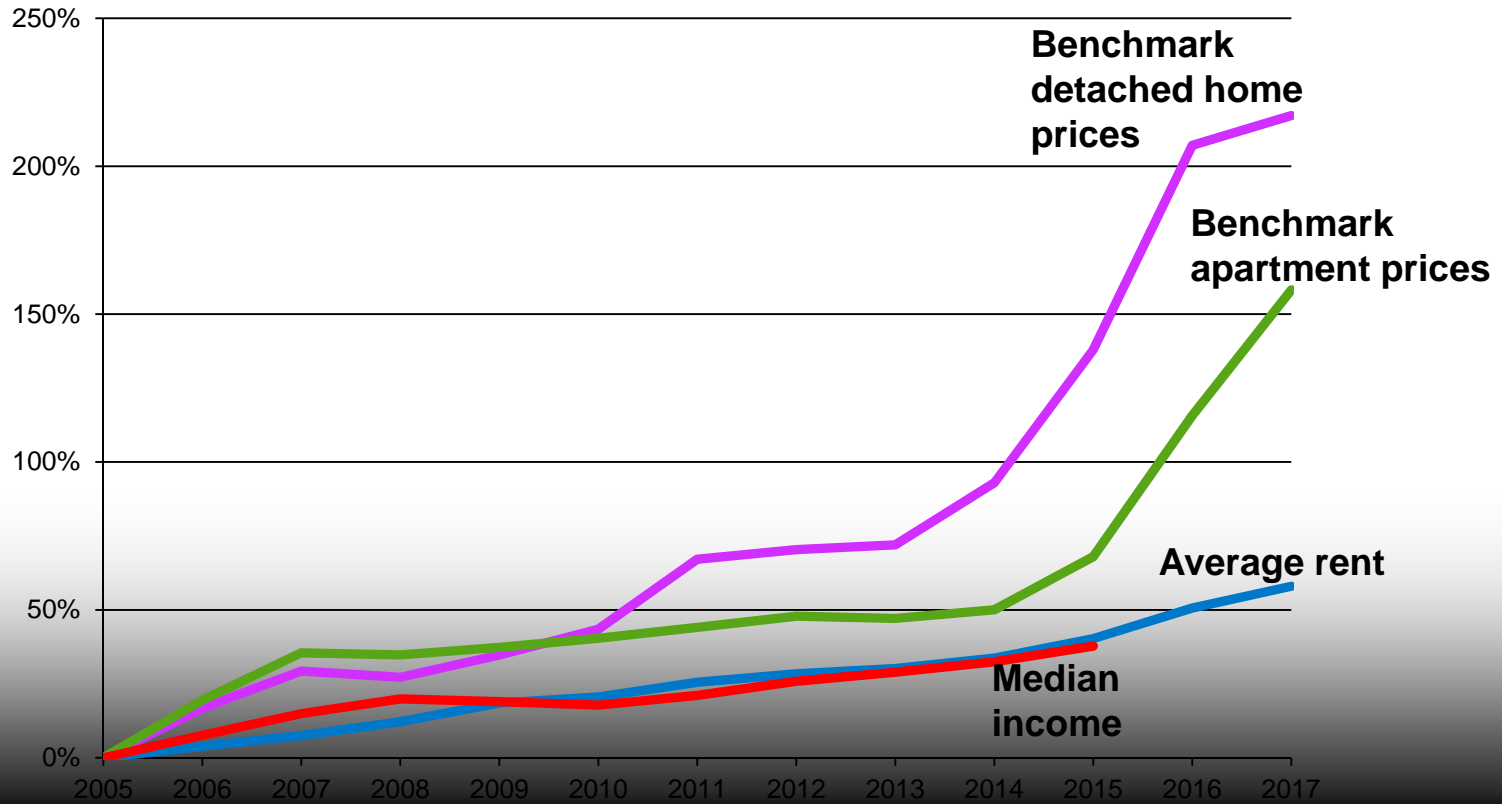


Housing Vancouver Implementation Update

Council Presentation

June 19, 2018

Vancouver's Housing Affordability Crisis



**Benchmark home prices are for Vancouver East*

Housing is a foundation for diversity in the City



\$0-\$30,000




\$30,000-\$50,000

\$50,000-\$80,000

\$80,000-\$150,000



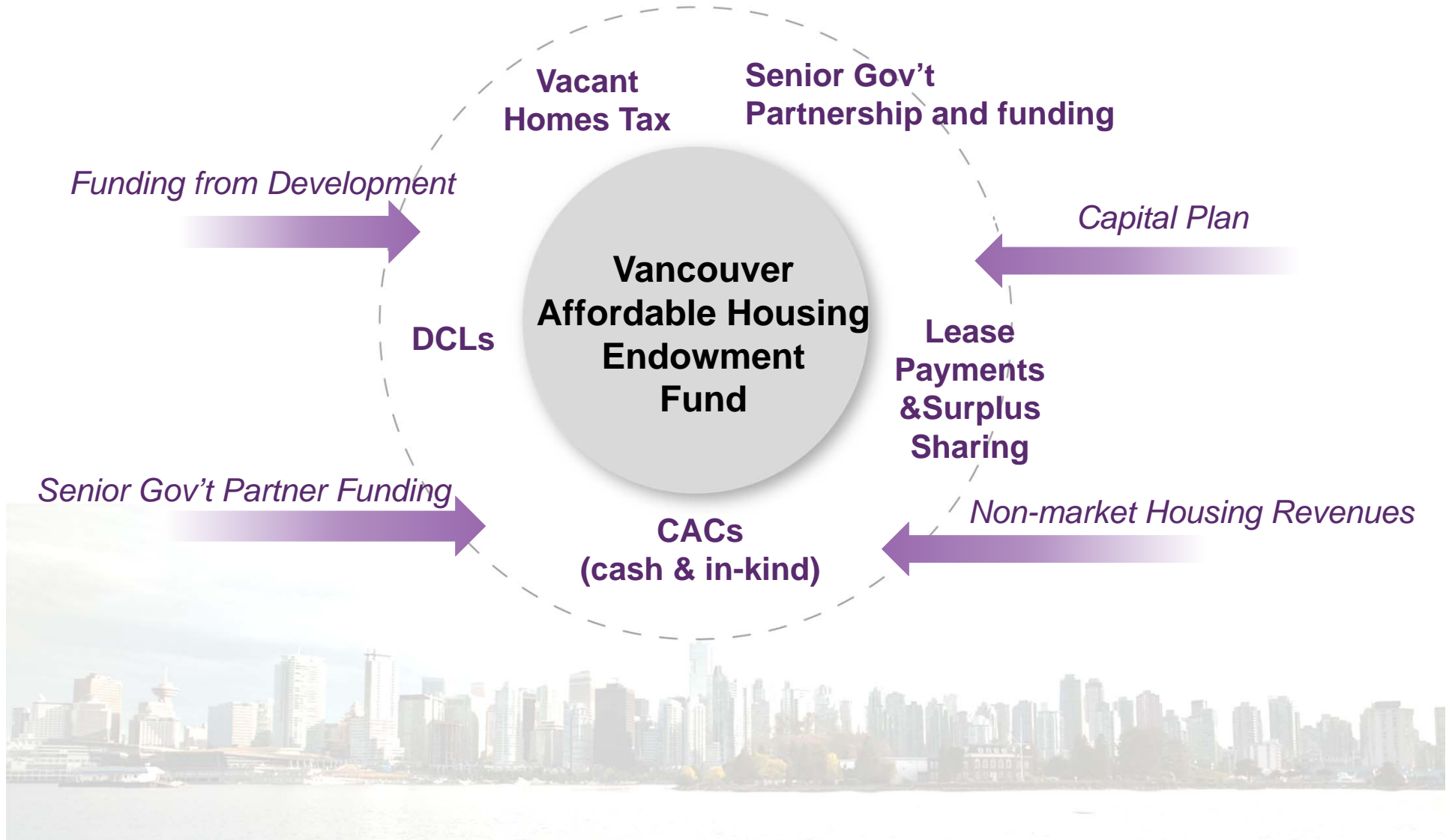
Progress Toward Targets: Housing Types

Building Type	Housing Type	HV 10-Year Targets	HV Annual Targets	Units Approved in 2017 Towards Targets	Previous Housing & Homelessness Strategy Annual Targets	% Progress Compared to HV Annual Targets	% Progress Compared to Previous Annual Targets
 Apartment	Social & Supportive	12,000	1,200	1,702	790	142% ✓	215%
	Purpose-Built Rental	20,000	2,000	822	500	41%	164%
	Condos	30,000	3,000	3,827	-	128% ✓	-
 Infill	Laneways (Rental)	4,000	400	591	300	148% ✓	197%
	Coach Houses *	1,000	100	-	-	-	-
 Townhouse	Townhouse	5,000	500	189	-	38%	-
Total		72,000	7,200	7,131		99%	-

*Coach house unit counts not yet available to be reported in 2019

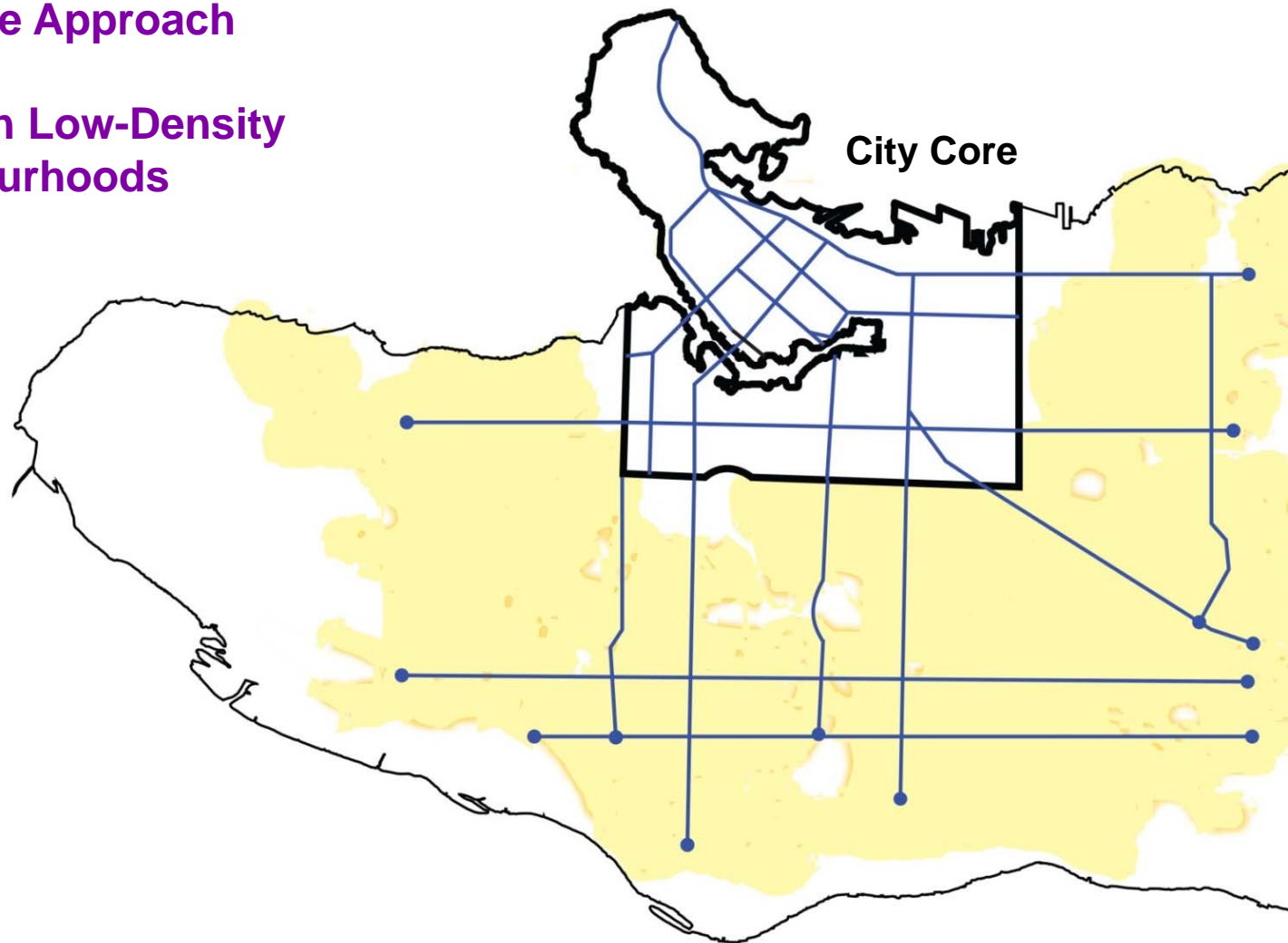
We are exceeding our Housing Vancouver targets in social & supportive housing, condos, and laneway homes

Bringing our housing delivery tools under one roof



Making Room: Scope

- City-Wide Approach
- Focus on Low-Density Neighbourhoods



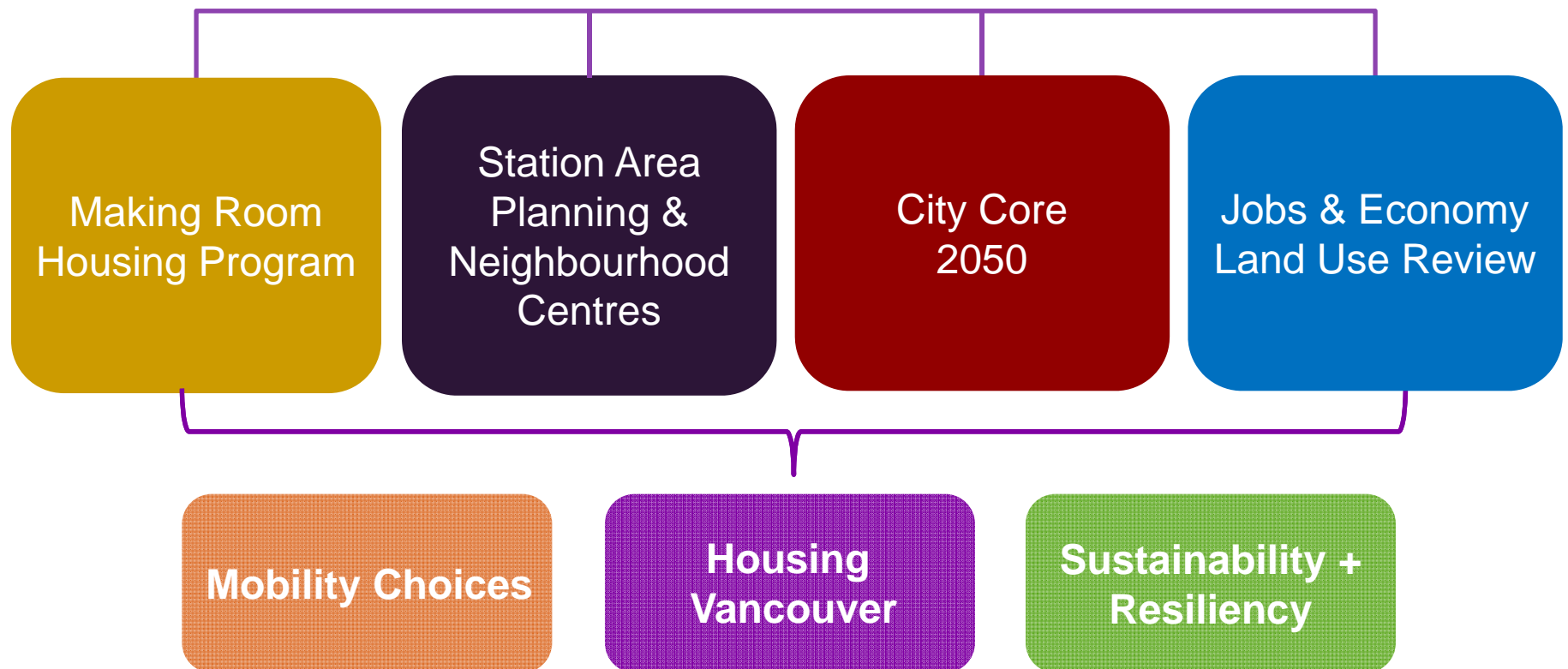
Housing Solutions Come in Different Forms



Bringing Together our Planning Programs

The Making Room program, together with City Core, Station Areas and Neighbourhood Centres and Economy Lands planning will be integrated to create the building blocks for a city-wide plan

City-wide Plan



What's at Council Today

1. Housing Vancouver Annual Progress Report and Data Book
2. Affordable Housing Delivery & Financial Strategy
3. Making Room: Increasing Housing Choice in Neighbourhoods Across Vancouver
4. Development and Building Regulatory Review



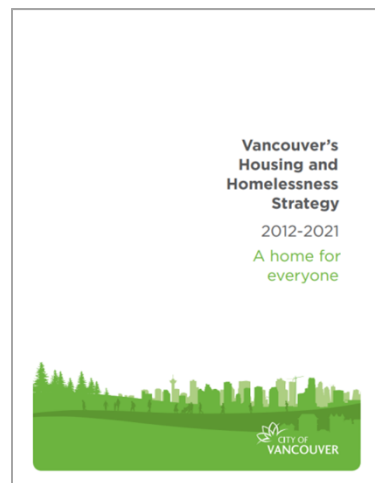
Housing Vancouver Progress Toward Targets and Data Book

Housing Vancouver

2017 marked an important transition from the previous Housing and Homelessness Strategy 2012-2021 to Housing Vancouver 2018-2027.

