

MEMORANDUM

May 3, 2021

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Karen Levitt, Deputy City Manager
Katrina Leckovic, City Clerk
Lynda Graves, Administration Services Manager, City Manager's Office
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Dan Garrison, Assistant Director, Housing Policy and Regulation, PDS
Celine Mauboules, Acting Managing Director, Homelessness Services and Affordable Housing Programs, ACCS

FROM: Theresa O'Donnell
General Manager, Planning, Urban Design and Sustainability

SUBJECT: 2020 Housing Vancouver Annual Report on Approvals + 2021 Housing Work Program Update

RTS #: N/A

PURPOSE

The Housing Vancouver Strategy (2018-2027) commits staff to providing annual updates to Council on housing approvals and policy actions as set out in the 10-year Strategy and 3-year Action Plan. For the 2020 update, Staff are providing the annual Housing Vancouver approvals report to Council in a shortened form via a staff memo, which will also be made available to the public on the City's website.

This memo contains a summary of 2020 Housing Vancouver approvals and an overview of 2021 priority work program items related to housing. Attachment 1 provides a dashboard of Housing Vancouver approvals; Attachment 2 provides greater detail on the annual approvals report highlighted in this memo.

2020 ANNUAL REPORT ON HOUSING VANCOUVER APPROVALS AND 2021 WORK PROGRAM UPDATE

2020 Housing Vancouver Approvals

2020 was a very strong year for approvals of purpose-built rental and social housing in Vancouver. Even with the move to virtual public hearings and remote work due to the COVID-19 public health emergency, the City achieved a major milestone in shifting approvals toward the 'right supply,' with purpose-built rental and social housing making up over half of all new approvals for the first time in at least 10 years.

Highlights from 2020 Housing Vancouver approvals include:

- **Shifting the supply of new housing toward secured, purpose-built rental and social housing:** For the first time in at least 10 years, in 2020 over half (53%) of new housing approvals were for secured rental or social housing (not including new single-family homes or duplexes)
- **A rebound in 2020 in the number of overall approvals compared to 2019,** with over 7,800 total new units approved (not counting new single-family homes or duplexes)
- **1,326 new social and supportive housing units** – double the approvals from 2019
- **2,473 new purpose-built market rental units** – the highest approvals in several decades. This includes **350 new below-market rental units**, a 5x increase compared to 2019.
- **290 new townhouses**, a drop in approvals compared to 2019, but still higher than the ten-year average.

The new housing approved in 2020 has contributed toward the City's 10-year housing goals under the Housing Vancouver strategy:

- **Shifting approvals toward primary or anticipated secondary rental tenure:** 66% of units approved from 2017-2020 will be primary rental or social housing, or anticipated secondary rented condominiums.
- **Increasing the supply of family-oriented housing:** Half of all units approved from 2017-2020 have been family-oriented units with two or more bedrooms.
- **More work is required on housing affordable to incomes below \$80K:** Only 33% of units approved since 2017 have been affordable to incomes <\$80K; this is an area where improvement is needed to achieve the Housing Vancouver goal of 50% of units affordable to incomes at or below \$80K.

The attached slide presentation contains more detailed data on new housing approvals numbers by tenure type (see Attachment 2).

2021 HOUSING WORK PROGRAM PRIORITIES

Coming out of 2020, the City continues to prioritize the COVID-19 response and recovery across all departments. In housing, this means ongoing partnerships to provide housing and services for the most marginalized populations, as well as continuing approvals of key housing and policy initiatives.

So far in 2021, the City has accomplished the following:

- Approval of the expansion of rental replacement requirements under the Rental Housing Stock ODP to include C-2 Commercial zoning areas.
- Approval of amendments to the RM-3A, and the RM-4 and RM-4N zoning districts to enable 100% social housing up to six storeys without a rezoning requirement.
- Approval of \$575,000 in Renter Services Grants.
- Public release of key housing and development datasets, including new development approvals since 2010 and net change in secured rental and non-market housing stock.
- Council approved the operator selection for both the Ross-Aoki House and Skeena House city-owned supportive housing sites.
- In 2021 to date, Council approved approximately 680 units of purpose-built rental and social housing at Public Hearing, and a further ~160 units were approved at Development Permit Board without needing a rezoning.

