



COUNCIL REPORT

Report Date: June 11, 2024
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Meeting Date: June 25, 2024
[Submit comments to Council](#)

TO: Vancouver City Council
FROM: General Manager of Planning, Urban Design and Sustainability
SUBJECT: Housing Vancouver 10 Year Housing Targets (2024 – 2033) and 3 Year Housing Action Plan (2024 – 2026)

RECOMMENDATIONS

- A. THAT Council approve the updated Housing Vancouver 10 Year Targets (2024 – 2033), as attached in Appendix A.
- B. THAT Council approve the new Housing Vancouver 3 Year Action Plan (2024 – 2026), as attached in Appendix B.
- C. THAT Council approve the Rental Housing on City Land – Public Benefits Pilot Rezoning Policy, as attached in Appendix C.

PURPOSE AND EXECUTIVE SUMMARY

This report brings forward for Council's consideration:

- Updated 10 Year Housing Targets (2024 – 2033) which incorporate the recent Provincial Housing Target Order;
- An accompanying 3 Year Housing Action Plan to achieve the recommended Housing Targets and implement the Vancouver Plan Housing Vision; and
- A rezoning policy that pilots a new approach towards delivering rental housing and long-term, broad-based public benefits through City-led developments, further advancing the implementation of the Middle Income Housing Initiative.

The updated Housing Targets and associated Action Plan will set the course for the City's response to the housing crisis, address new Provincial housing requirements, trial new approaches and identify key priority areas for action.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- Provincial Housing Targets Interim Report – 6 Month Interim Report (2024)
- Mayor’s Budget Task Force Report (2024)
- Council Motion: Delivering a New Supply of Middle-Income Housing in Vancouver (2023)
- Vancouver Plan (2022)
- Housing Vancouver Financial Delivery Strategy (2018)
- Housing Vancouver Strategy (2017)

CITY MANAGER’S COMMENTS

The City Manager concurs with the foregoing recommendations.

CONTEXT AND BACKGROUND

Provincial Housing Target Order

On September 26, 2023, the Province of BC issued a Housing Target Order (HTO) for the City of Vancouver which includes a minimum number of net new units to be completed within a 5-year period (October 2023 – September 2028). In response to the HTO, Council directed Staff to refresh the City’s own Housing Vancouver Targets (2017 – 2027) to incorporate the HTO and to perform further analysis to ensure targets maximize new housing supply, while also considering implementation feasibility. In undertaking this work, Staff have identified two issues with the HTO:

- The Provincial targets are based on completions, while the City’s targets measure housing approvals, which requires the City’s targets to be higher.
- It is not feasible for the City and its senior government and non-profit partners to meet the Provincial guidance on the number of affordable rental homes with rents set at or below the Housing Income Limits (HILs)¹ without commitment from senior governments to provide capital grants and low-cost financing to deliver on the target affordability. Staff estimates that achieving the Provincial guidance for the share of rental units at or below HILs extrapolated over a 10-year period to align with our target would require approximately \$6B in equity.

These issues are detailed in the Discussion section below.

Given the Provincial targets measure completions, Staff will be working on new tools and approaches to accelerate delivery of housing through permitting system improvements. Additional tools and recommendations are addressed through the Permit Improvement Program (PIP), with a separate report scheduled for Council in July 2024.

Vancouver Plan (2022)

Approved in 2022, the Vancouver Plan is a long-range land use strategy that guides growth of the city in an intentional way, clarifying where growth and change will occur over the next 30 years. The Vancouver Plan includes a housing vision that advances an equitable housing system and increases housing diversity and options in all neighbourhoods, while prioritizing

¹ Housing Income Limits (HILs) are fixed by BC Housing by unit type and region. They represent the minimum income required to afford an average unit on the private market and the maximum income to qualify for social housing. See current HILs [here](#).

housing for those who need it most. The 10 Year Housing Targets and accompanying 3 Year Housing Action Plan proposed in this report form the implementation actions that will advance this housing vision and is one of ten projects currently underway to implement the Vancouver Plan (2022).

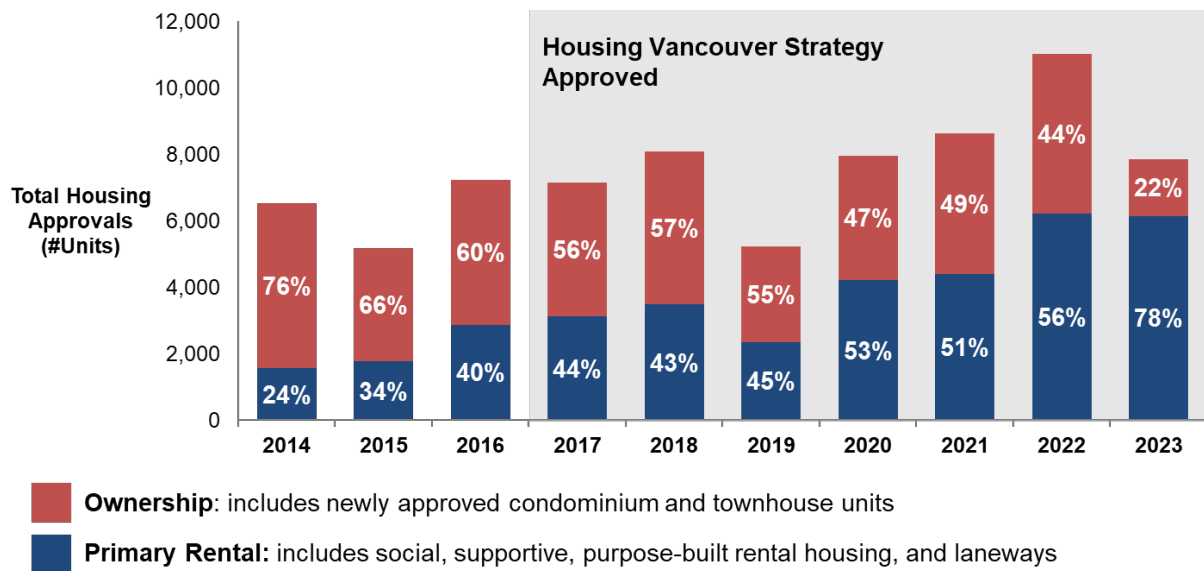
Housing Vancouver 10 Year Targets (2017 – 2027)

Vancouver has its own 10-year housing targets that were adopted by Council in 2017 through the Housing Vancouver Strategy. These targets aim to shift the City’s housing development pipeline toward the ‘right supply’ of housing, reduce speculative demand, protect existing rentals, and support the city’s most marginalized residents.

Since 2017, the City has surpassed its annual housing targets and successfully shifted the housing supply (see Figure 1). Over 40% of new units will be suitable for families with children and more than 50% of new homes have been or will be secured rental housing. Vancouver leads the region in rental construction with over 40% of the regional rental starts since 2017.

However, annual approvals have consistently fallen short on targets for affordable housing for households earning under \$80,000 a year. This shortfall has demonstrated that while the City can meaningfully increase new ownership and rental housing by utilizing all the available municipal tools and levers, delivering deeper levels of affordability for low-income households requires significantly more collaboration and investment from senior governments. These learnings will be incorporated into the City’s new 10-year targets and examined further in the Discussion section below.

Figure 1: Approvals under Housing Vancouver, Rental Vs. Ownership Tenure (2014-2023)



Middle Income Housing on City Land

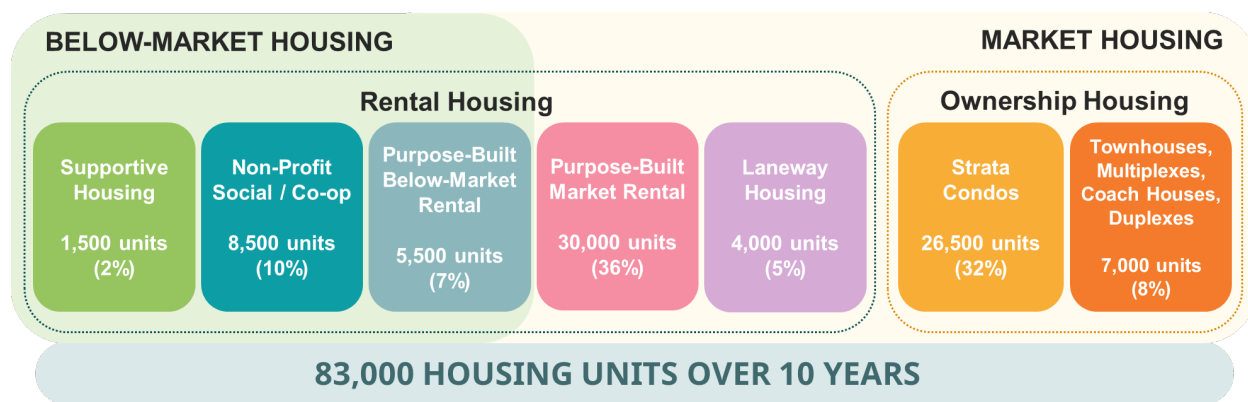
In Fall 2023, Council approved a motion to deliver more middle-income housing in Vancouver. Staff were directed to expand the Vancouver Housing Development Office’s mandate to include middle-income housing on City-owned land, beyond Vancouver Affordable Housing Endowment Fund (VAHEF) properties. Additionally, the Mayor’s Budget Task Force Report (2024) recommended optimizing the City’s real estate portfolio to create perpetual value and generate non-tax revenue to address the growing infrastructure deficit.

DISCUSSION

1. New 10 Year Housing Vancouver Targets (2024 – 2033)

The updated 10-year housing target for Vancouver is proposed to be 83,000 net new approved housing units, a 15% increase over the target established in 2017, to meet population growth, existing housing needs, and new Provincial requirements. Nearly three-quarters of these units (61,600) will be for renters, of which about 25% (15,500) will be at below-market rates. Over 40% (33,400) will be family-size units. About 13% (11,000) will provide more housing options in low-density areas, like laneway houses, duplexes and multiplexes. Full details can be found in Appendix A.

Figure 2. Housing Vancouver 10-Year Target (2024-2033)



- #### Below-market and Non-Market Housing

The new target includes 10,000 social, supportive and non-profit co-operative housing units (non-market housing), and 5,500 below-market rental units that will be delivered by the market. SRO replacement is not included in this target and is being tracked separately through the intergovernmental SRO Investment Strategy.

Of the target of 10,000 non-market housing units, 1,500 units are supportive housing units. This is a decrease from the previous 10-year supportive housing target (4,000 units). The revised target aligns with actual delivery of supportive housing over the past seven years that was achieved within the limited government funding programs, and addresses the full supportive housing need identified in the Provincial HTO. The City continues to advocate for increased government funding to meet the full supportive housing need in Vancouver and a Provincially-led regional approach to addressing homelessness. Additional supportive housing will be needed, and is expected to be delivered across Metro Vancouver.

- #### Rental Housing

Expanding the supply of rental housing is a key priority. The new target includes 30,000 new purpose-built market rental units over the next 10 years, 87% higher than the previous target. In addition, it is anticipated that 37% of new condominiums will be used as secondary rental. The target also includes 4,000 rental laneway homes. Overall, 74% of the new housing created will be available for renters.

- #### Ownership Housing

To provide more options for first-time homebuyers, families, and downsizing seniors, the new targets include 33,500 units of ownership housing, a 7% decrease from the previous

target. This includes 26,500 units of condominium apartments and 7,000 units in lower density housing types – townhouses, multiplexes, coach houses and duplexes.

- **Family housing**

The new target aims for over 40% of the new units to be suitable for families with two or more bedrooms, in line with the previous 10-year target. This would result in over 18,700 family units in secured rental housing and over 15,500 in ownership housing types.

The new housing targets will advance an equitable housing system by prioritizing rental housing to meet the greatest need. Overall, the targets are ambitious, outlining the amount of new housing required over the next 10 years in order to meet the diverse needs of both new and existing residents.

1.a Methodology

The City’s approach to developing housing targets incorporates the Provincial HTO methodology, learnings from the 2017 Housing Vancouver targets, as well as policy intentions to advance an equitable housing system. The approach is summarized in the following table. Further details on the methodology can be found in Appendix A.

Table 1: Summary of the City’s Approach to Setting Housing Targets

	Approach	Rationale
Overall Target and Breakdown Categories	Based on 3 elements: <ul style="list-style-type: none"> • Housing needs assessment adapted from the Provincial Housing Target Order which considers unmet and anticipated housing needs, and supplemented with Vancouver-specific data • Analysis of all projects at various stages of the City’s permitting process, consideration of development trends by housing type and bedroom mix, and financial feasibility evaluation • Policy aspirations to move towards an equitable housing system 	<ul style="list-style-type: none"> • Incorporate and align with Provincial Housing Target Order, while also ensuring housing targets for Vancouver are ambitious, but realistic and feasible • Incorporate learnings from 2017 Housing Vancouver targets • Implement housing policies approved by Council
Unit of Measure	<ul style="list-style-type: none"> • Net new units approved over ten years • Building permits and completions will also be monitored and reported to comply with Provincial requirements 	<ul style="list-style-type: none"> • Tracks approvals as it is the measure that municipalities have the most responsibility and control over • Uses a 10-year timeframe to align with the 10-year Capital Strategic Outlook • Will also report on net new completions to comply with Provincial Housing Target Order

1.b Comparison with Provincial Housing Target Order

Comparing Housing Vancouver targets to the Provincial Housing Target Order (HTO) presents two challenges. First, Housing Vancouver measures housing approvals over a 10-year period. The City has the most control over this aspect of housing supply, and measuring approvals is the most effective way to inform and affect policy change at the local level. The Provincial HTO requires the City to report on housing completions because this is the best way to measure actual increases in housing supply.

Second, Housing Vancouver uses a 10-year timeframe to align with the City’s time horizon for strategic capital planning to accommodate growth. The Provincial HTO uses a 5-year timeframe. Staff have attempted to address these challenges in the discussion below.

The updated 10 Year Housing Vancouver Targets are expected to provide enough housing supply to meet the Provincial HTO over the long-term, aligning with its goal of boosting housing delivery to address demand. In addition to an overall supply target, the Province also included unit breakdown categories – tenure, affordability, supportive housing units and unit mix as initial guidance. Although they are not requirements, the Province has encouraged municipalities to strive toward meeting the unit breakdown. The chart below compares the Provincial target and supplemental guidelines with the proposed City targets. Please note that for illustrative purposes, the 10-year target is shown both in full and over 5 years in order to compare over a similar time frame.

Due to the 5-year timeframe of the Provincial target that uses completions as a measure, most multi-family projects expected to complete within the next 5 years have already been approved, are under construction, or going through the application process. A portion of new approvals under the City’s new 10-year housing targets may result in completions during this first Provincial Target cycle (e.g. low-density projects with a shorter development timeframe) but will most likely result in completions counted in the subsequent Provincial Target cycle.

Table 2: Comparison of Housing Vancouver 10 Year Target with Provincial Housing Target Order

	Provincial Target – Completions		COV Housing Vancouver Targets – Approvals		
	Units (5 years: Q4 2023 - Q3 2028)	%	Units (5 years: 2024-2028)	Units (10 years: 2024-2033)	%
TARGET Total Units	28,900	100%	41,500	83,000	100%
GUIDANCE ON PROVINCIAL TARGET BREAKDOWN					
Studios & 1-bedrooms	17,459	60%	24,300	48,700	59%
2 bedrooms	5,231	18%	11,400	22,900	27%
3+ bedrooms	6,209	22%	5,700	11,400	14%
Owned dwellings	8,014	28%	10,700	21,400	26%
Rented dwellings (incl. secondary rental)	20,886	72%	30,800	61,600	74%
Market rental	12,992	45% (62% of rented units)	26,900	53,700	65% (87% of rented units)
Below-market rental (below HILs)	7,894	27% (38% of rented units)	3,950	7,900	9% (13% of rented units)
Supportive housing (included in below-market rental)	582	2%	750 ²	1,500 ²	2%

The City’s 10-year updated targets meet and exceed Provincial targets in the areas of overall supply and rental tenure. While there is a lot of alignment, there are several key differences with implications for the City’s 10-year targets, as summarized below. Further details can be found in Appendix D.

² The City’s supportive housing target is aligned with the 100% need for below-market rental housing with on-site support identified in the provincial needs assessment (770 units over 5 years).

- **Timeframe** – The Provincial targets are issued on a 5-year basis. For the City’s targets, Staff recommend continuing to use a 10-year timeframe to align housing delivery with financial planning through the 10-year Capital Strategic Outlook.
- **Approvals as a measure** – Although the Provincial target measures net completions, Staff recommend continuing to use approvals as a measure, but will also track completions to comply with Provincial requirements. Municipalities have the most control over approvals and the ability to expedite permitting processes. Measuring approvals allows the City to be more nimble in making policy adjustments that respond to changing market conditions, rather than waiting years for projects to be completed before outcomes are evaluated.

