

Streamlining Rental

Making it Easier to Build Secure Rental Housing in More Neighbourhoods



Purpose

These boards provide information about the Secured Rental Policy and details on proposed changes that are part of the implementation of the Policy that would make it easier to build secure rental housing in more neighbourhoods.

The Secured Rental Policy

In November 2019, following a 10 year review of the City's rental incentives programs, Council approved the Secured Rental Policy which consolidates, updates, and strengthens policies that have been in place in Vancouver since 2009. The Secured Rental Policy is the outcome of extensive public and stakeholder consultation over the last 4 years, including engagement on the Housing Vancouver Strategy and 3-Year Action Plan (2017), the Rental Incentive Program Review (2019), and the Secured Rental Policy implementation work for C-2 and low-density areas (2020).

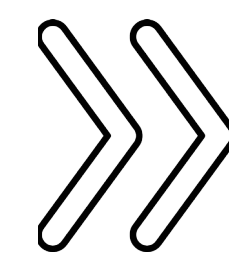
Previous Rental Policies (2009-2019)

Rental 100

Encouraged purpose-built rental housing development in many multi-family areas of the city, including commercial areas

Affordable Housing Choices Interim Rezoning Policy

Encouraged ground-oriented and low-rise purpose-built rental housing near arterial streets close to local shopping areas, including in low density areas



Current Policy (2019)

Secured Rental Policy

Consolidates and enhances previous rental housing programs to encourage rental housing development throughout Vancouver.

Today's Focus: Streamlining Rental Through the Secured Rental Policy

The Secured Rental Policy identifies two key changes to make it easier to build rental housing in more neighbourhoods:

- Changes to C-2 Zoning** to allow new 6 storey rental buildings through the same process as a new 4 storey condo building (without rezoning)
- Changes to the policy for rezoning in low-density areas (RS or RT zones)** to simplify the process by standardizing regulations through new rental zones, and focusing on areas within walking distance of public transportation, shopping and other daily needs.

Acknowledging the Unceded Homelands of the Musqueam, Squamish and Tsleil-Waututh Nations

The City of Vancouver is on the unceded traditional territory of the Musqueam, Squamish and Tsleil-Waututh First Nations.

These lands are the foundation of thousands of years of living culture of the Musqueam, Squamish and Tsleil-Waututh peoples.

We acknowledge hən'qəmiŋəm and Skwxwú7mesh as the original languages of these lands.



How to Get Involved

The City's engagement processes have pivoted to online methods in light of the COVID-19 pandemic. Please take an opportunity to review these boards, and consider providing your feedback.



- Share your thoughts via the comment form
- Fill out the survey
- Attend a virtual information session - June 1 or June 3, 2021

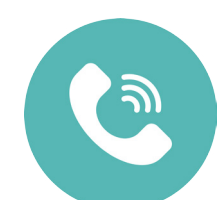
Find details on all three at shapeyourcity.ca/rental-rz

Have Questions?

Contact us directly via shapeyourcity.ca/rental-rz or:



