

Housing Vancouver Strategy

Presentation To City Council

November 28, 2017



**HOUSING
VANCOUVER**

Housing Affordability - A City on the Edge



The Challenges Are Many and Complex



We Need to Do More to Keep Vancouver Vibrant and Diverse



Presentation Outline

- 1) Vancouver's Housing Crisis
- 2) Our Process & What We Heard
- 3) Housing Vancouver Strategy & Targets
- 4) Housing Vancouver Priority Actions



Housing Vancouver: How Did We Get Here?



- 10-Year Strategy
- Action plan
- Moderate Income Rental Housing Pilot Program

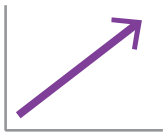
- CAC Policy for 100% Rental Rezoning Projects

1) Vancouver's Housing Crisis



Global Trends

- **Trend toward ‘financialization of housing’ and real estate as commodity investment** – not just a place to live, but a place to invest in for capital gains, retirement income, etc.



National Trends

- Vancouver leads the nation in the highest home prices
- In 2016, the average resale home listing was priced at \$957,400 (35% higher than Toronto 180% higher than Montréal)

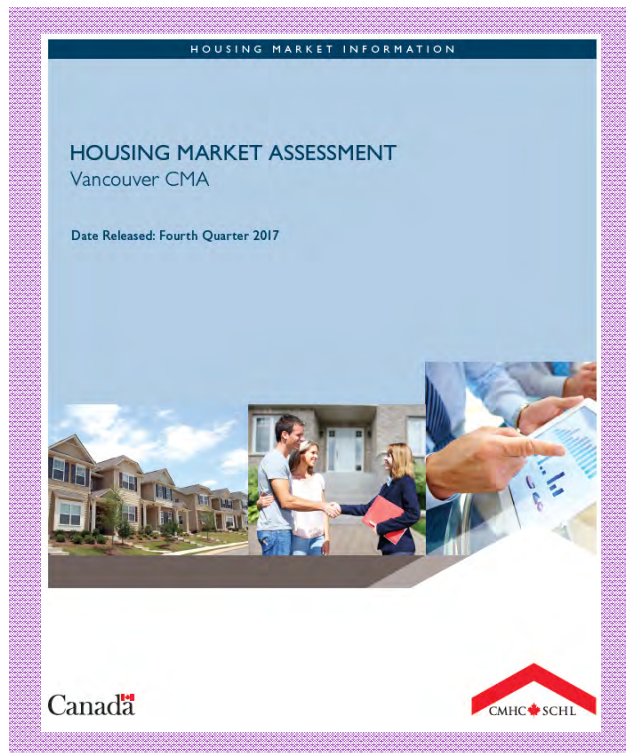


Regional Trends

- **77,800 new jobs in Metro Vancouver from 2015-2017**
- **Population is forecasted to expand in Metro Vancouver by ~65,000 each year until 2021, double the five year average growth rate from 2011-2016**

Evidence of Speculative Investment

CMHC Housing Market Assessment: Reports high evidence of overvaluation in Metro Vancouver, which cannot all be explained by fundamentals



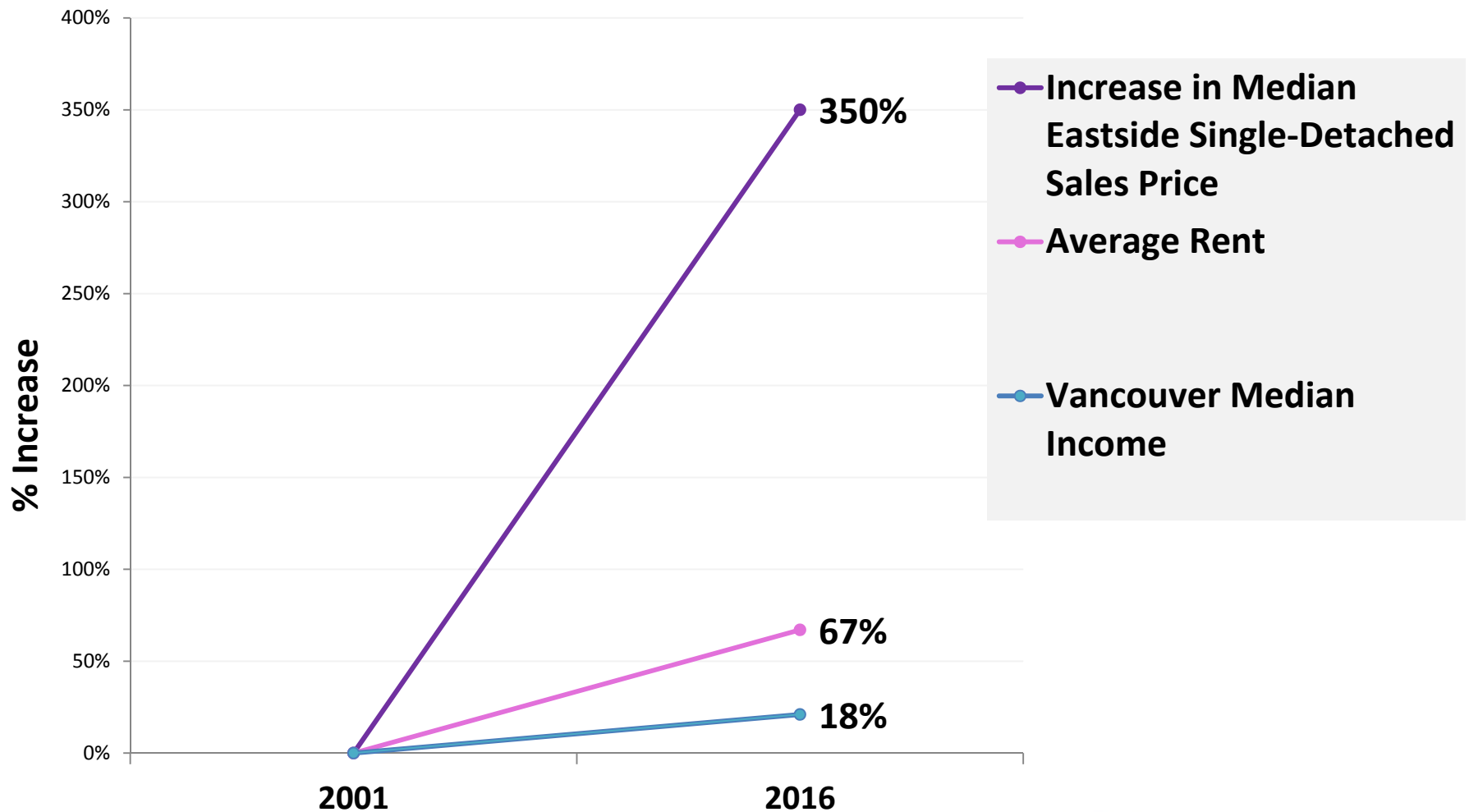
“Improvements in fundamental factors such as population, income, actual and expected financing costs, and land supply cannot fully explain the growth in home prices”

“Short-term price gains can attract investors and promote speculative activity that pushes prices further upwards”