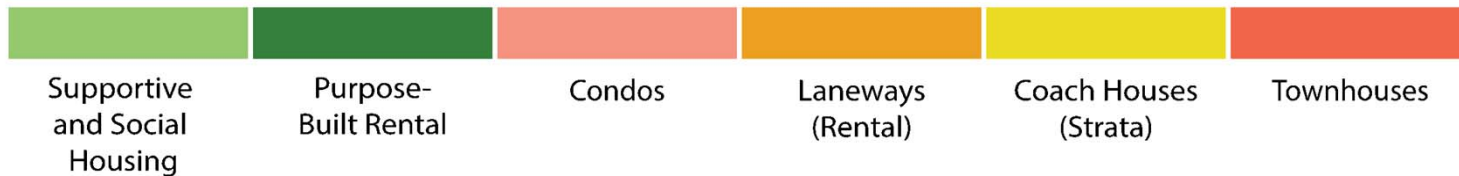
The 10-Year Housing Vancouver Strategy is intended to foster a diverse and vibrant city, and is founded on the following:

- 1. Creating the 'Right Supply' of housing**
- 2. Protect and retain the existing rental stock**
- 3. Support vulnerable residents**






New 10 Year Housing Targets – 72,000 New Homes

Building Type	Renters				Renters & Owners	Owners	Total	% of Total
	<\$15k/yr.	<\$15-30k/yr.	\$30-50k/yr.	\$50-80k/yr.	\$80-150k/yr.	>\$150k/yr.		
Apartment	5,200	1,600	2,000	3,000	200		12,000	17%
			2,500	12,000	5,500		20,000	28%
				6,500	16,500	7,000	30,000	42%
				2,000	2,000		4,000	5%
Infill					300	700	1,000	1%
Townhouse					1,700	3,300	5,000	7%
Total	5,200	1,600	4,500	23,500	26,200	11,000	72,000	100%
<i>% of Total</i>	<i>7%</i>	<i>2%</i>	<i>6%</i>	<i>33%</i>	<i>37%</i>	<i>15%</i>	<i>100%</i>	



- The Annual Progress Report will track:
- Housing types
 - Tenure
 - Family units
 - Incomes

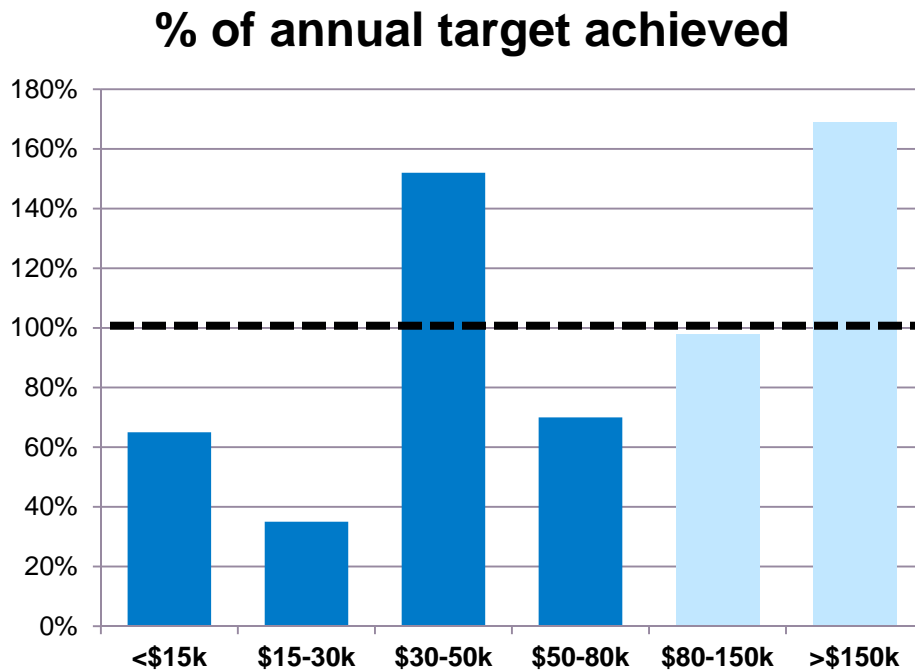
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Total		72,000	7,200	7,131		99%	-

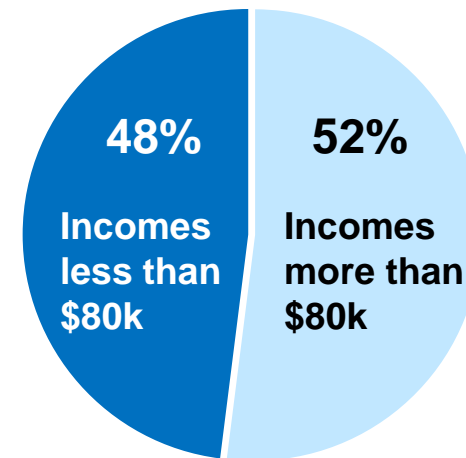
*Coach house unit counts not yet available to be reported in 2019

We are exceeding our Housing Vancouver targets in social & supportive housing, condos, and laneway homes

Progress Toward Targets: Income Diversity



Income Targets

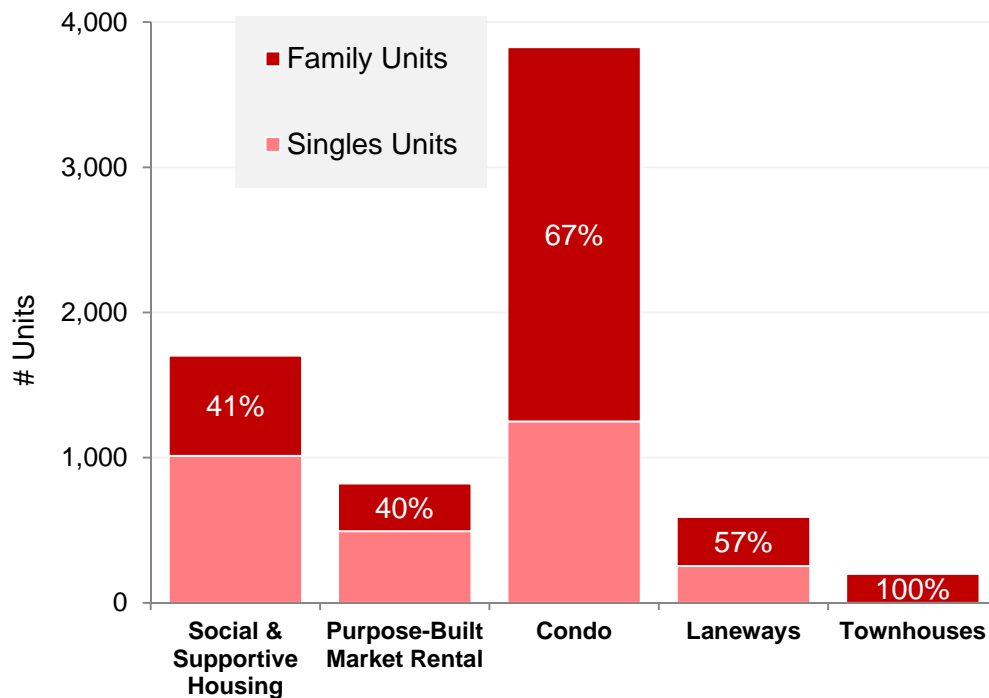


*In 2017, 38% of units affordable to households earning <\$80,000/yr, which is 10% lower than our target of 48%

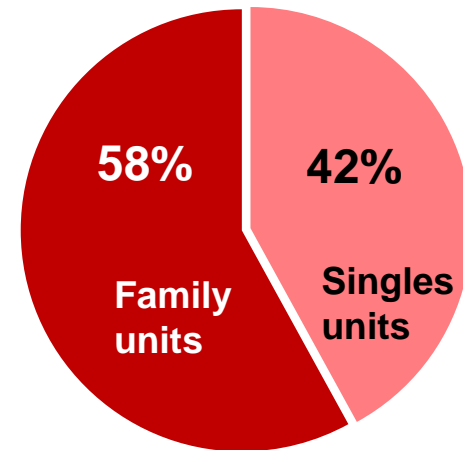
**More needs to be done in future years
to shift towards the right supply**

Progress Toward Targets: Family Housing

Single vs. Family Units




Family unit delivery

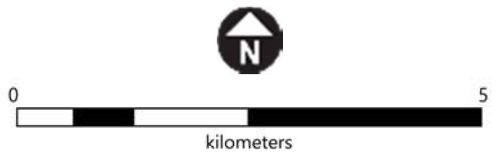
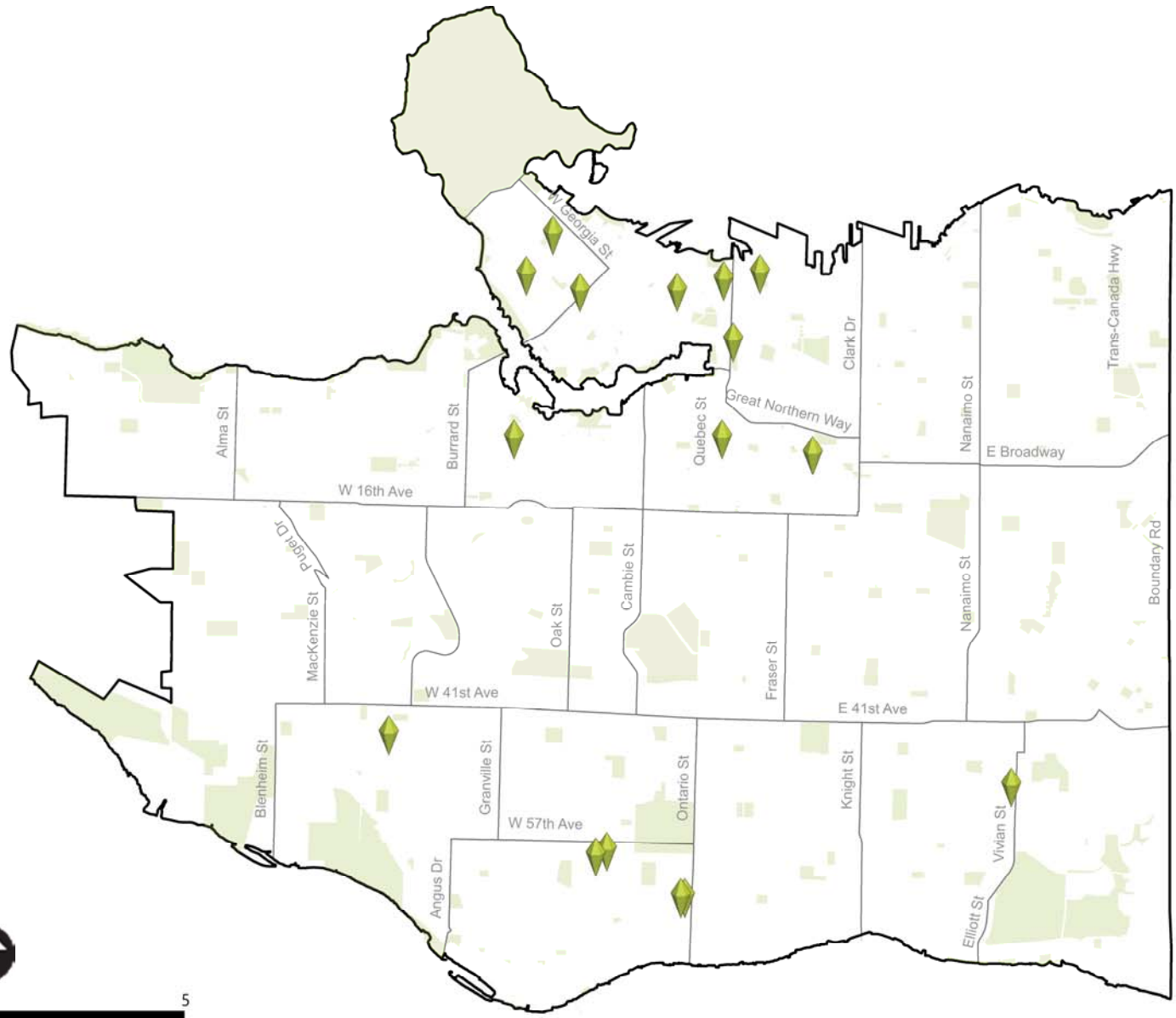


*In 2017, 58% of units approved were family-sized units (2- or 3-bedroom), which is 18% above our target of 42%