housingpolicy@vancouver.ca



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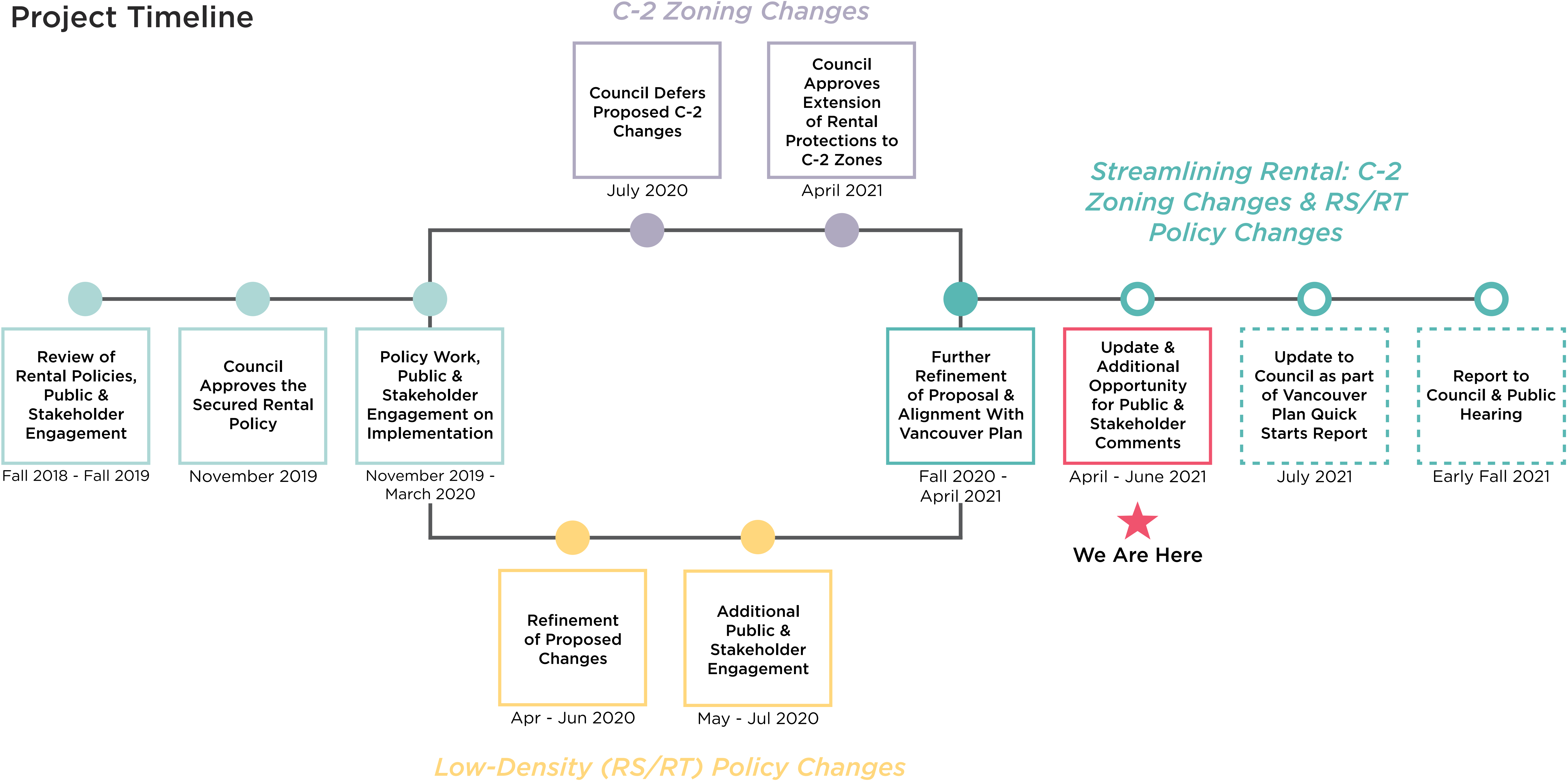


Streamlining Rental

Making it Easier to Build Secure Rental Housing in More Neighbourhoods



Project Timeline



Background & Context

Secured Rental Policy



What is the Secured Rental Policy?

The Secured Rental Policy was approved by Council in November 2019, following a comprehensive review of previous city rental incentive programs. The Secured Rental Policy:

- Consolidates, updates, and strengthens previous rental incentive policies that were in place since 2009 (Rental 100 and the Affordable Housing Choices Interim Rezoning Policy)
- Applies learning from the last decade to improve clarity, streamline process and create more secure purpose-built rental housing in Vancouver
- Is the outcome of extensive public and stakeholder engagement over the last 4 years
- Adding apartments to more neighbourhoods aligns with the climate emergency action plan and equitable housing goal of Vancouver plan

How Does the Policy Work?

The Secured Rental Policy encourages the construction of secure rental housing through incentives, including:

- Increased building height and floor area
- Waiver of development cost levies
- Reduced parking requirements
- Unit size relaxations

As conditions of approval the City secures the building permanently as rental and ensures that family size units are included.



What is Secure Rental Housing?

