

Secured Market Rental Housing Policy

Vancouver's
Housing and Homelessness
Strategy

A Home for Everyone

May, 2012

*On November 26, 2019, Council approved the Secured Rental Policy, which amends the Secured Market Rental Housing Policy. This document is the previous Secured Market Rental Housing Policy and is no longer in force as of November 26, 2019.

The Secured Rental Policy as approved on November 26, 2019 is contained in a new and separate policy document. To view the amended Secured Rental Policy, please visit the City of Vancouver Zoning and Land Use Document Library: vancouver.ca/zoning-library.

For information on in-stream enquiries and applications received prior to November 26, 2019, please visit our webpage at vancouver.ca/rentalhousing.



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1.0 INTRODUCTION

Affordable Housing Choices

Vancouver is a growing and diverse city with significant housing challenges. Providing more affordable housing choices for all Vancouverites through a range of housing options is critical to the social and economic health of the City.

Rental housing is essential to a healthy and vibrant economy. Essential workers are often renters for a period of time as are new comers who come to Vancouver to contribute to the economic and social vibrancy of our city.

Over 50% of households in Vancouver are renters. Vancouver provides nearly half (46%) of the rental housing in the entire Lower Mainland and more than a quarter (27%) of the rental housing for all of British Columbia.

Renting allows for moderate income households to live in Vancouver. The median income of renters (\$34,000) is half that of owners (\$66,000).

Rental Housing Challenges

Vancouver is an attractive place to live and work. It also has the tightest rental market and one of the lowest vacancy rates in Canada, which over the last 30 years has averaged 0.9 percent. With a growing population, limited increases in income and limited new supply of purpose-built rental housing in recent decades, the need for suitable housing choices for low and moderate income households has grown dramatically.

Rental Housing Policies in this Document

On July 28, 2011, City Council adopted Vancouver's Housing and Homelessness Strategy 2012 - 2021. A goal of the strategy is to provide more affordable housing choices for all Vancouverites. The Strategy identified the need for an additional 16,000 new units of rental housing, of which 5,000 are from purpose-built market rental units.

This document contains policies to encourage new purpose-built market rental housing. These policies are intended to increase the supply of secure market rental housing that is affordable to moderate income households. Affordability will be achieved through tenure, location, modesty in unit size, level of finishing and design, and over time as the buildings age.

The Secured Market Rental Housing Policy is part of a larger strategy that also addresses the housing needs of low income households. The Rate of Change regulations contained in the Rental Housing Stock Official Development Plan and Single Room Accommodation Bylaw are in place to protect the stock of existing affordable market rental housing. The Housing and Homelessness Strategy also sets aggressive targets for social housing (5,000 units by 2021) and supportive housing to end homelessness (2,900 units by 2021).

2.0 SECURED MARKET RENTAL HOUSING POLICY

POLICY 1: Secured Market Rental Housing for Projects where 100% of the Residential Floor Space is Rental

This policy applies to projects where 100% of the residential floor space is unstratified rental housing. Qualifying projects may be mixed use (i.e. include a commercial component), but all of the residential floor space must be rental.

1.1. Residential Rental Projects under Existing Zoning

Development applications for residential rental projects which can be developed under the existing zoning are eligible for the following incentives:

- Parking reductions as described in the Vancouver Parking Bylaw;
- Development Cost Levy waiver for the residential floor space of the project; and
- Relaxation of unit size to a minimum of 320 sq. ft. provided that the design and location of the unit meets the liveability criteria as defined in the Zoning and Development By-law.

Affordability

Affordability will be achieved through location, reduced parking, modest size, limited on-site common amenities, level of finishing and other design considerations. The suggested guidelines for size of units are generally based on BC Housing standards for affordable housing (please refer to General Administrative Bulletin "Rental Incentive Guidelines for the Secured Market Rental Housing Policy" for more information). All projects will be reviewed by the City Manager to ensure the affordability of units receiving incentives. The DCL waiver is conditional upon staff review and assessment under the Development Cost Levy By-law subject to the discretion of the City Manager.

Security of Tenure

The rental units will be secured for a term of 60 years or life of the building, whichever is greater, through legal agreements, (e.g. Housing Agreement pursuant to section 565.2 of the Vancouver Charter, including no stratification and no separate sales covenants), or any other legal mechanism deemed necessary by the Director of Legal Services and the Managing Director of Social Development.