We are exceeding our Housing Vancouver targets for family-sized units

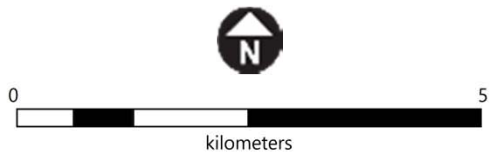
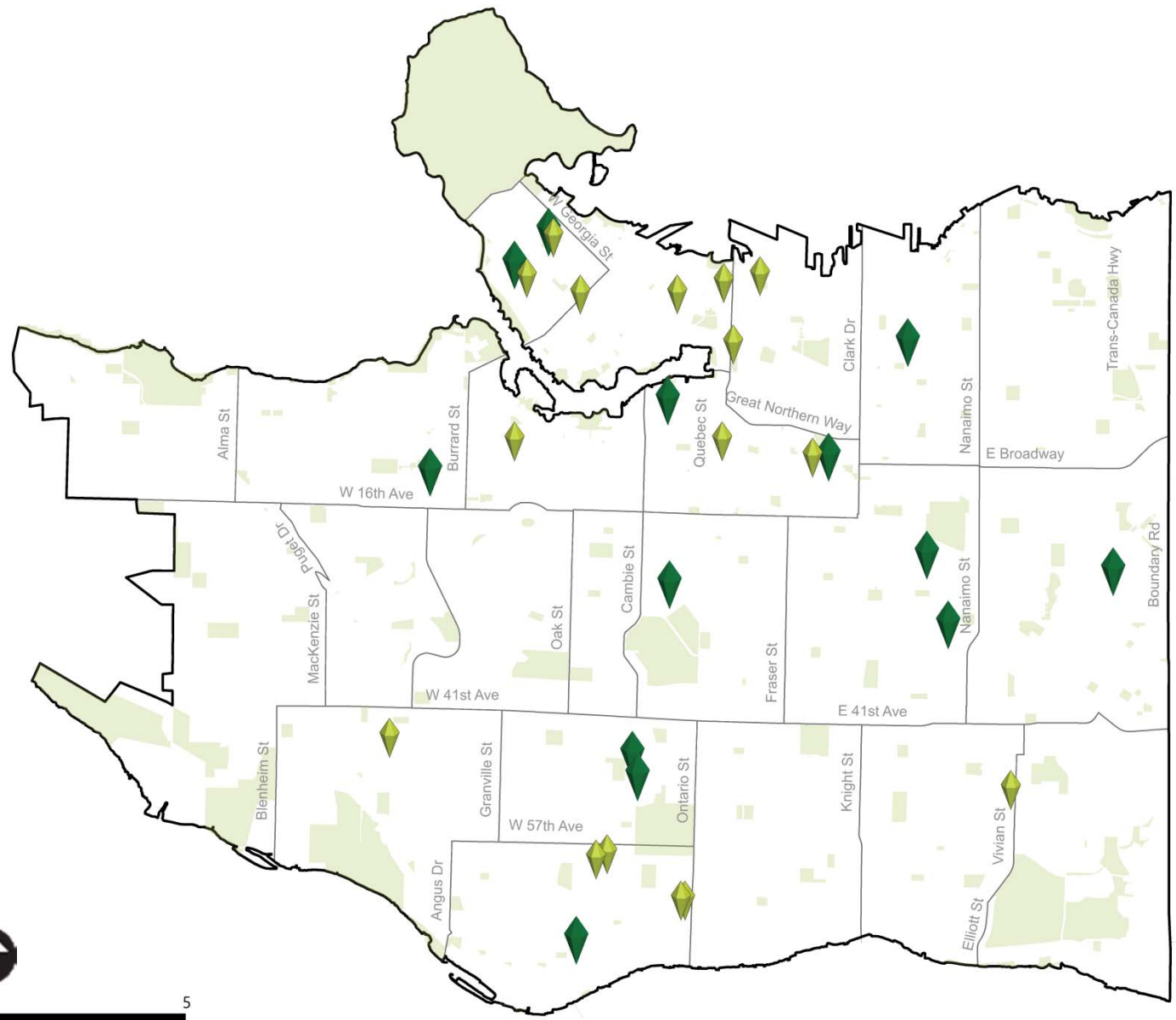
Housing Approved Towards 10-Year Targets

Legend	Housing Type	Units Approved in 2017
	Social & Supportive	1,702








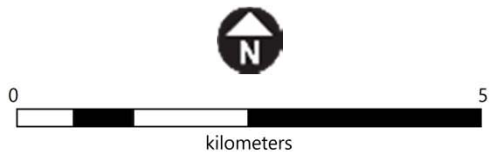
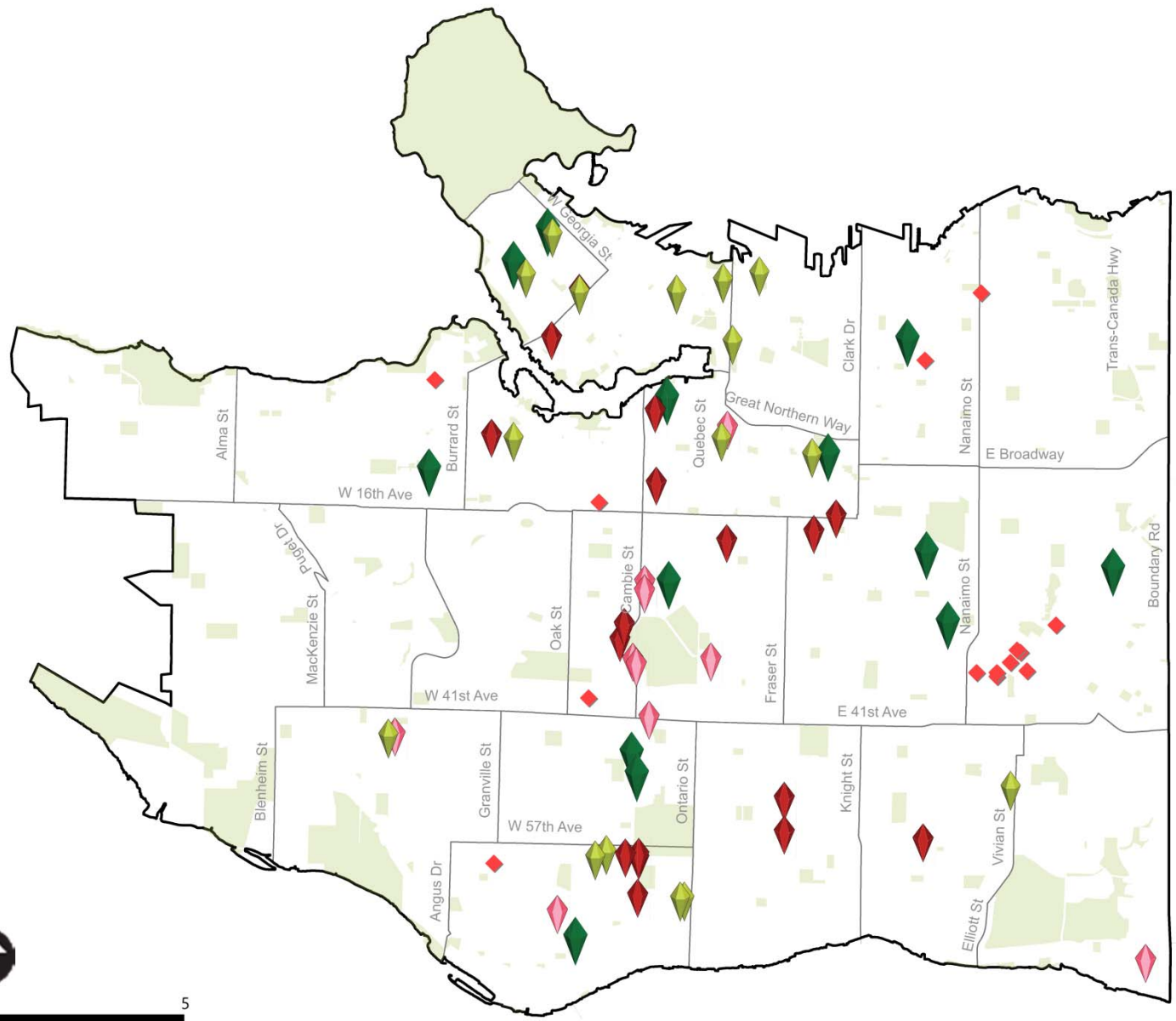
Housing Approved Towards 10-Year Targets

Legend	Housing Type	Units Approved in 2017
	Social & Supportive	1,702
	Purpose-Built Rental	822









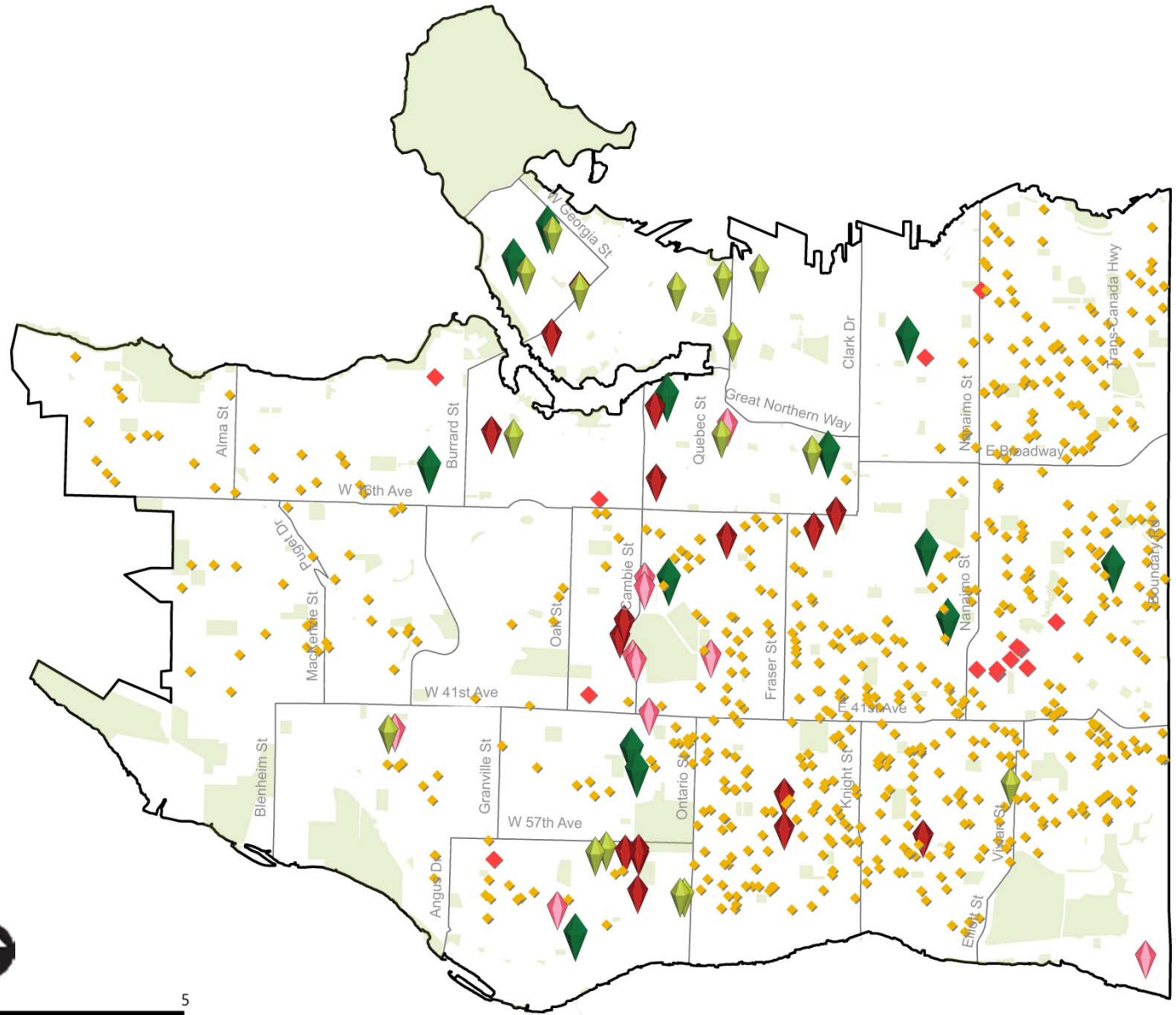
Housing Approved Towards 10-Year Targets

Legend	Housing Type	Units Approved in 2017
	Social & Supportive	1,702
	Purpose-Built Rental	822
	Condo	3,157
	Condo with Townhouse	670 Condos/60 Townhouses
	Townhouse	129



Housing Approved Towards 10-Year Targets

Legend	Housing Type	Units Approved in 2017
	Social & Supportive	1,702
	Purpose-Built Rental	822
	Condo	3,157
	Condo with Townhouse	670 Condos/60 Townhouses
	Townhouse	129
	Laneways	591
	Total	7,131



Moving in the Right Direction: But There Are Gaps

Where we're meeting HV targets

Social & supportive housing

Condos

Laneways (rental)

Total number of units

Family housing (2- and 3-bedroom units)

Housing for incomes \$30k-50k

Where we need to improve

Purpose-built rental

Townhouses

Housing for incomes <\$30k

Housing for incomes \$50k-80k



Housing types



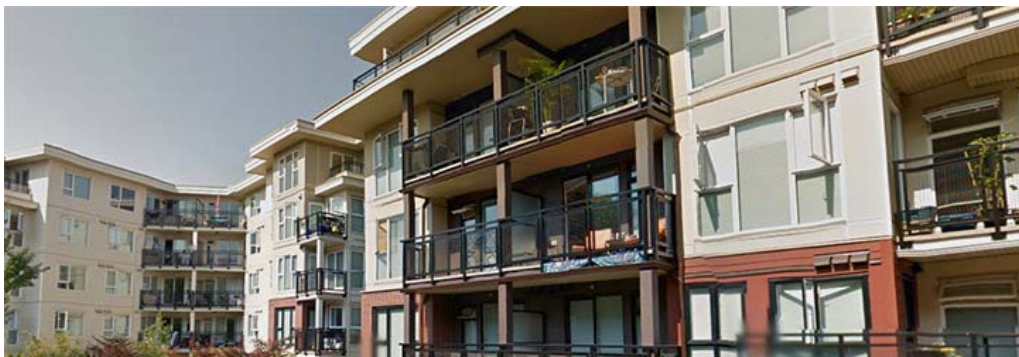
Demographics and incomes

Initial Actions to Address Rental Housing Gap: Enable More Rental in Commercial Areas

Utilize the new rental zoning provisions adopted by the Province, which allows the City to zone for residential tenure to amend Commercial Zoning Districts (C-2, C-2B, C-2C, and C-2C1) to **include density bonus provisions for rental housing**

Rationale:

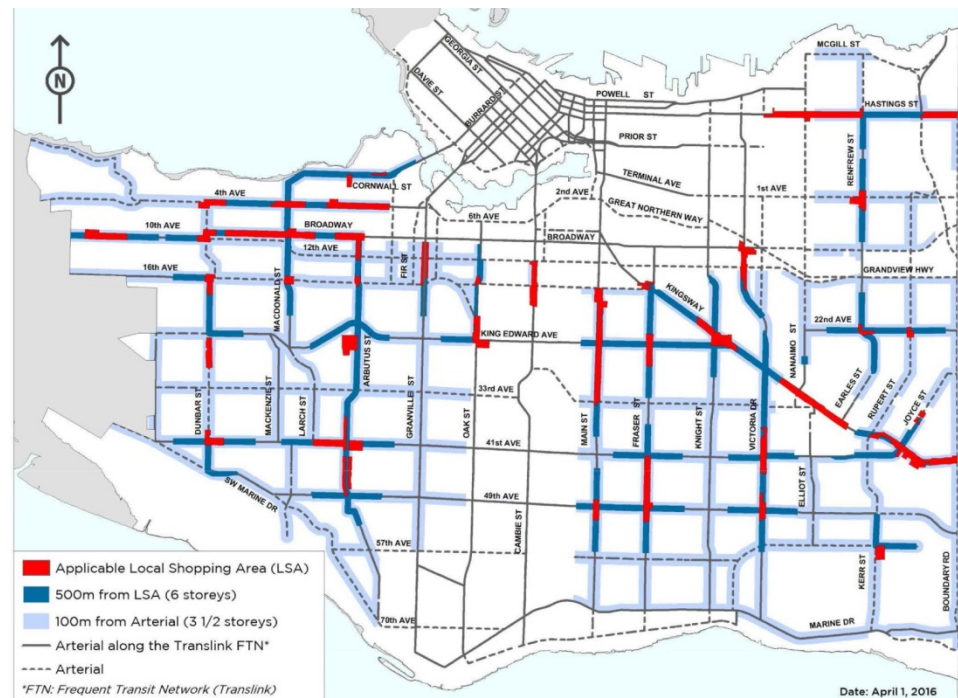
- rezoning process not required
- reduce applicant costs
- expedite the delivery process



Initial Actions to Address Rental Housing Gap: Create more Rental Under the Affordable Housing Choice Interim Rezoning Policy

Remove 20 Project Application Cap

- Process IRP enquiries until June 30, 2019
- Staff will undertake review of IRP & Rental 100 (Report expected Spring 2019)