- Secure rental housing is purpose-built and permanently secured as rental tenure legal agreements that ensure it cannot be converted to a strata (condo) unit.
- Other types of rental housing, such as rented basement suites or condo units, are less secure. Owners can evict tenants to move in, and tenants are often forced to move when the unit is bought or sold.
- Most often, secure rental buildings are apartments, but they can also be other types of buildings such as townhouses



Rental Incentives Program Review

What we learned



Rental Incentive Program Review

Beginning in the fall of 2018, the City conducted a comprehensive 10-year review of its rental housing incentive programs. Our review included:

- Analyses of rental housing projects enabled by City incentive programs
- Economic testing to understand the financial feasibility of building rental housing
- A Talk Vancouver online survey
- A survey of renters living in recently completed rental buildings across Vancouver
- Public open houses and stakeholder workshops

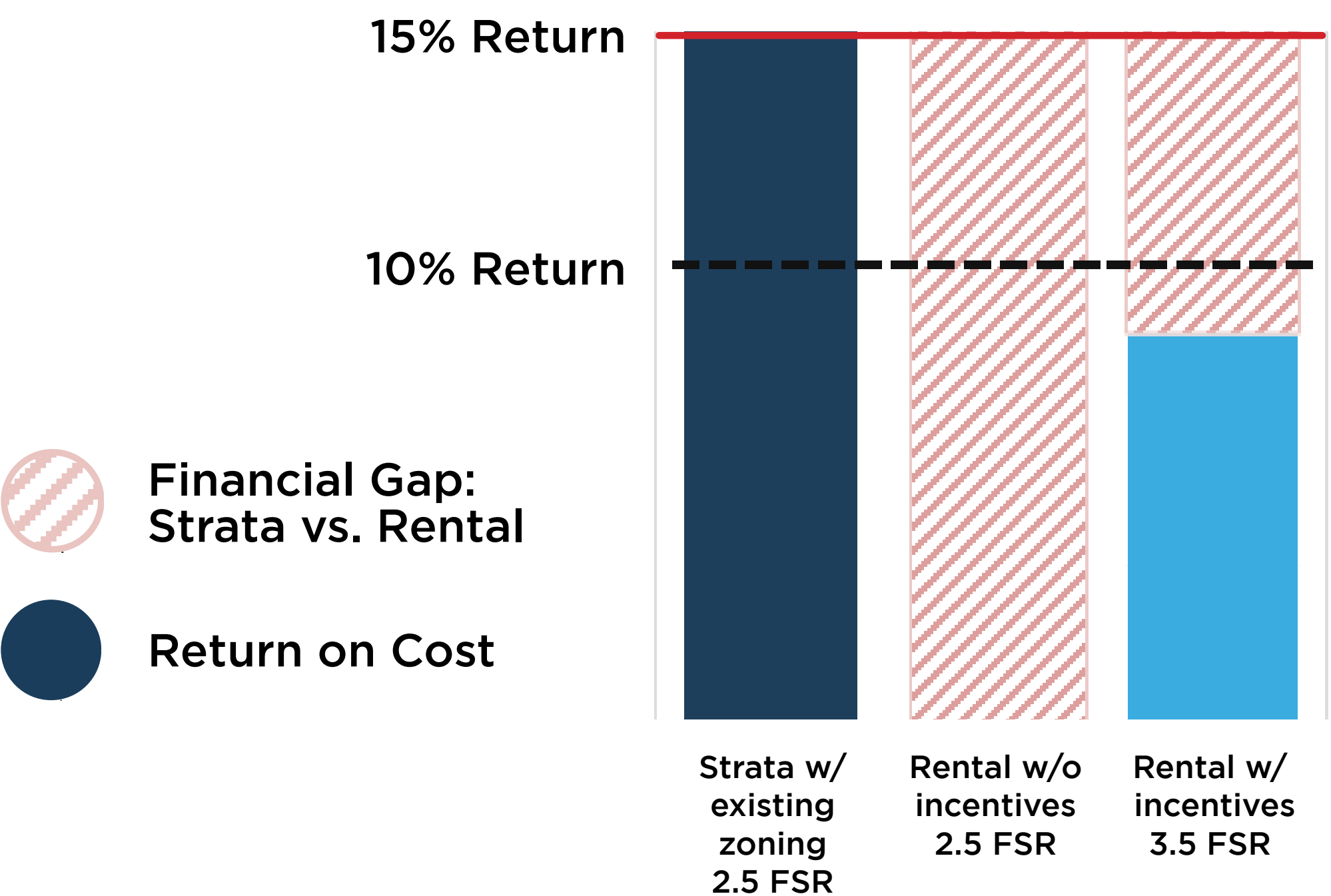
Building rental housing is challenging; incentives are required. Rental housing is only marginally viable to construct, even with City incentives

