



ADMINISTRATIVE REPORT

Report Date: January 7, 2016
Contact: Abi Bond
Contact No.: 604.873.7670
RTS No.: 11123
VanRIMS No.: 08-2000-20
Meeting Date: January 19, 2016

TO: Vancouver City Council
FROM: Chief Housing Officer
SUBJECT: Municipal Comments to *Regional Affordable Housing Strategy Update - Revised Draft (August 2015)*

RECOMMENDATION

- A. THAT Council receive the *Regional Affordable Housing Strategy Update - Revised Draft (August 2015)* for information.
- B. THAT Council advise Metro Vancouver that it generally supports the *Regional Affordable Housing Strategy Update - Revised Draft (August 2015)* including the two technical appendices, *Revised Housing Demand Estimates* and *Performance Measures*, subject to the comments provided in this report (listed in Appendix C).
- C. THAT the Mayor request that the Chair of the Metro Vancouver Housing Committee send a letter to both the Provincial and Federal Governments requesting financial support to meet the goals as set out in the draft of the *Regional Affordable Housing Strategy Update - Revised Draft (August 2015)* once finalized and approved.

REPORT SUMMARY

The Metro Vancouver Board of Directors have approved the release of the *Regional Affordable Housing Strategy Update - Revised Draft* (hereinafter referred to as *Draft RAHS Update*) for feedback from member municipalities and other stakeholders. The comments included in this report serve as the City of Vancouver's form of feedback from Council and Mayor. This report describes the context for the *Draft RAHS Update* and the process for its development. Staff identify the City's priority goals that should be retained and further highlighted such as: retaining and increasing the rental stock; reminder for Housing Action Plans; endorsement for the draft Regional Homelessness Plan; affordable housing located near the frequent transit network; and options in unit

mix and ownership for families. This report also outlines three areas for enhancement within the *Draft RAHS Update*: strengthening the sustainability context; enhancing the context for the Aboriginal population; and, including a better acknowledgement of the private sector's role. Next, this report provides an analysis of the revised Housing Demand Estimates and how the City will be able to meet them as well as a brief review of the Performance Measures. Appendix A provides a goal by goal commentary with respect to key City policies that meet the goal's objective.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- Regional Context Statement Official Development Plan (2013)
- Final Report of the Mayor's Task Force on Housing Affordability (2012)
- Housing & Homelessness Strategy 2012-2021 (2011)
- Regional Growth Strategy (2011)

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

This Council's top priorities include ending street homelessness and increasing affordable housing options. To this end, the City has invested significant efforts to mitigate the loss of existing rental stock and to increase the stock of rental housing. A regional approach to address the challenges of affordable housing is necessary and should be strengthened with all member municipalities playing their part. Updating the Regional Affordable Housing Strategy is a critical step in bringing all the stakeholders together to identify goals, strategies and actions to accomplish them.

REPORT

Background/Context

In July 2011, Council approved the Housing and Homelessness Strategy which identifies two goals to end street homelessness and to provide more affordable housing choices. The Strategy sets out how these two goals will be achieved and measured over the next 10 years.

Figure 1: Housing & Homelessness Strategy 2011-2021 Targets



In October 2012, Council approved a report that included Priority Actions as a response to the Mayor's Task Force on Housing Affordability (*Bold Ideas towards an Affordable City*) which focused on increasing the supply and diversity of housing and exploring opportunities to protect, renew and expand the rental stock.

In March 2011, Council accepted the Regional Growth Strategy (RGS) called *Metro Vancouver 2040 Shaping our Future* which focuses on land use policies to guide the future development of the region and support the efficient provision of transportation, regional infrastructure and community services within a sustainable framework. A Regional Context Statement (RCS) is required by all municipalities in the region to demonstrate how the municipalities' plans and policies support the goals, strategies and actions of the RGS and also must include population, dwelling and employment projections to show their share of growth projections. In 2013, the Metro Board approved Vancouver's RCS Official Development Plan.

The *Draft RAHS Update* was developed to advance the goals in the *Metro 2040 Regional Growth Strategy*. It focuses on the stock and delivery of affordable and market rental housing across the region. More information on the process and the timeline of developing the *Draft RAHS Update* can be found in Appendix B.

The *Draft RAHS Update* can be found here:

<http://www.metrovancouver.org/services/regional-planning/PlanningPublications/RegionalAffordableHousingStrategyUpdateAug19-2015.pdf>

The corresponding Housing Demand Estimates can found here:

http://www.metrovancouver.org/services/regional-planning/PlanningPublications/Projected_Increase_in_Housing_Demand_for_Metro_Vancouver-2016-2026-Draft.pdf

The corresponding Performance Measures can be found here:

http://www.metrovancouver.org/services/regional-planning/PlanningPublications/Performance_Measures_Revised_Draft.pdf

Structure of the *Draft RAHS Update* Document

Following an introduction, the *Draft RAHS Update* includes the Vision which highlights five Goals, each with 3-4 Strategies and Proposed Actions from varying combinations of players¹. The five Goals are:

1. Expand the supply and diversity of housing to meet a variety of needs
2. Preserve and expand the rental housing supply
3. Meet housing demand estimates for low to moderate income earners
4. Increase the rental housing supply along the Frequent Transit Network
5. End homelessness in the region

¹ Metro Vancouver (Regional Planning, MV Housing Corporation, MV Homeless Partnering Strategy (HPS) Community Entity), Municipalities, Provincial Government, Federal Government, Health Authority, TransLink, Non-profit, Cooperative, and Private Sector Development Partners.

Progress since the 2007 RAHS

The *Draft RAHS Update* outlines some areas of progress since the 2007 RAHS. See Appendix B for more details of the City's contribution to the region's progress on homelessness, new social housing and new rental housing.

Strategic Analysis

A. Vancouver's Priority Goals for RAHS

The following section describes the priority goals for the City of Vancouver contained within the *Draft RAHS Update*. The *Draft RAHS Update* was developed in consultation with staff from various municipalities, senior levels of government, health and transportation authorities, non-profit sector and the private sector. Recognizing that it is challenging to have consensus on every element from these various stakeholders, it is important to highlight these particular areas of housing policy as critical to the City of Vancouver's interests and goals. There are five key priority areas identified below with staff recommendations on how the *Draft RAHS Update* currently supports or how it could further support these goals. For a complete list of staff recommendations please see Appendix C.