Source: CMHC Housing Market Assessment for Vancouver CMA, Q4 2017

Incomes Have Not Kept Pace with Housing Costs

Vancouver Housing Costs vs. Median Income



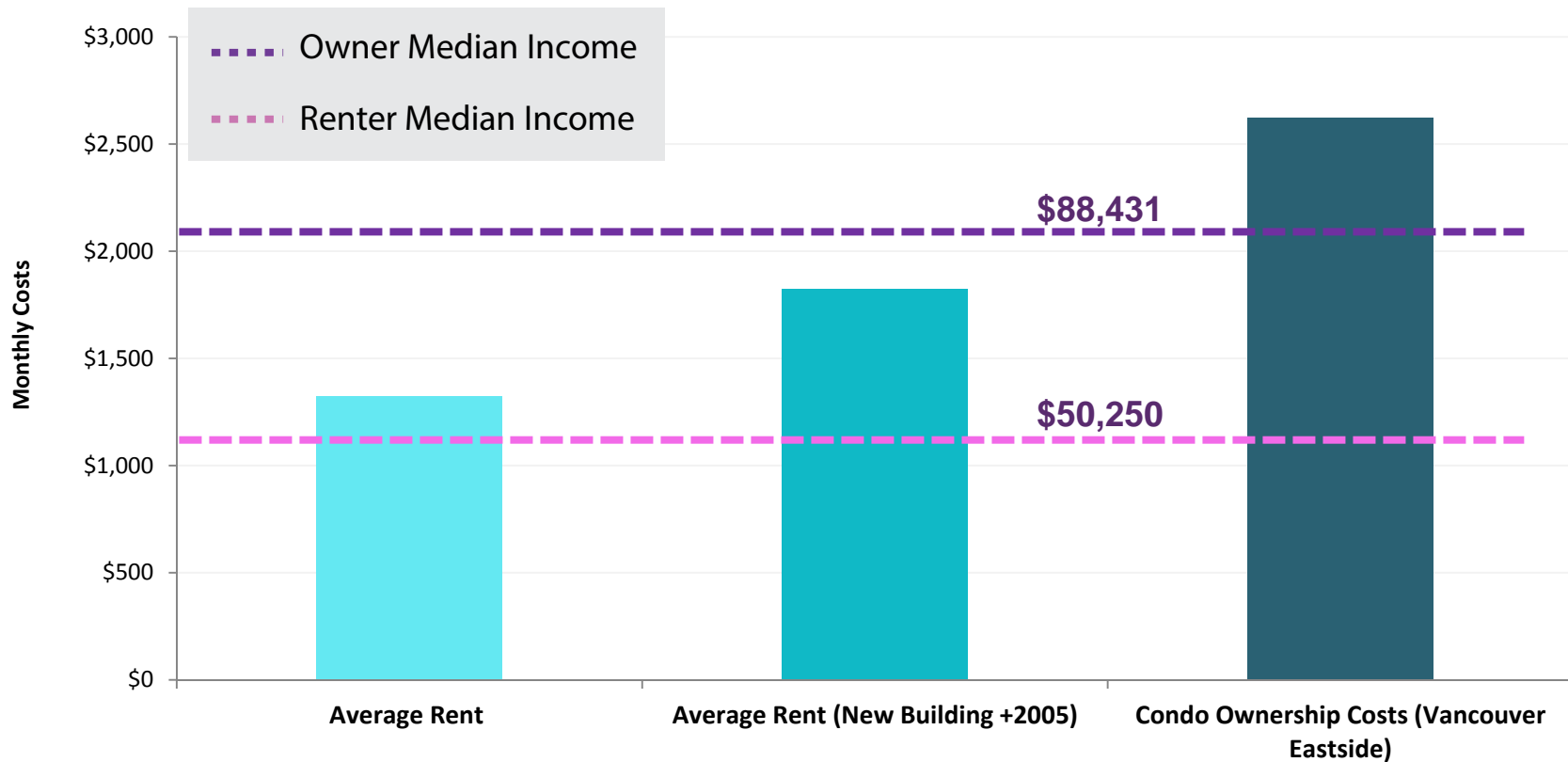
Sources: CMHC Rental Market Survey 2016
Real Estate Board of Greater Vancouver Benchmark - Fall 2016
Statistics Canada - Census 2001-2016



**HOUSING
VANCOUVER**

Housing Prices Far Exceed Median Incomes

Vancouver Housing Costs vs. Median Household Incomes



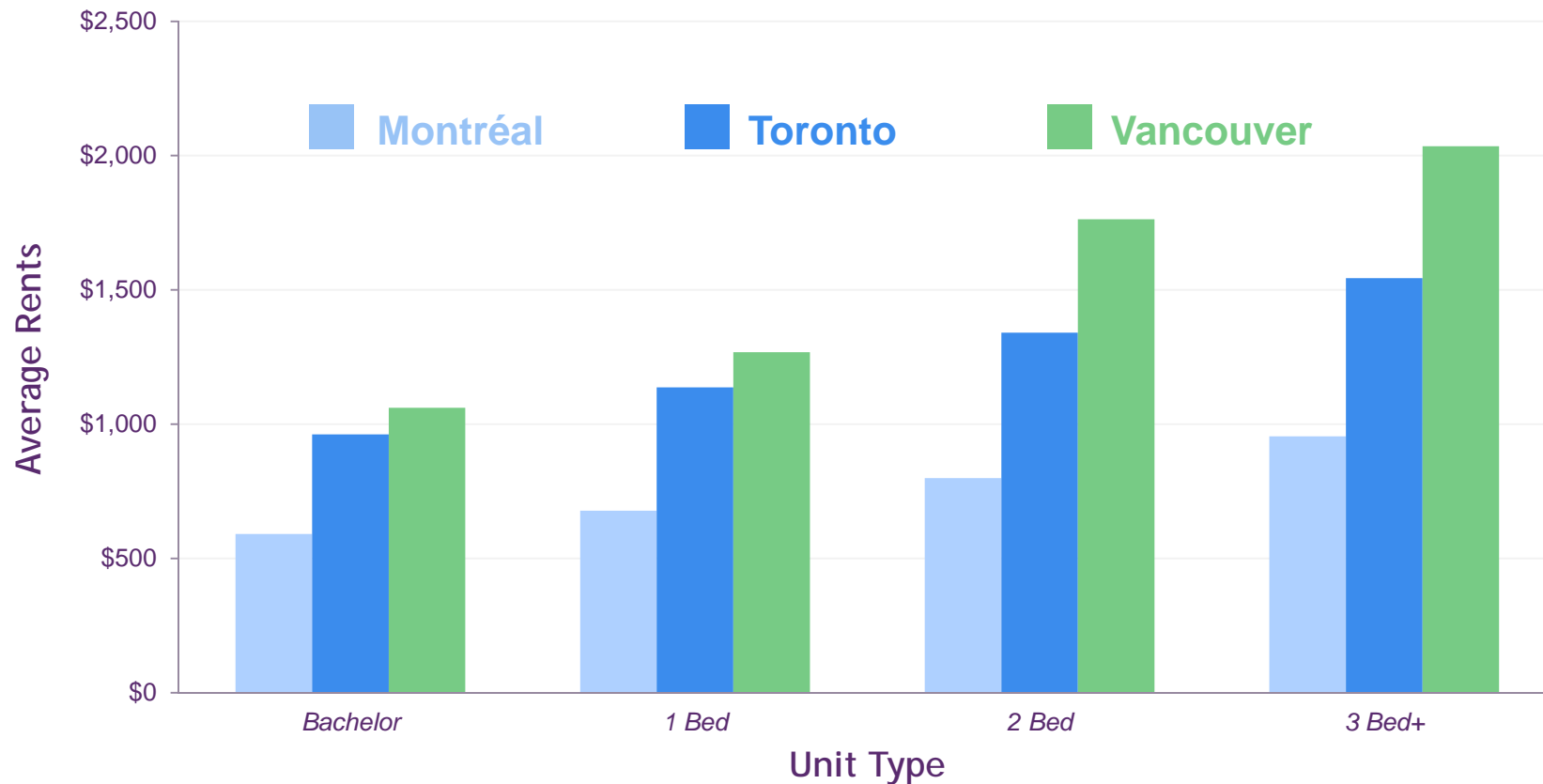
Sources: CMHC Rental Market Survey 2016

Real Estate Board of Greater Vancouver Benchmark Housing Cost of Eastside Condo fall 2016