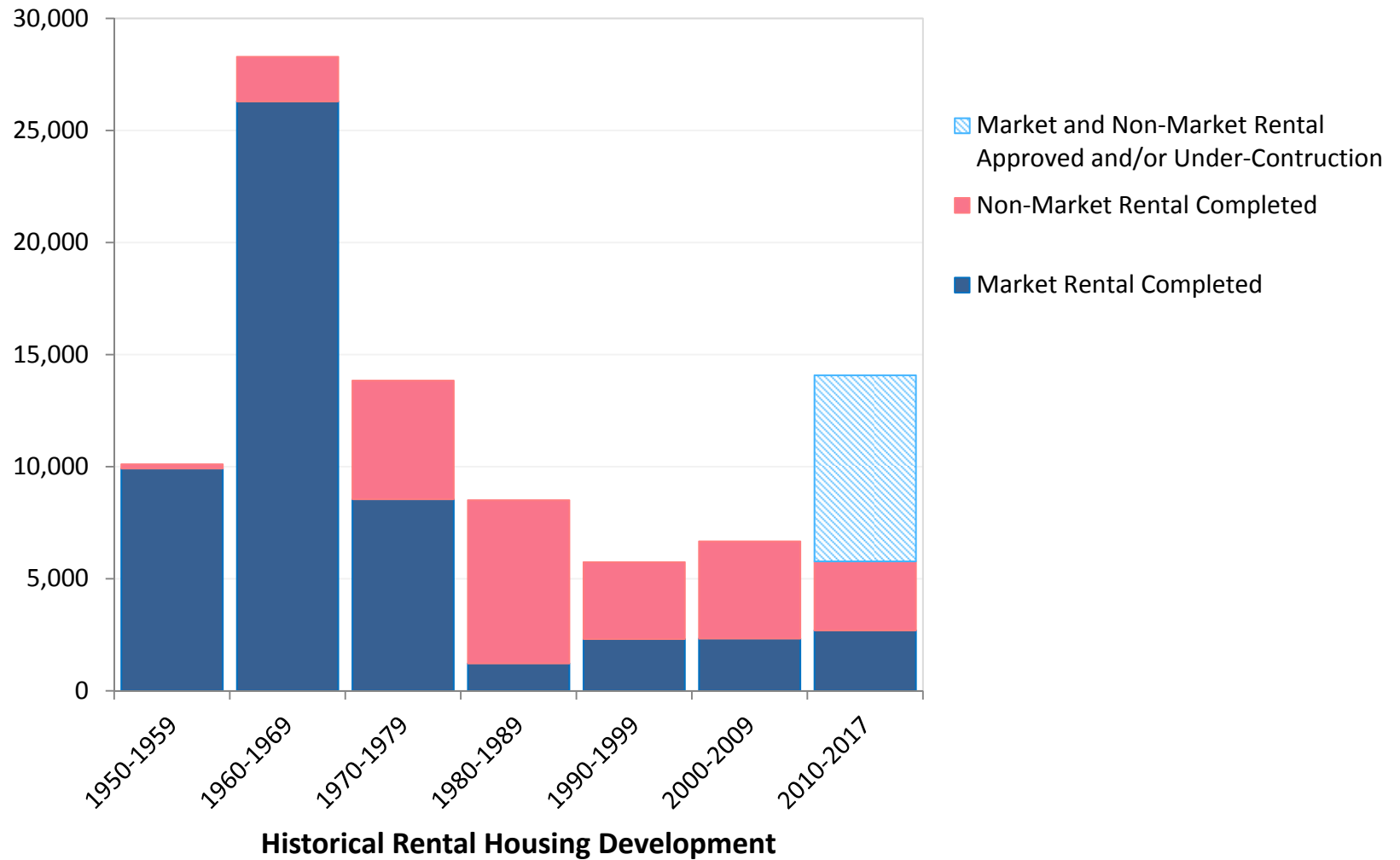


Recent Actions to Increase Rental Supply

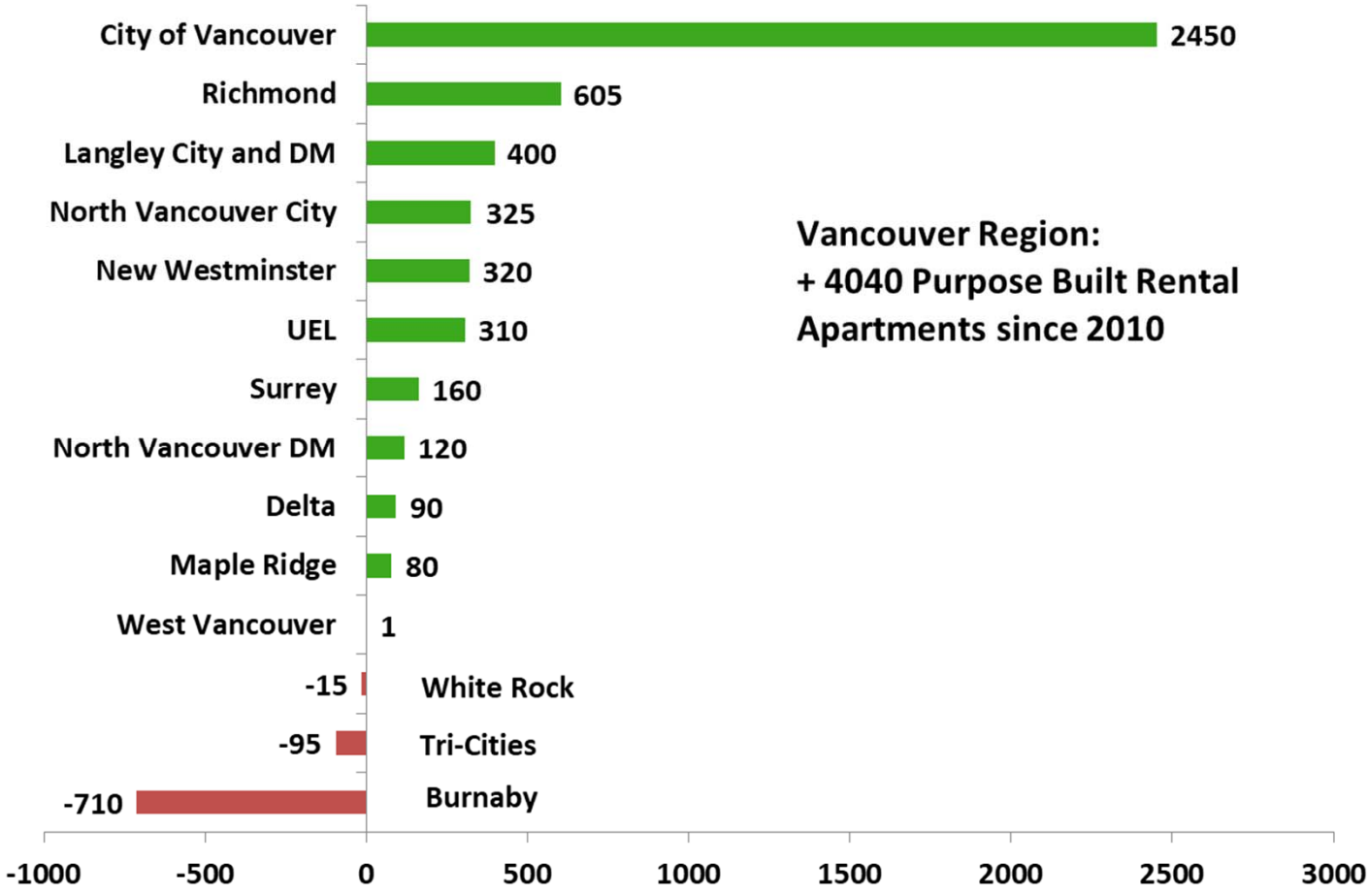
- Launch of the **Moderate Income Rental Housing Pilot Program** (20% of building permanently secured for incomes between \$30 to \$80K)
- Approval of the **Cambie Corridor Plan**, enabling 5,400 secured rental homes 2,800 social housing units
- **Broadway Corridor Plan** – Terms of Reference



The most rental units approved since the 1970s



Vancouver is leading the region in net gain in rental

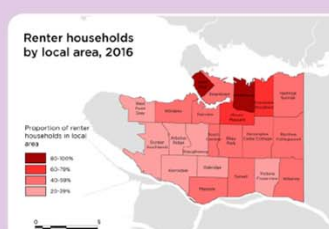
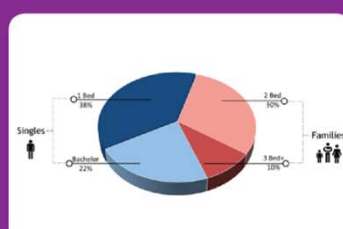
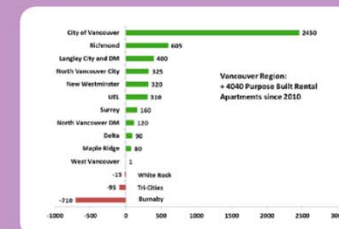
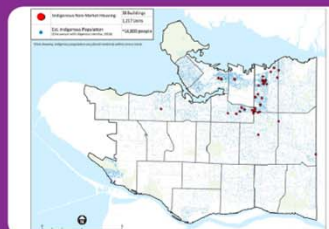
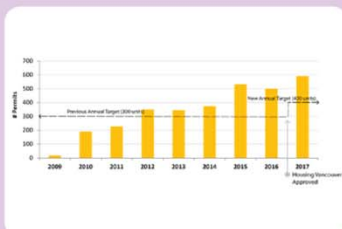
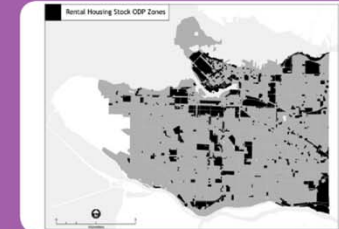
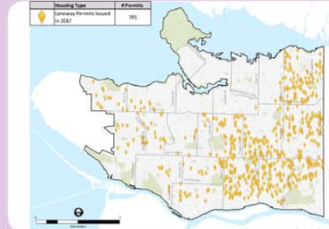
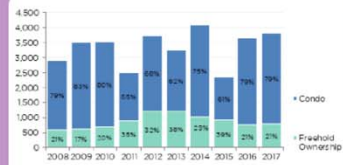


Change in apartment units in rental market universe, 2010-2017

Housing Vancouver Data Book

Comprehensive public resource on housing market and affordability

Income Range	Ranks					Total
	< \$18K/yr	\$18-24K/yr	\$25-30K/yr	\$30-35K/yr	\$35-40K/yr	
Progress Towards Targets	-	-	0	42	25	67
Annual Target	700	1,300	500			2,500
% of Total	-	-	2%	1%	0%	3%

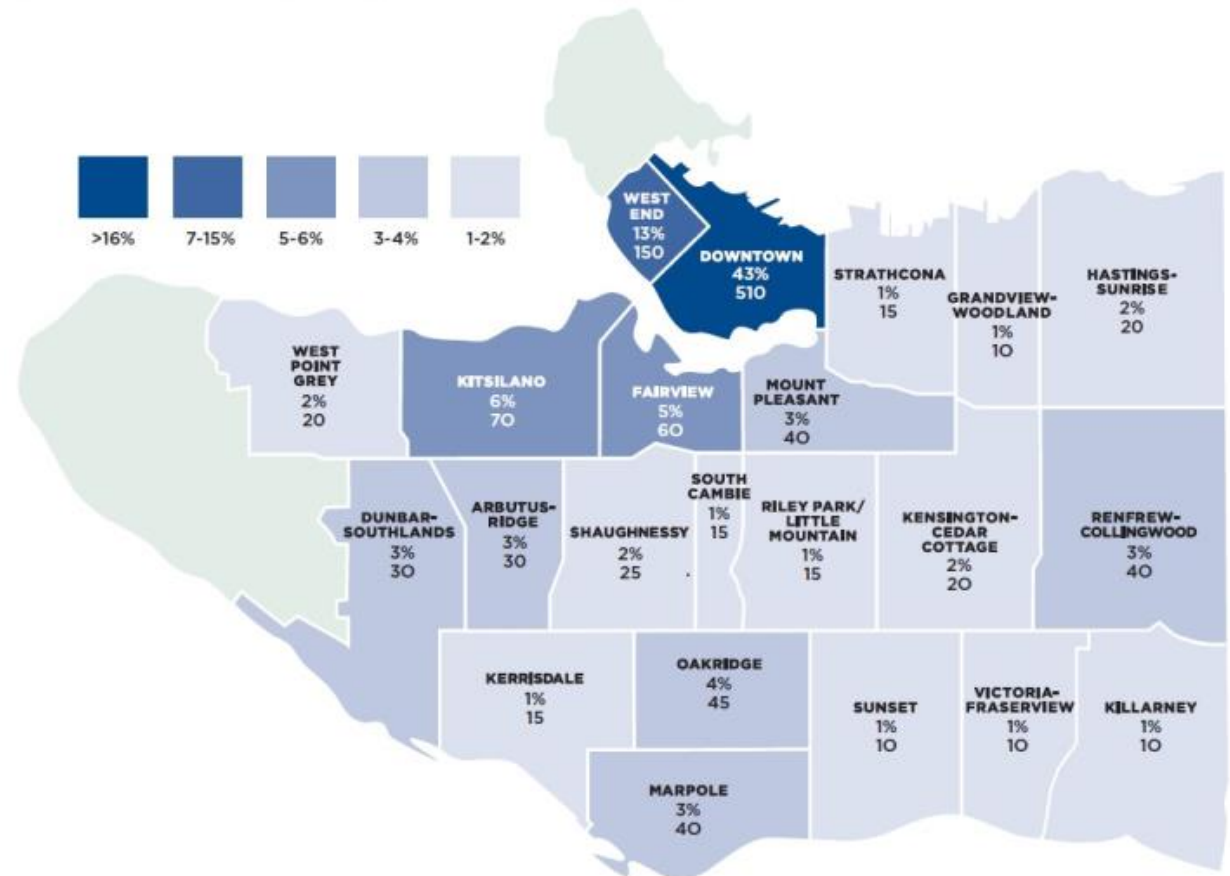


First Year of Empty Homes Tax Revenue

- **\$30 million estimated revenue**, \$18 million collected to date
 - ~\$10M in implementation & Y1 operating costs
- **\$8 million in net revenue** that can currently be allocated to affordable housing initiatives

Properties Declared Vacant

(1,200 total – shown as percentage of total/number, by neighbourhood)



Engaging the Public: How Should the City Invest Revenue from the Empty Homes Tax?