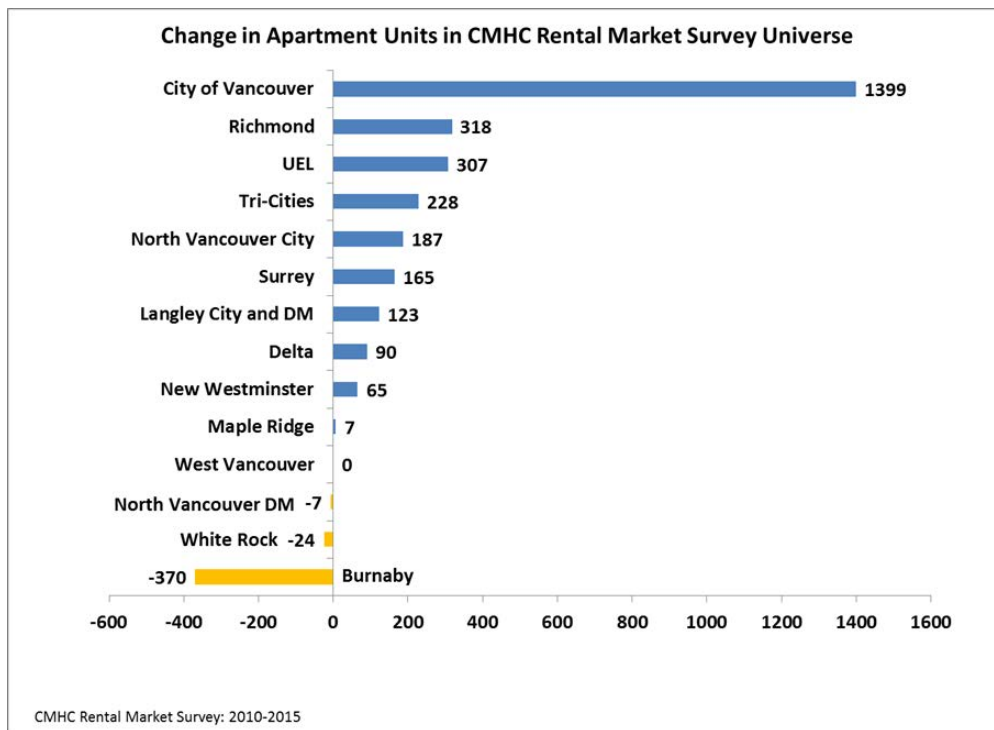
1. Retain and Increase the Rental Stock

#1 - Staff Recommend:

Vancouver City Council support RAHS Goal 1, *Expand the supply and diversity of housing to meet a variety of needs*; Goal 2, *Preserve and expand the rental housing supply*; Goal 3, *Meet housing demand estimates for low and moderate income earners*; and Goal 4, *Increase the rental housing supply along the FTN vis-a-vis the retention and creation of rental units*.

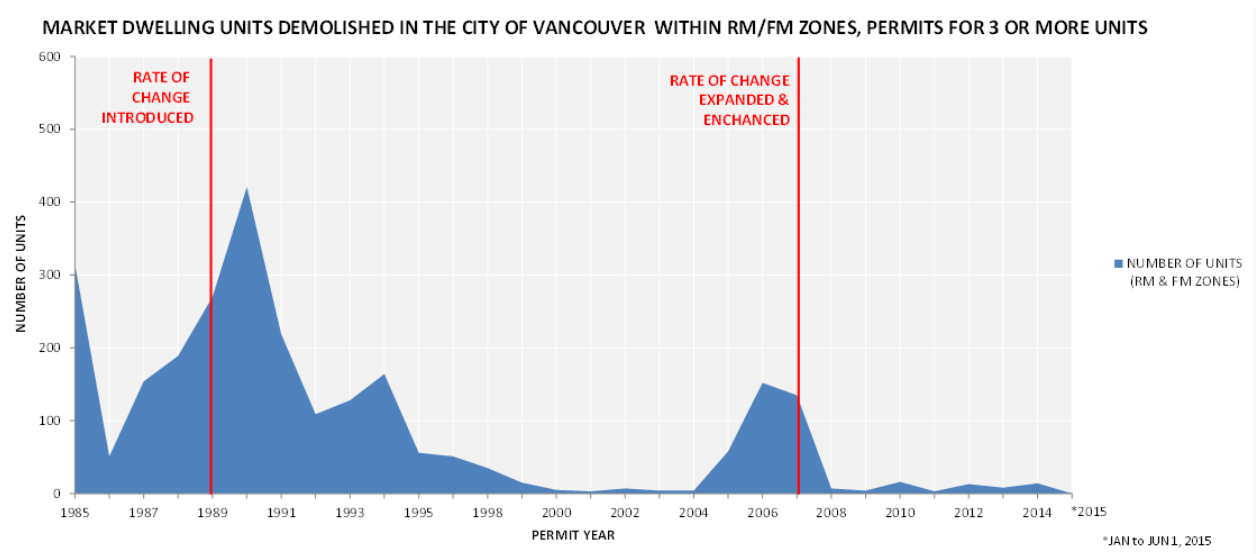
The City's efforts to balance retention of existing affordable housing with the need to increase supply become counterproductive if other municipalities do not at a minimum require replacement rental upon redevelopment. The *Draft RAHS Update* requires that Metro Vancouver monitor the purpose built rental housing supply to identify areas where rental housing is being lost or gained in order to alert decision makers to the vulnerability of the purpose built rental supply in certain areas. This monitoring and reporting will also serve to reveal the extent to which different municipalities are committed to preserving affordable housing and where there are gaps across the region. The CMHC Rental Market Survey Reports allow for analysis of the net change in purpose built market rental housing among Metro municipalities (Figure 2).

Figure 2: Net Change in Rental Stock Across the Region, 2010-2015



The protection of existing rental stock continues to be one of the most important priorities for the City of Vancouver. The Rental Housing Stock ODP, developed in 2007, requires the one-for-one replacement of rental housing units in certain zoning districts, these areas are known as Rate of Change. Roughly 80% of the City’s purpose built market rental housing stock is located within Rate of Change areas. This policy has been very effective in preventing the demolition of rental units in the City (Figure 3).

Figure 3: Demolitions of Market Rental Dwelling Units



The SRA By-law protects the stock of low income housing of single-room occupancy residences. The Housing & Homelessness Strategy contains priority actions to protect the existing rental stock and increase the supply of affordable housing.