After permitting, the timing for construction and completion of housing units is primarily dependent on factors beyond the City’s control, including capacity of the construction sector, inflationary pressure, access to funding and financing for market and non-market developers. Making meaningful progress towards project completion requires coordinated effort by all levels of government and various sectors of the economy.

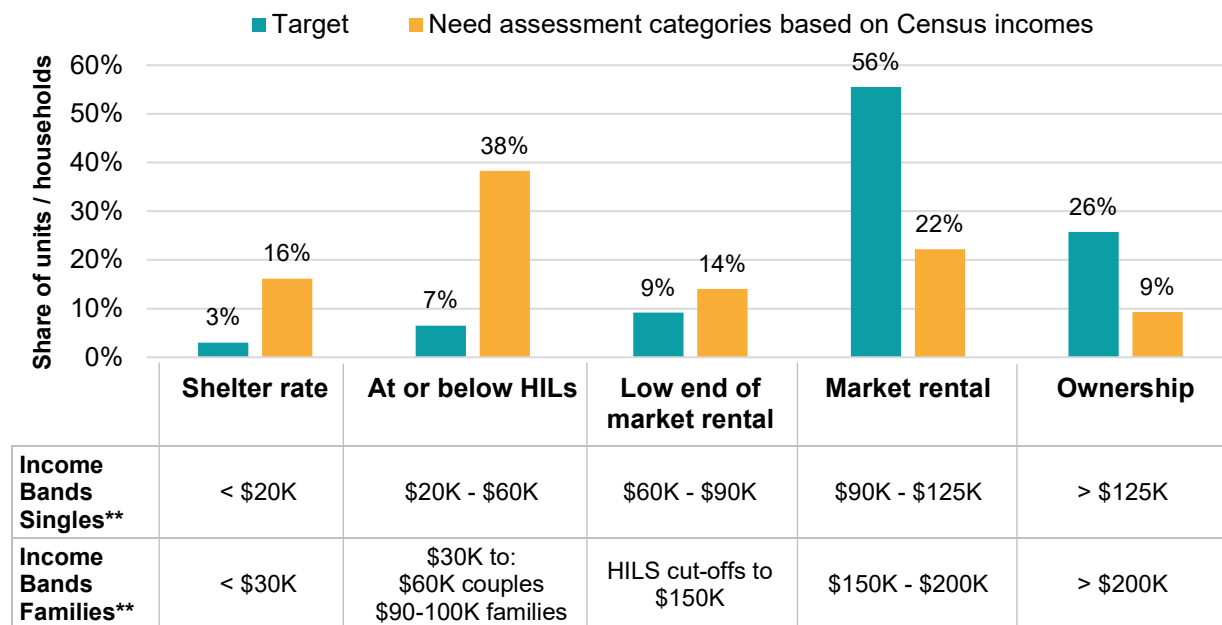
This difference in the target metrics requires the City to account for the time projects take after approval to move through permitting and construction, as well as for projects that get delayed, cancelled or resubmitted with different schemes/designs. Consequently, the City must approve a higher number of units in order to achieve the Province’s target for net new completions under the HTO. Further information can be found in Appendix D and E.

- **Share of 3-bedroom and affordable units** – The City will not be able to meet the Provincial guidance for 22% of all new housing to have 3 or more bedrooms. The updated 10-year housing targets propose 14% of units to be 3 bedrooms, based on recent development trends in new rental and ownership housing. This is consistent with current housing mix policies that generally encourage 25% 2-bedrooms and 10% 3-or-more-bedrooms in apartments. Engagement with industry and multiple rounds of economic testing have shown that increasing the number of 3-bedrooms, especially in rental buildings, significantly impacts project viability.
- **Delivering housing with deeper levels of affordability** – Housing affordability continues to be a critical issue in Vancouver. The cost of housing continues to rise, further decoupling our housing system from income levels. Between 2013 and 2023, the price of a condominium apartment in the Eastside of Vancouver has increased by 130% and city-wide average rent by 65%, while median household incomes increased by 38% between 2013 and 2021³.

There is a tremendous need for below-market and low-end-of-market rental housing that is affordable to households earning under \$90,000 for singles and \$150,000 for families, and an even more acute need for housing that is affordable to households earning at or below HILs. However, while the City is able to significantly increase ownership and market rental housing options, meeting the full need for moderate- and low-income households seeking more affordable housing is not possible with municipal tools alone. This is consistent with the results of the last seven years of Housing Vancouver implementation, where approvals for housing affordable to households earning under \$80,000 fell short of affordability targets. The chart below shows how affordability is reflected in our updated draft Housing Vancouver targets.

³ Benchmark sale price from Real Estate Board of Greater Vancouver; Average rent from CMHC’s Rental Market Reports; incomes from T1FF datasets (latest available year for tax filer income data was 2021).

Figure 3. Affordability Levels of the New 10 Year Housing Vancouver Targets Compared to Need Assessment and Household Income Distribution*



*Household total income distribution in 2021 Census by household type and need assessment category

**Income cut-offs based on income assistance estimates, BC’s Housing Income Limits, City’s below-market rental policy, CMHC’s Rental Market Report and MLS average sale prices for the City of Vancouver with assumptions of unit size needed by each household type. Affordability assumed at 30% of income.

The new Housing Vancouver Targets propose a total of 10,000 social and supportive housing units over 10 years, as well as 5,500 below-market rental units to be delivered by the private market, which will address about 25% of the need identified in the City’s housing needs assessment. Although this will not meet the full need, it is an ambitious target based on development trends and financial analysis, and is achievable with support from senior government, non-profit and private industry partners.

In today’s context of rising costs and higher interest rates, delivering housing for moderate- and low-income households is the most challenging. Review of recent social housing projects show the equity gap, assuming land contributions at a nominal rate, to be around \$175,000/unit where rents meet the City’s definition of social housing (30% of the units at or below HILs rates), and upwards of \$500,000/unit to create homes at the shelter rate of income assistance.⁴ Effectively, social housing projects are only viable with senior government investment. In the short term, the City will have to rely more heavily on the private market to create below-market rental units, but supporting non-profit rental housing, which can become more affordable over time as mortgages are paid down, will be critical.

It’s important to note that the HTO provided more specific guidance on affordability levels with 38% of overall rental to complete and rent at or below HILs rates over the next 5 years. This is a significantly higher share than the City’s targets, proposing 13% of overall rental units to be approved at or below HILs over a 10-year period. An equity investment of \$3.2 billion is required

⁴ Illustrative example of a social housing project assuming concrete residential construction costs in 2023. Land costs are excluded from cost estimates.

to achieve the affordability delivered by the City’s proposed targets, plus an additional \$2.7 billion in order to reach the Province’s guidance of 38% of rental units at or below HILs rates.⁵ Without significant additional senior government investment and partnerships, the City will not be able to meet the Provincial guidelines for affordability. For supportive housing, while the City’s proposed target meets the Provincial target guideline, the ability to achieve this target will depend almost entirely on availability of senior government funding.

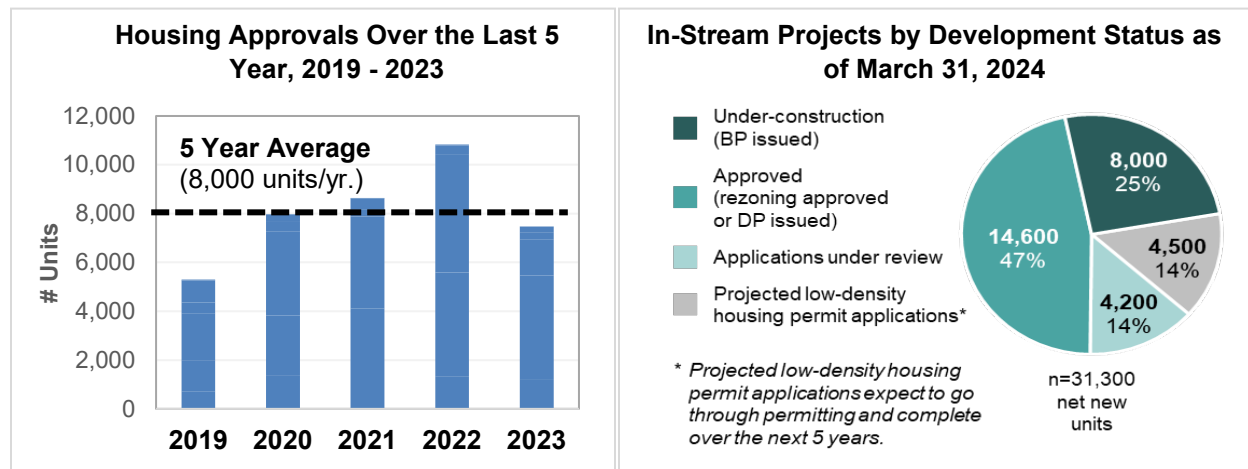
Given the challenges of creating more deeply affordable housing for moderate- and low-income households, other more cost-effective strategies need to be considered in collaboration with senior governments and partners, such as increasing rent supplements, measures to retain affordability and resilience of the existing rental stock, and support for initiatives that encourage government and non-profit organizations to purchase existing rental buildings to retain affordability. These measures are included in the 3 Year Action Plan contained in Appendix B.

1.c Development Capacity to Meet Targets

Staff have assessed the City’s ability to achieve both the proposed 10 Year Housing Vancouver Targets and the 5-year Provincial Housing Target Order. While the proposed 10 Year Housing Vancouver Target of 83,000 units approved exceeds our previous goal of 72,000, analysis suggests there is capacity to meet the new targets based on current applications and past approval trends. In terms of the Provincial Target, there is an unprecedented volume of projects in stream, providing enough capacity in our current development pipeline to meet the 5-year completions target. Further information on the capacity analysis can be found in Appendix D.

Staff note the new target of 83,000 units is ambitious and will require policy and zoning changes to enable additional opportunities to increase supply. These changes are identified in the 3 Year Housing Action Plan section below and contained in Appendix B.

Figure 4. Recent approvals trend and current state of the development pipeline



2. Housing Vancouver 3 Year Housing Action Plan

The 3 Year Housing Action Plan puts the Vancouver Plan into action, address Council priorities, adapt to new Provincial housing laws, and help the City achieve the new 10 Year Housing Vancouver Targets. With over 50 actions, the plan utilizes all of the City’s roles in housing,

⁵ Assumes HTO guidance on the share of Below-Market Rental (units at of below HILs) remains constant over 10 years.

including regulating land-use, capital and City-owned land investments in affordable housing, and partnerships and advocacy work. The full details of the Plan are contained in Appendix B.

The Plan focuses on tackling 7 key housing policy areas outlined in the Vancouver Plan. It includes various actions for each area. The chart below illustrates the policy areas and highlights a few of the corresponding priority actions.

Table 3: Housing Vancouver 3 Year Action Plan – Key Policy Areas and Priority Actions

Key Policy Areas		Priority Actions
1	Housing Need – Plan for and accommodate existing and future housing need	<ul style="list-style-type: none"> • Vancouver Official Development Plan – Vancouver’s first ODP will guide future growth, identifying necessary land-use changes to support the increased delivery of housing • Apartment Living – Zoning amendments to clarify regulations, improve livability and align with new Provincial accessibility requirements in apartment buildings, including exploring minimum unit size and bedroom mix requirements
2	Geographic Equity – Ensure opportunities for inclusion of low- and moderate-income households, and diversify the housing stock across all neighbourhoods	<ul style="list-style-type: none"> • Simplified Apartment District Schedules – Create simplified low-rise and tower regulations to streamline delivery of rental, social, and ownership housing • Implement Transit-Oriented Areas provincial legislation – Establish transit-supportive densities adjacent to transit stations • Vancouver Plan Villages – Phased implementation of the 25 Village Areas, including opportunities for pre-zoning apartment buildings up to 6 storeys, as well as shops and other services to create complete communities
3	Homelessness – Ensuring every person has access to safe, secure and affordable housing with necessary supports	<ul style="list-style-type: none"> • SRO Investment Strategy – Work in partnership with senior governments to replace SROs with self-contained social housing, beginning with identified priority buildings, and create an interim SRO repair and stabilization program to improve livability and affordability until buildings can be replaced. • Regional Response to Homelessness – Encourage the Provincial government to implement a regional response to homelessness by working with municipalities, public organizations, and non-profit partners to increase access to shelters and supportive and social housing across the Metro region so people without housing have more choices as to where to live and access emergency shelters.
4	Community Housing – Significantly increase the supply of social and supportive housing, and support the growth of the non-profit housing sector	<ul style="list-style-type: none"> • Pre-zoning for Social Housing – Allow social housing of up to 6 storeys in “Villages” and 12+ storeys in “Neighbourhood Centres” in all neighbourhoods, following the Vancouver Plan land-use vision • Advancing and Initiate New Projects on City-owned Land – Over the next three years, there are plans to complete over 3,000 social and supportive housing units on City-owned sites, subject to availability of senior government funding, regulatory approvals and construction schedules.
5	Indigenous Housing – Work with Musqueam, Squamish, and Tsleil-Waututh Nations and urban Indigenous partners to support Indigenous housing models and wellness	<ul style="list-style-type: none"> • Implementation of the UNDRIP Strategy – Continue to work with Musqueam, Squamish, and Tsleil-Waututh Nations to implement the housing calls-to-action, starting with three priority actions: <ul style="list-style-type: none"> - Fast-track Nation-led affordable housing projects - Prioritize housing for Nation members - Support on-reserve projects by providing municipal services at reduced fees
6	Rental Housing – Become a city for renters that provides more secure rental housing options and mitigates displacement	<ul style="list-style-type: none"> • Middle Income Housing Delivery on City-owned land – Leverage City-owned land to unlock rental housing delivery for middle-income households; Develop a new rezoning policy to increase rental housing while piloting an innovative approach to delivering long-term public benefits through City-led development

Key Policy Areas	Priority Actions
<p>7 Speculation – Continue to address speculation and ensure new and existing housing serves people who live and work in Vancouver</p>	<ul style="list-style-type: none"> • Short-term Rental Regulations – Increase enforcement through increased fees to boost capacity and continue to work collaboratively with the Province to regulate property managers and short-term rental platforms

3. Advancing Implementation of the Middle Income Housing Initiative

In the Fall of 2023, Council approved the motion *Delivering a New Supply of Middle-Income Housing in Vancouver*, directing staff to expand the existing mandate of the Vancouver Housing Development Office (VHDO) beyond non-market housing delivery, to deliver middle-income housing on City-owned land. Staff are preparing several applications to bring forward to Council to advance implementation with the goal of delivering approximately 4,000 rental homes on City land.

In addition, the Mayor’s Budget Task Force Report (2024) recommended that the City optimize its non-Vancouver Affordable Housing Endowment Fund (VAHEF) real estate portfolio (e.g. Property Endowment Fund) to generate non-tax revenue to address the growing infrastructure deficit. To support this direction and to advance the delivery of middle-income housing on City-owned land, Staff recommend Council approval of the *Rental Housing on City-land – Public Benefits Pilot Rezoning Policy*, as contained in Appendix C.

The proposed policy will pilot a new approach to the delivery of public benefits through generation of non-tax revenues for the City, rather than through the traditional approach of delivering public benefits from development projects through a Community Amenity Contribution (CAC), either in-kind and/or cash, secured at the rezoning. The proposed Pilot recognizes that the creation of long-term non-tax revenue stream is a public benefit to the City, as the ongoing revenues generated from these sites can be used to further Council priorities, including to support the renewal and upgrade of community amenities or contribute towards affordable housing, including redevelopment of social and co-op housing within the VAHEF reserve.

The Pilot enables the Director of Planning to bring forward for consideration by Council up to 5 rezoning applications for exemption from payment or delivery of on-site amenities under the CAC Policy for Rezoning in recognition of the long-term public benefit provided, where the proposals are designed to provide ongoing non-tax revenue to the City. To secure this long-term public benefit, the Pilot requires the residential portion of the project to be 100% rental housing, and the non-tax revenue be secured for the City for 60 years or the life of the building, or remain in City ownership.

Annual reports on revenue generated under this policy will be presented to Council and allocation of the revenue will be determined by Council through the budget process. Following the pilot program, Staff will report back to Council with lessons learned and, if appropriate, recommendations for a new, long-term policy.

4. Increasing Rental and Affordable Housing Across the Region

Through the updated 10 Year Housing Targets and 3 Year Action Plan, the City continues to demonstrate leadership in the municipal response to the housing crisis in Metro Vancouver. However, housing markets are regional, so all municipalities need to contribute. Many municipalities have increased construction, with Vancouver leading in housing starts in 2023, followed by Surrey and Burnaby. Vancouver is encouraged by the efforts of other municipalities to boost housing supply.

The City also leads the way in building supportive housing and providing services to residents experiencing homelessness. Over 80% of all the supportive housing in the region is located in Vancouver, despite the City representing 25% of the population and 4% of the land area. However, affordable and supportive housing is needed in all communities. As more municipalities receive their HTOs from the Province, municipalities across the region will be expected to increase affordable and supportive housing opportunities. With adequate funding, this provincial policy should ensure a more even distribution of housing across the region.

