typically multi-family. Purpose-built rental is typically considered to be the most stable source of rental housing as it has been developed to serve renters and changes in use are subject to significant regulatory restrictions. However, purpose-built rental housing is aging and in many communities in the region, increasingly subject to redevelopment or renovation, creating insecurity for renters. While the most stable and important source of rental housing—and the one for which there is the most data—the primary rental market increasingly forms a smaller portion of rental stock than the secondary rental market.
- The **secondary rental market** describes units typically owned by an individual property owner and rented for income. This includes secondary suites, laneway homes, rented condominiums and townhomes, and rented single-detached homes. Secondary rental is an extremely important source of rental housing in the region because of the significant volume of secondary rental available in the region, forming most of the rental supply in many communities. Secondary rental also allows renters to live in communities that they would otherwise not have access to unless they were able to purchase a dwelling, such as single-detached dwellings or apartments in condominiums. However, secondary rental is considered less stable than purpose-built rental housing as an owner can decide to occupy the unit, sell the unit, or otherwise stop renting at any time. This can create significant uncertainty for renters.
- **Non-market housing** describes units operated by a non-profit organization or other entities whose primary concern is not a return on investment and are empowered to charge rents below those found in the private rental market. It also includes co-operative housing. Non-market housing is extremely diverse and can include housing for a wide variety of incomes and household types. However, it is typically designed to serve those with lower to moderate incomes who are not well-served by the private market. Non-market housing is operated by numerous non-profit organizations, many of which are financially affiliated with BC Housing, which operates a coordinated waitlist. Other organizations,

such as non-profit organizations not affiliated with BC Housing and rental housing co-ops, manage their own waitlists. UBC Faculty Staff Restricted Rental Housing is an example of non-market housing. In all cases, non-market housing in the region is limited and there are long waitlists to access this type of housing. Exact information is unavailable, but non-market housing providers typically report wait-times of one to two years for a unit.

This section provides an overview of the primary rental market at UBC and in neighbouring communities, as well as an overview of the non-market rental stock ("Faculty Staff Restricted Rental") offered by UBC. These rental housing options are the ones for which there is the most significant amount of data available. A more limited amount of information is also provided on secondary rental market and non-market rental housing.



Rental Housing in Canada

Primary rental was once the main source of rental housing in Canadian communities, however much of this housing stock is aging. The federal government withdrew from major investments in housing starting in the 1980s and concluding in the 1990s. Over the following decades, there was limited to no investment in purpose-built rental housing in many parts of Canada, including BC. In 1990, there were 115,900 units of purpose-built rental housing. By 2021, this had only increased to 117,168, a 1.1% increase. Over this period, many communities experienced net losses as aging buildings were redeveloped into condominiums. With these trends, most communities have seen secondary rental emerge as the primary source of new rental housing. Based on 2016 data (the last year for which Census tenure data is currently available), the purpose-built rental stock only provided enough units for approximately 32% of renter households. Today, most renter households are renting in the secondary rental market. While trends are changing with new federal rental housing financing and provincial investments in non-market rental housing, Metro Vancouver communities are still playing catch up from years of losing rental housing stock and underinvestment in new rental development. While secondary rental is a significant source of housing in communities, data on secondary rental is very limited.

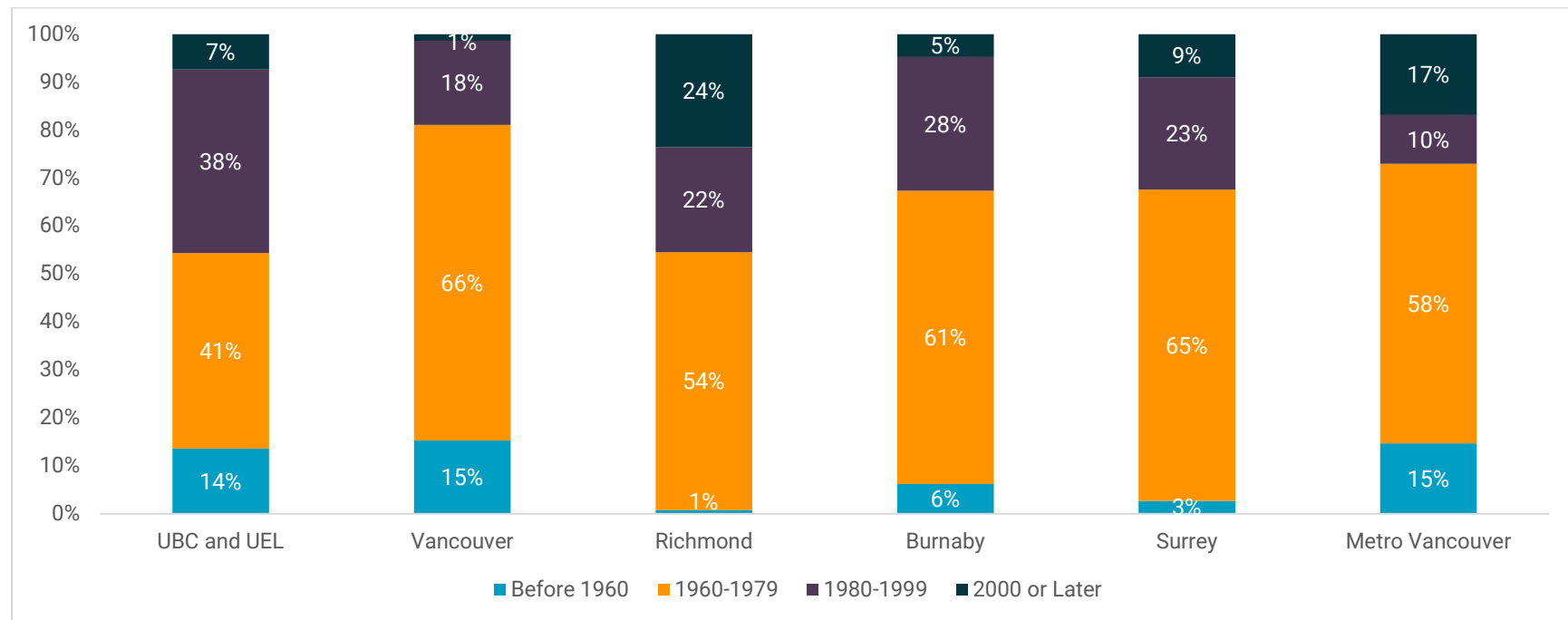


4.3.1 Primary and Non-Market Rental

Inventory

As of 2021, there were 117,168 purpose-built rental units across Metro Vancouver. Seventy-three percent of these units were built before 1980. Only 10 percent were built between 1980 and 1999, reflecting the changing regulatory and incentives environment for rental housing during this period. The remaining 17 percent was built after 2000 as attention on rental housing was re-ignited because of the growing housing crisis in Metro Vancouver and beyond.

Figure 10: Primary Rental Market, Year of Construction, Metro Vancouver, 2021

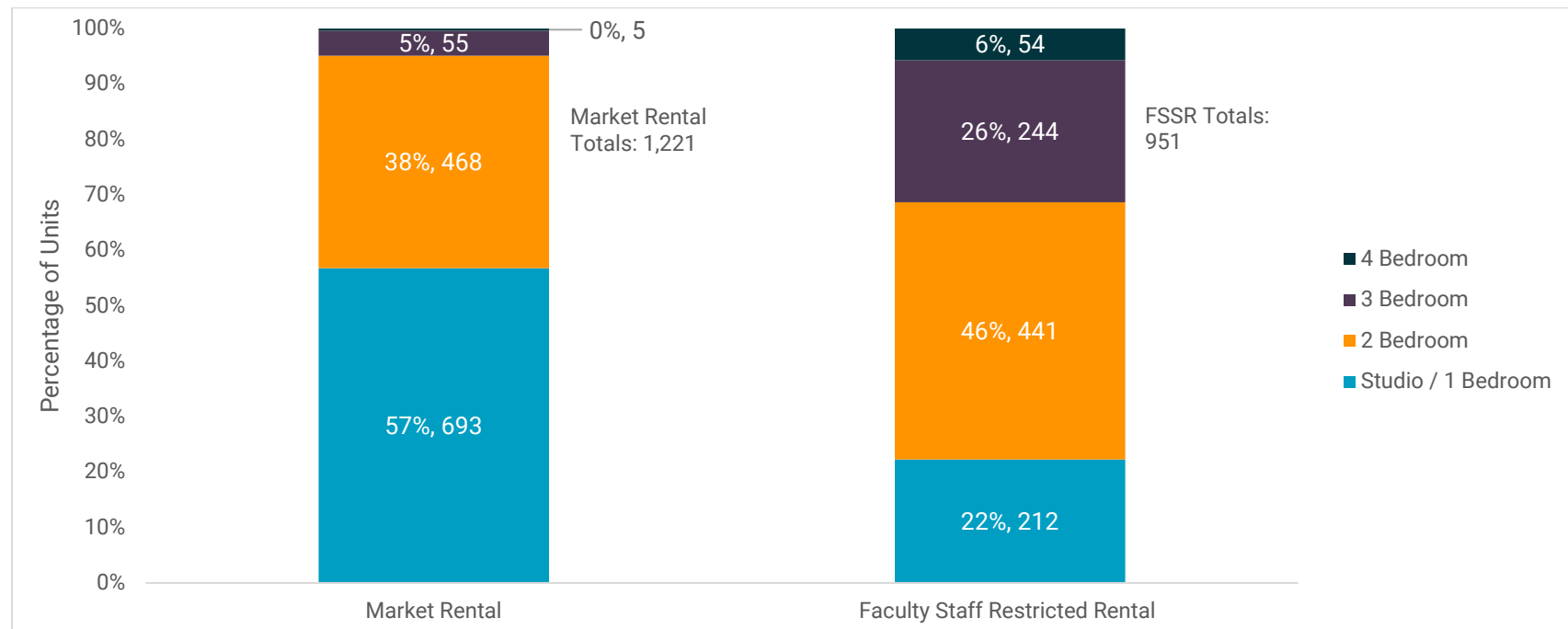


Source: CMHC, 2021

Figure 11 and Figure 12 show the distribution of unit sizes by the number of bedrooms at UBC and in selected neighbouring communities and the region, respectively. Across the region, 71 percent of purpose-built rental units were one-bedroom or studio units and only four percent were units with three or more bedrooms. The number of larger units falls to a low of one percent of the overall purpose-built rental stock in Vancouver and a high of 10 percent in Surrey. There are limited options available

for families who rent and most find housing in the secondary rental market. UBC has made investments to address this gap for families in non-market rentals, with a significant portion of Faculty Staff Restricted Rental (32 percent) having three or more bedrooms. Representatives from UBC Housing, Immigration, and Relocation Services report that housing for families who require larger units continues to be a significant pressure point when it comes to housing for new and existing employees.

Figure 11: Housing Units Across Tenures by Number of Bedrooms, UBC Neighbourhoods, 2022



Source: UBC Housing Database, 2022

Figure 12: Primary Rental Market, Rental Units, 2021

	UBC and UEL *		Vancouver		Richmond		Burnaby		Surrey		Metro Vancouver	
	Units	%	Units	%	Units	%	Units	%	Units	%	Units	%
Total	1,499	100%	60,613	100%	3,443	100%	11,539	100%	6,147	100%	117,168	100%
Studio	204	14%	9,251	15%	338	10%	716	6%	68	1%	13,258	11%
1-Bedroom	611	41%	39,896	66%	1,407	41%	7,054	61%	2,886	47%	70,307	60%
2-Bedroom	574	38%	10,642	18%	1,321	38%	3,220	28%	2,603	42%	29,478	25%
3+ Bedroom	110	7%	824	1%	377	11%	549	5%	590	10%	4,125	4%

Source: CMHC, 2021

*This geography is labelled by CMHC as the "University Endowment Lands" and includes two Census Tracts. The perimeter of the two Census Tracts matches the geography of UBC and the UEL, however, the data does not delineate between the two jurisdictions. While there are some purpose-built rental units in the UEL Area D, most of the units are at UBC.

In the past ten years for which there is data available (2011 and 2021), the region saw an additional 9,362 units of purpose-built rental housing constructed (Figure 13). This grew the overall primary rental stock by nine percent over this period. Notably, across the region, while the number of studio and one-bedroom units grew by 13 percent and seven percent, respectively, the number of units with three or more bedrooms decreased by three percent. Vancouver, Richmond, Burnaby, and Surrey together

hosted 50 percent of the growth in purpose-built rental units over this period, following similar trends in the growth of different unit sizes. The housing stock at UBC and UEL, however, grew by a much faster 28 percent over this period and the number of three or more-bedroom units grew by 39 percent. This reflects a unique rental market at UBC and UEL that is departing from regional trends.

Figure 13: Primary Rental Market, Rental Unit Growth, 2011-2021

	UBC and UEL		Vancouver, Richmond, Burnaby, and Surrey		Metro Vancouver	
	Unit Growth	% Growth by Type	Unit Growth	% Growth by Type	Unit Growth	% Growth by Type
Total	331	28%	4,715	6%	9,362	9%
Studio	147	258%	1,057	11%	1,573	13%
1-Bedroom	122	25%	2,280	5%	4,442	7%
2-Bedroom	31	6%	1,439	9%	3,469	13%
3+ Bedroom	31	39%	-61	-3%	-122	-3%

Source: CMHC, 2021

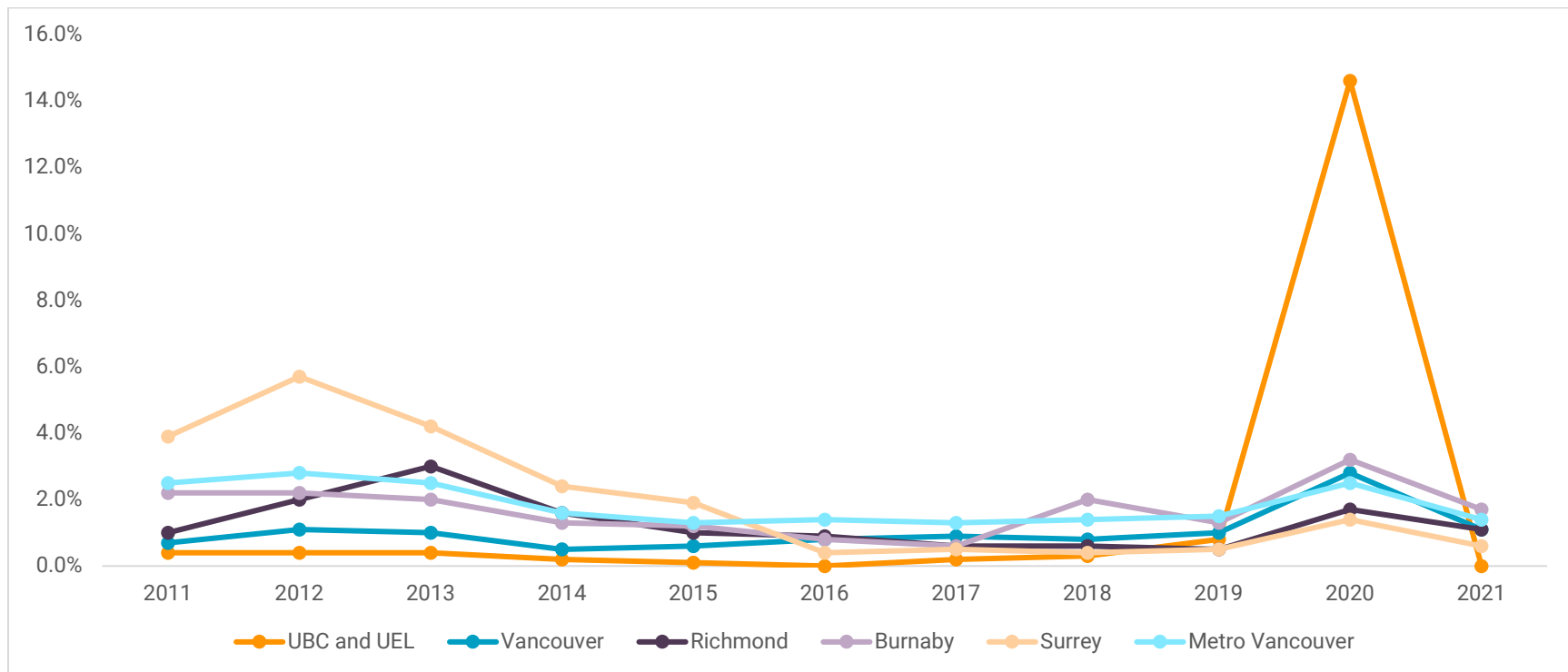
Vacancy Rates

The recent modest growth in purpose-built rental units in the region reflects efforts to respond to persistently low rental vacancy rates across nearby communities (Figure 14).

Except for Surrey, all communities have had vacancy rates below three percent since 2011. A healthy vacancy rate—for both renters and landlords—is considered to be between three percent and five percent. Data on vacancy rates shows that UBC and UEL had a very high vacancy rate of 15 percent in 2020. Small markets, such as that of UBC and UEL, are subject to more volatility in the vacancy rate. The 2020 rate is considered

anomalous and is likely associated with large new rental projects coming online that have not yet been fully occupied combined with the start of the COVID-19 pandemic that caused a significant drop off in migration, as well as more people temporarily moving out of the region to be closer to family while they were able to work from home. Because of the large numbers of workers and students at UBC from other parts of Canada and the world, UBC was likely disproportionately impacted by work from home measures which allowed many people to live outside of the city during the height of pandemic restrictions. Nonetheless, as social distancing restrictions eased in 2021, vacancy rates went back down across all nearby communities to 1.7% or less.

Figure 14: Primary Rental Market, Vacancy Rates, 2011-2021



Source: CMHC, 2021

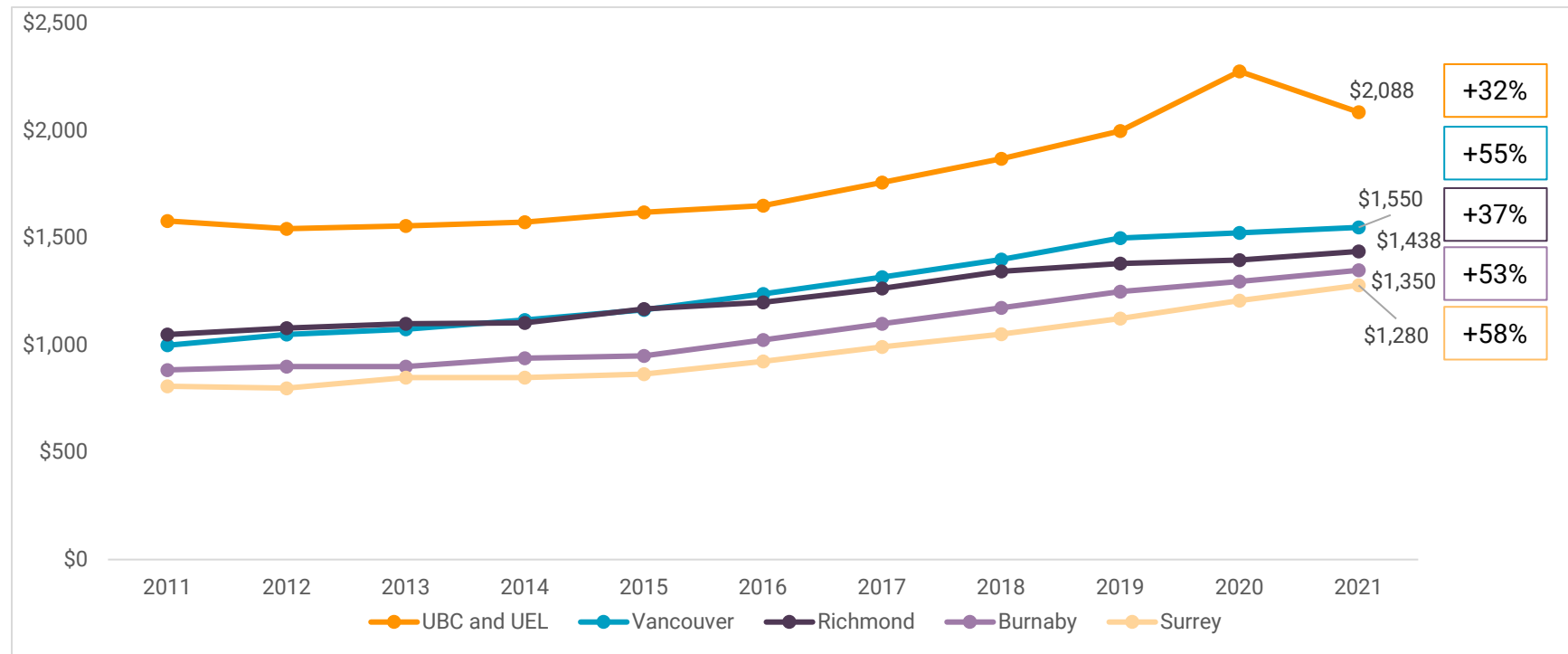
UBC Faculty Staff Restricted Rental Housing

Rental housing at UBC which is restricted to Faculty and Staff is typically fully occupied. Village Gate Homes (VGH) maintains a waitlist. As of May 2022, there were a total of 5,222 eligible individuals on the waitlist. This is one measure of potential demand for faculty and staff rental housing. However, VGH staff note that not all of those on the waitlist are ready to move at any time. When new buildings come online, VGH is typically able to offer housing to everyone on the waitlist, but only a small portion will be ready to move into available units. This indicates that while there is significant desire for on-campus housing by faculty and staff over the long-term, the waitlist itself is not a good indicator of immediate housing need.

Rental Rates

Rents vary widely across the region, both by municipality and by neighbourhood. With low vacancy rates and limited growth in the rental market, the region has seen significant increases in the cost of renting (Figure 15).

Figure 15: Primary Rental Market, Median Rents, 2011-2021



Source: CMHC, 2021

Figure 16 compares UBC and CMHC data on rents. Only averages were available for the most recent UBC rental rates, so this graph shows averages across all communities. While there are differences between median and average rents, a review of the data showed that these differences were generally small.

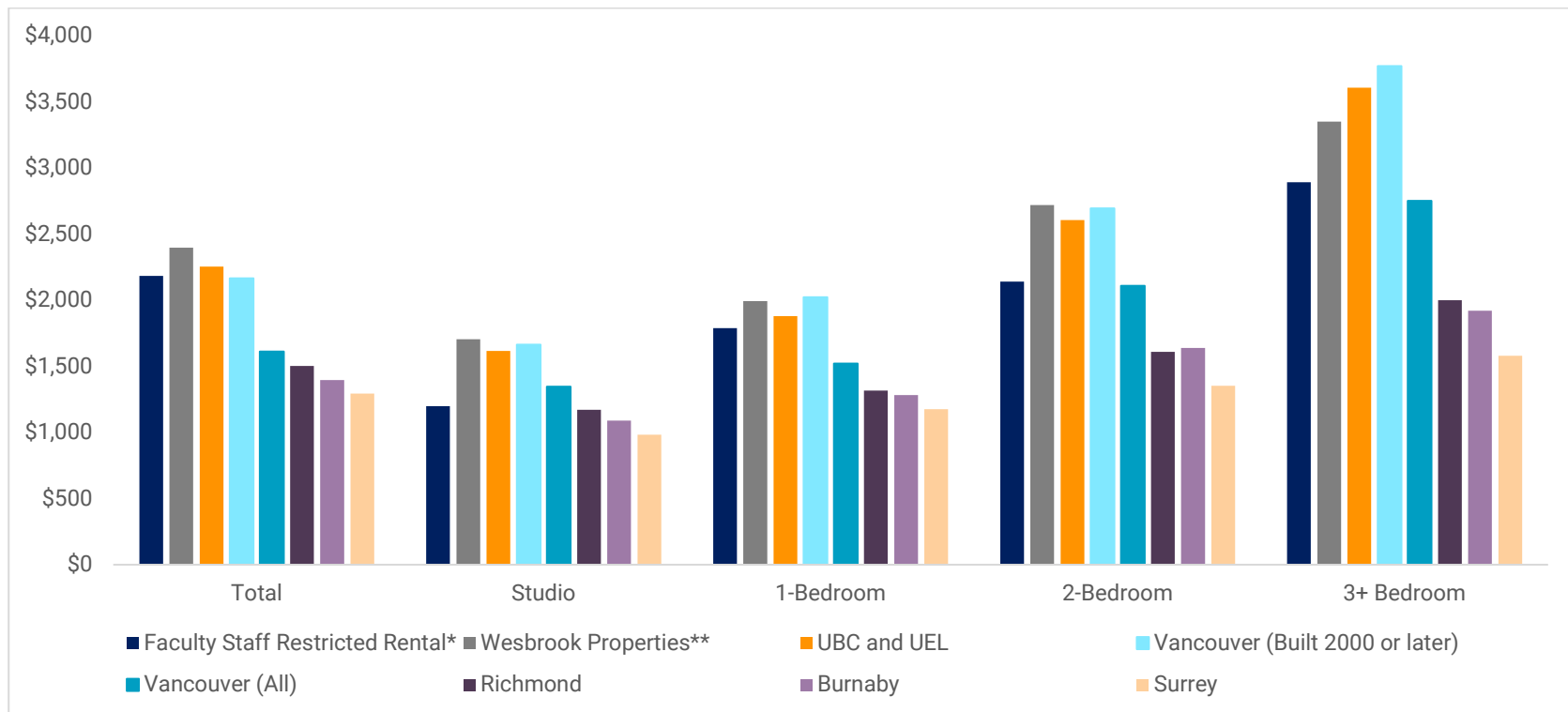
In general, this data shows median and average rents for the *entire primary rental stock*, including both older and new rental, and the variety of situations individual renters may be in, including households that have recently started a lease (and likely have higher rents) and households that have been in their unit for many years (and likely have lower rents). This data reflects an understanding of the rental market as a whole but does not reflect an individual renter's experience today, where actual rental rates may be much higher.