Online Platform:

- Over 130 ideas
- 435 comments
- 626 registered users
- 5,100 likes and dislikes

In-Person IdeaJam:

- 31 participants generated as many big ideas as possible
- 12 top ideas submitted to staff
- 6 big ideas advanced to 'Dragon's Den' panel for feedback

Staff Recommendations for Initial \$8M EHT Revenue

Staff Recommendation	Idea from Public Consultation	Allocation
 <p>More affordable co-op and non-profit housing</p>	Provide land and resources for affordable non-profit and co-op housing	\$3,175,000
	More co-op housing – grants to update and improve existing co-ops and build new co-ops	\$1,000,000
 <p>Improvements to low income housing</p>	Improve living conditions in private SRO housing	\$3,500,000
 <p>Support for vulnerable renters</p>	Support for renters facing eviction; renter protections	\$100,000
	Funding for Vancouver Rent Bank	\$75,000
 <p>Funding for skills training in peer support, affordable housing management, and asset management for residents of supportive housing</p>	Temporary Modular College: peer based mentoring for residents of TMH	\$100,000
 <p>Matching empty/underutilized homes and rooms with renters looking for housing</p>	Shared housing models like senior/student housing arrangements	\$50,000

TOTAL:

\$8,000,000

Affordable Housing Delivery and Financial Strategy (2018-2027)

Project Background & Context




Housing Vancouver Strategy and revised targets approved November 2017 by Council, key implementation action:

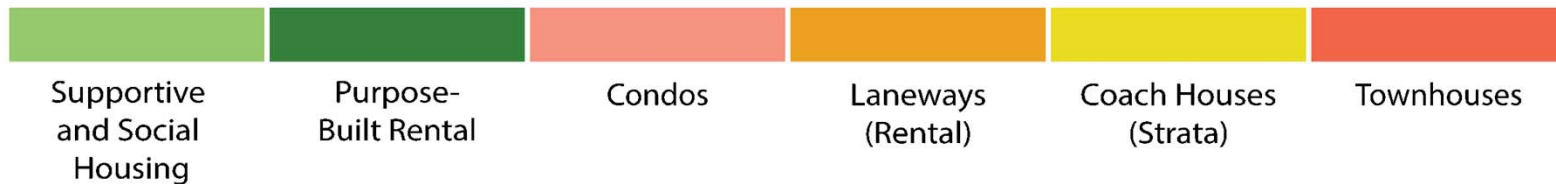
Develop a new 10 year Affordable Housing Delivery & Financial Strategy

- New business models and approaches to optimize the delivery and sustainment of affordable housing on city land
- Leveraging expertise, innovation, economies of scale, equity and financing from senior levels of government, non-profit and private sector partners



Vancouver Affordability & Unit Targets

Building Type	Renters				Renters & Owners	Owners	Total	% of Total
	<\$15k/yr.	<\$15-30k/yr.	\$30-50k/yr.	\$50-80k/yr.	\$80-150k/yr.	>\$150k/yr.		
 Apartment	5,200	1,600	2,000	3,000	200		12,000	17%
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 Infill					300	700	1,000	1%
 Townhouse					1,700	3,300	5,000	7%
Total	5,200	1,600	4,500	23,500	26,200	11,000	72,000	100%
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Social/Supportive Delivery under current affordability requirements

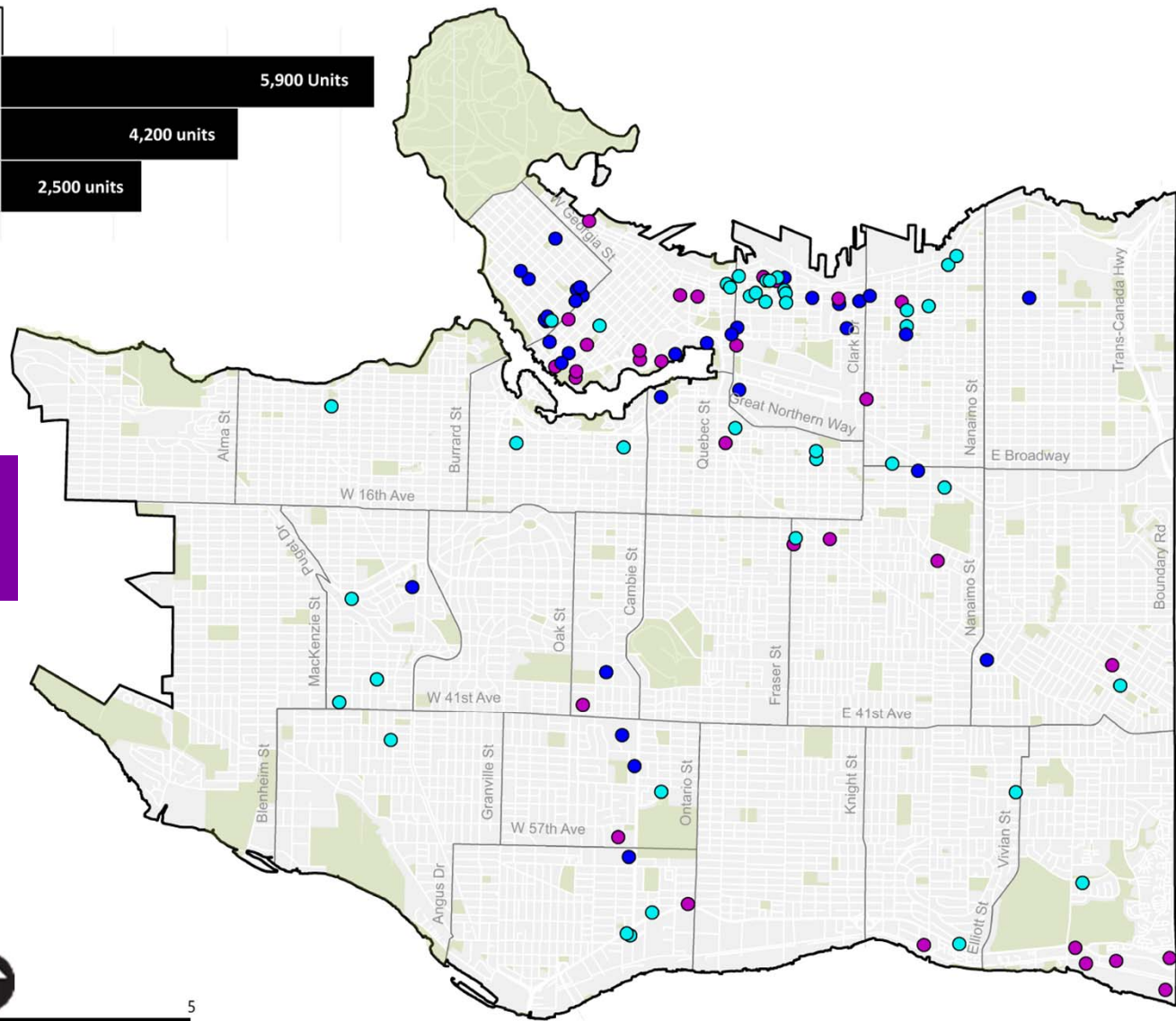
Legend	Financial Delivery Model
●	City Land Contribution
●	Inclusionary Housing
●	Supporting Non-Profit Led Projects

5,900 Units

4,200 units

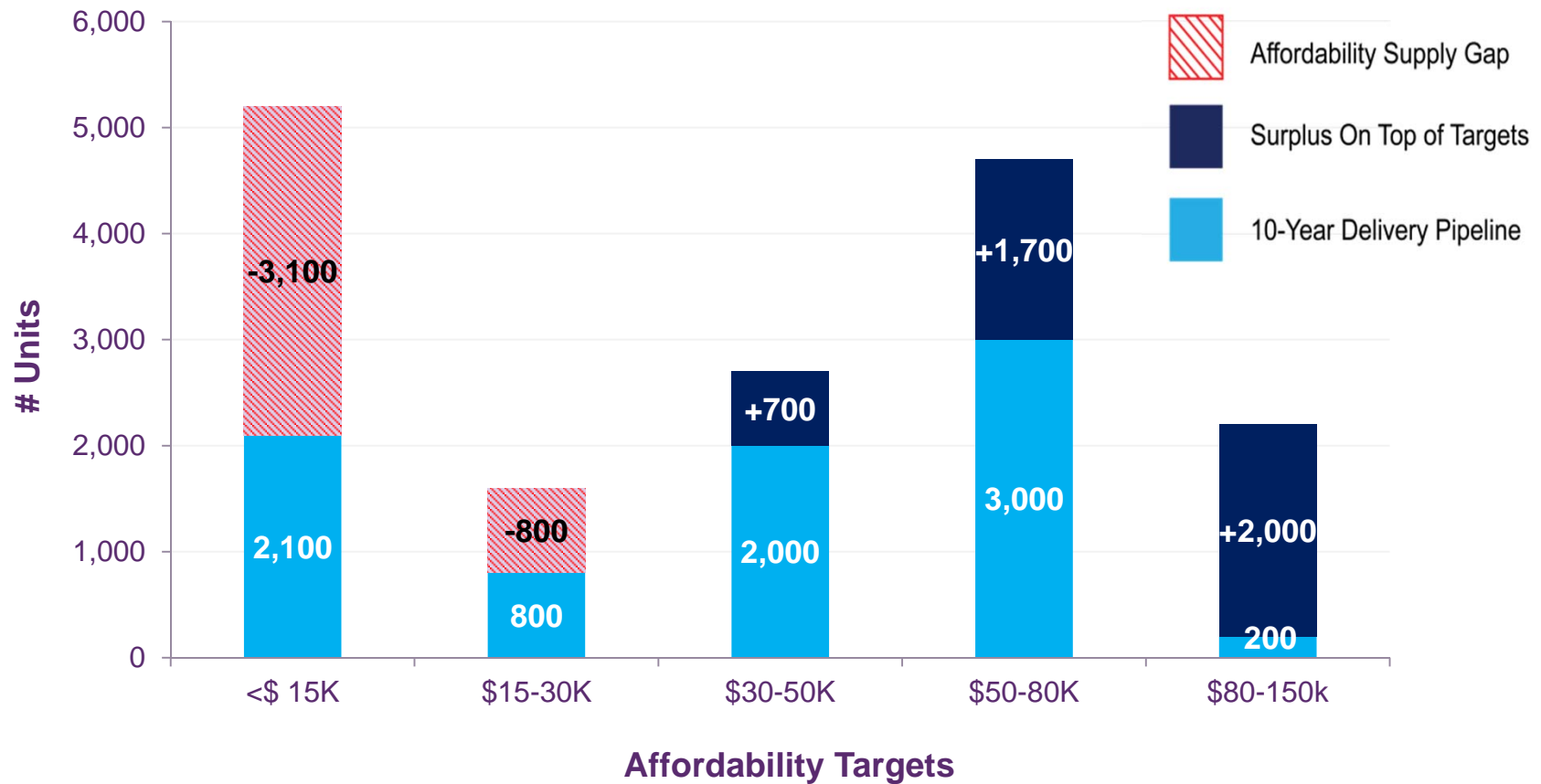
2,500 units

Capacity to deliver
~12,000 units



Social/Supportive Housing Delivery Gap Under Current Affordability Requirements

Challenge is providing rental rates affordable for households earning **below \$30k/year**



Strategic Context: Key Drivers

- Increased housing targets aligned with need
- Constrained financial capacity of City
- Re-commitment of senior levels of government for housing
- Favourable investment climate (e.g. still low interest rates)
- Non-profit housing & private sectors on board with new targets

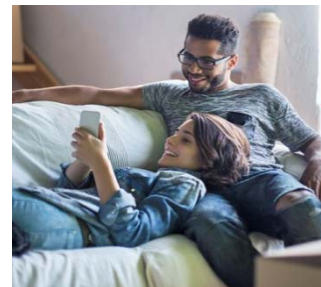
**Core Principle of Housing Vancouver:
Ensuring adequate housing supply to sustain a diversity of
incomes in Vancouver**



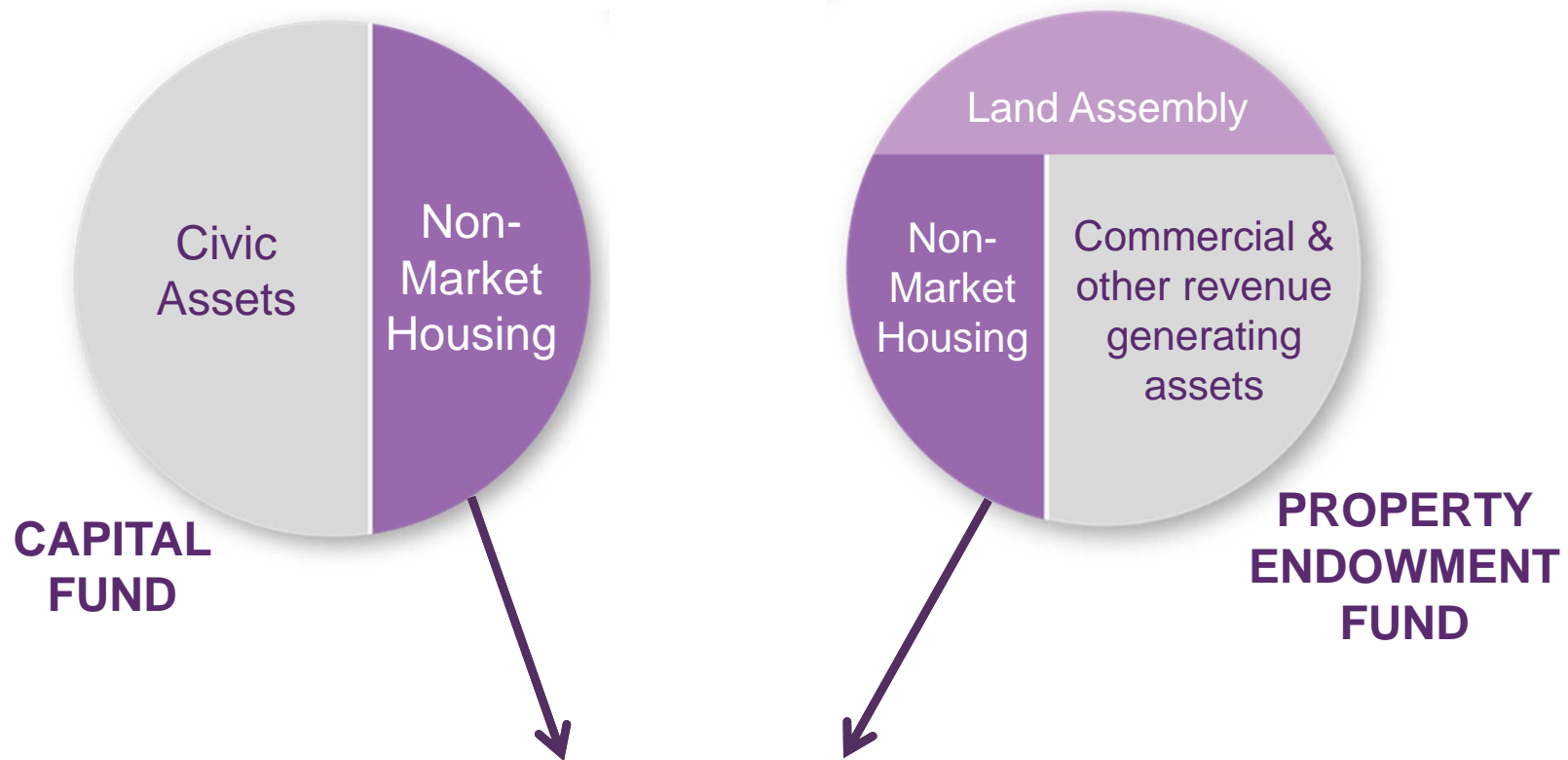
Strategic Direction for Next 10 Years

Shift delivery mechanisms to achieve the 12,000 units of social, supportive and co-operative housing.

- Deep affordability for lower-income & people experiencing homelessness
- City land emphasis to leverage strategic partnerships
- Use municipal tools to protect existing affordable housing and enable creation of housing affordable to moderate income



Future of Housing Delivery: Consolidating City Housing Assets into One Portfolio



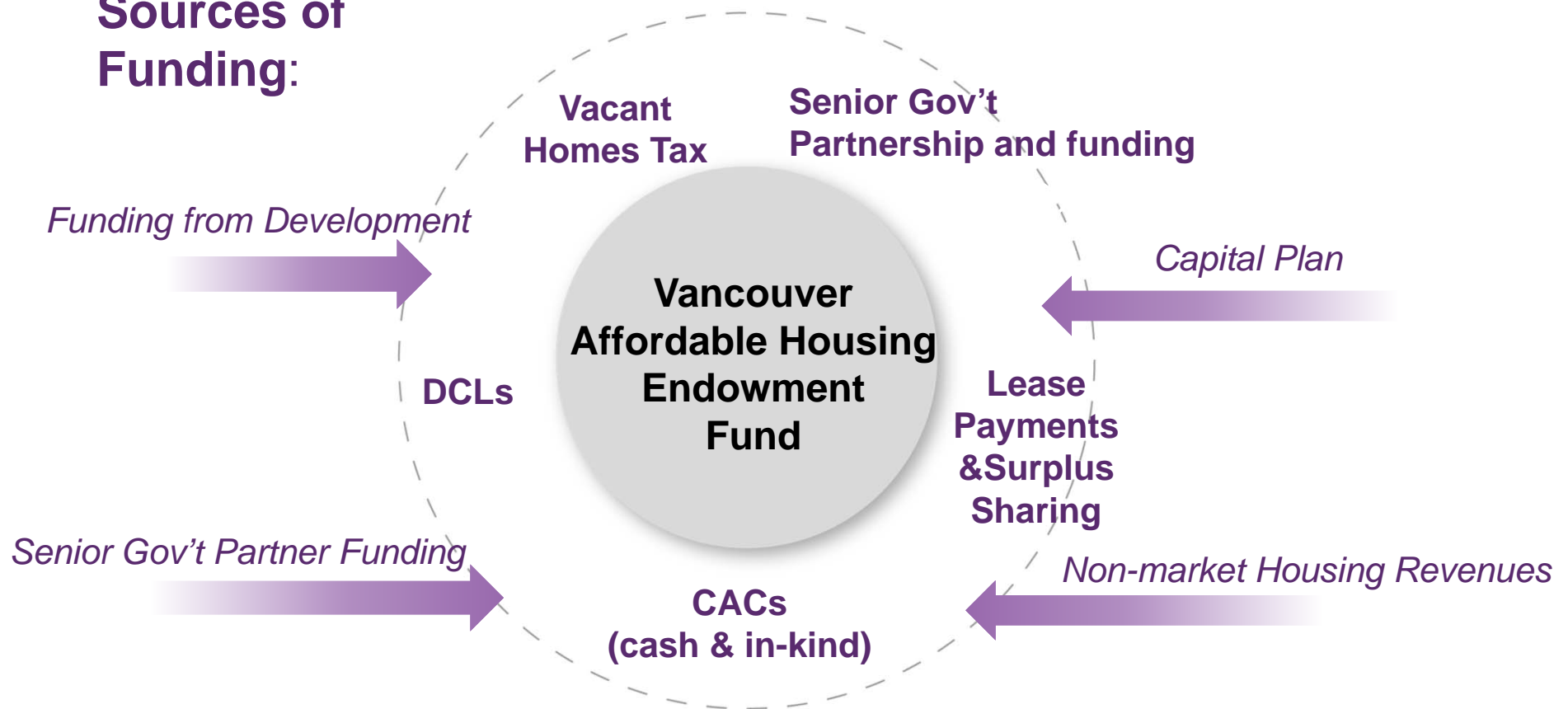
Vancouver Affordable Housing Endowment Fund

New consolidated portfolio for the delivery of non-market housing. Assets to be transferred to new Fund include over 200 non-market housing assets with estimated value of ~\$2B.

