



COUNCIL REPORT

Report Date: November 22, 2025
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VanRIMS No.: 08-2000-20
Meeting Date: December 9, 2025
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TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability

SUBJECT: Reconsideration of Approval of Capital Grant to BC Housing for 3077 Maddams Street (Formerly 1405 East 15th Avenue and 3047-3071 Maddams Street)

The Recommendations in this report can only be considered by Council after it adopts a motion to reconsider a decision made by Council on November 5, 2025 (RTS 18082). This report provides additional information that staff believe would have offered useful context and supported Council's deliberation on the original recommendations.

On November 5, 2025, Council defeated a motion entitled "Approval of Capital Grant to BC Housing for 3077 Maddams Street (formerly 1405 East 15th Avenue and 3047-3071 Maddams Street)", with Councillors Kirby-Yung, Klassen, Meiszner, Montague, Zhou and Mayor Sim voting in opposition. In accordance with the *Procedure By-law*, a motion to reconsider a defeated motion must be moved by a Council member who voted with the majority when the recommendation was first considered on November 5, 2025. Reconsideration of a defeated motion requires a majority vote. Should a member of Council who voted in the majority on November 5 wish to have the recommendations of this report reconsidered by Council, the following motion could be moved:

THAT Council reconsider the decision of November 5, 2025 related to the report titled, Approval of Capital Grant to BC Housing for 3077 Maddams Street (formerly 1405 East 15th Avenue and 3047-3071 Maddams Street), RTS 18082.

Recommendations

- A. THAT Council approve a Capital Grant in the amount of \$1.4 million to Provincial Rental Housing Corporation ("BC Housing") to aid in the conversion of 81 units from market rental to social housing. The source of funding will be existing approved multi-year capital project budget for 2023-2026 Grants to support new or redeveloped Partner non-market housing units funded by the Empty Homes Tax reserve.

- B. THAT Council, for the purposes of the grant set out in Recommendation A, deems BC Housing to be an organization “contributing to the culture, beautification, health or welfare of the City” in accordance with Section 206(1)(i) of the *Vancouver Charter*.
- C. THAT Council delegate its authority to the Deputy City Manager to negotiate and execute the Grant Agreement to disburse the grant described in Recommendation A on the terms and conditions generally outlined in this Report and such other terms as are satisfactory to the Deputy City Manager and the Director of Legal Services.
- D. THAT no legal rights or obligations will arise or be created by Council’s adoption of these Recommendations unless and until all legal documentation is executed and delivered by the respective parties.

Recommendation A constitutes a grant and therefore requires affirmative votes from at least 2/3 of all Council members pursuant to Section 206(1) of the *Vancouver Charter*.

Purpose and Executive Summary

This report recommends that Council approve a capital grant totalling \$1.4M to BC Housing to assist with the purchase and conversion of a purpose-built rental building to social housing, enabling the addition of 81 new units of social housing in Vancouver. The grant is to be provided in an amount comparable to the Citywide and Utilities Development Cost Levies (DCLs) paid to the City by the original applicant at the time of building permit issuance. The capital grant would be payable immediately following execution of a Grant Agreement and registration of the Housing Agreement on title. These recommendations were previously considered by Council on November 5, 2025, but did not receive the required two-thirds majority vote at that time. Staff have brought these recommendations back for reconsideration by Council, with the addition of critical information that was absent in the previous report.

Council Authority/Previous Decisions

- Council’s approval in principle of the rezoning application for 3077 Maddams Street (formerly 1405 East 15th Avenue & 3047-3071 Maddams Street) (June 2021, RTS 14508)
- Housing Agreement By-law No. 13358, enacted on June 7, 2022
- Enactment of CD-1 (825) By-law on July 20, 2022
- Council’s approval in principle of the Modification to a Condition of Enactment for 3077 Maddams Street (formerly 1405 East 15th Avenue & 3047-3071 Maddams Street) (October 30, 2025, RTS 18081)
- Council did not approve the proposed grant when it was first considered on November 5, 2025

City Manager’s Comments

The capital grant being recommended for approval in this report will be combined with

substantial investment from BC Housing to deliver on a social housing project for women and their children with affordable housing needs. The City Manager concurs with the foregoing recommendations.