Data on rental rates in the primary rental market show the following:

- UBC and UEL, and Vancouver have higher average rents than other communities.
- Burnaby, Richmond, and Surrey offer significantly lower rents, but come with longer commute times and likely higher transportation costs depending on mode of travel.
- The average rents for Faculty Staff Restricted Rental Housing are comparable to Vancouver overall and are higher than the average rents in neighbouring communities. However, Faculty Staff Restricted Rental Housing properties are much newer with more up-to-date amenities and are not a direct comparison to the much older rental stock in neighbouring communities. While faculty and staff pay taxable benefits on the portion of subsidized rent, the overall costs associated with renting are lower than the rent for units in newer buildings at UBC or in Vancouver (built in 2000 or later).
- UBC Wesbrook Properties show average rents that are comparable to new rental buildings in Vancouver. Units at UBC, however, are typically larger than those provided in newer rental buildings in Vancouver. Based on the most recently available data for buildings constructed between 2007 and 2021, the average rent per square foot was \$2.76 for Faculty Staff Restricted Rental units, \$3.36 for Wesbrook Properties, and \$3.47 for newer buildings in Vancouver.²⁸

²⁸ Data sourced from Zonda and UBC Properties Trust, Wesbrook Properties Market Rental Rates Inventory (2022)

Figure 16: Primary Rental Market, Average Rents by Number of Bedrooms, 2021



*While other data points are from CMHC, this is based on UBC's own data and combines micro and studio units.

** This data was provided by UBC. It does not include Rent-Geared-to-Income (RGI) units.

Source: CMHC and UBC Properties Trust, Wesbrook Properties Market Rental Rates Inventory, Village Gate Homes Rental Rates Inventory (2022)

Rent-Geared-To-Income Program

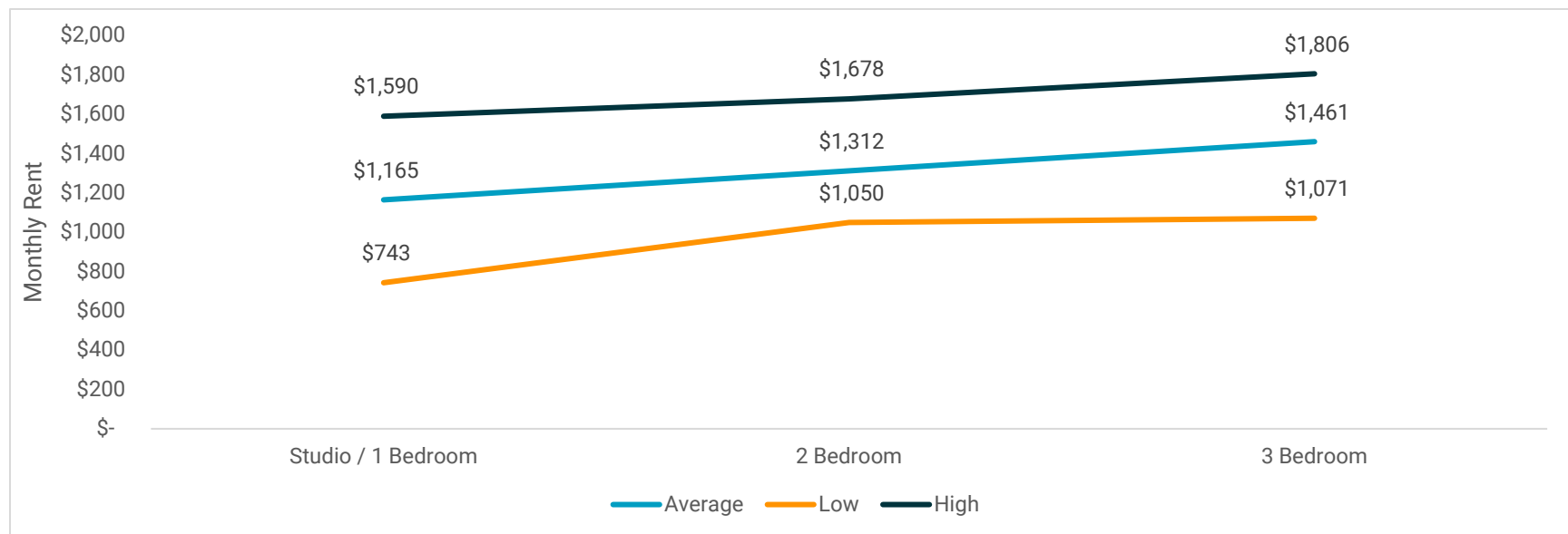
As part of the Faculty Staff Restricted Rental housing stock, UBC has a Rent-Geared-to-Income (RGI) pilot program. There is a staff program with a target of 100 units and a small faculty program with a target of 10 units. RGI units provide a greater level of affordability for lower to moderate income households. As of June 2022, the RGI pilot program had 61 occupied units with monthly rents ranging from \$743 to \$1,806 across all unit types. Most units occupied by residents in the RGI program were studio and one-bedroom units (four studios and 34 one-bedroom units), followed by two-bedroom units (13 units), with 10 three-bedroom units. Details about the RGI Pilot Program can be found in Section 6.

Primary rental market rents in Vancouver vary by geography and proximity to UBC. In 2021, the median rents by Vancouver zones are as follows:

- Downtown – \$1,700
- Westside/Kerrisdale – \$1,615
- South Granville/Oak – \$1,550
- West End/Stanley Park – \$1,550
- Southeast Vancouver – \$1,527
- Mount Pleasant/Renfrew Heights – \$1,475
- East Hastings – \$1,325
- Marpole – \$1,200

Source: CMHC

Figure 17: Average and Range of Rental Rates Charged for Rent-Geared-to-Income Units, by Unit Type (2022)



Source: RGI Rent Roll (July 2022)

While both the Faculty Staff Restricted Rental Program and the RGI pilot program offer greater choice and affordability of rental housing, the difference between market rents and actual rents paid by tenants is considered a taxable benefit by the Canada Revenue Agency (CRA). This means that employees who access these programs incur additional taxes by participating in these programs. While the tax implications do not outweigh the cost savings when compared to newer market rents, they do have an impact on affordability. **These implications will be further discussed in Section 5.**

4.3.2 Other Non-Market Housing Options

While UBC overall has higher incomes than is typical for the region's households, there are many UBC employees who earn lower incomes. Households with low to moderate incomes may be eligible for a variety of non-market housing options. The ongoing housing affordability crisis in the region has led to growing waitlists for non-market housing options. Anecdotally, wait times for a unit can be one to two years, regardless of the source of non-market housing.

Non-Profit Housing

Households earning less than the Housing Income Limits²⁹ set by BC Housing are eligible to apply for the Housing Registry, a general waitlist maintained by BC Housing for non-profit housing operators with which it has a relationship. While most non-profit housing providers have some sort of relationship with BC Housing and participate in the Housing Registry, not all do. In some cases, interested households would need to apply directly to the individual housing provider.

The Metro Vancouver Housing Data Book 2022 reports that in 2022, there were 45,976 BC Housing non-market rental units with a financial relationship with BC Housing. This represents 4.2 percent of all dwellings in the region. Of these, 24,412 were independent social housing units, while the rest were emergency shelter and housing for the homeless and transitional supported and assisted living. Based on the available data, there were an additional 6,648 independent social housing units operated by non-profits that did not have a financial relationship with BC Housing.

The Housing Registry maintained by BC Housing has seen significant growth in its waitlist in recent years. As of 2021, there were a total of 14,552 households on the Housing Registry for Metro Vancouver, a growth of 50 percent from 2015.

²⁹ BC Housing, 2021 Housing Income Limits (HILs) – Dec 1, 2020 to Aug 31, 2021. (updated HILs have not been released)

<https://www.bchousing.org/sites/default/files/media/documents/2021-Housing-Income-Limits-HILS-Effective-December-1-2020-August-31-2021.pdf>

Co-operative Housing

The Co-operative Housing Federation of Canada defines co-operative (“co-op”) housing as a legal association, incorporated as a co-operative, which provides housing to its members at-cost. Each building is controlled by its members who have a vote in decisions and there is no outside landlord.³⁰ Most co-op housing buildings in Canada were built in the 1970s and 1980s when federal government programs incentivized this form of housing targeted toward households with low to moderate incomes. While several newer co-op buildings have been built in the region in recent years, there has been no significant investment in this form of housing. While popular, supply is limited, and demand is significant. Each individual co-op maintains its own application and waitlist process. Co-op housing also typically requires more participation from households than typical rental buildings. Households are often required to volunteer and participate in community-building. Co-op buildings can be as much about community as they are about affordability.

The Metro Vancouver Housing Data Book 2022 reports that there were 12,705 co-operative housing units in the region in 2019, representing 1.2 percent of all dwelling units. In addition to typically more affordable rents, co-op housing often tends to include larger unit sizes with 40 percent of units having two bedrooms, and 39 percent of units have three bedrooms.



³⁰ More information can be found at <https://chfcanada.coop/about-co-op-housing/>.

4.3.3 Secondary Rental

Despite the significance of secondary rental to the overall rental market, data on this market is limited and of poorer quality than other types of rental housing. CMHC collects information for the Vancouver Census Metropolitan Area (CMA), but not at the local government or neighbourhood levels.

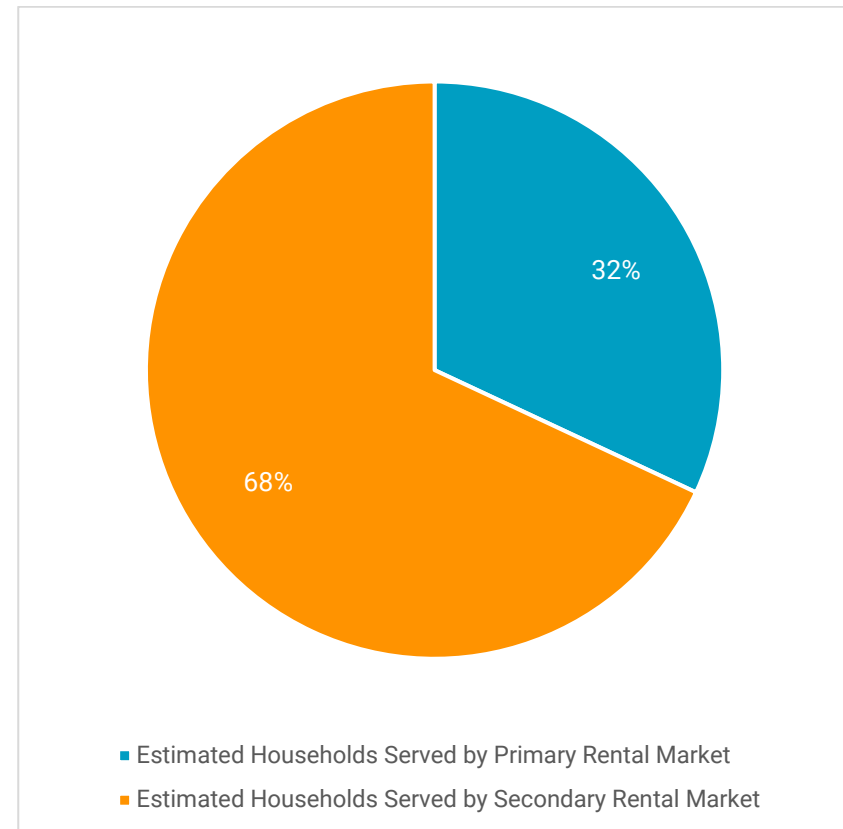
Figure 19 shows the stock of condominiums in the Vancouver CMHA. CMHC estimates that, across the region, 29 percent of all condominium units are rented in the secondary market. The number of secondary rental condominium units has doubled from 2007 to 2021, from 31,392 units to 79,283 units.

In 2021, the average rent for condominium rental unit started at \$1,197 for a studio unit and increased to \$2,825 for a three-bedroom unit. The vacancy rate for condominium rentals remained low at 0.8 percent, indicating high demand across both the primary and secondary rental markets.

Based on 2021 census data, the purpose-built rental stock in Metro Vancouver only serves 30 percent of renter households in the region. Most renter households are assumed to be renting in the secondary rental market.

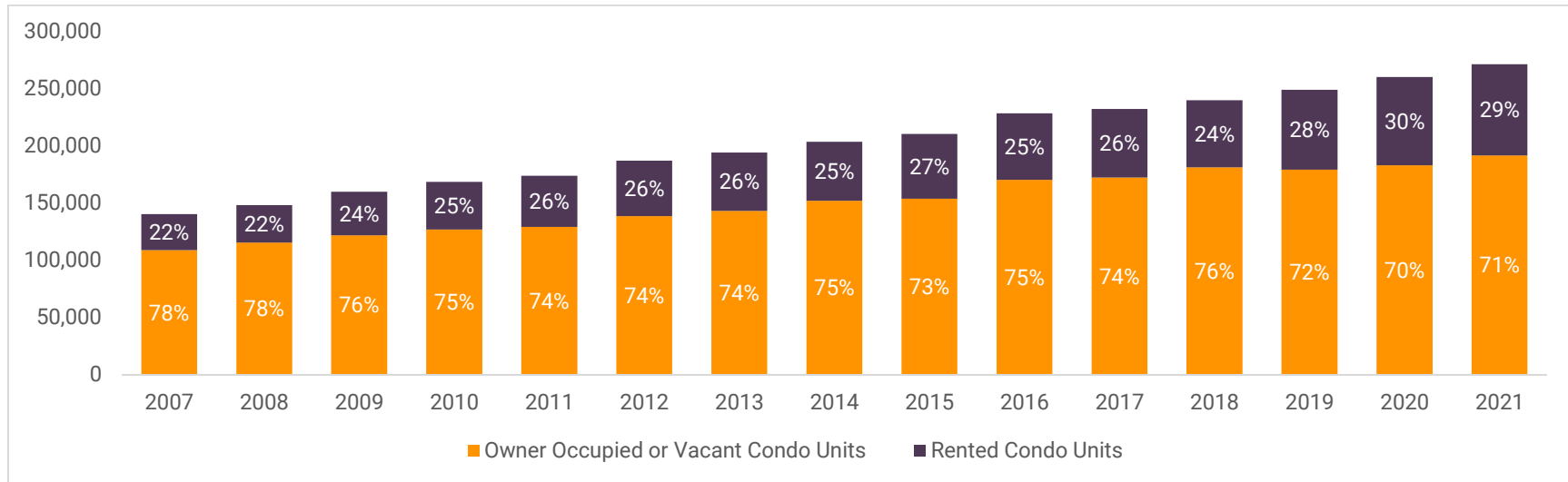
Recent data on other secondary rental units—such as single-detached dwellings, semi/row/duplexes, and accessory suites—is of poorer quality and not available for all years (Figure 20). CMHC estimates there were 119,280 secondary rental units of these types in 2016 with an average rent of \$1,470 overall. Housing costs increased dramatically after 2016, so these figures are considered out of date.

Figure 18: Estimated Proportion of Renters Served by Secondary Rental Market, Metro Vancouver, 2016



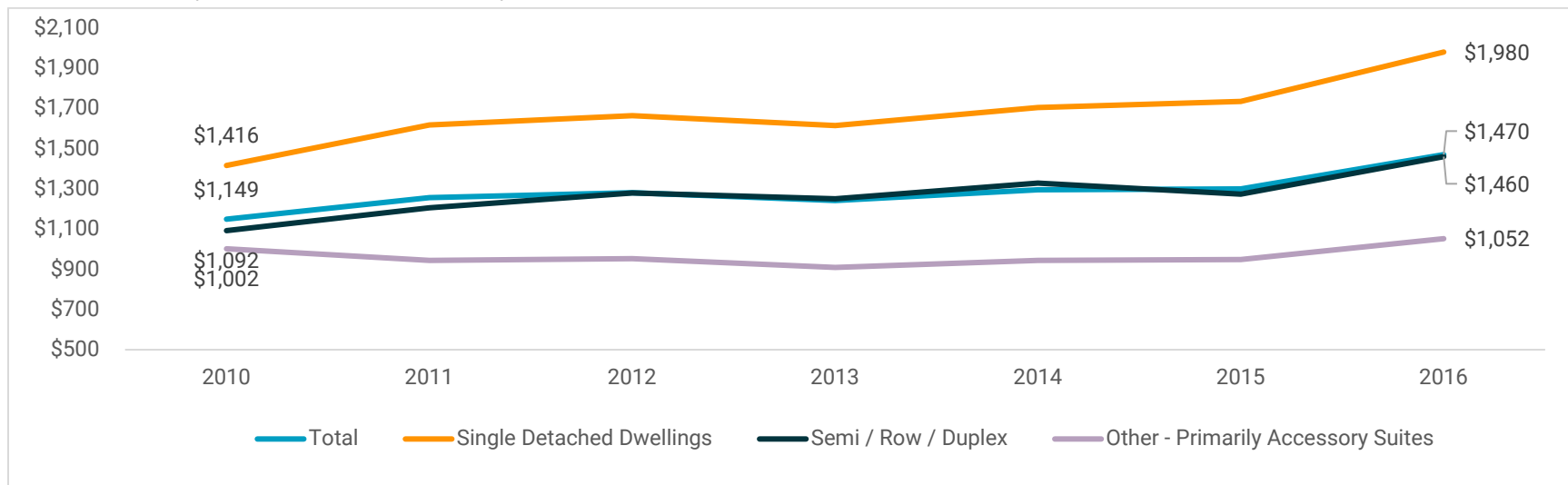
Source: CMHC and Statistics Canada, Census 2016

Figure 19: Rented, Owner-Occupied, and Vacant Condo, Vancouver CMA, 2011-2021



Source: CMHC, 2021

Figure 20: Secondary Rental Market, Other Secondary Rental Dwelling Median Rents, Vancouver CMA, 2011-2021



Source: CMHC, 2021

4.4 Homeownership Market

The cost of owning a home in Metro Vancouver has increased dramatically over the past few decades, with the highest rates of growth seen in the post-2015 period. A variety of factors have contributed to the rising cost of homeownership, including an inadequate supply of housing, demand from a growing population, demand from investors from other parts of Canada and the world, limited regulatory constraints on factors such as short-term rental housing, and extremely low interest rates.

Following historically low interest rates during the first two years of the pandemic, the Bank of Canada has significantly raised the policy interest rate throughout 2022 in response to inflation, and there are expectations of further increases. Interest rates play a significant role in the affordability of housing for individual households. With low interest rates, the greatest hurdle to home ownership for first-time buyers' was saving an adequate down payment, while still paying high rental costs. As the interest rates rise, the monthly carrying costs of a mortgage will also rise dramatically, meaning that first-time homebuyers face new challenges.

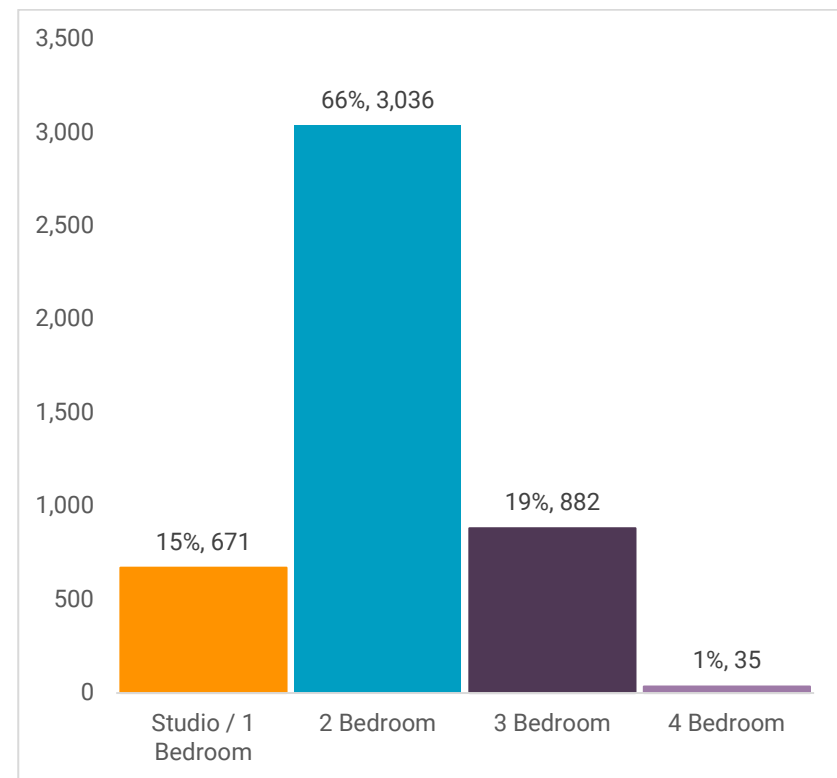
There are signs that home sales prices have fallen since peaks in 2021. However, there is significant uncertainty about how the housing market will respond to these changes and for how long.

Homebuyers, especially first-time homebuyers, are likely encountering a more volatile housing market than has been experienced in a generation.

4.4.1 UBC Inventory

UBC has a total of 4,624 leasehold units offering homeownership on campus. Figure 21 shows the distribution of leasehold units by the number of bedrooms.

Figure 21: Housing Units by Number of Bedrooms, UBC, 2022



Source: UBC Housing Database, 2022

4.4.2 Home Sales Prices

To understand current and historical trends in home sales prices, Home Price Index (HPI) benchmark data was collected from the Real Estate Board of Greater Vancouver (REBGV). HPI benchmark prices are considered a better measure of the actual cost of housing compared to median and average home sales prices, as they take into consideration a set of housing features that can be compared year-to-year and exclude extremely low or extremely high-priced properties that may not be representative of the market overall.

The monthly HPI data in this section includes the following geographies: UBC and UEL, Vancouver, Richmond, Burnaby, and Surrey. This data reports on UBC and UEL as a single geography. However, note that in terms of housing distribution, UEL is primarily comprised of detached dwellings (except for Area D which contains some multi-family dwellings), while UBC is primarily comprised of multi-family dwellings.

Figure 22 provides a summary of growth in HPI between June 2012 and June 2022 by housing type and community.

Detached Dwellings

In the detached market, the HPI benchmark prices for detached dwellings were well beyond \$1.5 million across all communities in June 2022. This is in stark contrast to ten years ago, when in June 2012, detached dwellings could still be found for under \$1.0 million in Burnaby and Surrey.

Historically, the UEL area's detached homes have been among the highest cost housing in the region. The HPI benchmark price for this area hit a peak in 2017/2018 of almost \$5.0 million but have since declined over the past several years to a level more in line with Vancouver. This decline may be influenced by several factors, including the introduction of the BC Foreign Buyers Tax and the Speculation and Vacancy Tax. These initiatives may have had an outsized impact on this neighbourhood because of the high cost of housing, and estate properties may be more likely to attract international owners than other neighbourhoods in Metro Vancouver.

Townhouses

In the townhouse market, the HPI benchmark prices have doubled in nearly every community between 2012 and 2022. Historically, Richmond, Burnaby, and Surrey had townhouse HPI benchmark prices below \$500,000. In today's market, Burnaby, and Surrey townhouse HPI benchmark prices are nearly \$1.0 million.

Apartments

In the apartment market, the HPI benchmark prices have grown faster than detached dwellings in some communities. Apartment HPI benchmark prices have risen faster than detached dwellings in UBC and UEL, Vancouver, and Richmond. In Surrey, the apartment HPI has almost tripled in price from \$199,100 to \$559,500 during this period.

Figure 22: Home Price Index (HPI) Growth, All Housing Types, June 2012 to June 2022

	Detached HPI			Townhouse HPI			Apartment HPI		
	June 2012	June 2022	Growth	June 2012	June 2022	Growth	June 2012	June 2022	Growth
UBC and UEL*	\$2,636,200	\$2,848,500	8%	\$1,151,100	\$2,034,600	77%	\$590,400	\$1,076,700	82%
Vancouver	\$1,551,700	\$2,592,800	67%	\$705,700	\$1,348,500	91%	\$423,400	\$813,000	92%
Richmond	\$1,071,200	\$2,160,500	102%	\$491,600	\$1,108,200	125%	\$328,300	\$746,200	127%
Burnaby	\$992,800	\$2,160,400	118%	\$420,900	\$990,400	135%	\$348,900	\$766,600	120%
Surrey	\$629,700	\$1,783,500	183%	\$346,800	\$904,100	161%	\$199,100	\$559,500	181%

Source: Real Estate Board of Greater Vancouver.

*UEL is primarily comprised of detached dwellings (except for Area D which contains some multi-family dwellings), while UBC is primarily comprised of multi-family dwellings.

Compared to housing prices, the median before-tax household income in Metro Vancouver has grown by just 42% from 2011 to 2021.

- Median Household Income in 2011: \$63,347
- Median Household Income in 2021: \$90,000

Source: Statistics Canada, National Household Survey 2011, Census 2021

4.5 Housing Development

Communities across the region are continuing to develop new housing and there is renewed commitment to increasing the supply of a variety of housing options to address both high need and high demand. Over the past several years, there has been a market increase in investment into purpose-built rental housing and non-market rental housing. Growth has been spurred on by the introduction or expansion of federal and provincial funding and financing programs, as well as increased local government incentives for market and non-market rental development.

As of 2019, local governments in BC are also now required by the Local Government Act to complete housing needs reports that identify local housing issues as well as the number of units needed to address population growth. UBC and the UEL are exempted from this requirement given the unique nature of their housing markets. All the neighbouring communities examined in this report have completed housing needs reports, including identifying the number of units needed and, in some cases, whether the pace of recent development is likely to meet these needs. In general, communities are building housing. However, while the pace of development is in line with anticipated population growth, it does not appear to be adequate to address underlying needs for market and non-market rentals, or demand in the homeownership markets. This is a worrying trend as high competition for limited units will continue to put pressure on the

cost of housing and limit the available choices for households searching for housing. While housing supply is important for meeting need, the type and affordability levels of new housing is equally important. Based on available data, communities in the region are not building at the affordability levels required to address housing needs. For low to moderate income households priced out of the private market, non-market housing solutions are required, and these continue to be in short supply.

