
Discussion Notes: Over-and Under-Housing

Over housing means having too many bedrooms for the size of the household.

Under housing means having too few bedrooms for the size of the household.

Member views on over- and under-housing vary greatly. Some members view their unit as a home where they have raised their family and invested much of themselves and their resources over time. Others feel it important to downsize and make room for families in need of co-op homes.

Your co-op will want to have this very important discussion with members before creating an over- and under-housing policy.

Before developing an over- and under-housing policy, consider the following:

Your Co-op Operating Agreement

You will need to check your operating agreement with CMHC or BC Housing to see what it says about occupancy standards.

Some operating agreements say nothing about the number of bedrooms a certain sized family may have. Others state the number of bedrooms a certain sized family can have. In summary:

No Occupancy Standards Required

Federal program

Section 61 (34.18)

Section 95 (56.1)

FCHP (ILM) – market units


Occupancy Standards Required

Provincial agreement with BC Housing

FCHP (ILM) – subsidized units

Homes BC – market (on move in) and
subsidized units

Homes BC co-ops are required to use the National Occupancy Standards (see sample policy). Subsidized members in ILM co-ops are also expected to follow these standards because their subsidies are administered by BC Housing. But the ILM program itself is a federal program, and the ILM agreement sets no occupancy standards for members who pay market housing charges. ILM co-op members will want to decide whether the over- and under-housing policy developed in their co-op will apply to both market and subsidized units.



Refusal to address over housed situations in subsidized units in Homes BC or ILM co-ops may result in loss of subsidy for the over housed member.

Even operating agreements that set strict standards allow co-ops some flexibility in enforcing them. No one wants to see members moved out of their co-op homes because their family size changes. And it may be hard to fill vacant co-op units if there are comparable units with less restrictive occupancy standards in the surrounding market.

Housing Market

In most co-ops at least some of the members must be able to pay the full market housing charge. In ILM co-ops the percentage of market paying members is as high as 70%. Even Homes BC co-ops – which have the strictest over- and under-housing standards – must rely on the market to supply 40% of their members.

Keep in mind that very restrictive occupancy standards may limit your co-op's ability to fill market units. This may have a serious impact on the financial viability of your co-op.

Other Considerations

We own our co-ops collectively and our units are our homes. Our policy decisions will reflect the values of our co-op communities and should include the needs of current and future members:

- The co-op commitment to offering affordable housing, now and in the future.
- A changing economy that has resulted in many members working from their homes and requesting additional space.
- The health and medical issues of an aging housing co-op population that have resulted in an increased requirement for additional space.
- The view that members should be permitted to remain in their co-op homes after children have grown up and moved away or in cases of bereavement, spousal separation and other.

The challenge for all co-ops will be balancing these many factors: managing their co-ops well, avoiding vacancy and maintaining the co-op's financial viability, treating members equitably, and meeting the changing needs of current members and housing future members.

As with all policies, it is important to apply the over- and under-housing policy fairly and consistently. Remember that no one policy will cover all circumstances, and the co-op may need to be flexible when applying this policy. For this reason, the sample policy outlines some over- and under-housing exemptions that are acceptable to most co-ops and provides the board with:

- the discretion to make over- and under-housing exemptions on a case-by-case basis, and



- the requirement to report any exemptions to the members