July 2020

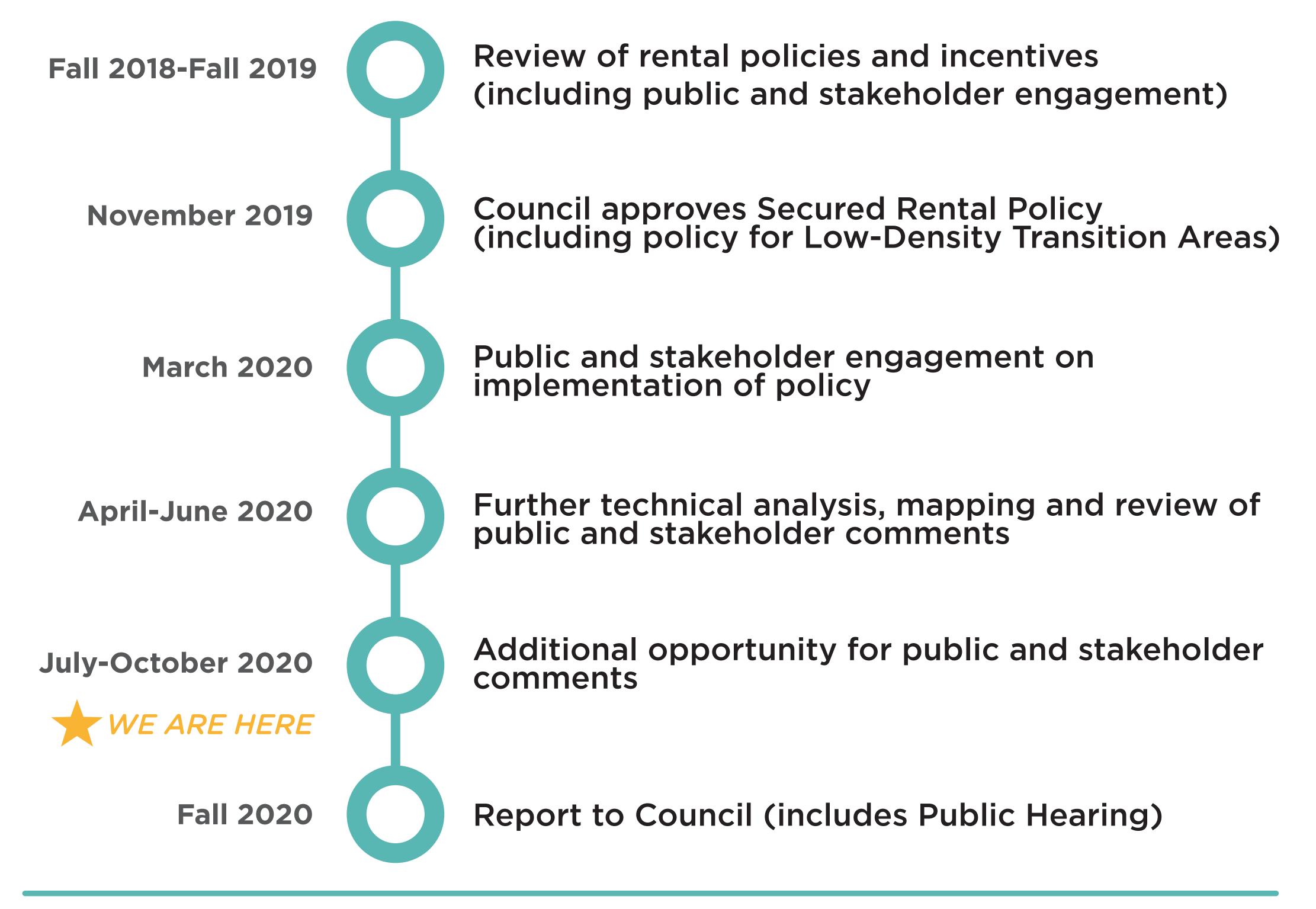
#### Implementation Update & Proposed Policy Changes

Rental housing is important to meet the needs of our diverse population and is vital to a healthy economy. With a growing population and one of the lowest vacancy rates in Canada, the need for rental housing is increasing across the city.

