

BROADWAY PLAN Draft Housing Policies



March 2022

Housing

Introduction

Ensuring a varied and affordable housing stock located alongside accessible transit, services, job opportunities and amenities is key to creating an inclusive and vibrant city. The neighbourhoods along the Broadway Subway are well-loved and valued as distinctive places to live, containing an eclectic mix of building types and many green and leafy residential areas. A renter-dense area with nearly 60 per cent of households renting their home,¹ these neighbourhoods provide much of Vancouver's "naturally occurring" affordable rental apartments by virtue of their age; 83 per cent of existing purpose built rental buildings are over fifty years old.² Older and new strata condominiums further provide entry-level homeownership options for the many residents who are priced out of other areas of the city.

These neighbourhoods face housing challenges similar to those experienced throughout Vancouver and the region, including rising housing costs and cost of living, limited new rental housing options, and persistent shortage of social, supportive and shelter rate homes for very low-income households and people experiencing homelessness. Vancouver's extremely tight rental market disproportionately impacts low income households and renters who face discrimination in the housing market, including youth, families with young children, Indigenous people and other equity-denied communities. A challenge specific to the Broadway Plan area is the large number of aging rental buildings, many of which will need major repairs and retrofits over the next 30 years to maintain safety and livability for tenants. Existing non-market (social, supportive and co-operative) housing buildings are in a similar condition, also facing rising operating costs alongside the end of senior government subsidies and in a context of escalating need. Funding for affordable housing is a responsibility of senior governments and their support will be necessary to achieve the vision outlined in the plan, which seeks to leverage City land-use planning tools, investments and partnerships to meet housing objectives.

¹ Statistics Canada, 2016 Census (note this information is based on the Broadway Census data area which is slightly larger than the Broadway Plan study area.

² City of Vancouver Purpose-Built Rental Inventory, 2017.

The Broadway Subway provides a significant opportunity to address both housing and climate goals by enabling substantially more homes through increased density in mixed-use transit-oriented neighbourhoods. Focusing on additional rental housing choices close to transit provides access to lower-income renters who are more likely to use transit, and works toward lowering the overall transportation cost burden for these households. Achieving this without displacement of existing residents requires an equitable development approach to future growth. This approach prioritizes new housing types and tenures that are affordable and accessible to low- and moderate-income households and those that face discrimination in the housing market, alongside enhanced tenant protections to allow renters to stay in their neighbourhoods while making room for future renters. As the Broadway neighbourhoods grow and change over time, this focus on affordability and minimizing displacement will work toward creating inclusive communities.



Figure 1: Non-Market and Market Housing Types by Tenure

City-wide Context

Vancouver continues to face many housing challenges that require focused efforts, new approaches and tools, and strengthened partnerships to ensure the city remains home for a diversity of people and communities. Directions to address these challenges are contained in a number of policies and strategies, including:

Housing Vancouver (2017), the City's 10-year strategy to ensure that Vancouver can be a home for people of all incomes and backgrounds, by prioritizing affordable housing and making housing markets work for all people who live and work in the City. The strategy includes targets and directions to:

- » Prioritize market and below-market rental housing and social housing near transit hubs and corridors to improve access to jobs, school, and community amenities for renters earning low and moderate incomes.
- » Advance transformation of low-density neighborhoods to increase supply, affordability, and variety of housing options.
- Shift supply to the right supply of housing; Address speculation and support equity; Protect and support diversity;
 Protect our existing affordable housing for the future; Renew commitment to partnerships for affordable housing;
 Increase supports and protections for renters and people who are homeless.
- » Vancouver's Healthy City Strategy (2014) is the city's social sustainability plan toward a healthy city for all, increased health and wellbeing for vulnerable populations, and shaping livable environments now and in the future. The strategy targets building a wide range of affordable homes for everyone including supportive, social, and secured rental housing; and creating complete, compact and connected communities by increasing neighbourhood Walk Scores.
- The Climate Emergency Action Plan (2021) provides key directions to reduce Vancouver's carbon pollution by 50% by 2030. The Plan prioritizes cutting carbon pollution from buildings and reducing embodied emissions from new buildings and construction projects, while integrating equity measures to prevent displacement and supporting non-market and rental housing sectors. The Plan also targets 90% of people live within an easy walk/roll of their daily needs, which will be achieved through the ongoing Vancouver Plan process.