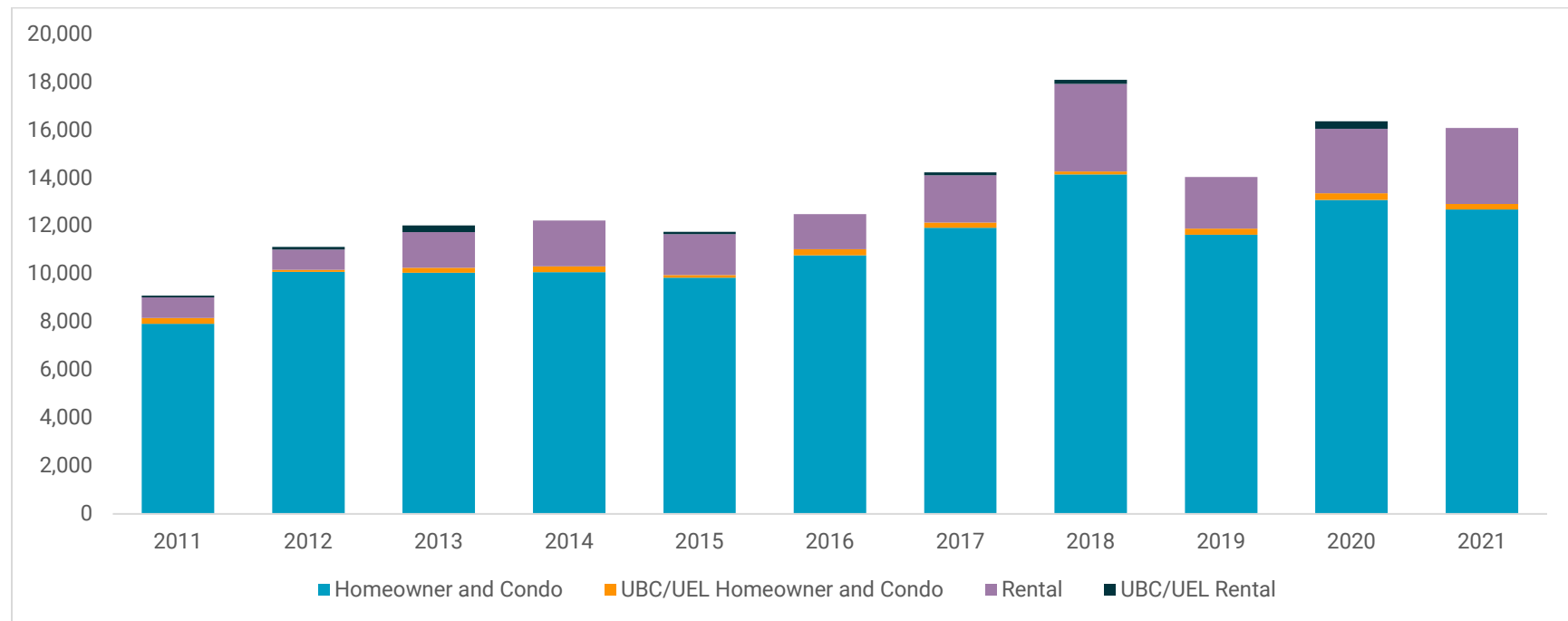
4.5.1 UBC Housing Development

From 2011 to 2021, the total number of housing units completed³¹ in UBC and UEL and in the combined markets of Vancouver, Richmond, Burnaby, and Surrey was 147,662 units (Figure 23) with an annual of 13,420 units completed. In the past five years, housing completions in UBC and UEL made up two percent of the total growth in these communities. From 2011 to 2021, rental housing made up a small proportion of total housing completions. This is aligned with housing development trends across Canada. From 2018 onwards, rental housing completions in UBC, UEL and the nearby communities increased. Despite this increase, the number of rental units completed still lags the demand for rental housing in Metro Vancouver. In the past five years, 90 percent of the rental housing completions were in Vancouver while four percent were in UBC and UEL.

³¹ Housing completions refers to the stage at which all the proposed construction work on a dwelling unit has been performed although under some circumstances a dwelling may be counted as completed where up to 10

percent of the proposed work remains to be done. CMHC counts both primary rental units and secondary suites in the rental housing completions.

Figure 23: Total Housing Completions, UBC and Neighbouring Communities (Vancouver, Richmond, Burnaby, and Surrey), 2011-2021



Source: CMHC, 2021

Figure 24 shows the projected housing needs and potential housing development needed in each of UBC's neighbouring communities as published in their most recent housing needs report. Note that not every local government uses the same housing need projection methodology or same metrics to quantify underlying housing need, so the data from each community cannot be compared. This table is intended to illustrate broad trends, to assess the scale of housing need and pace of housing completions in each community. Each municipality has additional units under construction and under approvals review.

In general, if development continues at the same rate, each community has a high enough five-year annual average growth (2016 to 2021) to meet or exceed the projected housing need indicated in their respective housing needs reports. Burnaby is the only community with enough housing completions to exceed the total housing need (projected housing need and underlying housing need). However, the type of unit that is completed in each community may not necessarily target the affordability levels needed by households or meet household needs (e.g., tenure and housing type).

Figure 24: Projected Housing Need and Potential Housing Development

	Projected Housing Need*	Underlying Housing Need**	Total Housing Need at Time of Report	CMHC Housing Completions – Average 5 Year Growth (2016-2021)*
Vancouver (2022-2032)	50,000	87,000	137,000	32,065
Richmond (2016-2026)	17,900	7,000	24,900	9,765
Burnaby (2021-2031)	15,040	9,904	24,944	14,920
Surrey (2021-2031)	41,200	11,074	52,274	20,397

*Based on housing needs reports published by the respective local government.

**Based on the housing needs report published by each respective local government, and uses different metrics to measure market and non-market housing need.

Source: Local Government Housing Needs Report

4.5.2 Under Construction and Planned Units

Figure 25 shows under constructed and planned units at UBC for the period until 2029. At the time of this Study, there were four buildings (totaling 363 units) under construction at UBC, estimated to be completed in 2023. This included 211 leasehold strata units and 152 Faculty Staff Restricted Rental units. An additional 11 buildings totaling 2,042 units are planned for construction between 2024 and 2029. These planned units include 1,272 leasehold strata units, 549 Faculty Staff Restricted Rental units, and 221 market rental units. These developments

are subject to change based on land use planning and market conditions.

The total under construction and planned units, 2,405 units, will increase UBC's housing stock by 35 percent by 2029, a major boost in housing in UBC's residential neighbourhoods. It will also increase the stock of non-market rental units for faculty and staff by 74 percent and the stock of market rental units by 18 percent

Figure 25: Under Construction and Planned Units, UBC Neighbourhoods, 2022

	Estimated Year of Completion	Leasehold Strata	Non-Market Rental	Market Rental	Total Units
Current Stock		4,624	951	1,221	6,796
Under Construction	2023	211	152	0	363
Planned	2024 to 2029	1,272	549	221	2,042
Total New Stock		1,483	701	221	2,405
Percentage Increase in Stock by 2029		+32%	+74%	+18%	+35%

Source: UBC Housing Database, 2022

4.5.3 Housing Projections

UBC's housing projections for new units are based on the Campus Vision 2050 Terms of Reference, which includes direction for a near doubling of population, and the current Housing Action Plan. UBC identifies two growth scenarios for the neighbourhoods (Figure 26):

- The **2050 Baseline scenario** is the total of current development plans, including units already built, under construction, or planned to be completed by 2029. This scenario anticipates a total of 13,600 units and 29,600

residents in UBC neighbourhoods by 2050, including 68 percent leaseholds, 14 percent market rentals, and 18 percent Faculty Staff Restricted Rental.

- The **Campus Vision 2050 scenario** is the 2050 Baseline total plus 20 percent. This scenario anticipates 16,300 units and 35,600 residents in UBC neighbourhoods by 2050.

The current Housing Action Plan provides direction for UBC to build up to 30 percent of all new housing on campus as rental (subject to market demand) and 20 percent of all new housing as Faculty Staff Restricted Rental

Figure 26: UBC Housing Unit Projections (2021-2050)

	Leasehold	Market Rental	Faculty & Staff Restricted Rental	Total
2050 Baseline Total (Current Plans: Units Built to 2021 and New Units built between 2022-2050)	9,200 (68%)	1,900 (14%)	2,500 (18%)	13,600
Campus Vision 2050 Total (Baseline +20%)	11,100 (68%)	2,100 (13%)	3,100 (19%)	16,300

Source: UBC Housing Projections, UBC Campus + Community Planning (2022)

While the figure above is based on the proportion of rental recommended in the current UBC Housing Action Plan, several new development options are being considered as part of the Campus Vision 2050 process and Ten-Year Review of the Housing Action Plan:

- Option 1 would include 30 percent rental and reflects current plans and directions set by UBC's Housing Action Plan (shown in the figure above).

- Option 2 would include 40 percent rental, resulting in 2,670 net new rental units under the 2050 Baseline scenario and 3,770 under the Campus Vision 2050 scenario.
- Option 3 would include 50 percent rental, resulting in 3,100 net new rental units under the 2050 Baseline scenario and 4,480 under the Campus Vision 2050 scenario.



5 Affordability Analysis

5.1 Overview

The following section explores the relationship between the cost of renting and owning, and housing affordability for UBC employees.

The affordability analysis completed here is based on several assumptions. A one-size-fits-all approach to affordability is not possible because of varying household situations.

Affordability in this analysis is defined as spending no more than 30 percent of gross household income on housing costs. This is the most common housing affordability definition used in Canada. **However, this measure should be considered with caution when it comes to households with very high incomes who are often able to, or may choose to, spend more than 30 percent of their income on housing costs while having enough left over for other expenses.** A household may spend more than 30 percent of their income on housing without having housing need if they can afford median rents in the community. This limitation is based on an adaptation of core housing need which is used by Statistics Canada and CMHC to define households who are unable to meet their housing needs in the housing market. However, a household in this situation may have unmet housing aspirations which impact their ability or desire to stay in the region long-term, which has implications for recruitment and retention.

Income data for households with a UBC employee is unavailable. Because of this limitation, it is not possible to determine how many households with at least one member working at UBC may be facing unaffordability in the housing market. However, the intent of the analysis presented here is to draw attention to the

household sizes and income levels that are likely to experience pressures in the housing market, to help inform priorities set through UBC's housing programs.

5.1.1 Inputs

The following inputs were used in this analysis. They are based on typical costs and should be considered as presenting just one scenario to illuminate potential affordability issues. Actual household situations vary widely.

Estimated Cost of Renting:

- **Rent:** 2021 CMHC median rent (for purpose-built rentals) based on the number of bedrooms in the unit, plus any hydro/electricity and tenant insurance costs. For UBC Faculty Staff Restricted Rental and RGI units, rents are based on 2021 median rents, plus any tenant insurance costs.
- **Taxable benefits:** The UBC Faculty Staff Restricted Rental and the RGI programs are considered taxable benefits and may incur additional taxes. These were estimated where relevant and vary depending on household income and the applicable marginal tax rate.
- **Hydro and tenant insurance:** Standard rates based on research (\$20/month and \$33/month, respectively).
- **Faculty Staff Restricted Rental Taxable Benefits:** The monthly average taxable benefit that faculty and staff accessing these units pay by housing type (e.g., non-RGI or RGI) and by bedroom type.

Estimating Cost of Owning

- **Home sales prices:** Home Price Index for apartments, townhouses, and detached houses.
- **Down payment:** Twenty percent down payment is used as it is a federal requirement for houses over \$1 million and almost all housing types examined have a HPI benchmark price over \$1 million. Any homes with a down payment of less than 20 percent would also incur insurance costs, which are an added expense.
- **Financing terms:** Twenty percent down payment on a 30-year amortization period with a 5-year fixed term interest rate at 5.34 percent (rate as of August 2022). The mortgage payments are as of August 24, 2022, and are calculated using the TD Bank Mortgage Calculator. Actual household situations around level of savings, access to equity or inheritance, priorities in terms of monthly cost versus amortization, and other factors vary widely.
- **Property tax:** Applicable taxes less regular or partial homeowner grant estimates based on the average sales price of the house.
- **Property transfer tax:** This tax would be part of upfront costs and is therefore not accounted for in the affordability analysis which looks at monthly costs. Various factors will impact whether and how much a household pays towards their property transfer tax, including whether they are a first-time homebuyer and whether they are purchasing a new build. It is assumed that the household would pay the required property transfer tax, but the analysis does not assess the impact of the property transfer tax on affordability due to the same variations in savings referenced under down payment.

- **Hydro/electricity and home insurance:** Standard rates based on research and varies by dwelling type.
- **Strata fee:** Applicable to apartments and townhouses with typical rates based on research (\$427/month and \$350/month, respectively).
- **Property sales closing costs:** Not included but would typically be an additional \$1,500 in upfront costs.
- **Homeowner grant:** For properties with values below \$1,975,000, an annual homeowner grant of \$570 is applied to applicable property tax.

The analysis ultimately represents a single scenario in each case and is used as a general measure of affordability. Individual circumstances vary widely.

Interest Rates

In recent years, low interest rates have increased the affordability of monthly carrying costs of mortgages, while at the same time allowed households to qualify for greater mortgage amounts, which has likely increased home sales prices over this period. While working households may have been able to afford the monthly carrying costs of a mortgage, within a low interest environment, the high upfront costs have presented a major barrier to homeownership. Higher interest rates may put downward pressure on home sales prices. However, first time homebuyers face an additional barrier of saving large down payment amounts while also managing higher monthly mortgage payments.

Actual Cost of Renting May be Higher

While the affordability analyses provides an illustration of the household incomes needed to afford the median rents at UBC, and in select neighbouring communities (Vancouver, Richmond, Burnaby and Surrey), this analysis may underestimate unaffordability. This is because median rents represent what half of renters are paying in a community, but it does not reflect whether the people seeking rental housing can find available housing at these rental rates. Furthermore, newer purpose-built rental units, units in the secondary rental market, and additional costs to accessing housing in a competitive market (e.g., rental deposits, demand bidding), create rental costs that are higher than median rents.

5.1.2 Key Findings

The high cost of a down payment to purchase any house in Metro Vancouver is a challenging financial barrier.

All housing types in communities close to UBC (apartment, townhouse, single-detached) exceed a benchmark price of \$550,000. The down payment amount (20 percent) needed to purchase a home for this price, plus the property transfer taxes, represents a significant amount for households to accumulate in savings. The minimum savings needed to purchase a home in Surrey, the least expensive housing market reviewed for this Study, range from approximately \$123,000 for an apartment, to \$199,000 for a townhouse, and \$392,000 for a single-detached house. While purchasers can place a smaller down payment (i.e.,

less than 20 percent) on houses less than \$1 million, these options are few, and are likely to be in markets further away from UBC. Additionally, they would require mortgage loan insurance.

UBC faculty earning the median income would need twice as high a household income to purchase a single-detached house in today's market.

Even if the appropriate amount of down payment is saved, UBC staff and faculty would require extremely high household incomes to afford a single-detached house. To purchase a single-detached house in communities close to UBC would require a minimum household income of \$342,000. This represents nearly triple the current median faculty income at UBC (\$135,000).

UBC staff earning the median income are likely priced out of homeownership in nearby markets.

The minimum household incomes needed to afford a townhouse and apartment in communities close to UBC are \$189,000 and \$124,000, respectively. UBC staff whose household incomes are close to these thresholds would likely need to commute from Burnaby, Richmond, or Surrey. However, for staff looking for housing in Vancouver or UBC and UEL, the minimum household incomes needed would be \$271,000 for a townhouse and \$170,000 for an apartment. This is more than double the current median staff income of \$65,000.

UBC staff in single income households cannot afford the cost of rent for new market rental units in Vancouver.

A newly built rental unit in Vancouver is estimated to cost an average of \$2,053 per month and is affordable for a household income of approximately \$82,100. The median salary for UBC staff is \$65,000, indicating that staff living in single income households—whether they are living alone or as the sole breadwinner in their family—would not be able to afford new rental units in Vancouver’s private rental market. While they may be able to afford an older one-bedroom rental unit at UBC or in the neighbouring communities, it may be difficult to find available units due to the low vacancy rate of 1.4 percent in Metro Vancouver. UBC staff with household incomes less than \$82,000 are likely facing affordability challenges in the private rental market and would require non-market housing options to achieve affordability, such as that provided by UBC’s Faculty Staff Restricted Rental Housing and Rent-Geared-to-Income Pilot program. However, non-market housing options have significant waitlists and may require a wait time of one to two years before a unit becomes available.

UBC staff earning the median income need additional household income to afford median rents in UBC and UEL.

The minimum household income needed to afford the median rent for a one-bedroom unit at UBC and UEL is \$75,100. This is higher than the median UBC staff income of \$65,000 and could be challenging for single-person or single-parent households to afford.



5.2 Household Incomes Required for Cost of Housing

The following section of the report looks at the cost of renting and owning in the UBC and UEL area, Vancouver, Richmond, Burnaby, and Surrey and estimates the annual gross household income needed to afford typical housing costs in these communities, defined as median rents and the Home Price Index (HPI). Section 5.1.1 outlines the inputs and assumptions used to estimate monthly housing costs.

5.2.1 Household Income Required to Afford to Cost of Renting

The figures below show the estimated cost of renting in the relevant communities, including for one-bedroom units (Figure 27), two-bedroom units (Figure 28), and three or more bedroom units (Figure 29). Each table is organized by level of household income required, with communities with lower required household incomes at the top and communities with higher required household incomes at the bottom.

Figure 27: Household Income Required to Afford the Cost of Renting – One-Bedroom Unit, 2021

Geography	Estimated Monthly Cost of Renting (2021)	Household Income Required (based on spending no more than 30% on housing)
Surrey	\$1,253	\$50,100
Burnaby	\$1,303	\$52,100
Richmond	\$1,403	\$56,100
Vancouver	\$1,553	\$62,100
UBC Faculty Staff Restricted Rentals	\$1,796*	\$71,800
UBC and UEL	\$1,903	\$76,100
Vancouver (built in 2000 or later)	\$2,053	\$82,100

*Includes the estimated tax impact for the average taxable benefit for a one-bedroom unit in the Faculty Staff Restricted Rental program.

Figure 28: Household Income Required to Afford the Cost of Renting – Two-Bedroom Unit, 2021

Geography	Estimated Monthly Cost of Renting (2021)	Household Income Required (based on spending no more than 30% on housing)
Surrey	\$1,353	\$54,100
Richmond	\$1,603	\$64,100
Burnaby	\$1,703	\$68,100
Vancouver	\$2,053	\$82,100
UBC Faculty Staff Restricted Rentals	\$2,342*	\$93,700
Vancouver (built in 2000 or later)	\$2,653	\$106,100
UBC and UEL	\$2,678	\$107,100

* Includes the estimated tax impact for the average taxable benefit for a two-bedroom unit in the Faculty Staff Restricted Rental program.

Figure 29: Household Income Required to Afford the Cost of Renting – Three or More Bedroom Unit, 2021

Geography	Estimated Monthly Cost of Renting (2021)	Household Income Required (based on spending no more than 30% on housing)
Surrey	\$1,578	\$63,100
Richmond	\$1,953	\$78,100
Burnaby	\$1,978	\$79,100
Vancouver	\$2,753	\$110,100
UBC Faculty Staff Restricted Rentals	\$3,062*	\$122,500
Vancouver (built in 2000 or later)	\$3,628	\$145,100
UBC and UEL	\$3,748	\$149,900

* Includes the estimated tax impact for the average taxable benefit for a three or more-bedroom unit in the Faculty Staff Restricted Rental program.

Role of UBC's Rental Programs in Supporting Affordability

Faculty Staff Restricted Rental Program

The Faculty Staff Restricted Rental Program offers rents to eligible households that are lower than those offered in market rental buildings at UBC or in new rental buildings in Vancouver.

Figure 30: Increased Affordability Offered Through the UBC Faculty Staff Restricted Rental Program

Unit Size	Estimated Monthly Cost of Renting*	% Discount from UBC Market Rental
One bedroom	\$1,796	6%
Two bedrooms	\$2,300	14%
Three or more bedrooms	\$3,021	19%

* Includes the estimated tax impact for the average taxable benefit each unit type in the Faculty Staff Restricted Rental program.

Rent-Geared-to-Income Pilot Program

The Rent-Geared-to-Income Pilot Program offers substantially lower rent levels than seen in the private market for staff whose households earn below the Housing Income Limits set by BC Housing (see Section 6.3.2). Faculty income thresholds are slightly higher, though faculty are only eligible to be on the program for up to two years. Figure 31 shows how much more affordable RGI units compared to market rental.

Figure 31 Increased Affordability Offered Through the UBC Rent-Geared-to-Income Pilot Program

Unit Size	Estimated Monthly Cost of Renting*	% Discount from UBC Market Rental
One bedroom	\$1,363	28%
Two bedrooms	\$1,639	39%
Three or more-bedrooms	\$1,803	52%

* Includes the estimated tax impact for the average taxable benefit each unit type in the Faculty Staff Restricted Rental program.

5.2.2 Household Income Required to Afford to Own

The figures below show the estimated cost of owning in the relevant communities, including for apartment condominiums (Figure 32), townhouses (Figure 33) and detached dwellings (Figure 34). Each table is organized by level of household income required, with communities with lower required household incomes at the top and communities with higher required household incomes at the bottom.

Figure 32: Homeownership Affordability Analysis, Apartment, 2022

Geography	Home Price Index (HPI)	Upfront Costs (Down payment of 20% + Applicable Property Transfer Tax)	Estimated Monthly Cost of Owning an Apartment	Annual Gross Household Income Required to Afford Monthly Costs (based on 30% affordability standard)
Surrey	\$559,500	\$123,090	\$3,103	\$124,100
Richmond	\$746,200	\$164,164	\$3,973	\$158,900
Burnaby	\$766,600	\$168,652	\$4,068	\$162,700
Vancouver	\$813,000	\$178,860	\$4,284	\$171,400
UBC and UEL	\$1,076,700	\$236,874	\$5,512	\$220,500

Figure 33: Homeownership Affordability Analysis, Townhouse, 2022

Geography	Home Price Index (HPI)	Upfront Costs (Down payment of 20% + Applicable Property Transfer Tax)	Estimated Monthly Cost of Owning an Townhouse	Annual Gross Household Income Required to Afford Monthly Costs (based on 30% affordability standard)
Surrey	\$904,100	\$198,902	\$4,712	\$188,500
Burnaby	\$990,400	\$217,888	\$5,098	\$203,900
Richmond	\$1,108,200	\$243,804	\$5,680	\$227,200
Vancouver	\$1,348,500	\$296,670	\$6,774	\$271,000
UBC and UEL	\$2,034,600	\$467,958	\$9,969	\$398,800

Figure 34: Homeownership Affordability Analysis, Detached Dwelling, 2022

Geography	Home Price Index (HPI)	Upfront Costs (Down payment of 20% + Applicable Property Transfer Tax)	Estimated Monthly Cost of Owning an Detached Dwelling	Annual Gross Household Income Required to Afford Monthly Costs (based on 30% affordability standard)
Surrey	\$1,783,500	\$392,370	\$8,551	\$342,100
Burnaby	\$2,160,400	\$496,892	\$10,228	\$409,100
Richmond	\$2,160,500	\$496,915	\$10,340	\$413,600
Vancouver	\$2,592,800	\$596,344	\$12,304	\$492,200
UBC and UEL	\$2,848,500	\$655,155	\$13,495	\$539,800

Role of UBC's Homeownership Programs in Supporting Affordability

Down Payment Assistance Program

Tenure-stream faculty at UBC are entitled to a forgivable loan of up to \$50,000 through the Down Payment Assistance (DPA) program to help offset upfront costs of purchasing a home. Staff and non-tenure stream faculty are not entitled to this program. The DPA allows households to either reach their down payment goal faster or increase their down payment amount in order to purchase a more expensive home. The figures below highlight the impact of the DPA on how much a household must save for a down payment based on the HPI for homes in Vancouver, where 57 percent of UBC employees live.

Figure 35: Estimated Down Payment Required, With and Without DPA, Vancouver

Dwelling Type	Upfront Costs Without DPA	Upfront Costs With DPA	% Reduction in Upfront Costs
Apartment Condominium	\$178,860	\$128,860	28%
Townhouse	\$296,670	\$246,670	17%
Detached Dwelling	\$596,344	\$546,344	8%



Prescribed Interest Rate Loan

Select tenure-stream faculty may also qualify for the Prescribed Interest Rate Loan (PIRL) program, which provides successful candidates with a lower interest loan, for up to 15 years, for a portion of their mortgage (up to \$500,000). During the term of the loan, recipients are only required to make payments towards the interest of the loan. Payment of the principal is not required until the end of the term of the loan or if the property is sold, whichever occurs earlier, though recipients can choose to make lump sum payments throughout the loan period. Further information on the PIRL program can be found in Section 6.

The figure below highlights the impact of PIRL on monthly costs. Note that all faculty eligible for PIRL would also be entitled to DPA and the programs are stackable. For illustration purposes, the calculations below presume a PIRL of \$250,000 at the CRA prescribed interest rate of two percent (as of summer 2022) held constant throughout a 15-year loan term, with interest-only payments made.

Figure 36: Estimated Monthly Costs, With and Without PIRL, Vancouver

Dwelling Type	Estimated Monthly Costs Without PIRL	Estimated Monthly Costs With PIRL	% Reduction in Monthly Costs
Apartment Condominium	\$4,284	\$3,040	29%
Townhouse	\$6,774	\$5,411	20%
Detached Dwelling	\$12,304	\$10,708	13%

5.3 Transportation Impacts

The location of housing and transportation-related costs also impact affordability. While the previous sections show that municipalities farther away from UBC have lower housing costs, households who live in those communities also have longer commute times and higher transportation costs. There are many reasons why households may choose to live farther away besides affordability, including access to particular schools and amenities, proximity to family, and others. Households need to weigh a number of trade-offs, in addition to cost, to determine what is right for them.

While preferences vary, the cost of housing ultimately plays a significant role in how much choice households have in where they live and how they can best meet their preferences. Higher income households have more choice, while lower income households will be more constrained. This is extremely relevant in the

context of Metro Vancouver's high cost of housing. The maps below show the density of staff and faculty members' home address across Metro Vancouver. As noted earlier, 68 percent of UBC employees live in Vancouver (54 percent) or UBC UEL (14 percent), followed by seven percent in Richmond, six percent in Burnaby, five percent in Surrey, and 14 percent in all other communities.