The Final Report on the Mayor's Task Force on Housing Affordability, approved in 2012, recommends an evaluation of the City's rental protection regulations to identify strategies to preserve affordability while expanding the stock.

Recent community plans approved by Council in the West End, Downtown Eastside and Marpole neighbourhoods are designed to strike a balance between protection of existing supply and expansion of the rental housing stock. For example, the Marpole community plan allows redevelopment of existing rental housing buildings on arterial streets (such as Oak St. and 70th Ave.) on the condition that the new buildings are secured as 100% market rental. This policy is designed to increase the rental supply in the neighbourhood as replacement buildings are permitted to be built at 6 stories in height. The policy for the balance of rental buildings in Marpole (i.e. those not located on arterial streets) is to maintain existing zoning and policy in order to encourage retention of the existing affordable stock. In the West End Plan, the majority of the existing stock retains existing zoning and policy except for corridor areas on the edges of the neighbourhood where rental housing buildings are permitted to redevelop on the condition that the units are replaced on a one-for-one basis with social housing to be owned by the City or 100% secured rental developments. The West End Plan also enables infill rental housing on laneways.

In terms of encouraging new supply of rental housing, the City has a strong track record in recent years. The 2011 Housing and Homelessness Strategy identified targets for new rental housing supply across the housing continuum and the City is on track to meet those targets (Table 1).

Table 1: Progress towards Housing and Homelessness Strategy Targets, December 15, 2015

Housing Targets	Supportive Housing	Social Housing	Purpose-built Rental	Suites and Laneway Housing
Current number of units	1,844	1,683	5122	3,511
Percentage of 2021 Target	64%	34%	102%	59%

2. *Reminder for Housing Action Plans (HAPs)*

#2 - Staff Recommend:

Vancouver City Council request the addition of a specific reference in 'Municipal Actions' in the revised *RAHS Update* that reinforces the need, especially for larger urban municipalities, to develop a Housing Action Plan (HAPs).

Thirteen municipalities have adopted HAPs of the 21 regional members (Appendix D). The adoption of a HAP signals a strong commitment to affordable housing and supports the regional efforts towards a regional strategy. The City of Vancouver first developed

its HAP in 2005 and it was updated in 2011 with the Housing & Homelessness Strategy 2012-2021. It is concerning that not every municipality has developed a HAP because municipalities have to prepare and plan for accommodating their share of growth. HAPs are important documents that provide the actionable framework for planning. It is important that the next RAHS continue to require the update or development and adoption of HAPs.

Housing Action Plans were requested from municipalities as part of the 2007 RAHS as well as part of the 2011 RGS. According to *Metro 2040*, HAPs are expected to be developed by municipalities to assess local housing market conditions including supply, demand and affordability. They identify housing priorities and implementation measures to encourage the supply of new rental housing and mitigate the loss of existing rental stock.

3. *Endorsement for the Regional Homelessness Plan*

#3 - Staff Recommend:

Vancouver City Council request adding a specific endorsement of the draft Regional Homelessness Plan and ways to implement it within Goal #5, *End Homelessness in the Region*.

The Regional Homelessness Plan, developed in 2014, remains in draft form as there is no identified source of funding to pursue the next steps. As a result, any inclusion of a goal to address homelessness in the *Draft RAHS Update* essentially serves as “the plan” for ending homelessness in the region. The draft RHP can be found here:

<http://www.metrovancouver.org/services/regional-planning/homelessness/HomelessnessPublications/2014%20RegionalHomelessnessPlan.pdf>

As outlined in the draft RHP the next steps for implementation include: to consult with stakeholders, estimate the costs of implementation, prepare an implementation plan and present final plan for endorsement.

The RHP promotes a range of housing options from shelters to independent living options. Since 2008, the City of Vancouver opens temporary shelters during the winter months to supplement the existing shelter system. The effectiveness of the City's efforts would improve with regional coordination of temporary winter shelters in other cities².

The RHP was developed by the Regional Steering Committee on Homelessness (RSCH) which has evolved into a new model called the Constituency Table which is comprised of senior staff of agencies that serve the homeless population and representative from government, funders, Aboriginal organizations, shelters, housing providers, outreach, and various groups representing special populations. At the time of developing the *Draft RAHS Update* the process for moving forward with the draft RHP was unclear. A clear action item for Metro should be included to pursue completion of RHP as a key pillar of the RAHS.

² Abbotsford, Surrey, Maple Ridge also provide temporary winter shelters.

4. *Affordable Housing Located Near Frequent Transit Network (FTN)*

#4 - Staff Recommend:

Vancouver City Council request the addition of a ‘Metro Action’ that encourages expansion of the Frequent Transit Network (FTN) and future Frequent Transit Development Areas (FTDAs) to support more locations for diverse, affordable housing in Goal #4, *Increase the rental housing supply along the FTN*. Under several Actions related to Goal 4 there are references to establish ‘inclusionary zoning’ for purpose built rental and affordable housing as well as the creation of new agreements with Translink and the Province. More clarity on the potential for inclusionary zoning and the appropriate role of TransLink with respect to housing is needed as the RAHS moves forward.

In addition to the region’s designated Urban Centres, Metro’s RGS identifies the FTN as another priority location to accommodate concentrated growth in higher density forms of development. The majority of transit routes in the City are already identified in the FTN. Vancouver’s RCS ODP identifies one Frequent Transit Development Area (FTDA), the Cambie Corridor. The RCS also identifies a future FTDA, pending future planning work and investment in transit service, along the Broadway Corridor.

The Cambie Corridor Plan focuses on opportunities to integrate development with transit and to build and enhance the existing neighbourhoods along the Corridor while supporting the City’s goal of environmental sustainability, liveability, and affordability. The public benefit strategy for the Corridor includes 50% of community amenity contributions (CAC) allocated towards the Affordable Housing Reserve to increase the City’s affordable housing supply. In addition to efforts to plan for, or incent, affordable housing near rapid transit in Vancouver, most affordable housing projects located within the City are well served by transit due to the concentrated nature of the FTN.

From a regional perspective, the FTN in much of the region is currently much less concentrated relative to the size of many municipalities, than in Vancouver. The RAHS is an opportunity to encourage TransLink to provide additional transit service and expansion of the FTN throughout the region in-tandem with the addition of new, diverse and affordable housing.

5. *Options in Unit Mix and Ownership for Families*

#5 - Staff Recommend:

Vancouver City Council support Goal 1, *Expand the supply and diversity of housing to meet a variety of needs* with respect to the creation of more family housing and affordable home ownership models (e.g. Strategy 1.1 and Actions “d” and “l”).

