

## MEMORANDUM

December 9, 2021

TO: Mayor and Council

CC: Paul Mochrie, City Manager  
Karen Levitt, Deputy City Manager  
Katrina Leckovic, City Clerk  
Lynda Graves, Administration Services Manager, City Manager's Office  
Maria Pontikis, Director, Civic Engagement and Communications  
Anita Zaenker, Chief of Staff, Mayor's Office  
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Dan Garrison, Assistant Director - Housing Policy and Regulation, PDS  
Grant Murray, Assistant Director - Administration, Legal Services

FROM: Theresa O'Donnell  
General Manager, Planning, Urban Design and Sustainability

SUBJECT: Streamlining Rental Around Local Shopping Areas – Additional Questions from Councillors arising from the Public Hearing

RTS #: RTS 14500

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The following information is offered in response to questions that Councillors have emailed to Staff during the Public Hearing on Streamlining Rental on November 2<sup>nd</sup>, November 4<sup>th</sup>, and 9<sup>th</sup>, 2021. This memo will be included in the agenda package for December 14<sup>th</sup>, 2021 when Council resumes this item as unfinished business.

**1. Is it possible for Council to support the six story rental in C-2 zones while not supporting (or referring back to staff) the portion of the report that changes zoning to allow 4 story rental in RS and RT zones?**

A: Yes, it is possible to support the C-2 changes while not supporting the low density changes by separating the recommendations for the vote. Because of the way the recommendations are structured, an amendment would first need to be made to recommendation A(iii) to ensure the proposed definition of residential rental tenure is paired with the RR zones independent of the C-2 amendments. Staff can explain this in more detail during closing comments and the clerks can advise on how to group the recommendations for voting when it comes up during debate.

**2. Currently, what is the permissible height (in feet and storeys) of buildings/homes on local streets?**

A: The current height limit in RS and RT zones is 35 feet and 2 and a half storeys (usually over a basement) for new houses and duplexes.

The proposed heights for the Secured Rental Policy (SRP) buildings on local streets in RS and RT areas are:

- 38 feet for 3-storey townhouses and multiplexes
- 45 feet for 4-storey townhouses and apartments

**3. Would it be possible for staff to articulate in writing the main differences between the Affordable Housing Choices Interim Policy and the current proposed Secured Rental Policy recommendations?**

A:

Affordable Housing Choices Interim Rezoning Policy (2012)	SRP (Proposed Updates)
All proposals rezoned to a customized CD-1 zone	Most proposals would rezone to one of the standard RR zones
Location criteria allowed sites on and near any arterial city-wide to be eligible (subject to a spacing limit)	Location criteria would focus eligibility on and near arterials in locations near local shopping areas as well as public transit and other daily needs
A 20 project cap was originally included (which was removed in 2018), as well as a project spacing limit that prevented more than 2 projects from being considered in a 10 block span.	No limit on the total number of projects or spacing requirements would apply within eligible areas
All RS and RT zoned sites that met the location criteria may have been eligible	Some RT zones in Kits and KCC would be excluded from eligibility (RT-5/7/8/10)
No requirement for below-market rental units to be included	All 6-storey projects are required to include min. 20% permanently secured below-market rental
Green Buildings Policy for Rezoning applied	Green Buildings Policy for Rezoning continue to apply plus all projects have zero emissions space heating and hot water systems

Comparisons were also provided in the Council report (p. 227 of the package – p.3-4 of Appendix H), and a simplified version was shared as part of the public engagement materials on the project webpage (see board 2):

<https://vancouver.ca/files/cov/streamlining-rental-display-boards-May-2021-Section-6.pdf>

**4. Under the Affordable Housing Choices Interim Rezoning Policy, what was meant by 100m from arterial (3.5 story)? Was this in reference to building up to 3.5 story rental on local streets?**

A: Yes - under the Affordable Housing Choices Interim Rezoning Policy (AHC IRP), buildings up to 3.5 storeys could be considered for a rezoning on sites on local streets within 100m or 1.5 blocks of an arterial. As part of updates approved in June 2018, the AHC IRP also permitted up to 4-storey apartments to be considered in those locations.

**5. Would rezoning applications be required for developments in the new RS rental zones?**

A: Yes, all proposals to build rental apartments in existing RS or RT zoned areas would still require individual rezoning applications which would involve public engagement, neighbour notification and require a public hearing and individual decision by Council.