Looking ahead, key housing priority items for 2021 include:

1. Addressing Homelessness and Encampments

Homelessness is a humanitarian crisis, which continues to grow in our city and region. Intensifying the impacts of homelessness are the dual health crisis of the poisoned drug supply and COVID, which have further affected marginalized and at risk residents. Homelessness has devastating consequences for the individual and is both driven and compounded by trauma, stigma, discrimination, unsupported mental health conditions, deep poverty, and racism. Homelessness is a condition almost impossible to move from without public, social, and health supports or interventions.

The City, with the support of the federal governments Rapid Housing Initiative, has purchased the Best Western (205 Kingsway) and the Days Inn (2075 Kingsway) Initiative and secured Provincial operating funding create to create 133 new supportive homes for individuals experiencing and at risk of homelessness. Tenanting for the Days Inn is targeted to end of year, while the Best Western is scheduled for later this summer following renovations.

Staff are working with the Park Board and BC Housing to bring the encampment in Strathcona Park to a close and move people into indoor accommodation by the end of April. The City's Outreach team continues to be in the park engaging with people and supporting BC Housing to help people prepare to move out of the park and into accommodation. Moves began on April 22nd and BC Housing will be posting regular updates on their website (<https://www.bchousing.org/strathcona-park>) including the number of people who have moved

from the park into accommodation, with a goal that all have indoor accommodation by the end of April.

Permanent affordable homes with adequate supports are the key to addressing homelessness. On February 11, 2021, BC Housing (BCH), Canada Mortgage and Housing Corporation (CMHC) and the City announced the first two proposed city sites to deliver permanent supportive housing through modular construction. Subject to meeting regulatory approvals, these supportive housing buildings will create homes for people experiencing homelessness or at risk of homelessness, and will rent at the shelter component of income assistance through the support of on-going operating subsidies from BC Housing.

2. Working with the Province on Protecting Renters from Renovictions and Renters in Single-Room Occupancy Hotels

On March 25th, legislation to amend the *Residential Tenancy Act* to strengthen protections for renters against renovictions received royal assent in the BC Parliament, and will come into force July 1st, 2021. Staff met with Provincial staff in late March to learn details on implementation and communication of the new rules, and potential impacts on City policies. Staff will work with the Province on monitoring the impact of the new rules and will report back to Council via memo in summer 2021.

On October 7th, 2020, Council directed staff to proceed to develop a City regulatory solution to the on-going loss of affordability from speculative investment and displacement of low-income tenants from SRO Hotels. City and Provincial staff have met to discuss the current state of SROs, the need for an intergovernmental investment into private SRO buildings, and the potential role of vacancy control as a stop-gap measure to protect renters. Staff are exploring a more formal intergovernmental working group on these issues, and expect to report back to Council on potential vacancy control options and general progress on SRO revitalization in Q3 2021.

3. Vancouver Plan and Broadway Plan

Housing affordability was one of the top priorities identified by Vancouver residents for the Vancouver Plan process and the Broadway Plan. The Vancouver Plan process will explore opportunities to further advance Vancouver's housing system to address affordability and deliver the "right supply", including new frameworks to address displacement and prioritize equity. An update on Vancouver Plan emerging directions and Action While Planning/ Quick Start actions is targeted for Q3. As part of the *Planning Vancouver Together* process, staff are refreshing the housing targets and coordinating this work with concurrent updates to the Regional Growth Strategy and the regional transportation plan, Transport 2050 in the development of population, dwelling and employment estimates as well as related policies and targets in the Vancouver Plan (see below).

Consultation for the Broadway Plan has resumed as of Q1 2021, with a draft plan targeting Q4. Key directions for the planning program include enabling additional social and supportive housing for people experiencing homelessness; protecting rental affordability; minimizing displacement impacts on renters and enabling new affordable housing choice, focusing on rental and non-market housing, close to rapid transit.

4. Housing Needs Assessment + Targets Refresh

In response to Council direction from 2019 and 2020, Staff are working on an assessment of existing and future housing need in Vancouver, to inform a refresh of the Housing Vancouver targets for new housing. The Housing Vancouver targets refresh will involve analysis of existing and new data; collaboration with Metro Vancouver on population growth and dwelling estimates; and consultation with key housing and population experts on topics including:

- Current and future housing need in Vancouver, including need from a diversity of incomes, household types, and populations in order to ensure an equity-informed approach.
- How different housing types and tenures (including ownership, market rental, and non-market housing) address the needs of current and future residents.
- Ideas for ensuring City-wide 10-year housing targets respond to existing and future housing need, while also being achievable and feasible given partner capacity and existing government funding levels.