Keeping families living in Vancouver is an important component to creating a healthy and sustainable city. Vancouver’s Healthy City Strategy describes how families and children are key to a vibrant and economically healthy city and ensuring they have access to affordable housing is fundamental. In July 2015, Council received a presentation that demonstrated the need for family-oriented housing stock and requested a report back on various policy recommendations. The presentation recommended emerging policy to increase the proportion of family units in new

residential developments from 25% to 35%. In addition, Council has established the Vancouver Affordable Housing Agency (VAHA) to deliver 2,500 new affordable housing units and VAHA's mandate is to focus on the delivery of family units amongst these.

The City has enabled families and individuals to afford home ownership by providing strata units on leased land, which the market values as cheaper than freehold, since the early 1970s in False Creek South. Recently, the City has allowed for the private sector to deliver secured affordable home ownership through the Interim Rezoning Policy. Affordable home ownership is a form of affordable housing for moderate income households to enter the ownership market. It is important that all the stakeholders encourage this form of affordable housing across the region and the *Draft RAHS Update* can be used to highlight affordable home ownership models.

B. Opportunities for Enhancement

There are three areas where the *Draft RAHS Update* can be strengthened as described below with staff recommendations.

1. Affordable Housing within the Sustainability Context

#6 - Staff Recommend:

Vancouver City Council request strengthening the sustainability context for affordable housing in the Introduction section of the *RAHS Update* and promote practices such as green building renovations and passive house designs.

While the *Draft RAHS Update* references the need for a regional strategy to accommodate a diverse range of needs given the growth projections, the *Draft RAHS Update* could benefit from a more robust description about the role of affordable housing as an important component of economic, environmental and social sustainability.

It is important to remind the readers of the new *RAHS Update* of the rationale for affordable housing within a sustainability context. Development in the region should improve choices for residents by providing opportunities to live closer to places of work and services in order to promote walkable or transit-oriented and healthy communities. The long term resiliency and sustainability of the region will be improved if these opportunities are made available to a diverse range of individuals, working in a diverse range of industries and occupations. Less reliance on individual cars translates into better air, healthier bodies and happier communities. The *Draft RAHS Update* builds upon the RGS goal to develop complete communities. Complete communities are walkable, mixed use, transit-oriented communities that provide people with a place to live and access to a range of services and amenities through all stages of their lives. Examples of a sustainable and affordable housing include green building renovations as a way to extend the life of existing rental housing and passive house designs which require less energy and cost to operate over the long term. These practices should be emphasized in the revised RAHS.

Vancouver serves as the key economic driver for the region and the region is the main economic driver of the Province. Providing affordable housing in Vancouver and the region is key to attracting and retaining talent over the long term. Housing

affordability is an important consideration for new employers choosing to, and being able to, locate and expand their business in a particular city and region.

2. *Stronger Reference and Acknowledgement of the Aboriginal Context*

#7 - Staff Recommend:

Vancouver City Council request the addition of referencing urban Aboriginals' housing needs and identifying actions for: Metro Vancouver to partner with Aboriginal agencies; Municipalities to consider innovative plans to promote and develop Aboriginal wellness; and, for the Non-Profit & Private Sector to bring forward development applications for Aboriginals. Appendix E provides specific suggestions for the *Draft RAHS Update*.

The Aboriginal population is one of the fastest growing populations in Canada, with many people moving to urban areas to pursue employment, education and city-life opportunities. Conservative estimates indicate there are over 50,000 Aboriginal residents living off-reserve in Metro Vancouver municipalities as of 2011, with over 20% or 18,000 of these living in Vancouver. Statistics demonstrate the ongoing inequities between Aboriginal and non-Aboriginal residents - 44% of Aboriginal residents own their own home in region compared to 66% of non-Aboriginal households, and over 50% of Aboriginal renter households are spending more than 30% or more on housing costs. The high representation of Aboriginal people who are homeless maintains a high consistency at approximately 30%. As urban Aboriginal housing needs are not the responsibility of First Nation nor federal governments, principled engagement with municipalities and other levels of government is needed in order to 'close the gap' and address the need for urban Aboriginal housing and wellness, both in the immediate and longer-term.

On December 14, 2015 the Metro Vancouver Aboriginal Executive Council (MVAEC) released the report *Towards an Urban Aboriginal Housing and Wellness Strategy for Metro Vancouver 2015-2020* which identifies seven Guiding Principles, as well as seven suggestions for immediate action, including calling for 1,500 social housing units across the region to address the issue of Aboriginal housing and wellness. One of the Guiding Principles that relates directly to the *Draft RAHS Update* is that "*Urban Aboriginals must be provided the opportunity and right to be consulted and engaged in developing housing strategies and plans that directly affect the services they access*". MVAEC is calling for support to develop a 10-Year housing strategy that meets the needs of urban Aboriginal residents.

3. *Better Acknowledgement of the Private Sector Role*

#8 - Staff Recommend:

Vancouver City Council request the addition of more proposed actions for the private sector to facilitate the delivery of affordable housing.

The role of the private sector is not displayed as prevalently in the *Draft RAHS Update* as it is in reality. The private sector, which includes developers, landlords, and owners, play a major role in delivering, operating and securing affordable housing. There was representation at the public consultation event for the *Draft RAHS Update*

and the private sector is an important stakeholder in City policy and planning initiatives.

C. Revised Housing Demand Estimates (HDEs)

The following section applies to the Revised Housing Demand Estimates (HDEs) included in the *Draft RAHS Update*.

The projections are presented for both owner and renter households and the renter household projections are further divided into five different income groups:

- Very Low (< \$30,000/year)
- Low (\$30-\$50,000/year)
- Moderate (\$50-\$75,000/year)
- Above Moderate (\$75-\$100,000/year)
- High (> \$100,000/year)

1. Revised HDEs for the City of Vancouver

#9 - Staff Recommend:

Vancouver City Council support the revised HDEs for the City of Vancouver noting that the goals of the Housing & Homelessness Strategy 2012-2021 continue to demonstrate that the City will work towards meeting and exceeding the rental demand that has been projected in the Metro model.

