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To: "Direct to Mayor and Council - DL"

CC: "City Manager's Correspondence Group - DL"

Date: 3/10/2020 5:28:32 PM

Subject: Monitoring Report on Implementation of CCP - Housing Memo

Attachments: Monitoring Report on Implementation of CCP - Housing Memo (FINAL) - 2020-03-10.pdf

Good Evening Mayor and Council,

This memo responds to questions received from Council members regarding the "Monitoring Report on Implementation of Cambie Corridor Plan," which is an informational report on the Council Committee agenda tomorrow, March 11th.

The memo provides requested information on the income breakdowns for expected new housing proposed in the Cambie Corridor, and responds to a question as to whether the Public Benefits Strategy needs to be amended to achieve more housing for people who earn less than \$50,000 per year, including those earning less than \$30,000 and \$15,000.

Overall, the information provided highlights related policy initiatives to increase housing affordability.

Best

Sadhu

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Pronouns: he, him, his

The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.

Refers to Item #2

Standing Committee on Policy and Strategic Priorities of March 11, 2020

MEMORANDUM

March 10, 2020

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Karen Levitt, Deputy City Manager
Lynda Graves, Administration Services Manager, City Manager's Office
Rena Kendall-Craden, Civic Engagement and Communications Director
Katrina Leckovic, City Clerk
Anita Zaenker, Chief of Staff, Mayor's Office
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Community Relations Director, Mayor's Office

FROM: Gil Kelley, General Manager – Planning, Urban Design and Sustainability

SUBJECT: Monitoring Report on Implementation of Cambie Corridor Plan – Housing Affordability and Income Breakdowns

Regarding the “Monitoring Report on Implementation of Cambie Corridor Plan”, Councillor Swanson requested information on the income breakdowns for expected new housing proposed in the Cambie Corridor, and whether the Public Benefits Strategy needs to be amended to achieve more housing for people who earn less than \$50,000 per year, including those earning less than \$30,000 and \$15,000. This memorandum provides supplementary information to the Council report to highlight related policy initiatives to increase housing affordability.

1. Income breakdowns for expected new housing proposed in the Cambie Corridor

a) 2041 Housing estimates

The Plan estimates that an additional 30,000 homes will be constructed in the Cambie Corridor by 2041 (including Major Project sites such as Heather Lands, Oakridge Transit Centre, Oakridge Centre, Langara Gardens and Pearson Dogwood). Approximately 25% of these will be secured market rental, below market rental or social housing (see below).

Due to the uncertainty around various factors such as housing unit mix for all future projects, partnerships with senior levels of government, availability of City grants and

subsidies at time of application, and various tenure options enabled by the Plan, it is not possible to generate accurate income band breakdowns at this time for the 2041 housing units estimates. The following table summarizes the anticipated number of units and income ranges at which housing is considered to be affordable to singles or families, based on housing tenure for the Cambie Corridor and Major Project sites:

Table 1: Affordability by housing tenures for 2041 housing estimates in Cambie Corridor

Housing Tenure	Additional Units	Affordability as per Housing Vancouver
Social	2,800	<ul style="list-style-type: none"> • <i>Shelter Rates</i> – incomes below \$15,000 for singles and below \$30,000 for families • <i>Housing Income Limits (HILs) rates</i> – incomes of \$15,000-48,000 for singles and \$30,000-\$68,000 for families (set by BC Housing) • <i>Low-end of market rates</i> – incomes of \$48,000-71,000 for singles, \$68,000-104,000 for families (set by BC Housing)
Below market rental	400	<ul style="list-style-type: none"> • Singles earning \$30,000-50,000 • Families earning \$50,00-\$80,000
Secured market rental	5,000	<ul style="list-style-type: none"> • Studios: singles earning \$50,000-\$80,000 • 1 bedroom: singles households earning \$80,000-\$150,000 per year on (west side rate) • 2 & 3 bedrooms: family households earning \$80,000-150,000 per year
Townhouses	1,800 – 2,700	<ul style="list-style-type: none"> • One-third assumed to be rented at levels affordable to incomes of \$80,000-\$150,000
Other ownership housing	19,500 – 22,400	<ul style="list-style-type: none"> • Studio and 1 bedroom: sales price for singles units affordable to incomes from \$80,000-\$150,000 per year • 2 and 3 bedrooms: sales price for family units affordable to incomes over \$150,000.
Total	30,000 – 34,100	

b) Income Breakdowns for Rental, including affordable Housing Units Completed and In Progress (*Cambie and Marpole*)

The monitoring report provides an overview of progress achieved to date towards affordable housing targets identified in the *Public Benefits Strategies* for the Cambie Corridor and Marpole. Based on all projects approved at rezoning which have progressed through the permitting process, and have been completed or are currently under construction or at the development permit stage, the following income breakdowns for new residents can be expected:

Table 2: Approved Housing Units in Cambie and Marpole by Income Bands

Building Type	Housing Type	Renter					Total
		<\$ 15K/yr.	<\$ 15-30K/yr.	\$30-50K/yr.	\$50-80K/yr.	\$80-150k/yr.	
Apartment	Supportive and Social	37	36	35	414	181	703
	Purpose-Built Rental*			0	125	698	823
	Below-Market Rental			0	0		0
Total		37	36	35	539	879	1,526