5. Greater Collaboration with Senior Governments

The City is committed to partnering with the Provincial and Federal Governments to achieve common objectives: building more homes quickly, creating affordable housing, and safeguarding existing affordability. While there's been a promising commitment from both levels of government to tackle the housing crisis, meeting our goals will require further collaboration and investment, including:

- New funding for infrastructure is required to accommodate growth, including water, sewer, and community amenities.
- Integrated policies and sustained funding programs to address homelessness, mental health and addictions, and affordable housing.
- Priority investments identified through the SRO Investment Strategy to improve and replace SRO buildings with self-contained social housing units.
- Retaining affordability in the existing housing stock by increasing rent supplements and income assistance to rates commensurate with housing costs in urban centres like Vancouver, and improving support services for seniors so more older adults can age in their homes.

Only through long-term partnerships will meaningful change occur to improve housing affordability for existing and new residents.

6. Public Engagement

Staff engaged key stakeholders and interested parties on the updated housing targets and accompanying 3 Year Action Plan through targeted workshop meetings and an online comment form. This included engagement with the community housing sector, City advisory committees, Indigenous partners, academics and researchers, housing developers, and senior levels of government. Overall, Staff held 10 workshops attended by 54 people and 21 organizations, and received 15 comment form responses. In addition, a referral was put through the City's Musqueam, Squamish, Tsleil-Waututh Nations referrals process, and Squamish Nation indicated interest.

Participants were supportive of both the updated Housing Vancouver targets and 3 Year Action Plan overall. Regarding the updated targets, some participants cautioned against being overly prescriptive through unit breakdowns and emphasized the need for increased senior government funding to achieve greater levels of affordability. We also heard some support for setting a higher target (compared to the previous target) to encourage the delivery of more housing supply. Key feedback on the Action Plan included the importance of increasing the affordable housing stock, enabling more housing citywide, and streamlining the zoning and development processes (including broad support for pre-zoning social housing). Stakeholders were generally supportive of the actions that the City has already undertaken to protect the existing stock and tenants, address housing speculation, and leading the region in building more rental and social housing. For a full summary of the public engagement, see Appendix E.

FINANCIAL IMPLICATIONS

The City’s new Housing Targets (2024 - 2033) will be a significant undertaking for the development industry, as it represents a 15% increase over the previous 10-year targets of 72,000 units in Vancouver alone, while a number of municipalities in the region are also mandated by the Province to increase their housing delivery.

Social & Supportive housing

In addition to land use policies, the City uses a variety of enabling tools to support affordable housing in partnership with senior governments and housing partners:

- *City land* – Long-term, below-market land leases to housing partners.
- *Development contributions* – “Turn-key” housing secured through community amenity contributions and/or inclusionary zoning policies.
- *City capital grants (mainly from Empty Homes Tax)* – Funding to enhance viability and affordability of partner projects.
- *Development Cost Levies (DCL) Exemptions* – For eligible social housing projects.
- *Property Tax Relief* – Special valuation rules for Class 3 - Supportive Housing effectively exempt them from property taxes; and reduced assessed value for social housing lowers property taxes.

Table 4: Estimated Cost to Deliver the New Social & Supportive Housing Target

<i>\$ billions, except units</i>	Units	Land	Constuction costs	Total costs	Mortgage capacity	Equity required
Supportive housing	1,500	0.1	0.5	0.6	-	0.6
Social housing	8,500	1.2	3.9	5.1	(2.5)	2.6
Social & supportive housing	10,000	1.3	4.4	5.7	(2.5)	3.2

**Note: this does not include operating costs for supportive housing, an additional estimate of \$2,500-3,000 per unit per month*

Staff estimate that achieving the Housing Vancouver 10-year targets for social and supportive housing would require ~\$3.2 billion (2024\$) of investment. It is important to note that funding for affordable housing is primarily the responsibility of the Provincial and Federal governments. Without senior government partnerships, low-cost financing and funding contributions, the City alone will not be able to achieve the target affordability outlined in the Provincial HTO.

Consistent with Council policies, all affordable housing is expected to be self-sustaining over the long term where rents are set at levels that will cover mortgage payments (to repay some or all of the construction costs), operating costs and capital replacement; and do not require further operating subsidies, property tax exemptions, and/or financial guarantees from the City. The following table summarizes the anticipated delivery approaches based on the current pipeline of housing projects.

Table 5: Anticipated Delivery Streams of the New Social and Supportive Housing Target

Delivery approach	Target	City support	Sr .Gov’t support
Supportive housing	1,500	Land / DCL exemption	Required
Social housing	8,500	Land / DCL exemption / Dev’t contributions / grants	Required
TOTAL	10,000		

Purpose-built private rental housing

The City enables privately-owned purpose-built market and below-market rental housing through land use policies and DCL waivers for eligible market rental projects. In addition, the City, as landowner, is pursuing opportunities to develop middle-income housing on City land. The following table summarizes the estimated costs, equity and financing required to deliver the proposed target for purpose-built market and below-market rental housing.

Table 6: Estimated Cost to Deliver the New Purpose-built Market Rental Housing

<i>\$ billions, except units</i>	Units	Land	Constuction costs	Total costs	Mortgage capacity	Equity required
Purpose-built market rental (BMR)	5,500	0.7	2.5	3.2	(0.9)	2.3
Purpose-built market rental (Market)	30,000	4.0	13.7	17.7	(10.5)	7.2
Purpose-built market rental housing	35,500	4.7	16.2	20.9	(11.4)	9.5

Infrastructure to enable new housing

The estimated housing costs presented above do not reflect the infrastructure and amenity needs to support a growing population. Further, the shift in housing development to emphasize delivery of rental and non-market housing will likely result in proportionately less development revenue to support delivery of infrastructure and other public amenities. While the Province’s recent Housing Statutes (Development Financing) Amendment Act (Bill 46) presents an opportunity for the City to modernize and optimize its Financing Growth framework and tools, it is important to note that the available tools for municipalities to support growth are limited and outdated. As a result of these factors, Council may need to make difficult decisions regarding allocation of limited development revenue to ensure core municipal infrastructure and community amenity needs are prioritized. Staff will also continue to pursue advocacy through the Federation of Canadian Municipalities on modernization of the municipal growth framework to address the funding challenges associated with renewing and expanding infrastructure and amenities to support growth and build complete communities.

LEGAL IMPLICATIONS

If the Recommendations in this report are adopted, Council will approve updated Housing Vancouver 10 Year Targets, a new Housing Vancouver 3 Year Action Plan and a new Rental Housing on City Land – Public Benefits Pilot Rezoning Policy.

* * * * *

- Appendix A – Housing Vancouver 10 Year Targets 2024 - 2033
- Appendix B – Housing Vancouver 3 Year Action Plan 2024 - 2026
- Appendix C – Rental Housing on City Land – Public Benefits Pilot Rezoning Policy
- Appendix D – Comparison of Housing Vancouver 10 Year Targets and Provincial Target Order
- Appendix E – Capacity to Meet Housing Vancouver 10 Year Targets
- Appendix F – Housing Vancouver 10 Year Targets and 3 Year action Plan Consultation Summary

Appendix A

2024 - 2033

HOUSING VANCOUVER
10-YEAR HOUSING TARGETS



**HOUSING
VANCOUVER**

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Introduction

Housing targets outline the specific type and quantity of housing the City plans to deliver over the next 10 years. They guide developers and housing providers on the City's priorities in development, planning, and policy making, and will support a diverse and fair housing system. Monitoring progress towards these targets helps assess policies and set future priorities.

New housing targets will help align City processes, policies, and tools to ensure we are best positioned to deliver a diverse range of housing for new and existing residents.

Vancouver has had housing targets for over a decade. The most recent update was approved in 2017 as part of the Housing Vancouver Strategy, with the goal of retaining income diversity in the city, and to shift housing production towards rental. The new 2024-2033 targets build upon these goals, while acknowledging new economic realities, and meeting new legislative requirements from the Province.

Collaboration and Alignment

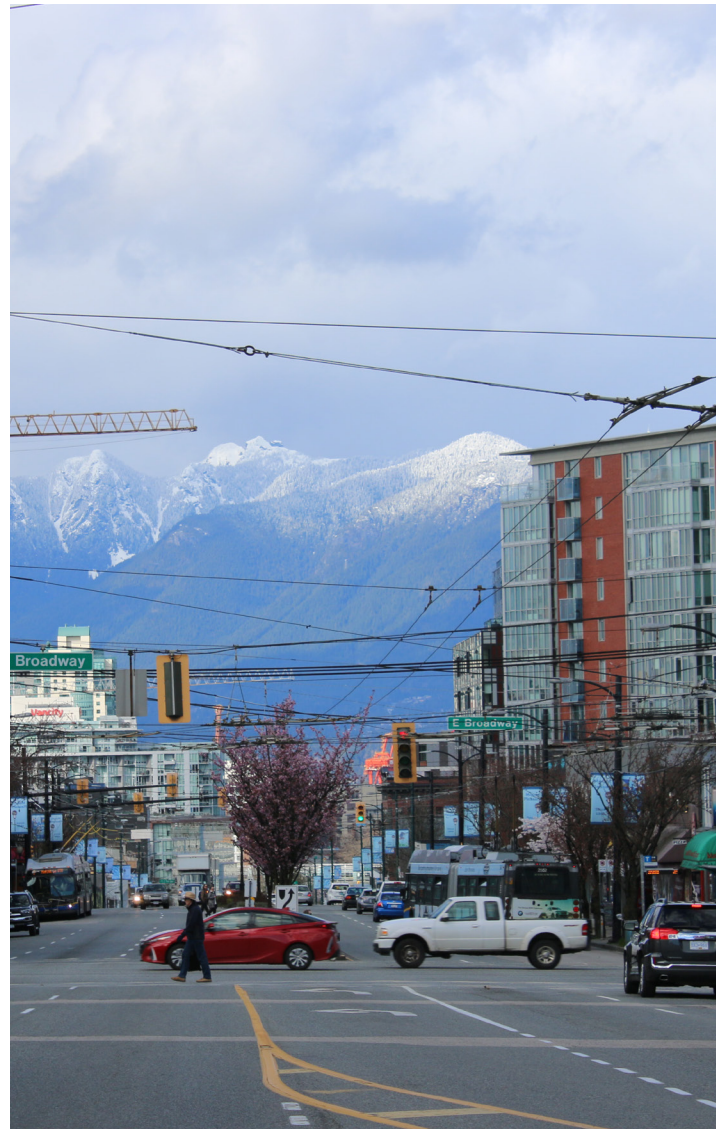
Meeting housing targets requires collaboration with other levels of government, partners in key sectors, and members of our local and regional communities. In particular, senior levels of government and regional partners must be engaged in creating an adequate supply of housing that is affordable to low-income and equity-seeking residents. Vancouver's Housing Targets (2024 – 2033) align with and work alongside other key City strategies including Vancouver Plan, Housing Vancouver Strategy, the Three-year Housing Action Plan (2024 – 2026), and the 10-Year Capital Strategic outlook (2023-2032).



Housing for a Diverse Population

Vancouver is home to a diverse population with a broad range of backgrounds, household types, incomes and occupations. Over 50 per cent of households rent their homes, including families, seniors and singles, at a range of income levels. As Vancouver grows, continuing to foster a diverse population is critical to the social and economic health of the city. To do so, the City needs to address a number of challenges:

- Significant housing demand resulting from a number of factors such as demographic changes (millennial boom), strong economy and immigration, are putting upward pressure on housing prices.
- As prices continue to rise, low- and moderate-income residents, equity-seeking groups, and families are forced to leave the city to find more affordable or suitable housing.
- Policy changes introduced over the past seven years through the Housing Vancouver Strategy have resulted in significant supply (56,000 units approved) and successfully shifted housing production to rental (53 per cent approved as purpose-built rental). However, significant gaps remain:
 - Deeply affordable social housing for low-income households
 - Supportive housing meeting a variety of needs with on- and off-site services
 - Purpose-built market and below-market rental housing delivered by the private market
 - Appropriate housing for seniors to age within their own communities
 - Culturally appropriate housing for indigenous people
 - More housing variety in all neighbourhoods across the city



Street View of Main Street at Broadway



Housing Needs Estimate

Vancouver's housing targets are ambitious yet achievable, based on an analysis of demographic data and development capacity. These targets are also informed by a housing needs assessment that considers the diverse needs of both current and new households in the city.

Our housing needs assessment measures the housing needs of various households. It includes the unmet needs of current Vancouver residents and the expected household growth over the next 10 years.



Aerial View of Kerrisdale

Unmet housing needs = 100,000 households

- Renter households in dwellings that are too expensive compared to incomes (paying more than 30 per cent of their income on housing), too small for the size and make-up of the households (unsuitable), and/or in need of major repairs (inadequate)
- Individuals experiencing homelessness
- Residents of Single-Room-Occupancy (SRO) buildings
- Additional indicators to account for needs not captured by the indicators above (Suppressed household formation and a rental vacancy adjustment)

Anticipated 10-year household growth = 67,000 households

- Projected net new households moving to or forming in Vancouver over the next 10 years

This approach was informed by previous housing needs assessments made by the City for the 2017 Housing Vancouver Strategy and the 2022 Housing Needs Report, and by the methodology used by the Province for the Housing Target Order issued in September 2023 (see Provincial Housing Target Order section, page 12). A more detailed description of the methodology for the housing needs assessment is available in the Appendix (page 15).



Housing Targets to Move Towards an Equitable Housing System

Vancouver's housing targets strive for equity by prioritizing rental housing to address the most pressing needs. This includes social housing, below-market rental, and purpose-built rental, catering to different income levels. The targets also focus on family-friendly options like townhouses and multiplexes. Overall, they are ambitious, aiming to ensure a diverse range of housing types to meet current and future demands.

Translating Housing Needs Estimate into Targets

Housing needs assessments are not targets. To convert the number of households with housing needs into a 10-year target for new housing, we considered several factors. First, not all households require new units; some could benefit from other policies, like increased rent support for low- and middle-income households. As well, some households seeking larger homes may find them in existing housing as others move into new builds, freeing up space. Other factors include the speed of housing delivery, construction capacity, and government policy goals. We'll tackle replacing SROs in a separate plan focused on renovating or replacing them. This means only some of the identified needs will be met through new development in the next decade. We must also address all the anticipated household growth in the next 10 years to avoid worsening the housing crisis. A full breakdown of the target-setting methodology is available in the Appendix (page 15).

The City of Vancouver's housing targets measure the number of dwelling units approved for development. Approvals are an early sign of how policies are working and if they need to be adjusted, and are the step in the development process that the City has the most responsibility over.

There are many external factors which can impact if and when a project completes beyond municipal approvals, such as economic conditions, labour shortages, availability of materials, construction costs, and funding and financing. The City will also monitor completions, which are essential to track as they represent physical homes for people to live in, providing a holistic systems approach to the City's target monitoring and reporting.

The new total target is 83,000 housing units approved over 10 years.

Housing Vancouver targets are based on a 10-year horizon to align with the City's 10-year Capital Planning Strategic Outlook. Ten years is also an appropriate timeframe allowing the City to implement new policies, see the results and adjust policies as needed.

Finally, these targets are a measure of net new units, and will consider both the number of units approved and the number of units to be demolished through redevelopment. This will ensure we measure actual progress towards increasing overall housing supply.



Indicator of affordability

Affordability is a measure of a household's ability to pay for housing – it relates the cost of housing to household income. Housing is considered affordable when it costs 30 per cent or less of a household's total income before taxes. For example, rental housing affordable for the median renter income of \$66,500 in Vancouver in 2021 would need to cost no more than \$1,663 per month. Households spending over 30 per cent of their income on housing are considered “housing cost burdened”. This is particularly relevant for low- and moderate-income households whose household expenses take a higher overall share of their monthly budgets, whereas higher-income households may be able to absorb higher housing costs.



New Mid-rise Apartment for Market and Below-Market Rental

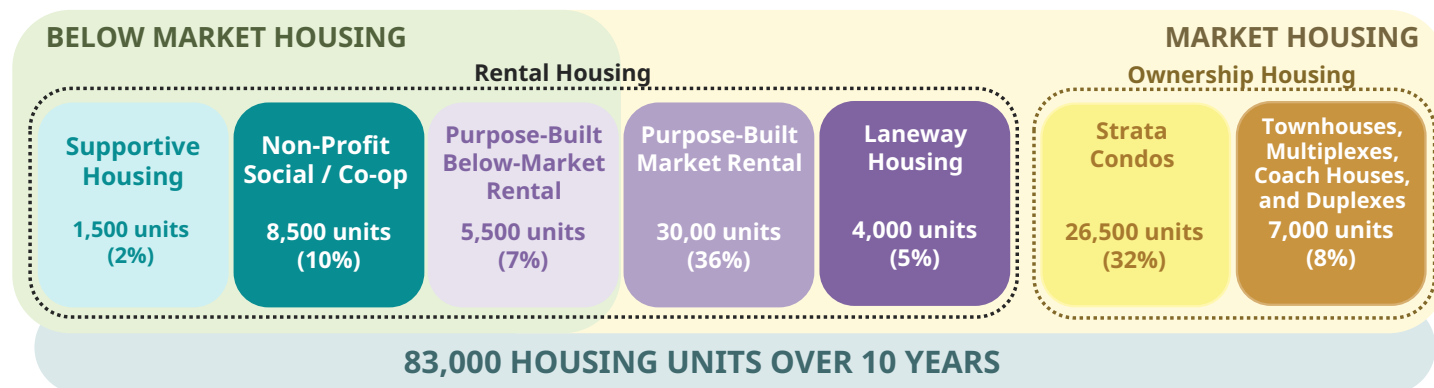


New Mid-rise Apartment for Social Housing

Breaking Down the Targets

Of the 83,000 new homes projected as part of the new targets, nearly three-quarters will serve renter households, nearly 20 per cent will be below-market rental, and over 40 per cent will be family-size units. About 13 per cent of the target will bring more missing middle housing options to low-density areas throughout the city (townhouses, multiplexes, duplexes, and coach houses).