Households Earning Under \$50,000/year

The City of Vancouver's Housing and Homelessness Strategy 2012-2021 and Capital Plan targets the delivery of approximately 4,550 social and supportive housing units between 2015 and 2021 (500 units of social housing and approximately 150 units of supportive housing per year). This total for 2021 is consistent with the total number of units that the Metro Vancouver 10-year projection included in the revised HDEs requires the City to achieve by 2021 (4,680 units). The level of affordability achieved in each project will depend upon the partnerships that the City can leverage per Strategic Direction #3 of the Housing and Homelessness Strategy, "*Provide Strong Leadership and Support Partners to Enhance Housing Stability*". In particular, housing units for households earning less than \$30,000/year (which would rent for approx. \$725/month) will be difficult for the City to achieve without support from senior government. Support from senior government is welcomed by the City, both in the form assistance with low cost financing and capital grants that help to create new construction possible as well as ongoing funding for in-house support services and/or rent subsidies to low income tenants.

Households Earning Over \$50,000/year

The City's Housing and Homelessness Strategy 2012-2021 requires that the City enable 5,000 new purpose built market rental housing units over a 10-year period and 6,000 secondary rental units (e.g. secondary suites, laneway houses, and rented condominiums). The City's targets for rental housing for households earning above \$50,000/year are well above the Revised HDEs prepared by Metro Vancouver. This reflects the fact that the Metro Vancouver model is a regional

model which makes regional level assumptions about trends towards home ownership. Given the high costs of home ownership in the City of Vancouver, staff feel that it is reasonable to expect that rental demand for households with incomes above \$50,000/year will be higher than what the regional model has projected (see Appendix F for additional analysis comparing the RGS estimates to the Revised HDE and to the City of Vancouver's Housing and Homelessness Strategy 2012-2021).

2. Revised HDEs for the Region Overall

#10 - Staff Recommend:

Vancouver City Council request that Metro Vancouver apply a revised methodology that demonstrates an increasing need for rental housing in the region overall compared to the existing estimates in the RGS (Table 2).

The revised 10 year HDEs for rental demand in the region has declined from 64,900 to 52,600 despite an increase for the City of Vancouver (10,700 vs. 12,100). This is concerning as this change may mislead municipalities to underestimate their rental demand given the immense housing affordability crisis that is currently encompassing the region.

Table 2: Comparing Overall Rental Demand in the RGS and the Revised HDE

	Current Regional Growth Strategy	Revised Housing Demand Estimates	Change	% Change
City of Vancouver	10,700	12,100	+1400	13%
Metro Vancouver	64,900	52,600	-12,300	-19%

D. Draft Performance Measures

Staff at Metro Vancouver have drafted a series of proposed performance measures to allow for ongoing monitoring of the implementation of the new *RAHS Update* (http://www.metrovancouver.org/services/regional-planning/PlanningPublications/Performance_Measures_Revised_Draft.pdf).

The Draft Performance Measures rely heavily on statistics that are collected and published regularly by agencies such as the CMHC, Statistics Canada and BC Housing. Data sources and measures are proposed for each goal area.

#11 - Staff Recommend:

Vancouver City Council support the draft Performance Measures subject to Metro Vancouver's commitment to ensure that they are monitored and updated regularly, that data are tracked on a net basis wherever possible and that Metro report out on progress towards the goals on a city by city basis.

It is imperative for Metro Vancouver to ensure that data are tracked on a net basis, gains less losses, where sources allow. Monitoring the stock of purpose built rental

apartments in each city on a net basis is key to ensuring a much richer understanding of the stock of affordable housing in the region. In addition, it is recommended that Metro Vancouver track and report out on the performance measures on a city-by-city basis as opposed to reporting on aggregate numbers for the region. This will allow individual municipalities to understand their specific contributions towards meeting the goals of the RAHS.

Implications/Related Issues/Risk (if applicable)

Financial

As part of the 2015-2018 Capital Plan, Vancouver City Council has earmarked \$125 million to renew the existing affordable housing stock and create 2,550 new affordable housing units through strategic partnership with senior governments, non-profit and other private sector housing partners.

As well, the City will continue to encourage purpose-built market rental housing through its Rental 100 Program which provides additional density, parking relaxation and Development Cost Levy waivers to qualifying projects.

In October 2015, Canada elected a majority Liberal government for the next four years. A key component of its election platform was to increase and maintain affordable rental housing through a variety of ways which include: i) tax incentives; ii) operating grants to support municipalities; and iii) project financing through CMHC and the new Canada Infrastructure Bank.

The Chief Housing Officer will work to expedite strategic partnerships with senior levels of government to stabilize and increase the affordable housing stock and maintaining an appropriate level of affordability.

CONCLUSION

Since 2008, Council has researched, enacted by-laws and endorsed policies, plans and strategies to support the goals of ending street homelessness and delivering more affordable housing to Vancouver residents. From developing targets and implementable actions in the Housing & Homelessness Strategy to bringing together experts in housing in the form of the Mayor's Task Force on Housing Affordability, this Council has made significant stride in addressing homelessness and affordable housing. The *RAHS Update* is an opportunity for Metro Vancouver, municipalities, Translink, the health authorities, the non-profit sector and the private sector to collectively identify roles to address the need for more affordable housing options for residents. It is critical that the *RAHS Update* maintain the urgency and need for more rental housing across the region and that local plans are in place for the imminent growth projections. The *Draft RAHS Update* is generally supported subject to the commentary contained in this report.

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Goal by Goal Commentary

Goal		Strategies		Key CoV Policies
1	Expand the supply and diversity of housing to meet a variety of needs.	Strategy 1.1	Diversify the housing supply in terms of unit and lot size, number of bedrooms, built form and tenure	<ul style="list-style-type: none"> - Rental 100 - Community Plans (Marpole, West End, Cambie Corridor, DTES) - Emerging family housing policy - Final Report of Mayor's Task for on Affordable Housing - Rezoning Policy for Sustainable Large Sites - Interim Rezoning Policy - Housing & Homelessness Strategy
		Strategy 1.2	Address community opposition to new residential development	
		Strategy 1.3	Plan for the special housing needs of specific sub-populations	
		Strategy 1.4	Enhance understanding of the housing market to improve housing policy	
2	Preserve and expand the rental housing supply	Strategy 2.1	Expand the supply of rental housing, including new purpose built market rental housing	<ul style="list-style-type: none"> - Rental Housing Stock ODP - Rental 100 - Rental Incentive Guidelines - Tenant Relocation and Protection Policy - Interim Rezoning Policy - Housing & Homelessness Strategy
		Strategy 2.2	Make retention and maintenance of existing purpose built market rental housing more attractive	
		Strategy 2.3	Ensure that tenant relocations are responsive to tenant needs	
3	Meet housing demand estimates for low and moderate income earners	Strategy 3.1	Facilitate new rental housing supply that is affordable for low and moderate income households	<ul style="list-style-type: none"> - Interim Rezoning Policy - Rental 100 - Rental Incentive Guidelines - Community Vision Directions - Housing & Homelessness Strategy - Final Report of Mayor's Task for on Affordable Housing - Official Development Plans (various)
		Strategy 3.2	Support non-profit and cooperative housing providers to continue to operate mixed income housing after operating agreements expire	
		Strategy 3.3	Facilitate non-profit and cooperative housing providers to create new mixed income housing through redevelopment or other means.	
		Strategy 3.4	Advocate to provincial and federal governments for housing and income support programs to meet housing needs	