Figure 37: Population Density of UBC Faculty

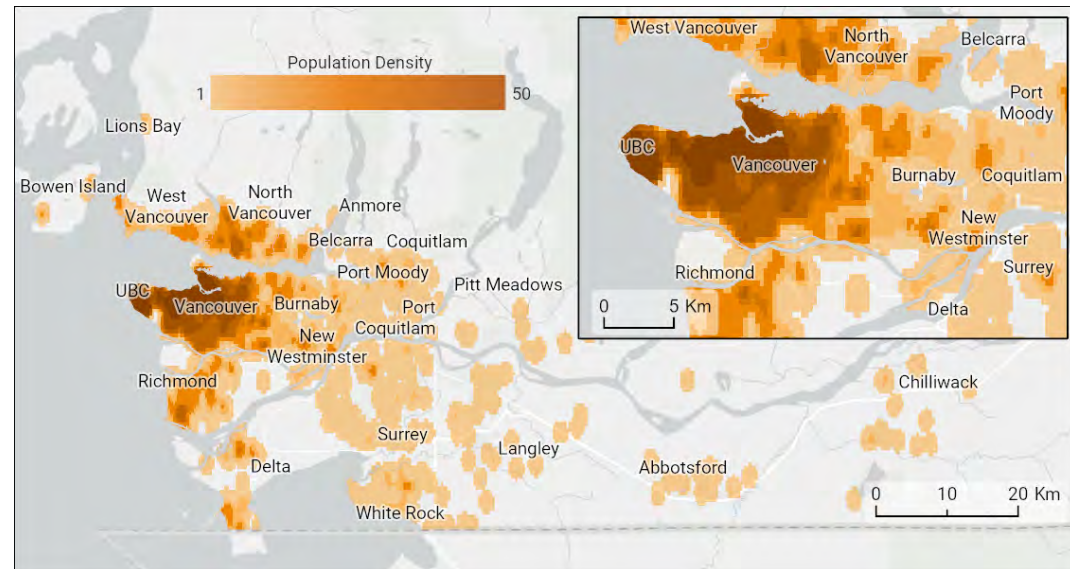
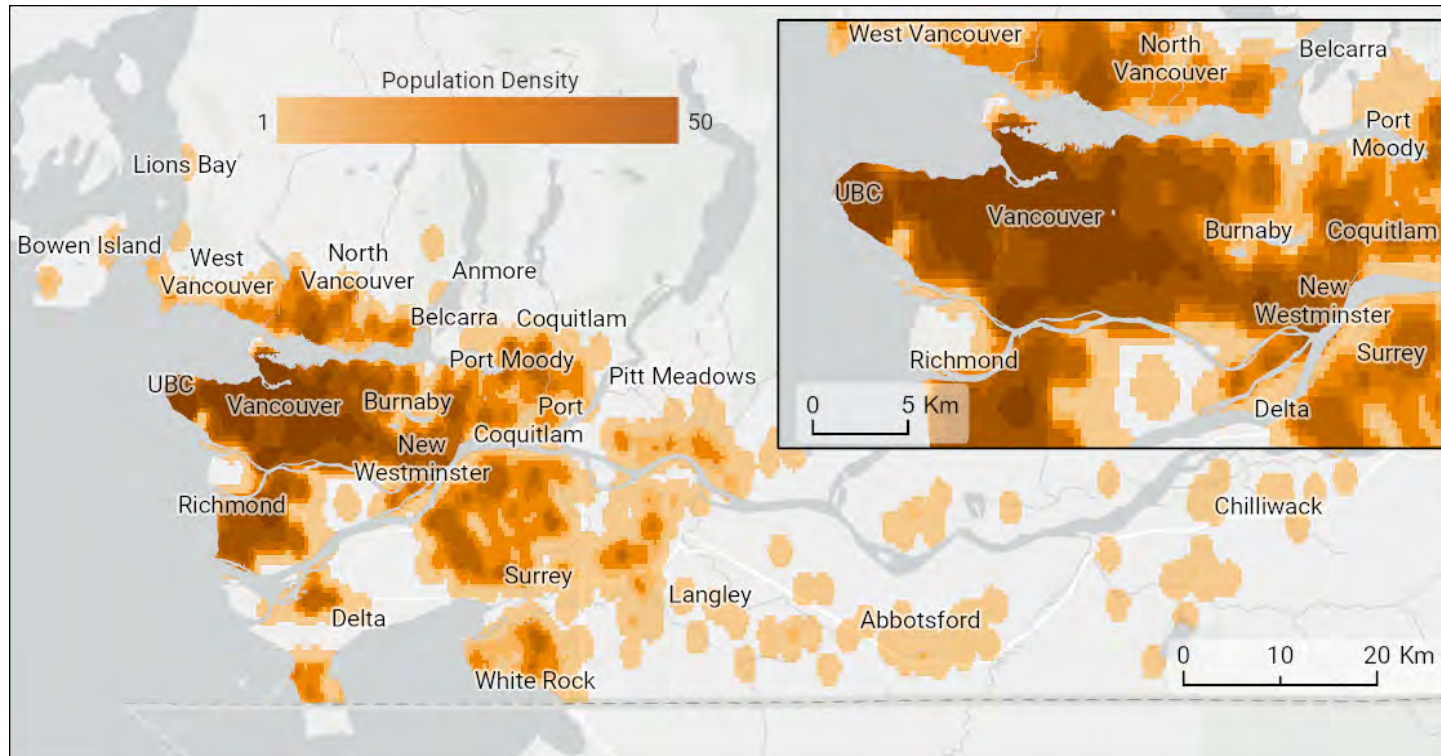


Figure 38: Population Density of UBC Staff



This section explores additional monthly transportation costs that may be incurred by households depending on where they live. These considerations should be factored into considerations for affordability. The table below estimates the monthly cost of living in different communities and commuting to UBC, including any UBC parking permit costs. **The fuel cost estimates used for commuting with a private vehicle only account for distance travelled for work and the estimated monthly cost for a private vehicle is considered low.** The actual monthly costs would be

higher when other destinations are factored in, such as driving to drop children off at school or daycare, to pick up groceries or for recreation.

Faculty and staff living at UBC or UEL who are able to take active transportation to work (e.g., walking, cycling) are able to save a minimum of \$103 per month on public transportation costs or a minimum of \$393 per month on private vehicle costs, depending on where they live.

Figure 39 Estimated Monthly Transportation-Related Costs, 2022

	Public Transportation*	Private Vehicle**
UBC / UEL *walking and cycling to work may be more likely or preferable for many households	\$103	\$393
Vancouver	\$103	\$498
Richmond	\$137	\$470
Burnaby	\$137	\$486
Surrey	\$185	\$563

Source: Research based on Translink and estimates from BCAA. *Cost of monthly TransLink monthly passes.

**This is an illustrative example and individual situations will vary widely. This example assumes the annualized capital and maintenance costs of a 2017 Honda Civic, monthly insurance based on an illustrative driver (age 40 with a vehicle purchased in the past five years), monthly parking permit at UBC, and estimated monthly fuel costs [based on distance travel to work from different communities, fuel costs of \$2.02 per litre based on Statistics Canada fuel cost information for Vancouver as of July 2022].

5.4 Affordability Scenario Analysis

As an employer, UBC has data on individual salaries, but not household incomes. This presents a significant challenge to understanding housing affordability as individual salaries do not capture the significant differences between households in terms of household size, total household income and number of income earners, and other types of housing-related needs (such as accessibility) and requirements (such as home office space). To explore the opportunities and barriers that different households may experience in their housing search in Metro Vancouver, a scenario analysis was completed based on six hypothetical household scenarios. While these are fictional, they help illuminate the experiences of different households when it comes to accessing housing in the rental and homeownership markets.

These scenarios are developed with consideration to the following:

- Information from the 2019 employee survey on housing when it comes to household income distribution, household size, and other variables;
- 2021 census data when it comes to household types and average household size;
- 2022 UBC administrative data on number of dependents;
- Review of local housing needs reports to identify households that often face significant barriers to housing; and
- Feedback from UBC staff on which types of households face the greatest challenges finding and affording housing.

These scenarios intentionally over-represented households with children. For individuals living alone and couples without children, the primary variable for housing affordability is income— Section 5.2 highlights the level of income required to afford an appropriate unit. Households with children or other dependents, however, have significantly more potential configurations when it comes to the number of bedrooms required and the number of income earners. These configurations are not well-represented by looking at UBC salaries alone and are therefore explored through the scenario analysis.

Each scenario shows a hypothetical UBC employee's household situation, including high-level job category, salary (based on actual salary data), household size, total household income, and preferred unit size. Based on the hypothetical household situation, the scenarios explore what type of housing is affordable for each household to illuminate key affordability gaps in the market.

Lack of Intergenerational Wealth Impacts the Ability of Households to Purchase a Home

Households who receive financial assistance for housing from family or relatives benefit from intergenerational wealth. These gifts are often used by first-time home buyers as an equity source for down payments and by existing homeowners to upgrade their houses to another housing type. In Vancouver, the typical gift is a substantial amount averaging \$180,000 for first-time buyers and \$340,000 for existing homeowners in 2021ⁱ. Generational wealth is mainly gained through housing and has implications on maintaining social inequalities for future generations ⁱⁱ.


Saving for a down payment is a barrier that particularly disadvantages households without access to family wealth through gifts or inheritance. Households with access to family wealth are more readily able to save for the upfront costs required to enter homeownership. These statements reflect general trends, not individual circumstances. There are many households who may come from families with wealth who are unable to or choose not to access that wealth to support entry into homeownership. There are also many households from families without wealth who nonetheless receive some supports from their families.

ⁱ CIBC Gifting for a Down Payment – Perspective.

<https://economics.cibccm.com/cds?id=9dc124d8-9764-4c1d-83b4-9e89a5d568b8&flag=E>

ⁱⁱ CMHC Homeownership Rate Varies Significantly by Race, 2021.

<https://assets.cmhc-schl.gc.ca/sites/cmhc/professional/housing-markets-data-and-research/housing-research/research-reports/housing-finance/research-insights/2021/homeownership-rate-varies-significantly-race-en.pdf?rev=af9ae04d-00bd-43ce-8619-d5e5d4a37444>



How Are Shelter Costs Estimated?

CMHC defines affordable housing costs as less than 30 percent of before-tax household income. For renters, shelter costs include, as applicable, rent and payments for electricity, fuel, water, and other municipal services. For owners, shelter costs include, as applicable, mortgage payments (principal and interest), property taxes, condominium fees, and payments for electricity, fuel, water, and other municipal services.

For the following analysis, the estimated rent includes monthly hydro or electricity costs, tenant insurance costs, and applicable taxable benefits for any Faculty Staff Restricted Rental units. The cost of owning includes monthly mortgage payments, property taxes, applicable strata fees, hydro or electricity costs, and home insurance.

For a detailed list of assumptions used in this analysis, see Section 5.1.1.

5.4.1 Scenario 1 – Single Parent Household

- A full-time staff member who earns a salary of \$45,000 (the lowest quintile among staff salaries). This staff member is a single parent with one child and is seeking a two-bedroom unit. Their total household income is \$45,000.

Figure 40: Scenario 1 - Rental Affordability Analysis

	UBC RGI*	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$1,125 per month					
What are the estimated monthly costs for renting a two-bedroom unit?	\$1,453	\$2,678	\$2,053	\$1,603	\$1,703	\$1,353
What is the difference between the estimated rent and what they can afford?	(\$328)	(\$1,553)	(\$928)	(\$478)	(\$578)	(\$228)
What percentage of their income would they have to spend to afford the median rent?	39%	71%	55%	43%	45%	36%
What can this household afford and where?	<p>A household earning this income would not be able to afford the median rent of an appropriate unit in any of these communities. To meet their basic household needs while accessing the lowest rents, this household would need non-market housing. This may include applying for RGI housing at UBC, BC Housing's Housing Registry, or cooperative housing. However, all non-market housing options in the region have significant waitlists. This household would qualify for an RGI unit at UBC, and based on their income, the monthly housing costs for a two-bedroom unit would be \$1,178 per month. However, accessing an RGI unit is considered a taxable benefit by CRA and this household would have to pay additional taxes based on their household income and marginal tax rate (an additional \$275 per month in this case, which has been incorporated into the estimated monthly costs above). These tax implications significantly reduce the affordability of UBC's RGI program. However, these rents are still significantly lower than market rents at UBC or in Vancouver and allow households to live closer to work and the amenities available at UBC and nearby. Within the private market, households would need to live as far away as Surrey to access a comparable level of affordability. However, lower rental costs would be offset by higher transportation costs. Based on the assumptions of our affordability analysis, this household would be at risk in living in poor quality or unsuitable housing because of the high cost of housing and limited supply of appropriate options.</p>					

Figure 41: Scenario 1 - Home Ownership Affordability Analysis

	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$1,125 per month				
What are the estimated monthly costs of owning an apartment?	\$5,512	\$4,284	\$3,973	\$4,068	\$3,103
What is the difference between the monthly cost of owning and what they can afford?	(\$4,387)	(\$3,159)	(\$2,848)	(\$2,943)	(\$1,978)
What percentage of their income would they have to spend to afford the monthly cost of owning?	147%	114%	106%	108%	83%
What can this household afford and where?	A household earning this income would not be able to afford to purchase a home in any of these communities.				

5.4.2 Scenario 2 – Individual Living Alone

- A full-time staff member who earns a salary of \$65,000 (the median for staff salaries). This staff member lives alone and is seeking a one-bedroom unit. Their total household income is \$65,000.

Figure 42: Scenario 2 - Rental Affordability Analysis

	UBC Faculty Staff Rental Housing*	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$1,625 per month					
What are the estimated monthly costs for renting a one-bedroom unit?	\$1,809	\$1,903	\$1,553	\$1,403	\$1,303	\$1,253
What is the difference between the estimated rent and what they can afford?	(\$184)	(\$278)	\$72	\$222	\$322	\$372
What percentage of their income would they have to spend to afford the median rent?	33%	35%	29%	26%	24%	23%
What can this household afford and where?	A household earning this income would be able to afford a one-bedroom rental unit in Vancouver, Richmond, Burnaby or Surrey, however, it could be challenging to find available units due to low vacancy rates. A unit in Faculty Staff Restricted Rental Housing at UBC would be slightly unaffordable for this individual, but they earn too much income to be eligible for an RGI unit. If the household did not live within walking or cycling distance to UBC, they would spend additional income on transportation costs to commute to work (an estimated minimum of \$103 per month on public transportation or \$393 per month on private vehicle, depending on where they live). See Section 5.6 for information on potential transportation costs for each community.					

Figure 43: Scenario 2 - Home Ownership Affordability Analysis

	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$1,625 per month				
What are the estimated monthly costs of owning an apartment?	\$5,512	\$4,284	\$3,973	\$4,068	\$3,103
What is the difference between the monthly cost of owning and what they can afford?	(\$3,887)	(\$2,659)	(\$2,348)	(\$2,443)	(\$1,478)
What percentage of their income would they have to spend to afford the monthly cost of owning?	102%	79%	73%	75%	57%
What can this household afford and where?	A household earning this income would not be able to afford to purchase a home in any of these communities.				

5.4.3 Scenario 3 – Two-Person Household

- A full-time postdoctoral fellow who earns \$60,000 (the median salary for postdoctoral fellows and research associates). This individual lives with their partner who works part-time as a teacher and earns a salary of \$35,000. They are seeking a two-bedroom unit as they both work from home part of the time. Their total household income is \$95,000.

Figure 44: Scenario 3 - Rental Affordability Analysis

	UBC Faculty Staff Rental Housing*	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$2,375 per month					
What are the estimated housing costs for renting a two-bedroom unit?	\$2,325	\$2,678	\$2,053	\$1,603	\$1,703	\$1,353
What is the difference between the estimated rent and what they can afford?	\$50	(\$303)	\$322	\$772	\$672	\$1,022
What percentage of their income would they have to spend to afford the median rent?	29%	34%	26%	20%	22%	17%
What can this household afford and where?	This household would be able to afford a two-bedroom rental unit in Vancouver, Richmond, Burnaby or Surrey. This household could also afford a two-bedroom Faculty Staff Restricted Rental unit, although they would have to pay a taxable benefit. This household earns too much to qualify for RGI housing at UBC. If the household did not live within walking or cycling distance to UBC, they would spend additional income on transportation costs to commute to work (an estimated minimum of \$103 per month on public transportation or \$393 per month on private vehicle, depending on where they live). See Section 5.6 for information on potential transportation costs for each community.					

Figure 45: Scenario 3 - Home Ownership Affordability Analysis

	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$2,375 per month				
What are the estimated monthly costs of owning an apartment?	\$5,512	\$4,284	\$3,973	\$4,068	\$3,103
What is the difference between the monthly cost of owning and what they can afford?	(\$3,137)	(\$1,909)	(\$1,598)	(\$1,693)	(\$728)
What percentage of their income would they have to spend to afford the monthly cost of owning?	70%	54%	50%	51%	39%
What can this household afford and where?	A household earning this income would not be able to afford to purchase a home in any of these communities.				

5.4.4 Scenario 4 – Couple with Children

- A part-time faculty member who earns a salary of \$52,000 (the median salary for term and part-time faculty). This individual lives with their partner, a nurse who earns \$81,000 per year. They have three children living with them and would prefer a home with at least four bedrooms. Their total household income is \$133,000.

Figure 46: Scenario 4 - Rental Affordability Analysis

	UBC Faculty Staff Rental Housing*	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$3,325 per month					
What are the estimated monthly costs for renting a three or more-bedroom unit?***	4-Bedroom: \$3,879	3+ Bedroom: \$3,748	3+ Bedroom: \$2,753	3+ Bedroom: \$1,953	3+ Bedroom: \$1,978	3+ Bedroom: \$1,578
What is the difference between the estimated rent and what they can afford?	(\$554)	(\$423)	\$572	\$1,372	\$1,347	\$1,747
What percentage of their income would they have to spend to afford the median rent?	35%	34%	25%	18%	18%	14%
What can this household afford and where?	<p>A household earning this income would not be able to afford a 4 bedroom rental unit in UBC Faculty Staff Restricted Rental Housing or a 3+ bedroom rental unit in the UBC and UEL. They would be able to afford a 3+ bedroom rental unit in Vancouver, Richmond, Burnaby, and Surrey. However, even in communities where the median rent is affordable, they may encounter difficulty in finding a unit of this size as there are fewer larger rental units in the primary rental market.</p> <p>Many households seeking larger rentals may find options in the secondary market. Despite this, secondary rental housing is typically considered to be less secure long-term than primary rental as property owners may sell or choose to move in at any time. If the household did not live within walking or cycling distance to UBC, they would spend additional income on transportation costs to commute to work (an estimated minimum of \$103 per month on public transportation or \$393 per month on private vehicle, depending on where they live). See Section 5.6 for information on potential transportation costs for each community.</p>					

Figure 47: Scenario 4 – Home Ownership Affordability Analysis

	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$3,325 per month				
What are the estimated monthly costs of owning a townhouse?	\$9,969	\$6,774	\$5,680	\$5,098	\$4,712
What is the difference between the monthly cost of owning and what they can afford?	(\$6,644)	(\$3,449)	(\$2,355)	(\$1,773)	(\$1,387)
What percentage of their income would they have to spend to afford the monthly cost of owning?	90%	61%	51%	46%	43%
What can this household afford and where?	A household earning this income would not be able to afford to purchase a townhouse in any of these communities. Based on the assumptions of our affordability analysis, this household would be able to afford an apartment in Surrey, but it would likely be too small for their household size.				

5.4.5 Scenario 5 – Couple with Children

- A full-time tenure stream faculty member who earns a salary of \$110,000 (the second quintile for all faculty salaries). This individual lives with their partner, an intern architect who earns a salary of \$56,000. They have two children who live with them and are seeking a home with at least three bedrooms. Their total household income is \$166,000.

Figure 48: Scenario 5 - Rental Affordability Analysis

	UBC Faculty and Staff Market Rental Housing*	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$4,150 per month					
What are the estimated housing for renting a three or more-bedroom unit?	\$3,021	\$3,748	\$2,753	\$1,953	\$1,978	\$1,578
What is the difference between the estimated rent and what they can afford?	\$1,129	\$402	\$1,397	\$2,197	\$2,172	\$2,572
What percentage of their income would they have to spend to afford the median rent?	22%	27%	20%	14%	14%	11%
What can this household afford and where?	A household earning this income is comfortably able to afford median rents in the region. However, they may encounter difficulty in finding a unit of this size as there are fewer larger rental units in the primary rental market. Many households seeking larger rentals may find options in the secondary market. However, secondary rental is typically considered to be less secure long-term than primary rental as property owners may sell or choose to move in at any time. If the household did not live within walking or cycling distance to UBC, they would spend additional income on transportation costs to commute to work (an estimated minimum of \$103 per month on public transportation or \$393 per month on private vehicle, depending on where they live). See Section 5.6 for information on potential transportation costs for each community.					

Figure 49: Scenario 5 – Home Ownership Affordability Analysis

	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$4,150 per month				
What are the estimated monthly costs of owning a townhouse?	\$9,969	\$6,774	\$5,680	\$5,098	\$4,712
What is the difference between the monthly cost of owning and what they can afford?	(\$5,819)	(\$2,624)	(\$1,530)	(\$948)	(\$562)
What percentage of their income would they have to spend to afford the monthly cost of owning?	72%	49%	41%	37%	34%
What can this household afford and where?	A household earning this income would not be able to afford to purchase a townhouse in any of these communities without spending more than 30% of household income on housing costs. However, they would likely be able to qualify for a mortgage that allows them to purchase a unit at the HPI in Burnaby and Surrey. Based on the assumptions of our affordability analysis, this household would be able to afford an apartment in Richmond, Burnaby and Surrey but it would likely be too small for their household size.				

5.4.6 Scenario 6 – Couple with Children and Elderly Parent

- A full-time tenure stream faculty member who earns a salary of \$157,000 (the third quintile among faculty salaries). This individual lives with their partner, a pharmacist who earns a salary of \$101,000, and an elderly parent who qualifies for the maximum CPP, GIS, and OAS amounts totaling \$28,000. Their two children also live with them, and they are seeking a home with at least four bedrooms. Their total household income is \$286,000.

Figure 50: Scenario 6 - Rental Affordability Analysis

	UBC Faculty and Staff Market Rental Housing*	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$7,150 per month					
What are the estimated monthly costs for renting a three or more-bedroom unit?**	4 Bedroom: \$3,887	3+ Bedroom: \$3,748	3+ Bedroom: \$2,753	3+ Bedroom: \$1,953	3+ Bedroom: \$1,978	3+ Bedroom: \$1,578
What is the difference between the estimated rent and what they can afford?	\$3,263	\$3,402	\$4,397	\$5,197	\$5,172	\$5,572
What percentage of their income would they have to spend to afford the median rent?	16%	16%	12%	8%	8%	7%
What can this household afford and where?	A household earning this income is comfortable able to afford the median rent in the community and would likely be seeking higher-end rental options. However, they may encounter difficulty in finding an appropriately sized unit as there are fewer larger rental units in the primary rental market. Many households seeking larger rentals may find options in the secondary market. However, secondary rental is typically considered to be less secure long-term than primary rental as property owners may sell or choose to move in at any time.					

*VGH provides median rent data for four-bedroom units. CMHC does not breakout four-bedroom units as they form an extremely small portion of the overall rental stock so housing costs for neighbouring communities incorporate median rents for three or units with three or more bedrooms.

Figure 51: Scenario 6 - Home Ownership Affordability Analysis

	UBC and UEL	Vancouver	Richmond	Burnaby	Surrey
What can this household afford?	\$7,150 per month				
What are the estimated monthly costs of owning a detached home?	\$13,495	\$12,304	\$10,340	\$10,228	\$8,551
What is the difference between the monthly cost of owning and what they can afford?	(\$6,345)	(\$5,154)	(\$3,190)	(\$3,078)	(\$1,401)
What percentage of their income would they have to spend to afford the monthly cost of owning?	57%	52%	43%	43%	36%
What can this household afford and where?	<p>A household earning this income would not be able to afford to purchase a detached dwelling in any of these communities, except for possibly Surrey. However, while 30% of household income on housing costs is the benchmark for affordability, the higher income a household has, the more they can spend beyond that without compromising other aspects of their life. The household would be able to afford purchasing a townhouse in Vancouver, Richmond, Burnaby and Surrey, however it may be difficult to find a townhouse with enough bedrooms (4+ bedrooms).</p> <p>A household earning this income could afford an apartment in Vancouver, Richmond, Burnaby, and Surrey, but an apartment is not likely to have enough bedrooms to meet their household needs. If the household did not live within walking or cycling distance to UBC, they would spend additional income on transportation costs to commute to work (a minimum of \$103 per month on public transportation or \$393 per month on private vehicle).</p>				



6 Housing Programs Evaluation

6.1 Overview

6.1.1 Purpose

UBC's Faculty Staff Rental Housing and Home Ownership programs include Faculty Staff Restricted Rental Housing, the Rent-Geared-to-Income Pilot Program (RGI), the Prescribed Interest Rate Loan (PIRL) Program and the Down Payment Assistance Loan (DPA) Program.

The goal of UBC's housing programs is to increase the likelihood of accepting an appointment or staying at UBC by providing faculty and staff members with improved housing choice and affordability.

As part of understanding faculty and staff housing needs in the context of recruitment and retention, a high-level and qualitative evaluation was completed of UBC's four faculty and staff housing programs.

The intent of this evaluation was to identify:

- What is working well when it comes to UBC Housing Programs?
- What is not working well?
- How could the programs be improved to better support UBC's recruitment and retention objectives?

6.1.2 Process

This evaluation documents what is known about the programs by program beneficiaries, UBC staff implementing the programs, and UBC administrators who use the programs to support recruitment and retention. UBC has, in some cases, completed more in-depth reviews of its programs, as well as annual updates on the implementation of the Housing Action Plan that provide monitoring of these programs. Where available, this evaluation draws from this information.

