

2024 Housing Progress Update

Housing Vancouver Progress Towards Targets

Outline

1. Background and Context
2. 2024 Housing Approvals
3. Housing Under Construction and Completions
4. Annual Progress Report Summary



Housing Vancouver Strategy

- **Housing Vancouver Strategy Priorities:**
 - Shift toward rental and non-market housing
 - Protect and retain the existing rental stock
 - Support marginalized residents

Goal: Shift new housing toward the “Right Supply” to address a diversity of incomes and building forms.

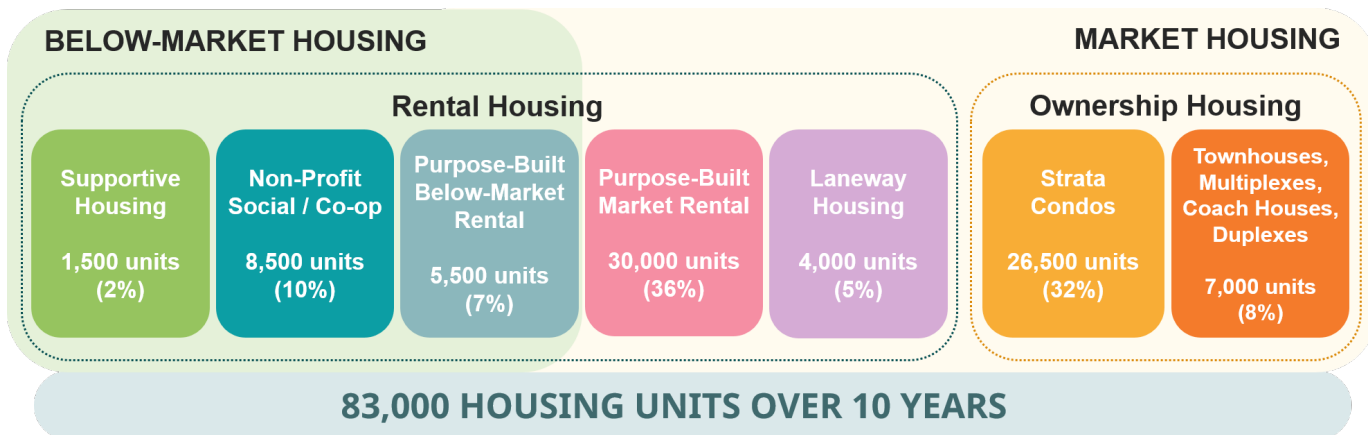


Updated Housing Vancouver 10 Year Target (2024 -2033)

New housing targets approved in June 2024

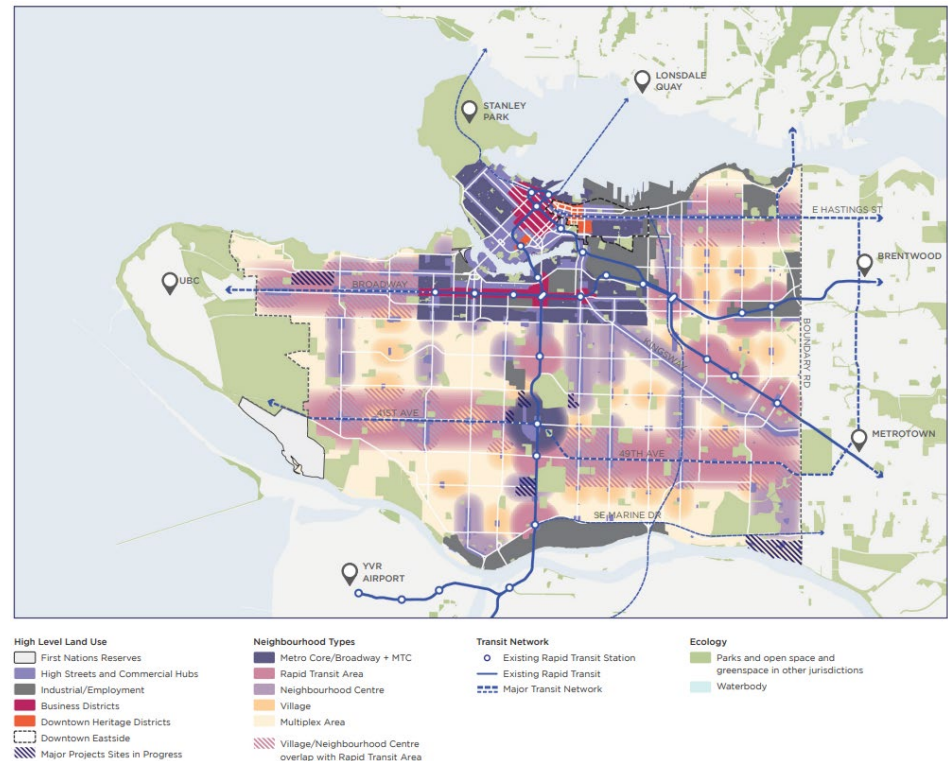
Key goals:

- ✓ 83,000 new homes over 10 years
- ✓ 3/4 of all new homes will serve renter households
- ✓ 19% of new homes will be below-market rental
- ✓ 40% of new homes to be suitable for families
- ✓ Increase low density ground-oriented forms such as townhouses and multiplexes



Vancouver Plan

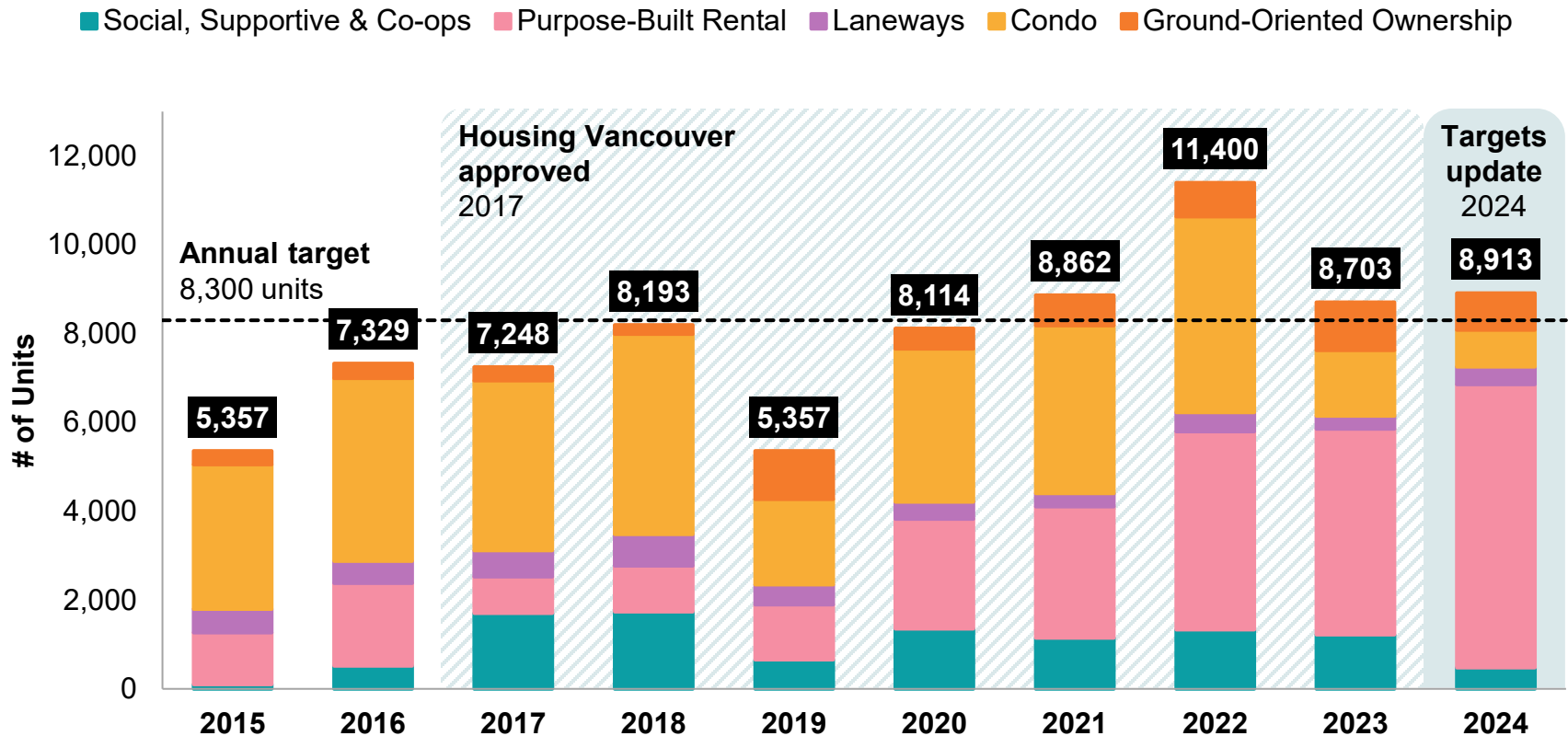
- Supports a range of policies promoting an **equitable housing system** that prioritizes housing for those who need it most
- Advances Housing Vancouver through city-wide land-use policies, with a **focus on adding rental and non-market housing**
- Direction to develop **demographic-based housing strategies** and embeds the **Housing Vancouver Three-Year Action Plan (2024–2027)**