Goal		Strategies		Key CoV Policies
4	Increase the rental housing supply along the Frequent Transit Network	Strategy 4.1	Expand awareness of the affordable housing and transit connection	<ul style="list-style-type: none"> - Cambie Corridor Plan - Rezoning - Rezoning Policy for Sustainable Large Sites
		Strategy 4.2	Plan for transit station areas, stop areas and corridors to include rental housing affordable for a range of income levels	
		Strategy 4.3	Implement incentives to encourage rental housing near transit	
5	End homelessness in the region	Strategy 5.1	Expand housing options to meet the needs of homeless people in the region	<ul style="list-style-type: none"> - Housing & Homelessness Strategy - Winter Response Strategy - DTES Plan
		Strategy 5.2	Promote measures that prevent at risk individuals from becoming homeless	
		Strategy 5.3	Advocate to the provincial and federal government for support to meet the housing needs of the homeless	

Process for the Draft RAHS Update

In November 2007 the Regional Affordable Housing Strategy (RAHS) was adopted by Metro Vancouver. Six years later, in November 2013, the Metro Vancouver Housing Committee (MVHC) received a presentation on the work plan for preparing an update to the RAHS. The MVHC is a committee composed of Councillors from various municipalities with a mandate to provide guidance and oversight to Metro Vancouver staff on the implementation of Housing Policy. The discussion paper called “*Regional Affordable Housing Strategy Update - Discussion Paper*” was also received by the MVHC in April 2014. It highlighted issues and opportunities for the review of the RAHS and formed the basis for stakeholder consultation in fall of 2014 and spring 2015 for scoping a draft RAHS.

On October 9, 2015 the Greater Vancouver Regional District Board approved the release of the Draft Regional Affordable Housing Strategy to member municipalities for review and comment and directed MV staff to initiate stakeholder consultation. The *Draft RAHS Update* may also be accessed here: <http://www.metrovancouver.org/services/regional-planning/PlanningPublications/RegionalAffordableHousingStrategyUpdateAug19-2015.pdf>. After receiving and reviewing comments from stakeholders, the MV Housing Sub-Committee will revise the RAHS Update for consideration and adoption by the MVHC and the GVRD Board. Table 1 below outlines the process for adoption of the revised RAHS.

Table 1: Draft RAHS Update Timeline

Date	Milestone
October 9, 2015	GVRD Board approved release of <i>Draft RAHS Update</i> for review and comments from municipalities and for staff to initiate consultation
November 18, 2015	Regional Affordable Housing Strategy Stakeholder Workshop (Wosk Centre)
January 29, 2016	Deadline for stakeholder feedback on <i>Draft RAHS Update</i>
February 2016	Regional Planning & Advisory Committee Housing Subcommittee receives summary report on feedback and will consider changes.
February 2016	MV Housing Committee receives update on Stakeholder Consultation and report on Housing Demand Estimates & Performance Measures.
March 2016	Regional Planning & Advisory Committee receives summary report on feedback and will consider changes.
April 2016	Regional Planning & Advisory Committee Housing Subcommittee receives Final RAHS Update for review and comment
April/ May 2016	Regional Planning & Advisory Committee receives final RAHS Update Report for review and comment
May/ June 2016	MV Housing Committee receives final RAHS Update Report for adoption
May/ June/ July 2016	GVRD Board receives final RAHS Update Report for adoption

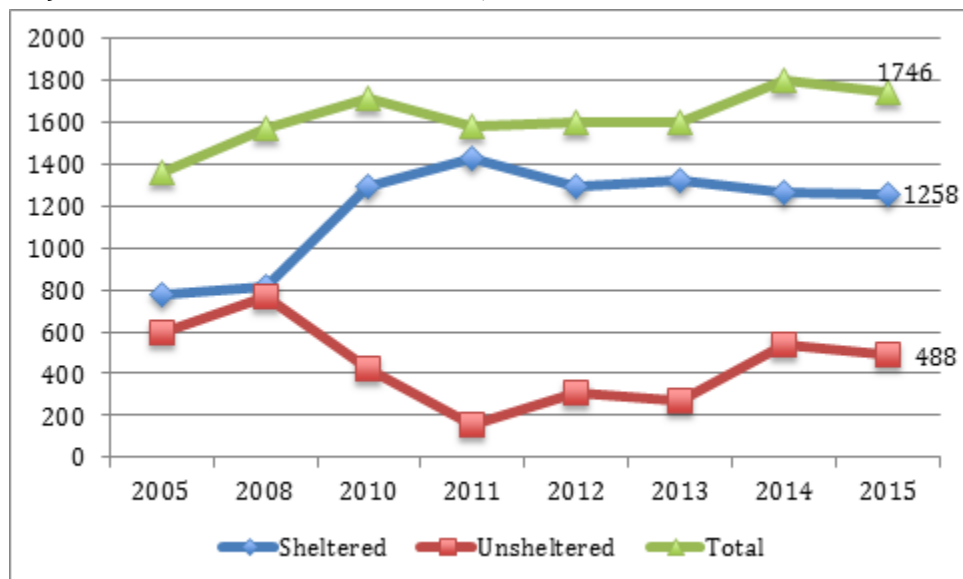
Source: As per Metro Vancouver staff, December 9, 2015

Progress since 2007 RAHS

1. Homelessness

There has been some progress on homelessness across the region due to specific municipal, provincial and regional policies and actions such as the Regional Homeless Strategy, the Provincial Homelessness Initiative, provincial/municipal Memos of Understanding, and the Homeless Partnering Strategy. The last Metro Vancouver Homeless Count in 2014 showed that there are fewer people living in the streets than in 2008 (957 vs. 1574) across the region. In Vancouver, the findings from the last Homeless Count in 2015 show that the number of people found homeless has stabilized and fell slightly (1746 vs. 1803) from the previous year.