**6. The inclusion of local streets for up to 4 storeys – does this include both sides of the local street directly adjacent/behind an arterial? Would these require public hearings?**

A: Eligibility in RS/RT areas would apply to the first entire block along an arterial, so only one side of a local street that runs parallel to the arterial would be included. Eligibility would not apply across the local street on the second block from the arterial. All rezoning proposals under the SRP on RS- or RT-zoned sites (both on and off arterials) would continue to require public hearings and decision by Council.

**7. Referring to the overview of the proposed RR rental zones (pages 8 & 9 of the Council report) can you clarify two points:**

- a. **Would all applications within these rental zones still require a public hearing?**
- b. **Would applications for other tenure types still be considered? (e.g. 4-6 story strata, 3.5-4 story strata townhomes/rowhomes)**

A: a. Yes; all rezoning applications under the SRP would continue to require public hearings and decision by Council.

b. No; the Secured Rental Policy does not support rezoning applications for non-rental tenure types (e.g. strata). Opportunities for new types of ownership housing in low density areas is a topic that is being explored currently through the Vancouver Plan.

**8. What's the best practice in other jurisdictions of notifying/consulting the public of proposed citywide changes? Did we do a citywide mailer?**

A: The Local Government Act governs public hearings for other local governments in BC, and establishes specific notification requirements. At a minimum, newspaper notice must be provided. If a proposed by-law would change permitted use or density, additional mail or direct-delivery requirements are applicable within a certain proximity, however this

additional requirement does not apply if the change would affect 10 or more parcels of land owned by 10 or more persons.

Staff reviewed practices of other metro-area cities (and Victoria) and found that public hearing notifications are provided in line with the statutory requirements. Staff found no specific examples of physical mail notifications being provided for public hearings on broad-scale or city-wide zoning by-law changes. Physical mailings to notify residents and landowners of consultation activities undertaken as part of the development of the proposal (rather than for the public hearing itself) were noted in some cases, but generally considered on a case-by-case basis as opposed to being standard practice. Examples of these consultation-phase mailings often related to changes proposed in specific neighbourhoods or areas, rather than on a city-wide basis.

Staff from several municipalities (Surrey, Victoria and New Westminster) noted that other notification channels are emphasized instead of mailings, including print and online news media, social media, municipal webpages, emails to civic agencies, industry and community and stakeholder groups. These methods are similar to the practice in Vancouver. It was also noted that the degree of alignment with an approved official community plan would be considered in the engagement and notification strategy, which may be scaled back for modest proposals that are highly aligned with existing policy. The Local Government Act allows public hearings to be waived where a proposed zoning by-law change is in accordance with an existing official community plan by-law.

Consistent with our long-standing practice for broad, City-initiated zoning amendments, physical mail notifications were not sent in respect of the proposed policy and zoning changes. That aligns with other recent city-wide zoning amendments, including changes to every RS-zoned lot to allow basement suites (2004), laneway houses (2009 and 2013) and duplexes (2018). However as with these and other initiatives, we did notify widely through other means. Those included multiple emails to Housing Vancouver, Climate Emergency Action Plan, Vancouver Plan and proposal-specific email lists, social media advertising (including on Facebook, Instagram, Twitter and Eventbrite), postings on the City's vancouver.ca and Shape Your City websites and posters in all 22 libraries and 24 community centres. In accordance with the Vancouver Charter's requirements, newspaper notification was provided in two consecutive issues of Vancouver is Awesome on October 14 and 21, 2021.

**9. Page 3 of the report states that public engagement in the Vancouver Plan resulted in these proposed changes. Please explain further and describe the level of public support for these measures as assessed through Vancouver Plan engagement. Does the level of support differ from the public input gathered through other engagement processes on these proposals?**

A: The concept of complete neighbourhoods is an important focus and area of work on the Vancouver Plan. Staff have incorporated key housing-focused elements of this concept into the proposed updates to the Secured Rental Policy. Primarily, this has been done through refinements to the locational eligibility criteria for low density areas to better focus opportunities for new rental housing around local shopping areas that are close to transit, parks, schools and other daily needs.