2024 Housing Approvals

Meeting Overall Supply Targets

Annual Housing Approvals 2015–2024



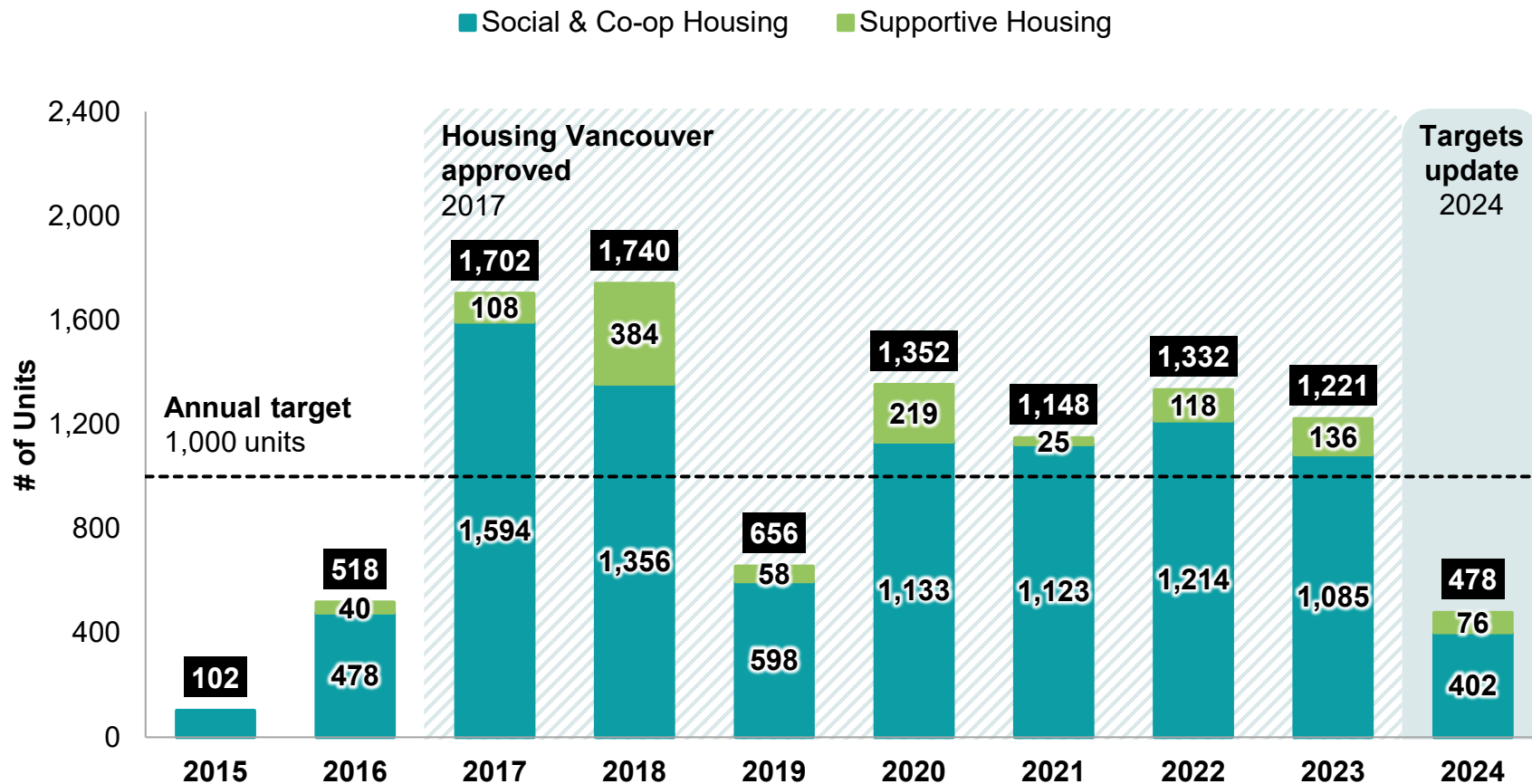
Targets are a measure of net new approvals – defined as project approvals at public hearing for developments requiring a rezoning, or development permit issuance for projects that do not require a rezoning.

* Ownership approvals (including condo & ground-oriented ownership) reflect gross units approved prior to 2024.

** Duplexes with secondary suites were not previously tracked towards ground-oriented ownership approvals until 2023.

Non-Market Housing: Slow year for approvals

Annual Social, Supportive & Co-op Housing Approvals 2015–2024

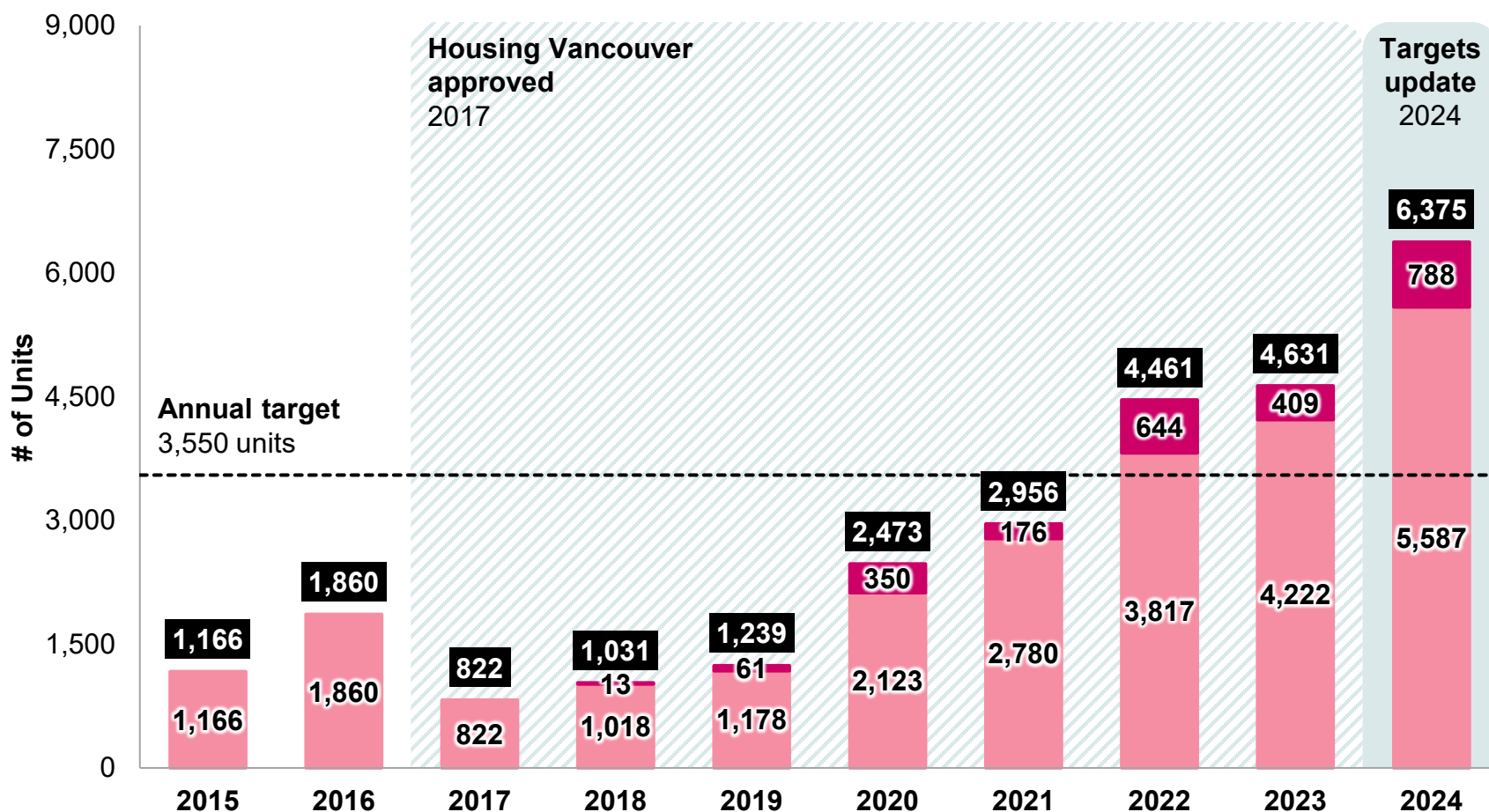


Low social & supportive housing approvals in 2024 follow high volumes of approvals in previous years. Social & supportive housing approvals are expected to increase once in-stream projects complete and non-profit developers look to start new projects.