Figure 1. Updated Housing Vancouver 10-Year Targets (2024-2033)



Non-Market Housing

Housing Vancouver aims to provide 10,000 social, supportive, and non-profit co-operative housing units for low- and moderate-income residents. This includes 2,500 homes for people experiencing or at risk of homelessness, with 1,500 of these having on-site supports. The City will collaborate with non-profit organizations, for-profit developers, and senior government partners to meet this goal. Currently, about 20 per cent of the non-market housing stock is co-ops. Due to strong public support, the City plans to add approximately 2,500 more co-op units over the next 10 years.

Table 1: Breakdown of Non-Market Housing Targets

Housing Type	Units
Social and co-op housing	8,500 (including ~2,500 co-ops)
Supportive housing	1,500
Total non-market housing	10,000

Privately-owned Rental Housing

Expanding the supply of rental housing is a key priority in the new Housing Vancouver targets. The plan aims to create over 35,000 new purpose-built market and below-market rental units over the next 10 years, a 77 per cent increase from the previous target. Fifteen per cent of these will be privately-owned affordable rental secured at below market rates over the long term. The City also aims to create 4,000 rental laneway homes. Additionally, over a third of ownership units are anticipated to be used as secondary rental. Overall, 75 per cent of new homes approved will be available for renters, including non-market, below-market and market rental housing.

Table 2: Breakdown of Privately-owned Rental Housing Targets

Housing Type	Units
Purpose-built market rental	30,000
Purpose-built below-market rental	5,500
Laneways	4,000
Total purpose-built, privately-owned rental housing	39,500

Ownership Housing

Ownership housing includes both condominium apartments and "missing middle" housing types, catering to first-time homebuyers, families, and downsizing seniors. The target for condominium apartments is 26,500 units. Additionally, the City has set a target of 7,000 units of low-density housing, which include townhouses, duplexes, coach houses, and multiplexes to address the demand for ground-oriented forms of ownership housing.

Table 3: Breakdown of Ownership Housing Targets

Housing Type	Units
Condos	26,500
Townhouses, coach houses, duplexes and multiplexes	7,000
Total ownership housing	33,500

Family Housing

In addition to tenure and affordability, the City also aims for housing suitable for families with children. Forty percent of all new housing will have two or more bedrooms to accommodate families:

- Nearly 35 per cent of the purpose-built market rental, 50 per cent of laneway homes and 50 per cent of social housing and co-op units, will create over 18,700 new secured rental options for families with children.
- Almost 35 per cent of condo units, all the duplexes and coach houses, and 90 per cent of multiplexes and townhouses, will result in over 15,500 ownership housing units suitable for families with children.

Affordability

To address housing needs for a range of incomes, nearly 20 per cent of homes will be at below-market rates, including homes owned by non-profit housing providers such as social, supportive and co-op housing, as well as privately-owned rental homes.

About 8,000 of these homes will be available for households earning at or below BC's Housing Income Limits¹. This includes a portion of the non-market housing target as well as a portion of the privately-owned below-market rental target.

Affordability in non-profit-owned projects may increase during development or after occupancy as a result of new funding or as buildings age. In privately-owned below-market rental, discounted rents are secured for the building's lifespan through legal agreements.

¹ Housing Income Limits (HILs) are fixed by BC Housing and updated from time to time. The current HILs by unit type and region are available here: <https://www.bchousing.org/sites/default/files/media/documents/2023-Housing-Income-Limits-HILS-Effective-January-1-2023.pdf>. Affordability for incomes at or below HILs is how the Province defines the "below-market rental" category of the Provincially-mandated housing supply target guideline under the Housing Supply Act (see section on Provincial Housing Target Order).



Monitoring and Reporting

The City monitors its progress in meeting targets through the Annual Progress Report. Our reporting system tracks each new housing supply target based on affordability, building type, and tenure from approval to completion. We also monitor the overall housing market and its influencing factors. The Vancouver Housing Databook provides a comprehensive overview of Vancouver's housing situation with various indicators.

In addition to the City's own targets for housing approvals, the Province has issued Housing Target Orders for a number of municipalities in BC, including Vancouver, under the Housing Supply Act. This legislation includes specific reporting requirements which will be fulfilled separately as they measure different indicators over a different period of time (see Provincial Housing Target Order section, page 13).

Table 4: Output and Outcome Measures to Monitor Housing Vancouver Strategy and the New Housing Targets

Output Measures	Outcome Measures
<p>Units by type of housing:</p> <ul style="list-style-type: none"> • Supportive housing • Social housing • Co-ops • Below-market rental (privately-owned) • Purpose-built market rental • Laneway homes • Coach homes • Condominiums • Townhomes • Multiplex homes • Duplexes 	<ul style="list-style-type: none"> • Rental market indicators: <ul style="list-style-type: none"> ◦ Vacancy rate ◦ Average rents and change ◦ Purpose-built rental universe and change • Ownership market indicators: <ul style="list-style-type: none"> ◦ Benchmark prices ◦ Sales prices ◦ Sales activity ◦ Sales affordable to local incomes • Housing stock change over time • Distribution of housing stock and new supply in the city and region by type
<p>Units by tenure, affordability, and household type served:</p> <ul style="list-style-type: none"> • Shelter rate • Below HILs • Market and below-market rental • Ownership • Studios • One bedroom • Two bedrooms • Three or more bedrooms • Accessible units • Seniors housing • Social housing owned and/or operated by an Indigenous society • SRO rooms renovated or redeveloped (tracked separately) 	<ul style="list-style-type: none"> • Number of sheltered and unsheltered homeless individuals in the city and region • Number and share of households spending over 30 per cent of income on housing • Share of housing stock suitable for families • Number of households in unsuitable dwellings • Number of renters in Core Housing Need, specifically for low-income, seniors and indigenous households



Multiplexes



Co-op Housing



6-Storey Apartment



High-rise Apartment

Provincial Housing Target Order

In 2022, the Province adopted the Housing Supply Act which includes mandatory housing construction targets for municipalities, set by the Province. The City of Vancouver was among the first 10 municipalities to receive a Target Order in September 2023, covering the period from October 1, 2023 to September 30, 2028.

The provincial targets will be updated every five years. They measure net new completed units (completions minus demolitions over five years). These targets stem from a standardized housing needs assessment approach that was applied to all municipalities, which forecasts the number of units needed over five years based on unmet housing needs and expected growth. The minimum target is then set at 75 per cent of the needs assessment.

The Ministerial Order includes the overall number of units as a mandatory target. However, the Province has provided supplemental target guidelines for tenure, unit type and affordability. These could become mandatory in the future.

The City will comply with requirements set out by the Province and will strive to achieve 100 per cent of the Province’s needs assessment, beyond the minimum 75 per cent. The new Housing Vancouver targets incorporate Provincial direction, but also consider the City’s housing goals, our role in creating housing supply, and local conditions.

Table 5: Provincial Needs Assessment and Target for Vancouver

Needs Assessment (100%)	Target (75%)
38,500 units	28,900 units
Composed of: <ul style="list-style-type: none"> • Extreme Core Housing Need • Homelessness • Suppressed household formation • Rental vacancy adjustment • Anticipated household growth 	

Table 6: Target Guideline Breakdown by Unit Category for Vancouver

Category	Guideline (units)
Studio / one-bedroom	17,459 (min. 5,771 one-bedroom)
Two-bedroom	5,231
Three-bedroom or larger	6,209
Rental units (inc. secondary rental)	20,886
Owner-occupied units	8,015
Market rental	12,992
Below-market rental (at or below HILs)	7,894
Supportive rental units	583

Note: One main difference between the Province’s approach and the City’s is the measure of completions versus approvals. There is a lag between the two metrics, as buildings need to get permits and to go through construction before completing. Attrition of some projects is also expected as applicants sometimes resubmit their project with new schemes/designs or decide not to proceed. This means the City’s approvals target needs to be higher than the Province’s completions target in order to meet the minimum 75 per cent target, and even more so to meet 100 per cent of the housing needs identified in the Assessment.



Appendix - Housing Vancouver New Target Methodology

The City's approach to setting housing targets is based on a number of considerations and inputs:

- Incorporating the Provincial Housing Target Order methodology, including a housing needs assessment for Vancouver
- Financial and development capacity analysis
- Learnings from 2017 Housing Vancouver targets and 2022 Housing Needs Report
- Policy aspirations to move towards an equitable housing system

The targets are a measure of **net new units approved over 10 years, but also track completions to comply with Provincial requirements.** The targets were developed as follows:

1. Housing Needs Assessment

The Housing Needs Assessment follows the same categories as the Provincial Housing Needs Assessment, but uses different data sources and methods of calculation tailored to Vancouver. The City's full needs assessment is shown below and provides a complete picture of the city's housing needs.

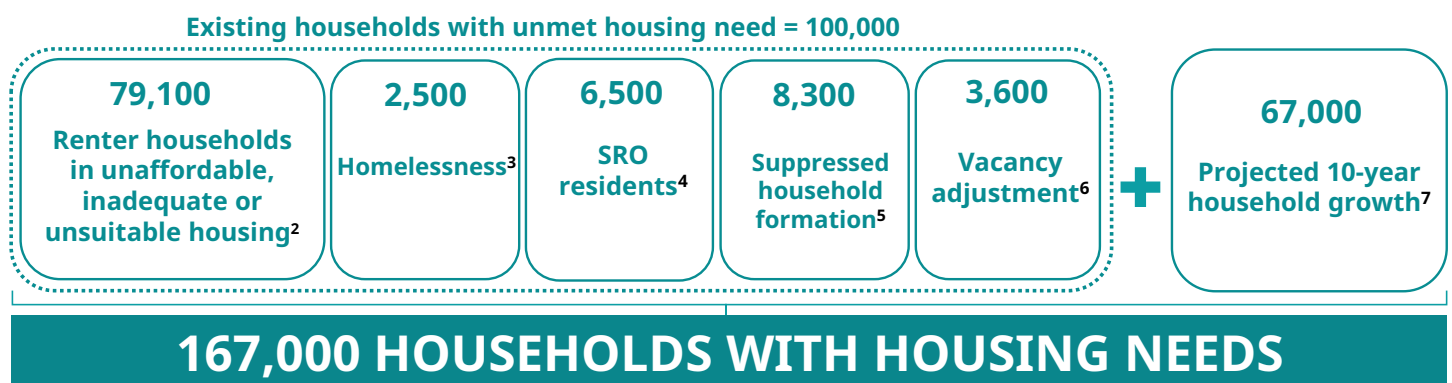


New Townhouses



3-Storey Apartment

Figure 2. Housing Needs Estimate for Vancouver



2. Renter households with shelter-cost-to-income ratio of 30 per cent to less than 100 per cent, living in unaffordable, inadequate or unsuitable dwellings - Census 2021

3. 2023 Homeless Count in Vancouver, including an estimated 20 per cent undercount of unsheltered homelessness population - Homelessness Services Association of BC, City of Vancouver

4. Low-Income Housing Survey 2023 - City of Vancouver

5. Number of additional households we would have if peak household maintainer rate (between 1996 and 2021) in each age group were maintained in today's population - City of Vancouver, Census 2021

6. Vacancy adjustment to bring 2022 rental vacancy rate to 3 per cent - City of Vancouver, CMHC

7. Projection based on development pipeline and BC Stats household projection - City of Vancouver, BC Stats

2. Translating Needs to Targets

Housing needs are not targets. Several considerations are at play in determining how many new units should need to be approved over a certain period of time.

These include:

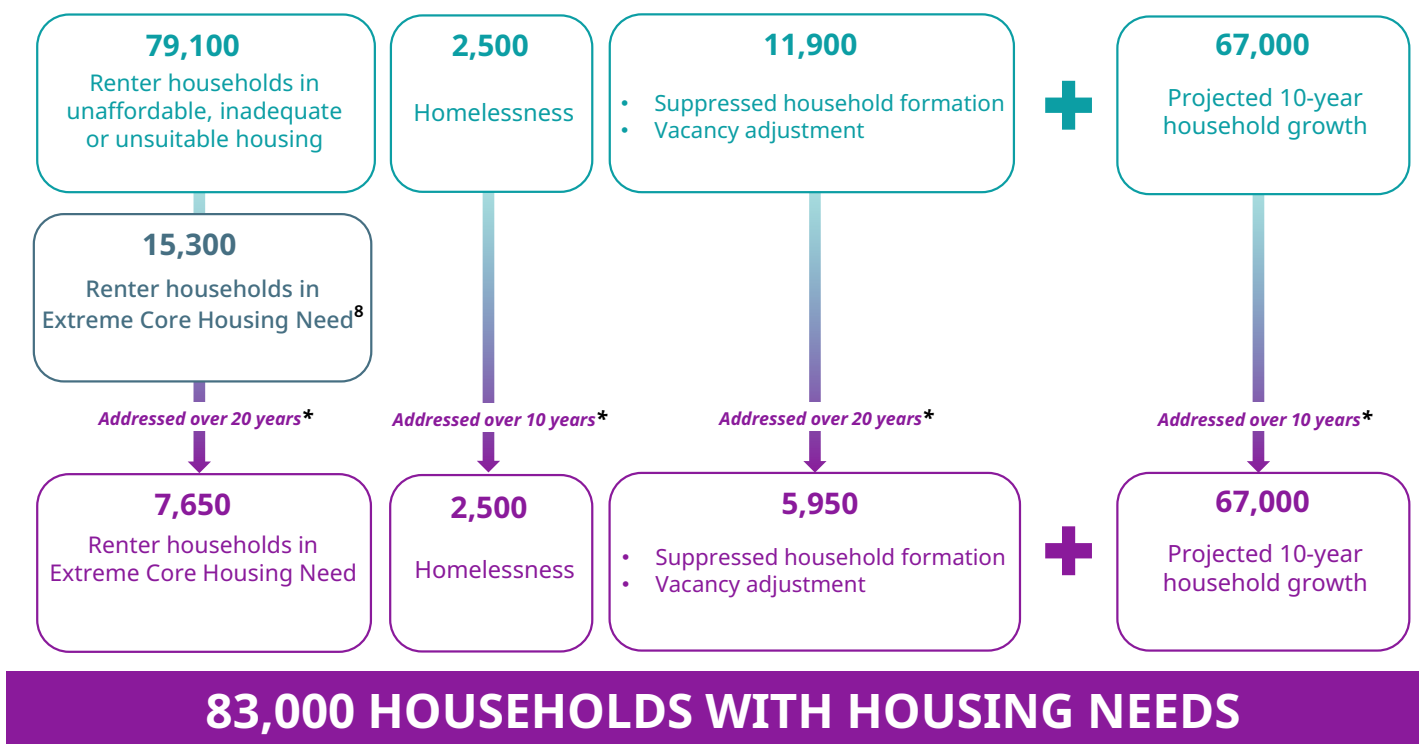
- Policy levers other than new supply that can meet needs, such as income/rent supplements;
- Vacancies created in the existing stock;
- Policy intentions, which shape how the City plans to grow; and
- Development capacity, as this constrains how much housing can be realistically built in a given timeframe.

Additionally, SRO replacement will be monitored separately as the 10-year targets measure net new units only, not replacement housing. SRO replacement is being addressed through the SRO Investment Strategy, a separate workstream in which the City, Province and Federal government are working closely

to replace SRO buildings, starting with identified priority buildings and the creation of an interim SRO repair and stabilization program. Through the intergovernmental SRO Investment Strategy, the City will be tracking the number of new self-contained units that are directly replacing existing SRO rooms.

With these considerations in mind, the needs number is translated into a target by narrowing the categories down. An assumption is made that only the portion of renter households living in unaffordable, unsuitable or inadequate housing who are identified in Extreme Core Housing Need⁸ actually need a new unit. Others may be helped through other means. We then assume that each category of the needs assessment can realistically be addressed over a certain period of time, emulating the Province’s housing needs assessment methodology in the Target Order.