Through the Vancouver Plan engagement, we have heard broad support for the concept of “complete connected and culturally vibrant neighbourhoods” including through a number of surveys. In the Complete Neighbourhoods Survey (June 2021), 83% of respondents indicated the idea was very or fairly important (n=1,509). In the most recent Big Ideas Survey (which is still underway), initial results show 77% strongly or somewhat agree with including a range of housing options in all neighbourhoods

- 75% support rental options on residential streets
- 83% support new housing around community assets
- 68% support increased height/density for low/moderate income housing

When asked about future areas of change, 81% agreed that there should be more housing choices in low-density residential areas, with strong support (80%+) for missing middle options (preliminary results as of November 21, n=3,301).

Similar results were found throughout the Streamlining Rental engagement activities undertaken since early 2019, including broad support for encouraging construction of secure rental housing.

**10. Has public input so far into the Vancouver Plan provided insight into what kind of housing is valued in terms of “complete neighbourhoods”?**

A: Through the Complete Neighbourhoods Survey (June 2021, n=1,509) we heard broad support for increased diversity of housing options in neighbourhoods (84% strongly agree or agree). The housing forms that showed the highest level of support were row houses/townhouse, followed by low-rise apartments up to 6 storeys. Detached houses and duplexes, as well as multiplexes of varying sizes also came up as top choices.

**11. Many speakers raised concerns over threats to neighbourhood character by adding taller rental buildings. Are these concerns reflected in the input so far into the Vancouver Plan?**

A: Building height is an issue that emerges in discussions around housing. Through the Vancouver Plan, there has been broad support for building types that are 6 storeys and under. Concerns increase and support for building types decreases above 6 storeys, with high-rise buildings receiving less support than mid-rise (7-12 storeys) or low-rise (6 storeys and under) options. However, height is just one key variable. In the Complete Neighbourhood workshops, participants recognized the need to ensure that all neighbourhoods have a variety of housing tenures and that secure options are available for low to middle income earners, and many recognized that requires greater building heights and densities.

**12. Given the current shift for democratic governments to be more transparent and increase public engagement, have we looked at streamlining the public hearing process so that the public continues to have input into proposed developments, but it’s carried out more efficiently and within shorter timeframes?**

A: One of the goals of the proposed changes is to simplify the rezoning process in RS and RT zoned areas to ensure it is carried out more efficiently, while continuing to include opportunities for public input through a public hearing. This would be achieved through

the use of standardized rental zones, rather than customized CD-1 by-laws created for each rezoning. This model of simplified rezonings has been utilized successfully over the last few years in the Cambie Corridor for townhouse projects (RM-8A zoning).

**13. In light of existing zoned capacity, have we considered an incentive model to encourage existing owners to redevelop?**

A: All existing zoned capacity in C-2, RS and RT zones permits ownership housing tenures; there is very limited existing zoned capacity specifically dedicated to incentivizing secured rental housing, and none outside the Downtown area. The proposed C-2 amendments would add new zoned capacity exclusively for secured rental housing, which would provide owners contemplating redevelopment to choose between strata or rental tenure without having to proceed with a site-specific rezoning. In eligible RS and RT zones, the proposal would still require owners to proceed with a rezoning application to access the incentives for rental, however that process would be greatly simplified through the use of one of the proposed standard RR rental zones instead of a customized CD-1.

**14. What are the implications of not supporting these proposed recommendations in terms of rental policy? What is the default?**

A: If the proposed recommendations are not supported, rental projects up to 6 storeys in C-2 zones could still be considered under the SRP through individual rezoning applications. No new rental projects in RS or RT zones outside of community plan areas could be considered however, unless Council were to provide alternate direction to do so. Under the Secured Rental Policy currently, the opportunity to rezone for rental projects in RS and RT zones is contingent on the introduction of new standard rental districts, and the AHC IRP was closed to new proposals in June 2019.

Implications would include:

- Strata condo development would likely continue to be the dominant type of development in C-2 zones.
- In RS and RT zones, new houses, secondary suites, laneway houses and duplexes (plus occasional character retention projects) would be the only type of new housing built. This type of redevelopment would continue to result in the displacement of existing renters with no protections or compensation under the Tenant Relocation and Protection Policy, as well as in the demolition of pre-1940s character homes. Hundreds of secondary suites would continue to be lost or replaced every year.
- Opportunities to add more diverse, equitable and affordable housing options in neighbourhoods across the city would be delayed (a new proposal that could be brought forward as part of Van Plan implementation is likely two or more years away).
- There would be no near-term opportunity to add rental in areas near shopping, transit and other daily needs to help create more complete and connected neighbourhoods and allow more residents to live within easy walking distance of many of their daily needs. This would detract from the City's ability to meet Climate Emergency Action Plan objectives, most critically Big Move #1.

