

**Provincial Housing Targets Order
6-Month Interim Report:
October 1, 2023 – March 31, 2024**

*Special Council Meeting,
May 14, 2024*

- Background
- Progress Towards Targets – 1st 6 months
- Next Steps



Recommendations in this report

- A. THAT Council receive for information the Housing Targets Interim Report: October 1, 2023 – March 31, 2024, as contained in Appendix A

- B. THAT Council direct Staff to submit the Housing Targets Interim Report: October 1, 2023 – March 31, 2024, as contained in Appendix A, to the Province by May 15 to comply with the requirements under the Provincial Housing Supply Act



Recent Provincial legislation on housing targets

May 2023

The Housing Supply Act brought into force - provides Province with new authority to set housing targets for municipalities

Intent: deliver housing faster in areas with greatest needs across the Province

Sep 2023

Housing Target orders issued for first 10 municipalities, including Vancouver



5 Year Housing Target for Vancouver October 1, 2023 – March 31, 2028

	Housing Target
Year 1	5,202
Year 2	10,597
Year 3	16,281
Year 4	22,349
Year 5 Total Net New Completed Units	28,900

The Housing Target for Vancouver:

- Total of 28,900 net new completed units over 5 years
- Based on meeting 75% of a housing needs assessment conducted by the Province
- Intended to meet needs of existing and projected new households

Reporting Requirements and Compliance

Reporting Timeline

Reports Required	Report Due to the Province
Interim Oct 1, 2023 – Mar 31, 2024	May 15, 2024
Year 1 Oct 1, 2023 – Sep 30, 2024	Nov 15, 2024
Year 2 Oct 1, 2024 – Sep 30, 2025	Nov 15, 2025
Year 3 Oct 1, 2025 – Sep 30, 2026	Nov 15, 2026
Year 4 Oct 1, 2026 – Sep 30, 2027	Nov 15, 2027
Year 5 Oct 1, 2027 – Sep 30, 2028	Nov 15, 2028

- Municipalities are required to submit regular progress reports
- Reports must be received by resolution by City Council and submitted to the Province within 45 days of the end of the reporting period
- Progress reports are intended to provide the Province information on a municipality's ability to meet or make progress toward targets
- If a municipality does not meet their target, the Province may:
 - Appoint an advisor to review progress and make recommendations
 - Require the municipality to enact or amend by-laws or issue specific permits

What are the Provincial Targets Measuring?

Projects reaching completions in 2024 are measuring applications that began construction 2 – 3 years ago.

In-stream projects approved pre-2024: anticipated to complete by 2028

Most projects counted toward Provincial Target are in-stream, anticipated to complete by 2028

Approvals from 2024 onwards

A small portion of projects approved today will reach completion by 2028 (e.g. low-rise or ground-oriented housing)