Taxfiler 2014 Median Incomes

The Highest Rents in Canada

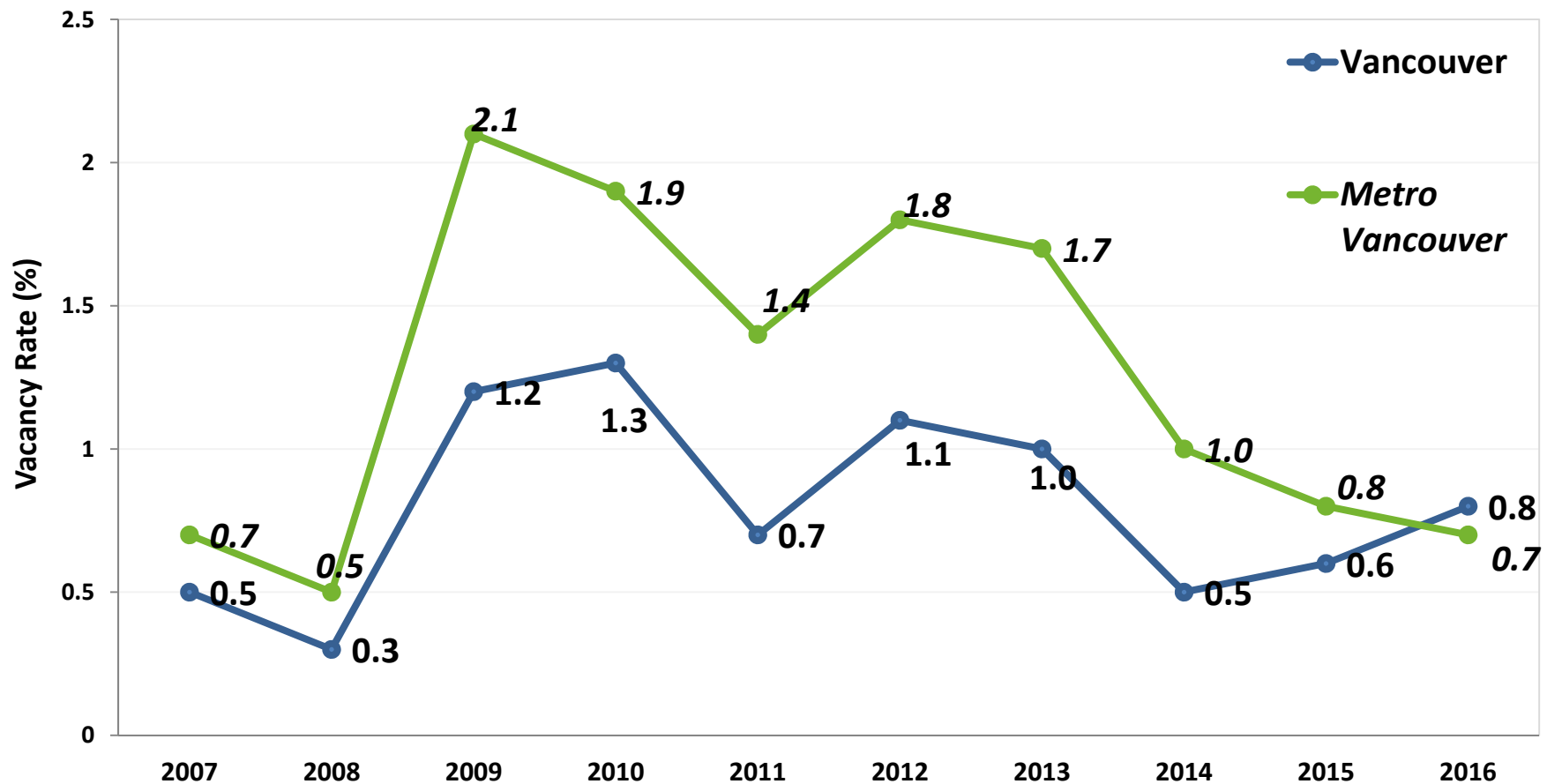
Average Rents By Bedroom Type (2016)



Source: CMHC Rental Market Survey 2016,

Extremely Low Rental Vacancy

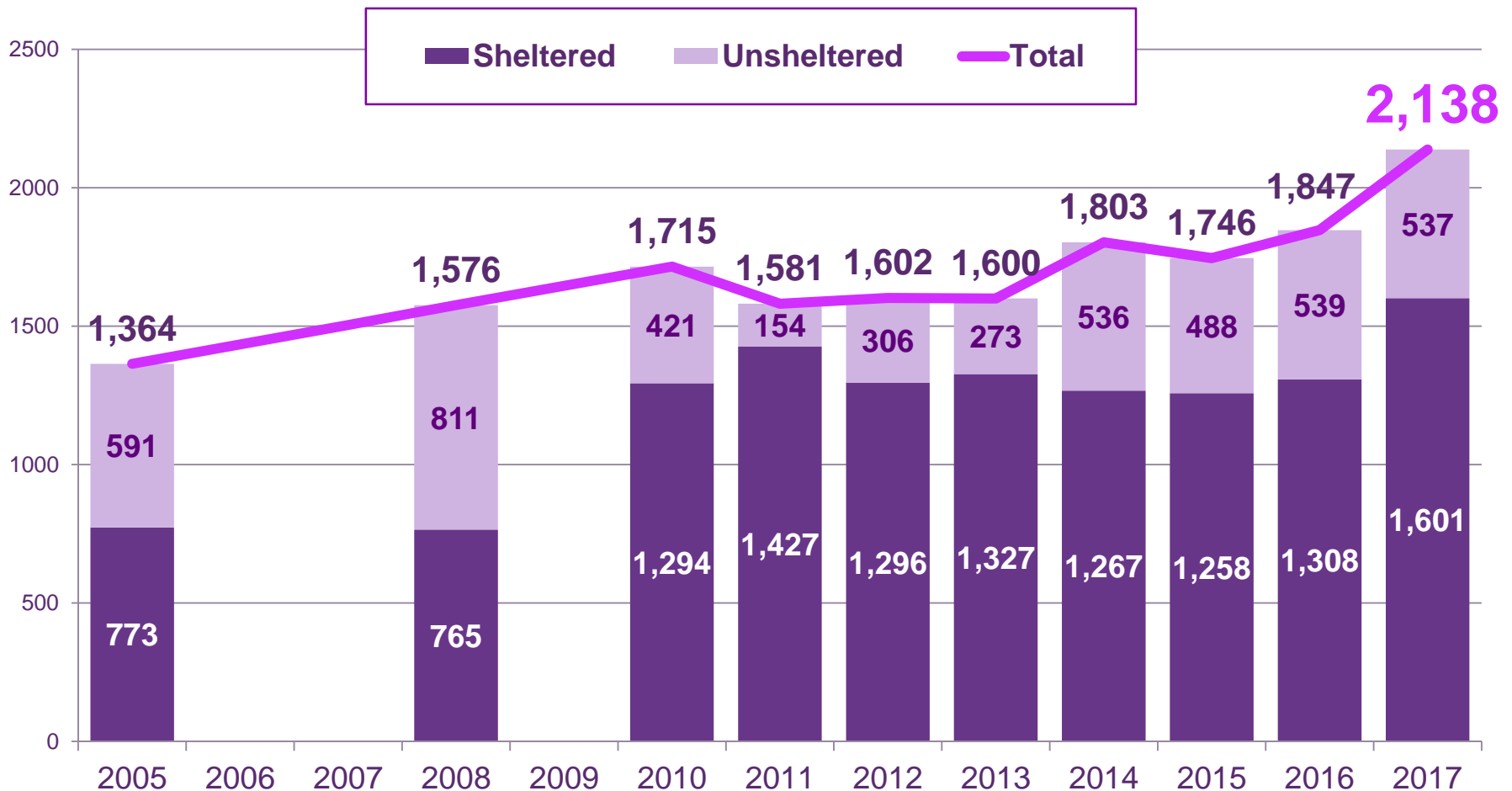
Vacancy Rate: Metro Vancouver vs. City of Vancouver



Source: CMHC Rental Market Survey 2016

Persistent & Rising Homelessness

City of Vancouver Homeless Count Results (2005-2017)



Source: 2017 Metro Vancouver Homeless Count: City Of Vancouver (2005-2017 Trend)

Vancouver's Housing Crisis: Urgent Action Needed

- The housing crisis is complex and multifaceted
- Urgent action is needed from all levels of government

Vancouver Ranked Most Unaffordable Housing Market in North America

Yes, that means it's worse than Manhattan.