Purpose-Built Market Rental: Record year for approvals

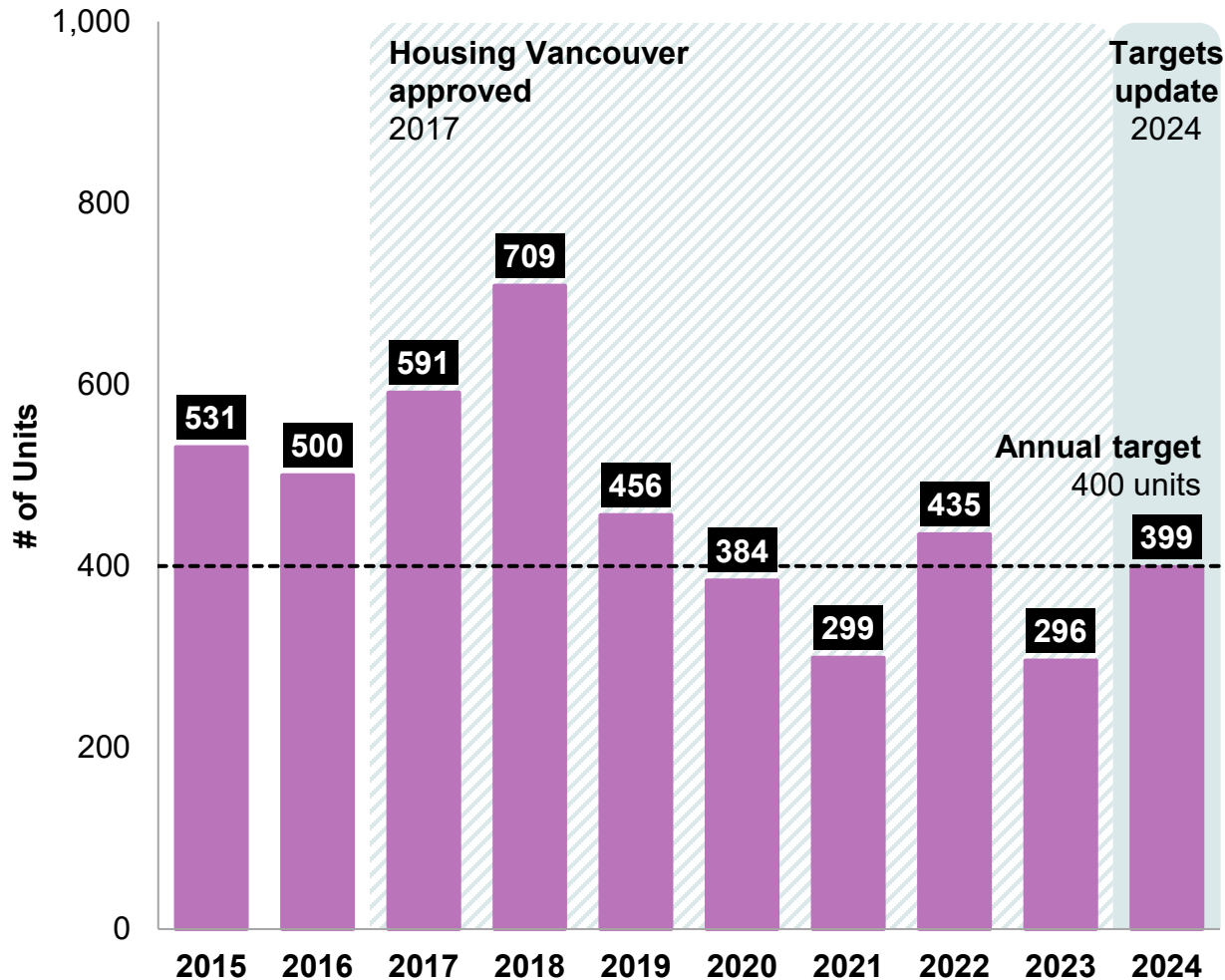
Annual Purpose-Built Rental Approvals 2015–2024

Market Units Below-Market Units



Laneway Houses: Meeting the annual target

Annual Laneway Approvals
2015–2024

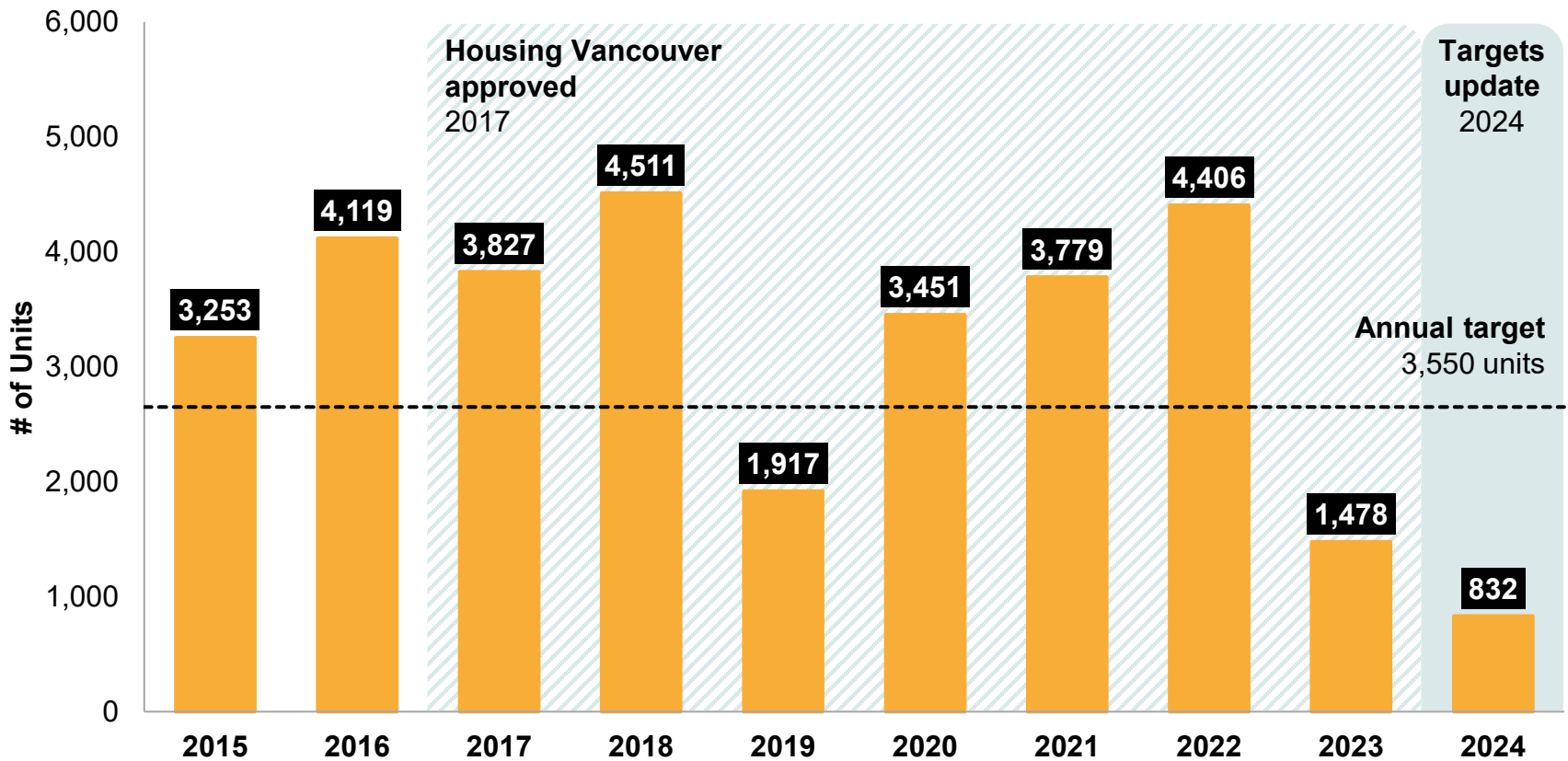


Laneways are a form of infill housing that cannot be strata-titled

Less laneway permits issued compared to previous years given the shift to new housing options such as multiplexes and duplexes.