Figure 3. Translating the Needs Assessment into 10-year Targets



⁸ Core Housing Need is an indicator of households whose dwellings don't meet one or more of the affordability, suitability and adequacy standards and who would not be able to afford acceptable housing in the local market. Households in Extreme Core Housing Need spend over 50 per cent of their income on shelter costs. This is the same indicator used by the Province in their needs assessment for the Housing Target Order.

* Addressing each need category over 10 or 20 years to follow the Province’s methodology for the housing needs assessment of the Housing Target Order.

3. Breaking Down the Target

The next step breaks down the overall 10-year approvals target by housing types, tenure, and unit mix. The methodology for each category is described in the table below:

Table 7: Methodology and Units Number Breakdown by Target Category

Target Category	Methodology	Units
Condos, missing middle and infill	Based on development pipeline and past 10-year trend	
	<i>Condos</i>	26,500
	<i>Laneways</i>	4,000
	Based on past approval levels and anticipated uptake in multiplex programs	
	<i>Missing middle (duplexes, coach houses, town houses, multiplexes)</i>	7,000
Supportive housing	Based on homelessness need estimate (2023 homeless count with an assumption of a 20% undercount in the unsheltered population) and a staff estimate of about 2/3 of homeless individuals who are in need of housing with on-site supports	1,500
Social housing	Based on the housing need estimate for renters in Extreme Core Housing Need and a staff estimate of about 1/3 of homeless individuals who would not need on-site supports <i>Note: per City definition of social housing, at least 30% of units are required to be at or below BC Housing's HILs.</i>	8,500
	Co-ops to maintain the current share of co-ops in the City's social housing stock	Includes ~2,500 co-ops
Private purpose-built rental	Based on recent approval trends of ~3,600 units of purpose-built rental approved per year from 2020-2023 since the Secured Rental Policy was implemented, and to ensure that three-quarters of the overall new supply be rental, to serve projected growth from new renter households.	
	<i>85% market rental</i>	30,000
	<i>15% below-market rental</i> <i>Note: private below-market rental is defined as units secured at 10-20% below city-wide average rent reported by CMHC by unit type. At this level of discount, only studios and 1-bedrooms will rent at or below current HILs rates and count towards the Province's below-market rental guideline target.</i>	5,500
Overall rental	Includes all rental categories: Private purpose-built rental (market and below-market), laneways, social housing, supportive housing, and an estimate for secondary rental (37% of condos per CMHC data and 1/3 of low-density ownership).	61,600
Overall Ownership	Includes all ownership categories: Townhouses, coach houses, duplexes, multiplexes and condos (excluding the units assumed to be secondary rental).	21,400
Unit Mix	Based on current unit mix requirements and guidelines by tenure and housing type, and development trends over the past seven years since the Housing Vancouver Strategy was approved in 2017.	
	<i>Studios & 1-bedrooms</i>	48,700
	<i>2-bedrooms</i>	22,900
	<i>3-bedrooms +</i>	11,400
	Total	83,000





The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Sḵw̓x̓ wú7mesh (Squamish), and səliwətaʔ (Tsleil-Waututh) Nations.

Appendix B

2024 - 2026

HOUSING VANCOUVER
THREE-YEAR ACTION PLAN



CITY OF
VANCOUVER

HOUSING
VANCOUVER

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Executive Summary

The Housing Vancouver Three-year Action Plan (2024 – 2026) outlines the City of Vancouver’s key housing actions over the next three years. Guided by the Housing Vancouver Strategy, the Vancouver Plan, and City Council’s Strategic Priorities, the new action plan includes key housing actions and supports new legislative changes by the Provincial government.

The action plan includes three foundational principles – Reconciliation, Equity and Resilience. The actions are grouped into seven key policy directions that will advance more inclusive, affordable and complete neighbourhoods across the city.

1. Housing Need

Plan for and accommodate existing and future housing need.

2. Geographic Equity

Ensure opportunities for inclusion of low and moderate-income households, and diversify the housing stock across all neighbourhoods.

3. Homelessness

Address homelessness by ensuring every person has access to safe, secure and affordable housing with necessary supports.

4. Community Housing

Significantly increase the supply of social and supportive housing, and support the growth of the non-profit housing sector.

5. Indigenous Housing

Work with Musqueam, Squamish, and Tsleil-Waututh Nations and urban Indigenous partners to support Indigenous housing models and wellness.

6. Rental Housing

Become a city for renters that provides more secure rental housing options and mitigates displacement.

7. Speculation

Continue to address speculation to ensure new and existing housing serves people who live and work in Vancouver.

With over 50 actions, the plan includes all of the City’s roles in housing, including regulating land-use, capital and City-owned land investments in affordable housing, and partnerships and advocacy work.

Key priority actions include:

- Increasing housing supply and expanding geographic equity through implementation of the Vancouver Plan Official Development Plan, Villages, and new Provincial legislation, such as Transit-Oriented Areas for development.
- Accelerating the delivery of housing by developing simplified district schedules for apartment forms and pre-zoning for social and supportive housing.

- Partnering with the Provincial and Federal government to replace Single Room Occupancy Hotels (SROs) with self-contained social housing.

To succeed, the plan needs support from government, community, and the private sector. This means getting funding from both Provincial and Federal governments to develop social housing, to turn SRO hotels into social housing, and securing funding for infrastructure and amenities for the growing population.

Background

The 2024 to 2026 Housing Vancouver Three-year Action Plan directs how we are moving forward to make housing more livable and affordable for Vancouver residents. Overall, the goal is to ensure housing in Vancouver supports residents of all incomes, with priority for those who need it most.

The Plan implements the Housing Vancouver Strategy and the Vancouver Plan vision, directions and policies,

along with Council's Strategic Priorities for 2023 to 2026. The actions found in this document will also help achieve refreshed City of Vancouver 10-year housing targets (2024-2033) by focusing on enabling more non-market and below-market rental housing, and by streamlining the delivery of more types of housing.

In 2023 and 2024 the Government of British Columbia made several legislative changes that impact transit-oriented areas, development finance tools, small-scale multi-unit housing, inclusionary housing, and how municipalities set housing targets. Staff are actively working to meet new legislative requirements as details are released. The timing and scope of this Three-Year Action Plan may change in accordance with new Provincial reporting or other requirements.



The Guiding Vision

This action plan is guided by the Vancouver Plan housing vision where **Vancouver has an equitable housing system that prioritizes housing for those who need it most.** With a growing population, limited increases in income, and not enough housing, we need to work collaboratively across governments to deliver the housing needed. Everyone should have access to housing that is adequate, secure, and affordable.

It also supports the Vancouver Plan’s Big Idea of **Complete Neighbourhoods**, by allowing opportunities for everyone to choose a livable neighbourhood that meets their needs. This means new rental and social housing off busy streets in all neighbourhoods, especially near transit, green spaces, schools and childcare. The policies in this plan will result in more inclusive and affordable neighbourhoods across the city.

This vision will require partnerships from all orders of government, community, and the private sector.

The **City of Vancouver will work with Provincial and Federal governments and other partners to address the local housing crisis** by:

- Creating the right regulatory framework and processes to support the efficient delivery of housing on private lands.
- Leveraging City-owned property to add substantially more market and non-market housing.
- Working with the Province and other partners to address the homelessness crisis.

The following pages organize actions based on Vancouver’s role as a municipality. The City primarily uses three tools to advance housing priorities: regulating land use and encouraging development, investing in land or giving grants, and advocating or partnering with the Provincial and Federal government or community housing sector.

Eliminating the housing construction backlog to increase the supply of market and non-market housing is also a key Council priority that is happening through the Permitting Improvement Program. For more information on that work: vancouver.ca/home-property-development/permitting-improvement-program.

Municipal Tool Kit

R Regulate

Actions:

- Prioritize and expedite affordable housing projects
- Develop policy and incentives to enable development
- Create regulations to support other housing objectives such as tenant protections

I Invest

Actions:

- Acquire and provide land for affordable housing projects
- Provide grants to support affordable housing projects and homelessness services
- Operate non-market housing and emergency responses

A Advocate/Partner

Actions:

- Identify local needs and investment or partnership opportunities for Provincial and Federal Governments
- Work with and support the community housing sector

Foundational Principles and Policy Directions

The Vancouver Plan is guided by three foundational principles – **Reconciliation, Equity and Resilience**. These foundational principles are also woven through this three-year action plan and require work with

partners and communities to continue advancing these goals. Vancouver Plan policy directions, along with Council priorities and motions, have shaped this action plan and will continue to guide the work as it moves forward.

Three Foundational Principles



Reconciliation



Equity



Resilience

Seven Key Policy Directions

1

Housing Need

Plan for and accommodate existing and future housing need.

2

Geographic Equity

Ensure opportunities for inclusion of low and moderate-income households, and diversity the housing stock across all neighbourhoods.

3

Homelessness

Address homelessness by ensuring every person has access to safe, secure and affordable housing with necessary supports.

4

Community Housing

Significantly increase the supply of social and supportive housing, and support the growth of the non-profit housing sector.

5

Indigenous Housing

Work with Musqueam, Squamish, and Tsleil-Waututh Nations and urban Indigenous partners to support Indigenous housing models and wellness.

6

Rental Housing

Become a city for renters that provides more secure rental housing options and mitigates displacement.

7

Speculation

Continue to address speculation and to ensure new and existing housing serves people who live and work in Vancouver.

Actions 2024 – 2026

Direction 1: Housing Need

With a growing population, limited increases in income, and not enough housing, we need to work collaboratively with the Government of BC to plan for and accommodate housing needs.

Action	Description	Timeline
Action 1.1 Regulate	Provincial Housing Targets and Housing Vancouver Targets Refresh Update the City's own Housing Vancouver 10-year targets to incorporate and align with the Provincial Housing Targets Order, including a corresponding three-year action plan.	2024
Action 1.2 Regulate	Seniors Housing Strategy Develop a new comprehensive strategy document, including key directions, enabling policies and actions to help meet the housing needs of older adults.	2024
Action 1.3 Regulate	Regional Context Statement Update Provide regular updates showing how the City's existing policies support the goals, strategies and actions identified in the Metro Vancouver Regional Growth Strategy.	2024
Action 1.4 Regulate	Housing Targets on City-owned Land Develop non-market development targets for the City's non-market housing portfolio in line with the housing needs report and updated Housing Vancouver targets.	2025
Action 1.5 Regulate	Enable Delivery of Student Housing Develop policy and regulations to enable and support purpose-built student housing within the city.	2025
Action 1.6 Advocate or Partner	Explore Below-market Home Ownership Opportunities with the Province Continue to partner with the Province to explore new models for below-market home ownership in a variety of building types.	2025
Action 1.7 Regulate	Apartment Living Zoning Amendments Zoning and policy amendments to clarify requirements, improve livability of new apartment buildings and align with new Provincial adaptability requirements. Potential changes to be explored include minimum unit size, bedroom mix, and common indoor and outdoor amenity space requirements.	2025
Action 1.8 Regulate	Accessibility Strategy Phase 2 Work towards advancing the Strategy Phase 1 housing goals and objectives. This work will reflect upcoming accessibility improvements to the Vancouver Building By-law, to better align with Provincial Building Code changes.	2026
Action 1.9 Advocate or Partner	Advance Addressing Anti-Black Racism and Cultural Redress Housing Policies Advance housing policies and programs that support Black and African diaspora communities, including partnering on the Hogan's Alley Society Housing Solutions Lab.	2026
Action 1.10 Regulate	Vancouver Official Development Plan Develop Vancouver's first city-wide Official Development Plan to guide future growth and change as part of implementation of the Vancouver Plan.	2026



Direction 2: Geographic Equity

Adding more housing diversity in all areas of the city will enable more people of all incomes, ages, and family types to access housing choice throughout the city, contributing to more inclusive, vibrant, and complete neighbourhoods.

Action	Description	Timeline
Action 2.1 Regulate	Implement New Transit-Oriented Areas Provincial Legislation Implement the new Transit-Oriented Areas legislation from the Provincial government to establish transit-supportive densities adjacent to transit stations.	2024
Action 2.2 Regulate	Implement Small-Scale Multi-unit Housing Provincial Legislation Update zoning of First Shaughnessy and some of the RT zones to enable more housing options in low-density residential areas in line with legislative requirements.	2024
Action 2.3 Regulate	Rupert and Renfrew Station Area Plan Allow more housing opportunities through area planning, including rental, below-market rental and social housing apartment buildings, and townhomes.	2025
Action 2.4 Regulate	Citywide Development Guide Project Review and consolidation of the City's built form and urban design guidelines, and development of a clear, user-friendly city-wide development manual to streamline the delivery of quality developments throughout the city.	2025
Action 2.5 Regulate	Simplified Apartment District Schedules Create simplified low-rise and tower regulations to streamline delivery of rental, below-market rental and social housing. Opportunities to pre-zone low-rise and tower buildings "as-of-right" in certain areas of the city will be explored.	2025
Action 2.6 Regulate	Downtown Eastside Plan: Implementation of Housing Policies Improve and expedite the delivery of housing within the Downtown Eastside (DTES), including a review of inclusionary policy, acceleration of SRO replacement, review of DTES definition of social housing and policy work around encampment response.	2025
Action 2.7 Regulate	Vancouver Plan Villages Implementation Phased implementation of the 25 Village Areas identified in the Vancouver Plan, including opportunities for pre-zoning for apartment buildings up to six storeys to expedite the delivery of new housing, as well as shops and other services to meet daily needs and provide local jobs.	2026
Action 2.8 Regulate	UBC Extension Area Plan Land use planning around the new future potential transit project, including new policies for a diversity of housing types.	2026+



Direction 3: Addressing Homelessness

The causes of homelessness are complex and can occur at any stage of life. Government and community interventions are needed to ensure adequate policy and resources are in place to address homelessness.

Addressing homelessness requires a multi-pronged approach, including emergency response such as emergency shelters and warming centres, homelessness prevention through outreach services, and long-term solutions such as creating new social and supportive housing. The City of Vancouver is committed to ensuring emergency shelters and other services are in place to support people in crisis, as well as longer-term solutions in partnership with Provincial and Federal governments and regional partners.

Action	Description	Timeline
Action 3.1 Advocate or Partner	Responding to Encampments and the Impacts of Unsheltered Homelessness Work with the Government of BC on the implementation of the Homeless Encampment Action Response Team (HEART) and Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) frameworks.	2024
Action 3.2 Advocate or Partner	SRO Intergovernmental Investment Strategy In partnership with the Provincial and Federal government, develop and implement plans to replace Single Room Occupancy Hotels (SROs) with self-contained social housing, beginning with identified priority buildings, while also creating an interim SRO repair and stabilization program to improve livability and maintain affordability.	2024
Action 3.3 Advocate or Partner	Regional Response to Homelessness Encourage the Provincial government to lead the creation of a regional response to homelessness by working with community and non-profit partners.	2025
Action 3.4 Partner	Deliver Additional Supportive Housing with Senior Governments Engage the Government of BC, BC Housing and the Federal government to support the delivery of additional supportive housing in Vancouver and on City-owned land, in proportion to our share of the regional response.	2025
Action 3.5 Partner	Develop Complex Care Housing Phase 2 Sites Work with Vancouver Coastal Health to identify and develop additional sites for complex care housing.	2025
Action 3.6 Invest	Supportive Housing and Homelessness Services Grants Provide grants to non-profit organizations and supportive housing providers to better meet the needs of individuals experiencing homelessness and to beautify, improve, complement, or enhance existing supportive housing buildings and amenities.	Ongoing
Action 3.7 Advocate or Partner	Shelters Expansion and Replacement Support BC Housing to expand shelter capacity and replace temporary shelters with purpose-built shelters.	Ongoing
Action 3.8 Advocate or Partner	Homelessness Services Outreach Program The City of Vancouver’s Outreach Team sees over 6,000 people per year through the storefront and street outreach, connecting individuals with housing, income and other related supports.	Ongoing

YWCA Cause We Care House above the náca?mat ct Strathcona Library



Direction 4: Community Housing

The community housing sector provides affordable, stable homes for households earning low and moderate-incomes and has become increasingly important to meeting specific housing needs.