Vancouver Affordable Housing Endowment Fund

Purpose: Preserve and grow the City's affordable housing stock in a sustainable way to serve Vancouver citizens over the long-term

Sources of Funding:



Applicable Vancouver Charter Provisions & Council Policies

Vancouver Charter authority to create the VAHEF

- Power to undertake housing development – 193
- Property Acquisition Fund – 201A

Existing Council Policy/Mandate for PEF (excl. non-market housing) remains unchanged

- To manage the PEF assets in such a way as to preserve their real value and generate a reasonable economic return.
- Where it is possible without jeopardizing either the real value of the PEF or the reasonable return on its assets, to support the City's public objectives.

Benefits of the new Fund

Scale of housing crisis has grown, a bold move is required to meet new targets

- “Portfolio” approach
- Clear mandate & dedicated staffing
- Dedicated funding & land use policies
- Clear performance metrics
- Leverage senior government partnerships & funding



5 Key Approaches





- Pursue multi-year partnership and investment plan with senior government
- Provision of land a critical element anticipated to deliver approximately half of unit target



- Strategy to identify City's priorities for land acquisition and assessment criteria
- Securing land through regulatory approvals processes and strategic acquisitions



- Increase requirement to 30% of floor area on large sites: 20% social housing target & 10% moderate income housing target
- Priority for achieving the 20% will be as dirt sites transferred to Fund



- Secure social housing through inclusionary policies
- Long-term lease to non-profit with pre-paid lease used to fund land acquisitions
- Enable non-profit ownership of social housing in DTES



- Housing Infrastructure Grants & Development of Incentive Program for non-profits
- Includes non-profit owned sites and Places of Worship
- Prioritized processing for non-profit affordable projects

Estimated Overall Investment to Deliver on Targets

To deliver on the 12,000 unit target at Housing Vancouver levels of affordability will require significant investments from all partners.

Total investment of approximately \$5 billion over 10 years, including:

- Partner cash equity contributions: ~\$1.6B
- Partner land equity contributions: ~\$570M
- City contributions: ~\$2.5B

Breakdown of City contributions:



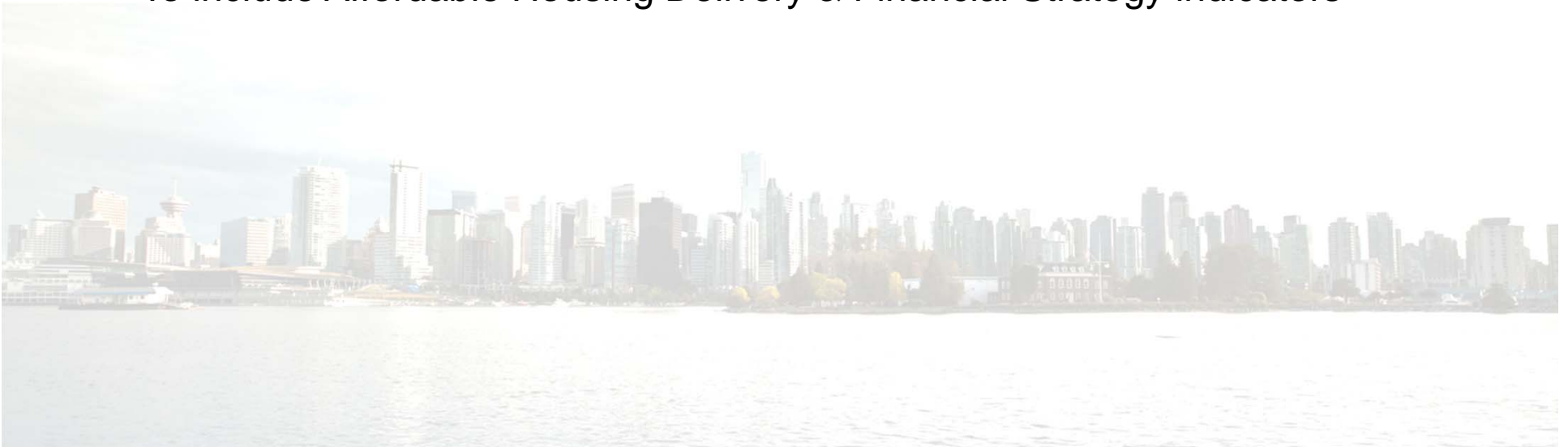
Next Steps for Implementation

September 2018 report back on Vancouver Affordable Housing Endowment Fund:

- Draft mandate
- Governance Structure
- Legal Construct
- Property transfer policies
- Staffing & resource implications

2019 Annual Progress Report & Data Book:

- To include Affordable Housing Delivery & Financial Strategy indicators



Making Room: Increasing Housing Choice in Neighbourhoods Across Vancouver

Making Room: Increasing Housing Choice in Neighbourhoods Across Vancouver

Overview

- Scope and Building Types
- Methodology

Quick Start Actions

- Recommendations for changes to RT and RS zoning
- Laneway House Program Changes and Related Work



Making Room: Background & Context

10,000 + participants in Housing Vancouver engagement

Both renters and owners in Vancouver are looking for “missing middle” forms of housing (e.g. townhouse, rowhouse, duplex) in their next move



Making Room: Background & Context

Program Goals

Evolve low-density areas to provide increased housing choice through creative ground-oriented options, such as low-rise apartments, townhouses and infill.

- Shift toward “right supply” of housing
- Address options for affordability (e.g. secured & secondary rental, affordable homeownership)
- Address livability/equity of housing (tenure, size, above ground, off arterials)
- Housing choice for downsizing seniors, families, young couples

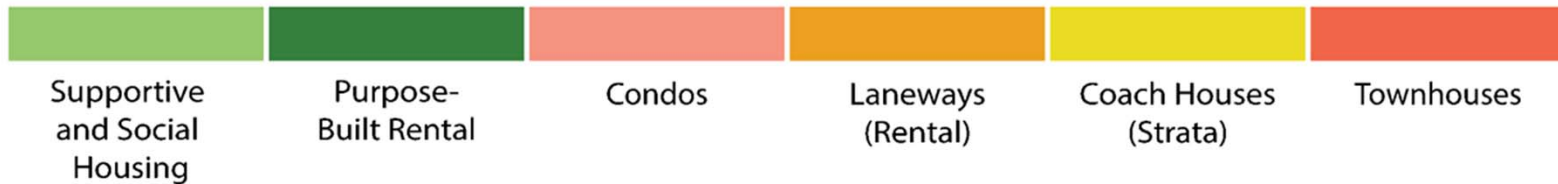


Housing Vancouver Targets are Matched to Local Incomes

Housing Supply 10-Year Total Targets

- Focus on the right supply of housing
- Linking new supply to local incomes, family size, tenure and location

Building Type	Renters				Renters & Owners	Owners	Total	% of Total
	<\$15k/yr.	<\$15-30k/yr.	\$30-50k/yr.	\$50-80k/yr.	\$80-150k/yr.	>\$150k/yr.		
Apartment	5,200	1,600	2,000	3,000	200		12,000	17%
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Infill				6,500	16,500	7,000	30,000	42%
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Townhouse					300	700	1,000	1%
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Total	5,200	1,600	4,500	23,500	26,200	11,000	72,000	100%
<i>% of Total</i>	<i>7%</i>	<i>2%</i>	<i>6%</i>	<i>33%</i>	<i>37%</i>	<i>15%</i>	<i>100%</i>	



Making Room: Background & Context

Single-family areas have changed dramatically over the past 100 years...



Pre-war Inner City
(1910s)



Post-war Bungalow
(1930s)



Vancouver
Special
(1960s/70s)



“Monster” House
(mid 1980s)



Laneway Housing
(2009 – present)

- Today homeownership is out of reach for most
- Secondary rentals are main housing options in low-density neighbourhoods
- Homes in RS zones are built with 3 units (house with suite and laneway)

Making Room: Background & Context

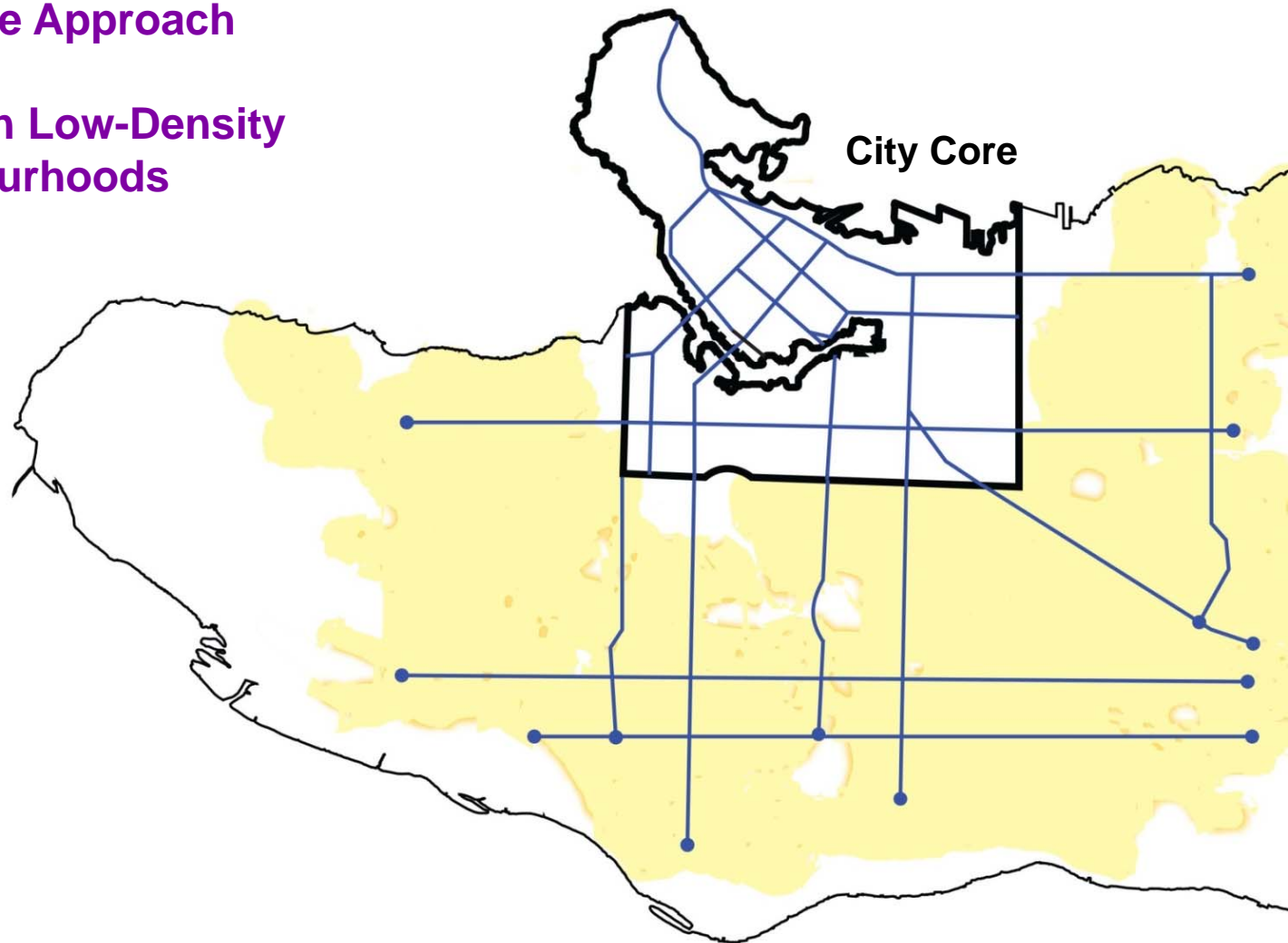
New homes in RS zones are built with 3 units:

- Main dwelling
- Secondary suite
- Laneway house



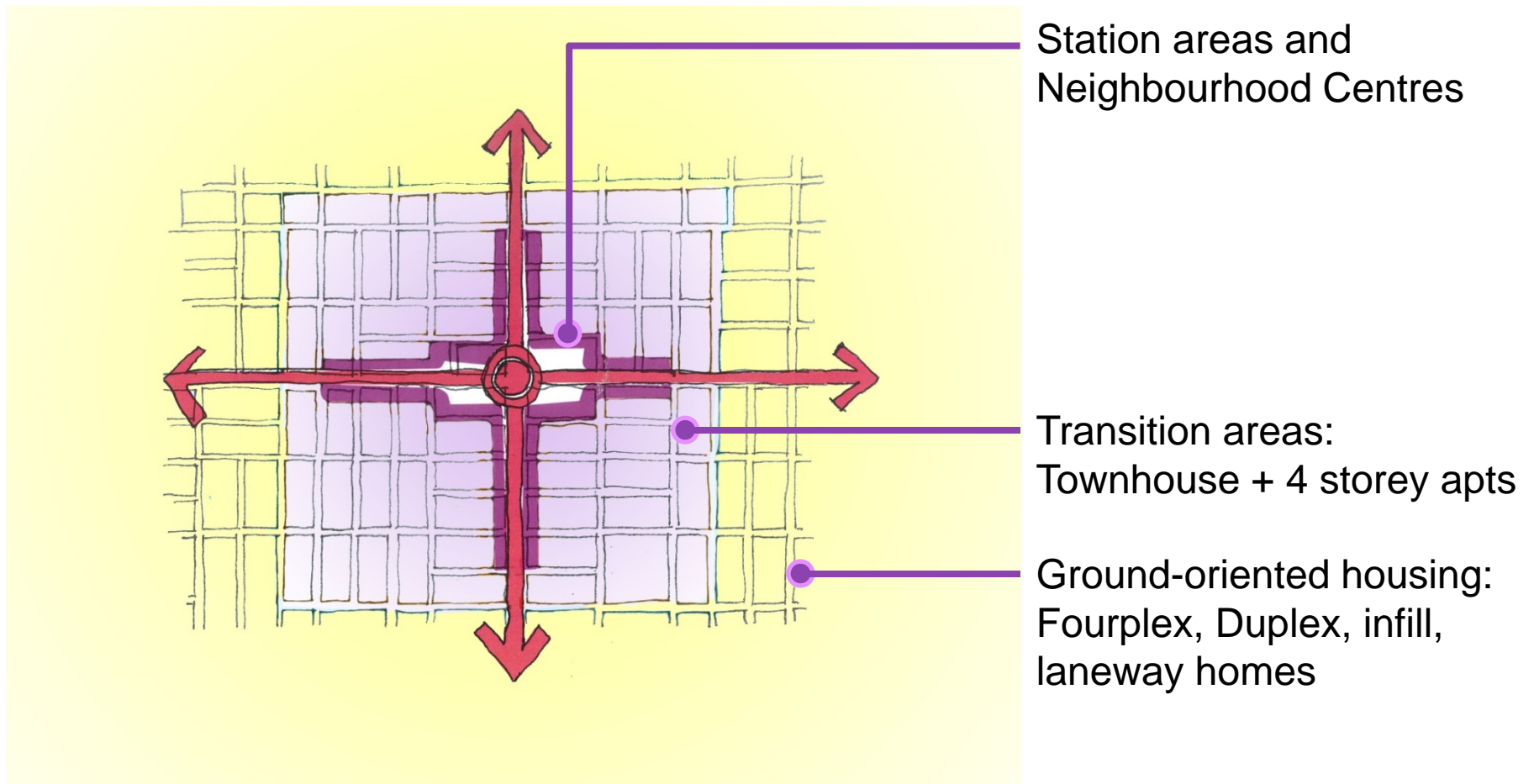
Making Room: Scope

- **City-Wide Approach**
- **Focus on Low-Density Neighbourhoods**



Making Room: Scope

Planning for areas of significant future change such as station area planning and neighbourhood centres will continue to be needed and integrated