**PROVINCIAL
TARGET**
28,900 net new completed units over 5 Years (2023 - 2028)

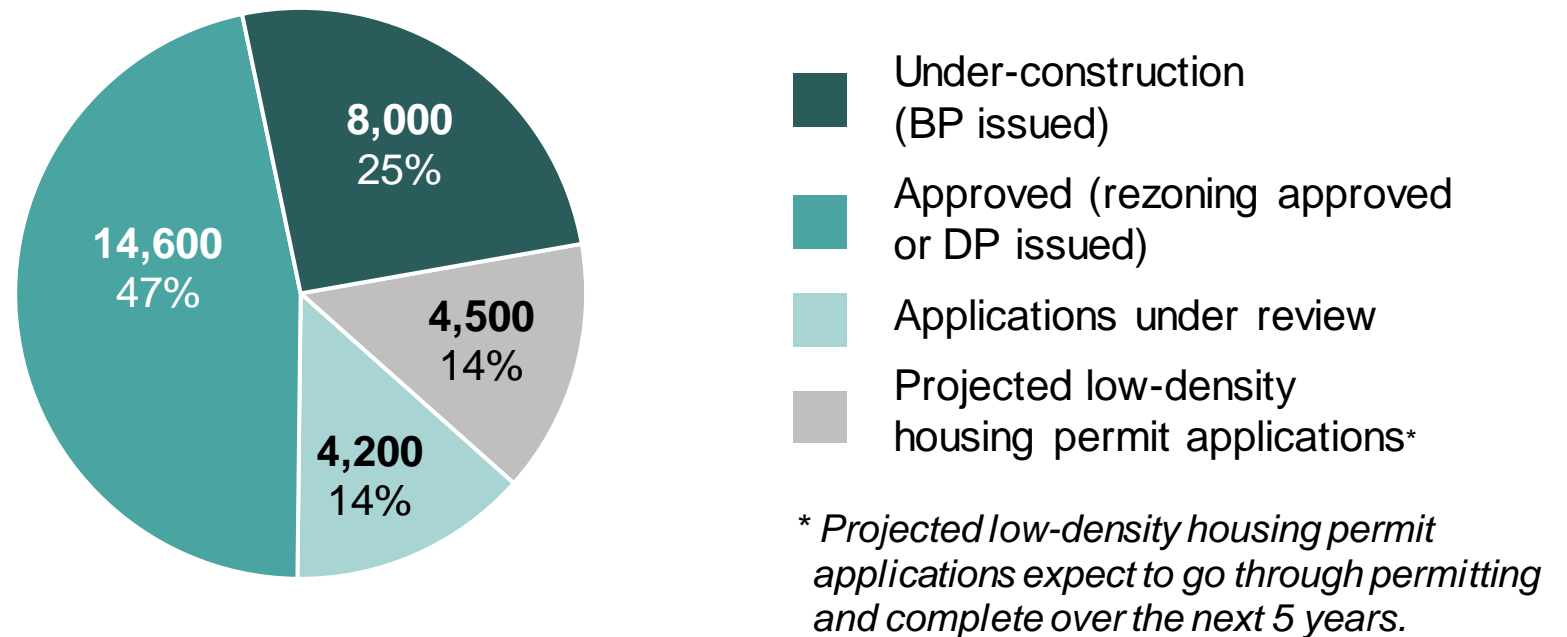
**Provincial Housing Target
Progress After 6 months
Oct 1, 2023 – March 31, 2024**

Progress After 6 months

Net New Units 6-month period	Year 1 Provincial Target 12-month period
1,607	5,202

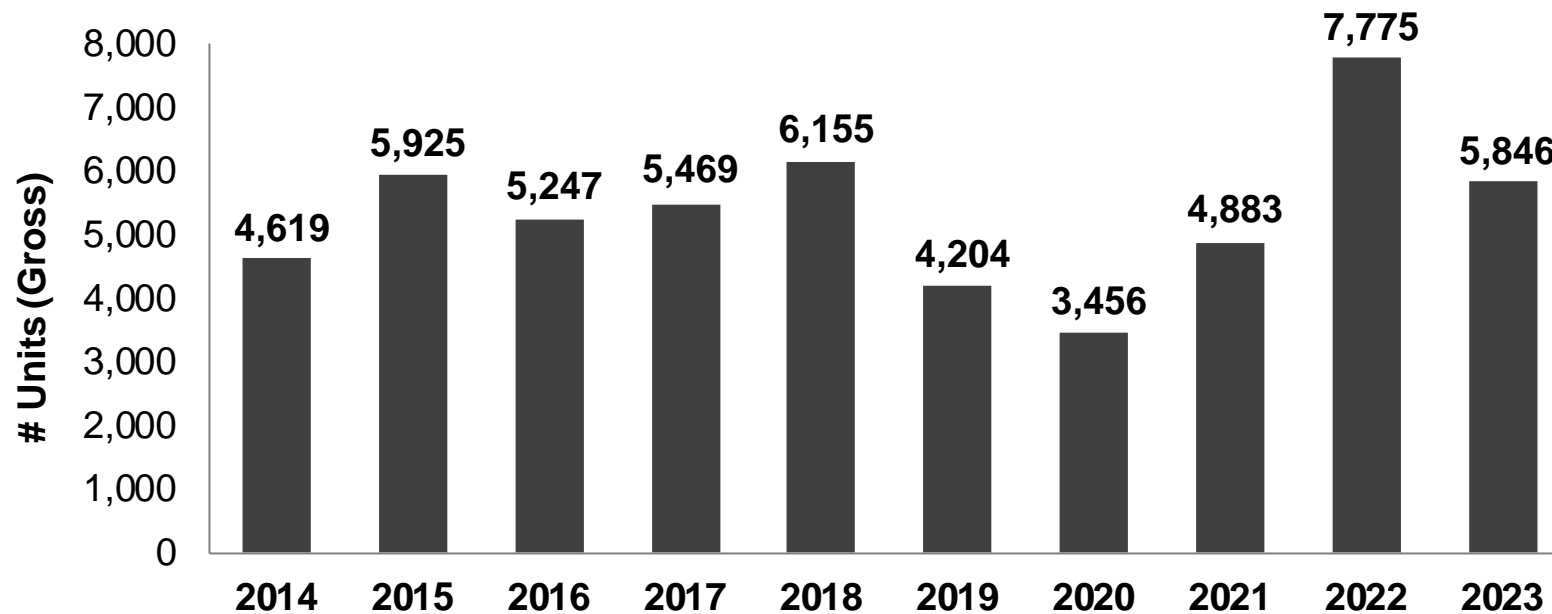
- Decline in completions from 2022 to 2024 attributed to factors delaying construction including natural construction cycles, higher construction costs/interest rates, labour shortage, and material availability.
- Rate of completion is expected to increase throughout the rest of the Year 1 and future reporting periods based on the volume of projects under construction.