Action	Description	Timeline
Action 4.1 Invest	Chinatown Housing Partnership Grant Program Develop a program to improve building conditions in up to 10 SROs owned by Chinese Benevolent Societies.	2024
Action 4.2 Invest	Review and update Operating Models for Turnkey Social Housing Review and update the list of operators for turnkey social housing sites and improve the existing operating model to make housing more affordable and financially sustainable.	2024
Action 4.3 Regulate	Vancouver's Social Housing Initiative Proactively zone for social and co-operative housing in every neighbourhood to speed up approval of projects as part of implementation of the Vancouver Plan's equitable housing directions.	2025
Action 4.4 Regulate	Develop Inclusionary Housing By-law to Implement Provincial Legislation Develop a new by-law to comply with legislative change to enable the continued use of inclusionary housing policies to deliver social housing.	2025
Action 4.5 Invest	Explore Opportunities to Build New Co-op Housing on City-owned Land Explore and report back on opportunities to build new co-op housing on existing City-owned land, in partnership with the Co-op Housing Federation of BC and other non-profit co-ops.	2026
Action 4.6 Advocate or Partner	Explore Opportunities to Support Building Acquisitions by Non-profits Explore how to support initiatives such as the Provincial Rental Protection Fund to encourage the purchase and protection of affordable market rental buildings by non-profit organizations.	2026
Action 4.7 Regulate	Continue Expediting Community Housing In addition to the Permitting Improvement Process, the City will continue to reduce approval times for affordable housing through a dedicated team and streamlined development process (i.e. SHORT Program).	Ongoing
Action 4.8 Advocate or Partner	City Portfolio Planning with Provincial and Federal Government Partners Pursue senior government partnership and funding for new housing projects and renovations of existing projects on City-owned land, across a number of sites.	Ongoing
Action 4.9 Invest	Continue Advancing and Initiate New Projects on City-owned Land Continue supporting development partners of existing projects on City-owned land, and prepare new sites for development and initiate new partnerships.	Ongoing
Action 4.10 Partner	Proactive Discussions with Co-op and Non-profit Housing Partners to Renew Expiring Leases and Explore Redevelopment Collaborate with co-ops and non-profit housing societies whose leases on City-owned land are expiring soon to discuss lease renewal and redevelopment options.	Ongoing
Action 4.11 Invest	Capital Granting Programs e.g. Community Housing Incentive Program (CHIP) Continue offering capital grants for non-profit or co-op housing construction. Adjust grant program parameters to align with current economic conditions and complement Provincial and Federal government funding programs.	Ongoing



Direction 5: Indigenous Housing

Equitable and culturally appropriate housing is foundational to the ongoing and evolving commitment towards a City of Reconciliation. We will work with xʷməθkʷəy̓əm (Musqueam), Skwx̱wú7mesh (Squamish), səliłwətał (Tsleil-Waututh), and urban Indigenous partners to support Indigenous housing models that foster Indigenous healing and wellness.

Action	Description	Timeline
Action 5.1 Invest	Develop an Indigenous-led Supportive Housing and Wellness Centre Staff to advance opportunity to deliver a new culturally appropriate, Indigenous-led supportive housing and wellness centre project in the city in partnership with Indigenous peoples.	2025
Action 5.2 Regulate	Jericho Lands Official Development Plan and Phase 1 Rezoning Comprehensive planning process to guide the delivery of diverse housing types within the 90-acre site, with the Policy Statement in 2024 and the Phase 1 Rezoning process from 2024-2026.	2026
Action 5.3 Partner	UNDRIP Strategy Continue to work in partnership with the Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation to implement the housing calls-to-action within the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) Strategy (2021), starting with the three following actions:	Ongoing
Action 5.4 Partner	UNDRIP Strategy Action to Prioritize Nation-led Projects Facilitate Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation projects and prioritize or fast-track Nation-led affordable housing developments.	2026
Action 5.5 Partner	UNDRIP Strategy Action to Support on Reserve Projects Identify policy options to support Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation led housing affordability projects that occur on reserves. This should include undisputed access to municipal services for reduced/minimal fees.	2026
Action 5.6 Partner	UNDRIP Strategy Action to Prioritize Housing for Nation Members Prioritize housing for Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation members in the city (beyond reserve lands) with a range of housing options, with the Nations defining the terms of what is 'affordable'.	2026
Action 5.7 Advocate or Partner	Indigenous Healing and Commemoration of Sites of Community Significance Work in partnership with urban Indigenous groups to commemorate sites of significance when being redeveloped, including the Regent and Balmoral hotels.	Ongoing
Action 5.8 Invest	Support Existing Indigenous-led Projects and Initiate New City Sites as Indigenous-led Projects Continue to support Nation-led and urban Indigenous-led projects through regulatory approvals and provide development management support. Identify new opportunities for Indigenous-led projects on City sites and establish an approach for initiating these projects and engaging partners.	Ongoing



Lu'ma Native Housing Society Social Housing Building

Direction 6: Rental Housing

Rental housing is important to meet the needs of a diverse population, is vital to a healthy economy, and allows moderate-income households to stay in the city. Vancouver is a city of renters, where 55% of households rent and 75% of net new households to the city are renters.

Action	Description	Timeline
Action 6.1 Regulate	Continue to Prioritize and Accelerate Secured Rental Housing Continue to prioritize secured rental housing through rental incentive programs, as outlined in the Secured Rental Policy. Expand opportunities to develop rental and below-market rental housing through community and city-wide planning programs to respond to critically low vacancy rates and high demand for rental housing.	Ongoing
Action 6.2 Regulate	Seismic Risk Assessment Report and Framework Determine the level of risk to rental buildings and develop a report with an action plan to reduce seismic risk, prioritizing tenant protections and replacement of high-risk buildings.	2025
Action 6.3 Partner	Streamlining the Delivery of Rental Housing through Pre-approved Plans and Off-site Construction Work with Metro Vancouver and other member municipalities to explore the creation and implementation of standardized guidelines, zoning regulations, and building designs for six-storey rental buildings that would allow the use of off-site construction methods, with the aim of decreasing embodied carbon and increasing the speed of development.	2025
Action 6.4 Invest	Middle-income Housing Delivery on City-owned Land Explore and implement specific opportunities to leverage City-owned land to unlock housing delivery for middle-income households. This includes developing a rezoning policy to pilot the delivery of rental housing on up to five sites in 2024.	Ongoing
Action 6.5 Invest	Non-Profit Resilient Retrofit Pilot Program Incentive granting program with 10+ buildings now pursuing a variety of low-carbon retrofits, in partnership with the BC Non-profit Housing Association.	2025
Action 6.6 Invest	Retrofit Project with Landlord BC Continue to implement and renew project outcomes for a pilot project with Landlord BC to support energy and capital investment in existing rental buildings, while minimizing impact on existing tenants.	2026
Action 6.7 Regulate	Monitor Outcomes of Enhanced Tenant Protections and Explore Opportunities to Expand Protections Monitor tenant outcomes of the existing Tenant Relocation and Protection Policy and explore ways to enhance tenant protections through area planning processes.	Ongoing

Direction 7: Speculation

In recent years, the City of Vancouver and Government of BC have taken steps to address speculation. We need to continue to ensure housing serves people who currently live or intend to live and work in Vancouver.

Action	Description	Timeline
Action 7.1 Advocate or Partner	Short-term Rental Regulations Work with the Provincial Government Continue to work collaboratively with the Government of BC to regulate property managers, short-term rental platforms, and respond to enforcement challenges.	Ongoing
Action 7.2 Regulate	Empty Homes Tax Continue to monitor the impacts and effectiveness of the Empty Homes Tax on key market indicators.	Ongoing
Action 7.3 Regulate	Continue Development Contribution Expectations Policy Continue to establish interim development contribution expectations prior to community planning to limit land speculation and ensure new development finance tools continue to limit land speculation.	Ongoing



Government Partnerships

The City of Vancouver is committed to partnering with the Government of BC and the Government of Canada to deliver on our shared goals to build new homes faster, develop new affordable housing, and protect existing affordability.

Through the Housing Vancouver Three-year Action Plan 2024-2026, the City is renewing its pledge to deliver on our housing goals with over 50 actions and investments. We are encouraged to see a strong commitment from the Provincial and Federal governments to address the housing crisis and build more homes, including through:

- The Government of BC's Homes for People Plan (2023).
- **Bill 47** – Transit-Oriented Areas that will allow more housing options near transit.
- **Bill 43** – Housing Supply Act that contains housing target requirements to increase much-needed rental housing across the Province.
- **Bill 35** – Short-term rental regulations to improve enforcement of illegal short-term rentals.
- **Bill 46** – New financing tools that enable governments to transparently collect funds for amenities, supporting livable and complete communities in growing areas.
- New funding for municipalities through the Housing Accelerator Fund to remove barriers and build more homes faster.
- Enhanced GST Rental Rebate to build more apartments for renters.
- Low-cost apartment construction financing through BC Builds and Canada Builds, which will help build new housing despite these challenging market conditions.

In order to successfully implement the Three-year Action Plan and move towards a more equitable housing system, the City of Vancouver is requesting that the Provincial and Federal government:

- Partner with municipalities to enable housing delivery by developing new and/or expanding existing funding programs for infrastructure required to accommodate growth including water, sewer and amenities.
- Partner with provinces, territories and municipalities to develop integrated policies and sustained funding programs to address homelessness, mental health and affordable housing.
- Commit to ongoing investment in Single Room Occupancy (SRO) Investment Strategy to enable SRO replacement.
- Increase funding for housing and related programs to account for the significant rise in construction and operational costs being experienced in urban centres like Vancouver.

In addition, affordability in the existing housing stock should be improved through:

- Increasing the shelter rate of income assistance and disability assistance to rates commensurate with rental costs in urban centres like Vancouver,
- Making home support services more affordable or free for seniors to enable more older adults to age in their homes, and
- Increasing rent supplements through the Rental Assistance Program and Shelter Aid for Elderly Renters (SAFER) Program, so that low-income families and seniors can live in their homes affordably.

The City of Vancouver looks forward to continuing to work with our partners at the Provincial and Federal government on these important housing actions. This collaboration and long-term partnership will create meaningful change to housing affordability for existing and new residents for years to come.

Implementation and Monitoring

The City of Vancouver has taken significant action in recent years to address the affordability crisis, but we need to do more. Each key direction in this plan will be achieved through the accompanied list of actions. Some actions have started, while others will begin soon after this plan is adopted, or as staff capacity allows.

Successful implementation of the Housing Vancouver Strategy and Vancouver Plan requires ongoing monitoring and tracking. This will be done through:

- Annual reporting on housing progress towards the City's new 10-year housing targets, including a breakdown of approvals by type of housing (e.g. social housing, below-market rental housing), income level served, type of household served (e.g. single, families) and building type (e.g. apartments, infill, townhomes).
- City of Vancouver participation in and regular reporting out through the Metro Vancouver Regional Homeless Count, held every three years.

- Regular monitoring of market indicators through the City of Vancouver Housing Data Book, which includes data from the annual CMHC Rental Market Report and Statistics Canada census data, as updates are available.
- Regular short-term rental reporting, highlighting outcomes and including market and licensing statistics, and enforcement data.
- The Empty Homes Tax annual report including key indicators such as changes in vacant and exempt properties, occupancy status of previously vacant properties, as well as monies raised, compliance activities, and use of funds.

Moving forward, the City along with all other municipalities in BC, will be required to adopt an Official Development Plan and to update this every five years based on a revised Housing Needs Report. This framework provides the opportunity for ongoing monitoring and regular adjustments to plans and policies in order to address evolving housing needs.



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Sḵw̓x̓ wú7mesh (Squamish), and səliwətaʔ (Tsleil-Waututh) Nations.

Policy

Rental Housing on City-Owned Land – Public Benefits Pilot Rezoning Policy

Approved by Council June XX, 2024

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1 BACKGROUND AND CONTEXT

In fall 2023, Council approved a motion to deliver more middle-income housing in Vancouver. Staff were directed to expand the mandate of the Vancouver Housing Development Office (VHDO) to include middle-income housing on land that is owned by the City of Vancouver, apart from properties within the Vancouver Affordable Housing Endowment Fund (VAHEF). Additionally, the Mayor's Budget Task Force Report (2024) recommended optimizing the City's real estate portfolio to create perpetual value and generate non-tax revenue.

2 INTENT

Development projects are typically expected to deliver public benefits on site or through a Community Amenity Contribution secured at Rezoning. This policy aims to deliver rental housing on City-owned land while piloting an innovative approach to delivering long-term, broad-based public benefits through City-led development.

Under this policy, and subject to development economics, projects on up to five City-owned sites may be developed to provide long-term, broad-based public benefits through generation of non-tax revenues. These ongoing revenue streams may be utilized by Council, through its financial and capital planning processes, to advance City priorities; this may include addressing the growing infrastructure deficit, supporting the renewal and upgrade of community amenities, or contributing towards affordable housing – including redevelopment of co-op and social housing within the Vancouver Affordable Housing Endowment Fund (VAHEF) – in partnership with senior levels of government.

This policy recognizes that utilizing City sites to generate ongoing revenue streams as an alternative approach to delivering public benefits is currently not formalized in City policies. This approach will be implemented as a pilot on up to five City-owned sites across Vancouver.

Following the pilot program, staff will report back to City Council with lessons learned and, if appropriate, recommendations for a new, long-term policy.

3 APPLICABILITY

This policy applies to up to five development proposals through the Vancouver Housing Development Office (VHDO) which include residential rental units on City-owned land. All applications will undergo a full rezoning process including public hearing.

The City will continue to deliver affordable housing in partnership with senior governments and other partners through sites held in VAHEF. As there are existing policies that enable flexibility for social housing projects, VAHEF sites will not be subject to this policy.

4 POLICIES

4.1 Criteria

This Policy will apply only to parcels of land with developments which meet the following criteria:

- (a) The development is delivered on City-owned land through the VHDO, and is not held in the VAHEF portfolio;
- (b) The proposed development:
 - (i) will be secured as 100% rental tenure for the residential portion of the building through a Housing Agreement for 60 years or the life of the building;
 - (ii) may or may not include social housing or below-market housing; and
 - (iii) may or may not include public amenities on site;
- (c) The development should comply with the City's Family Room: Housing Mix Policy for Rezoning Projects requirement that 35% of all residential units must contain 2 or more bedrooms; and
- (d) Enhanced tenant protections will be secured for any eligible tenants on site.

4.2 CAC Exemption

The Director of Planning may evaluate and bring forward for referral to Public Hearing up to five applications that may be exempt from payments and/or provision of amenities pursuant to the City's Community Amenity Contributions Policy for Rezoning if the parcels of land and the proposed development:

- (a) meet the Criteria; and
- (b) can demonstrate to the Director of Planning that the development, subject to economic conditions, will generate a non-tax revenue stream for the City which will be secured for 60 years or the life of the building.

4.3 Reporting Requirements

Staff will report annually to Council on the generation and allocation of revenues from any developments approved pursuant to this Policy to ensure transparency and accountability.

Appendix D: Comparison of Housing Vancouver 10 Year Targets and Provincial Housing Target Order

Below is a summary table comparing the City’s new 10 Year Housing Vancouver targets (2024 – 2033) and the Provincial Housing Target Order (October 2023 – September 2028).

Methodology comparison

Provincial Target Order (October 2023 – September 2028)		City’s Housing Vancouver Targets (2024 – 2033)
Metrics	Completions Units completed measured at occupancy permit issuance	Approvals <ul style="list-style-type: none"> For targets, the City has historically tracked approvals as it is the measure that municipalities have the most responsibility and control over. Approvals are also an early sign of how policies are working and if they need to be adjusted. Approvals are counted at rezoning approval or at development permit issuance for projects without a rezoning. The City will also monitor and report on completions as part of ongoing reporting requirements.
Unit count	Net new Completions minus demolitions over the reporting period	Net new <ul style="list-style-type: none"> Tracking net new units is the most accurate way of measuring progress towards increasing housing supply as it considers both completions and demolitions due to redevelopment. Netting calculations are made on a project-by-project basis.
Timeline	5 years (October 1, 2023 – September 30, 2028)	10 years (2024-2033) <ul style="list-style-type: none"> The City’s targets are on a 10-year horizon to align with the City’s 10-year capital planning strategic outlook. The City uses calendar years to simplify reporting.

	Provincial Target Order (October 2023 – September 2028)	City’s Housing Vancouver Targets (2024 – 2033)
Housing needs assessment	<p>Housing need identified by the Province: 38,543 units over 5 years</p> <p>This model is primarily based on population/demographic trends. The methodology is replicable for all municipalities subject to a Housing Target Order.</p> <p>The numbers are derived mainly from:</p> <ul style="list-style-type: none"> ○ Census trends in past 4 Census ○ CMHC’s 2022 Rental Market Report ○ BC Stats household growth projection (adjusted to reflect regional growth) ○ Provincial homelessness data for 2021 (Integrated Data Project) ¹ <p>It is assumed that unmet needs could not realistically be addressed in the 5-year timeframe. They are distributed over 10 or 20 years.</p>	<ul style="list-style-type: none"> ● The City’s targets are also based on a housing needs assessment following the same categories as the Province, with different data sources and calculations tailored to the City of Vancouver. It also builds on lessons from the City’s first Housing Needs Report (2022) and the original Housing Vancouver target methodology (2017). The City’s needs assessment below is shown undivided and in full to capture the breadth of housing needs: <ul style="list-style-type: none"> ○ Renter households in unaffordable, unsuitable or inadequate housing: 79,100 ○ Homelessness: 2,500 ○ SRO residents: 6,500 ○ Suppressed household formation: 8,300 ○ Rental vacancy adjustment: 3,600 ○ Projected 10-year household growth: 67,000 ○ Total need = 167,000 households with housing needs ● The assessment is informed by: <ul style="list-style-type: none"> ○ 2021 Census data ○ 2023 Metro Vancouver Regional Homeless Count (Vancouver data) ○ CMHC’s 2022 Rental Market Survey ○ The City’s own development pipeline ○ BC Stats household growth projection (not adjusted)

¹ The methodology used by the [Province](#) to determine targets relies on administrative data for 2021 and is based on Metro Vancouver’s geographic boundaries. It assumes a distribution of people experiencing homelessness throughout the region in alignment with each municipality’s share of Metro Vancouver’s overall population. This differs from the Homeless Count which is a 24-hour point in time count in the City of Vancouver specifically, and in the region as a whole. While the City of Vancouver has 25% of Metro Vancouver’s population, the 2023 Homeless Count found that Vancouver accounted for 50% of people experiencing homelessness in the region. The Provincial methodology assumes that a large portion of people that currently experience homelessness within the City of Vancouver will be housed outside of Vancouver, throughout the broader region.