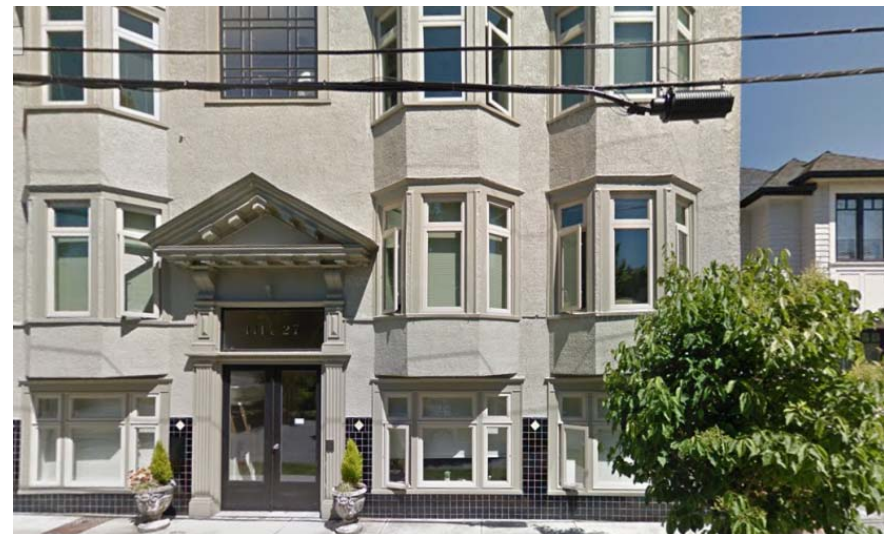
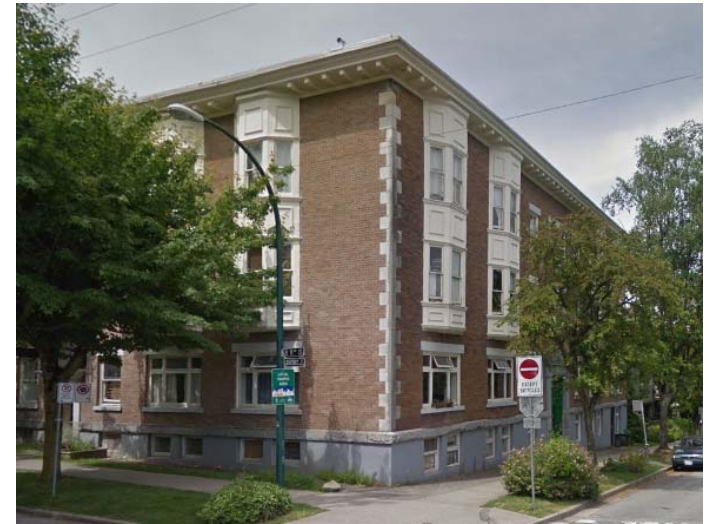
Making Room: Scope

Transition Area: Townhouses



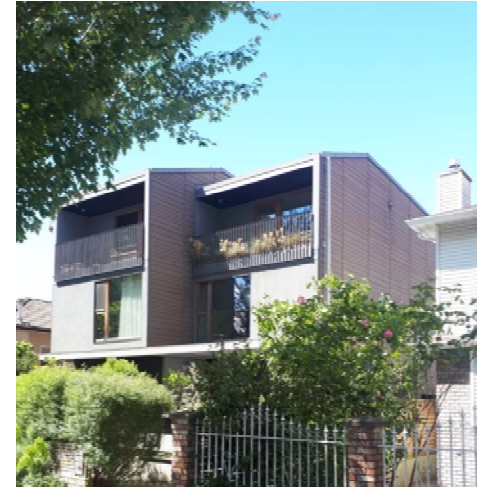
Making Room: Scope

Transition Area: Apartments



Making Room: Scope

RS/RT: Ground-Oriented Infill, Duplex, Triplex, 4-plex

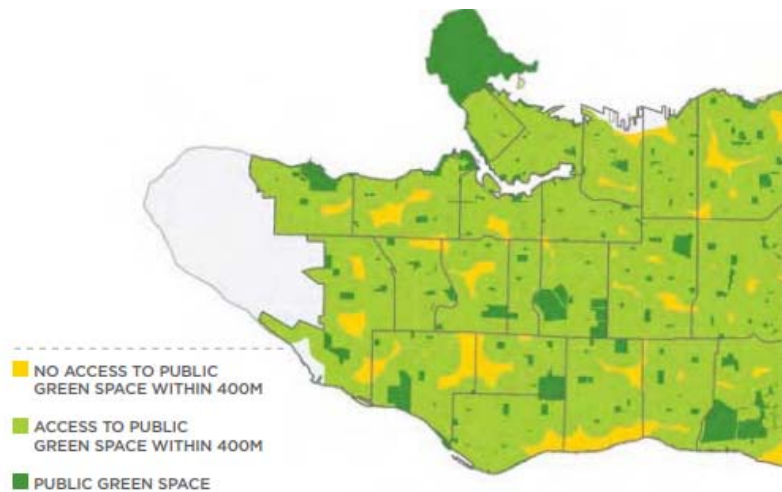


Making Room: Mapping & Analysis

Identifying the Best Opportunities for Change

- Transit
- Schools
- Shopping Areas
- Parks
- Services & Amenities

Access to Green Space



Transit Network

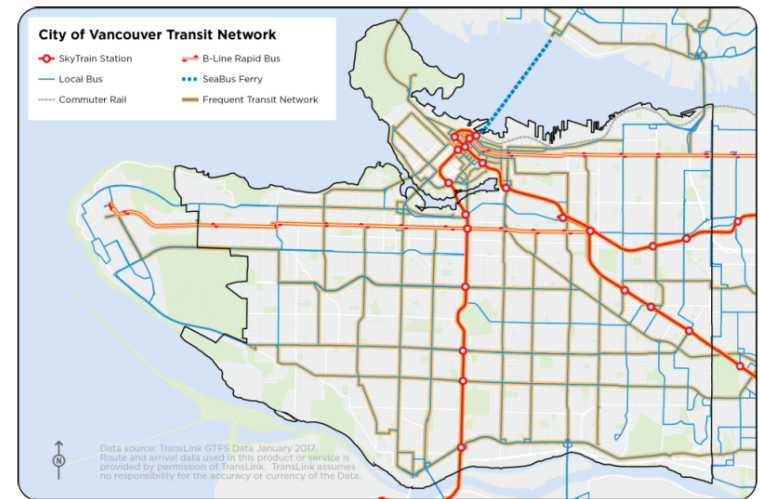


Figure 10 Transit Network, October 2016

Community Centres

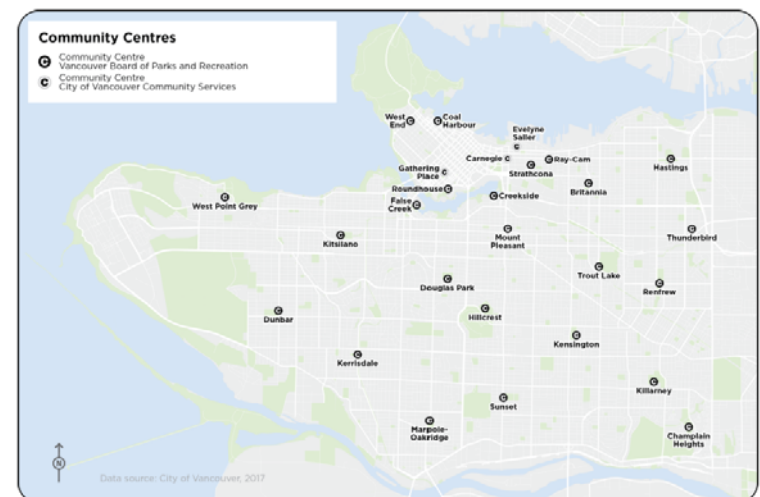


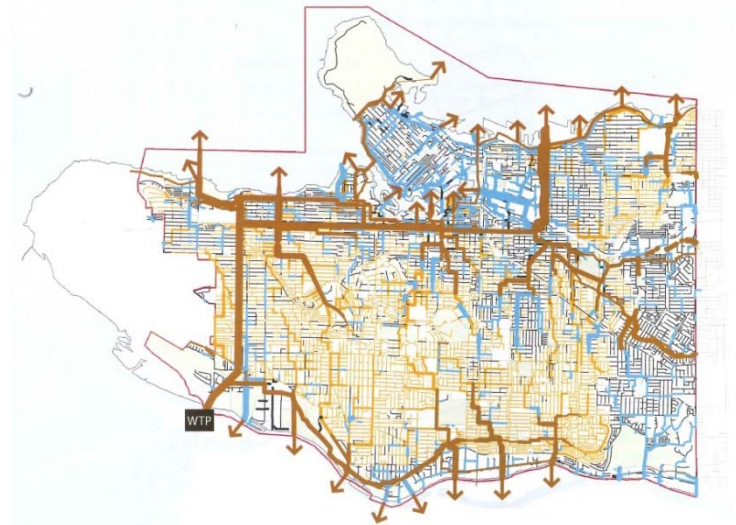
Figure 16 Community Centres, 2017

Making Room: Mapping & Analysis

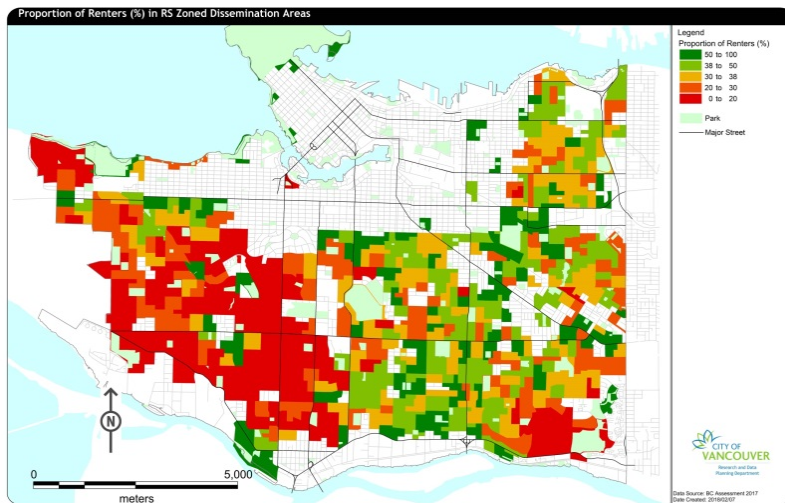
Consider Displacement & Other Risks

- Existing Rental Housing
- Household Incomes
- High Character Value
- Age of Houses
- Tree Canopy
- Utilities

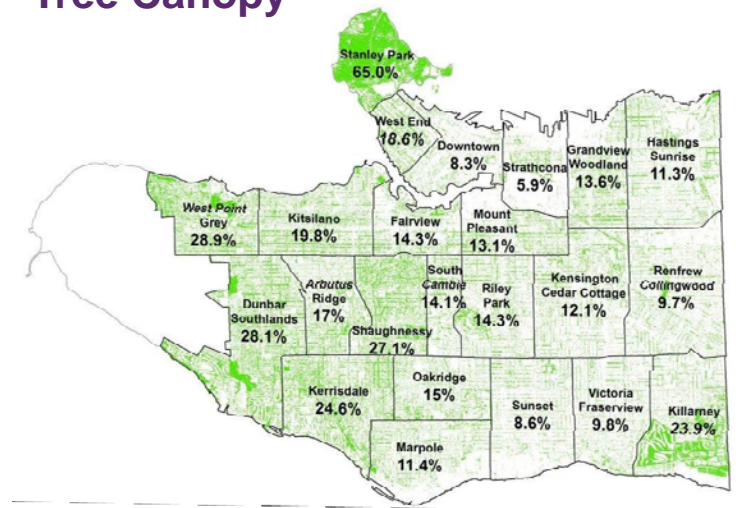
Sewer Infrastructure



Proportion of Renters

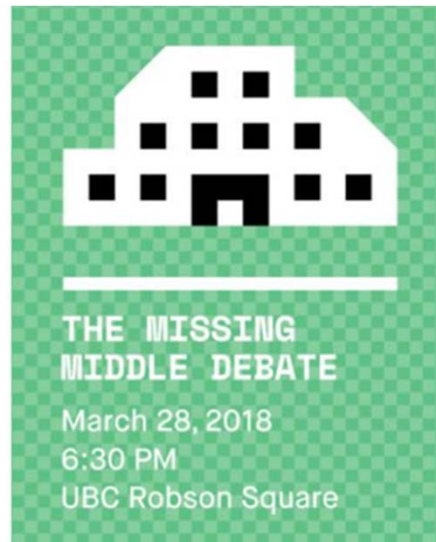


Tree Canopy



Making Room: Typologies Analysis

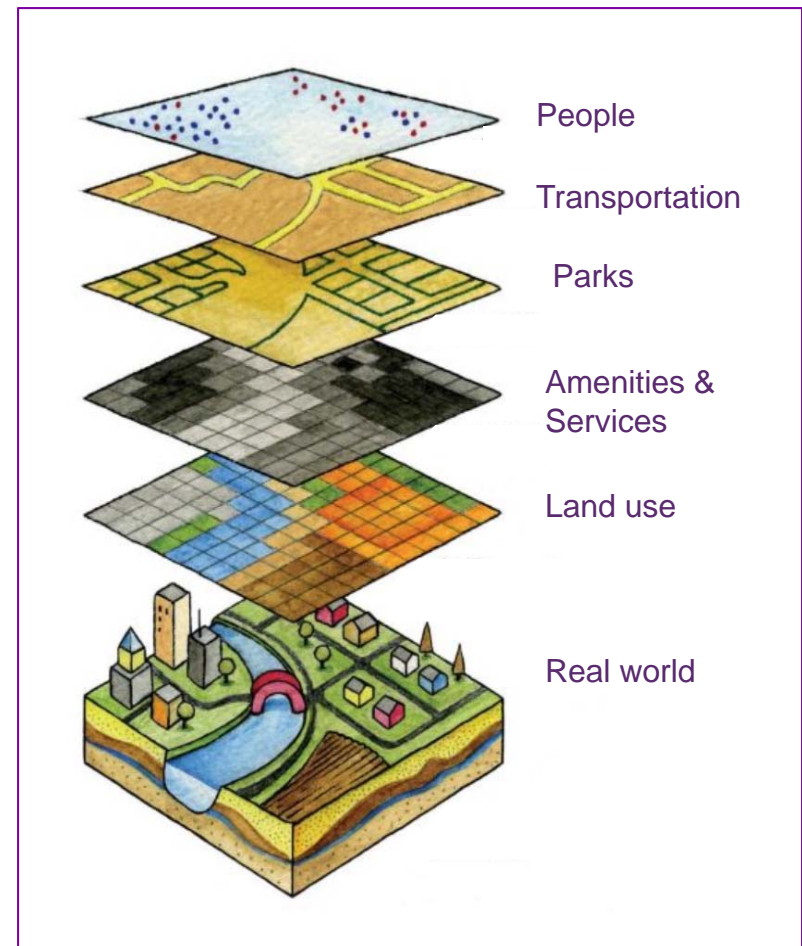
- **Urbanarium Competition & Debate**
- **Internal Workshops**
- **Partnership with Small Housing BC**
- **Practitioner Advice – Interviews, Tours**