Condominiums: Decline in approvals

Annual Condo Approvals
2015–2024

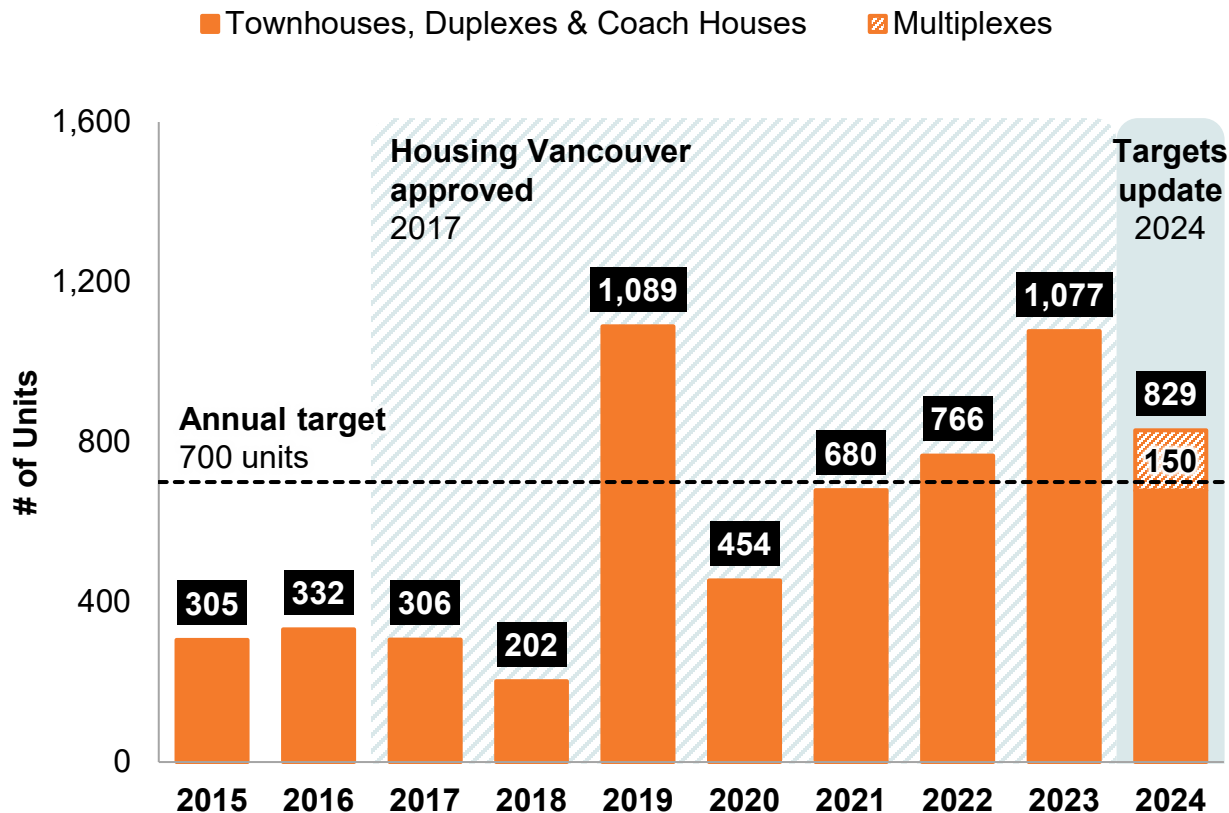


Fewer condo projects proceeding to approval in 2024 can be attributed to unfavourable market conditions (e.g. higher interest and mortgage insurance rates) and rising construction costs.

** Condo & ground-oriented ownership approvals reflect gross units approved prior to 2024.*

Ground-Oriented Ownership: Strong duplex approvals support meeting annual target

Annual Ground-Oriented Ownership Approvals 2015–2024



150 multiplex units approved since Council enacted bylaws to enable them on Oct. 17th 2023.

* Condo & ground-oriented ownership approvals reflect gross units approved prior to 2024.

** Duplexes with secondary suites were previously not tracked towards ground-oriented ownership approvals until 2023.



Townhouses provide new ground-oriented homeownership options for families and downsizing seniors



Multiplex is a small-scale multi-unit project that can be strata-titled on a single lot



Coach houses are a form of infill housing that can be strata-titled and are saleable separate from the main property

Demand slows as supply grows across the region

- **Rental demand tempered by slower immigration**
- **Increasing new supply across the region**
- **Overall vacancy rate increase driven by vacancies in the newer, more expensive rental stock**

Lower lending rates and balanced market create 'rare' window of opportunity for Metro Vancouver buyers: real estate experts

Regan Hasegawa, CTV News
January 29, 2025

More vacancies but higher average rent prices forecast for Metro Vancouver: CMHC

Lower overall demand to temper impact of new pricier units entering the market, housing authority says

Jon Azpiri, CBC
February 20, 2025

Immigration cuts will help narrow Canada's housing gap but won't solve crisis

Robert Hogue, RBC Thought Leadership
November 4, 2024

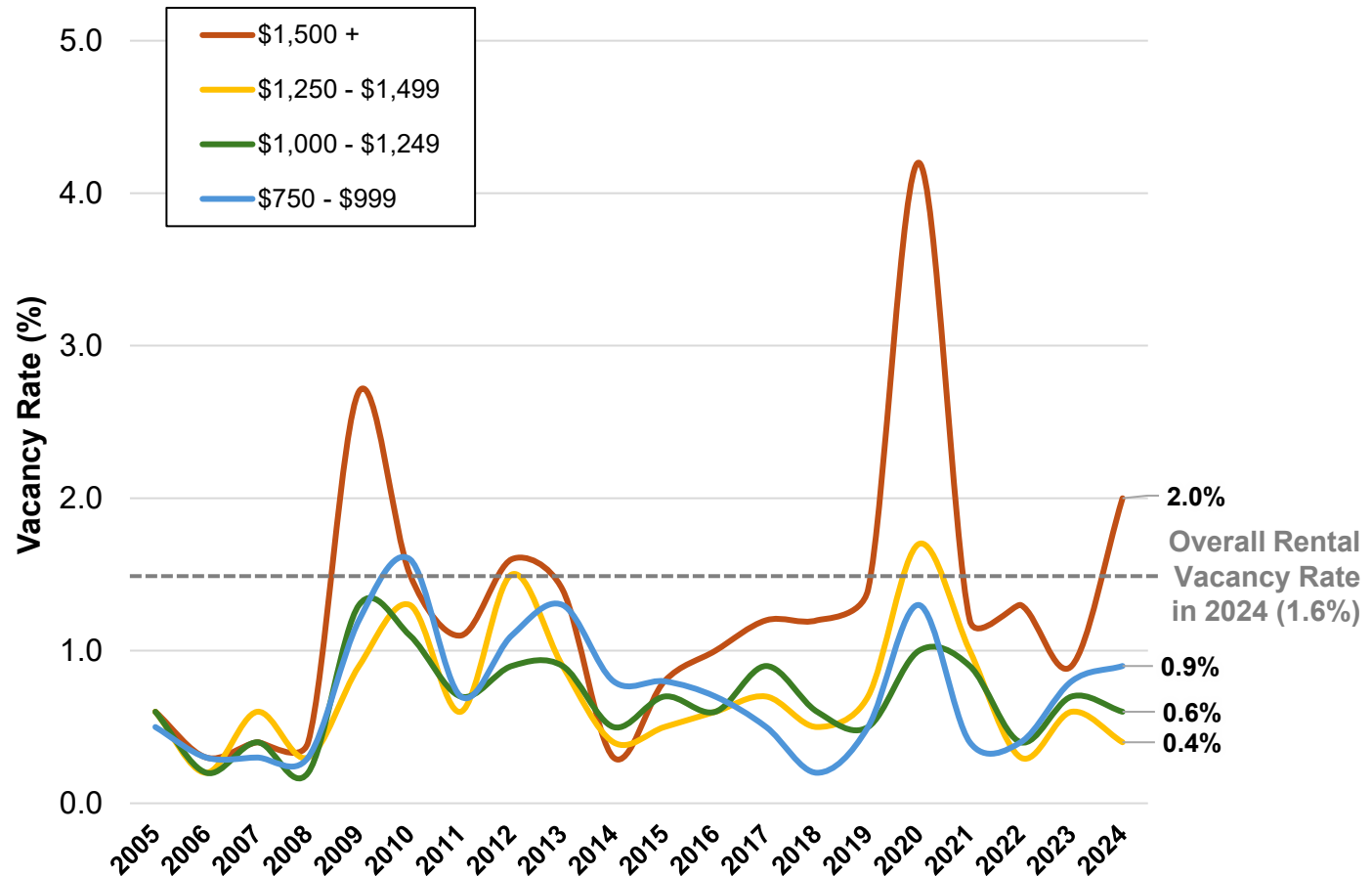
Vacancy rates remain low in the more affordable stock

The market remains relatively tight especially in lower-priced segments.”