Context and Background

City grant contributions towards social housing projects help achieve Housing Vancouver Strategy targets to deliver 10,000 social, supportive and non-profit co-op housing units by 2033. A significant portion of this social housing target is anticipated to be delivered by community partners such as the YWCA, the intended non-profit operator for this site, and with the support of BC Housing, the property owner being recommended to receive a City grant in this report.

- On June 24, 2020, a rezoning application for a market rental building at 1405 East 15th and 3047-3071 Maddams Street was submitted by Fabric Living on behalf of the owner. Following a Public Hearing on July 6, 2021, Council approved the rezoning (RTS 14508) to permit a six-storey residential building with a partial seventh floor for a roof-top amenity space with a height of 21 m (68.89 ft.).
- On June 7, 2022, Council enacted Housing Agreement By-law No. 13358 to secure 81 units of market rental housing on this site.
- On March 24, 2023, the City issued a Development Permit for 81 units of market rental housing.
- On June 19, 2023, prior to issuance of a Stage 1 Building Permit, the applicant paid \$1,456,841.06 in Citywide and Utilities DCLs. The City issued a full building permit on November 10, 2023.
- In June 2025, as the building was nearing occupancy, BC Housing and Fabric Living (on behalf of the owner) approached the City requesting that the tenure of the building be changed from secured market rental to social housing, as BC Housing intended to purchase the building from the owner.
- Fabric and BC Housing also requested that staff consider refunding the DCL fees paid by the applicant, contingent on the conversion of the building from market rental to social housing.
- On July 30, 2025, an Occupancy Permit was issued for 81 units of market rental housing; the building has since remained vacant.
- On August 13, 2025, BC Housing acquired ownership of 3077 Maddams Street, subject to conditions.
- On October 30, 2025, Council approved replacement of the previous Housing Agreement with a new Housing Agreement to secure the building as social housing. The Housing Agreement will be registered on title, securing the affordability of all units for 60 years or the life of the building, whichever is greater.
- On November 5, 2025, Council considered a report titled *Approval of Grant to BC Housing for 3077 Maddams Street* (RTS 18082). The recommendations did not receive the two-thirds majority required at the time of the vote.

Discussion

3077 Maddams Street

On August 13, 2025 BC Housing acquired this site with the intention of converting the tenure of all 81 units from market rental to non-market social housing. BC Housing is a Crown agency established to deliver on the provincial government's commitment to the delivery and management of housing, including affordable and social housing. BC Housing collaborates with non-profit and private sectors, health authorities and ministries, and other levels of government to acquire, build, operate, and fund affordable and social housing initiatives. Purchasing this project as a newly-constructed building, rather than as a land parcel or redevelopment site, enables BC Housing to provide affordable housing units immediately, while avoiding the cost and timing uncertainties associated with developing a new building.

BC Housing has selected the YWCA to be the housing operator for 3077 Maddams. The YWCA currently operates 18 housing communities across Metro Vancouver, including 8 sites in the city of Vancouver, providing safe, affordable homes for more than 700 women and their dependent children.

All 81 social housing units at this site are intended to be provided for women and children at rents geared to income (RGI), including approximately 55% (45 units) at or below Housing Income Limits¹ (HILs), and the remainder at low or moderate rents with individuals earning below the threshold household income for families², as determined by BC Housing from time to time. This project exceeds the minimum required affordability in the City's social housing definition of 30% units at or below HILs.

Funding summary

BC Housing has invested \$54.2 million into 3077 Maddams Street to fully fund the purchase of the land and building, as well as renovations to accommodate the YWCA's programming needs, including improved accessibility, and enhanced child safety in common areas. In addition, BC Housing will provide the YWCA with an ongoing operating subsidy of approximately \$650,000 annually to support the delivery of these services. The project will not rely on City operating subsidies.