Provincial Target Order (October 2023 – September 2028)		City's Housing Vancouver Targets (2024 – 2033)														
	<table border="1"> <thead> <tr> <th>5-year housing need</th> <th>Units</th> </tr> </thead> <tbody> <tr> <td colspan="2">Unmet needs</td> </tr> <tr> <td>Extreme Core Housing Need, <i>addressed over 20 years</i></td> <td>6,133</td> </tr> <tr> <td>Homelessness, <i>addressed over 10 years</i></td> <td>1,411</td> </tr> <tr> <td>Suppressed household formation, <i>addressed over 20 years</i></td> <td>434</td> </tr> <tr> <td>Vacancy adjustment, <i>addressed over 20 years</i></td> <td>942</td> </tr> <tr> <td>5-year anticipated need Household growth projection (adjusted)</td> <td>29,613</td> </tr> </tbody> </table>	5-year housing need	Units	Unmet needs		Extreme Core Housing Need, <i>addressed over 20 years</i>	6,133	Homelessness, <i>addressed over 10 years</i>	1,411	Suppressed household formation, <i>addressed over 20 years</i>	434	Vacancy adjustment, <i>addressed over 20 years</i>	942	5-year anticipated need Household growth projection (adjusted)	29,613	See Appendix A for more details.
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Suppressed household formation, <i>addressed over 20 years</i>	434															
Vacancy adjustment, <i>addressed over 20 years</i>	942															
5-year anticipated need Household growth projection (adjusted)	29,613															
Overall target	<p>28,900 units completed over 5 years</p> <p>A minimum threshold target set at 75% of estimated 5-year housing need, loosely based on 14-year completions trend from CMHC as benchmark.</p> <p>Although not a requirement, the Province has encouraged municipalities to strive towards meeting 100% of Housing Need. For Vancouver, the total would be 38,543 net new units in 5 years (see above).</p>	<p>83,000 units approved over 10 years</p> <ul style="list-style-type: none"> Housing needs assessments are not housing targets. The City considered a number of factors when converting the needs assessment into a 10-year target. For example, not all households require new units – their needs could be addressed through measures like increased rent support for low/middle-income households. Some households may find housing in the existing stock through natural turnover in the stock. Other factors, such as the speed of housing delivery, construction and development capacity, and policy goals were also considered. The City followed the Province's approach to addressing the unmet needs categories over 10 and 20 year periods: <ul style="list-style-type: none"> Renter households in unaffordable, unsuitable or inadequate housing, narrowed down to those in Extreme Core Housing Need (15,300) and addressed over 20 years: 7,650 Homelessness, addressed over 10 years: 2,500 														

	Provincial Target Order (October 2023 – September 2028)	City’s Housing Vancouver Targets (2024 – 2033)
		<ul style="list-style-type: none"> ○ SRO residents will be addressed through a separate workstream focused on renewal and replacement of existing SRO buildings, with its own dedicated goals and close monitoring of the rooms replaced and new units enabled through direct SRO replacement effort. ○ Suppressed household formation and rental vacancy adjustment, addressed over 20 years: 5,950 ○ Projected 10-year household growth, addressed over 10 years: 67,000 ○ Total target = 83,000 units to be approved over 10 years <p>See Appendix A for more details.</p>
<p>Guideline categories</p>	<p>In addition to an overall supply target, the Province provided unit breakdown categories for tenure, affordability, supportive housing units and unit mix.</p> <p>They are not requirements. However, during consultation in summer 2023, Provincial Staff signaled their intention to issue a second ministerial order to make these categories official targets. At the time of report writing, Staff have not received any update from the Province on this topic.</p> <p>Breakdown categories are generally based on past census distribution and trends, with assumptions weaved in.</p>	<ul style="list-style-type: none"> ● The City’s targets are broken down by category: housing types, tenure, unit mix and affordability. The methodology combines data from the City’s development pipeline and recent construction trends, homelessness trends, census statistics, and new/existing policies, with assumptions weaved in. ● Ownership housing types based on development pipeline, past 10-year trends and anticipated uptake in the multiplex program: <ul style="list-style-type: none"> ○ Condos: 26,500 (32%) ○ Missing middle (duplex, coach house, townhouse, multiplex): 7,000 (8%) ○ Laneways: 4,000 (5%) ● Supportive housing based on an estimated share of the homeless population in need of supportive housing: 1,500 (2%) ● Social & co-op housing based on renter households in Extreme Core Housing Need, and a share of the homeless population in need of deeply affordable social housing without supports; co-ops to maintain the existing share of co-ops in the non-market housing stock: 8,500 (10%) including ~2,500 co-ops

Provincial Target Order (October 2023 – September 2028)		City’s Housing Vancouver Targets (2024 – 2033)
Category	Units	<ul style="list-style-type: none"> • Purpose-built market and below market rental housing is based on recent approval trend for purpose-built rental units (which shows a strong uptake of recent rental policies) and ensuring a sufficient share of new supply to serve projected growth from new renter households: <ul style="list-style-type: none"> ○ Market rental: 30,000 (36%) ○ Below-market rental: 5,500 (7%) • Overall rental share is based on adding supportive, social, purpose-built rental, laneways, and an assumption for secondary rental in condos and low-density ownership types: 61,600 (74%) • Owner-occupied housing based on ownership types excluding those units assumed as secondary rental: 21,400 (26%) • Bedroom mix of overall target based on development trends, unit mix policies and guidelines for apartments, and development trends for low density housing: <ul style="list-style-type: none"> ○ Studios & 1-bedrooms: 48,700 (60%) ○ 2-bedrooms: 22,900 (27%) ○ 3-bedrooms: 11,400 (14%) • Affordability for households earning at or below HILs includes supportive housing, a portion of the social housing (per City definition, a minimum of 30% of the units are required to rent at or below HILs) and a portion of the developer-owned purpose-built below-market rental (studios and 1-bedrooms would be secured at rents below the corresponding HILs). Overall, the target expects ~10% of total units approved at or below HILs, and ~20% of total units approved at generally below-market or low-end of market rates. <p>See Appendix A for more details.</p>
Studio & 1 bedroom	17,459 (60%)	
2 bedrooms	5,231 (18%)	
3 or more bedrooms	6,209 (21%)	
Owned (all types)	8,015 (28%)	
Rental (including secondary)	20,886 (72%)	
Rental – Market rates	12,992 (45%)	
Rental - Below-market (units for households at or below HILs)	7,894 (27%)	
Supportive rental housing with on-site supports ² (subset of below-market rental)	583 (2%)	

² Per Provincial guidelines - Supportive rental units with On-Site Supports: Number of below-market rental units with on-site supports to provide permanent housing for people to transition out of homelessness.

Province and City housing targets comparison

For illustrative purposes, the table below shows the City's proposed 10 Year Housing Targets in full and over 5 years, assuming a straight average.

	Provincial Target – Completions		COV Housing Vancouver Targets – Approvals		
	Units (5 years: Q4 2023 - Q3 2028)	%	Units (5 years: 2024-2028)	Units (10 years: 2024-2033)	%
TARGET - Total Units	28,900	100%	41,500	83,000	100%
GUIDANCE ON PROVINCIAL TARGET BREAKDOWN					
Studios & 1-bedrooms	17,459	60%	24,300	48,700	59%
2 bedrooms	5,231	18%	11,400	22,900	27%
3+ bedrooms	6,209	22%	5,700	11,400	14%
Owned dwellings	8,014	28%	10,700	21,400	26%
Rented dwellings (includes secondary rental)	20,886	72%	30,800	61,600	74%
Market rental	12,992	45%	26,900	53,700	65%
Below-market rental (At or Below HILs)	7,894	27%	3,950	7,900	9%
Supportive housing (included in Below-Market Rental breakdown)	582	2%	750 ³	1,500 ²	2%

Additional Commentary

Approach to targets

The Provincial housing needs assessment, target, and guideline categories are based on a population/demographics model. The 75% minimum threshold is the only parameter looking at development capacity, which uses a completions benchmark for the past 14 years

³ The City's supportive housing target is aligned with the 100% need for below-market rental housing with on-site support identified in the provincial needs assessment (770 units over 5 years).

(per CMHC) which measures gross units (not accounting for demolitions). As the approach is province-wide, data used in the model is standardized and accessible by all municipalities in BC. Breakdown categories were established using demographic factors only. The City is taking a finer grain approach to target setting to account for the Vancouver context, and incorporates policy-based objectives, demographic indicators, as well as development capacity and economic feasibility testing. The goal is for the targets to be aspirational but still attainable. This approach would be unwieldy and not replicable at the provincial level.

Approvals versus completions

The majority of units that will complete over the Provincial target 5-year timeframe will come from projects that are already under construction (~8,000 units) or in development (~18,800 units). The remainder will need to come from new projects that will be approved and completed within those 5 years. These will be mostly in lower-density housing types, which have shorter processing, development and construction timelines. The City forecasts an additional ~4,500 units of low-density housing to complete over the next 5 years. These units would count towards both the City's new targets for 10-year approvals and the Province's targets for 5-year completions. Overall, the City anticipates approximately 31,300 net new units to complete over 5 years (2024-2028), more than the minimum required by the Province. Any project approved under the new City targets but not completed within the first 5-year provincial target cycle will count toward the next one. See appendix D for more details on the City's development pipeline and capacity to meet the Provincial target and guidelines.

The difference in metrics for the targets (approvals for the City, completions for the Province) requires the City to approve a higher number of units in order to meet the Provincial targets for completions. There is a lag between approvals and completions and during that time, some projects will get delayed, cancelled or resubmitted with a different scheme/design. There are also many external factors which can impact if and when a project completes beyond municipal approvals, such as economic conditions, labour shortages, availability of materials, construction costs, and funding and financing. This means that in order to achieve the Province's target for net new completions, the City must approve a higher number of units than what is required under the Provincial Target Order. Over the past 10 years, the City has approved ~45% more units than it has completed (gross units excluding single-detached houses). The proposed new targets aim for 83,000 net new units approved over 10 years, or 41,500 over 5 years assuming a straight annual average. This is 44% higher than the Province's 28,900 units targeted for completion over 5 years.

Target breakdown categories

In terms of unit mix, the Province's guideline for 3 bedrooms is at 22% of the target and is higher than the City's proposed target of 14%. Current City policy generally aims for a minimum of 10% 3-bedroom units and recent development trend show that about 13% of overall approvals under Housing Vancouver Strategy were 3-bedroom units. We've also heard from the industry that delivering 3-bedroom units in the current context is difficult, especially in rental buildings, due to building layout considerations, high construction

costs and limited consumer purchasing power. This means that reaching the Province's 22% target for 3-bedroom units will not be feasible in Vancouver.

The Province's guideline for below-market rental is based on household income distribution by household type and whether they fall under the Housing Income Limits (HILs), as set by BC Housing by region and unit size (number of bedrooms)⁴. The Province does not define the specific housing types in which these units can be delivered, only that they should be rented to households earning incomes at or below HILs. The City's new targets are broken down by housing types (e.g. social, supportive, co-op and developer-owned below-market rental housing), from which affordability levels can be deduced. For example, the City's definition of social housing requires that at least 30% of the units be secured at rents affordable to households earning at or below HILs. Affordability of non-market housing projects (social, supportive, co-op) may deepen through the development process when new funding is secured after initial approval, or after occupancy as buildings age and mortgages are paid down. The City's experience over the last decade has shown that the City has consistently fallen short on its affordability targets, as this is highly dependent on capital and operational funding from senior government and other partners. The City's proposed target for rental housing at-or-below-HILs rates is lower than the Provincial guideline. It reflects the current funding and economic context and relies more heavily on private developer-owned below-market rental to deliver affordable units.

The Province's overall rental target includes both purpose-built and secondary rentals. To align with the Province's guideline and reporting requirements, the City's target for overall rental includes an assumption for rented condos (37%) and rented low-density ownership housing (~30% of townhouses and coach houses). While increasing overall supply of rental housing is important, the City's policies prioritize purpose-built rental as it provides better security of tenure for renters.

The Province's guidelines include a supportive housing target of ~580 units over 5 years, or ~770 units needed (100% need). The City's new targets align with the 100% Provincial need guideline and are consistent with the City's Homeless Count data and the proportion of individuals that require supports among those experiencing homelessness. It is important to note that the Provincial targets did not account for the housing needs of Vancouver's 6,500 residents currently living in Single Room Occupancy (SRO) buildings. The City's new targets also do not include SRO replacement as the targets are for net new units only. The critical need for SRO replacement is being addressed through a separate work stream in partnership with the senior levels of government through the intergovernmental SRO Investment Strategy, which is focusing on priority investments to renew and replace SRO buildings with self-contained social housing units. Through this work, the City will be tracking the number of new units that are directly replacing existing SRO rooms.

⁴ <https://www.bchousing.org/sites/default/files/media/documents/2023-Housing-Income-Limits-HILS-Effective-January-1-2023.pdf>

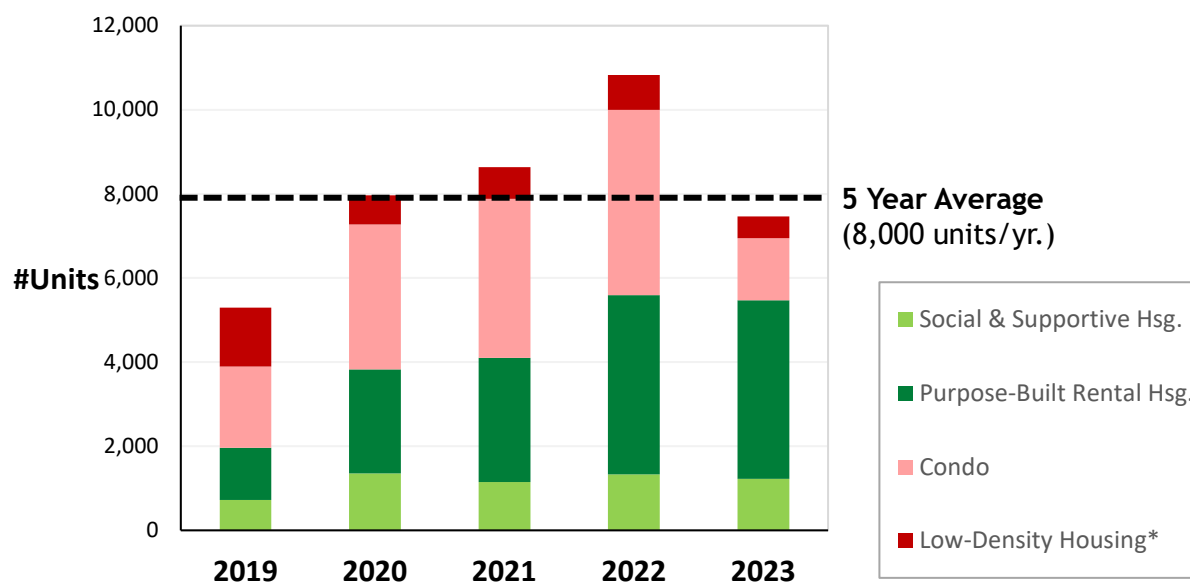
Appendix E: Capacity to Meet Housing Vancouver 10 Year Targets

Staff have completed an assessment of the City’s capacity to achieve new targets. This assessment includes an analysis of all current applications in review and estimates based on past trends of low-density housing anticipated to be approved over the next 10 years. Based on this assessment, there is capacity for the City to meet the overall supply proposed for the new 10 Year Housing Vancouver Target and 5-year Provincial Housing Target Order. However, meeting the tenure and affordability targets will require concerted effort by the City to advance land use changes and accelerate approvals processes, by senior governments to increase funding for affordable housing, and by the private and non-profit sectors to build and operate the housing.

Approvals Forecast

The City has capacity to meet the new target of 83,000 net new units based on an analysis of historic approval trends, current development pipeline, and projections for low density housing options anticipated to be approved over the next 10 years. In addition, the new 3-year Housing Action Plan also identifies a number of new zoning changes and policies that will create additional opportunities to increase housing supply to meet the new target.

Figure 1. Housing Approvals Over the Last 5 Years, 2019 – 2023



*Low-density housing includes townhouses, coach houses, and laneways

**Targets are a measure of project approvals at public hearing for developments requiring a rezoning, or development permit issuance for projects that do not require a rezoning.