Metro News



Financial Post



2) Our Process & What We Heard

A Year of Stakeholder Engagement

Creative Advisory Process

- Over 60 stakeholders, partners, experts, and advocates
- Intensive workshops on housing challenges and solutions
- Regular engagement and updates

Evidence-
Based
Responses to
Homelessness

Accelerating
Non-Profit/City
Partnerships

Affordable
Housing
Innovation &
Design Group

The Economy &
Housing for
Young Workers
& Families

Strategic
Investments in
Rental Housing



Fall 2016: Re:Address Week

Conversations on Housing with Local & Global Experts



- **>1,000 participants in Re:Address week events**, including discussion events, walking tours, and collaborative workshops
- **391 local and international delegates** at Re:Address Summit
- **35 speakers from global cities** throughout North America, Europe, and Oceania

Spring 2017: 10,000+ Participants in *Housing Vancouver* Public Engagement

- Two public **surveys**; **Big Conversation** pancake breakfast; **embedded consultation**, stakeholders and social media
- **62% renter response** to Talk Vancouver Residents' Survey
- Majority of participants **under 40 years old**



Fall 2017: In-Depth Partner Review of Strategy + Action Plan

- **Stakeholder Launch Event**
 - › 80+ partners and advocates
 - › Action Plan preview + feedback
- **Stakeholder Meetings**
 - › Council Advisory Committees
 - › Industry
 - › Academics & Policy Experts

- **Expert Review Panel**
 - › 20+ local and national experts



What We Heard: Residents Are Looking For a Broad Range of Affordable Housing Options

Q: *Given your budget and housing preferences, what types of housing would you be looking for in this next move?*



	High Rise Apartment (14+ storeys)	Mid Rise Apartment (6-14 storeys)	Low Rise Apartment (to 6 storeys)	Townhouse / Rowhouse / Duplex	Single-Family Home	Laneway / Coach House	Basement Suite
Own	21%	23%	28%	46%	37%	13%	3%
Rent	32%	43%	58%	40%	23%	26%	21%

Source: Talk Vancouver Housing Survey, n=8,425

What We Heard: Younger Generations & Families Are Concerned About Their Future in the City

- Young People and families are making significant trade-offs to stay in Vancouver



Key Housing Gaps

- › Rental options for families earning <\$80k / year
- › Ownership options for families earning <\$150k / year

What We Heard: Addressing Homelessness is a Top Priority for Vancouverites

- Rising housing costs mean housing insecurity and risk of homelessness for low-income residents



Key Housing Gaps

- › Social & supportive housing for those with low and very low incomes, <\$30k / year
- › Rental for singles earning <\$50k / year



What Is At Risk?

What Kind of City Do We Want?

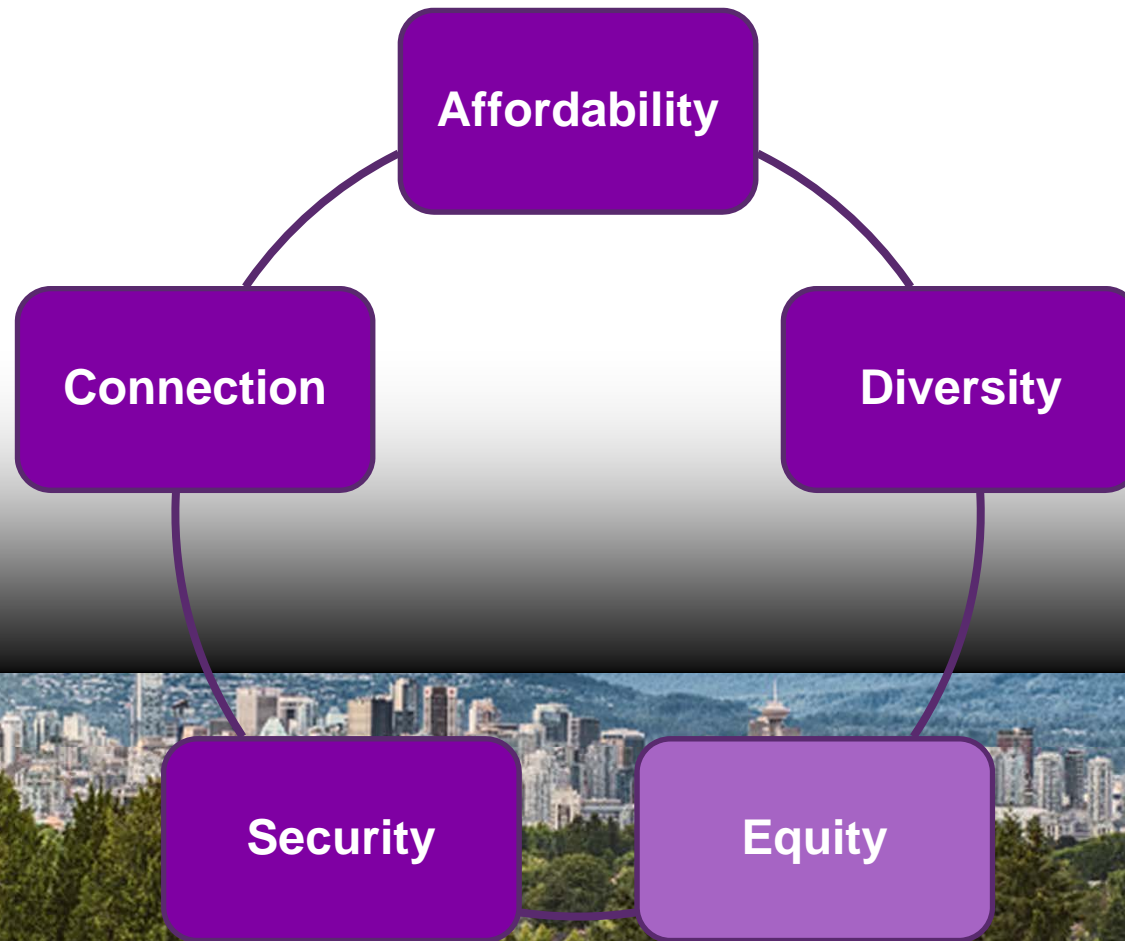
If we do nothing, we risk losing the diversity, vibrancy, and community connections that make Vancouver great