Development Cost Levies (DCLs)

Social housing uses are exempt from DCLs under the Vancouver Charter and City by-laws; however, the DCL amount paid for 3077 Maddams Street was calculated based on the intended use of the building as 100% market rental. Under the Vancouver DCL By-law and the

¹ Housing Income Limits (HILs) are set 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. The HILs effective December 2025 are available on the BC Housing website at <https://www.bchousing.org/sites/default/files/media/documents/Housing-Income-Limits-Dec-2025.pdf>

² Low and moderate income thresholds effective January 2026:

- Less than two bedrooms: gross household income does not exceed the median income for couples without children in BC of \$ 90,560
- Two or more bedrooms: gross household income does not exceed the median income for families with children in BC of \$146,270.

Vancouver Charter, DCLs are calculated, determined and paid at the time of building permit issuance based on the proposed development. For this project, this occurred at the time of issuance of the first stage of the building permit.

Although the project was constructed for market rental use, the building has never been occupied for any purpose. If enacted, the replacement Housing Agreement recently approved by Council would secure social housing use on the site for a term of 60 years or the life of the building.

Staff consider the sole and exclusive use of a building as social housing to meet the intent of the DCL exemption for social housing. However, neither the Vancouver DCL By-law nor the Vancouver Charter contemplate altering the DCLs payable after the building permit is issued. As a DCL refund cannot be granted under the existing framework, staff recommend a capital grant in the amount comparable to the DCLs paid prior to issuance of the Stage 1 Building Permit for this project.

This proposed grant is being considered on an exceptional basis. Staff will work to establish clear parameters around the eligible timing for meeting the DCL exemption criteria, and how to treat projects such as this one that are converted to social housing later in the development process. Any recommended updates as part of future reports as required.

Capital grant

The City has a long history of affordable housing partnerships with governmental and non-profit organizations, providing housing capital grants for the development of affordable housing on civic and non-profit owned land. The City's capital grant programs for housing include the Community Housing Incentive Program (CHIP), funded primarily by Empty Homes Tax and development contributions. The 3077 Maddams Street project is a non-market housing project targeting a deep level of affordability, which aligns with the types of projects that CHIP grants support; however, as the CHIP grant program was designed to assist housing projects delivered on lands owned by non-profit and co-op organizations, BC Housing does not meet the criteria established for the program.

The proposed grant would be funded through the Empty Homes Tax Reserve, which is intended to support affordable housing initiatives including the creation of affordable housing units. This grant would be provided to BC Housing to aid in the purchase and conversion of the building from market to social housing, providing a new facility for the YWCA to offer safe and affordable housing for women and children.

The proposed grant of \$1.4 million is equal to approximately \$17,000/unit for this 81-unit project. By comparison, City grant contributions to social housing projects typically range from \$25,000/unit to \$38,000/unit (or between \$2 million and \$3.1 million for a project of this size). In addition, all of the recipients of social housing grants are DCL-exempt.

Grant disbursement is conditional on the following:

- Registration of a Housing Agreement securing 100% social housing use;
- Execution of a Grant Agreement with the City; and

- Documentation confirming the Project operating budget has been approved by the Operator and governing body, and that the approved budget is consistent with information provided to the City.

Conditions for grant disbursement would typically include confirmation of funding, financing and timelines for construction; however, as this building is already constructed, such conditions would not apply.

Should the grant request be approved, enactment of the modified Housing Agreement for social housing, and full registration of the Housing Agreement with the Land Title Office to secure the tenure, would be required before the grant is issued.

Financial Implications

The City's capital grant contributions are conditional on execution of Grant Agreements to the satisfaction of the Deputy City Manager and Legal Services and registration of Housing Agreements on title to the Lands.

Consistent with Council policies, all social housing projects are expected to be self-sustaining over the long-term where rents and/or external operating subsidies are set at levels that will cover operating costs and capital replacement; and do not require further operating subsidies, property tax exemptions, and/or financial guarantees from the City.

Sources of funding for the \$1.4 million grant is the approved multi-year capital budget for the 2023 - 2026 Non-market Housing grant program to support new or redeveloped Partner housing units funded by the Empty Homes Tax Reserve. Expenditures will be managed within the current approved Annual Capital Expenditure Budget.

Legal Implications

If the Recommendations in this report are adopted by Council, a grant will be awarded to BC Housing subject to conditions.

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