The evaluation focused on collective qualitative feedback through key informant interviews. These were completed between early August and mid-September 2022 and included the following interviewees:

Type of Interview	Number of interviews
UBC staff involved in the implementation of programs	<ul style="list-style-type: none"> Four interviews with a total of eight staff members, plus several follow-up conversations with the core team involved in implementation
Program beneficiaries	<ul style="list-style-type: none"> 16 interviews were completed. 15 with individuals or households who had applied and/or accessed at least one of the four programs, plus one interview with representatives from the University Faculty and Staff Tenants Association (UFASTA) Effort was made to hear from recipients from all four programs, as well as individuals who applied but were ineligible or unsuccessful in their application The number of interviewees across the four programs was as follows: <ul style="list-style-type: none"> Down Payment Assistance Loan (DPA): 2 Prescribed Interest Rate Loan (PIRL): 5 Faculty Staff Restricted Rental: 4 Rent -Geared-to-Income Pilot Program (RGI): 4
Senior administrators involved in recruitment and retention	<ul style="list-style-type: none"> Five interviews were completed with representatives of five faculties. Administrators were primarily involved in the PIRL and Faculty Staff Restricted Rental programs.

Feedback by interviewees varied across programs. The more established DPA program elicited comparatively less feedback from participating interviewees than the relatively new PIRL program.

Feedback on suggested improvements for the restricted rental housing program remained generally broad. While the same is true for UBC's newest housing program, the RGI pilot program, the evaluation was able to draw strong recommendations from a formative March 2021 RGI Evaluation report implemented by UBC Housing, Immigration and Relocation Services.

6.1.3 UBC Housing Programs Logic Model

Logic models are program planning tools that depict the relationship between a program's activities (i.e., inputs) and its *desired* outcomes and impacts.³²

A logic model was developed to create a visual depiction that communicated important processes within the housing programs and how these processes are expected to lead to the desired effects. It served as a logical framework which evaluated whether the housing programs work as intended.

Figure 52 on the next page shows a summary of how specific program activities are intended to lead to the desired outcomes and impacts defined by UBC. This logic model was created by reviewing key program documents and reviewed and revised through consultation with UBC staff who deliver the housing programs. It was used as part of this evaluation to identify potential areas of improvement.

The model includes the following components:

- **Activities:** Major steps undertaken by UBC and its affiliates, as well as applicants as part of the administration of the program, including the application and housing allocation process.
- **Outcomes:** The desired results UBC wishes to see in relation to the programs.
- **Desired Impacts:** The desired effects of the programs on recruitment and retention.

³² Centers for Disease Control Program Performance and Evaluation Office: Framework for program evaluation in public health. MMWR 1999;48 (No. RR-11). <https://www.cdc.gov/evaluation/>

Figure 52: UBC Housing Programs Logic Model

DPA Program and PIRL

Desired Impacts: to improve housing choice and affordability as a means to create recruitment and retention benefits to UBC.

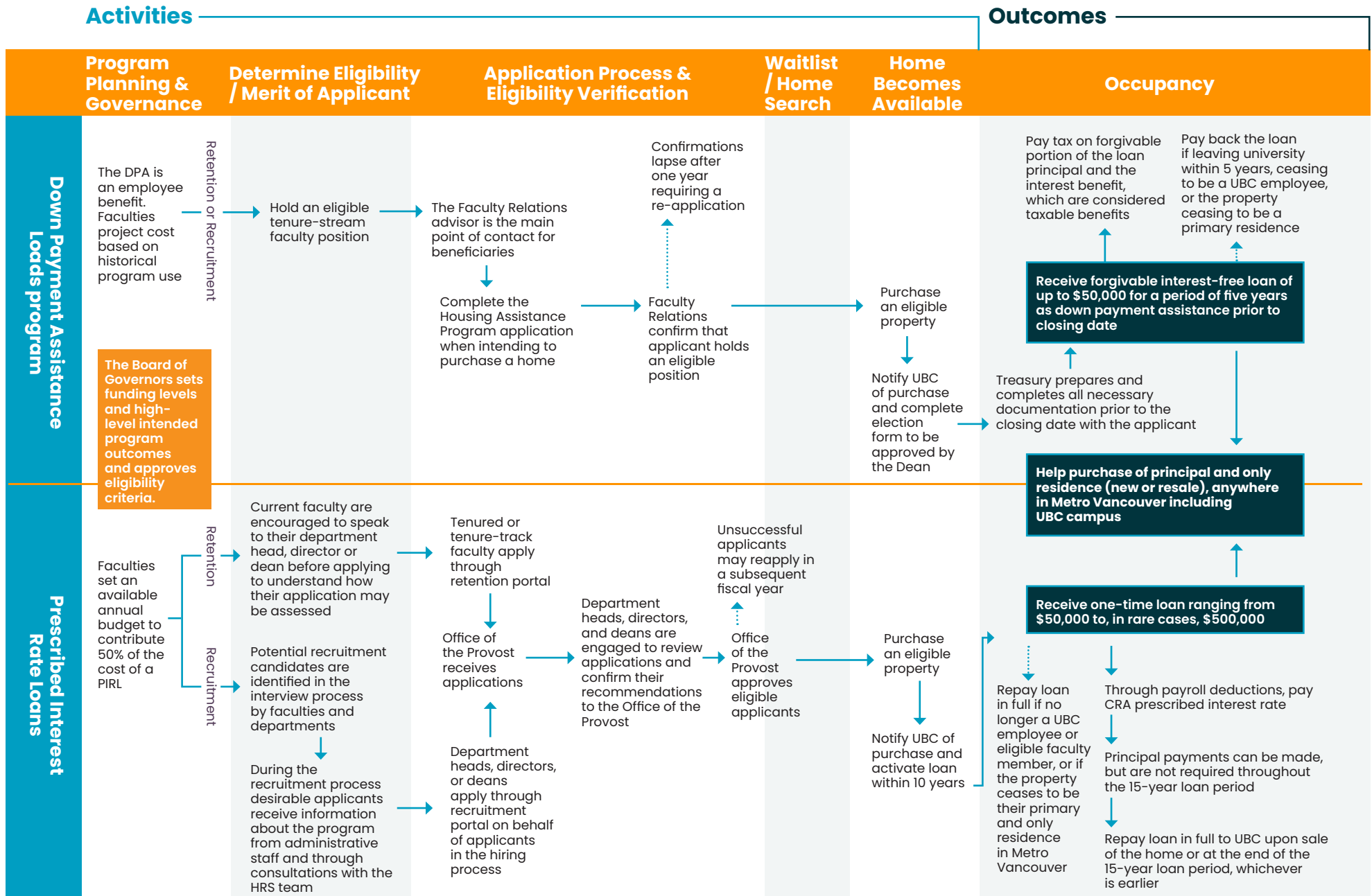
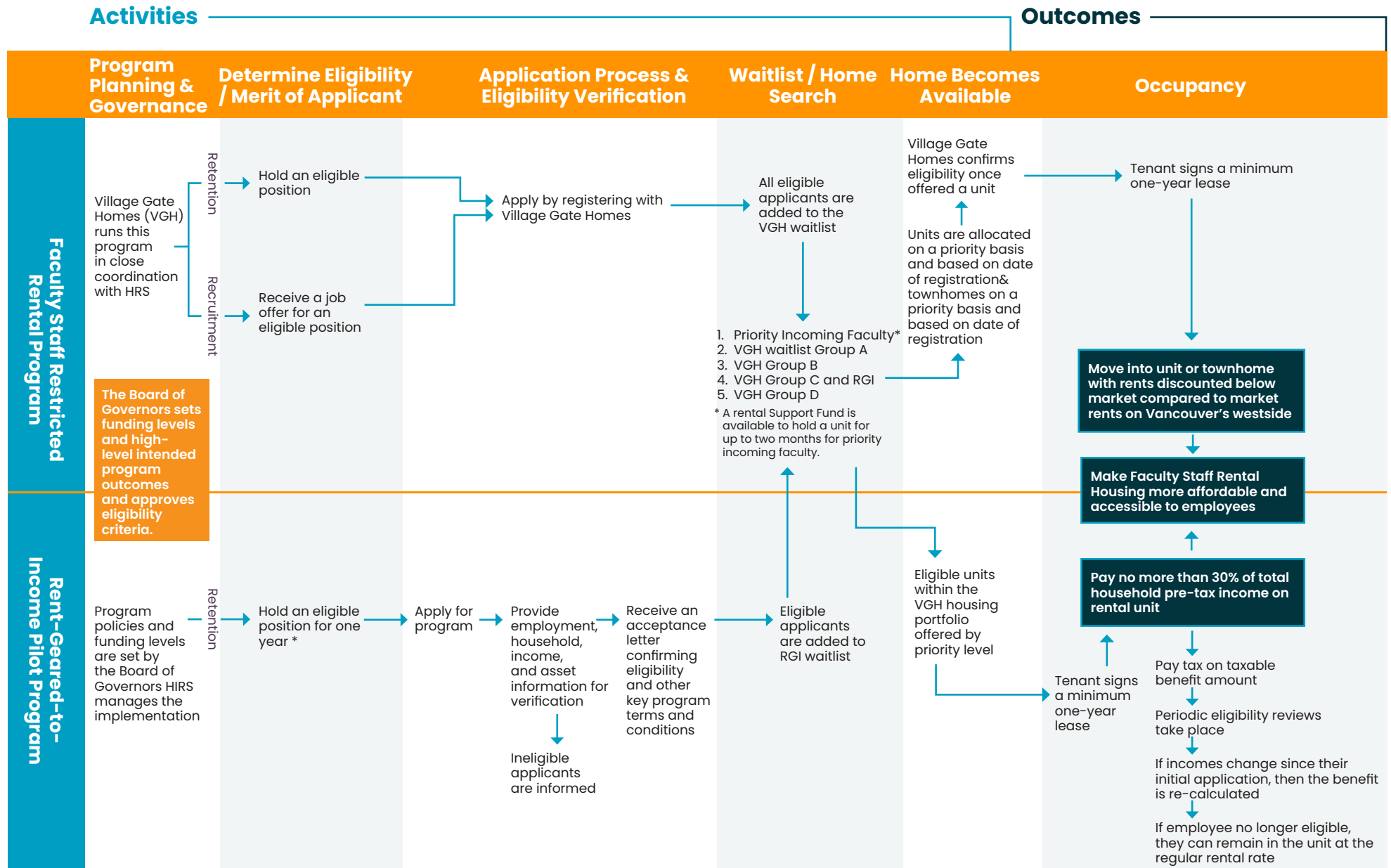


Figure 52: UBC Housing Programs Logic Model

Staff Restricted Rental Program and RGI Program



* 10 additional units are set aside for a Faculty Temporary Housing Program (FTHP) for UBC full-time tenure-stream faculty with children who are relocating to Vancouver from outside Metro Vancouver. This merit-based program to support entry-level faculty hires program has not been widely used due to restricted eligibility. It is not included in this evaluation.

6.1.4 Key Findings

All housing programs contribute to UBC's goal of supporting recruitment and retention based on the feedback that was garnered.

However, for each of the programs there were opportunities identified to improve the programs' impacts.

Generally, the comparative impact of each program on recruitment and retention over time is not well-understood. UBC may want to create a monitoring program which identifies key performance indicators to assist in better understanding the programs' value.

Down Payment Assistance Loan (DPA) Program

The DPA program is popular and makes attaining homeownership more accessible for all eligible faculty

The DPA program is a well-established entitlement program that 565 employees have accessed since it was first established. An average of 43 employees participate annually. The program is generally well-received for its financial benefits and as it imbues a sense of goodwill among program beneficiaries.

It proportionately is more able to help households with fewer savings who are looking for more modestly priced housing. It therefore likely provides the greatest benefit for early career faculty and first-time homebuyers.

The DPA is administratively well-established with minor areas of improvement identified

The ease of access and integration with the hiring process was said to be administratively efficient. Opportunities for administrative improvements include automating the taxable benefit process, improving communications with an eligible faculty member when they are in the process of purchasing a home and accessing the DPA program, and expanding program eligibility to support unique housing situations (such as co-ownership).

As it is an entitlement program, it cannot be actively leveraged as an incentive during recruitment and retention processes

While the DPA offers a clear financial benefit and is well administered, it does not appear to be used strategically in recruitment and retention conversations. As the loan amount has not appreciated, while housing costs have increased, the DPA's actual financial benefit has been gradually reduced over time. In consequence the DPA becomes less of an incentive in recruitment processes and may be increasingly taken for granted rather than seen as a distinct benefit that impacts faculty members' choice to join or stay at UBC.

Providing faculties with increased flexibility on how to use the DPA (e.g., increasing DPA amounts at their own cost) could help re-affirm the program as a special benefit that can effectively support recruitment and retention in unique circumstances.

Prescribed Interest Rate Loan (PIRL) Program

The PIRL program is UBC's most direct and strategic faculty recruitment and retention tool

PIRL provides a significant benefit to program beneficiaries while offering faculties a flexible and adaptive way to respond to recruitment and retention priorities. It responds flexibly and in a timely manner when an additional incentive is needed to hire or retain someone.

The program flexibility also results in some administrative challenges and offers some opportunities for improvement.

The following are noted challenges:

- Uncertain PIRL activation timelines create budgeting ambiguity due to the cost-sharing requirement for interest-carrying cost. Monies are tied up for PIRLs that may never be activated, but could potentially be used elsewhere.
- The rolling intake for retention applications creates unequal success conditions and a communication vacuum.
- The lack of consistency, clarity and transparency in communication to faculty around the program eligibility and selection process are a concern.

Increased clarification of processes and program-wide prioritization and allocation criteria could support the Office of the Provost and faculties in their decision-making to most effectively allocate limited funds.

The following are suggested improvements:

- Setting quarterly intake dates for retention PIRLs.
- Improving communications regarding PIRL as a merit-based, limited program.
- Requiring retention PIRL applications to be made by faculties, rather than employees.
- Prioritizing candidates based on a clear set of indicators that may include seniority, prominence, or priority for equity-seeking populations. Target benefit ranges could be established by priority group.
- Exploring the allocation of funds by faculty, based on feedback over time.

Faculty Staff Restricted Rental Housing Program

The Faculty Staff Restricted Rental Housing program offers high quality rental housing to eligible faculty and staff at rents lower than newer market rental.

The current portfolio consists of 951 units located in 16 buildings across the UBC campus that offer median rents at \$2.76 per square foot, which translates to \$1,794 for a 650 square foot home. This compares to \$3.36, or \$2,184 in the Wesbrook Properties market rental portfolio. The program provides housing stability, predictable rent increases, and convenient access to work in proximity to services, green spaces, and high-quality schools. Residents feel safe and value the high quality of the housing and its amenities.

Incoming faculty prioritization is an important recruitment tool

The program includes prioritized, controlled access through a waitlist. Within this waitlist incoming faculty and senior staff hires are considered the highest priority and are allocated housing based on unit availability and their arrival date. This prioritization effectively supports UBC's recruitment goals for faculty, as it offers a place to safely land in proximity to work.

Consideration of the prioritization levels and the allocation of units by job category may be needed over time as housing unaffordability in the region grows

Prioritization of incoming hires creates an inherent tension with the need to support other/existing employees in need of affordable housing (which supports overall retention). A second

tension exists, as tenured and tenure-track faculty are prioritized over staff, UBC-affiliates, research associates and post-doctoral fellows, while earning much higher incomes. As an academic institution, UBC must ensure it is able to attract and retain high quality faculty. However, interviews with stakeholders raised the inequity of this approach, as the university also depends on staff to function as a high-quality learning and research institution. The current housing allocation practice also raises questions regarding UBC's ability to fill a broad spectrum of lower-wage positions into the future.

Continued supply, including larger units will be important

Due to continuously increasing need for rental housing, UBC will need to continue to expand its pool of restricted rental units. Within the pool of restricted units, the monitoring of allocation practices is important. Since large rental units are limited in the portfolio the ability to access these units is relatively lower for staff. Access to larger units was also noted as a concern for faculty, despite their prioritization.

Rent-Geared-to-Income Pilot Program (RGI)

The Rent-Geared-to-Income Pilot Program is UBC's most direct effort to address housing unaffordability for low to moderate income staff.

Within the restricted rental portfolio, the RGI pilot program offers up to 100 units on a rent-geared-to-income basis to make renting more affordable and accessible to staff earning moderate incomes who face greater barriers to renting due to their lower incomes. The program also offers up to 10 units to moderate

income faculty. Eligible employees pay rental rates equal to 30 percent of their gross household income before taxes and adjustments.

Program participants shared that the program increased their overall quality of life due to improved housing conditions and affordability, neighbourhood safety, reduced commuting times, increased personal time, and reduced stress. Improvements in location, size and property management were also identified as key benefits of participating in the program.

As a relatively new program, several challenges and areas for improvement were identified and are described below.

A communications plan that includes stronger integration in hiring processes could support recruitment and retention efforts for lower-paid staff positions

Communications regarding the program do not effectively reach all its potential beneficiaries. Recipients report hearing about the program through word of mouth.

A large number of applicants were also ineligible, withdrew, or removed from the program before being housed. More and easily accessible information should be made available upfront, including program guidelines, tenancy terms and conditions, eligible units, and importantly, the full costs of housing, including the taxable benefit. This way program participants could make informed decisions earlier in the process.

The taxable benefit impacts affordability

Significant taxable benefit impacts increase the housing costs above 30 percent of income for all households – with greater negative impacts for larger households. One solution with financial impacts for the rental portfolio would be to set target rents below 30 percent of income to account for taxable benefit impacts. The administration of taxable benefits is also cumbersome and administratively complex.

Income requirements limit program participation, especially for larger households

To date the program is under-subscribed at only 61 of 100 program spaces taken since program inception five years ago. The existing restrictive eligibility criteria limit uptake by larger households and focus demand on smaller units where household incomes are more likely below the set housing income limits.

The findings suggest a review of the income thresholds for larger households and to manage demand for sought-after unit sizes by allocating a maximum number of program spaces for each unit type (as opposed to a target). Noting the restrained supply of sought-after units, UBC should consider expanding program spaces in line with increased housing stock for single-income earners within the existing portfolio. Exploring off-campus alternatives that provide the same benefit can also be a mitigative measure to respond to the high demand for smaller units. The feasibility of off-campus supports would need to be further explored.

6.2 Faculty Home Ownership Programs

UBC's Faculty Home Ownership Program (FHOP) includes the Prescribed Interest Rate Loan (PIRL) Program and the Down Payment Assistance Loan (DPA) Program.

Outcomes & Impacts

The DPA and the PIRL programs aim to create recruitment and retention benefits to UBC by helping with the purchase of a home. By providing this support UBC responds to the unaffordability of home ownership in Metro Vancouver.

Both programs are intended to provide faculty members with an improved ability to own a home in the region and thereby achieve greater likelihood of accepting an appointment and staying at UBC.

6.2.1 Down Payment Assistance (DPA)

Program Description

The Down Payment Assistance (DPA) program was established in 2009 and provides an interest-free loan of up to \$50,000. Eligible employees with a start date prior to July 1, 2017, are eligible for \$45,000. Participants receive this forgivable interest-free loan for a period of five years as down payment assistance. It is an entitlement program available to all full-time tenure stream faculty and assists with the purchase of a principal and only residence (new or resale), anywhere in Metro Vancouver including UBC campus.

The program is cost-shared equally between the Provost and the hiring faculty. There are no upset funding levels set for the loan program. Since it is an entitlement, faculties budget for it, often planning their hiring two to three years in advance. Financial forecasting is done based on historical trends of when loans are activated.

Eligibility

To be eligible, employees must meet the following criteria:

- Full-time tenure-stream faculty members, confirmed or confirmation-track librarians, program directors in UBC Extended Learning, or senior management staff;
- Employed at UBC Vancouver (the program is not available to employees at UBC Okanagan); and
- Receiving financial assistance from UBC for the purchase of housing for the first and only time.

In addition, the property they purchase must:

- Be purchased within 10-years of their initial university employment in an eligible rank, or within six months prior to the start date;
- Be located within the Metro Vancouver region; and
- Be the applicant's principal residence as defined by the Canada Revenue Agency.

Tax Implications

Employees pay tax on the forgivable portion of the loan principal and the interest benefit. The monthly taxable benefit on a \$50,000 loan would be \$833. Each person's marginal tax rate would be applied on that amount. UBC calculates and withholds the taxable benefit as employee payroll withholdings. It is reported monthly on recipients' pay slips – equally spread out over a five-year period.

Participation

A total of 565 employees have accessed this program since it was first established. Since the program was created, an average of 43 employees participated annually, for an average cost of \$2,014,000 (rounded). The total amount of down payment loans issued (i.e., used by employees) reached its high in the 2021-2022 fiscal year with 83 participants totaling \$4,025,000. This was due to a favourable buyer environment with low interest rates.³³

Between 2019-2021 UBC had an average of 2,289 faculty members per year who were eligible.³⁴ Faculty members activated an average 66 DPA per year. The Faculty of Arts, with a share of 26 percent (588) of all eligible faculty activated 28 percent of all active DPA loans during that period, followed by the Faculty of Applied Science (10 percent of faculty (240) and 15 percent of loans) and Science (18 percent of faculty (416) and 14

percent of loans). While the Faculty of Medicine made up 24 percent (560) of eligible faculty it only accounted for 14 percent of activated loans during that time period. Applied Science on the other hand activated more DPAs than expected based on the number of faculty.

Figure 53: Average Annual Share of Faculty Members and Activated DPAs, 2019-2021 / FY20-22

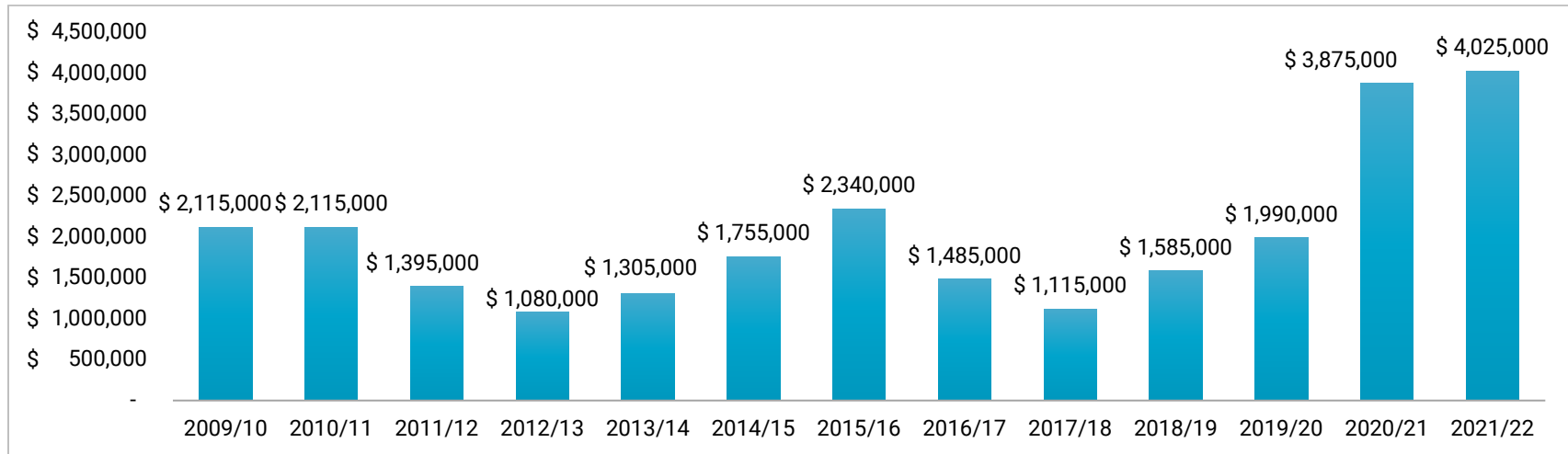
Faculty of	Eligible Faculty (2019 - 2021)	Activated DPAs (FY20-22)
Arts	26%	29%
Applied Science	10%	16%
Science	18%	15%
Medicine	24%	14%
Other	22%	27%
Total	2,289	66

Source: UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 1, 7, 8

³³ UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 1, 7, 8

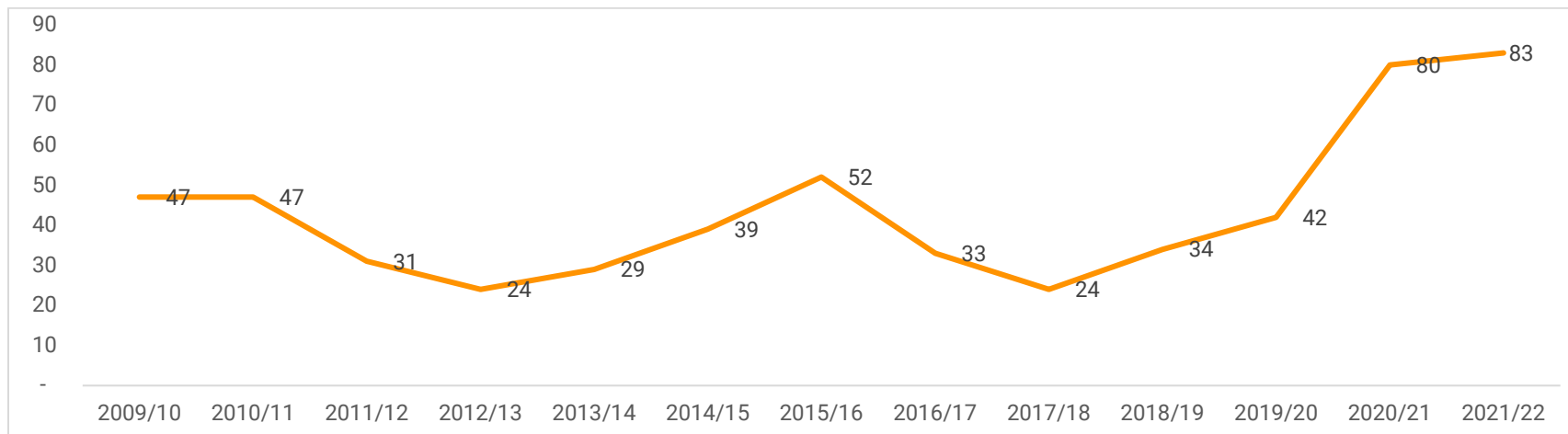
³⁴ The summary of eligible faculty does not include eligible staff in libraries and administration, while the activated DPA lists include senior staff and librarians.