**Number adjusted from Council report to reflect one building that is being constructed as strata, not rental (approximately 55 units).*

It should be noted that the below market rental policy in the Cambie Corridor Plan is a new policy that was introduced in 2018. It is the first example of a below market rental approach in a community plan, and while no developments have been approved or completed under the policy to date, one application in the off-arterial areas of the Oakridge MTC has been received. To advance the delivery of social and below market rental housing in Cambie, staff is currently exploring rezoning the off-arterial rental/social housing sites in the MTC and will report back to Council in Q2 or Q3 of 2020. Rezoning is a City-initiated rezoning involving creation of a District Schedule or area specific zone which would be consistent with the Cambie Corridor Plan. Once adopted, applications may proceed through the Development Permit process saving approximately a year in application process, enabling more expedient delivery of affordable housing.

c) New Housing Proposed through Current In-Stream Rezoning Applications

For the 18 applications in-stream, specific information regarding the general affordability of housing units is not yet available. At this time, the following housing breakdown is proposed, which would generally be affordable to income levels as identified in Table 1 above, thereby delivering: approximately 1,200 strata units, 675 secured market rental units, 70 social housing units, and 29 below market units, which are in addition to figures noted above in Table 2.

d) Recent Policy Changes for more Affordable Housing in Cambie Corridor

- Below Market Housing on Major Project Sites**

In July 2019, Council approved the consideration of addition of moderate income rental housing to both the Oakridge Transit Centre (OTC) and Pearson Dogwood sites. Combined, these two sites could potentially secure a significant number of below market rental housing units. Housing would generally be targeted to households earning between \$30,000-80,000 per year, and the rental housing tenure and level of affordability would be secured through a Housing Agreement and Section 219 Covenant for the longer of 60 years and the life of the building. The proposed buildings are located in early phases of project development and could be delivered in the near term. These estimated rental units (moderate income and market) would be in addition to the figures in Table 1.

- **Additional Height for Social and Below Market Rental Housing**

In February 2020, Council approved a recommendation that allows staff to consider rezoning enquiries for social housing sites and other inclusionary housing sites in the Marine Landing neighbourhood. Enquiries for more height than permitted in the Marpole Plan can be considered for applications on sites with existing social housing to increase the number of social housing units and increased levels of affordability. Additional height can also be considered on sites with no existing social housing, provided they include a minimum of 20% social housing or 100% secured market rental housing with a minimum of 20% for households with moderate incomes.

2. Does the Cambie Public Benefits Strategy (PBS) need to be amended to achieve more housing for people who earn less than \$50,000 per year, including those earning less than \$30,000 and \$15,000?

The Cambie Corridor PBS is a comprehensive strategy to guide the future investment into public benefits, including affordable housing, childcare, community and social facilities, parks and open space and transportation upgrades. The PBS balances these benefits to ensure that current and future residents of the Corridor are adequately served with the amenities that are needed for people to live and work in higher density communities close to rapid transit. The PBS includes social housing targets, which will be achieved on Major Project sites, through development in the Oakridge MTC, redevelopment of existing social housing sites to increase supply, and through strategic partnerships to address unmet need.

A significant proportion of cash Community Amenity Contributions (CACs) secured through Phase 2 strata projects were allocated to the Affordable Housing Reserve Fund to support affordable housing initiatives in and around the neighbourhood. A portion of these funds was recently used by the City to purchase two affordable housing sites on SW Marine Drive to construct approximately 100 social housing units (currently at Development Permit stage). The \$57 million available through this fund will be used to deliver more housing affordability in a number of ways, including future social housing on the Pearson Dogwood site, co-location on civic projects identified in the Capital Plan (e.g. Marpole Civic Centre), partnerships with non-profit organizations to supplement funding, and future land acquisition to enhance housing affordability to explore ways to provide housing to people with incomes below \$30,000.

Amending the PBS could have an impact on other amenities that are also needed to support a growing population in the Cambie Corridor. Given that affordable housing is highly unlikely to generate significant revenue for new amenities, any changes could affect provision of new childcare facilities, community and civic facilities, new parks, and transportation improvements.

Conclusion

Cambie Corridor is transforming from a previously predominantly single family housing area to a Frequent Transit Development Corridor with a new Municipal Town Centre consistent with the Regional Growth Strategy. A diversity of housing, including affordable options, along with significant community amenities (childcare, community centre, etc.), office and job space, and proximity to rapid transit, enables the creation of more complete communities.

Phase 3 of the Cambie Corridor Plan signalled a significant shift in policy towards delivering more affordable housing in the Corridor. Progress has been made towards achieving the social and secured market rental targets in the Plan. The inclusionary policy for social and below market rental in the Oakridge MTC was only introduced in 2018; with the first application in-process, the policy is starting to deliver below market rental housing. Staff is currently working towards rezoning the off-arterial social/below market rental housing sites in the MTC to expedite the delivery of affordable housing. Combined with recent policy changes on Major Project sites and social and other inclusionary housing sites in Marpole, this will help deliver more housing for moderate income households and individuals in the Cambie Corridor, including housing for incomes below \$30,000.

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