This work will inform a framework for housing need among current and future Vancouver residents, and options for targets for new housing to meet current and future need, that is anticipated to form part of updates to Council on the Vancouver Plan and Housing Vancouver targets in Q3, 2021.

5. VAHEF Strategy and Implementation Plan & Update on Co-op Lease Renewal

Following the approval of the 10-Year *Housing Vancouver* Affordable Housing Delivery and Financial Strategy, it was recommended that the City's non-market housing assets be consolidated into a single portfolio (Vancouver Affordable Housing Endowment Fund – VAHEF). Staff have since identified the assets and pipeline of the portfolio, formed strategies to better deliver housing through a portfolio-approach, and evaluated governance and role changes for improved planning and decision making, while continuing to deliver an active pipeline of affordable housing projects. A report back to Council on this work is expected in Q2.

As part of an overall implementation plan, VAHEF-specific targets will be defined in conjunction with the update to the Housing Vancouver targets noted in (5) above and staff will report back on a Co-op Lease Renewal Framework guiding how non-market co-op leases will be renewed as they near expiry.

6. Opportunities for Market, Below-Market Rental, and Social Housing

A key PDS work plan priorities is transitioning away from site-by-site rezoning requirements for affordable rental and social housing and toward development under zoning. Goals of this work include streamlining the approvals process thereby enhancing the timing of delivery and financial viability of needed housing. As well, this approach brings greater equity into the City's development process, which requires a rezoning process for most rental and social housing projects, but does not require this for the majority of ownership strata and single-family homes.

Upcoming initiatives include creating district schedules (zones) for the social and rental housing sites already enabled through rezoning in the Cambie Corridor Municipal Town Centre; a streamlined process for market and below-market rental in the C-2 zoning areas and Secured Rental Policy areas; and proposed updates to the Downtown Eastside (DTES) Community Plan and supporting zoning changes for 100% social housing, rental, and below-market rental already enabled through the Plan. All of these proposed policy and zoning changes would be subject to Council’s consideration.

2021 Housing Work Program – Items Anticipated at Council

Addressing the impacts of Vancouver’s housing crisis is a top Council priority. In addition to the priority items listed above, there are many initiatives underway across multiple departments including responses to recent Council direction. The majority of this work is undertaken through Planning Urban Design and Sustainability, Arts Culture and Community Services, and the Vancouver Affordable Housing Endowment Fund. The following table lists items anticipated for consideration or information of Council and their targeted timing.

Item	Timing to Council
Co-op Lease Renewal Framework	Q2 2021
Memo update on new Provincial Renovictions Legislation	Q2 2021
Vancouver Plan Emerging Directions/ Housing Vancouver Targets Refresh Update/ Action While Planning/ Quick Start Actions	Q3 2021
SRO Vacancy Control Policy Report Back	Q3 2021
Cambie Corridor Municipal Town Centre – District Schedules for Social and Below Market Rental Housing	Q3 2021
Streamlining Rental – Zoning changes for market and below market rental around local shopping areas (C-2 and low density transition zones, Secured Rental Policy)	Q3 2021
DTES Community Plan updates and proposed zoning changes to increase social and below market rental housing	Q4 2021
Homelessness Update	Q4 2021
Broadway Planning - Draft Plan	Q4 2021

Memos Responding to Council Motions

In addition to the items above, Staff are working to respond to a number of approved Council motions on Housing. There are a number of memos that are currently being prepared and expected to be sent to Council in 2021. These include responses to the following:

- A Closer Look at Tiny Homes and Shelters (RTS 014151)

- Business Case for Social Housing for Homeless (RTS 13159)
- Turning the Key: Encouraging Affordable Home Ownership in the City of Vancouver (RTS 012350)

CONCLUSION

Staff across departments have been working collaboratively to advance Council's housing objectives through the implementation of the Housing Vancouver Strategy and its ongoing monitoring and updating. This memo with supporting attachments provides the 2020 Housing Vancouver Annual Report on Approvals + 2021 Housing Work Program Update for Council's information.

Should you have any questions, please do not hesitate to contact me at theresa.o'donnell@vancouver.ca.

A handwritten signature in black ink that reads "Theresa O'Donnell". The signature is written in a cursive, flowing style.

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