Figure 54: Total Amount of Down Payment Loans Issued Per Year



Source: UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 8.

Figure 55: Number of Down Payment Assistance Loans Activated Per Year



Source: UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 8.

What is working well?

Positive impact on recruitment, retention, and a sense of goodwill among faculty

- UBC's longest ongoing housing program does provide direct recruitment and retention benefits to UBC, and financial benefits to DPA recipients.
- Program users said that they highly valued this benefit and that it establishes rapport between UBC and themselves as beneficiaries. It communicates to recipients that the University is invested in its employees.
- UBC staff involved in the implementation of programs and senior administrators involved in recruitment and retention also spoke highly of the program and asserted that the program supports retention goals by helping employees settle down in the region and tying them to UBC by requiring they stay for at least five-years.

Financial benefits for program beneficiaries

- Financially, the program directly benefited an average of 43 recipient households every year since it was launched in 2009. In the last three years (2019-2021) the program was used by an annual average of 66 recipients who activated their loans.
- Program users valued that DPA offers financial assistance to offset some of the costs of living in an expensive housing market, the flexibility of using the loan even after a purchase was completed, and the ability to purchase a home at the location of their choice.

Ease of use and integration with hiring process

- As DPA is an entitlement program that is part of the overall benefits package provided to eligible faculty, senior administrators shared their perception that DPA is well-integrated into the hiring process by being included on all offer letters as a 'given'.
- The DPA application is seen as not too onerous by applicants.

What is not working well?

Differing levels of use across faculties

- The program is not used by all faculties equally, with some faculties over-subscribing on the program, and others under, relative to their size by number of eligible faculty. The reasons are not clear.

Loan amount not meeting some household needs and desires

- The loan amount has been effectively static for years, and for some who are eligible for DPA, the amount is too low to substantially support affording a home that meets their household needs. Households who have access to a PIRL or who are eligible for combining DPA amounts (both family members work for UBC) are in a better position to benefit from the program.
- The amount is also a concern for some recruiting faculties who are competing for talent internationally as they cannot effectively compete with offers from other universities and meet the increasing cost of housing in the region.

Program is not considered a special benefit

- While lauded as efficient, the streamlined process of including the program in hiring letters also raised questions regarding its effectiveness as recruitment benefit for senior administrators involved in hiring.
- Administrators are unsure to what degree the program contributes to the objective of supporting recruitment as it is an entitlement-based program that may not be positioned as a special benefit during a recruitment process.
- Some interview participants noted that the program is increasingly being taken for granted by faculty and may not be seen as a benefit that impacts their choice to join or stay at UBC.

Complexity of administration of taxable benefit calculations

- The complexity of administration of taxable benefits associated with the program has been identified as an issue by staff administering the program. It is based on an Excel worksheet which introduced calculation errors.

Unclear communication between UBC and beneficiaries

- The timing of the application for the DPA must align with the guaranteed delivery date of needed funds to purchase a home.
- The stressful experience of coordinating the DPA application with the guaranteed delivery date is amplified for some loan recipients due to a lack of, or unclear communication on the

progress and status of their application. Some interviewees shared their perception that they felt they may not receive the benefit either in time, or at all as it was not clear to them that it was an entitlement.

High pressures facing tenure-track faculty

- A specific situation arises for tenure-track faculty. These faculty members are not likely to activate their loan until attaining tenure. While they continue to be eligible for DPA while at UBC, they feel they would lose ownership of their housing as they would have to pay back the funds if they resign to pursue a position elsewhere. This is a psychological pressure to obtain tenure to maintain ownership of their home.

6.2.2 Prescribed Interest Rate Loan (PIRL) Program

Program Description

The Prescribed Interest Rate Loan (PIRL) program assists eligible approved tenured or tenure-track faculty with the purchase of a home through a one-time loan. The PIRL program was approved and launched broadly in Spring 2017 and is in its fifth year of operation.³⁵ ³⁶ The program has a recruitment and a retention stream and requires an application and approval by the Associated Vice-Provost, Associate Vice-President Academic Affairs and the applicant's Faculty Dean's Office, as well as support from Department Heads.

An initial allocation of \$10 million was increased to \$15 million annually in 2019. The hiring faculty or department and the Provost Office split the interest carrying cost of the loan that is not paid by the recipient. The UBC financial year starts on April 1. At that time PIRL funding gets replenished. While there is no carry-over of funds year to year, the PIRL funding allocation is based on 3-year rolling average commitments which may result in lower or higher annual fund allocations.

Loan amounts typically range from \$50,000 to, in rare cases, \$500,000. In special circumstances, PIRL amounts above this maximum been approved. Interest rates are set at the CRA

Prescribed Interest Rate (three percent in October 2022) and the loan is not considered a taxable benefit. If the applied interest rate is lower than the prevailing CRA rates, tax is payable on the difference. Applicants usually combine a privately obtained primary mortgage with a UBC PIRL mortgage unless they have sufficient funds. Loans in excess of \$125,000 are secured by a mortgage registered on title.

Guaranteed approval for PIRLs may be offered to select recruits as an incentive during the hiring process. In this case the hiring faculty applies on their behalf. For retention PIRLs all eligible employees may apply themselves at any time, including before they begin to search for, and after they have purchased a home. In practice however, as a cost-shared program between Provost and Faculty, the endorsement of an applicant's faculty needs to be secured first.

Processing times can vary based on urgency, application volume, and funding availability towards year-end. The adjudication process considers academic merit and strategic importance to faculty-specific and university-wide recruitment and retention priorities.

Final decision-making in the adjudication process over PIRL approvals rests with the Vice-Provost and Associate Vice-President, Academic Affairs. However, as a restricted benefit not available to all faculty, candidates require their faculty or

³⁵ UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 6.

³⁶ Board of Governors: 10 year Implementation Strategy Update. December 6, 2016, https://bog3.sites.olt.ubc.ca/files/2016/11/5.4_2016_12_Faculty-Housing-Update.pdf, page 1.

department's endorsement.³⁷ As such, a successful application begins with a positive recommendation by the department head whose department must carry 50 percent of the cost. The overall ratio of PIRL approvals was revised in 2019, from 75 percent for recruitment and 25 percent for retention initially, to 40 percent for recruitment and the remaining 60 percent for either recruitment or retention.

The average approved loan value in fiscal year 2020/21 was \$309,615 for recruitment PIRLs and \$249,500 for retention PIRLs. While there are annual fluctuations, the average PIRLs have not changed significantly over the last few years except for increases in the most recent fiscal year 2021/22 where recruitment PIRLs averaged \$420,192 and retention PIRLs \$280,552. In the 2017/18 fiscal year, the average approved loan amount was \$302,500 for recruitment and \$255,556 for retention.

The average annual amount of loans activated since its inception was \$4,569,300, with a peak total of loans issued in 2020/21 at \$11,060,000.^{38 39}

Eligibility

PIRLs are available for candidates in the **recruitment** process and for current faculty for **retention**. To be eligible for consideration:

- The current or prospective employees must be full-time tenure-stream UBC Vancouver faculty members or strategic senior executive staff. Current faculty members must have been in an eligible position for at least one full year to apply

through the retention application portal. Where two partners are both working for UBC, only one PIRL will be allocated.

- The home must be purchased within a ten-year period following the date of appointment to the University, or six months prior to the start date.
- The loan must be activated within 10 years of approval, if approved under the retention stream, or within 10 years of appointment if approved under the recruitment stream.

Tax implications

PIRL loans are non-taxable benefits as UBC charges the borrower the CRA prescribed interest rate used to calculate taxable benefits for employees from interest-free and low-interest loans. Tax would only be payable if the borrower pays interest at a rate lower than the prescribed annual interest rate.

Participation

The PIRL program has finite funding and not all applications are approved. Since its inception in 2017 a cumulative total of 248 loans were approved and 127 were activated. Another 41 were declined by UBC and 21 were offered in a recruitment process but the job offer was declined. The number of activated PIRLs per year has slowly increased to 35 PIRL loans in 2021-2022 and 37 in 2020/21 since the full program launch in 2017.

³⁷ If a recruitment PIRL is being submitted by the Faculty, the Office of the Provost does not require a support letter from the Department Head. If the Department is submitting a recruitment PIRL, then support letters are required from both, the Department head and the Faculty's Dean.

³⁸ UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022,

https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 7-8

³⁹ Pre-2017, UBC provided a "2nd Mortgage Loan Program". Participants of this program were automatically eligible for up a PIRL if they had not activated the loan.

Figure 56: PIRLS Approved, Activated, 2017 - 2022

PIRLs	2017/18	2018/19	2019/20	2020/21	2021/22	Total
Approved	21	25	49	53	44	248
Retention	11	10	29	40	18	
Recruitment	10	15	20	13	26	
Activated	19	16	20	37	35	127

Source: UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 8.

The table above reports on the average number of approved and activated PIRLS in relation to the number of eligible employees within each faculty between 2019 to 2021. Some faculties are using the program more than others. On average, faculty in the Faculty of Arts made up 26 percent of eligible faculty and were approved for 35 percent and activated 34 percent of PIRL loans per year. This was followed by Medicine (24 percent of staff and 13 percent of approved, nine percent of activated), Science (18 percent of staff and 11 percent of all approved, 18 percent of activated), and Applied Science (10 percent of staff, 14 percent of approved, and 13 percent of activated).

Relative to its size, the Faculty of Arts uses the program more than expected, while the Faculty of Medicine uses the program less. This does not account for the actual cost per faculty, only the number of approvals.

Figure 57: Average Annual Share of Eligible Faculty Members 2019 - 2021, Approved and Activated PIRLS

Faculty of	Eligible Faculty (2019 - 2021)	Approved PIRLS (FY20-FY22)	Activated PIRLS (FY20-22)
Arts	26%	35%	34%
Applied Science	10%	14%	13%
Science	18%	11%	18%
Medicine	24%	13%	10%
Other	22%	27%	25%
Total	2,289	49	32

Note: Four PIRLS were sponsored by more than one faculty during these fiscal years and are attributed proportionally to each co-sponsoring faculty. Information on eligible staff was not available.

What is working well?

Increased housing choice among recipients

- Participants who receive and activate a PIRL are also likely to use the DPA program. The combined financial support from PIRL and DPA enables participants to live in housing of their choice. For some, this is a larger house that is further away from UBC and for others it is an apartment on Campus.
- The PIRL program is a tax-free benefit to recipients. This is an important distinguishing factor of the program.

Success in recruitment and retention

- Senior administrators involved in recruitment and retention and UBC staff involved in the implementation of programs feel that the PIRL program is supporting UBC in successfully competing for talent and retaining important faculty. In an expensive housing market, a PIRL may help UBC compete for staff where they cannot compete on salary. PIRL is thereby directly supporting UBC's recruitment and retention goals.

Flexible approval process

- The approval process negotiates and balances centralized decision-making and faculty autonomy. Approval criteria are left intentionally broad to provide flexibility in the process to departments and faculties. This flexibility was identified as part of the program's success as it allows time-sensitive candidates (i.e., who are at flight risk due to a competitive offer elsewhere) to be approved with varied loan values as needed.
- At the same time, it allows faculties to move forward candidates based on their own priorities. While some

prioritize retention PIRLs when flight risk is either imminent, such as on condition of a competitive offer letter from another employer or clearly conceivable, others use them to bind promising faculty members through the prospect of home ownership. Some departments have also applied an EDI lens despite there not being formal requirements.

- Administrators also feel that they have sufficient information to inform prospective candidates about PIRL.
- The approval process worked well for recruitment PIRL recipients.

What is not working well?

Inability to forecast spending

- There is a delay between recipients being approved and activating their PIRLs. Between the time of approval and activation UBC cannot use its funds for other programs or PIRL beneficiaries. Uncertain PIRL activation timelines combined with fluctuating interest rates also create planning uncertainty at the faculty level due to the cost-sharing requirement for interest-carrying cost.
- Administrators said that the inability to forecast spending impacts some faculties more than others.
- Faculties with fewer financial resources or those with higher-paid employees are at a disadvantage in accessing the program. Participating in the program will have a greater impact on their budgets.

Transparency on how funds are allocated

- There is no clear key for fund allocation by faculty. Administrators do not have clarity on the total amount of PIRL funding their faculty can budget for each year.
- Faculties do not know how much they should apply for and do not feel the program is administered fairly.

Lack of awareness that PIRL is a merit-based, limited benefit

- Retention applicants are not experiencing consistent, clear, and transparent communication around the PIRL program eligibility and selection process.
- Hiring faculties and departments often communicate to applicants on UBC's standard offer of employment letters that they are eligible for applying to PIRL. This does not clarify that the program is a merit-based, competitive program reserved for priority cases. Some applicants proceed to apply through the online portal without faculty consultation or endorsement. This introduces potential for conflict as faculties may be forced to decline the application.

Rolling intake creates unequal success conditions And communication vacuum for retention applications

- The program intake happens on a rolling basis and is reset on April 1. This leads to available funds running lower at the end of the fiscal year. This scarcity creates a need for prioritization and decreases the success of applications at that time. This is not explicitly communicated.

- As retention applications are pooled before being processed, administrators notice periods where PIRLs are not being approved but do not know why.

Program is reaching annual capacity limits

- In fiscal year 2021-22 the program reached its maximum allocation levels for the first time. Moving forward there may not be enough program funding to keep up with the interest and demand for PIRLs. This will result in greater need to create clear allocation guidelines.
- Notably, high-profile hiring campaigns are likely to induce significant additional demand on an increasingly fully utilized program.

Lack of program-wide prioritization criteria

- Administrators involved in hiring said that the approval process is lacking transparency and clarity in terms of who is approved, when, and why and for how much. While 2019 Eligibility & Allocation Guidelines for Restricted Faculty Housing Programs outline general considerations, there are no clear and communicated criteria that outline how the Office of the Provost approves applications across faculties and for which amount.
- Prioritization criteria also need to consider university-wide EDI goals. It was said that the merit-based approach further favours those with existing privilege. Individuals who would be considered high-impact hires are also more likely to have already experienced privileges in their lives and careers that supported them to reach that point.

Senior staff ineligible for PIRL

- A small number of senior executive level positions may be considered for a PIRL. However, the program cannot support the recruitment and retention of important staff positions that are not senior executive level hires.

UBC loans not universally accepted by financial institutions

- Recipients reported that a PIRL, as a loan offered by UBC, is not accepted at all financial institutions, which limits the bank options for getting a mortgage.

6.2.3 Findings applicable to both faculty home ownership programs

Some findings were applicable to all programs, rather than one specific housing program. These are listed here.

What is working well?

- Faculty Staff Housing, Immigration and Relocation Services effectively supports candidates and new faculty hires in accessing housing programs. Program administrators are able to access accurate and helpful information on the website portal and directly through HIRS staff.
- UBC housing programs are important to recruitment and retention. They provide mechanisms that help compensate for UBC's lower salaries compared to other universities.
- The balance of having one merit-based program (PIRL) and one entitlement-based program (DPA) works well.

What is not working well?

- Current housing programs do not have criteria to support recruitment and retention based on university and/or faculty EDI goals.
- More childcare, alongside housing, is needed to support faculty. This is a major theme that was raised consistently.

6.3 Faculty Staff Rental Housing Programs

UBC's Faculty Staff Rental Housing Programs include Faculty Staff Restricted Rental Housing and the Rent-Geared-to-Income Pilot Program (RGI).

Outcomes & Impacts

The goal of the rental programs is to create recruitment and retention benefits to UBC by offering high quality rental housing for faculty and staff on the Vancouver campus at a lower rent level than offered by the private sector.

Waitlist and Housing Allocation Process

There are three sets of waitlists for households interested in Faculty Staff Restricted Rental Housing: VGH's waitlist for Faculty Staff Restricted Rental Housing, UBC HIRS's Priority Incoming Faculty list, and UBC HIRS's RGI Program list.

Priority access categories were introduced in 2017 to manage allocation of limited units.⁴⁰ Prior to 2017, allocation occurred on a first-come, first-served basis; however, this approach did not align with UBC's recruitment and retention priorities.

Waitlist: Village Gate Homes List - There are four categories (A, B, C, D) which have different levels of prioritization.

- A – Tenure-track faculty
- B – Tenured faculty
- C – Full-time staff, research associates, postdoctoral fellows and other full-time employees of the University
- D – Visiting faculty, term employees, UBC affiliates, etc.

Waitlisted households are assigned a priority access category to help manage the allocation of a limited supply of units. Group A and B are top priority and Group C and D are lower priority. Group A has priority for apartment-style units and Group B has priority for townhomes. Within each of these groups, priority is also assessed by the date of registration with Village Gate Homes.

VGH reports that its waitlist is a means of allocation and does not accurately reflect the number of households currently in need of housing as almost all households offered units at any point of time will decline. On a month-to-month basis, turnover is typically low and lower priority households are rarely offered units. However, when new buildings come online—generally every one to two years—VGH has historically been able to offer units to all

⁴⁰ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 12

those on the waitlist. New buildings allow VGH to clear the waitlist of households who are ready to move.

Waitlist: Priority Incoming Faculty List - Incoming faculty referred by their department to HIRS. This group may receive absolute priority to available listings in Faculty Staff housing. HIRS works with them to identify a suitable unit from the listings and connects them to VGH for the leasing process.

Waitlist: RGI program waitlist – Program participants are added to the list once they have signed the program agreement. The list is shared with VGH monthly.

The final unit allocation is determined based on these three waitlists. When a suite becomes available, candidates from the three waitlists are prioritized as follows:

- Priority Incoming Faculty
- VGH waitlist Group A
- VGH Waitlist Group B
- VGH Waitlist Group C and RGI (depending on availability, individual applicant household needs and RGI eligible units)
- VGH Waitlist Group D

As part of this process HIRS provides assistance to VGH to clarify to which priority groups new applicants belong. Figure 58 provides a breakdown of the VGH waitlist by priority groups and bedroom preference.

Figure 58 VGH Waitlist by priority group as of May 26, 2022

Priority Group	#	%
Group A – Tenure Track	530	10%
Group B – Tenured	278	5%
Group C – Staff & other FT UBC employees	3,772	72%
Group D – UBC affiliates	642	12%
Subtotal	5,222	100%
Not clearly attributed	812	N/A
Total	6,034	

In March 2018, as the waitlist of prospective tenants for Faculty and Staff housing had risen to over 2,000 applicants UBC conducted a survey of people on the waitlist. This survey confirms that the most commonly sought-after unit size is the two-bedroom unit (35 percent). It also indicated that the larger the unit size, the less ready applicants are to sign a lease – highlighting the impact of cost and family size on the likelihood of unit uptake.⁴¹

As of June 2022, based on their indicated preferences when added to the waitlist, two-bedrooms are the most sought-after unit type across all groups at 41 percent of all households on the waitlist. Group C applicants also indicated needing one-bedroom units and Group A and B being more likely to need larger units (three- and four-bedroom).

⁴¹ Village Gate Homes: Village Gate Homes Waitlist Survey, 2018

Figure 59: VGH Waitlist by Bedroom Preference as of June 2022

	Group A	Group B	Group C	Group D	Total Eligible	
Studio	0%	1%	1%	1%	1%	56
1 Bedroom	10%	8%	35%	27%	30%	1539
2 Bedroom	39%	23%	42%	45%	41%	2107
3 Bedroom	30%	28%	16%	18%	18%	952
4 Bedroom	21%	40%	6%	8%	10%	507
Total	523	273	3731	634	100%	5,161

Sources: Village Gate Homes: Village Gate Homes Waitlist Survey, 2018. Village Gate Homes: Waitlist. June 27, 2022.

Incoming Faculty Members

Incoming faculty members are considered the highest priority and are allocated housing based on unit availability and on their arrival date.

In 2021, HIRS housed 46 relocating faculty members through priority access. For 2022, HIRS has housed 39 faculty so far and another seven were waiting for a unit towards the end of the calendar year.

A separate Rental Support Fund provides up to two months' rent to secure and hold a vacant suite in the Faculty Staff Restricted Rental Housing portfolio for these incoming faculty prior to their arrival in cases where there is limited availability of appropriate suites.

This is a small, but important initiative that provides flexibility. It helps incoming faculty get access to housing, which can be challenging when they are not physically present. The cost for this initiative is shared equally by the Office of the Provost and the department or faculty. The program has \$100,000 annual funding that gets replenished every fiscal year on April 1st. There is no carry-over. The Vice Provost and Associate Vice President of Academic Affairs will be involved in cases where high-profile faculty recruits require rental housing.

6.3.1 Faculty Staff Restricted Rental Housing

Program Description

The UBC Faculty Staff Restricted Rental Housing program offers apartment suites or townhomes to full-time faculty and staff at discounted rental rates. UBC aims for its portfolio of rental housing for faculty and staff to be approximately 25 percent below average market rental rates charged for purpose-built market rental housing on Vancouver's west side.⁴²

UBC Properties Trust's Village Gate Homes (VGH) manages the stock of below-market rental homes at UBC. Detailed information on the composition of units and costs can be found in Section 3.

In 2012, HAP Policy 3 set an overall combined target of up to 30 percent of new post-2012 construction to be delivered as rental housing. In conjunction with Policy 4, this is broken down as up to 20 percent for restricted rental units available only to faculty and staff, with the remaining 10 percent as market-priced university rental housing for those who work or Study at UBC.

With the completion of *Evolve*, a staff-faculty restricted rental building with 110 units in August 2022, the current portfolio consists of 951 units located in 16 buildings across two UBC

Vancouver campus neighborhoods. The next building, BCR9 with approximately 152 units, is scheduled for completion in 2023.⁴³

As of August 2022, the Restricted Rental Housing portfolio made up 21 percent of all new housing built since 2012.⁴⁴

Eligibility

Households applying for Faculty Staff Restricted Rental Housing must meet the following criteria:

- Full-time UBC Vancouver faculty and staff are eligible to apply by directly registering with Village Gate Homes (VGH).
- Units must be appropriately sized for their household size, as determined by the National Occupancy Standard (NOS). These standards require that, for example, a single parent or couple with 2 older children of the opposite sex would qualify for a three-bedroom.
- All household members must be immediate family members. Caregivers may reside within the rental unit only with approval by UBC.

VGH confirms eligibility once applicants are offered a suite. Tenants must provide an employment verification letter to confirm they are employed or have tenure.

⁴² UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 9

⁴³ UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022,

https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 2.

⁴⁴ UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 10

Tax implications

Both the Faculty Staff Restricted Rental Housing Programs offer greater affordability of rental housing, due to the market rental rates being reduced. The difference between market rents and actual rents paid by tenants is considered a taxable benefit by the Canada Revenue Agency (CRA). The taxable benefit amount is calculated by UBC Treasury and added to the employee's income with income tax, CPP, and EI deductions withheld and remitted by UBC payroll. The taxable benefit is sensitive to non-housing costs by exempting certain income including child support, Canada Child Benefits, GST/HST credit, scholarships, and student grants, which are generally tax exempt and would largely benefit families with children.⁴⁵

For each dollar of this additional income, the marginal tax rate typically ranges from 27 percent to 35 percent, including CPP and EI premiums, and this tax implication can disproportionately impact lower income households. It also creates an additional program cost to UBC for the employer's share of CPP and EI premiums, which ranged up to 7.642 percent of the taxable benefit amount in 2020.

In 2021, the calculated monthly taxable benefit for Restricted Rental units ranged from \$1 to \$430 across all unit types. Average monthly taxable benefits for various unit sizes are shown in Figure 60.

In recognition of the impacts of taxable benefits on program beneficiaries, UBC employs available mechanisms to reduce the calculated benefit. The CRA allows the declared benefits to be reduced based on factors such as construction disturbance and the necessity for employees to live where they work. These disturbance factors result in a typical discount of 15 to 20 percent from the assessed market rent.

Figure 60: Average Taxable Benefits for Faculty Staff Restricted Rental Units, by Unit Type (2021)

Unit Type	Low	High	Average Monthly Taxable Benefit
Studio and 1 Bedroom	\$3	\$248	\$64
2 Bedroom	\$1	\$430	\$136
3 Bedroom	\$1	\$370	\$100
4 Bedroom	\$30	\$252	\$134

Source: HIRS Taxable Benefits, 2021.

Note: 477 units did not accrue any taxable benefits.

Participation

As of March 2022, 34 percent of the faculty and staff housing units were occupied by tenure-stream faculty and 56 percent by staff and the remaining 10 percent were occupied by university affiliates. For comparison, 26 percent of UBC employees are

⁴⁵ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 10

faculty. Note that these figures do not include the new *Evolve* building, which had just been allocated at the time of this report.

Figure 61: VGH Occupancy by Employment Category, March 2022

Category	Description	Count	%
A	Faculty - Tenure-Track	163	19%
B	Faculty - Tenured	130	15%
C	Staff & other Full-Time UBC employees	467	56%
D	UBC Affiliates	77	10%
	Vacant	4	0%
Total		841	100%

Source: UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 10.

What is working well?

Rental Housing Program seen as beneficial

- The Rental Housing Program is seen as a valuable program by both faculty and staff who benefit from living there. It provides housing stability, predictable rent increases, and convenient access to work in proximity to services, green spaces, and high-quality schools. Residents feel safe and value the high quality of the housing and its amenities.

Incoming faculty are prioritized

- UBC is prioritizing new and important incoming tenure-stream faculty and senior staff hires who relocate from outside the region.
- Securing rental housing for faculty under tight timelines or with specific unit requests can present challenges. The ability to secure rental housing right away is an important consideration for participants in deciding to accept or reject an employment offer.
- Most requests from administrators to the Faculty Staff Housing, Immigration and Relocation Services are successfully supported and result in faculty being matched with housing within their timeline.
- This part of the program was especially lauded by staff involved in hiring at the faculty level.

Village Gate Homes is responsive to tenant feedback

- UBC has successfully taken feedback from residents into consideration to meet faculty and staff's housing needs and desires. This gives assurance to program administrators that they are building the right mix of new units and amenities.
- Housed participants indicated that they appreciated the option to turn down a unit and being able to specify requirements such as a pet friendly or ground floor unit. Existing residents are also able to move between suites to accommodate changing needs.⁴⁶

⁴⁶ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 13

Program is administered effectively

- Generally, tenants appreciated the high-quality services of the property management team and the relationship and level of collaboration between VGH, UBC Properties Trust, HIRS and UBC Treasury Office is working effectively to accomplish program goals, including the RGI program.⁴⁷
- The VGH waitlist process is methodical and effective and is well understood by program administrators. Applicants are provided with information regarding the prioritization by category.