In-Stream Projects by Development Status as of March 31, 2024 and Projected Low-Density Housing Permits



Currently ~31,300 net new units anticipated,
exceeding the 5-Year Provincial target

Annual Residential Building Permits Issued



High volume of Building Permits issued in 2022 and 2023 will result in ~13,500 units reaching completion over the next several years

Targets based on completions requires participation from all levels of government and various sectors of the economy

Factors Affecting Project Completion



- *After approval, municipalities have little control over whether a project reaches completion*
- *Factors impacting construction starts are complex and multijurisdictional*

Provincial Guidance Unit Breakdown Categories



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Provincial Guidance Categories

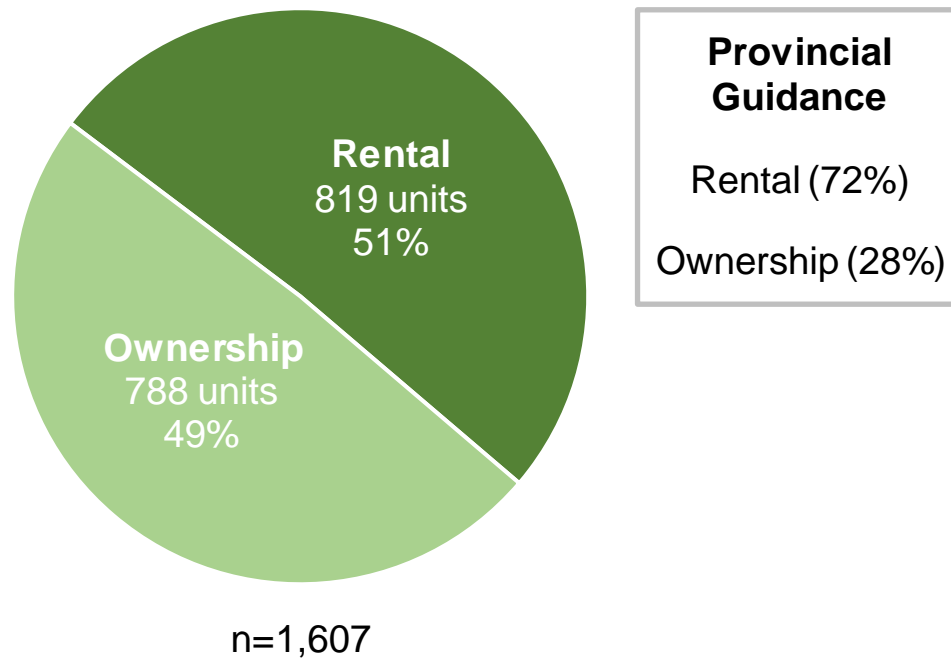
- The breakdown of the target by sub-categories provided as **guideline only** and could be made mandatory through a revised Order at a later date
- Reporting template with detailed data requested for each sub-category

Initial Guidance – Unit Breakdown Categories (2023 – 2028)

Guideline category		Net New Units to Complete	% of target
Unit Size	Studio & 1-bed	17,459	60%
	2 bed	5,231	18%
	3+ bed	6,209	21%
Tenure	Rental	20,886	72%
	Owned	8,015	28%
Rental by Affordability	Market	12,992	45%
	Units renting at/below HILs	7,894	27%
Supportive Rental Units		583	2%