For more information on the rental incentives, please refer to the General Administrative Bulletin "Rental Incentive Guidelines for the Secured Market Rental Housing Policy."

1.2. Residential Rental Projects Requiring a Rezoning for Projects where 100% of the Residential Floor Space is Rental

Rezoning applications may be considered for residential rental projects requesting a change in zoning. These projects are eligible for the following incentives:

- Additional floor area;
- Parking relaxations;

- DCL waiver for the residential rental floor area of the project;
- Relaxation of unit size to a minimum of 320 sq. ft. provided that the design and location of the unit provides satisfactory living accommodation; and
- Concurrent processing (Rezoning and Development Permit applications processes concurrently).

Qualifying projects may be mixed-use (e.g. include a commercial component), but all of the residential units proposed in the development must be rental in tenure.

Locations for Rezoning for 100% Rental Projects

Rezoning for 100% residential rental projects will be considered in the following locations:

- areas close to transit, employment and services (e.g. commercial zones, RT zones along arterials);
- multi-family areas (e.g. RM zones) for infill projects or projects on sites that do not have existing rental housing;
- areas with existing rezoning policies or Official Development Plans that accommodate higher residential density (e.g. Downtown District and existing CD-1s) and which do not conflict with existing policies for social housing; and
- light industrial areas that currently allow residential (e.g. MC-1 and MC-2).

Affordability

Affordability will be achieved through location, reduced parking, modest size, limited on-site common amenities, level of finishing and other design considerations. The suggested guidelines for maximum size of units are generally based on BC Housing standards for affordable housing (please refer to General Administrative Bulletin “Rental Incentive Guidelines for the Secured Market Rental Housing Policy” for more information). All projects will be reviewed by the City Manager to ensure the affordability of units receiving incentives. The DCL waiver is conditional upon staff review and assessment under the Development Cost Levy By-law subject to the discretion of the City Manager.

Security of Tenure

The rental units will be secured for a term of 60 years or life of the building, whichever is greater, through legal agreements, (e.g. Housing Agreement pursuant to section 565.2 of the Vancouver Charter, including no stratification and no separate sales covenants), or any other legal mechanism deemed necessary by the Director of Legal Services and the Managing Director of Social Development.

For more information on the rental incentives, please refer to the General Administrative Bulletin “Rental Incentive Guidelines for the Secured Market Rental Housing Policy.”

POLICY 2: Housing for Families

The City's Secured Market Rental Housing Policy encourages the inclusion of family housing. The City's target for family housing units is set at 25% of units for all secured market rental developments. Family units will be 2 or more bedrooms designed to meet the Council adopted guidelines for High Density Housing for Families with Children.

3.1 IMPLEMENTATION AND MONITORING

3.2 Application Review

Interested applicants are encouraged to inquire with City staff at the pre-application stage to determine the suitability of a site and the merits of a particular rental housing proposal.

An interdepartmental staff group consisting of Planning, Development Services, Real Estate, Social Development (Housing) and Engineering will review and evaluate applications and determine if they are supportable. The following requirements will apply at time of application:

Development Permit Applications for Secured Purpose-Built Market Rental Housing for projects where 100% of the residential floor space is rental

- No increase in density (meets existing District zoning schedule and/or Director of Planning discretion under the Zoning and Development By-law);
- No fewer than 6 legally secured rental units;
- Rental term shall be no less than life of the building or 60 years, whichever is greater;
- Unit sizes no less than 320 square feet; and
- Complete/good quality application which meets City submission requirements.

Rezoning Applications for Secured Purpose-Built Market Rental Housing for projects where 100% of the residential floor space is rental

- Proposed increases in density should respect the context of the area and meet the intent of applicable City policies and plans;
- No fewer than 6 legally secured rental units;
- Rental term shall be no less than life of the building or 60 years, whichever is greater;
- Unit sizes no less than 320 square feet; and
- Complete/good quality application which meets City submission requirements.

3.3 Monitoring

The Housing and Homeless Strategy report card will track the rental units created through this policy. The annual report card will help measure and evaluate progress.