Fall 2024 Rental Market Report, CMHC

Increased vacancy rate in the most expensive rental stock drove overall rental vacancy to reach 1.6% city-wide. Vacancy among less expensive rental units remains below 1%.

Rental Vacancy Rate by Rent Range in the City of Vancouver
2005–2024



Source: CMHC Rental Market Survey

Economic climate faces uncertainty

High construction costs, low labour availability, lack of low-cost financing, and uncertainty in the market (e.g. new tariffs) challenge construction of new housing supply

Workforce shortages among reasons for concern in B.C.'s construction industry: BCCA

Srushti Gangdev and Aastha Pandey-Kanaan,
City News Vancouver

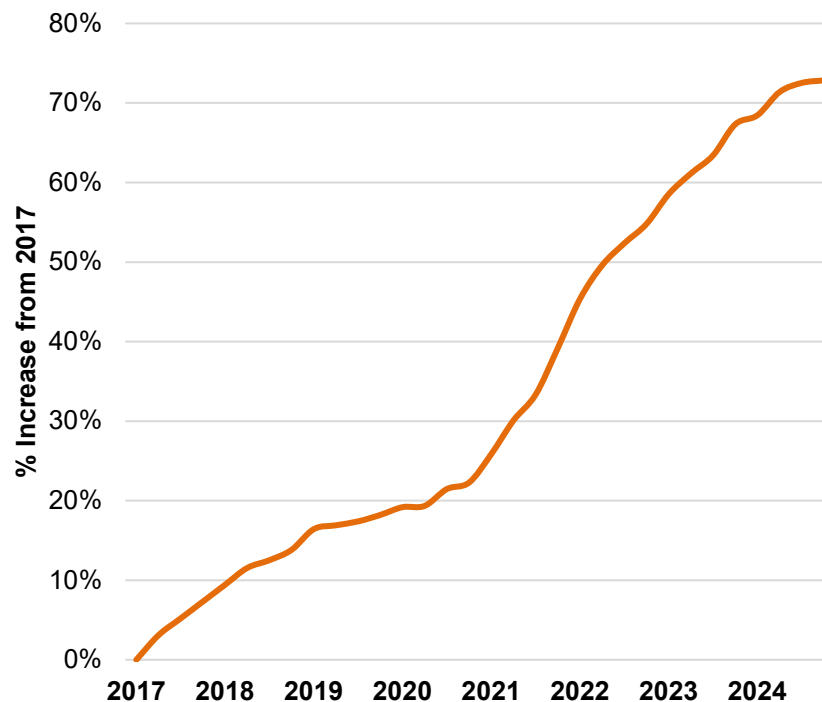
October 20, 2024

inflation is cooling, but trade wars are heating up

January's inflation data shows core PCE cooling to the lowest level in seven months, but escalating trade wars threaten to overshadow this progress.

William Ye, Rennie Market Intelligence
March 5, 2025

Residential Construction Price Index
Metro Vancouver

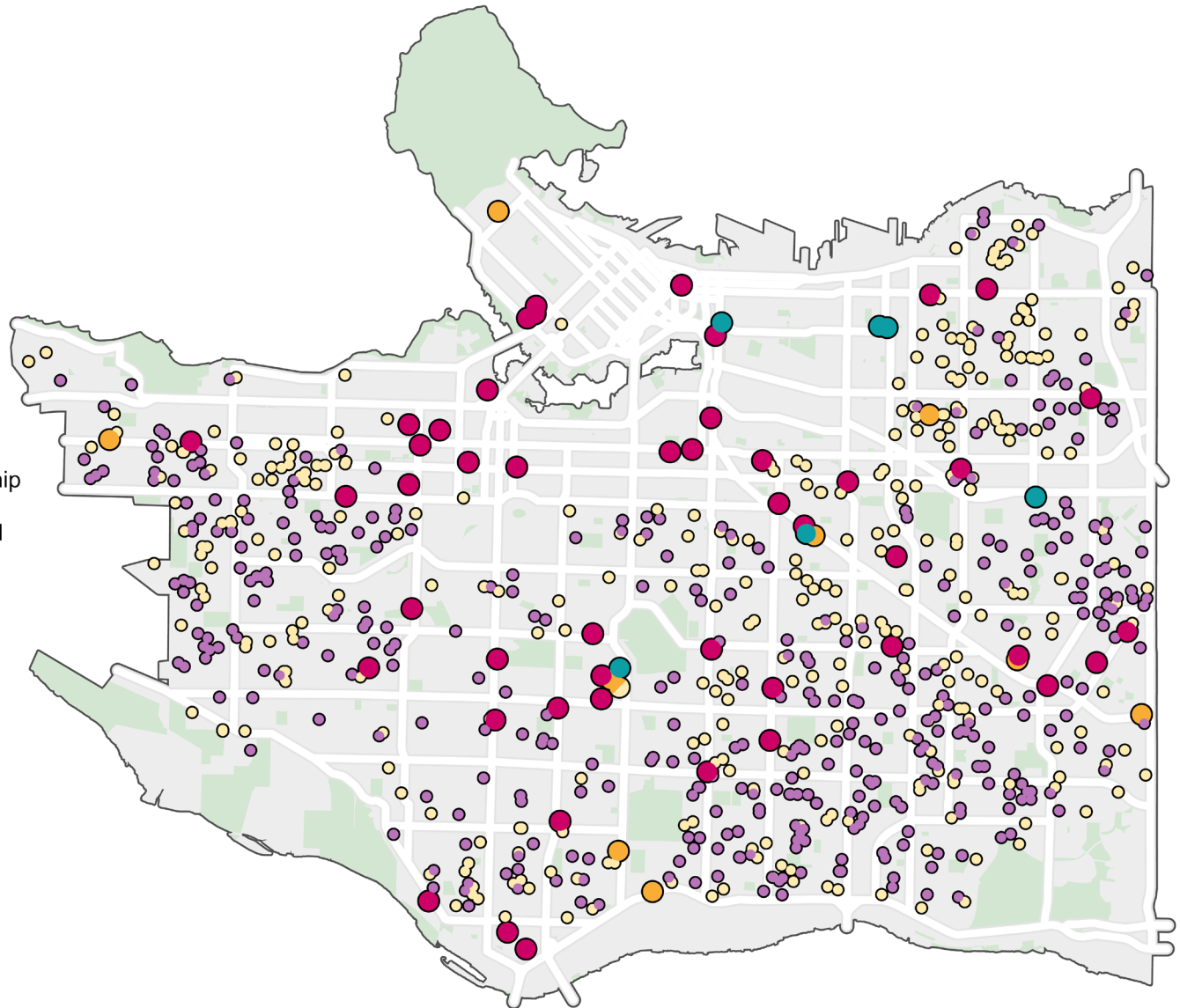


Source: Statistics Canada

Distribution of 2024 Approvals across the City

2024 Housing Approvals

- Social & Supportive
- Purpose-Built Rental
- Laneways
- Condo
- Condo & Townhouse
- Ground-Oriented Ownership
(includes townhouses, multiplexes, duplexes, and coach houses)



2024 Approved Housing for Diverse Communities



2928-2930 Renfrew St – 76 units secured at the shelter component of income assistance with on-site and in-reach supports.



800 Commercial Dr – 93 social housing units on City land with ground floor community service & commercial space.



1656 Adanac St – 97 social housing units for women, families, seniors, and people with disabilities.



1726 W 11th Ave – 283 secured rental units, with 20% renting at below market rates.





998 E 19th Ave – 105 social housing units with a church on the ground floor.



4635-4675 Arbutus St – 73 secured rental units, with 20% renting at below market rates.