The City has had policy supporting rezoning for new rental buildings in low-density areas (RS or RT zones) since 2012. To encourage more rental housing, improve liveability and address climate change, Council updated the policy in 2019. To implement the Secured Rental Policy we are developing new rental zones to streamline future rezonings by providing more clarity on what type of housing can be considered in low-density areas.

In March 2020 we shared information about the policy and provided an opportunity for comment on the new rental zones. Since then, we have been considering the comments received and completing further technical work. We are now proposing some changes to Secured Rental Policy, sharing more detail on the new rental zones and providing an opportunity for the public and industry stakeholders to review and comment.

#### **Updated Project Timeline**



July 2020

1. Adjusting the area included in the policy to the whole block adjacent to arterial road (including parts of the block off the arterial)

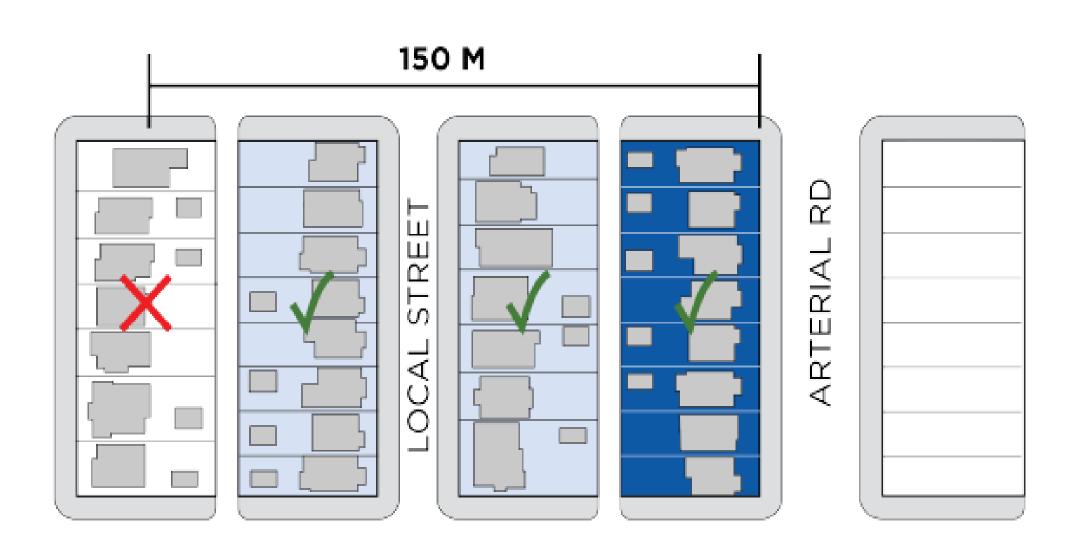
The 2019 policy only included block faces entirely within 150 metres of an arterial road. This approach meant that eligibility varied depending on the orientation, depth and length of specific blocks, and made it difficult to determine which blocks were eligible.

The proposed change would limit eligibility to the first whole block adjacent to the arterial. This change would apply to both parallel and perpendicular blocks as described below:

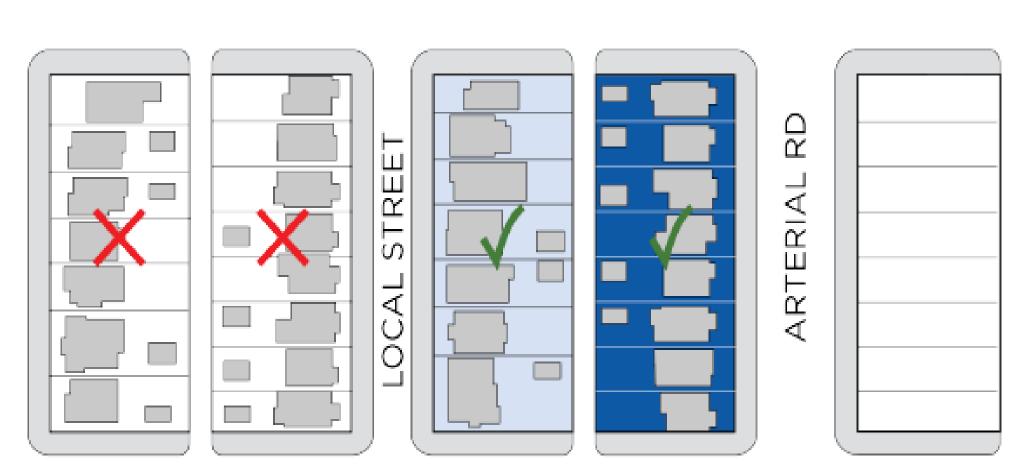
#### Parallel blocks

Where blocks are parallel to arterial roads, this change will remove some block faces that would have been eligible.