- Without incentives, we expect developers to build more strata housing and much less new rental housing.

Economic Viability of Rental Development

- Typically, a 15% return on cost is required to secure project financing
- Strata development is much more financially attractive compared to rental
- Without additional incentives, rental is not viable under existing zoning

Approximate Returns on Cost of Redevelopment Scenarios for C-2 Eastside Sites



The development processes for rental housing needs to be improved.

- This can be achieved by clarifying rules and reducing application processing times

New purpose-built rental housing is needed

- 85% of survey respondents indicated there is a need to build more purpose-built rental in the city*

Renters are facing significant challenges finding housing that meets their needs in an extremely tight rental market.

- 61% of survey respondents said their rental home is only somewhat or not at all meeting their housing needs*

Renters desire purpose-built rental housing options throughout the city, not just along arterials

- 82% of survey respondents indicated support for policies to allow rental buildings in low density areas adjacent to major streets and commercial districts.
- Many renters, especially families, want to have the option of living on quieter residential streets rather than on busy arterial roads*

Other housing types are also needed

- 70% of respondents agreed that other housing types are also needed, specifically co-ops (36%), social housing (15%), and townhouses (15%)*

*2019 Talk Vancouver Survey

Background & Context

The Vancouver Plan



What is the Vancouver Plan?

The Vancouver Plan is a city-wide planning and engagement process to create a long-term vision and strategy for a healthy, just, resilient, sustainable, and vibrant city for future generations. This plan will serve as the city’s strategic framework, setting the vision for the future of our city to 2050 and beyond.

The Vancouver Plan is being developed in coordination with a number of programs that are currently underway. These include Broadway planning, Jericho Lands Policy Statement development, Equity Framework, Climate Emergency Response and implementing the Housing Vancouver Strategy. There are a number of quick start actions underway as part of the Vancouver Plan, recognizing the need for immediate action on issues such as the housing and climate emergency crises. For more information on the Vancouver Plan see shapeyourcity.ca/vancouver-plan

Planning Vancouver Together



What Will the Plan Include?

COMMON VISION

A Clear Vision to ensure future generations can thrive and be resilient in the face of uncertainties ahead.



Priorities + Big Moves

Informed by conversations on trade-offs and future scenarios. The Plan will include social, economic, environmental and



A Physical Plan

Showing where change may occur. Including (at a high-level) areas for future housing, jobs, community amenities, park and transportation systems.



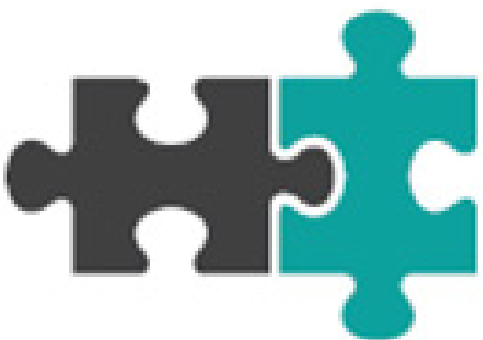
Investment Strategy

To turn our vision into a reality, by coordinating public investments and infrastructure.



Metrics + Targets

To help us evaluate and monitor decisions, and ensure we stay on track after the plan is adopted.



Partnerships

Because we will need a coordinated effort with senior levels of government and other organizations in order to achieve our vision.