This historic volume of approvals indicate that the City has the development capacity to achieve the new social housing target at 8,500 units (850 units/year) and supportive housing target at 1,500 units (150 units/year). Over the last 10 years, the City has approved over 10,000 social housing and 1,650 supportive housing units, including temporary modular housing. A total of 3,000 social housing units are currently in application review and anticipated to reach approvals in the next 3 years, which will meet the annualized target for social housing in the near-term. However,

it will take a concerted effort to achieve these targets over 10 years, especially for supportive housing, and requires significant senior government funding and partnerships.

The City has seen strong approvals in purpose-built rental housing in recent years since the Secured Rental Policy was implemented in 2019. From 2020 to 2023, an average of 3,600 units of purpose-built rental were approved per year. If the current volume of applications in the permitting system sustains this rate of approvals, there is capacity to reach the new purpose-built rental target of 35,500 units over the next 10 years. An estimated total of 11,300 purpose-built housing units are currently in application review. These applications could result in an average of just under 3,800 approvals per year over the next 3 years. Most applications currently under review are proposed under the Secured Rental Policy and recent community plans, such as the Broadway Plan.

The new condominium target of 26,500 units generally aligns with past development trends on projects proceeding to completion over the last 10 years. Despite fewer condominium approvals in 2023, the market is projected to regain momentum in the next several years as inflation slows and interest rates stabilize. A total of 16,500 condominium units are currently in application review and anticipated to reach approvals in the next 5 years, which would achieve more than half of the 10-year target for condominium housing.

The new target for ground-oriented housing at 7,000 units is based on development trends over the last 10 years for townhouses, coach houses, and duplexes, plus a projection of additional development uptake of the new multiplex program.

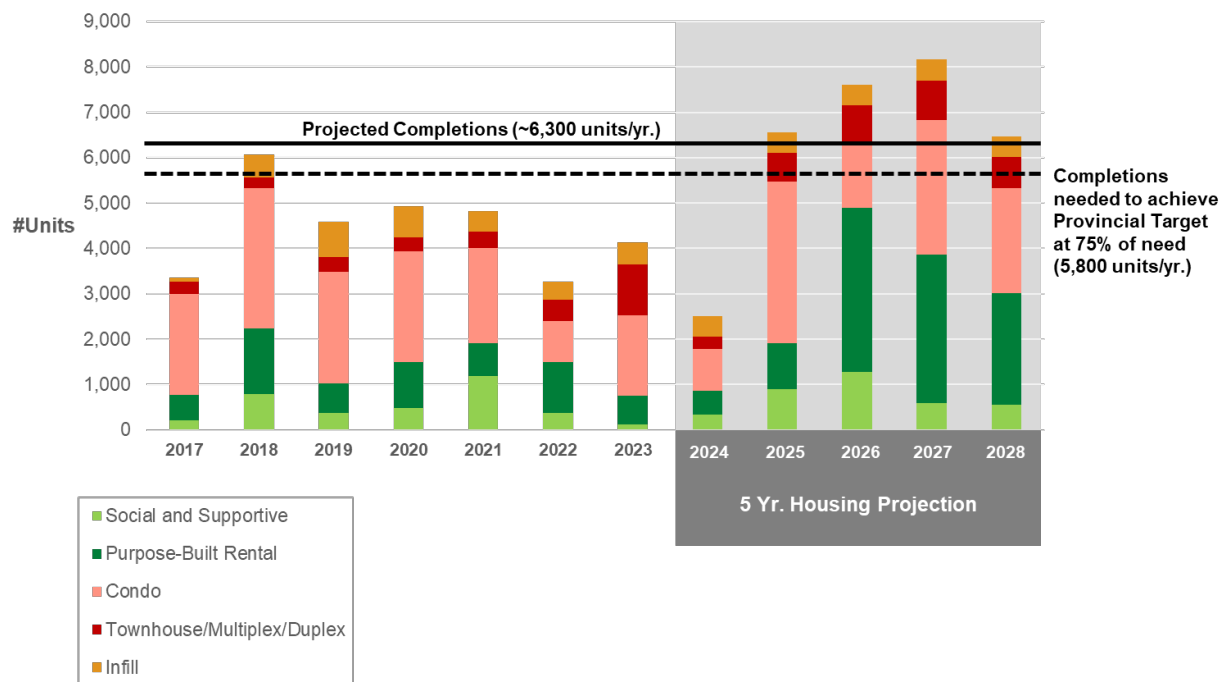
Achieving Provincial Completion Targets

The current development pipeline and projected completions of low-density housing will create enough capacity to meet the overall Provincial target for housing completions.

Housing approvals normally exceed completions. There is a lag between approval and completion due to construction delays, project cancellations, or plan resubmissions with a different scheme/design. Over the last 10 years, the City has approved ~45% more units than completions. This means in order to achieve the Province's target for net new completions, the City must approve a higher number of units than what is required under the Province Target Order.

Based on an assessment of the City's current development pipeline and projection of low-density housing uptake, there is capacity to meet and exceed the Provincial Housing Target of 28,900 units. An average completion rate of 5,800 units per year is required to meet the Provincial target compared to an average of approximately 6,300 units per year forecasted to complete over the next 5 years (Figure 2). The current development pipeline shows a much higher completion rate than the City's historical average due to a significant surge of purpose-built rental approvals and applications in recent years.

Figure 2. Projected Annual Housing Completions for the City of Vancouver (2017 – 2028)



Although the City has enough capacity in the pipeline to meet targets in the long-term; actual completions will be determined largely by factors outside of the City’s control, such as interest rates, cost of construction, availability of labour, etc. Staff have developed a lower housing scenario based on completion trends from the last 5 years that reflect construction delays due to economic and supply-chain impacts during COVID. Under this scenario, the City would complete ~21,900 units over the next 5 years (30% reduction from the anticipated projection), which would not meet the Provincial Target.

Provincial Guidance on Tenure and Below-Market Rental Targets

The City’s current development pipeline has capacity to exceed the Provincial guideline for rental tenure of ~20,900 units. A total of 22,000 units of rental housing (social, supportive, purpose-built market rental, laneways, and secondary rental) are anticipated to complete over the next 5 years. Approximately 70% of all housing anticipated to complete will be rented, including secondary rental. Annual approvals in 2023 marked the highest share of purpose-built rental and laneway housing in the last decade, with approximately 78% of all housing units approved. These approvals are anticipated to further shift completions toward rental tenure in upcoming years.

The City does not have the capacity to meet the Province’s guideline for below-market rental aimed at households with incomes at or below BC Housing’s Housing Income Limits (~8,000 units). The City’s current development pipeline contains an estimate of 2,000 units to be completed in the next 5 years as social, supportive, or privately-owned below-market rental available to households with incomes at or below HILs. Significant funding programs from Provincial and Federal governments and policy measures are needed to fill the gap in below-market rental units, especially for supportive housing.

Provincial Guidance on Unit Mix Targets

In terms of unit mix, ~50% of the current development pipeline is for units with 2 or 3 bedrooms, which would meet the Provincial guidance for the combined share of units with 2 or 3 bedrooms at 40%. Recent approval patterns indicate that apartment developments do not contain enough 3-bedroom units to meet the specific Provincial guidance for units with 3 bedrooms at 22% of the target. Achieving this share is extremely difficult due to economic viability challenges and design constraints, especially for rental projects.

Figure 3. Current Development Pipelines Vs. Proposed Housing Targets by Unit Categories

	Unit Category	Provincial Housing Target	Current Development Pipeline³	% Provincial Housing Target met with Current Development Pipeline
TARGET - Total units		28,900	31,300	108%
<i>Provincial guidance on targets breakdown¹</i>				
Units By Tenure	Rental ²	20,886	22,000	105%
	Owned	8,015	9,300	116%
Total Rental Units by Affordability	Market	12,992	20,000	154%
	Below-Market (At or below HILs)	7,894	2,000	25%
Supportive Rental Units	With On-site Supports (included in Below-Market Rental breakdown)	583	~246	42%
Units by Size	Studio	11,688	5,550	47%
	One Bedroom	5,771	10,400	180%
	Two Bedroom	5,231	10,950	209%
	Three or More Bedrooms	6,209	4,400	71%

1. The targets breakdown by category is provided as guidance for now and subject to further refinement by Provincial staff.
2. Rental units in the City of Vancouver's current development pipeline includes social, supportive, purpose-built rental housing, plus 37% of condominiums and one-third of low-density ownership that are assumed to be secondary rental.
3. The current development pipeline by unit sizes is based on historical trends from the unit mixes of recent approvals by tenure and building forms.

Appendix F: Housing Vancouver 10 Year Targets and 3 Year action Plan Consultation Summary

In order to incorporate the recent Provincial Housing Targets Order, Staff have prepared updated 10-year housing targets (2024 – 2033) and a 3 Year Action Plan to achieve the targeted supply of new housing, and implement the Vancouver Plan Housing Vision. Staff engaged with key stakeholders and interested parties to solicit feedback on the housing target methodology and content of the proposed Action Plan as part of the work. Key findings of the public engagement process are summarized in this document.

Engagement Methods

Staff engaged key stakeholders and interested parties on the updated housing targets and accompanying 3 Year Action Plan through targeted workshop meetings and an online comment form. This included engagement with the community housing sector, City advisory committees, Indigenous partners, academics and researchers, housing developers, and senior levels of government. Overall, the City held 10 workshops attended by 54 people and 21 organizations, and received 15 comment form responses. Staff put out a referral through the PDS Musqueam, Squamish, and Tsleil-Waututh Nations referrals process, and Squamish Nation indicated interest.

Key Themes

- 1) Participants were generally in support of the updated targets, with some in favour of setting targets higher.
- 2) Some participants emphasized that additional internal capacity would be required to meet housing targets to support more housing projects reaching completion and improve permitting timelines.
- 3) Participants noted that achieving the deeper levels of affordability in the targets will not be possible without additional senior government funding.
- 4) Participants were supportive of the 3 Year Action Plan overall.
- 5) Stakeholders were pleased with the actions undertaken by the City so far to protect the existing rental stock and tenants, address housing speculation, and leading the region in building more rental and social housing.
- 6) Participants were broadly in favour of increasing the affordable housing stock, enabling more housing stock city-wide, and streamlining the zoning and development process (including rezoning social housing).

BC Non-Profit Housing Association/Co-op Housing Federation of BC/Community Land Trust Feedback

The community housing sector focused on the need for more affordable social and co-op housing city-wide to address the affordability and homelessness crisis. Participants expressed that non-profit housing builders are challenged by rising development costs, stringent funding programs, and current economic conditions. Participants encouraged the City to expand the definition of

supportive housing to include shelter-rate social housing, given that under the current definition some housing with supports are not counted. The Co-op Housing Federation of BC expressed the importance of engaging non-profit partners in redevelopment co-op projects, rather than enabling mixed developments that sees a portion of the land sold or part of the project developed by private developers. Participants noted that retaining ownership by non-profits/co-ops secures the affordability of the project over the long-term. They also expressed concerns over the requirement of 30% of units at HILs and cited it as a potential barrier for co-ops interested in redevelopment. Participants emphasized that the City will need to ensure sufficient internal capacity is in place to deliver on targets, including Staff resources to administer funding calls and process permits.

Non-Profit Social Housing Providers Feedback

City staff met with non-profit social housing providers on the 3 Year Action Plan and heard strong support for all the actions, especially for rezoning of social housing city-wide. Non-profits urged the City to ensure that the proposed heights and densities allow for economically viable projects. They noted the high costs of soil remediation in contaminated City-owned sites geared for social housing. Participants also encouraged the City to incentivize private market developers to work with non-profit housing operators early in the design process where inclusionary social housing is provided to better meet the needs of tenants. Non-profits also noted being challenged by the high costs of delivering childcare spaces within social housing projects.

Squamish Nation Feedback

Squamish Nation staff were supportive of the direction to expedite Nation-led housing projects in the Action Plan and expressed interest in exploring how to prioritize Nation members for future affordable home ownership programs. Squamish Nation staff also noted that the “housing needs” concept requires a more integrated look at cultural and social infrastructure that enables a sense of belonging and being at home (e.g. larger amenity spaces, access to childcare, food hubs, and other mixed-use opportunities). Squamish Nation staff indicated that they would review the Action Plan to identify areas where partnership and continued dialogue would be beneficial.

Aboriginal Housing Management Association Feedback

The meeting with the Aboriginal Housing Management Association (AHMA) focused on the 3 Year Action Plan, however they expressed support for continued collaboration on the definition of housing targets in the future. AHMA expressed the need for a working framework that respects the City’s responsibilities and obligations to the local Nations, while also working with Urban Indigenous AHMA represented organizations. AHMA noted an opportunity to partner with the local Nations and the City to create an urban village in Vancouver containing culturally appropriate affordable housing and a complex care facility.

AHMA expressed the pressing need for increased senior government funding to build deeply affordable housing with supports for vulnerable populations, including the creation of a funding streams for marginalized, gender-based target populations. AHMA encouraged the City to allow for more flexible unit design including incentivizing lock-off suites to house intergenerational

families, more family sized units to appropriately house Indigenous families, and student housing with additional bedrooms for children.

Urban Development Institute Feedback

Participants from the Urban Development Institute (UDI) were supportive of the updated housing targets, and emphasized the need to advocate for increased senior government funding to meet the below-market rental targets. UDI members stated that this should be a funding priority given the magnitude of housing need at these levels of affordability, and noted it will be necessary to ensure the economic viability of below-market rental units to withstand future economic swings.

UDI members advised the City to identify and address critical infrastructure deficiencies in areas that are primed for growth including transit areas to reduce development costs. Overall, UDI highlighted the importance of speeding up and simplifying development processes through implementing the city-wide official development plan and TOAs, creating simplified district schedules, enabling prefabricated construction methods, and pre-zoning more areas for development.

Academics and Government Partners Feedback

The workshop with academics, government partners, and researchers focused on the updated targets methodology. Participants recommended the removal of an adjustment accounting for outward migration from Vancouver, citing that outward migration occurs in part because of affordability pressures, and the resulting vacancies are reflected elsewhere in the model. The adjustment for outward migration was subsequently removed.

Participants expressed some concern for disaggregating housing need by unit type, given that form-specific breakdowns may suggest a false sense of precision. They stated that past trends should not be interpreted as revealed consumer preference given the existing factors that constrain housing choice. There was also some concern for the ambiguity of the term “targets,” and confusion around the purpose of setting targets. Some participants cautioned against being overly prescriptive, and that the levels of affordability and the number of affordable units defined in the targets might compromise developers’ ability to deliver on market units if economic viability is not ensured.

Participants also flagged a need to align projection methodologies at provincial, regional, and municipal scales to better inform infrastructure and utility planning. Some researchers suggested that approvals tracked at the building permit step are more likely to translate into completions. Participants expressed a need for additional analysis to help contextualize the targets, such as attrition rates from approval to completion, as well as quantifying the impacts of redevelopment required to meet the housing targets (in terms of tenant displacement and the loss of affordable units). Some participants suggested setting targets for institutional housing (e.g. seniors facilities), for different neighbourhoods, and to encourage a shift from secondary to primary rental to reduce evictions on the grounds of personal use.

Participants noted that there are factors outside the City’s control that limit the speed of housing delivery (e.g. availability of labour, construction costs, and financing), and that the relationship

between housing needs and supply targets is complicated by the fact that newly constructed units typically have higher rents. Participants also noted that beyond the supply of new housing, other strategies to address affordability in existing stock, such as rent supplements, should be explored.

City of Vancouver Advisory Committee Meetings

Members of the Renters Advisory Committee were supportive of the targets overall and were in favour of the focus on increasing non-market and market rental housing supply. Participants voiced concerns about the National Occupancy Standards as a barrier to large families accessing non-market housing units, and the loss of affordable units outpacing the supply of new affordable units. Some participants also suggested the inclusion of a vacancy rate target. Members of the Committee were also in support of the overall 3 Year Action Plan, particularly on actions advancing the supply of new rental housing (including the development of affordable housing on City-owned land), and actions to enhance tenant protections city-wide to prevent displacement.

The City's Older Persons and Elderly Advisory Committee were generally supportive of the targets and 3 Year Action Plan and were in favour of increasing tenant protections, advocating for a no-net-loss approach to building housing, and encouraged Staff to consider a target for seniors-specific housing. Committee members also encouraged the use of prefabricated and modular housing models to build seniors social and supportive housing in an expedient manner.

Vancouver Area Neighbours Association Feedback

The Vancouver Area Neighbours Association was supportive of the updated Housing Vancouver targets, and also supportive of setting targets higher to encourage more supply. With regards to translating the unmet housing need categories into the target, they suggested the City consider addressing the full unmet need in a shorter, more ambitious 10-year timeline to meet housing needs deficits rather than spreading it over 20 years. In addition to reporting on approvals, participants indicated that status reports should include current rents, home prices, and vacancy rates to underscore the scale of the affordability issue. Participants were in favour of making it faster and more attractive to build low- and mid-rise housing types as a means of increasing housing supply more quickly.