The 2019 policy included block faces located approximately 150 metres from the arterial road. As shown below, this sometimes included part of a second block off the arterial.

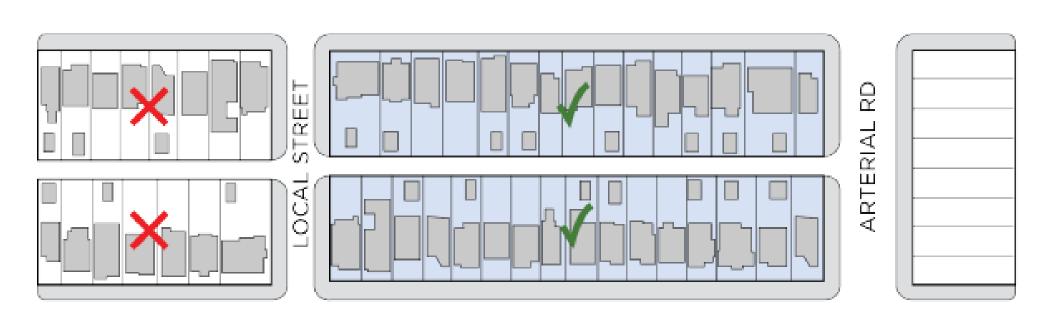


The proposed change would be to limit eligibility to only the first whole block adjacent to the arterial road, as shown below.



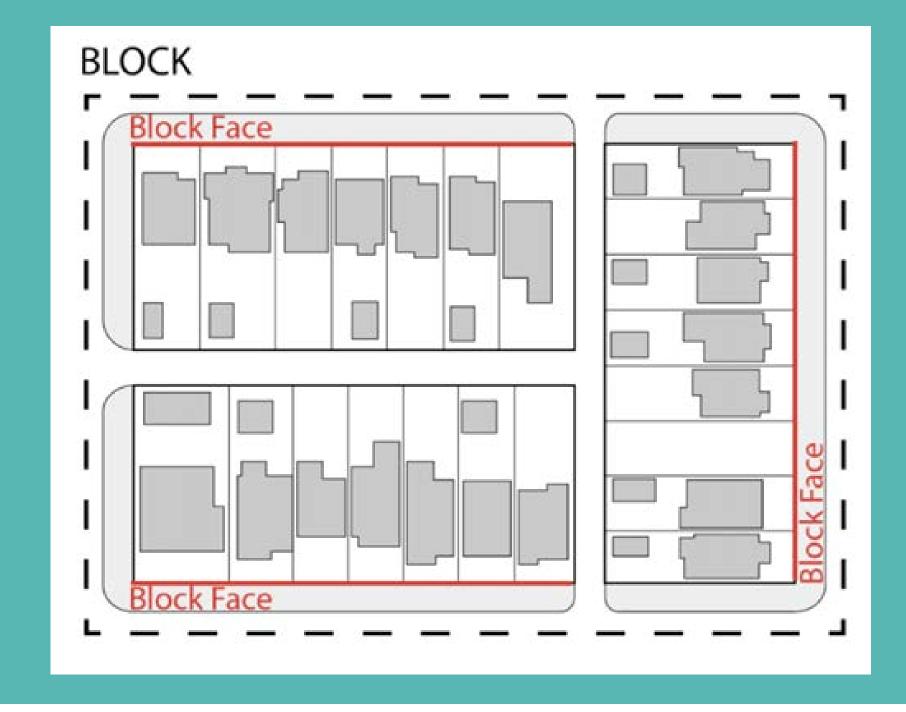
#### Perpendicular blocks

In some cases blocks are perpendicular to an arterial road, as shown below. Previously where these blocks are longer than 150 metres, they would have been excluded. The proposed change would include blocks longer than 150 metres.



### What is the difference between a block and a block face?

A block face is a part of a block where all the houses face in the same direction. A block usually includes more than one block face, often separated by a laneway, as shown below.