Tenure

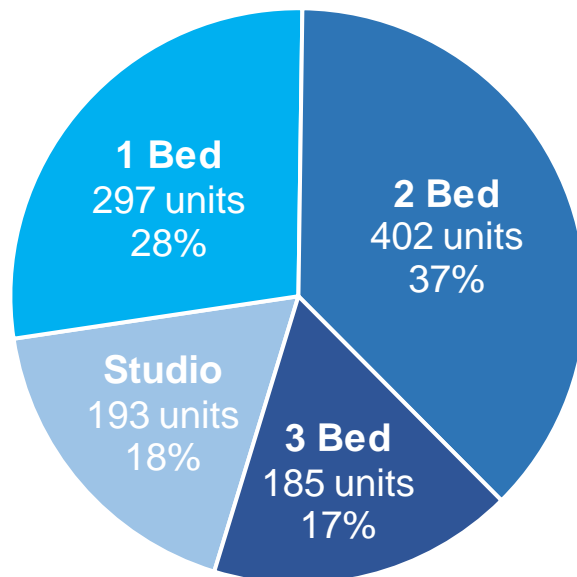
Oct. 1, 2023 – Mar. 31, 2024
(Net Completions)



- The last 6 months of completions indicate over half of new units completed are purpose-built or secondary rental.
- **78% of all housing units approved in 2023 were purpose-built rental or laneway units, signaling further shift toward rental completions in upcoming years.**

Unit Size

Oct. 1, 2023 – Mar. 31, 2024
(Gross Completions)



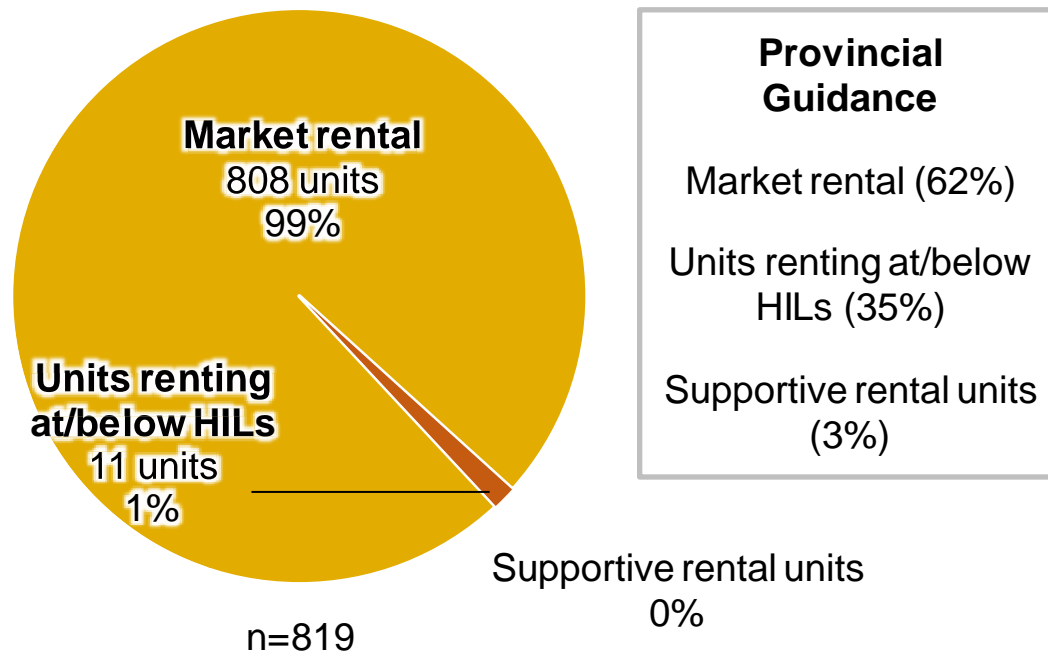
n=1,077

Provincial Guidance
Studio (40%)
1 Bed (20%)
2 Bed (18%)
3 Bed+ (22%)

- Over the last 6 months, over 50% of new apartment and townhouse units completed will have 2 or more bedrooms.