**15. Are there measures by which we could achieve building of more social and co-op housing?**

A: The proposed RR zones that could be utilized for rezonings of RS- and RT-zoned sites on arterials include an option that provides extra density for social housing or non-profit co-op projects that meet the City's definition of social housing. While this will create more certainty and clarity for 6-storey non-market housing projects and allow them to proceed through a streamlined rezoning process, non-profits will need to work with senior government and other partners to secure additional funding in order to make projects economically viable and more deeply affordable.

**16. What are the specific measures to achieve greater affordability beyond market rents? Will affordability be set at 30% of income and include vacancy control, like MIRHPP?**

A: All 6-storey projects in RS and RT zones would be required to permanently secure 20% of the residential area as below-market rental units that would rent for approximately 30-40% below average market rents for newer purpose-built rental units in Vancouver. Ranging by project and unit type, the below-market rents would be affordable to households with incomes between \$42K (studio units) and \$97K (3 bedroom units). Vacancy control requirements would apply to the below-market units which only allow the rents to be re-indexed at turnover to the same 30-40% discount rate that applied at initial occupancy.

In addition, based on Council direction from June 2020, an option has been added to the proposed RR zones that would permit a modest increase in density for 6-storey social housing projects on arterials.

**17. Does the proposal include co-op or co-housing projects as an option within these new areas, up to the same FSR as rental? If not, is it possible for Council to add those uses as an amendment to this rezoning?**

A: The proposed zoning changes allow for additional height and density for projects that meet the proposed definition of "residential rental tenure" which includes non-profit co-op housing (as well as social housing).

There are different interpretations of what co-housing means. There have been two instances where co-housing projects were considered through rezoning applications under previous policy, and both involved strata ownership housing where residents take a collective approach to the design, management and maintenance of a multi-family development. The proposed zoning changes focus on secured rental housing, and do not include ownership co-housing models of that type. It would not be possible to add these options at this time as ownership has very different economic impacts that would need to be analyzed and addressed.

Other uses of the term co-housing refer to shared rental housing arrangements, which may or may not fit with the zoning changes depending on specific details and the extent to which the proposed uses comply with other City by-laws.

**18. Will the changes to C-2 result in tear-down of current independent retail and threaten small businesses? If so, what could mitigate this?**

A: Redevelopment is happening in C-2 under current conditions, with the majority being 4-storey mixed-use strata condominium projects built under the existing zoning. The proposed changes to the C-2 zones are designed to make rental development more competitive with strata development by aligning the approvals process for these types of projects while maintaining the existing opportunities for additional height and density for rental. Economic testing has shown that 4-storey condo development will still be the most profitable option for developers in most cases. Therefore, we do not expect these changes to result in an increase in the overall pace of redevelopment in C-2, but do expect some of what would otherwise be strata development to shift to rental.

As a package, the recommendations in the report are expected to add population in and around existing local shopping streets, supporting local businesses by adding potential customers nearby. The policy updates for RS- and RT-zoned areas would provide opportunities to develop new rental housing, including buildings with a ground floor commercial component, in areas near existing shopping streets. This could help to distribute mixed-use development opportunities across a wider area and relieve pressure on the pace of change in C-2 zoned areas.

Staff are also working to develop resource materials to support commercial tenants through the redevelopment process, especially small independent businesses. These will be translated to ensure accessibility to a wide range of businesses. Staff have been conducting industry engagement during the fall of 2021, including interviews and industry focus groups, and expect to back report to Council on this work in 2022.

**19. Staff estimate the policy will result in 4,000 new rental units over 10 years – about 400 per year. Are there specific projections for C-2 commercial zones vs. arterials vs. off arterials in residential neighbourhoods?**

A: Yes. The estimates are based on applying various scenarios to the past take-up of rental projects under the Rental 100/Secured Rental Policy and the Affordable Housing Choices Interim Rezoning Policy.

Over the past decade in C-2, 70% of new development was mixed-use strata approved under existing zoning, compared to 24% that was mixed-use rental through individual rezonings. On average, there were 9 strata projects per year compared to 2.5 rental projects. Staff are not expecting a significant change to the trend in the overall volume of development as a result of the proposed changes. Rather, it is expected that the changes would shift some of the anticipated strata development to rental. If the share of rental projects increased so rental represented between ~35%-45% of the total C-2 approvals, that could result in an additional 2,000-2,700 rental units over the next 10 years.