3) Housing Vancouver Strategy & Targets

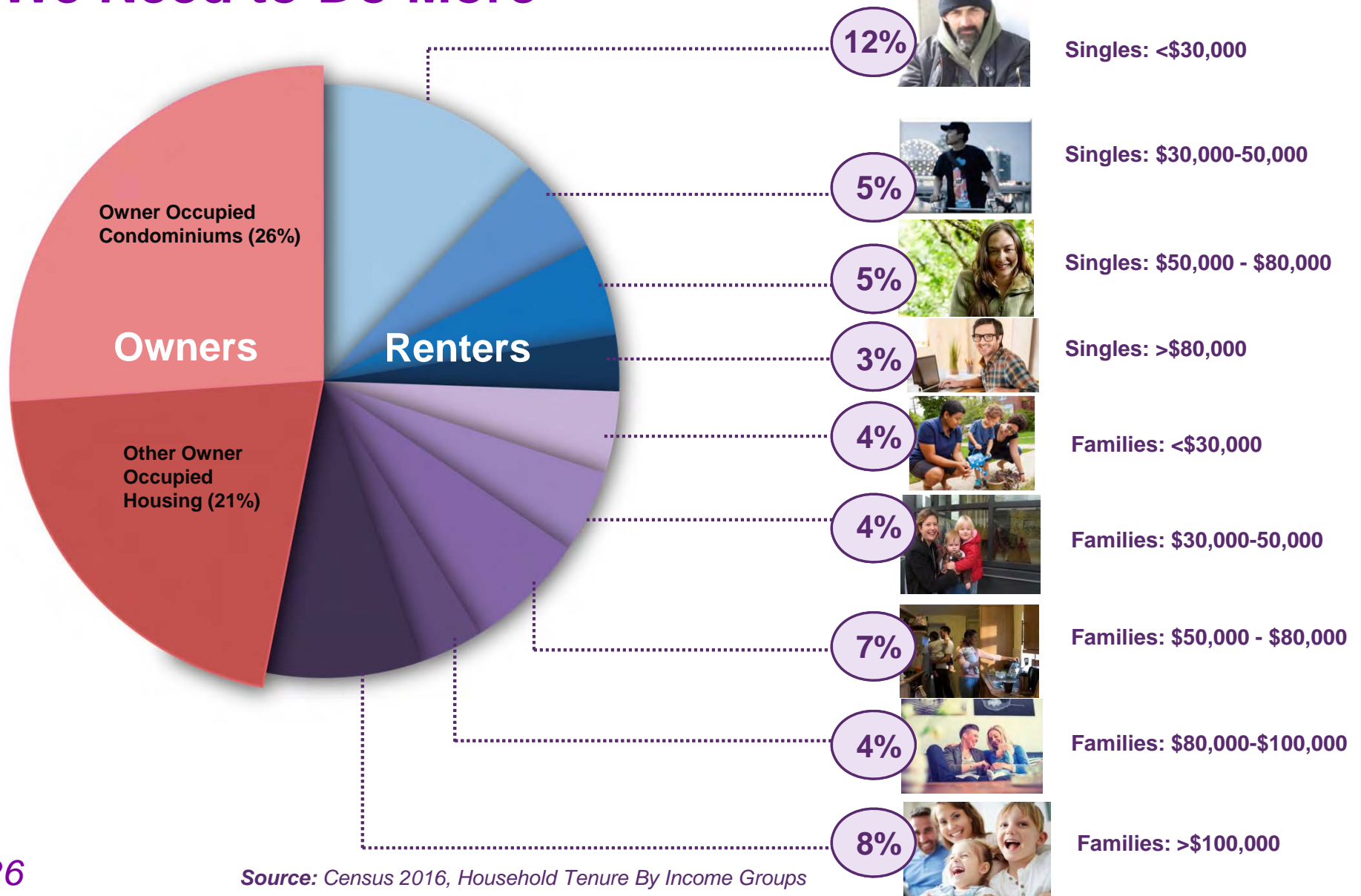
What are we going to do?

Housing Vancouver: A Vision Based in Values

Core Values That Guide Our New Approach

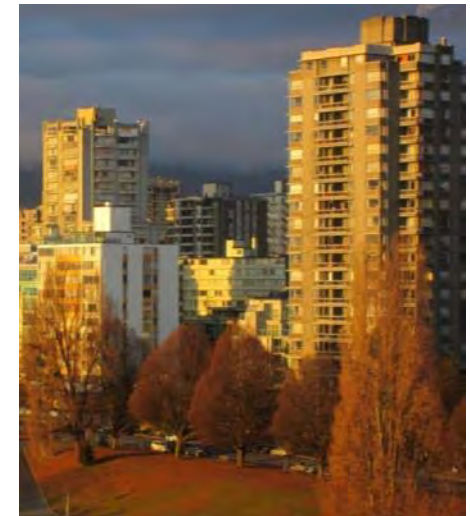


Sustaining Today's Diversity for Tomorrow Means We Need to Do More



How Will *Housing Vancouver* Accomplish This?

- *Shift toward the right supply* by building more affordable housing and limiting speculative investment
- *Protect our existing affordable housing stock* for the future
- *Increase support and protection* for those who need it most



How Is This Plan Different?

Shifting Towards the Right Supply

Housing Vancouver Targets the Right Supply




What is the *Right Supply*?

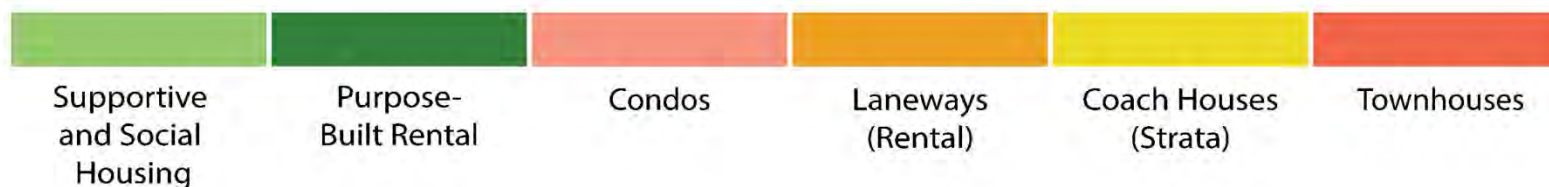
- ✓ Household Income
- ✓ Location
- ✓ Household Type
- ✓ Household Tenure
- ✓ Building Form
- ✓ Housing With Supports



Housing Vancouver Targets Are Better Matched to Local Incomes

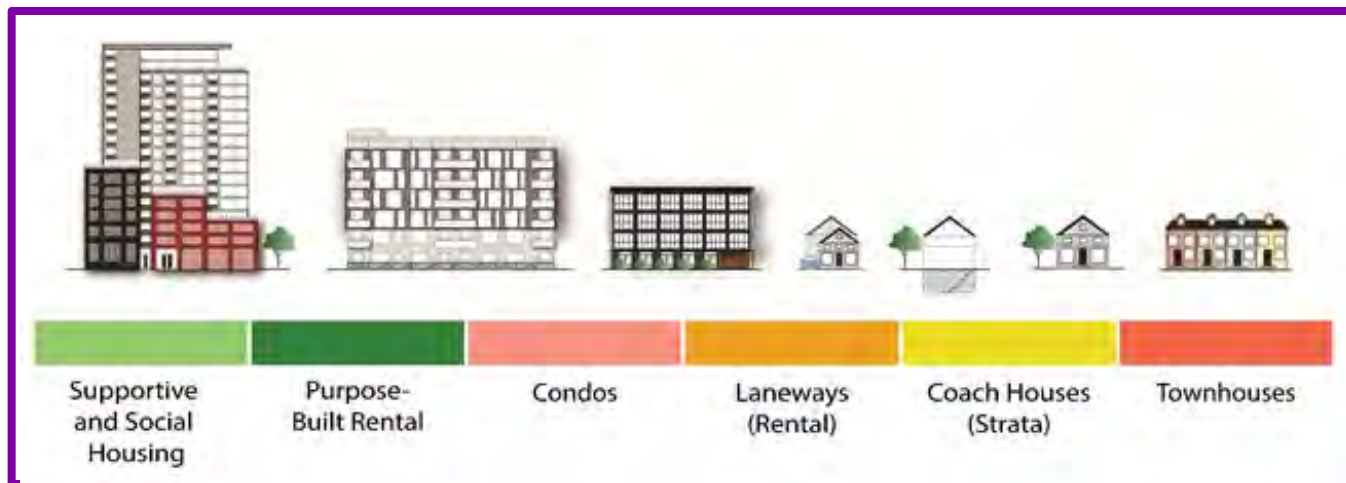
10-Year Housing Targets (2018-2027)

Building Type	Renters				Renters & Owners	Owners	Total	% of Total
	<\$15k/yr.	<\$15-30k/yr.	\$30-50k/yr.	\$50-80k/yr.	\$80-150k/yr.	>\$150k/yr.		
 Apartment	5,200	1,600	2,000	3,000	200		12,000	17%
			2,500	12,000	5,500		20,000	28%
				6,500	16,500	7,000	30,000	42%
				2,000	2,000		4,000	5%
 Infill					300	700	1,000	1%
 Townhouse					1,700	3,300	5,000	7%
Total	5,200	1,600	4,500	23,500	26,200	11,000	72,000	100%
<i>% of Total</i>	7%	2%	6%	33%	37%	15%	100%	