Affordability

Oct. 1, 2023 – Mar. 31, 2024
(Net Completions)



- After the first 6 months, only 1% of completed units will rent at or below HILS
- Vancouver has several programs targeting new private and non-market rental housing at different levels of affordability - more units are expected to complete in future reporting periods, but **delivering units renting at or below HILs is difficult without increased senior government funding.**

- Conduct further analysis on housing need and in-stream projects to confirm ability to deliver on targets. **Refresh the Housing Vancouver 10 Year Targets** based on this analysis
- Develop a **3 Year Housing Action Plan** with 50 actions over 7 topic areas to increase the supply of housing



Housing Needs



Community Housing



Geographic Equity



Indigenous Housing



Addressing Homelessness

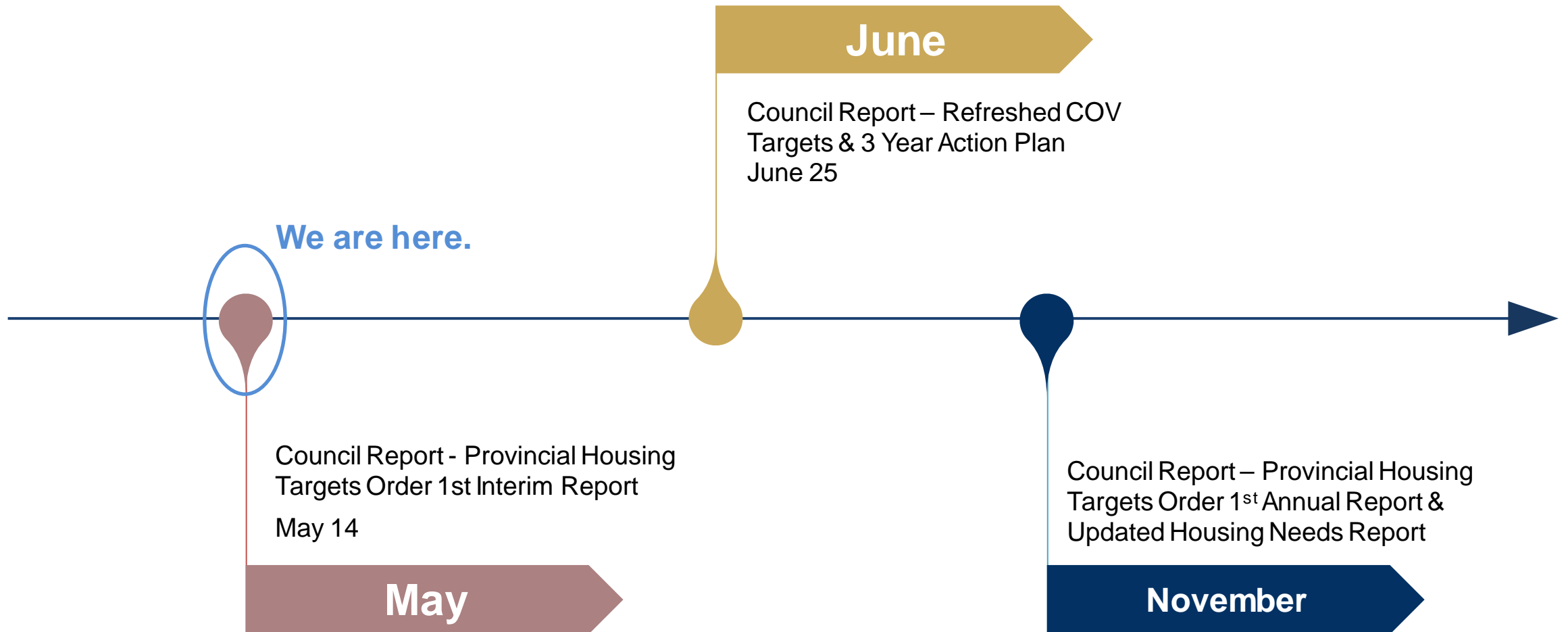


Rental Housing



Speculation

Timeline of Upcoming Reports



Summary

- This Interim report with the first 6 months of data establishes a baseline for reporting required through the Provincial Housing Targets Order
- Significant supply under construction and in development will complete over the next few years
- Work is underway to refresh the City's 10 Year Housing Vancouver Strategy and development of an accompanying 3 Year Action Plan to incorporate the Provincial Target Order and deliver on the targets



Thank-you.



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