

MOTION

7. Reducing Barriers and Deepening Affordability for Non-Profit, Co-op and Social Housing in Every Neighbourhood (Members' Motion B.2)

At the Council meeting on December 6, 2022, Council referred the following motion to the Standing Committee on Policy and Strategic Priorities meeting on December 7, 2022, in order to hear from speakers, followed by debate and decision.

MOVED by: Councillor Boyle

WHEREAS

1. An increasing number of residents in Vancouver are struggling to find stable, secure housing at a rate that is affordable for local incomes. Renters, including seniors, people with disabilities, single parent (often female-led) households, youth, and Indigenous communities are particularly squeezed by this housing crisis, and are in even greater need of being able to access secure, affordable housing;
2. In addition, the need for accessible and adaptable rental housing for seniors and people with disabilities, at prices that are affordable to middle and low-income residents, is significant and will increase even further over the next two decades;
3. Vancouver's housing market has seen significant increases in land values and housing costs, pricing a growing number of residents out of the housing market. The escalation of home prices has also led to significant displacement, particularly of renters, and low and middle-income residents, and has made it increasingly difficult for local businesses to hire and retain staff;
4. Complete, walkable communities rely on essential workers such as health care workers and grocery store clerks, who should have the opportunity to work near their jobs, rather than having to commute long distances to get to their jobs. Research suggests that mixed-income communities have better outcomes for all residents (not just low-income residents) because of a greater access to services;
5. The *Housing Vancouver Strategy* (2018-2027) includes a target of 12,000 new social, supportive and coop homes by 2027. The City is also committed to partnering with Indigenous organizations to deliver culturally appropriate housing developments. The high number of households in Vancouver paying over 30% of their income in rent indicates that more non-profit, co-op, and social housing is needed;

6. We are in a window of strong alignment between Federal and Provincial governments in terms of developing affordable and non-profit housing. The National Housing Strategy is set to expire in 2027, and currently running out of capital contributions in the Co-Investment Fund. Some of these senior government funding programs require approved zoning for eligibility. Having appropriate municipal zoning in place, and streamlining wherever we can, allows non-profit and co-op housing providers to access this senior government funding much more easily, speeding up timelines and achieving deeper levels of affordability;
7. The Community Housing sector, made up of non-profit and co-op housing providers, is an important partner in the provision of affordable non-market housing across Vancouver, and the sector's capacity in Vancouver has grown significantly over recent years;
8. Housing created in partnership with the community housing sector is "speculation free" housing because of the sector's mission driven focus on maximizing affordability, and the ability to place covenants on non-profit buildings that prevent sale for profit;
9. The City's definition of social housing in the Zoning and Development By-law requires the housing be owned and operated on a not-for-profit basis by non-profit housing societies, co-op, or government agencies. And it requires a minimum of 30% of the units to be occupied by households with incomes below Housing Income Limits (HILs) set out by the Province. This means that no profit is generated, and it allows flexibility to cross-subsidize units. Many new developments rely on mixed-income housing models, with a mix of affordability levels to cover costs, typically with affordability deepening over time or deepening through access to senior government funding. Many non-market and co-op developments exceed the 30% HILs minimum, and will be even better positioned to do through this approach;
10. City staff analysis has demonstrated that half of recent social housing developments have required rezoning through a public hearing process, compared to less than a third of market condominium development. Single detached homes do not require a public hearing, even when a new detached home is significantly larger and more expensive than the one it is replacing. The added time and cost of requiring a public hearing impacts what type of housing gets built, and it is currently not aligned with what type of housing is most needed;
11. Rezoning for a non-profit typically takes a year or longer, and can add approximately \$500,000-\$1,000,000 onto the cost of a project, as well as requiring significant municipal staff time. This results in rents that are higher at

occupancy and/or means that limited capital subsidies from senior levels of government get expended more quickly, meaning less housing overall. Reducing the cost, time and risk required to build non-profit and coop housing will result in savings for Vancouver residents and deeper affordability in the new housing created;

12. Major redevelopments still include opportunities for public engagement. Even when they don't require a public hearing, the Development Permit process includes public notification and opportunities for comment, and could still require a Development Permit Hearing process, providing residents an opportunity to address the Development Permit Board in a public meeting;
13. Vancouver's Tenant Relocation and Protection Policy, updated by Council in 2019, outlines specific protections for tenants in the case of a redevelopment for non-profit housing. These protections are more stringent than for for-profit market development. Additional direction was given through the Vancouver Plan to continue strengthening tenant protections for renters and co-op residents city wide;
14. At Public Hearing on April 20th, 2021, Council unanimously approved recommendations to allow development of up to six stories in the RM-3A and the RM-4 and RM-4N zoning districts where 100% of the residential floor area is developed as social housing or social housing in conjunction with a child day care facility;
15. At the above Public Hearing, numerous local experts in non-profit and co-op housing expressed a need for Council to be more ambitious in terms of both height and FSR to give non-profit housing providers the flexibility to optimize the number and affordability of new homes possible on each site. In response, City legal and planning staff outlined that significant amendments at the Public Hearing stage are not ideal, and that if Council wanted to be more ambitious in this regard, a preferable route would be through a separate Council motion;
16. In a [Women Transforming Cities municipal election survey](#) in 2022, a majority of incoming Council members answered yes to the following question:

Will you commit to reducing barriers to providing non-market housing by delegating authority to city staff to approve non-profit, co-op, and social housing initiatives of up to 12 stories in multi-family areas, and up to six stories in other residential areas, without a rezoning requirement?

THEREFORE BE IT RESOLVED

- A. THAT Council direct staff to bring forward recommendations for Council to consider referring to Public Hearing that would delegate authority to City staff to approve developments of up to 12 stories (with a corresponding increase in FSR) in the RM-3A and the RM-4 and RM-4N zoning districts where 100% of the residential floor area is developed as social housing (coop, non-profit and non-market housing), or social housing in conjunction with a child day care facility.
- B. THAT Council direct staff to report back on considerations and recommendations for allowing additional height and FSR in other zoning districts (including RS, RT, RM, and mixed commercial-residential zones) where 100% of the residential floor area is developed as social housing (coop, non-profit and non-market housing), or social housing in conjunction with a child day care facility. And that this work be prioritized within the Vancouver Plan implementation;

FURTHER THAT Council direct staff to report back with changes to current Tenant Relocation and Protection Policy for Non-Market Housing Development (3.1) consistent with the Tenant Protection for Market Rental Housing Development (2.1) in order to provide an option for financial compensation based on length of tenancy, where pre-existing market tenancies have been purchased by a non-market or social housing provider for the purpose of redevelopment.

- C. THAT Council direct staff to engage with the community housing sector on clarifications or changes related to the city's definition of social housing in order to strengthen public understanding and trust, without creating barriers to developing community housing at break-even rents with no funding from senior levels of government.

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