



City of Richmond

Report to Committee

To: Planning Committee

Date: January 5, 2022

From: Kim Somerville
Director, Community Social Development

File: 08-4057-05/2022-Vol 01

Re: BC Housing's SAFER Program

Staff Recommendations

1. That the staff report titled "BC Housing's SAFER program," dated January 5, 2022 from the Director, Community Social Development, be received for information;
2. That the City of Richmond write to the provincial government, including the Attorney General and Minister Responsible for Housing, Richmond's Members of the Legislative Assembly and BC Housing to advocate for an increase to the maximum rent ceilings and monthly payment amounts provided by the BC Housing Shelter Aid for Elderly Renters (SAFER) program; and
3. That the City of Richmond forward the City's analysis regarding BC Housing's SAFER program to the Union of British Columbia Municipalities for consideration.

Kim Somerville
Director, Community Social Development
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REPORT CONCURRENCE		
ROUTED TO: Policy Planning	CONCURRENCE <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

On October 18, 2021, in response to an email inquiry from a member of the public, General Purposes Committee initiated the following referral regarding BC Housing's rent subsidy program, Shelter Aid for Elderly Renters (SAFER):

That the SAFER Program be referred to staff for analysis and recommendations on advocacy to raise the maximum qualifying income, including consideration of whether the matter should be forwarded to the Union of British Columbia Municipalities.

The purpose of this report is to provide a summary of BC Housing's SAFER program and to recommend next steps regarding advocacy.

This report supports Council's Strategic Plan 2018–2022 Strategy #6 Strategic and Well-Planned Growth:

6.5 Ensure diverse housing options are available and accessible across the housing continuum.

This report is also consistent with the Richmond Affordable Housing Strategy 2017–2027:

Strategic Direction 5: Increase Advocacy, Awareness and Education Roles

Analysis

The City is committed to playing a leadership role to increase housing choices for all Richmond residents, including seniors. The Affordable Housing Strategy (2017–2027) identifies seniors as a key priority group for the City's affordable housing programs and initiatives.

Using a range of tools, the City has supported several developments that provide housing for seniors (aged 55 and over), including Kiwanis Towers, which provides 296 units of affordable housing for seniors. Seniors also reside in other developments supported by the City—for example:

- 40% of households residing in a Low End Market Rental unit have at least one household member over the age of 55 years; and
- 67% of households residing in the Storeys building have at least one household member over the age of 55 years.

While the City has achieved much success in increasing housing choices for seniors, housing affordability is a complex issue that requires significant support from other levels of government. In particular, the federal and provincial governments have a key role to play in creating housing options for seniors in Richmond.

Seniors Housing Needs

With seniors being the fastest growing age group in Richmond, the need for affordable housing amongst this demographic is increasing. Although there are many affluent seniors in Richmond, seniors on average have lower household incomes than other age groups as they are more likely to be retired and to have fixed incomes. For example, while 2016 Federal Census data showed that Richmond renters had a median household income of \$49,121, the median income for senior renters was \$30,130.

Seniors make up a significant proportion of households on the BC Housing waitlist. As of September 2021, approximately 48% of households on the waitlist were seniors 55 years and over. This proportion has stayed consistent since 2017. This rate is also equal to the overall proportion of households led by seniors (55+ years) in Richmond, which is estimated at 47% of all households based on 2016 Federal Census data.

SAFER Program

There are a range of housing options for Richmond seniors, including private market apartments and affordable housing buildings. BC Housing's Shelter Aid for Elderly Renters (SAFER) program supports some of these housing options by providing monthly payments to support eligible seniors residing in market rental homes. The purpose of the program is to make market rents more affordable for low-income seniors. In September 2021, a total of 1,057 Richmond seniors (over 60 years) were receiving rent subsidies from the SAFER program.

Applicants for SAFER apply through BC Housing. Eligible seniors are those over the age of 60 years, reside in British Columbia on a permanent basis and pay more than 30% of monthly income towards the rent of their home. Last updated in 2018, the maximum qualifying income for SAFER is \$33,000 per household within the Metro Vancouver area (including Richmond). In 2018, BC Housing reported that the average monthly payment provided by SAFER across the province was \$265 per month.

Rent Ceilings and Monthly Payments

SAFER's monthly payments vary based on household income and rental payments. To determine monthly payments, the SAFER program defines rent ceilings, which are set at \$803 for singles and \$866 for couples (two people). The monthly payment is calculated as the difference between the rent ceiling and the amount a household can afford based on 30% of household income (Table 1).

Table 1: Example SAFER Subsidy Calculations

	Example 1 (Single Person)	Example 2 (Couple)
SAFER Rent Ceiling (Metro Vancouver rate)	\$803	\$866
Example Household Income	\$24,000	\$30,000
Maximum Rent (calculated as 30% of income)	\$600	\$750
Monthly SAFER Subsidy	\$803-\$600 = \$203 per month	\$866-\$750 = \$116 per month

While the SAFER program provides much needed rental subsidies for seniors, the program's current rent ceilings and monthly payments do not reflect increasing housing costs for renters in Richmond. For example, the rent ceilings used to calculate SAFER subsidies are significantly below the average rental rates for market rental apartment buildings in Richmond. In October 2020, the average market rent for a one-bedroom apartment in Richmond was \$1,313 per month and the average for a two-bedroom was \$1,496 compared to SAFER's rent ceilings of \$803 for single person households and \$866 for couples. In order to reflect the region's rising rental costs since 2018, SAFER's rent ceilings require a significant increase to be appropriate within Richmond's housing market.

Based on this analysis, staff recommend advocating to the provincial government for an increase in the rent ceilings and associated monthly payment amounts provided through SAFER.

Qualifying Income

As referenced above, the 2016 median income for senior renters in Richmond was \$30,130. This figure is aligned with the current income threshold of \$33,000 for the SAFER program. In order to ensure that the SAFER program continues to prioritize low-income seniors who are most in need of financial supports, staff support maintaining the current income thresholds of the SAFER program.

Next Steps

In summary, staff recommend working with the provincial government to advocate for an increase to the rent ceilings and associated monthly payment amounts provided by SAFER. At this time, staff do not recommend advocating for an increase to the qualifying income of \$33,000.

Pursuant to Council direction, staff will prepare letters to advocate to the provincial government, including the Attorney General and Minister Responsible for Housing, Richmond's Members of the Legislative Assembly and BC Housing to raise the rent ceilings and monthly payments amounts provided by the SAFER program. Staff will also forward the City's analysis regarding the SAFER program to the Union of British Columbia Municipalities for consideration.

Moving forward, the City will continue to monitor the housing needs of Richmond residents, including seniors, who are identified as a priority group in the Affordable Housing Strategy (2017–2027). The City will also continue to secure Low End Market Rental units for low and moderate-income households, including senior households. Finally, the City will continue to seek significant sources of funding from the other levels of government to create new affordable housing to respond to the growing need for housing.

Financial Impact

None.

Conclusion

The City of Richmond continues to be committed to increasing housing choices for all Richmond residents. As summarized above, low-income seniors continue to be a key demographic in need of affordable housing and other forms of financial assistance.

While the SAFER program provides much needed rental subsidies for seniors, the program's current rent ceilings and monthly payments do not reflect increasing housing costs for renters in Richmond. As the responsibility for creating affordable housing, including housing for seniors, falls on other levels of government, staff recommend working with the Province of BC to advocate for changes to the SAFER program. With the combined efforts of all levels of government, Richmond seniors can receive the assistance they require to achieve housing stability.



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