

From: "White, Josh" <Josh.White@vancouver.ca>

To: "van Dyk, Donny"

["Direct to Mayor and Council - DL"](#)

Date: 11/14/2025 4:38:25 PM

Subject: Memo to Mayor & Council - Report Back on Supporting Development Viability and Unlocking New Housing Supply RTS #18243

Attachments: Council Memo to Mayor & Council - Report Back on Supporting Development Viability and Unlocking New Housing Supply RTS #18243.pdf

Dear Mayor and Council,

This memo provides an overview of proposed development viability initiatives to unlock housing delivery. A report will be brought forward to Council on December 10, 2025.

If you have any questions, please feel free to contact me.



Josh White
General Manager, Planning, Urban Design and Sustainability
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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the m k y m (Musqueam), S wxwú7mesh (Squamish), and s lilw ta (Tsleil-Waututh) Nations.

MEMORANDUM

November 14, 2025

TO: Mayor and Council

CC: Donny van Dyk, City Manager
Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Sandra Singh, Deputy City Manager
Katrina Leckovic, City Clerk
Lon LeClaire, GM Engineering
Corrie Okell, GM Development, Buildings & Licencing
Margaret Wittgens, GM Arts, Culture & Community Services
Colin Knight, GM Finance and Supply Chain Management
Maria Pontikis, Chief of External Relations
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Director of Policy, Mayor's Office
Trevor Ford, Chief of Staff, Mayor's Office

FROM: Josh White
General Manager, Planning, Urban Design and Sustainability

SUBJECT: Report Back on Supporting Development Viability and Unlocking New Housing Supply

RTS #: 18243

Purpose

To provide Council with an overview of proposed to improve development viability and sustain housing delivery amid challenging market conditions and a high cost environment. This draft list of cross-departmental actions will also be shared with members of a development industry stakeholder working group and the Urban Development Institute (UDI) for discussion today ahead of the full Council report on **December 10, 2025**.

Context

High construction, financing, and material costs continue to constrain project feasibility. In June 2025, Staff brought an initial set of actions to address development viability to unlock housing supply and development. On December 10, Council will consider additional actions.

The City has been working collaboratively with development industry members identifying issues and opportunities. On November 14, we are convening our industry-City working group to review draft actions.

The viability of development continues to be a concern. Realization of projects in earlier stages of development or that haven't secured construction financing yet is uncertain. Projects continue to face significant headwinds of challenging market conditions as well as stubbornly high costs to construct. The City has direct and indirect influence over a number of these costs.

As rents and prices have levelled and begun to decline, this has been positive for relative levels of affordability. However, unless costs commensurately decline, many projects will not proceed to construction and completion. Recalibration of our policy and development charge-related obligations are carefully considered with our financial capacity, capital planning and City housing and economic policy priorities.

The Development Viability measures are an omnibus of actions. No single measure is the solution to solve viability problems, but many measures stacked together materially improve viability and enable more projects to proceed, helping the City achieve its housing and economic goals.

Key Proposed Initiatives

- **Development Cost Levy (DCL) Deferral Program**
 - Aligning deferral structure with new Provincial Legislation extending payment timelines.
- **Temporary 20% DCL Rate Reduction**
 - Support near term housing and commercial development. New Financing Growth Framework in mid-2026 will reset and recalibrate growth funding system. Temporary reduction provides immediate relief to in stream projects.
- **Temporary Below Market Rental Relief Program**
 - Adjustment to requirements for low rise development.
 - Adjustment to depth of affordability requirement for eligible mid-rise and high-rise projects with 10 or fewer existing rental units on site.
- **Public Art Rezoning Condition Adjustment**
 - Introduces one-time 40% discount on cash-in-lieu public art contributions for eligible instream rezonings. Public Art funding mechanisms to be evaluated in new Financing Growth Framework.
- **Transportation Demand Management Revisions**
 - Removes requirements for most developments to simplify the Parking By-law.
- **Apartment Design and Livability Updates**
 - Updates and simplifies regulations for storage, balconies, amenity space and in-board rooms.
- **Attainable Home Ownership Pilot Rezoning Policy**
 - Advances framework and pilot for mid-income ownership opportunities in coordination with BC Builds.
- **Various Policy reviews and process changes related to:**
 - Sewer Capacity Review

- Utility Servicing
- Underground setbacks
- Permitting streamlining
- Area specific above ground parking
- Large Sites Policies

Collective Impact on Housing Delivery

Together, these initiatives would improve the feasibility of more than **250 active projects**, representing over **20,000 new homes**. They shorten approval timelines by **up to six months**, reduce off-site and regulatory costs and provide savings to the development and construction sector. These actions sustain construction employment, stabilize the housing pipeline, and preserve momentum toward meeting the City's housing targets of **35,500 new rental units** and **28,900 net new homes by 2028**.

Notably, the structure of the recommendations in the December 10 report will enable Council to consider the initiatives individually.

Greater detail will be provided in the report, however, if Council should have questions, please direct them to me.

Thank you,



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