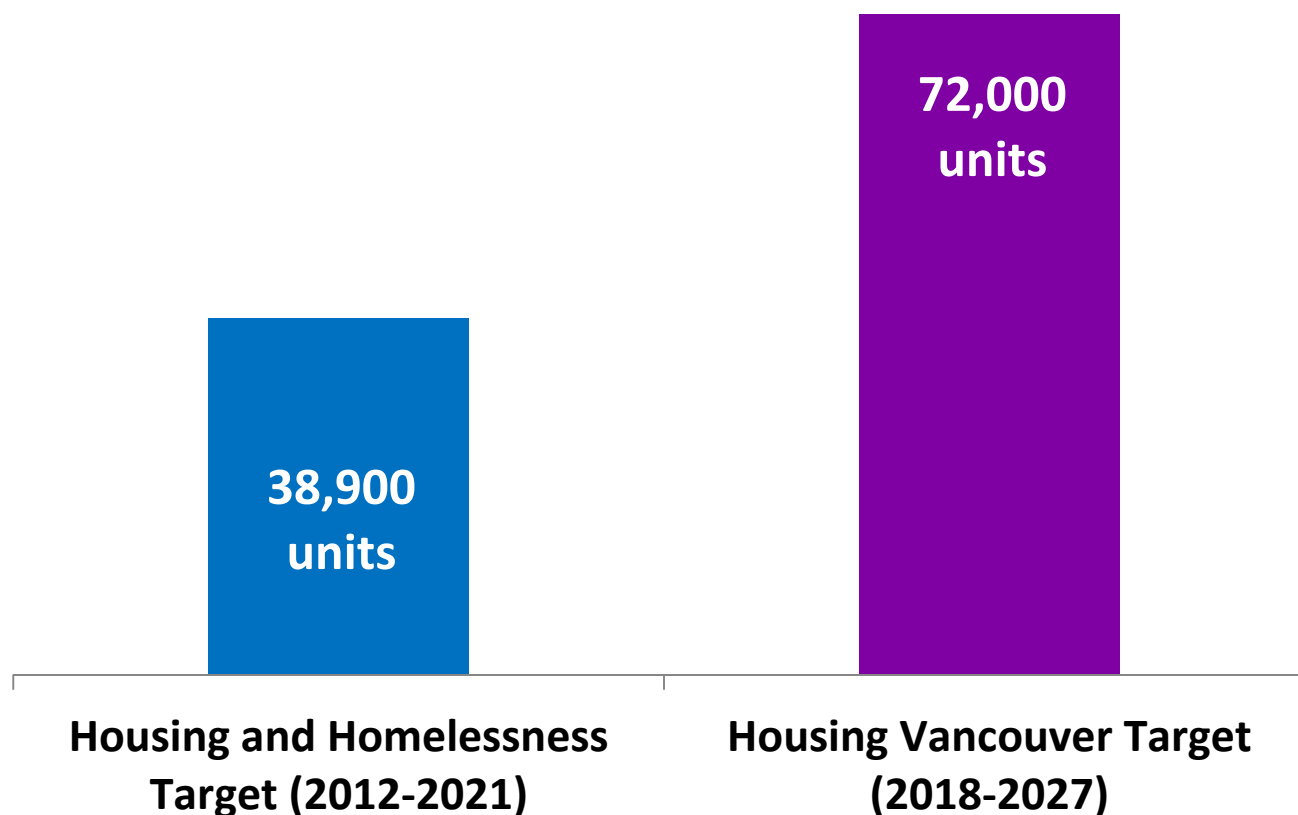
Housing Vancouver Targets Drive a Shift Toward the Right Supply

- **72,000 new housing units** over 10 years
- **65% of new housing** will be for renters including:
 - › **20,000 purpose-built rental units**
 - › **12,000 social, co-op and supportive housing units**
- **10,000 new ground-oriented units** suitable for families with children and downsizing seniors

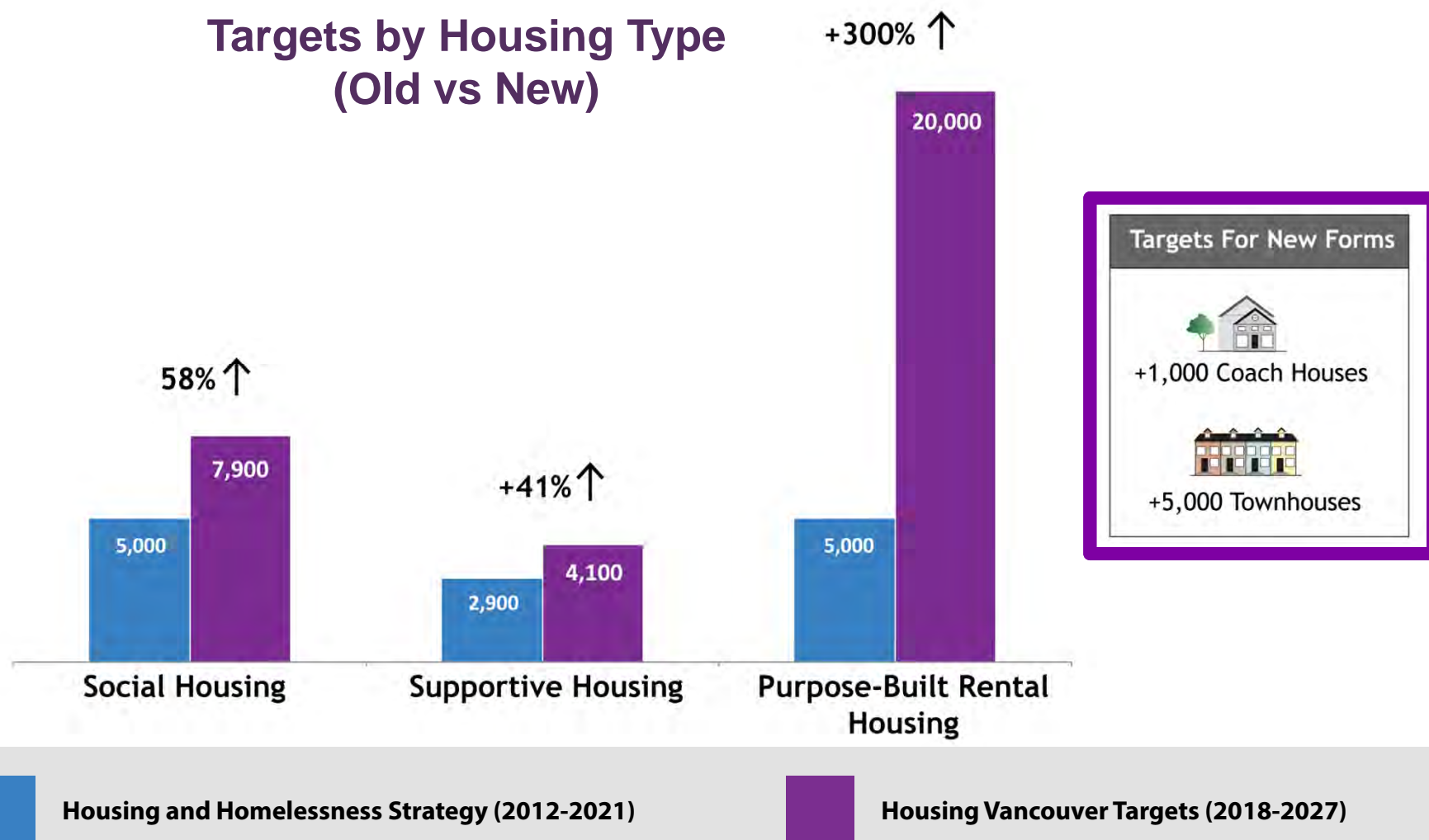


Housing Vancouver Nearly Doubles Our Previous Targets for New Housing

Overall 10-Year Targets for New Housing



Housing Vancouver Targets – Significant Increase in Rental, Non-Market and Family Housing Options



Housing Vancouver – Focus on Limiting Speculative Investment

Key Strategies

- Ensure existing housing is serving locals
- Use City regulations and tools to increase certainty in land use policy and rezoning processes
- Work with partners to understand drivers of demand and address speculation



How Is This Plan Different?