2024 Approved Developments with Tenant Relocation Plans

In 2024, there were 18 approved housing developments with Tenant Relocation Plans, impacting 297 eligible tenancies

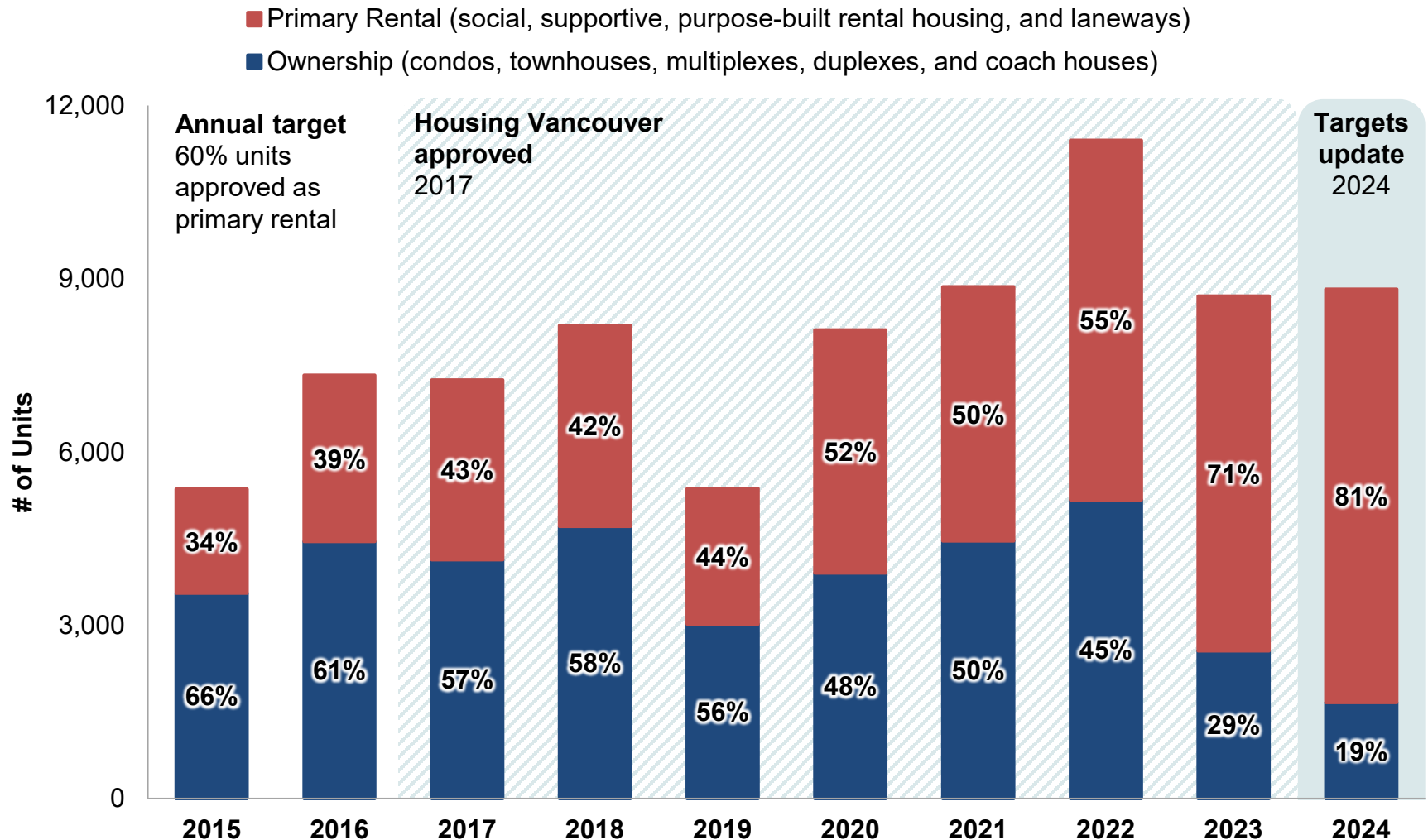
	# of Developments	# of Eligible Tenancies ¹
Total 2024 Approved Developments with a Tenant Relocation Plan (TRP)	18	297
 Existing Primary Rental Buildings ²	9	243
 Existing Secondary Rental Buildings ³	10	54

138 eligible tenancies across approved 5 developments were covered under the enhanced Broadway Plan TRP Policy.

- 1. Tenant Relocation and Protection Policy eligible units were counted for approved projects from January to December 2024, but may not yet be completed Tenant Relocation Plans.
- 2. Primary rental buildings refer to purpose-built-rental, buildings with rental units above commercial spaces; and multiple conversion dwellings with five or more units.
- 3. Secondary rental refers to rented houses, secondary suites, laneways, and rented units in strata developments.

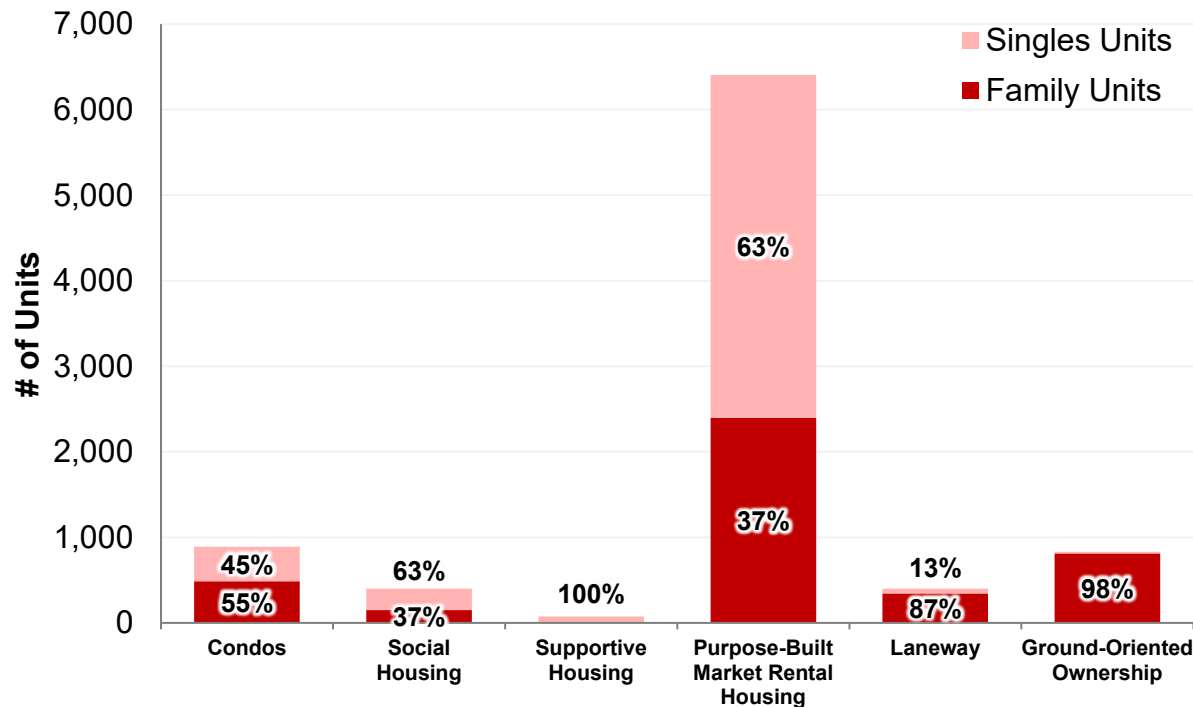
Successfully making the shift towards secured rental while maintaining overall supply targets

Annual Primary Rental & Ownership Approvals 2015–2024

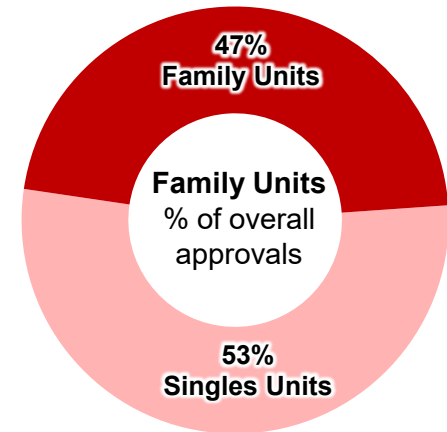


Exceeding family housing target: 47% of approved units in 2024 have 2+ bedrooms

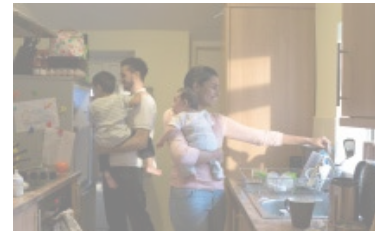
Share of Family Units Approved by Housing Type 2024