In RS and RT areas, as of the time the report was written there had been 12 rental projects approved since 2012, with 9 of those approved in the last four years.<sup>1</sup> If the proposed changes double the rate of uptake in recent years, it would equate to about four projects a year, which might deliver approximately 2,000 new rental units over the next 10 years. As under the AHC IRP since 2012, staff continue to expect the majority of the interest under the policy in RS and RT zones to be focused on sites on arterials.

**20. What's happening to land prices on C-2 zoned streets currently?**

A: Staff conducted an analysis of C-2 land price trends over the last 15 years based on BC Assessment data for a selection sites throughout the city. While not comprehensive, this analysis showed that land prices in C-2 zones have followed similar patterns of increase over this period across all areas of the city. Overall observed C-2 land prices rose steadily from 2009/2010, peaked around 2019 and have experienced a pullback in the last two years. The analysis showed no meaningful difference in trends between sites eligible for consideration for rezoning under City rental incentive policies and those that have not been eligible or that have not been candidates for redevelopment. These results are consistent with the findings of the economic testing that indicates that the existing uses or the 4-storey strata redevelopment option under the C-2 zoning are expected to continue to support the highest land value, not the opportunity to develop a 6-storey secured rental building under City incentive programs.

Based on these results, while overall land values in the C-2 districts may be rising, there's no evidence that suggests the ability to build rental housing in these areas is the primary driver of land valuation. Staff have made a request to BC Assessment for detailed historical data for all C-2 zoned sites in Vancouver, and will be able to undertake further and more comprehensive analyses once available.

**21. Residents have sent us copies of an ad<sup>2</sup> showing a single family home in the area by the rezoning is for sale at almost double the assessed value and the ad points out that the site could be combined with the next door site and be eligible for a 4-6 story building, evidently anticipating that council will pass the upcoming zoning proposal. In this case, if the property sells for what is desired by the owner, it will be the single family owner, not the developer who benefits. But the developer will no doubt pass the costs on to any future renters.**

- **Can staff tell us if there is a way for the city to capture this expected increased in land value?**

For context, staff note that land prices are rising across the city, particularly in low density areas through resale or sale of new single family homes. Between October 2011 to October, 2021, the benchmark single family home price rose 108% on the east side of Vancouver and 54% on the west side. In the context of rapidly rising sale prices, it is not uncommon for assessed values to be lower than market values.

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<sup>1</sup> Since the report was written there were 3 additional rental projects approved in RS and RT areas, for a total of 15 as of November 1, 2021.

<sup>2</sup> 6083 Collingwood Place, MLS Number R2631670. <https://www.rew.ca/properties/3691071/6083-collingwood-place-vancouver-bc>

While staff have not reviewed the listing in detail, we note that the asking price in a real estate listing does not represent the ultimate sales price or land value of the property. Owners and realtors may seek unrealistic prices, but informed buyers will conduct due diligence based on what is enabled in zoning and policy. Therefore, one of the best tools to control speculation is clarity in zoning and land use policy. An important part of this proposal is the clarity that it provides in the height and densities that can be achieved for rental projects, and only for rental projects. The new RR zones remove the ability for negotiation on height, density and uses, sending a clear signal to the market on what to pay for land. In the event that a potential developer does overpay for land, there is no mechanism to negotiate additional development rights. In addition, that cost cannot simply be passed on to the renters; asking rents can only go as high as the market will bear, and the Residential Tenancy Act limits the amount rents can be increased for existing tenancies.

Based on the extensive financial feasibility analysis, and from nearly a decade of experience with rental rezoning projects under the former AHC IRP, secured rental housing developments at the heights and densities proposed are not valuable enough to support significant increases in land values from what they are currently under the existing zoning. The value of RS- and RT-zoned sites is generally expected to continue to be based on their uses as permitted under that existing zoning (detached ownership houses and duplexes). Staff reviewed MLS transaction data going back to 2008, comparing sales in areas on and near arterials that could have been eligible for rezoning under the AHC IRP with those in areas further off arterials that would not have been eligible. The analysis showed that land prices have not gone up more in low density areas where rental rezoning policies have applied compared to areas where the rental policies have not applied. This is consistent with the City's experience reviewing these types of projects and the results of the economic testing. While overall land values in low density areas have risen substantially, there's no evidence that suggests the option to rezone to build rental housing has broadly affected land values or been a primary driver of this trend.

