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To: "Direct to Mayor and Council - DL"

Date: 12/12/2024 4:16:29 PM

Subject: Broadway Plan update - follow-up information

Good afternoon Mayor and Council,

In response to questions received from members of Council regarding the Broadway Plan update, the staff team has compiled the following information for your consideration.

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1. Did the staff recommendations to change view cones respond to TOA requirements? Did staff also anticipate that the changes would open up the ability for more towers and building heights in adjacent nghbd zones?

- Not directly. Through a motion approved in October 2023, Council directed staff to undertake a comprehensive assessment of the protected public views ("view cones") across the city, including in the Broadway Plan area.
- The view cone assessment had several key objectives, including: enabling the delivery of housing, job space and hotel rooms; balancing growth while maintaining a unique connection to the surrounding landscape; and improving certainty, predictability and transparency in the development process.
- Subsequent to that Council direction, the Province approved the TOA legislation (Bill 47) with the TOA Policy Manual released in December 2023.
- The TOA requirements were an additional consideration that informed the view cone assessment, including for the Broadway Plan area.
- Generally the view cone amendments in TOAs within the Broadway Plan area enable additional building
 height along or in close proximity to commercial high streets (e.g. Granville, Cambie and Main streets), rather
 than in adjacent residential neighbourhoods. The exception is the amendment to the underside of Queen
 Elizabeth View 3, which enabled a small increase in tower heights (~5 storeys) in the Fairview and Mt.
 Pleasant residential areas between Heather and Quebec streets.
- 2. Verify one speaker's statement: that 1/3 of blocks (180 blocks) targeting increased height and density are in the current low density neighbourhoods.
 - This is not accurate. There are approximately 95 blocks in our existing low-density residential areas, currently zoned RT.
 - Within those 95 blocks, 35 blocks enable tower development, up to 18 storeys. The other 60 blocks allow for low-rise residential development, up to six storeys.

3. What is your estimate on loss of current low-rise affordable housing and over what time?

- It is difficult to estimate this, as it requires staff to make general assumptions for the entire area. Decisions on individual properties will vary.
- Staff estimate that over 30 years, there could be up to 3,600 renter households impacted by redevelopment. This would be spread over the course of the Plan and is not expected to occur simultaneously. It is also important to note that the tenant relocation and protection policies would apply for these households, which will help ensure there are affordable options for tenants to remain in their neighbourhoods.
- Also of note, over 30 years, staff anticipate approximately 6,700 units of new below-market units to be 2/26/2025

• delivered in the Plan area.

4. Respond to speakers who stated that affordability is not possible due to land value increases prompted by more density.

- We would not achieve more housing affordability by decreasing the allowable heights and densities in the Plan. There is a significant amount of below-market rental housing currently in the development pipeline, as well as some in-kind non-market (social) housing. This affordable housing is enabled as a result of the heights and densities provided in the Plan.
- Based on our economic testing, significant increases in height and density are necessary in order to secure affordability in new buildings. This is largely due to the high land values throughout the Broadway Plan area, which are often driven by the value of existing uses or allowances under zoning.

5. Respond to comments that new buildings even with much greater heights are not affordable.

- Many of the new buildings proposed include secured below-market rental units that will provide moderate-income housing at building opening.
- Further, market rate units built today become more affordable over time, similar to how the older rental apartment stock we have now has.

6. What are the affordability levels in the 20% below-market units compared to the current housing – e.g., in actual rents and income levels for which these are affordable (at 30% of income)?

Below-Market Monthly Rents and Incomes Required to Afford Compared to Average Rents in Newer Rental Buildings in Vancouver and Incomes Required to Afford

Unit Type	2024 BMR Maximum Monthly Rents*	Incomes Required to Afford BMR Rents**	Average Monthly Rent for Buildings Built 2015+^	Incomes Required to Afford Rent in Buildings Built 2015+**
Studio	\$1,223	\$48,920	\$2,032	\$81,280
1 Bed	\$1,429	\$57,160	\$2,342	\$93,680
2 Bed	\$1,969	\$78,760	\$3,243	\$129,720
3 Bed	\$2,395	\$95,800	\$3,723	\$148,920

^{*}BMR rents are equivalent to a 20% discount to city-wide average rents for the City of Vancouver taken from CMHC Market Rental Survey.

Below-market rents are set at 20% discount to city-wide average rents for the City of Vancouver. Based on the most recent CMHC Rental Market Report, this makes BMR rents, on average, 39% below average rents in newer market rental buildings in Vancouver (i.e. rental building built in 2015 or later).

2021 Median Renter Household Income in Vancouver by Household Type*

Household Type	Renter
Single person	\$41,600
Lone-parent families	\$60,800
Roommates	\$83,000
Couples	\$99,000
Couples with children	\$113,000
Multiple-family households	\$162,000
Median Renter Income All	\$66,500
Households	

^{*}Data taken from 2021 Canadian Census (most recent data available). 2/26/2025

^{**}Assuming paying no more than 30% of gross income on rent.