July 2020

#### 2. Revising the Corner Lot Requirements

### On Arterials - Replacing Corner Lot Requirement with a Remaining Lot Width Requirement

The 2019 policy required the first rezoning application on a block face to include a corner lot. A change to this requirement is proposed as it was very limiting and did not provide guidance after a corner lot is developed. If the owners of the two corner lots were not interested in redevelopment, then no lots on that block face would have been eligible. The public also noted concerns about the potential for single houses to be left between apartment buildings with no option for development under the policy.

The proposed change is to replace the corner lot requirement on arterials with a requirement to leave a minimum of 99 feet of frontage for remaining lots (99 feet is equal to three standard lots). This is meant to ensure that lots which are not part of a rezoning application have a future development option under the policy.



Example of a site on an arterial that does not leave at least 99 feet of remaining frontage, and would not be eligible.



Example of an eligible site on an arterial that meets the requirement to leave at least 99 feet of remaining frontage.

#### Off Arterials - Removing the Corner Lot Requirement

The new rental zones for block faces off the arterial allow for development of a single lot, so there is no need to require that corner lots be developed first, nor is there a need to require a minimum remaining frontage to ensure remaining lots have a future development option under the policy.

July 2020

### 3. Updating when and where rental buildings may include commercial uses

The 2019 policy included the following guidance for mixed use buildings on arterial roads:

- Mixed use required on a block face with existing commercial use.
- Mixed use not allowed if the block face did not have existing commercial use, with an exception for cases where a whole block face would be rezoned to mixed use.

#### What is a mixed use building?

Buildings that include both residential and commercial uses are referred to as "mixed use" buildings. Commercial uses, such as shops and restaurants, can make streets more lively and provide more amenities close to home.

Further analysis and input from industry found that these requirements are too restrictive and could result in less rental housing being built under the policy.

To increase flexibility and support opportunities for mixed use buildings, two changes are proposed:

- 1. Allowing mixed use buildings on arterial blocks, even when the block is not currently zoned for commercial use.
- 2. Requiring mixed use in fewer cases, usually when a site is adjacent to existing commercial buildings or when other sites at an intersection have commercial uses.





## OTHER SECURED RENTAL POLICY CONSIDERATIONS

July 2020

### Results of the Review of RT-5, RT-7, RT-8 & RT-10 Zones in Kitsilano and Kensington-Cedar Cottage

Areas of Kitsilano and Kensington-Cedar Cottage include RT zoning with character retention provisions. Compared to other RS and RT zoned areas, these places have a significant number of houses that have been converted to three or more units, referred to as "multiple conversion dwellings" or MCDs. A significant share of units in older MCDs are rental housing.

These areas were reviewed to examine the potential impact of the Secured Rental Policy, and the findings included the following:

- The RT zoning in these areas does not require the retention of existing rental units in MCDs. Instead, current zoning encourages the conversion of MCDs to strata units.
- There is very little financial incentive to rezone an MCD with existing rental units in order to build a new rental apartment building.
- Proposed changes to the policy would limit eligibility to the whole first block adjacent to arterial roads. This would result in about the same number of rental MCDs being eligible as under the 2012 rental policy.

The proposed Secured Rental Policy direction is not expected to create any additional pressure to redevelop MCDs in these areas, and no exceptional policy for these zones is proposed. It is recommended that the low-density eligibility requirements be applied consistently city-wide, including in RT zones in Kitsilano and Kensington-Cedar Cottage.

#### Proposed Secured Rental Policy Changes to Add C-1 and RM-1

While the focus of these policy updates is on areas zoned RS and RT, there are also changes proposed to the Secured Rental Policy to expand the opportunity for rental housing in highly suitable locations.

#### 1. Adding RM-1 to the Secured Rental Policy

This change would enable consideration of rezoning for secured rental buildings up to 6 storeys on sites zoned RM-1. These sites are located mainly along arterials in the Knight and Kingsway area and are already zoned for multi-family housing.

#### 2. Expanding the types of rental buildings allowed in commercial (C-1) areas

Currently C-1 zones are included in the Secured Rental Policy, but are only eligible for 4 storey mixed use buildings. The proposed change would include an option for 6 storey buildings where a minimum of 20% of the units are available at below-market rents (affordable to households with incomes up to \$80,000 per year).