Provisional Goals

Coming out of an initial phase of intensive listening, 10 Provisional Goals were approved by Council that reflect what we are hearing and learning. These goals will guide the Vancouver Plan:

1. Advance a City of Reconciliation through Decolonization
2. Create an Equitable, Diverse and Inclusive City
3. Become a Sustainable Carbon-Neutral City
4. Ensure we are a Prepared, Safe and Resilient City
5. Develop and Affordable City with Diverse and Secure Housing for every resident that they can afford with 30% or less of their household income
6. Support a Diverse and Healthy Economy
7. Create Complete, Connected and Culturally Vibrant Neighbourhoods
8. Re-Establish Thriving Urban Natural Systems
9. Intentionally Manage our Growth and Align our Efforts Regionally
10. Demonstrate Transparency in Decision-Making and Collaborate with Partners

The Streamlining Rental initiative is a quick start action that advances multiple Vancouver Plan goals, specifically Goal #5 – An Affordable City, Goal #7 - Complete, Connected and Culturally Vibrant Neighbourhoods, and Goal #3 - Sustainable City. The policy provides an initial layer of change in neighbourhoods to get more people living in walking distance of daily needs.

Background & Context

The Vancouver Plan



Vancouver Plan Engagement: What We've Heard So Far

The Vancouver Plan Phase 2 engagement findings include:

- Calls to make housing affordable for all, and ideas around adding new housing types and options throughout the city.
- Considerations for increased housing density throughout the city, and ideas to discourage the redevelopment of single-family housing in favour of multi-family housing that suitable to mixed incomes, including more rental options
- A need to pursue complete communities in all neighbourhoods to ensure they have a full range of housing, starter housing through to empty-nesters, retirement, and care.
- Feedback from youth includes calls to add more affordable housing across the city, the need to build and support more types of housing - specifically in low-density areas, and the important link between equity and housing.

“Affordability to me is not being restricted from living (renting) or purchasing a home in a neighbourhood because of extremely high prices”

- Renfrew Community Centre Youth Council (age 9-18)

“We need construction of affordable housing while not gentrifying and destroying neighbourhoods or community resources”

- Cedar Cottage House Youth Community Navigator

Early Directions

As part of the Vancouver Plan process, the City is exploring ways to advance an equitable housing system that prioritizes those who need it most. This work includes a focus on an equitable approach to growth and change that mitigates residential displacement while creating new secure rental supply for future generations. In a 2021 housing survey with over 2,450 respondents”

78% of respondents agreed that **“adding housing diversity (i.e. rental apartment buildings) in areas with low housing choice (i.e. single family neighbourhoods)” was important** to lessening the effects of displacement and exclusion on renters.

76% of respondents agreed that **“it should be a priority as part of the Vancouver Plan to make neighbourhoods too expensive for most Vancouver residents more inclusive to low to moderate income households (with annual incomes under \$80,000)”**.

Planning Vancouver Together: Housing

Housing Targets Refresh

As part of Vancouver Plan, the City is undertaking a housing needs assessment to update our 10-year housing targets. This will allow us to better understand the new supply needed to meet both existing and future housing needs.

We know Vancouver is a city of renters, with 53% of households renting and 76% of the change in households between the 2011 and 2016 census made up of renters, growing the share of renters faster than owners. However, we are not a city for renters:

- 52,000 renter households paying more than 30% of their income on housing
- Over 6,000 Vancouver residents are homeless or living in private SRO housing
- Over half our rental housing supply is not secure
- Many renters are at risk of displacement, and are excluded from many Vancouver neighbourhoods

We are exploring policies to better meet the housing needs of existing and new rental households, with more secure, affordable, and livable rental housing options so that we can become a city that works for renters, now and into the future.

Inclusion and Anti-Displacement Lens

As part of Vancouver Plan process, the City is exploring ways to advance an equitable housing system that prioritizes those who need it most. This work includes a focus on a more equitable approach to growth and change that mitigates residential displacement while creating new secure rental supply for future generations. [See Section #3 of the boards to learn more.](#)

The Streamlining Rental initiative advances an approach to growth and change that reduces residential displacement by directing growth away from existing rental areas, while helping to create more inclusive neighbourhoods with greater housing choice.