Protecting Our Existing Affordable Housing Stock

Not Just New Supply - Retain & Renew Existing Rental

- Existing Rental is the *Right Supply*
- Critical to Preserve Affordability & Retain Existing Stock of ~90,000 units – includes:
 - › Social Housing
 - › Supportive Housing
 - › Co-ops
 - › Purpose-built Rental
 - › Private SROs

Strengthen City Tools to Better Balance Need for Renewal, Replacement and Expansion of Aging Stock

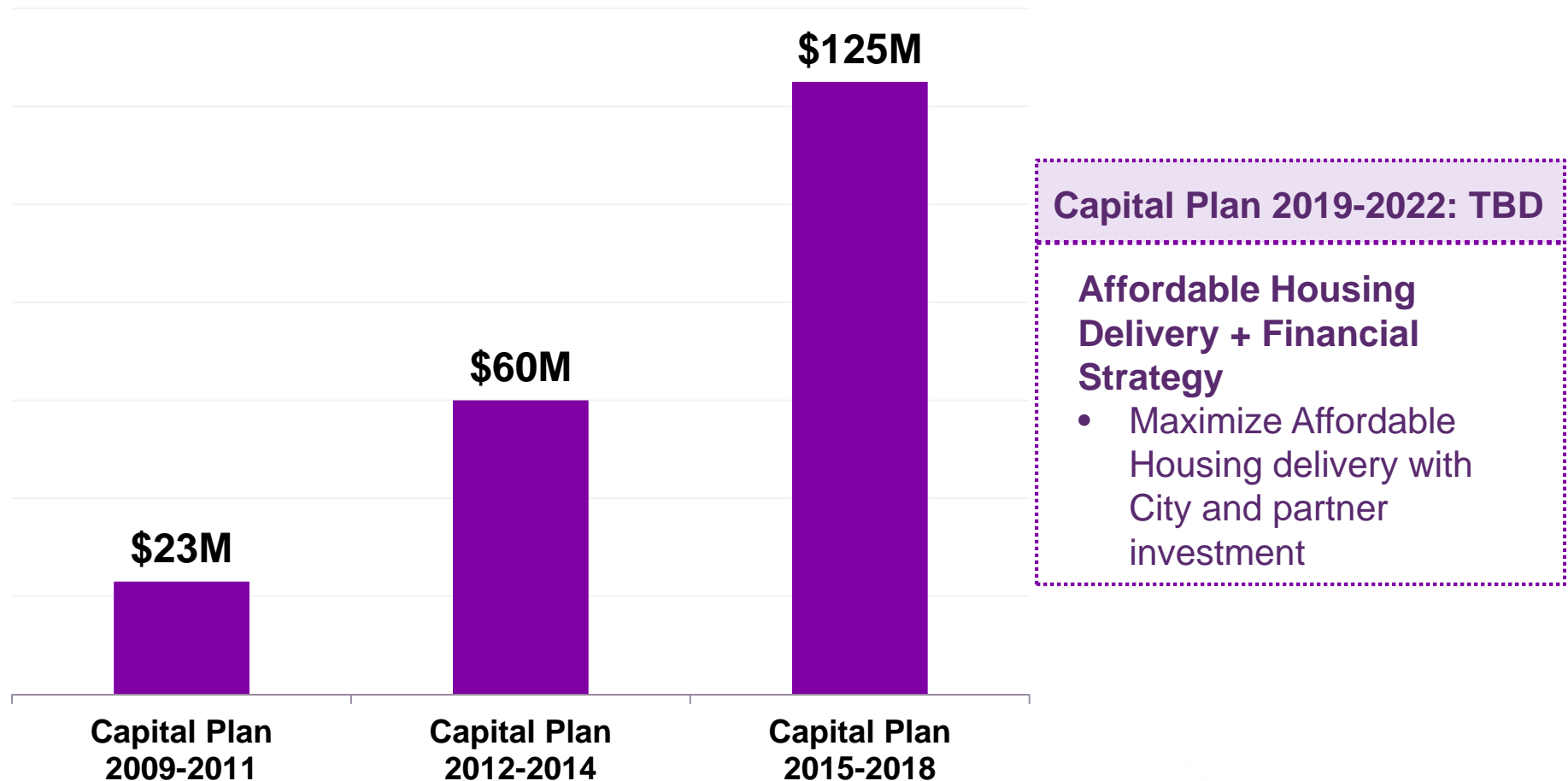


How Is This Plan Different?

Increasing Support & Protection For Those Who Need It Most

Significant Increase in Housing Investment Over the Last Decade

Capital Investments in Affordable Housing



Housing Vancouver: New & Expanded Areas of Focus

**Strengthening
Partnerships and
Aligning
Investments**

**Indigenous
Housing and
Wellness**

**Supporting
Renters**

**Preventing
Homelessness and
Creating Pathways
to Housing
Stability**



Housing Vancouver: A Comprehensive Strategy

Strategy Covers the Wide Spectrum of Housing Issues and Needs

- **110 actions over the next 3 years** will advance *Housing Vancouver* priorities and targets
- **No single ‘magic bullet’** but many steps taken together will help achieve our vision

10-Year Housing Targets
Addressing Housing Demand and Speculation
The Right Supply
Strengthening Partnerships and Aligning Investments
Indigenous Housing and Wellness
Preventing Homelessness and Creating Pathways to Housing Stability
Retaining and Renewing Existing Rental, Co-op, and Social Housing While Preserving Affordability
Supporting Renters
Expediting, Clarifying and Simplifying City Processes for Housing Developments
Implementation, Monitoring, and Financial Strategy



4) *Housing Vancouver* Priority Areas

Housing Vancouver: New Priority Areas

1. Shift towards the Right Supply - deliver rental, social and ground-oriented market housing around transit

Launch New Planning Programs

- Broadway Corridor
- 3 Station Area Plans (Nanaimo, 29th Avenue, Olympic Village)

Rental Only Zones

- Request authority from provincial government
- To further prioritize delivery and retention of rental housing



Housing Vancouver: New Priority Areas

1. Shift towards the Right Supply (*continued*) - deliver rental, social and ground-oriented market housing around transit

Moderate Income Rental Housing Pilot

- Builds on success of Rental 100
- Time-limited pilot program to deliver up to 20 projects
- 100% rental projects - 20% floor area for moderate income households
- Targets incomes between \$30k and \$80k per year



Housing Vancouver: New Priority Areas

1. Shift towards the Right Supply (*continued*) - Advance the Transformation of Single- & Two-Family Neighbourhoods

Intensify housing variety through new programs (e.g. Oakridge MTC, Station Areas), while evolving low-density areas through creative ground-oriented options, such as low-rise apartments, townhouses, and infill

- Deploy a Tactical Response Team to create new policies and make zoning changes
- Initiate planning around shopping areas & neighbourhood centres
- Advance innovative design thinking (including a Laneway Housing Review and Innovation Challenge)



Housing Vancouver: New Priority Areas

2. Limit Speculative Investment

- Develop a new policy to stabilize land values and limit speculation prior to the adoption of an approved community plan
- New requirement that pre-sales of condominium units be offered to locals first
- Canada's first Empty Homes Tax, Short-Term Rental Regulations to ensure housing is about homes first



Housing Vancouver: New Priority Areas

3. New 10-Year Affordable Housing Delivery and Financial Strategy

- Develop new approaches and business models to deliver affordable housing
- Focus on the 12,000 units of non-market housing