Figure 1: City of Vancouver Homeless Count, 2005-2015



Source: City of Vancouver Homeless Count 2015, p.15

In addition, since 2007, there have been 3,700 units (primarily supportive housing) made available for people who were homeless which is 75% of the goal of the 2007 RAHS of 5,000 new units. The majority of this new stock or 3,019 (82%) was located in Vancouver. This is similar to the 2011 Housing & Homelessness Strategy that targets 2,150 new supportive housing units by 2014. The City has achieved 86% of this target and is meeting its target for new social housing units, achieving 1,683 units by Nov. 2015.

2. New Social Housing Units

Metro Vancouver has obtained rezoning approval for a site in Vancouver which will result in 150 more secured affordable housing units (Heather Place). Council approved the rezoning application in March 2014 that will see an increase in units from 86 to 230 where half of the units will be for families.

Figure 2: Aerial perspective of proposed development of Heather Place



Source: CD-1 Rezoning: (a) 706-774 W 13th Ave and (b) 7550799 W 14th Ave (Heather Place) - 10426 (<http://former.vancouver.ca/ctyclerk/cclerk/20140311/documents/p3.pdf>)

3. New Rental Housing

There has been a surge of new rental housing completions across the region, from 560 units in 2008 to 3,000 units by 2014, largely in part because of incentive packages offered by municipalities to developers. On average since 2007, nearly half of the rental completions across the region are located in Vancouver.

Figure 3: Rental Housing Completions



Source: CMHC Starts & Completions Survey as published in the CMHC Housing Market Information Portal

Staff Recommendations for City Council on *Draft RAHS Update*

	Recommendation Context	Draft RAHS Update Reference Section	New Addition Needed
Vancouver's Priority Goals			
1	Retain and Increase the Rental Stock	Vancouver City Council support RAHS Goals 1, <i>Expand the supply and diversity of housing to meet a variety of needs</i> ; Goal 2, <i>Preserve and expand the rental housing supply</i> ; Goal 3, <i>Meet housing demand estimates for low and moderate income earners</i> ; and Goal 4, <i>Increase the rental housing supply along the FTN vis-a-vis the retention and creation of rental units.</i>	
2	Reminder for Housing Action Plan		Vancouver City Council request the addition of a specific reference in municipal 'Actions' in the revised RAHS Update that reinforces the need, especially for larger urban municipalities, to develop a Housing Action Plan.
3	Endorsement for the Regional Homelessness Plan	Vancouver City Council request adding a specific endorsement of the draft Regional Homelessness Plan and ways to implement it within Goal #5, <i>End Homelessness in the Region.</i>	

	Recommendation Context	Draft RAHS Update Reference Section	New Addition Needed
4	Affordable Housing Located Near Frequent Transit Network (FTN)		Vancouver City Council request the addition of a ‘Metro Action’ that encourages expansion of the Frequent Transit Network (FTN) and future Frequent Transit Development Areas (FTDAs) to support more locations for diverse, affordable housing in Goal #4, <i>Increase the rental housing supply along the FTN</i> . Under several Actions related to Goal 4 there are references to establish ‘inclusionary zoning’ for purpose built rental and affordable housing as well as the creation of new agreements with Translink and the Province. More clarity on the potential for inclusionary zoning and the appropriate role of TransLink with respect to housing is needed as the RAHS moves forward.
5	Options in Unit Mix and Ownership for Families	Vancouver City Council support Goal 1, <i>Expand the supply and diversity of housing to meet a variety of needs</i> with respect to the creation of more family housing and affordable home ownership models (e.g. Strategy 1.1 and Actions “d” and “l”).	
Opportunities for Enhancement			
6	Affordable Housing within the Sustainability Context		Vancouver City Council request strengthening the sustainable and economic argument for affordable housing in the Introduction section of the <i>RAHS Update</i> and promote practices such as green building renovations and passive house designs.

	Recommendation Context	Draft RAHS Update Reference Section	New Addition Needed
7	Stronger Reference and Acknowledgement of the Aboriginal Context		Vancouver City Council request the addition of referencing urban Aboriginals' housing needs and identifying actions from: Metro Vancouver to partner with Aboriginal agencies; Municipalities to consider innovative plans to promote and develop Aboriginal wellness; and from non-profit & private sector to bring forward development applications for Aboriginals. Appendix E provides specific suggestions for the <i>Draft RAHS Update</i> .
8	Better Acknowledgement of the Private Sector Role		Vancouver City Council request the addition of more proposed actions for the private sector to facilitate the delivery of affordable housing.
Revised Housing Demand Estimates (HDEs)			
9	Revised HDE for the City of Vancouver		Vancouver City Council support the Revised HDEs for the City of Vancouver noting that the goals of the Housing & Homelessness Strategy 2012-2021 continue to demonstrate that the City will work towards meeting and exceeding the rental demand that has been projected in the Metro model.
10	Revised HDEs for the Region Overall		Vancouver City Council request that Metro Vancouver apply a revised methodology that demonstrates an increasing need for rental housing in the region overall compared to the existing estimates in the RGS (Table 2).
Draft Performance Measures			

	Recommendation Context	Draft RAHS Update Reference Section	New Addition Needed
11	Draft Performance Measures		Vancouver City Council supports the draft Performance Measures subject to Metro Vancouver's commitment to ensure that they are monitored and updated regularly, that data are tracked on a net basis wherever possible and that Metro report out on progress towards the goals on a city by city basis.

Members of Metro Vancouver with Housing Action Plans		
Members		Year Adopted
1	City of North Vancouver	2015
2	Port Coquitlam	2015
3	Maple Ridge	2014
4	Langley Township	2013
5	Pitt Meadows	2013
6	West Vancouver	2013
7	Vancouver	2005, 2011
8	New Westminster	2010
9	Langley City	2009
10	Port Moody	2009
11	Surrey	2009
12	Coquitlam	2007
13	Richmond	2007
14	District of North Vancouver	1992
15	Burnaby	Not Adopted
16	Delta	Not Adopted
17	Anmore	Not Adopted
18	Belcarra	Not Adopted
19	Bowen Island	Not Adopted
20	Lions Bay	Not Adopted
21	White Rock	Not Adopted
22	Tsawwassen (Treaty First Nation)	Not Adopted
23	Electoral Area A*	Not All Adopted

**Electoral Area A includes communities of Ocean Point, Strachan Point, Montizambert Wynd, Bowyer Island, Passage Island, the northern portion of Indian Arm, Boulder Island, Carraholly Point, the west side of Pitt Lake, Barnston Island, and the University Endowment Lands. The UBC Campus in the University Endowment Lands adopted a Housing Action Plan in 2012.*

Source: Metro Vancouver, 2015

Metro Vancouver - Regional Affordable Housing Strategy

Draft Comments - Aboriginal Inclusion - December 10 [*red italic text indicates changes*]

2.1 Regional Growth Trends

The Aboriginal population is one of the fastest growing populations, with many people moving to urban areas to pursue employment, education and city-life opportunities. The Aboriginal population increased by 30% in Metro Vancouver between 2006 and 2011.