What is not working well?

Staff and non-tenure-stream faculty could be better supported

- With the high housing costs in the Vancouver the rental programs have become a medium- to long-term housing option for faculty and staff who would have previously considered home ownership. This was confirmed by UBC's 2020 Lifecycle of UBC Workforce Housing Preferences Report.⁴⁸
- Faculty occupied 34 percent of VGH units, while Staff & other full-time UBC employees occupied 56 percent in 2022. While staff occupy most units at this time, continued demand by priority faculty decreases the availability of restricted rental housing units for full-time staff, research associates,

postdoctoral fellows, and other full-time employees of the University, as well as visiting faculty, term employees, and UBC affiliates.

- As there is limited unit turnover, especially visiting faculty, term employees, and UBC affiliates are only likely to be offered a unit when a new building comes online.
- UBC-employed staff, including librarians and childcare workers (Group C) and UBC-affiliated public school teachers and retail workers on campus (Group D) are important to UBC, but have a lower priority in the program.
- As such the benefits of the program are limited for UBC staff, which may impact entry-level and long-term retention.

Limited availability of large units for faculty and staff

- Across all eligible priority groups, two-bedroom units are the most sought-after unit type at 42 percent of people on the waitlist requesting this unit type.
- In relative terms full-time staff applicants (Group C) are more likely to prefer one-bedroom units (34 percent of all Group C households) than faculty members (15 percent for Group A & B combined). This is also a particular need in the RGI program, discussed below.

⁴⁷ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 13

⁴⁸ Board of Governors: Lifecycle of Workforce Housing Preferences, April 30, 2020. https://bog3.sites.olt.ubc.ca/files/2020/09/9_2020.09_Lifecycle-Housing-Preferences.pdf, page 2

- However, as the waitlist for Group C is many times larger than for faculty groups, in absolute terms the demand for three- and four-bedroom units totals at least 464 Group C households. This is compared to 224 Group A and B households who were waiting for this size of unit.
- As faculty members are prioritized for these units rather than staff, the ability to access large rental units is relatively lower for staff as they are limited in the portfolio. Access to large units was noted as a concern for faculty, despite their prioritization.

Transparency of unit allocation process

- Participants are often unclear about how the waitlist is being managed and how applicants are prioritized.
- Applicants are generally not informed of their spot on the waitlist.
- VGH works to accommodate unit transfer requests wherever possible. However, they are subject to availability and the need of a household. For example, a household requesting a larger unit if they have an additional child, but would not be prioritized because they want extra storage space. The criteria for transfers is not formalized and can cause frustration for households that have their requests denied.

⁴⁹ Ten additional units are set aside for a Faculty Temporary Housing Program (FTHP) for UBC full-time tenure-stream faculty with children who are relocating to Vancouver from outside Metro Vancouver. Faculty members can remain in this program for up to two years. This program has not been widely used and is not included in this evaluation.

6.3.2 Rent-Geared-to-Income Pilot Program (RGI)

Program Description

Through the Rent-Geared-to-Income (RGI) Pilot Program UBC offers a limited number of Faculty Staff Restricted Rental Housing units on a rent-geared-to-income basis to make renting more affordable and accessible to employees earning moderate incomes who face greater barriers to renting due to their lower incomes. Eligible employees pay rental rates equal to 30 percent of their gross household income before taxes and adjustments. Staff can remain in the RGI Program for up to ten years while they remain eligible.

The program was launched as a pilot in 2018, with a target of 100 units for eligible staff with maximum annual household incomes ranging from \$57,500 to \$80,000 depending on household size.⁴⁹ ⁵⁰ Income ranges are set by UBC based on BC Housing's Housing Income Limits (HILS). The pilot program was to be phased in over a three-year period and reassessed after five years. In 2022 the program is in its final year of the five-year pilot program.

HIRS manages the program implementation, including the application process and the collection and verification of employment, household, income, and asset information. VGH

⁵⁰ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 3

administers the allocation of units and tenancies within the Faculty Staff Restricted Rental Housing portfolio in accordance with program guidelines.

RGI Program participants pay the lesser of either 30 percent of gross household income or the regular full unit rent set by VGH. UBC makes direct payment to UBC Properties Trust for the subsidy amount, which is equal to the difference in the Faculty Staff Restricted Housing portfolio rent and the participant's rent payment. Section 5.2.1 shows the level of discount offered by RGI units compared to market rents at UBC (see Figure 31).

The average monthly subsidy per tenancy month was \$775 in July 2022, which is below the projected cost of \$937.⁵¹ The monthly subsidy increases with unit size and ranges from an average of \$533 for studio and one-bedroom units to \$1,465 for three-bedroom units in 2022. Individual unit monthly subsidies were ranging from a low of \$204 to a high of \$2,211 (Figure 62).⁵²

With administrative costs, the total annual cost of the pilot program was \$493,783 with 57 program participants in 2020.

Figure 62 RGI Monthly Subsidy by Unit Type, July 2022

Unit Type	RGI Unit Monthly Subsidy		
	Average	Low	High
Studio / 1 Bedroom	\$533	\$204	\$1,019
2 Bedroom	\$954	\$582	\$1,491
3 Bedroom	\$1,465	\$930	\$2,211

Source: UBC RGI and VGH Combined Rent Roll, July 2022.

Eligibility

Once housed, households can remain in the RGI Program for up to ten years subject to continuing eligibility. To remain eligible RGI Program applicants must meet specific employment, income, and assets criteria. Only specific types of units are included in the program.⁵³

Unit types

The program's target for unit types is 30 percent one-bedroom units, 50 percent two-bedroom units, and 20 percent three-bedroom units. Excluded from the program are units in new buildings, four-bedroom units, townhomes, city homes, and units with dens.

⁵¹ This includes both programs, the staff program (61 participants) and the faculty program (2 participants) (2022 numbers). Projected costs do not include administrative costs or employer CPP or EI premiums related to the taxable benefits of the program.

⁵² UBC RGI and VGH Combined Rent Roll, July 2022.

⁵³ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 12

As of 2020, the Faculty Staff Housing Portfolio consisted of 841 units across 15 buildings. Within this inventory 59 percent of all units were eligible. As of summer 2022, the Faculty Staff Restricted Rental Housing portfolio increased to 951 units across 16 buildings.

Employment Criteria

Applicants must be UBC staff members who are full-time (100 percent FTE) ongoing employees with at least one-year work history; or, full-time (100 percent FTE) term employees with at least three years of continuous work history with no breaks in service. Postdoctoral fellows are not eligible. A separate faculty program also enables UBC tenure-stream faculty members who are full-time employees with children and are relocating to Vancouver from outside Metro Vancouver to use the RGI program. The faculty program is not evaluated in this report.

Income Criteria

Gross household income must be below the housing income limit for the unit type an applicant qualifies for at the time of application. UBC's Housing limit Income ranges are set by UBC based on BC Housing's Housing Income Limits (HILS). Gross household income includes income before taxes from all sources for each household member 19 years of age or older.

Once a unit is allocated under the Program, there is no requirement for household income to remain below the Housing Income Limits to continue to be eligible.

The 2022 Housing Income Limits are provided in Figure 63.

Figure 63: RGI Pilot Program Housing Income Limits, 2022

	Studio / 1 bedroom	Two bedrooms	Three bedrooms
Staff	\$57,500	\$69,000	\$80,000
Faculty	n/a	\$80,000	\$99,500

National Occupancy Standard Criteria

The type of unit allocated to successful applicants must be in accordance with the National Occupancy Standard (NOS) requirements as per VGH policies.

Asset Criteria

Net household assets cannot exceed \$100,000 and the applicant and their household members cannot own a residential property in Metro Vancouver.

Other Criteria

Participants may decline two offers of a unit but will be removed from the program should a third offer be declined.

The subsidy is not transferable to another unit and does not move with the tenant.

Tax Implications

The housing benefit received through the RGI Pilot Program is taxable under Canadian income tax law. The taxable benefit amount is the difference between the adjusted market rent as determined by UBC Treasury and the tenant rent contribution. The taxable benefit amount is calculated by UBC Treasury and added to the employee's income with income tax, CPP, and EI deductions withheld and remitted by UBC payroll. The taxable benefit is sensitive to non-housing costs by exempting certain income including child support, Canada Child Benefits, GST/HST

credit, scholarships, and student grants, which are generally tax exempt and would largely benefit families with children.⁵⁴

For each dollar of this additional income, the marginal tax rate typically ranges from 27 percent to 35 percent, including CPP and EI premiums, and this tax implication can disproportionately impact lower income households. It also creates an additional program cost to UBC for the employer's share of CPP and EI premiums, which ranged up to 7.642 percent of the taxable benefit amount in 2020.

In 2021, the calculated monthly taxable benefit for RGI units ranged from \$84 to \$1,668 across all unit types. Average monthly taxable benefits for various unit sizes are shown in Figure 64. As an example of the tax implications, the employee that receives the average monthly taxable benefit of a three-bedroom unit (\$1,105) would see this taxable benefit on their month pay cheque where the marginal tax rate (typically ranging from 27 percent to 35 percent, as noted above), would be applied. As rents are set at 30 percent of gross household income, the additional taxes incurred through the taxable benefit would bring household spending on housing above 30 percent, meaning they would by definition be paying unaffordable rents. This is significant for households at the income levels eligible for the RGI Pilot Program.

In recognition of the impacts of taxable benefits on program beneficiaries, UBC employs available mechanisms to reduce the calculated benefit. The CRA allows the declared benefits to be

reduced based on factors such as construction disturbance and a necessity for employees to live where they work. In such situations, UBC discounts the calculated taxable benefits where possible.

Figure 64: Average Taxable Benefits for Rent-Geared-to-Income Units, by Unit Type, 2021

Unit Type	Low	High	Average Monthly Taxable Benefit
Studio and 1 Bedroom	\$ 84	\$ 1,001	\$ 487
2 Bedroom	\$ 482	\$ 1,535	\$ 883
3 Bedroom	\$ 363	\$ 1,668	\$ 1,105

*Rental rates for the RGI program are capped at 30 percent of gross household income.

Source: HIRS Taxable Benefits (2021)

Participation

The pilot project allocated up to 100 units for RGI, yet the program is not fully subscribed. As of June 2022, there were 61 individuals occupying units through the RGI program.

While not yet fully subscribed, the program receives a lot of interest:

⁵⁴ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 10

- Between its inception and the end of 2020, the Staff Program received 412 applications. Of these applicants, 57 (14 percent) were housed, 13 (three percent) were waiting for a decision or a unit, and 342 (83 percent) were ineligible, withdrew, or removed from the program before being housed. Similarly, during the fiscal year 2021/22 alone, a total of 71 applications were received for the staff program of which 19 were approved and the rest were ineligible, withdrew from the program or were still under review.
- By the end of fiscal year 2021/22, a total of 60 participants were housed and 13 were waiting for a unit.
- The program continues to see strong demand for one-bedroom suites and has not accepted applications for this size suite since February 2022.
- The average length of time from initial application to the start of a tenancy was 6 months in the summer of 2022. The wait time may be as low as three months, depending on applicants' housing needs.

Demographic information on tenants is available through the March 2022 HAP Annual Report. The following characteristics were observed of the 60 households accessing the RGI program in the previous year:⁵⁵

- Seventy-eight percent were members of CUPE 2950 (representing library, clerical and theatre workers) and CUPE 116 (service workers).
- Sixty-eight percent were female.
- Seventy percent fell between 25 to 44 years of age.
- Sixty-five percent were single person households, 20 percent couple parent households, and 15 percent single parent households.

The 2021 RGI Evaluation Report also found the following characteristics among the 57 households accessing the program in 2020:⁵⁶

- The staff program served modest-income households with an average household income of \$47,112 in 2020, far below the income limits of up to \$73,500 (Figure 65)
- Fifty-six percent were residing in the City of Vancouver prior to moving on-campus while 18 percent were already living on campus in the Faculty Staff Restricted Rental housing portfolio.
- The median length of service with UBC was 24 months.

⁵⁵ UBC Housing, Immigration and Relocation Services, VP HR: Housing Action Plan Annual Report 2021, June 16, 2022, https://bog3.sites.olt.ubc.ca/files/2022/06/11_2022.06_Housing-Action-Plan-Annual-Report.pdf, page 11

⁵⁶ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 8

Figure 65: Average Income by Unit Type, Staff Program, 2020

Unit Type	Average Income	Income Limit	Avg Income as % of Income Limit
1BR	\$ 43,537	\$ 51,500	85%
2BR	\$ 49,324	\$ 63,000	78%
3BR	\$ 54,168	\$ 73,500	74%
All	\$ 47,112		

Source: UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 8

What is working well?

Provides many benefits to program participants

Program participants shared in interviews and through a 2021 RGI evaluation report that the program increased their overall quality of life due to improved housing conditions and affordability, neighbourhood safety, reduced commuting times, increased personal time, and reduced stress. Improvements in location, size and property management were also identified as key benefits of participating in the program.

Participants generally felt more engaged or connected to campus life, even though this was affected by restrictions on social interactions due to the global pandemic up to recently.

Despite paying more for housing in comparison to their previous circumstances, single persons housed in the program saw other program benefits particularly related to improvements in the quality and adequacy of housing, property management, amenities, and commuting times. Living on campus reduced transportation costs for some households.⁵⁷

Supports employment and retention at UBC

Availability of the RGI benefit and the restricted rental program are motivating factors to continue working at UBC. While entry-level staff incomes are not high, the possibility of including housing, can amount to a competitive compensation package. This is not marketed as such by UBC.

Supports priority staff groups

RGI is the primary program to support staff, including important lower-paying staff positions on campus, EDI-deserving groups, single parents and larger households.

The RGI program is particularly beneficial to tenants whose incomes are low and not variable.

⁵⁷ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 13

Provides income flexibility for beneficiaries

In an internal evaluation of the RGI program, a number of applicants with incomes close to the income limits shared their reluctance to accept a unit given the risk of becoming ineligible should their income increase, which would mean they would have to choose between paying VGH rents that they could not afford or moving. They perceived the income limit as a cap on earnings and a disincentive to work.

In response, UBC introduced changes that ensured program participants no longer had to earn less than BC Housing income limits for ongoing participation in the program. These changes allow participants to receive a tapered subsidy that keeps their rent contribution at 30 percent of their income and remain in their unit at the regular rental rate once 30 percent of their income matches regular VGH rents.⁵⁸

Uses an efficient application process

Applicants said that the RGI application process was easy, provided detailed information and that communication with administrators was easy and responsive.

The RGI program administration staff itself feel that it is organized and effective in terms of filtering, approving, and communicating with applicants.

Participants appreciated being prioritized for RGI units and that the process does not require credit history or a statement of bank balance. The process appears to be free from discrimination that people reported experiencing renting from private landlords.

What is not working well?

Uneven financial benefits

Program participants reported varying levels of financial benefits. The 2021 Evaluation Report reported that families with children accessing the RGI program generally reported that their housing affordability was similar or greater than their previous rental situation. Single persons, however, reported reduced affordability.⁵⁹

Taxable benefits impact affordability

Taxable benefit administration has been challenging and it is difficult for UBC administration to communicate and for participants to understand. As the process of calculating the benefit amount occurs manually it can lead to miscalculations and is administratively burdensome.

The taxable benefit has a notable impact on housing costs for all households as any increase to the subsidy amount will increase the taxable benefit. However, the impact is felt greater by households with lower incomes.⁶⁰

⁵⁸ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 15

⁵⁹ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 9

⁶⁰ UBC estimates that for every \$100 of housing subsidy provided by UBC: the employee's housing cost is reduced by \$70; the employee pays payroll taxes of about \$30; UBC pays payroll taxes of up to \$7; See UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 16.

Restrictive eligibility criteria

The limited criteria for the program mean that not all positions and individuals who would benefit from the program are eligible.

The 2021 RGI evaluation report showed that the primary reason applicants were not approved was due to ineligible employment, specifically, part-time employment, term employment of less than one year, and being a postdoctoral fellow. These positions are not eligible as they do not align with the program objective to provide long-term rental housing to full-time staff. A number of applicants were ineligible due to income and assets criteria, particularly dual-income households.⁶¹

Limited awareness of the program

There is no formal communications strategy for the rental housing programs, including RGI. Because UBC is a large and decentralized organization, it is hard to know if all the people who need the information receive it.

Participants shared that the RGI program is not well advertised and is not effectively reaching all the staff it needs to. Participants primarily found out about the program through word of mouth, and subsequently through the website. The program was not discussed during hiring processes.

Detailed personal information required

The 2021 RGI Evaluation Report indicated that, overall, applicants perceived it to be easy to apply, but suggested that more information be made available upfront, including program guidelines, tenancy terms and conditions, eligible units, and the full costs of housing, so they could make an informed decision about participating earlier in the process.⁶²

Some of the information was said to be difficult to share or to understand what information is being asked for without receiving assistance in the process.

Strong demand for smaller bedroom units

There has been more demand for one-bedroom units and less demand for two- and three-bedroom units than expected. Program modelling assumed that 30 percent of the allocated units in the Staff Program would be one-bedroom units, 50 percent two-bedroom units, and 20 percent three-bedroom units. For the 58 tenants in 2020, 52 percent lived in one-bedroom units, 28 percent in two-bedroom units and 20 percent in three-bedroom units, indicating a misalignment of demand with unit mix.

The high demand for one-bedroom units relative to the total and eligible unit mix may impact future accessibility and has already started to result in longer waits for available one-bedroom units for program participants and has significantly restricted the availability of these smaller units for faculty and staff not

⁶¹ The evaluation did not explore barriers to applying for the program, only the reasons why applicants were ineligible, removed or withdrew from the program.

participating in the programs.⁶³ UBC has closed applications for one-bedroom units since February 2022.

The limited demand for larger units also suggests that families face barriers to participating in the program.⁶⁴

Lack of flexibility around income requirements

Interview participants noted that income requirements limited who could participate in the program and that an income ceiling impacts their motivation to improve earnings. Changes that were introduced to the program in early 2022 introduced a variable income ceiling up to a maximum of VGH rents.

While this change effectively introduces the ability to grow one's income while remaining in the program people's perceptions and past experiences will have to be considered in future communications to ensure the program is well understood.

It was noted that RGI being set to 30 percent of household income continues to present a challenge to people who have variable annual incomes. This is the case for participants who take on temporary employment contracts as their current income may not reflect their ability to pay increased rents.

While multiple factors may contribute to the limited uptake of larger units the current housing income limits (HILs) being too low are one known issue that currently prevents entry into the program for families who earn more than one income.

The 2021 RGI Evaluation Report recommended changing household income thresholds from HILs to other income limits. Options to address barriers due to income include basing income limits on the following:

- The minimum income required to pay the average rent for an appropriately sized unit in the VGH portfolio.
- An income standard, such as Faculty Program income limits, BC Housing Low- and Moderate-Income Limits.
- Another limit specific to staff incomes.

It was suggested to keep the affordability ratio at 30 percent and limit any changes to the calculation to enhance affordability to targeted exemptions and adjustments to income as needed.

6.3.3 Findings applicable to both rental programs

Throughout the interviews, participants provided feedback that was applicable to both affordable rental programs. As RGI is a subset of the Faculty Staff Restricted Rental program some findings applicable to RGI are presented in Section 6.3.1

⁶³ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 2, 10, 12, 13.

⁶⁴ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 14.



7 Conclusion

7.1 Overview

UBC employs individuals who earn a wide range of salaries and are part of a diverse range of household sizes and compositions. They are renters and owners who live in many different housing types. Their needs and aspirations vary based on individual preferences, household composition, cultural background, household income, personal values, and many other factors. As

an employer and top university in an expensive housing market, the ability of faculty and staff to meet their housing needs and aspirations is a critical question for recruitment and retention. This section summarizes the findings from this Study and identifies opportunity areas and recommendations for addressing employee housing needs and aspirations.

7.2 Summary of Findings

The Faculty Staff Restricted Rental program increases housing choice and affordability for eligible employees by offering high quality units in new buildings, close to work, and at lower than market rents.

The Faculty Staff Restricted Rental offer housing stability and convenient access to work and nearby amenities. They respond to both affordability and supply issues in the broader rental market in the region. They are also a recruitment tool in that incoming faculty are given precedence on the waitlist and able to access coveted units as part of recruitment processes.

The large waitlist and the high cost of renting in the private market indicate continued demand for these programs, especially larger units which are generally in short supply.

The consistent pace of development at UBC also means that new units are continually being added to the supply of rental housing for faculty and staff, allowing VGH to offer units to everyone on the waitlist every year or two.

The innovative RGI program directly aims to improve affordability for households making moderate incomes.

While RGI programs exist in the non-market housing sector, it is unusual for an employer to offer RGI rental housing for its staff, and this represents an innovation and leading example in workforce housing. The RGI program offers significantly improved affordability for eligible households, among the other benefits of living at UBC.

Illustrative Example

A full-time staff member who is a single parent with one child earning \$40,000 per year (the lowest salary quintile for staff at UBC) would need to spend more than half of their household income to afford a two-bedroom unit at the median rent in Vancouver. The unit would likely be far from work and in an older building. The RGI program offers households earning lower incomes to access units that are not only significantly more affordable, but also in newer buildings with up-to-date amenities, close to parks and recreation facilities, and within walking distance of work, childcare, and school.

The DPA program is popular and makes entering the homeownership market more accessible for all eligible faculty.

As an entitlement program, DPA benefits all eligible faculty who wish to enter homeownership, with particular benefits for first-time homebuyers who are earlier in their careers. Interviews with various stakeholders showed that it is a popular program that creates a sense of goodwill to UBC as an employer. It provides assistance, but it does not cover the entire cost of a down payment and therefore proportionately helps households with fewer savings who are looking for more modestly priced housing. As housing costs have increased in the region, the proportional impact of the program has declined over time. UBC has increased the DPA amount in response.

The extremely high cost of larger units, such as townhouses or detached dwellings, makes saving up for a down payment, even with the DPA, challenging in many cases. Many households may have access to other sources of funding to purchase a home, such as family support, inheritance, or equity from a previous home.

Illustrative Example

If a household wishes to purchase an apartment condominium with a 20 percent own payment, DPA reduces upfront costs by 28 percent on a typical dwelling. This could reduce the time required to save for upfront costs by months or even years depending on a household's financial situation.

The PIRL program is UBC's most direct and strategic recruitment and retention tool for faculty and senior leaders. Information about the program, its purpose, and benefits could be communicated more effectively.

The PIRL program was regarded by interviewees involved in recruitment and retention processes as a critical tool for recruiting and retaining high priority faculty. The impact on housing costs is significant and the exclusive and flexible nature of the program gives the program high leverage. It is a *significant* benefit for successful applicants that likely allows them to meet housing aspirations they may not be able to otherwise.

It is also a limited program and the guidelines for qualifying for a retention PIRL are not clearly defined. Unlike the DPA program, PIRL is less a housing affordability program, than a very strategic recruitment and retention tool. A lack of clear communication on the intent of the program and clearly defined qualifying criteria and processes creates some tension among unsuccessful applicants and faculties.

Illustrative Example

A faculty member who accesses PIRL also has access to DPA, resulting in a double benefit. If this faculty member were part of a household that wished to purchase a typical home in Vancouver, a typical PIRL of \$250,000 would reduce monthly housing costs by 28 percent for an apartment condominium, 19 percent for a townhouse, and 13 percent for a detached dwelling, a dramatic savings.

Employees in low to moderate income households face unaffordability and hardship in the regional housing market today.

At minimum, households should be able to meet their housing needs, meaning that their home is in a good state of repair, that it has an adequate number of bedrooms for the household composition, that it is affordable to the household (30 percent of less of gross household income), and that it is within a reasonable commuting distance from work and other destinations such as children's schools, daycare, groceries, and other amenities.

UBC employees typically earn higher salaries than the individual income distribution of the region overall. However, despite this, the high cost of housing in Metro Vancouver means that employees whose households earn low to moderate incomes may be unable to meet their basic housing needs.

Illustrative Examples

A UBC employee who earns the median staff salary and who lives alone would only just be able to afford the median rent for a one-bedroom unit in the City of Vancouver, and does not earn enough to afford the market rent in a newer building at UBC or in the City of Vancouver. Because of the low vacancy rate (1.4 percent across the region), the actual rent they would be up against in today's market is expected to be far higher with significant competition among renter households). This household does not earn enough income to afford the monthly costs of owning a condominium, even with a 20 percent down payment.

A UBC employee earning in the bottom 20 percent of staff salaries who is a single parent with one child would be priced out of all rental and homeownership options in the region. They would either be paying far more than 30 percent of their income on housing—resulting in high stress and trade-offs with other necessities of life—or, if they were fortunate, would be accessing non-market housing. This household would likely face significant barriers searching for housing as they may also face discrimination as a single parent among landlords. With long waitlists for non-market housing across the board, they would likely wait one to two years before they were able to access a unit.

While UBC employees typically earn higher incomes, the high cost of housing in the region can negatively impact the ability of households to meet their housing aspirations.

UBC offers many highly paid positions. Most faculty and many staff are considered to be among the top individual salary earners in the region. Affordability scenarios show that UBC employees earning median incomes and above in typical households are likely able to meet their housing needs in the community. However, the high cost of housing in the region and the limited supply of desired units means that many households may feel like they are not meeting their housing aspirations. The ability of households to meet their housing aspirations contributes to long-term job satisfaction and desire to stay within the community.

While housing need describes the minimum basic needs that households should be able to meet in their housing, housing aspiration describes the hopes, dreams, and expectations households may have for their housing. Within the context of the local housing crisis, it may feel uncomfortable to discussing housing aspirations. However, for the purposes of this Study, housing aspiration is not meant to mean an extreme form of luxury. It is meant to reflect the reasonable goals that households with good incomes may have with regards to the location, quality, size, or amenities of their housing. This will be different for every family. The reality is that housing costs are much lower in many communities than they are in Metro Vancouver. Households looking to buy or rent in the Metro Vancouver region often make do with much more modest housing than their incomes could acquire in other communities. Despite this, they often stay in the community because of the quality of life, amenities, good

weather, and their jobs. However, there is evidence that housing unaffordability in Vancouver specifically, and the region more broadly, is pushing some households out of the community. The pandemic—and opportunities to work from home—appears to have accelerated these trends. For highly educated workers who are competitive in the job market, as UBC employees are, housing options in other communities are increasingly attractive and this is a real consideration in recruitment and retention processes.