Background & Context

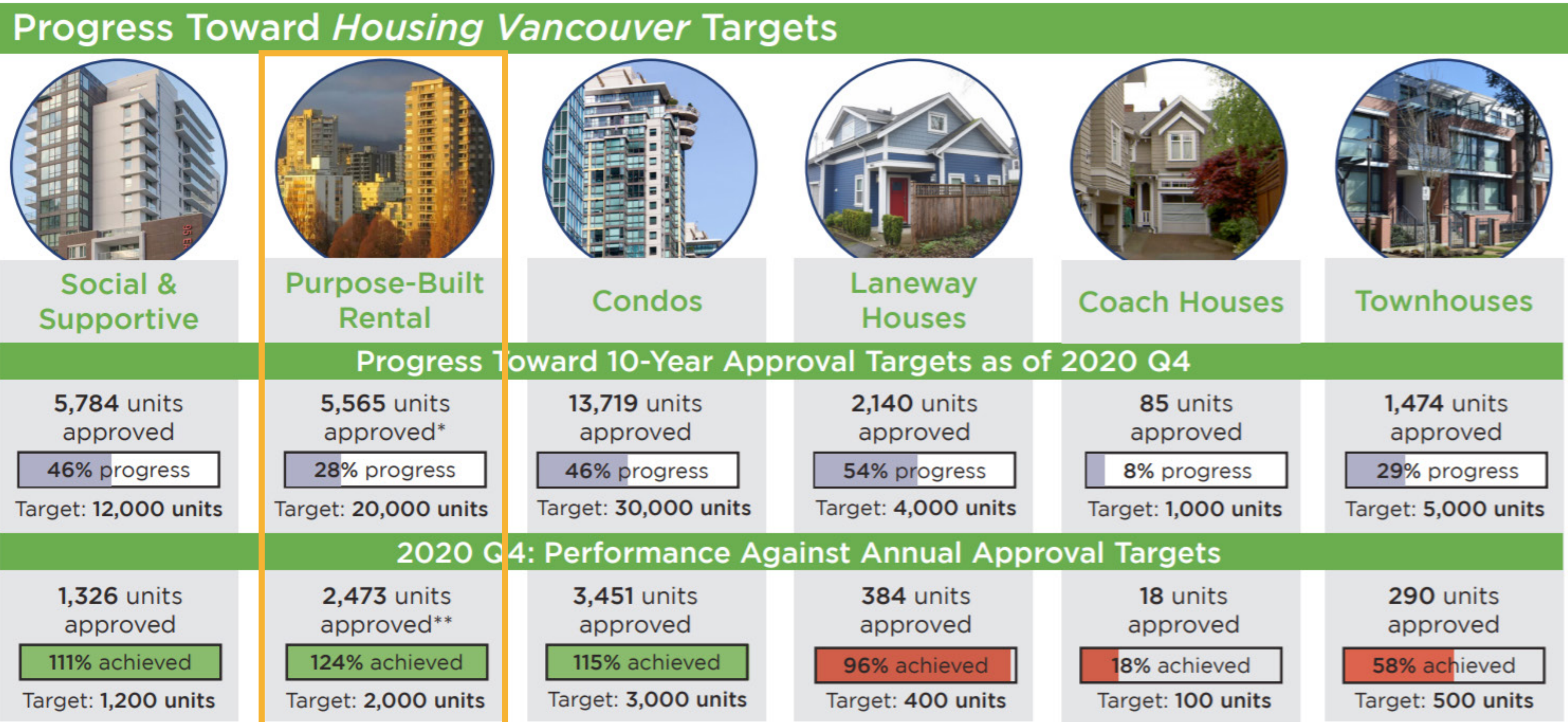
The Housing Vancouver Strategy

A Plan to Address Vancouver’s Housing Needs

The Housing Vancouver Strategy (2018-2027) is the City’s vision for ensuring that Vancouver can be a home for people of all incomes and backgrounds. The goal of Housing Vancouver is to ensure that housing in the city meets the needs of current and future Vancouver residents. The Strategy seeks to enable the ‘Right Supply’ of housing for people who live and work in Vancouver, which includes housing options that are affordable to local incomes and a shift to more social, supportive, and rental housing

Housing Vancouver 10-Year Housing Targets

Over the course of the 10-year Strategy, the City has set targets for new housing approvals. Targets are split by housing type and are intended to serve the diverse needs of different households across the city.