3.2 Goals and Strategies

Goal 1: Expand the supply and diversity of housing to meet a variety of needs

Strategy 1.3 Plan for the *special* specialized housing needs of specific populations, *with an emphasized focus on urban Aboriginal housing and wellness*

Intro:

The market provides most of the housing supplied in the region, most of it home-ownership and it will continue to do so. This goal recognizes that to meet the growing and changing needs of the workforce and other residents, it is desirable that the market produce a wider variety of housing forms and tenures at a variety of price points, including for specific populations with distinct needs. *Aboriginal residents living off-reserve in Metro Vancouver municipalities continue to experience ongoing inequities in terms of accessing a full range of affordable housing types. As well, it* The goal also recognizes that the single detached home is increasingly out of reach for families in some parts of the region and that alternative ground-oriented home-ownership options are required to meet evolving consumer needs and ability to pay. There are many costs associated with operating a home, whether rental or ownership. Focusing on ways to reduce or minimize these ongoing costs can influence affordability over the long term. Easing the concerns of residents about new development can also help to ensure that the market is able to supply new housing in a timely fashion. This goal also recognizes that the region is impacted by global and national trends that may produce consequences for our housing market. *and that* A better understanding of population housing needs can help produce better policy & planning.

Statistics demonstrate the ongoing inequities between Aboriginal and non-Aboriginal residents, with an additional layer of inequity across the region's Aboriginal households still persistent and apparent. The average household income for Aboriginal households in the City of Vancouver (2010) was approximately 20% lower than the Metro Vancouver Aboriginal income average (\$55,500 vs. \$69,223) and 31% lower than the average non-Aboriginal income in Vancouver. Over 50% of Aboriginal renter households are spending more than 30% or more on shelter costs (51% in the region, 53% in Vancouver) and 44% of Metro Vancouver Aboriginal residents own their own home compared to 23% of Vancouver Aboriginal households.

ACTIONS:

Metro Vancouver, through its Regional Planning role, will:

- h. Work with **other** stakeholders to develop and advance regional housing policy directions for seniors, persons with disabilities and other populations, as warranted.
- x. *Partner with urban Aboriginal agencies to implement an Urban Aboriginal Housing Action Plan that considers specialized methodologies and partnership frameworks to address the long-term needs of Aboriginal residents.*

Municipalities will, through plans, policies and programs:

- x. *Consider innovative ways to develop and promote Aboriginal wellness through housing in partnership with Aboriginal agencies and residents.*

Proposed Non-Profit and Private Sector Development Partner Actions:

- q. Bring forward innovative development applications that meet the needs of families *and Aboriginal residents* using alternate forms, densities and tenures.

Analysis of the RAHS' Housing Demand Estimates (HDE)

A. Purpose of the Housing Demand Estimates and Linkages to the Regional Growth Strategy and the City of Vancouver Regional Context Statement

Metro Vancouver 2040: Shaping our Future (Metro 2040) is the Regional Growth Strategy, and it provides the land use framework for planning related to Metro Vancouver's functions (utilities, housing, air quality etc.). While Metro 2040 is both a bylaw and a visionary plan, the strength of its implementation lies in collaborative decision making. The Regional Affordable Housing Strategy is one of a suite of management plans, and its authority is strictly moral suasion or collaborative planning.

Metro 2040 specifies that Metro Vancouver will pursue the strategies and actions set out in the RAHS. At the same time, Metro 2040 also helps to implement the RAHS. With respect to the Housing Demand Estimates (HDE) included within Metro 2040 Appendix Table A4, Metro 2040 Strategy 4.1.7 specifies that the role of municipalities is to adopt Regional Context Statements (RCSs) that include policies or strategies that indicate how municipalities will work towards estimated future HDE in Appendix Table A4. Metro 2040 strategy 4.1.8 also requests that municipalities prepare and implement Housing Action Plans, though it is not a requirement. The Housing Demand Estimates in Metro 2040 are guidelines only.

B. Method for Creating the Revised Updates

The projections are prepared using a cohort survival methodology that incorporates births, death and net migration. The model incorporates assumptions about household maintainer rates categorized by age and gender and is cross referenced with other household data including household income, type of household (family, single person, etc.) as well as current housing type and tenure.

C. Comparing the HDE to the Estimates in the Regional Growth Strategy

The updated housing demand estimates show a slightly higher overall 10-year rental housing demand for Vancouver than the original demand estimates prepared for the Regional Growth Strategy (12,100 vs. 10,700).

D. Changes in the Estimated Demand for Rental Housing for Households Earning Less than \$50,000 per year

The updated estimates show a higher number of households in the Very Low income category (< \$30,000/year) compared to the existing Regional Growth Strategy estimates (5,580 vs. 3,500). This increase is offset by a reduction in the category for Low income renter households (\$30-\$50,000/year) such that the 10-year demand for renter households earning less than \$50,000 is projected to be roughly the same scale as was predicted in the Regional Growth Strategy estimates.

E. Changes in the Estimated Demand for Rental Housing for Households Earning More than \$50,000 per year

The estimated demand for rental housing for households earning over \$50,000 per year is higher in Vancouver’s Housing and Homelessness Strategy than it is in the the demand estimates prepared by Metro Vancouver. This reflects that fact that the Metro Vancouver model is a regional model which makes regional level assumptions about trends towards homeownership. Given the high costs of ownership housing in the city proper, city staff feel that it is reasonable to expect that rental demand for households with incomes above \$50,000/year will be higher than what the regional model has projected (Figure 1).

Figure 1: Comparison of the Existing Regional Growth Strategy, the Updated Housing Demand Estimates and the Vancouver Housing and Homelessness Strategy for Vancouver’s delivery of affordable housing