While this discussion has focused on higher income earners at UBC who have the leverage within the job market to leave for other universities and other communities, housing aspiration is not exclusive to high income earners. Having a home that makes a household happy and comfortable is the aspiration of most. UBC works to support these aspirations through its Faculty Staff Restricted Rental program and Rent-Geared-to-Income program, making newer, high quality rental available to a range of income levels.

Illustrative Example

A UBC faculty member in a five-person, dual-income household with a total household income \$286,000 (a very high income) would need to spend more than 52 percent of monthly household income to own a detached dwelling in Vancouver, even with a 20 percent down payment. They would be limited to multi-family housing options such as townhouses or condominiums, of which larger units are in short supply. While they would likely be able to find housing that meets their needs and allows them to own a home, they may have unmet housing aspirations.

Long commutes cost employees money and time, but high costs and limited options may prevent some employees from living closer to work.

UBC employees make trade-offs between living close to work at UBC where housing is more expensive and more limited, and living farther away in communities with lower housing costs and more options. While households may find lower cost housing living farther away from UBC, they experience additional time and cost burdens with commuting. Employees who live at UBC or in adjacent neighbourhoods have more options to walk and cycle to work and school, reducing transportation costs compared to other communities. However, cost of renting at UBC and in Vancouver's West Side prevents lower and moderate income households from benefiting from this amenity. The Faculty Staff Rental Housing and RGI programs create opportunities for more UBC employees to live close to work.

Illustrative Example

Surrey offers greater housing affordability than UBC, Vancouver, Burnaby, and Richmond. However, commuting to UBC from Surrey by public transit would cost approximately three hours of time each day and \$185 for a monthly pass. Commuting by private vehicle from Surrey would cost approximately two hours of time each day and close to \$600 per month.

Housing is potentially a recruitment and retention tool to support UBC's equity, diversity, and inclusion goals, and could help UBC attract high priority candidates.

Among faculty at UBC, women, Indigenous people, visible minorities, and persons with disabilities are under-represented compared to the general population. Indigenous people, visible minorities, and persons with disabilities are also under-represented among staff.

This under-representation is the result of numerous societal factors, some historical—such as the previously lower rates of university attendance by women—and some both historical and ongoing—such as the legacy of residential schools, ongoing under-resourcing of education for Indigenous children and youth, and high rates of family separation and child apprehension among Indigenous families that negatively impact educational attainment. These factors contribute significantly to the pool of available candidates across various demographics. In addition to these broader systemic factors, there are macro and micro issues within UBC that contribute to some work environments being exclusionary or unwelcoming to some qualified candidates or employees. The President's Task Force on Anti-Racism And Inclusive Excellence Final Report addresses this in greater detail from the lens of racism.

Equity in this case is not about salary levels. Analysis of salaries by equity indicators revealed that while equity-seeking groups are under-represented at UBC, they are earning salaries at a similar level or higher than the overall salary levels of UBC employees. The equity issue in this case is more difficult to address and that is representation within UBC. UBC is not unique in working to

address under-representation and historic exclusion. It is competing with other large academic institutions for a limited number of candidates.

Among the tools available to UBC is targeted housing programs to high priority candidates with a focus on addressing under-representation and meeting equity, diversity, and inclusion goals. This emerged from interviews with various stakeholders. Housing programs could be a tool to make UBC a more competitive employer in the marketplace, however, this does not address the historical and ongoing barriers to employment within academic institutions more broadly that have resulted in the under-representation of some demographics, specifically Indigenous people, visible minorities, and persons with disabilities among all positions, and women among faculty.

The Rent-Geared-to-Income Pilot Program could be improved with an update to household income limits and better communication to eligible staff.

At present, the RGI program is under-subscribed. Interviews with program beneficiaries revealed that most heard about the program through word of mouth, indicating a potential lack of awareness among employees about the program. UBC could improve the reach of this program through a focused communications strategy, including notifying all potentially eligible staff about the program upon their hire, and sending an annual reminder to all staff to increase awareness.

Recognizing the significant affordability crisis in the region, the affordability analysis findings suggest a review of the income thresholds used to determine eligibility criteria. BC Housing's Housing Income Limits (HILs) are used to set qualifying

household income levels, but may not be an adequate threshold for the Rent-Geared-to-Income program. The low HILs levels in relation to the high cost of market housing exclude many households who are unable to meet their housing needs in the market. Dual-income households are also very likely to not meet the threshold, even though they may be unable to afford market rents. The Opportunity Areas and Recommendations section below proposes revised household income thresholds.

Due to high demand, there is tension between addressing housing needs and meeting recruitment objectives through the Faculty Staff Restricted Rental Program.

On a typical month-to-month basis, it is primarily high priority applicants that access Faculty Staff Restricted Rental units. This creates an inherent tension between creating housing options for new faculty hires (which supports recruitment), and supporting employees in need of affordable housing in general (which supports overall retention). As faculty typically earn higher salaries than staff, this also means that higher income households receive higher priority, which was raised as an equity concern. This reflects the tension of UBC as an employer working to attract high priority faculty while also working to address some of the housing pressures staff are facing in the region. All jobs are necessary to ensure the University is able to function as a high-quality learning and research institution. Further consideration of the prioritization levels and the allocation of units by job category may be needed over time as housing unaffordability in the region grows.

Interviewees also noted that postdoctoral fellows and research associates are currently falling through the cracks. While earning lower incomes and in need of more immediate housing due to their shorter employment contracts (typically a few years), they are considered lower priority for Faculty Staff Restricted Rental units and are ineligible for RGI units.

Illustrative Example

For a family with children that requires a unit with three or more bedrooms, the current RGI threshold is a gross household income of \$80,000. However, the household income required to afford the median rent for a three or more-bedroom unit in Vancouver, is \$110,000. The actual cost of available units in a low vacancy rate environment would likely require a much higher income. As HILs are used both by UBC and BC Housing, this leaves a significant number of households both priced out of the rental market and excluded from non-market housing options.

The current administration of the taxable benefits reduces the affordability benefit offered by Faculty Staff Restricted Rental Housing, and undercuts the objectives of the Rent-Geared-to-Income program.

The impact of the taxable benefits is an issue across the board but requires specific attention in the case of the RGI program. Rent levels in the RGI programs are set at 30 percent of monthly

household income, based on the standard definition of affordability. However, from the very start of their tenancy, this structure and the resulting taxable benefit ensures that households will pay more than 30 percent of their income on housing. Further, because RGI units are steeply discounted, the taxable benefit assessed is much greater than for other households in Faculty Staff Restricted Rental Housing, meaning the lowest income households face the greatest additional tax implication that adds housing costs above and beyond their rent. UBC could address this, and support households in achieving real 30 percent of gross income housing affordability, by reducing the set rent levels from 30 percent to a lower figure with the aim that the total of monthly rent plus taxes associated with the taxable benefit equal 30 percent of gross household income. This could either be based on average taxable benefit costs, or it could be calculated on a case-by-case basis. However, the latter is not recommended due to the administrative burden this would impose on UBC staff involved in administering the program.

Illustrative Example

As of 2021, the average monthly taxable benefit ranged from \$487 for a one-bedroom unit to \$1,105 for a three or more-bedroom unit. Depending on the household's marginal tax rate (which typically ranges for 27 percent to 35 percent), this could mean hundreds of dollars in reduced income each month.

7.3 Recommendations

7.3.1 General

Increase housing programs for low to moderate income staff, increase their participation in existing programs, and explore additional programs to support staff into the future.

From an equity perspective, lower income households are facing the greatest barriers in the housing market today. These employees are more likely to be experiencing acute housing stress and may be motivated to seek housing options in lower cost communities.

Explore the use of housing programs to attract faculty and staff from historically marginalized groups (e.g., those who are Indigenous, people of colour, women, and/or persons with disabilities).

The intent would be to address historical under-representation at UBC and within academic institutions. The use of housing programs would potentially give UBC a competitive advantage as an employer.

Implement a communications program to increase awareness among faculty and staff about UBC housing programs and Eligibility.

Interviews revealed uneven awareness among faculty and staff about the availability of various programs, eligibility criteria, and application processes. Across programs, interviewees reported a lack of clarity or confusion about the programs. RGI program participants, in particular, indicated that they primarily heard about it through word of mouth.

Monitor key performance indicators that demonstrate the impact of UBC Faculty Staff housing programs in relation to recruitment and retention as part of annual reporting to the UBC Board.

Generally, the impact of each program on recruitment and retention over time is not well-understood. The integration of a monitoring program centered on recruitment and retention key performance indicators would support UBC in evaluating the success of these programs for recruitment and retention over time. Example performance indicators could include tracking length of employment of beneficiaries, turnover rates compared to non-beneficiaries, and cost to UBC in relation to these.

7.3.2 Down Payment Assistance (DPA) Program

Feedback on suggested improvements was limited, as the DPA program is an established entitlement program that is well-received. Participating interviewees had comparatively little feedback to offer.

Explore increasing the loan amount, including for target groups, to ensure the DPA continues to be a benefit in recruitment and retention.

DPA may be seen as an entitlement that is increasingly taken for granted rather than a distinct benefit that impacts faculty members' choice to join or stay at UBC. Suggested ways to ensure it can continue to support recruitment and retention included:

- Consider increasing the loan amount in conjunction with housing market changes.
- Provide program administrators in each faculty with increased flexibility to increase the loan limit at their own cost as they see fit. This would enhance the benefit as a recruitment tool and provide greater financial benefits to recipients.
- Introduce university-wide funding pools specific to historically under-represented faculty under this program.
- A starting point for exploration is to explore why the benefit is used to varying degree across faculties.

Improve support for recipients during the purchase period.

Improve communications with DPA recipients by regularly providing updates to program recipients during the stressful purchase period. This specifically includes providing confirmation of the DPA amount and guaranteed date of delivery of the funds in writing to support making purchase offers.

Expand program eligibility to support unique housing situations.

Explore ways to allow the DPA to apply to alternative housing arrangements (e.g., co-ownership) and consider removing information requirements tied to a sale offer (e.g., address of house).

Automate the taxable benefit process.

As an entitlement-based program, the application process could be automated to improve efficiency. This is of particular concern regarding the administration of taxable benefits.

7.3.3 Prescribed Interest Rate Loan (PIRL) Program

PIRL is a relatively new, and selectively applied program that has not reached maturity. A number of potential areas of improvement were identified.

Explore the development of prioritization criteria to support the Office of the Provost in evaluating applications.

The Office of the Provost considers departmental recommendations for PIRL approvals. However, in an increasingly competitive environment for limited funding the allocation of PIRLs may require more prioritization between faculties and clarity on the amount of appropriate funds. Prioritization criteria and guidance could be helpful to support the decision-making process and managing the expectations of faculty applying to the retention stream in particular. Prioritization could occur based on levels of seniority, stage of career or prominence in their field and whether they hold a research chair position. There was interest in also exploring criteria, clustering, or other mechanisms to prioritize candidates from historically under-represented groups. Any changes have to consider that retention PIRLs are used in different ways by different faculties.

Explore the level of PIRL required for effective recruitment and retention through market research.

It is unclear what level of financial contribution actually contributes to a successful recruitment or retention. To date approved amounts have ranged from \$50,000 up to \$500,000. In exceptional circumstances, higher amounts have been approved. Clear parameters informed by market research could help set clear standards.

Monitor how funding is allocated by Faculty and Explore program adjustments as needed.

Currently, the PIRL program is not used evenly across faculties. UBC should engage its faculties at regular intervals to better understand different levels of use and adjust funding allocation criteria if barriers are found that prevent some faculties from accessing the program.

Set intake dates for retention PIRLs.

Changing the rolling intake to a set interval intake system would help support processing retention cases, establish procedural clarity, and help evaluate applications against prioritization criteria (including EDI priorities).

Set intake points should not compromise the ability to retain a flexible funding pool for time-sensitive applications during hiring processes or faculty who are at flight risk.

Improve communications regarding pirl as a merit-based, limited program.

Departments heads or UBC may inadvertently or explicitly advertise the program to current or incoming faculty. As a result, applying faculty may be under the impression that they are automatically approved for the PIRL program by being eligible to apply.

UBC template letters need better clarify that the program is a merit-based, competitive program reserved for priority cases.

Require retention PIRL applications to be made by faculties.

Currently, faculty members do not need to initiate a discussion with their dean or department head to apply for retention PIRLs. However, they require their support to be successful. This results in frustration and a disconnect when faculty members proceed to apply without endorsement and are rejected. Redirecting retention applications to the faculty would streamline this process and reduce conflict.

7.3.4 Faculty Staff Restricted Rental Housing

As a broadly used and widely known and appreciated program, the restricted rental housing program was praised by many interviewees. Feedback on suggested improvements remained broad and often focused on physical design aspects.

Continue to build rental housing for Faculty and Staff.

UBC should continue to develop rental housing as the program is critical for recruitment and retention, especially for priority incoming faculty. This needs to go together with increasing daycare spaces.

In the determination of the type of supply UBC should consider which groups are underserved in critical staffing positions and in consideration of changes to the RGI program.

Review waitlist prioritization with a focus on equitable access for staff.

The prioritization of incoming faculty was especially lauded by staff involved in hiring at the faculty level. However, prioritization for tenured- and tenure-stream faculty means less access to the program for UBC staff and supporting staff and non-tenure-stream faculty. This particularly means identifying ways to ensure an equitable distribution of larger units.

An initial step could be to monitor the actual allocation of units by priority group over time.

Explore ways to support postdoctoral fellows and research associates.

Postdoctoral fellows and research associates require housing in the short-term, due to the length of their contracts, and typically earn modest incomes. Postdoctoral fellows and research associates could be better supported, through adjustments to how they are prioritized for Faculty Staff Restricted Rental Housing, such as allowing them to be eligible for RGI housing, or

developing a specific program for them. For example, a set number of units each year could be dedicated to postdoctoral fellows and research associates.

Improve program administration through small process changes.

Participants suggested minor improvements to the program, including making the approval process for subletting rental units less restrictive and having a process in place to review pet policies for older rental buildings.

The waitlist stratification process could be made more efficient by gathering accurate employment groups through the VGH application form.

Some participants remained unclear how VGH prioritizes internal unit re-allocations and would like to see clearer prioritization criteria. Criteria would need to include changing household needs requiring larger units over time and identify how re-allocation is managed in a transparent way.

7.3.5 Rent-Geared-to-Income Pilot Program (RGI)

The RGI pilot program is UBC's newest housing program. Many interviewees had limited knowledge about the administration of the program. Feedback on suggested improvements draw from both, interviews and a March 2021 RGI Evaluation report

implemented by UBC Housing, Immigration and Relocation Services.

Make the pilot program permanent.

The RGI Program is UBC is innovative among workforce housing programs and works directly to address a key housing gap in the region's housing stock: affordable rental housing for low to moderate households. This program should be made a permanent feature of UBC Faculty and Staff Housing Programs.

Improve program information.

The 2021 RGI evaluations highlighted that ineligible employment—specifically, part-time employment, term employment of less than one year, and being a postdoctoral fellow—was the primary reason for applicants not being approved. A large number of applicants also withdrew after being approved and during the income verification process, citing various reasons including a preference for their current housing, finding more suitable housing elsewhere, finding the overall cost of housing too high, or due to household circumstances such as partners who work significant distances from the university or children in off-campus schools.⁶⁵

To avoid failed application and to reduce the number of applicants who withdraw from the program, UBC should consider Improving program information.⁶⁶ Working with people who are recruiting, as is done with PIRL, may be a suitable strategy to improve information transfer.

⁶⁵ Uncertainty about work and a reluctance to move during the global pandemic also contributed to people withdrawing or declining to accept units.

⁶⁶ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 14

Introduce a communications plan to better reach intended beneficiaries, including through the hiring process.

Interviewed program participants shared that the RGI program was not mentioned during their hiring processes. Interviewees primarily learned about the program through word of mouth.

While RGI participants highly value the program and see it as a special benefit, it is not communicated as a benefit by those hiring entry-level staff. A targeted outreach and engagement plan can increase awareness of the program and subsequently its participation. Outreach should target priority employment and recipient groups in consideration of both, UBC's commitment to diversity, equity and inclusion, as well as units that are undersubscribed at the moment.⁶⁷

Improve management of unit mix.

The program was modelled at a ratio of thirty one-bedroom, fifty two-bedroom, and twenty three-bedroom units. As the program was oversubscribed for studio and one-bedroom units, UBC stopped accepting applications from those who would qualify for one-bedroom units until further notice. This was an effort to keep the unit mix close to what was approved.

As an initial measure, the 2021 RGI evaluation report suggested to allocate a maximum number of program spaces for each unit type (as opposed to a target) to manage demand. A second

recommendation to address this issue included allowing up to two UBC employees to share larger units (i.e., to have a roommate to increase affordability) to increase affordable options within the portfolio for single persons. This may particularly benefit shorter-term renters, such as post-doctoral fellows.

Update household income thresholds to better reflect market gaps.

Household income required to afford median market rents in Vancouver's primary rental market would be an appropriate threshold to use and aligns with the core housing need indicator used by CMHC. A household is considered in core housing need when it falls below one of the three housing standards (affordability, suitability, and adequacy) *and* cannot afford the median rent in the community. By targeting the RGI program around the median rent in Vancouver (where most employees live), UBC would be working to directly reduce and prevent core housing need among staff.

Median rents are calculated each year and typically released in January. Proposed thresholds are shown in the table below and are based on the affordability analysis completed in Section 5 and housing costs based on median rents in Vancouver.

⁶⁷ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 18

Figure 66 Proposed Housing Income Thresholds, RGI Program

Unit size	Household Income Thresholds	
	Current	Proposed
Studio / one bedroom	\$57,500	\$62,100
Two bedrooms	\$69,000	\$82,100
Three bedrooms	\$80,000	\$110,100

The RGI program will need to be monitored over time to ensure it meets the intent of the program as well as the affordability needs of UBC employees. For example, UBC may wish to revisit household income thresholds again should the rental vacancy rate at UBC and in Vancouver significantly increase (e.g., consistently above 3 percent).

The proposed changes also reflect underlying factors that may be contributing to under-subscription to the RGI program. The current HILs for studio/one-bedroom units to the proposed income thresholds, while there is a significant gap between the current and proposed thresholds for two- and three-bedroom units.

The complexity of the administration of the annual calculation of income limits must be considered when making those changes.

Notably, the implementation of higher income limits for larger units would be expected to only reduce the average subsidy levels for larger units, and subsequently, the total average subsidy cost, allowing for an expansion of the program should there be sufficient demand, or enhancements to housing affordability levels.

Explore the feasibility of setting rents below 30 percent of income to account for the cost impacts of taxable benefit.

The taxable benefit has a considerable impact on participants' housing affordability. For example, a household that receives the average taxable benefit of \$1,105 per month at the marginal tax rate of 27 percent on a household income of \$57,520, would actually pay \$1,736 per month for a three-bedroom unit that rents at the RGI median of \$1,438. In consequence their housing costs are actually 36 percent of their gross household income.

Noting this impact, UBC should explore setting the RGI program target to a variable or fixed rate below 30 percent in line with the program's intent. While a fixed rate would be easier to administer, UBC should ensure that it is proportionate to the actual tax implications incurred by recipients.

Explore the feasibility of new ways of making off-campus rental housing more affordable.

Faculty and staff do not always want to live on campus and not all housing needs can be met through existing housing programs. There is a gap in rental support programs that provide, or support faculty in accessing rentals off-campus. UBC could explore a number of options including the following:

- Offering portable rent subsidies for renters in the private market.
- Building faculty staff housing on other UBC sites (e.g., Surrey).
- Implementing a free or more deeply subsidized transit pass for low to moderate income staff.

It is recommended that these types of programs be tied to household income, for example, using the RGI thresholds proposed above. These may go hand-in-hand with regular reviews of salaries in relation to the cost of living.

Provide flexibility on income earned to accommodate tenants with variable incomes.

Explore ways to provide flexibility around the rent charged under temporary employment situations, as this would allow tenants to have multiple streams of income during certain periods throughout the year. As-is, the program disincentivizes tenants to explore additional short-term incomes, specifically those paid on an hourly basis.

The program recently introduced a gradual increase of payments which is based on an annual evaluation. Payments increase with a program beneficiary's income until the VGH rent is reached.

As the program restricts the access to RGI units to a maximum of 10 years, participants are uncertain about what future housing options are available to them.

Improve RGI administration process.

Whether at UBC or among non-profit operators, due to validation requirements and, in this case the taxable benefit process, RGI programs are always resource-intensive to administer. As a result, there is a strong sense that processes, including taxable benefit calculations, communication and coordination throughout the application and allocation process could be improved.⁶⁸

This process did not dive deep into possible efficiencies around program administration, but it was suggested that UBC systematically explore improvements in the following areas:

- Adjusting how income is calculated to account for variable incomes (e.g., three-year averages).
- Creating a single point of contact for all administrative questions, including around the rent amount and taxable benefit calculations.
- Providing a way to offer direct and personal support to applicants during the application process to ensure they understand what information is being asked for.

Some participants noted it is not clear how confidential data is being stored and managed.

⁶⁸ UBC Housing, Immigration and Relocation Services: Evaluation Report: Faculty and Staff Rent-Geared-to-Income Housing Pilot Programs, March 11, 2021, page 9

Glossary

Accessible Housing: Generally understood to be a dwelling unit designed to provide access to a person with disabilities, e.g., a wheelchair user.

Adequate Housing Standard: “[Housing] not requiring any major repairs.”

<https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage037-eng.cfm>

Affordable Housing Standard: “[Housing with] shelter costs equal to less than 30% of total before-tax household income.”

<https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage037-eng.cfm>

CRA Prescribed Interest Rate: In this document, the CRA Prescribed Interest Rate is relevant for the PIRL program and refers to the interest rate below which taxable benefits are triggered. UBC charges the prescribed interest rate to PIRL program beneficiaries and therefore this program does not have taxable benefit implications for beneficiaries.

<https://www.canada.ca/en/revenue-agency/services/tax/prescribed-interest-rates/2022-q4.html>

Faculty and Staff Restricted Rental: These non-market units are managed by Village Gate Homes and are restricted to UBC employees. The units are rented at approximately 25 percent below-market rents across the portfolio. The participants of the Rent-Geared-to-income pilot programs are housed in the Faculty Staff Restricted Rental Housing.

Household Income: The sum of incomes for all household members.

Household Type: “The differentiation of households on the basis of whether they are census family households or non-census family households.”

<https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage012-eng.cfm>

Income: For the purposes of this report, unless otherwise indicated, income refers to “total income” which is before-tax and includes specific income sources. These specific income sources typically include employment income, income from dividends, interest, GICs, and mutual funds, income from pensions, other regular cash income, and government sources (EI, OAS, CPP, etc.). These income sources typically do not include capital gains, gifts, and inter-household transfers, etc.

<https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/pop123-eng.cfm>

National Occupancy Standard: The Canadian National Occupancy Standard (CNOS) assesses the bedroom requirements of a household based on the following criteria:

- There should be no more than 2 persons per bedroom;
- Children less than 5 years of age of different sexes may reasonably share a bedroom;
- Children 5 years of age or older of opposite sex should have separate bedrooms;
- Children less than 18 years of age and of the same sex may reasonably share a bedroom; and
- Single household members 18 years or older should have a separate bedroom, as should parents or couples.

Non-Market Housing: “Rental housing that is owned and operated by community-based, non-profit societies or local governments and regional districts. The mandate is to provide safe, secure, affordable accommodation to households with low to moderate incomes. Most non-profit housing societies receive some form of financial assistance from government to enable them to offer affordable rents.”

Based on definition of non-profit housing:

<https://www2.gov.bc.ca/gov/content/housing-tenancy/affordable-and-social-housing/housing-glossary>

Primary rental market, also referred to as purpose-built-rental, is generally defined by CMHC as rental units in privately initiated apartment structures containing at least three rental units.

<https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/RmsMethodology>

Rent-Geared-to-Income (RGI): UBC has a Rent-Geared-to-Income (RGI) pilot program and participants are housed within the Faculty and Staff Restricted Rental housing portfolio. The RGI is a staff program with a target of 100 units and a faculty program with a target of 10 units. RGI units provide a steeper level of affordability for lower to moderate income households. For staff, eligible households pay rent levels set at 30 percent of gross household income. For faculty, income thresholds were set at \$80,000 for a two-bedroom unit and \$99,500 for a three-bedroom unit. The faculty program was limited to faculty members with children coming to UBC from outside the Lower Mainland.

Secondary rental market describes rental units that were not originally purpose-built for the rental market, including private homes that are rented (single family, townhomes, and condominiums), as well as secondary suites and carriage homes.

<https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/SrmsMethodology#footnote1>

Shelter Cost (also Housing Cost): Total monthly shelter expenses paid by households that own or rent their dwelling. “Shelter costs for owner households include, where applicable, mortgage payments, property taxes and condominium fees, along with the costs of electricity, heat, water, and other municipal services. For renter households, shelter costs include, where applicable, the rent and the costs of electricity, heat, water and other municipal services.”

<https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/households-menage033-eng.cfm>

Suitable Housing Standard: “[Housing that] has enough bedrooms for the size and composition of resident households.”

<https://www12.statcan.gc.ca/censusrecensement/2016/ref/dict/households-menage037-eng.cfm>

Taxable Benefit: A benefit provided by an employer where an “employee receives an economic advantage that can be measured in money.” When an employee receives a taxable benefit, they pay the applicable marginal tax rate on the value of that benefit. At UBC, taxable benefits include UBC Faculty Staff Restricted Rental and the RGI Pilot Program, as they offer rents below comparable market rental rates, and the DPA, which provides a forgivable loan to supplement a down payment on a home purchase.

<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/benefits-allowances.html>