Housing Vancouver: New Priority Areas

4. 10-Year Regional Indigenous Housing Strategy

- Partner in the development of a 10-year Strategy
- Deliver 5 priority projects:
 - › 1015 E Hastings
 - › 1607 E Hastings
 - › 1618 E Hastings
 - › 235-285 E 5th
 - › 950 Main



Housing Vancouver: New Priority Areas

5. Launch a New Social Purpose Real Estate Incentive Program

- Support non-profit, co-op, and faith-based partners in expanding and renewing affordable and social housing. Develop an incentive program that includes additional density and increases in per-door grants



Housing Vancouver: New Priority Areas

6. Focus on “Housing First” Temporary Modular Housing

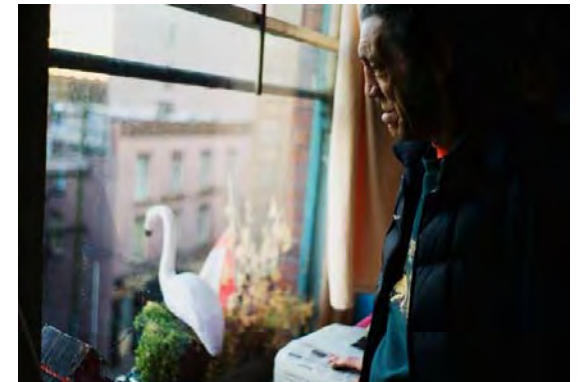
- Request for 1,200 units of TMH across Vancouver in next 2 years
- 600 units expected to be delivered in 2018 through partnerships



Housing Vancouver: New Priority Areas

7. Accelerate SRO replacement while improving the existing stock to enhance affordability, livability and supports for SRO tenants

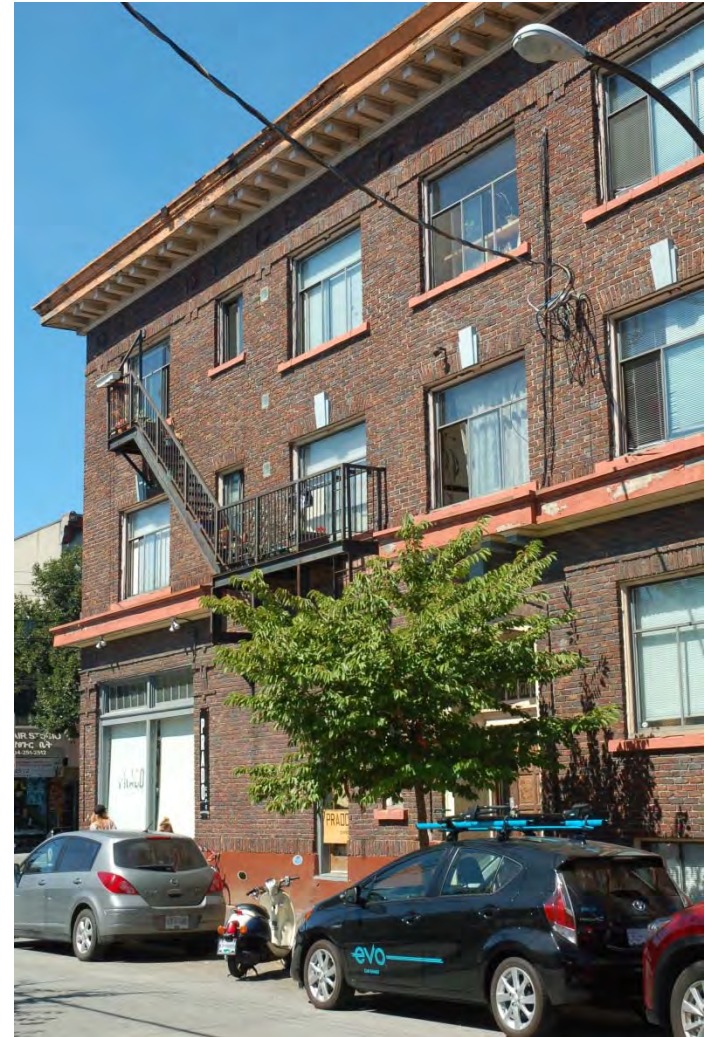
- Accelerate replacement of SROs with self-contained social housing – convert 50% of remaining private SROs in the next 10 years
- Work with senior gov't to initiate a \$200 m SRO Revitalization Fund; proactive enforcement and regulatory approach
- Build capacity among SRO tenants
- Collaborate with province for supports and tenant protections



Housing Vancouver: New Priority Areas

8. Increase Rental Protections

- Create a new Renter Protection Manager position to assist tenants and applicants
- Lower the replacement threshold in rate of change protected areas to 3 units (from 6)



Housing Vancouver: New Priority Areas

9. Remove Barriers to Support Diverse Ways of Living

- Enable collective housing through Zoning Bylaw amendments



Housing Vancouver: New Priority Areas

10. Cut Through the Red Tape

- Simplify and clarify complicated City processes through:
 - Comprehensive City regulatory review
 - Planning and Development fee review & increased processing capacity
 - Simplified CAC policy for rezoning projects that are 100% rental



Alignment with New Senior Government Commitments

- **New National Housing Strategy** includes commitments to new affordable housing, investments in existing housing, and homelessness
- **New provincial government**
Collaborate on:
 - › Homelessness and poverty reduction
 - › RTA amendments
 - › Tax & financial regulations to limit speculation
 - › Charter changes
 - › Regional Table on Social Housing delivery

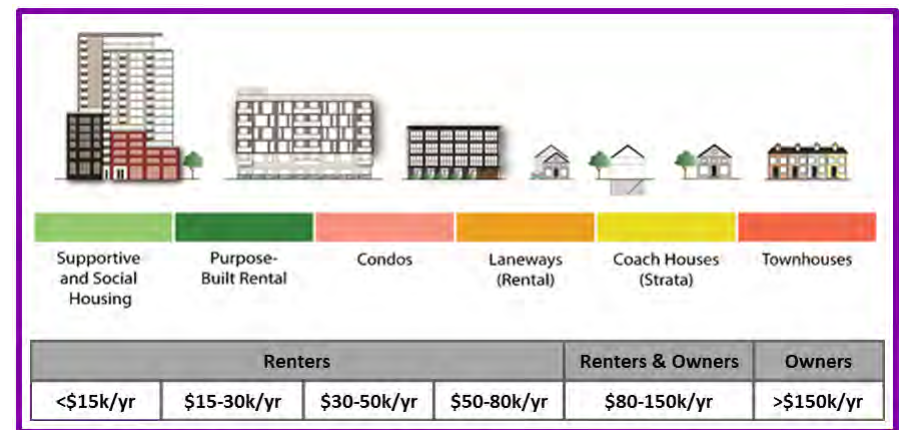


How Will We Track Our Progress?

Annual *Housing Vancouver* Progress Report

- **Reporting on Targets – For Both New and Existing Housing**

- › Type of Housing
- › Income Levels Served
- › Type of Household Served
- › Building Type
- › Location



- **Report on Progress Towards 3-Year Action Plan Items**

- › Status of New and Ongoing Policy Initiatives



How Will We Track Our Progress?

Annual Housing Vancouver Progress Report

- **Establish Benchmarks & Track Indicators of Success - Based on Housing Market Conditions, including:**
 - › Annual Homeless Count results
 - › Census affordability measures
 - › Vacancy rate & market rents
 - › Ownership market price indicators
 - › EHT property status declarations
 - › 311 inquiries & City data on evictions
- **Improve and Enhance Data Collection**
 - › Collaborate with partners on additional metrics



Coming to Council in the Next 6 Months

Housing Vancouver in Action

- Policy to Stabilize Land Values in Planning Programs
- Collective Housing By-law Amendments
- Laneway Housing Review & Innovation Challenge
- Moderate Income Rental Housing Pilot Program – Launch & Update
- Comprehensive Review and of the City's CAC Policy
- Rental Housing Stock ODP Update
- 10-Year Affordable Housing Delivery & Financial Strategy
- Housing Vancouver Progress Report



Thank-you.