Housing Vancouver Goal: ~40% of new approved units to be family-sized

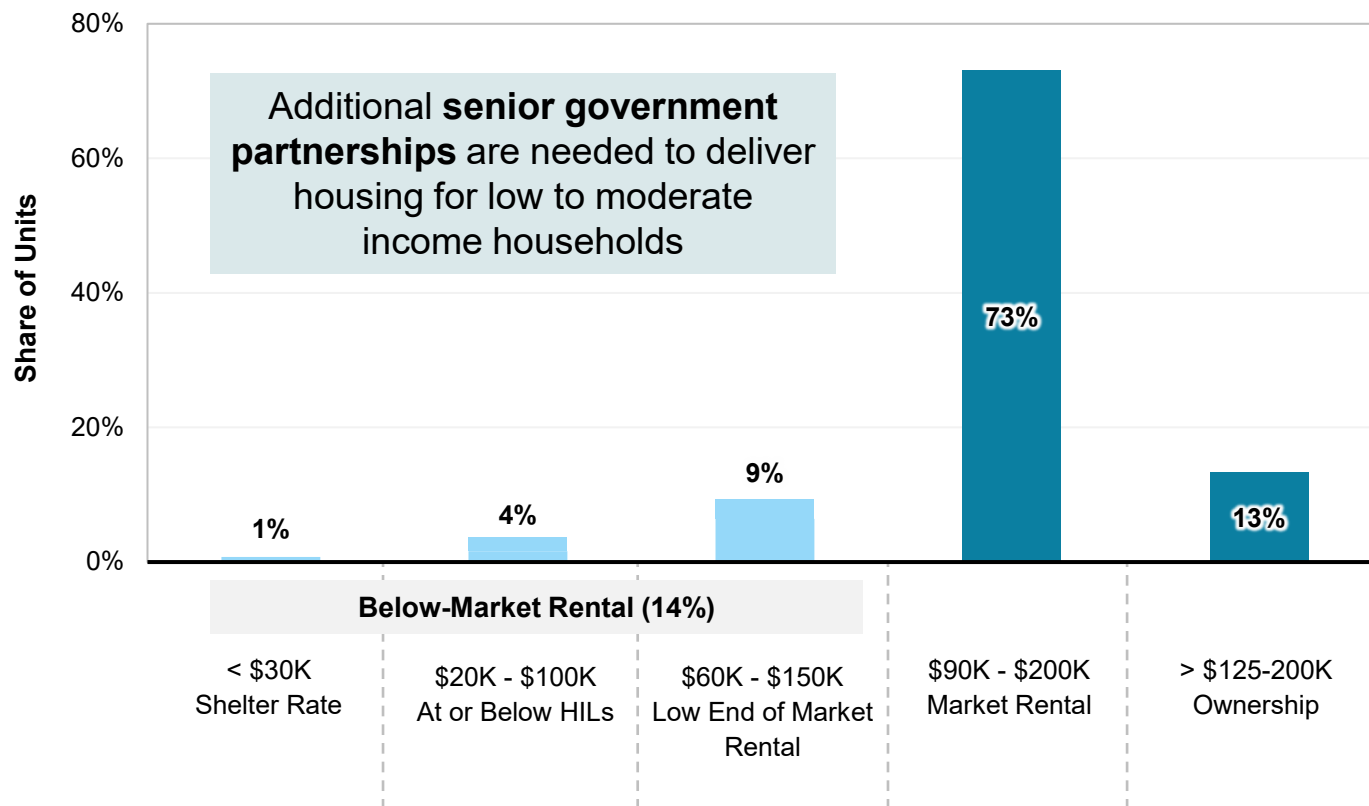


**Family-sized housing consist of 2 and 3+ bedroom units*

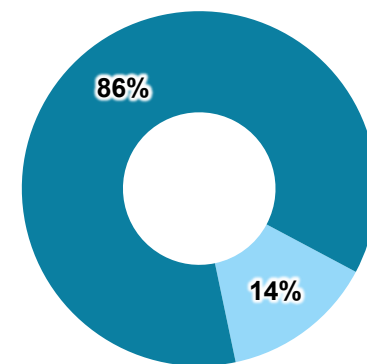


Falling below targets to serve low-moderate incomes: 14% of approved homes in 2024 will be below-market rental

Approvals By Affordability Levels



Below-market rental
Market



Below-Market Rental

Target: 19% of units approved will be affordable at shelter, HILs and Low-End of Market rates through supportive, social and privately-owned below-market rental housing

**Affordability levels range for each categories based on housing costs which vary between unit sizes*

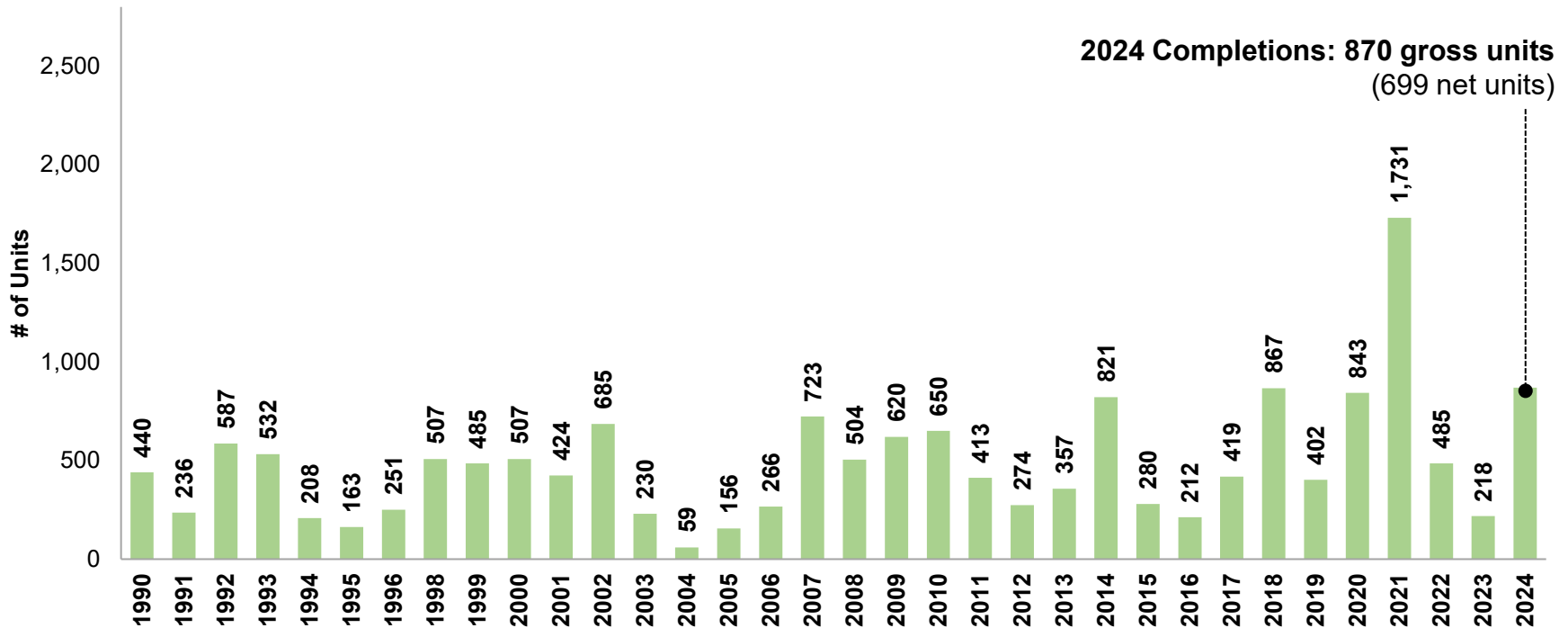
***Income cut-offs based on income assistance estimates, BC Housing's Housing Income Limits, City's below-market rental policy, CMHC's Rental Market Report and MLS average sale prices for the City of Vancouver with assumptions of unit size needed by each household type. Affordability assumed with housing costs at 30% of income*

****Below-market rental category captures all non-market housing units at "shelter rate", "At or below HILS" and at "Low-end of Market Rental" and privately-owned purpose-built rental secured at 10-20% below CMHC average rents*

Housing Under Construction and Completions

Social and Supportive Housing Completions and Acquisitions

Social & Supportive Housing Completions and Acquisitions



Completions have lagged behind approval numbers in recent years due to economic challenges related to:

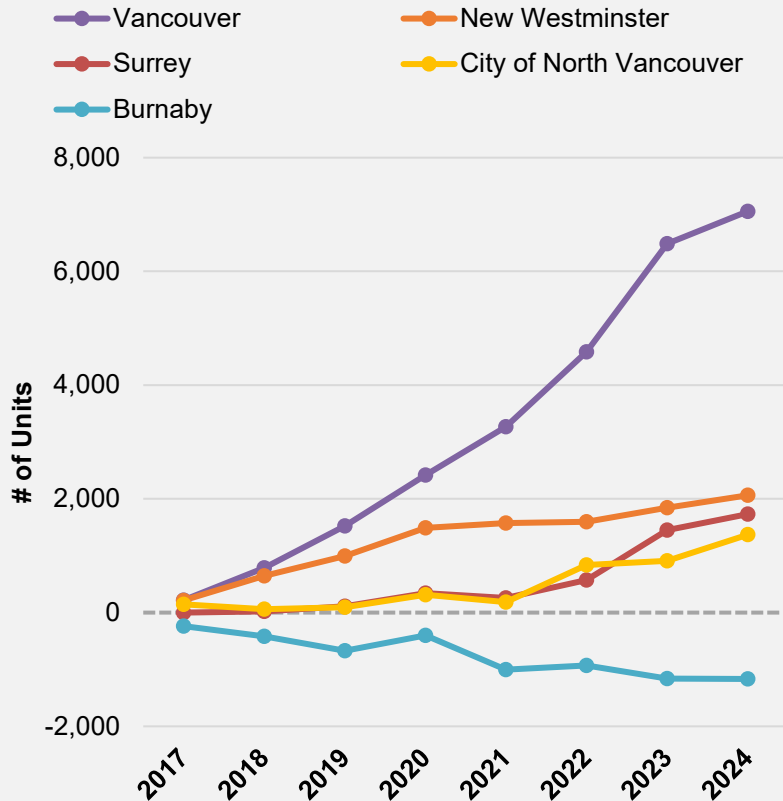
- Funding capacity for social housing
- Escalating construction and supply costs
- Availability of labour and trades



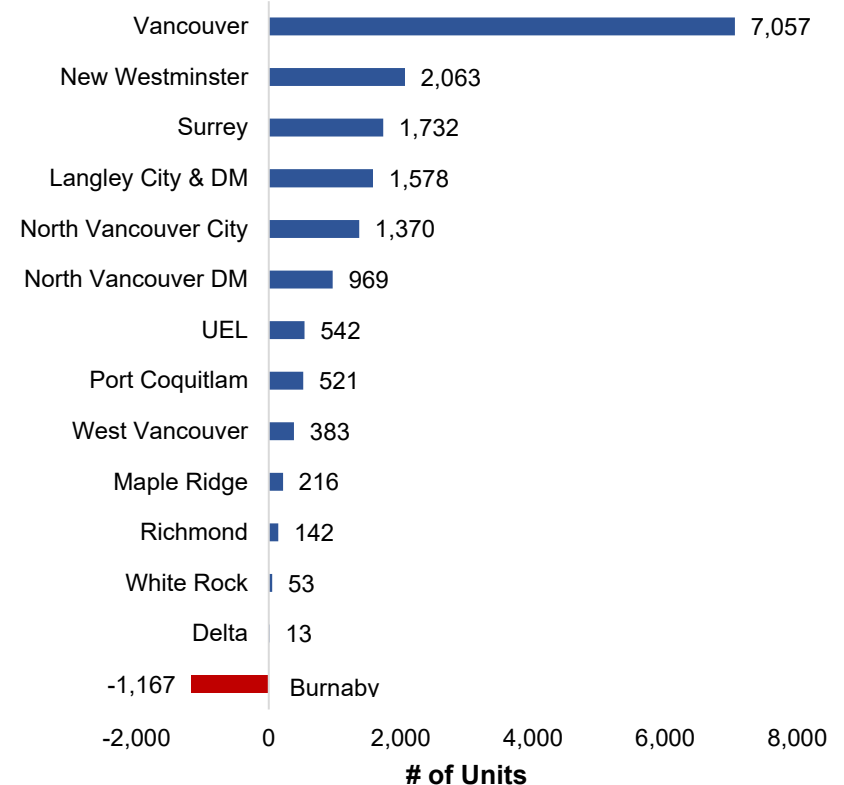
32 W Hastings, Bob & Michael's Place

Lower Annual Completions in 2024 but Significant Gains in Rental Across the Region

Cumulative Change in Primary Rental Stock 2017–2024



Change in Purpose-Built Rental Stock in the Region 2017–2024

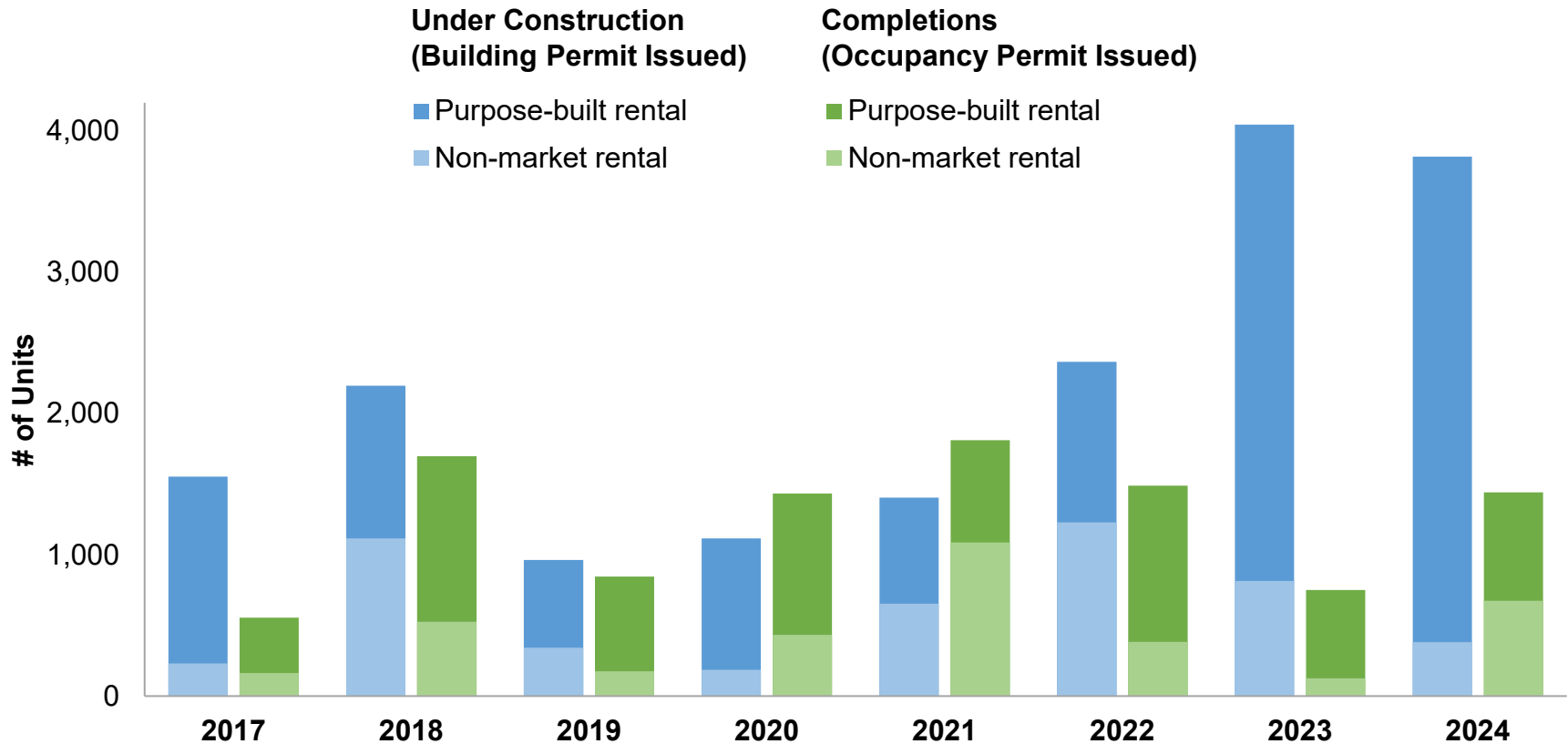


Source: CMHC Rental Market Survey

Note that data does not account for rental or social housing projects under construction and pending replacement of demolished units.

Strong construction starts leading to high completions over the next couple years

Rental Housing Construction Activity 2017–2024



- Over the next 2-3 years, approximately 2,500 social and 7,500 purpose-built rental housing units are anticipated to complete

Annual Progress Report Summary

1. Consistently achieving the overall approvals target in recent years, driven by high market and below-market rental approvals
2. Rental demand remains strong for housing that serves low to moderate income households, but slows for supply at higher rents
3. Economic constraints have resulted in fewer condo projects
4. Strong construction activity expected to lead to higher completions in 2025-2027
5. Meeting the lower income target remains a challenge in the current economic environment



1480 Robson St & 808 Nicola St
Strata + Social housing



Timber & Harmony
1425 & 1451 E 12th Ave
Social housing