Making Room: Methodology

“Multiple Accounts Evaluation”

- Identify most highly suitable areas in all neighbourhoods
- Evaluate for risk mitigation and opportunity
- Advance analysis on building types and tenure options that meet right supply targets
- Develop principles/selection criteria
- Apply similar approach to all neighbourhoods



Making Room

Early Actions

- RS Zones City-Wide
- Kitsilano RT-7 & RT-8
- Kensington-Cedar Cottage RT-10

Related Work

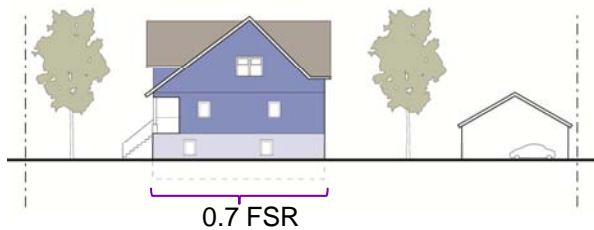
- Laneway Program Changes
- Parking By-law Review



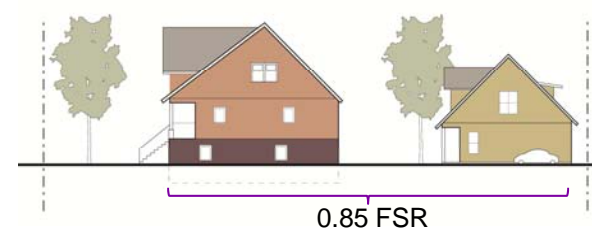
Making Room: Early Actions

RS Zones City-Wide: Add Duplex Option to Existing “Menu”

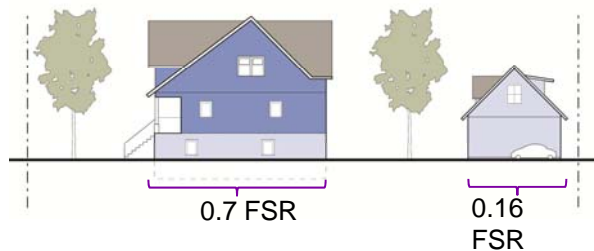
✓ Secondary Suites



✓ Character Infill



✓ Laneway Homes



+ Adding Duplex



Supporting Moves

- Clarify lock-off units as distinct from secondary suites
- Explore opportunities for affordable home ownership

Making Room: Early Actions

Kitsilano RT-7 & RT-8

- Amend design guidelines to enable infill on lots with character houses
- Updates to align with RT-5 (Mount Pleasant & Grandview-Woodland)



Kensington Cedar RT-7 & RT-8

- Updates to align with RT-11 (enhanced character retention incentives and enable LWHs)



Making Room: Early Actions

Laneway House Program Changes – Bylaw for Referral

- Make 1.5-storey LWHs outright
- Remove guidelines – streamline zoning regulations
- Increase heights & relax restrictions on 2-storey expression
- Introduce minimum room sizes to enhance livability
- Allow more flexibility for siting 1-storey LWHs

Parking By-Law

- Update to align with efforts to improve affordability



Making Room: Work Program

Program will explore and create more opportunities for greater housing choices in existing low-density neighbourhoods

- City-wide approach
- Consider all RS zoned areas (~65,000 lots)
- Advance changes to low-density areas to add housing choice
- Simplify and consolidate regulations and processes where possible

PHASE 1 : Mar 2018 – Jun 2018

- Team formation & work program
- Early research & mapping analysis
- Identify quick starts

PHASE 2: Jul 2018 – Dec 2019

- Public engagement: What do you want to make room for in your neighbourhoods?
- Analyze new housing typologies
- Explore improved affordability
- Principles & criteria for new housing choices
- Develop policy recommendations
- Report back to Council June 2019

Development and Building Regulatory Review

Regulatory Review Objectives

Comprehensive review of City's land use regulations and policies

- Goal 1C – Excellent Service in Corporate Plan
- Coordinate with DBL Permit Service Improvements and Housing Vancouver implementation

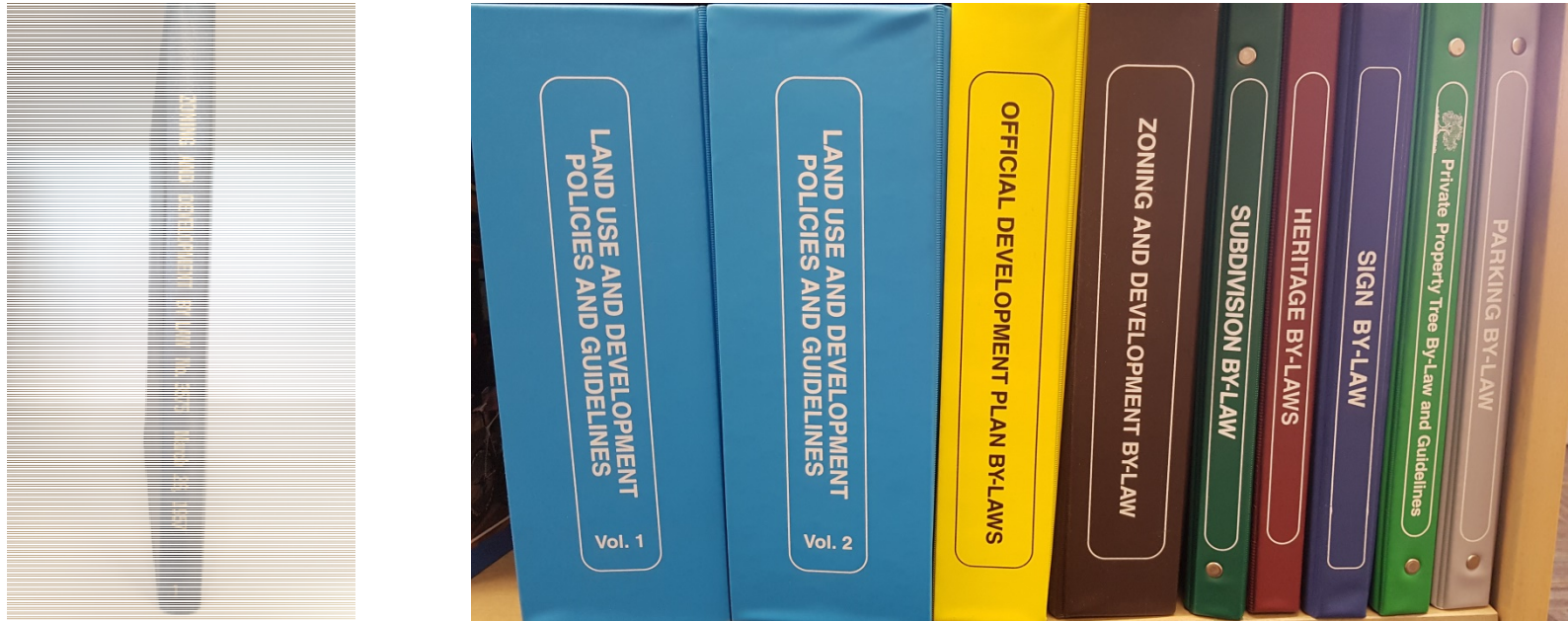
Intent of review:

- Simplify regulations and streamline review processes
- Reconcile competing objectives
- Ensure consistency between regulations, by-laws and policies
- Ensure land use regulations and policies advance City priorities
- Improve internal and external communication



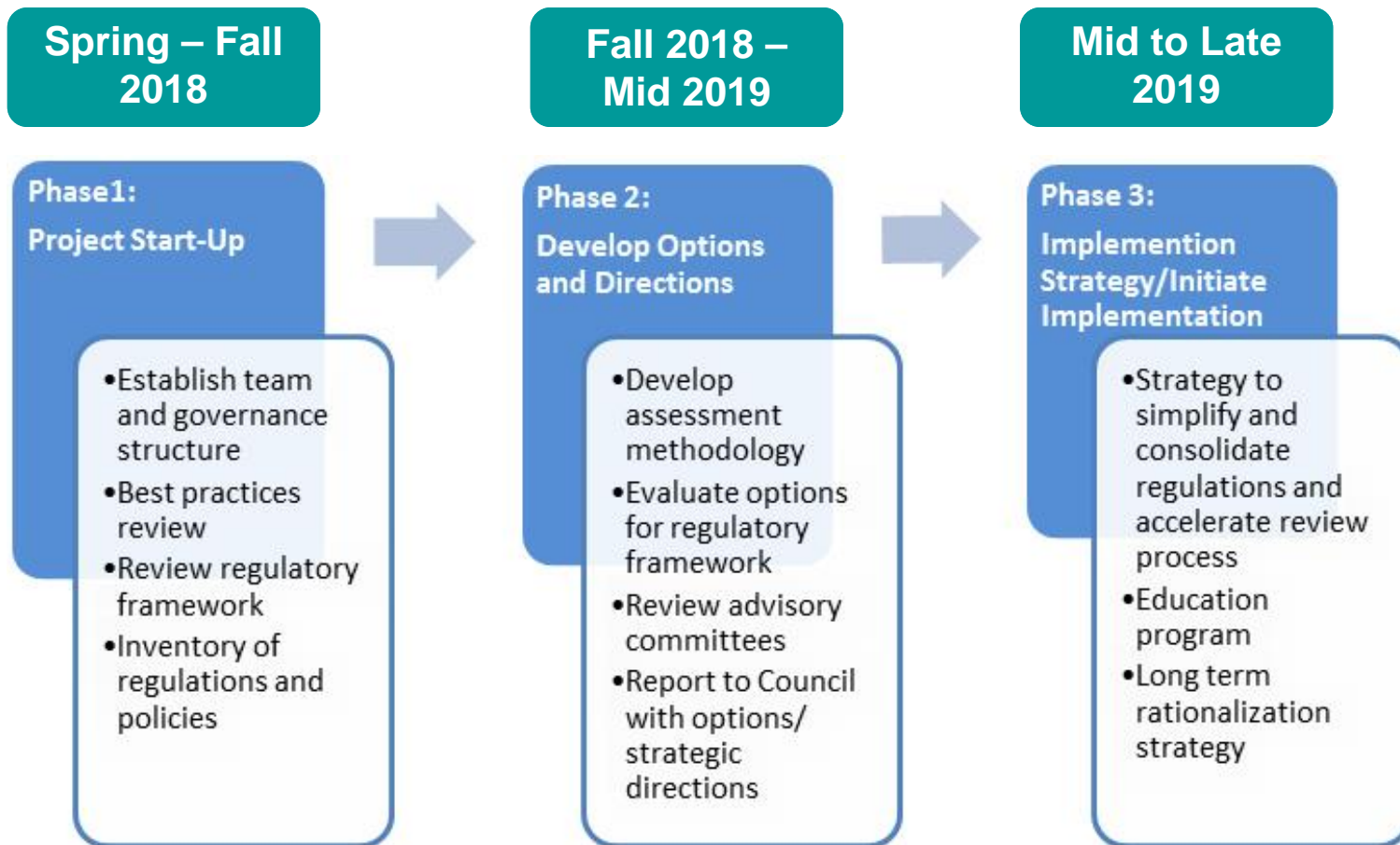
Why is a Review Needed?

Issues



- Adopted in 1956, the Zoning and Development By-law has been amended (8000 + amendments) but has not had a comprehensive review
- Complex and sometimes conflicting requirements – layers of regulations, policies, guidelines, bulletins

2-Year Phased Process



Ongoing regulatory updates to improve clarity, consistency, and simplify regulations, policies and processes

Semi-annual Planning & Development Priorities Update Reports

Consultation

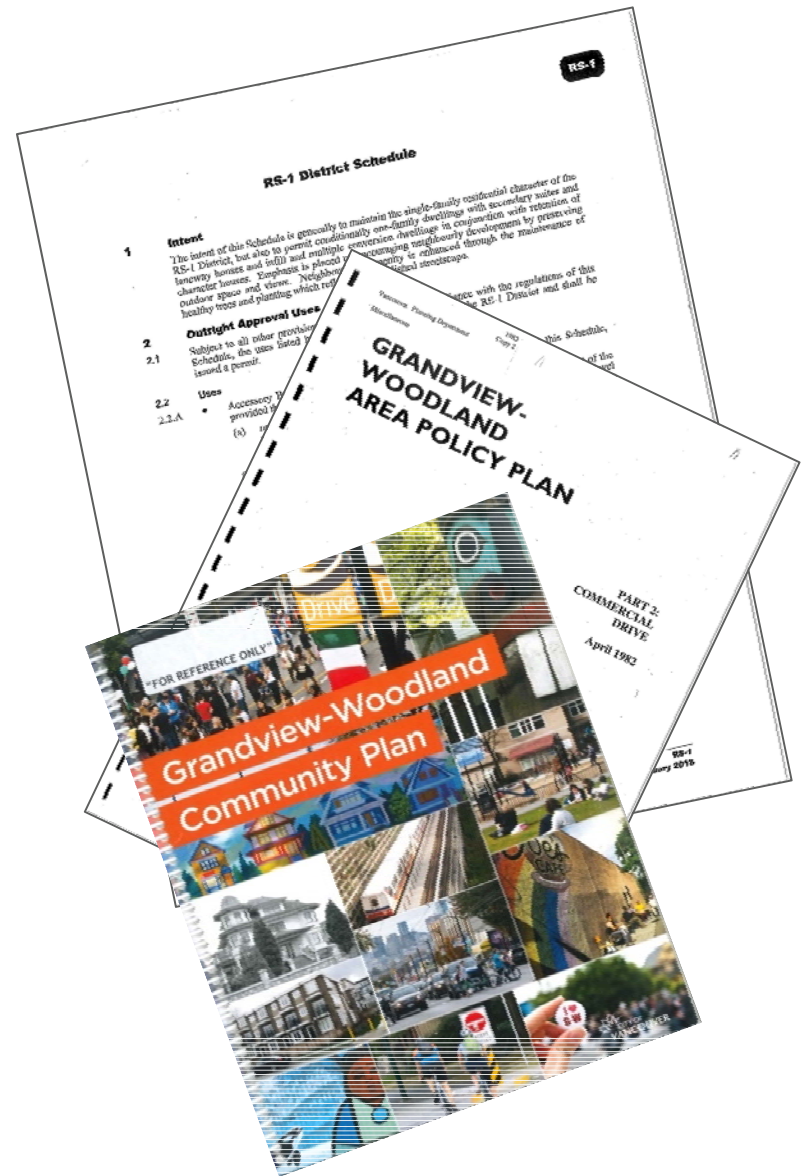


- Development of engagement strategy underway
 - build on DBL process improvements engagement
- Engagement to include:
 - advisory committee
 - focus groups
 - open houses
 - website, online information, surveys
- Mailbox: regreview@vancouver.ca

Regulatory Updates

Quick Starts

- Update RS zones
- Clarify decision-making authority
- Remove occupancy limits for artist studio live spaces
- Provide more flexibility for artist studio accessory retail
- Simplify review process for density bonus for heritage retention
- Repeal outdated policies



Thank-you.



**HOUSING
VANCOUVER**