Unlike rezoning for strata condominium development, most of the proposed rental projects will not produce land lift that could be captured through City mechanisms like CACs. In addition, the 6-storey option has been designed to capture any potential increase in land value that might be created at that scale by requiring 20% of the residential area to be permanently secured as below-market rental housing.

- **Would a development cost expectation be a good idea before we deal with large scale rezonings like this one?**

A development contribution expectation (DCE) policy would not be effective for the purposes of the rezoning policy for RS and RT areas because at the heights and densities proposed, secured rental housing development generally does not support increases in land value that could be recaptured. This approach is aligned with the City's DCE policy, which emphasizes per square foot cash DCE's for market strata residential uses only.

- **Can staff affirm in this case what density is permitted on this site with the existing policy?**

The permitted density would remain as it is under the current RS zoning unless a site specific rezoning application was approved by Council. Generally, RS zoning enables 0.86 FSR for a detached house with a laneway house, or up to 0.7 FSR for a detached house or a duplex without a laneway house.

Under the proposed SRP updates, the subject lot (6083 Collingwood Pl.) could be eligible for consideration for rezoning to either the RR-2A (4-storey apartment) or RR-2B (5-storey apartment) zone. The maximum density permitted by the 5 storey apartment zone for a mid-block site would be 2.2 FSR, however the actual achievable FSR for a development on that site may be lower.

If assembled with a neighbouring lot to create a site with a frontage of 99' or more, rezoning to the RR-2C zone (6-storey apartment) could also be considered, which would require that a minimum 20% of the residential area be permanently secured below-market rental. The maximum density for that option would be 2.4 FSR.

- **Why does the Secured Rental Policy make reference to this proposal coming before Council and what density will be allowed if Council adopts it, before Council has actually done so? On the second point, it's difficult to lay blame on someone advertising what is directly contained in a City policy – even if the policy says ‘coming’ or ‘anticipated’. It conveys that the City is advertising the future density that has not been passed.**

In 2019, Council approved the Secured Rental Policy, which contained a rezoning policy in principle to allow secure rental projects in low density transition areas on arterials (up to 6 storeys) and off arterials (up to 4 storeys). In order to implement the policy, Council instructed Staff at the same meeting to prepare a report with amendments to the Zoning and Development By-law to create new zoning districts for residential rental tenure, for use in “off-the-shelf” rezonings for RS and RT zoned sites in these low density transition areas. The proposal before you now is the result of that implementation work.

**22. Can staff provide input on a potential amendment that would direct staff to include a CAC target contribution charge for secure rental housing projects of \$1.08 per square metre or more depending on the housing building types.**

A: The report's recommendations do not propose changes to the Community Amenity Contributions Policy for Rezonings (the CAC Policy), and staff recommend that additional work be undertaken before new CAC target contribution charges are introduced. An amendment providing direction to staff to proceed with that work and report back to Council is a preferable process to advance this idea, and would allow for fulsome analyses of the opportunities, implications and appropriate potential target rates.

It is important to note that unlike RM-8A rezonings in the Cambie Corridor, none of the SRP options in the RR zones include any opportunity for strata ownership housing, including the off-arterial townhouse and multiplex options. As per the CAC Policy, the

scale of most of the rental buildings that would be enabled by the proposed zoning and policy changes are already exempt from CACs. The exemptions in the CAC Policy were established on the basis of extensive third-party financial testing and internal pro forma review by Real Estate Services. These analyses demonstrate that in the vast majority of circumstances these types of projects do not generate land lift that should be captured through CACs.

Rezoning applications for 6-storey projects in RS and RT areas under the SRP would still require CAC review under the current CAC Policy. However, because the proposed zoning changes require those types of 6-storey projects to permanently secure 20% of the residential area as below-market rental units, it is anticipated that the vast majority of those applications would not generate any additional CACs. As noted in the report, if the proposed changes are approved, staff would explore potential amendments to the CAC Policy to ensure the below-market rental requirements are appropriately reflected and to provide more clarity for exceptional sites where additional considerations may be necessary for 6-storey proposals.

If you have further questions, please do not hesitate to contact Dan Garrison ([dan.garrison@vancouver.ca](mailto:dan.garrison@vancouver.ca)) or myself directly.

A handwritten signature in black ink that reads "Theresa O'Donnell". The signature is written in a cursive, flowing style.

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