Streamlining Rental Focus

At the end of 2020, the Strategy was at the 40% completion mark



To read the Housing Vancouver Strategy and find out more about associated work, visit vancouver.ca/housing

Purpose-Built Rental Housing

After the first four years of the *Housing Vancouver Strategy*, the City is not on track to meet its targets for purpose-built rental housing. New solutions to delivering purpose-built rental housing are needed. The City’s recently approved *Secured Rental Policy* is intended to help bridge the gap and increase purpose-built rental housing options across the city.

What is purpose-built rental housing?

- Multi-family buildings (most often apartments) designed and built expressly as long-term rental housing
- Rental tenure is secured through legal agreements for the life of the building
- Generally rents at market rates, but can include units with secured below-market rents

Other Connected City Initiatives

Complete Neighbourhoods, Climate Emergency Response, and Employment Lands And Economy Review

Complete, Connected Neighbourhoods

Creating “Complete, Connected, and Culturally Vibrant Neighbourhoods” is a key goal of the City’s strategic Vancouver Plan.

Planning for complete neighbourhoods is an opportunity to strengthen all areas of the city – for the benefit of everyone.

For details visit: shapeyourcity.ca/completeneighbourhoods

What is a complete neighbourhood? A three-part definition:

1. A complete neighbourhood is one that has the essential ingredients for life in the city, all close by
2. A complete neighbourhood supports the well-being needs and dignity of people of all ages, identities, backgrounds and abilities.
3. A city of complete neighbourhoods offers safe connections



Climate Emergency Action Plan

The Climate Emergency Action Plan puts Vancouver on track to reduce our carbon pollution by 50% by 2030, in alignment with the findings of the United Nations Intergovernmental Panel on Climate Change to limit global warming to 1.5°C.

Our plan builds on our previous climate plans and focuses on cutting carbon pollution from our biggest local sources - burning fossil fuels in our vehicles (39%) and in our buildings (54%). This plan means change. It means residents, businesses and the City doing our part to transition off fossil fuels. It is designed to make it easier for you to live a carbon-free life.

For more information, visit vancouver.ca/ClimateEmergency

The Climate Emergency Action Plan - Big Moves:

1. Through the Vancouver Plan, by 2030 90% of people live within an easy walk/roll of their daily needs
2. By 2030, two thirds of all trips in Vancouver will be made on foot, bike or transit
3. By 2030, 50% of the kilometres driven on Vancouver’s roads will be by zero emissions vehicles.
4. By 2030, the carbon pollution from buildings will be cut in half from 2007 levels.
5. By 2030, the embodied emissions from new buildings will be reduced by 40% compared to a 2018 baseline.
6. By 2021, develop “negative emissions” targets that can be achieved by restoring forest and coastal ecosystems



Employment Lands and Economy Review

The Employment Lands & Economy Review is major economic development initiative. The project includes analysis of the characteristics of Vancouver’s economy, change over time and projections for the future, including analysis of the city’s capacity to accommodate job growth over the long term under existing policy and zoning. City Council received the Phase 2 ELER Report in October 2020.

For details visit: vancouver.ca/EmploymentLands

Ideas Being Explored to Improve Commercial Spaces and Support Commercial Tenants

- Introducing 2nd floor commercial to additional areas
- Limiting the net loss of commercial during redevelopment of sites with significant existing commercial floor space
- Identifying strategic locations for commercial intensification or significant new commercial
- Expanding commercial uses beyond arterials
- Developing design guidelines to encourage sufficient and appropriate retail-commercial space in new developments
- Taking further actions to support small businesses including actions to mitigate impacts of redevelopment on commercial tenants