[^]Data from CMHC Market Rental Survey.

7. One speaker mentioned more affordability could be attained with 6-storey pre-fab modular woodframe buildings. True or not?

- The Plan does have 6-storey wood frame allowances throughout all of the areas. We certainly encourage this scale and building type.
- Given the economic viability for development in the area today, staff would not expect much to be built if we focused only on low-rise wood-frame construction, despite any potential cost savings from that construction technology. This is due to land costs, overall cost of development, and economies of scale in constructing larger buildings.
- Staff will continue to monitor new building technology and costs and assess whether amendments to the Plan are necessary to facilitate those forms and construction types. Further, should the economic viability change in the future, staff would expect more applications for low-rise wood-frame construction.

8. What is the planning rationale for the increased density delivering an additional 14,000 units (I think I got that number right – increase from 50,000 to 64,000).

- The planning rationale for the growth in the Broadway Plan area remains the same. There is significant
 opportunity to integrate additional housing and job space, and new shops, services, and amenities close
 to high-quality rapid transit, within a central area of the city in the Metro Core. Focusing growth in the
 Broadway Plan area will help the City achieve more walkable, complete and inclusive transit-oriented
 neighbourhoods.
- Staff's revised development capacity estimate is for 50,000 to 64,000 additional residents, not households. The development capacity estimate for new units has been revised from 30,000 units previously to 41,500 units.
- The increased allowable density proposed in the recommended changes to the Plan is one factor that contributes to higher development capacity estimates. Staff also made updates to estimates based on the significant early interest we are seeing in the Plan.
- Development capacity estimates will evolve over time. Once we begin to see construction trends we will have more data to base estimates on.

9. Does removing parking requirements keep building costs lower? What is the impact on street parking?

- Removing minimum requirements for parking can lower building costs. Excluding any necessary underground areas not used for parking (e.g. pedestrian circulation, service areas, mechanical rooms), the cost to construct an underground parking space is about \$60,000 to \$80,000, but can increase to over \$120,000 per stall depending on site size, layout efficiency, or soil conditions.
- On-street parking supply will continue to be assessed through Plan implementation and if needed, additional parking restrictions may be explored to minimize impacts to existing or future residents, e.g. residential parking permits (RPP), time-limited parking.
- Even as parking minimums have been removed, developers are still responding to market needs which means they will continue to deliver some on-site parking (less than before) to meet the demands that they forecast.

10. One speaker said most of the applications so far have near-zero tenant displacements? True or not?

- We are seeing a mix of applications, some of which have existing tenants on site and others that do not. There are currently 25 projects either in application or approved with a residential component that are outside of the RM apartment areas. These projects would have either zero or few existing tenants on site.
- There are 49 projects in application or approved in the RM areas. 46 of those projects have existing tenants who could be impacted by redevelopment.
- For applications where there are existing tenants, the tenant relocation and protection policies embedded in the Broadway Plan apply. This would mean temporary relocation, but not permanent displacement unless a tenant chose not to return to the new building. 2/26/2025

- 11. Respond to one speaker who said why aren't we promoting and focusing on greater sustainability through 6-storey modular wood buildings.
 - See response to #7.

12. Have we considered, as one speaker asked, requiring de-construction of buildings to save materials as is required in Victoria?

- Vancouver's Green Demolition By-law has the following requirements:
 - o Recycling: 1-and-2 family homes built before 1950 must recycle at least 75% of demolition waste
 - Minimum recycling rate increases to 90% for homes deemed to have character merit (built before 1950)
 - Reuse: 1-and-2 family homes built before 1910 and heritage-listed houses built before 1950 must salvage three tonnes of wood for reuse (in addition to the applicable recycling requirement)
- Victoria's Deconstruction By-law was partly informed by Vancouver's learnings from implementing our Green Demolition By-law. Victoria's by-law does not include a minimum recycling rate, and its wood salvage requirements are higher and apply to younger homes. 1-and-2 family homes built before 1960 must salvage 3.7 kg of lumber per square foot of above ground floor area. (For example, a 1,650 square foot home built before 1960 would be required to salvage 6.1 tonnes of lumber.)
- City staff are currently reviewing opportunities to further reduce construction and demolition waste in Vancouver and as part of that work will be considering by-law models from other municipalities, such as Victoria's by-law. Any recommendations resulting from this review will be brought forward in 2025 for Council's consideration.

13. One speaker also asked if can remove or make discretionary the requirement for minimum 99 foot lots for hotels? Staff response?

- Staff could certainly explore this.
- Reducing minimum frontage requirements could benefit some individual projects, but staff would note that reducing the minimum site frontage requirement for tower projects can impact development potential on adjacent properties due to requirements for separation between towers.

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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x^wməθk^wəÿəm (Musqueam), Skwxwú7mesh (Squamish), and səlilwəta+ (Tsleil-Waututh) Nations.