Vision

In 2050 the Broadway Plan neighbourhoods will be highly walkable, inclusive and distinctive places to live. As a regional-serving employment and service hub, these transit-oriented neighbourhoods will provide a range of new housing types, tenures and affordability levels to reflect the diversity of need of current and future residents.

Responding to increased pressure on the limited rental housing stock and expected increases in workers and amenities in the area, new residential development in Broadway Plan neighbourhoods contributes to secured rental and non-market housing options affordable to a range of local incomes. This includes housing for people experiencing homelessness, low-and moderate-income singles and families, seniors, students, workers and racialized communities who are more likely to be renters. The community housing sector will continue to play an important and expanded role in enhancing affordability and creating new social, supportive and co-operative homes.

The residential areas will have an eclectic mix of housing types from different eras including heritage and character homes, multiplexes, low- and mid-rise apartments, and towers, all complemented by green and leafy streetscapes. New local-serving shops and services on quiet residential streets will support complete neighbourhoods and allow residents to socialize while meeting their daily needs. These areas will be home to a diverse range of people, including low and moderate-income households.

New higher density mixed-use developments around transit stations provide a mix of non-market, rental and ownership options. These busy and exciting areas provide homes to workers of all stripes and people seeking the vibrancy of Vancouver's second downtown and easy access to transit hubs and a diversity of entertainment and shopping opportunities.



Key Directions

- Increase supply of secured rental housing by shifting new development to a greater proportion of rental through increased density and development incentives, including non-market options and a new below-market rental housing option, alongside diversified ownership opportunities.
- » In the short term, target more significant change and increased housing supply in areas with a relatively low number of existing renters, including densification of station areas, employment centres and existing low density areas.
- » Carefully enable change over time in existing rental apartment areas to renew the aging rental stock, while acknowledging significant increases in height and density will be needed to ensure replacement of existing affordability and tenant protections in new developments so that existing renters have a choice to stay in their neighbourhoods.
- » Support renewal of existing, aging non-market (supportive, social and co-operative) housing to improve livability, expand affordability, increase stock, and create opportunities for new non-market housing in all neighbourhoods in the plan area.
- » In the existing low density areas, enable new multi-family housing options (rental and ownership) on quiet, leafy streets integrating small-scale neighbourhood retail and family housing requirements to contribute to complete, walkable neighbourhoods.



Plan Policies

Tenant Stability and Protections

Protecting tenants and minimizing the negative impacts of redevelopment is a priority for Broadway given the pressures Vancouver renters face, including rising rents, limited increases in income and availability of suitable rental homes for low and moderate-income households. While any move is disruptive, these tenant protection policies seek to minimize disruption and provide existing renters the choice to remain in their neighbourhoods at affordable rents with additional assistance for equity-denied and low-income tenants. Our approach seeks to provide strong protections and supports to both existing and future renters.

- Where tenants will be displaced because of redevelopment, a tenant relocation plan as outlined in the City's *Tenant Relocation and Protection Policy (2019)* will be required at rezoning or development permit. This policy provides financial compensation based on length of tenancy, assistance finding alternate accommodations and additional support for low-income tenants and tenants facing other housing barriers.
- » Recognizing the significant transit investment and the additional densities enabled in the Broadway Plan area which allows for consideration of additional tenant compensation and assistance options, the following additional requirements will apply to tenant relocation plans in the Broadway Plan area where the proposed redevelopment includes rental housing units:

Right-of-first refusal

- » Offer the right-of-first refusal to existing tenants to return to a new rental unit at a 20% discount to city-wide average market rents for the City of Vancouver as published annually by the Canada Mortgage and Housing Corporation (CMHC) in the Rental Market Report. (Refer to most recent <u>CMHC Rental Market Report for City of Vancouver</u>)
- Where Plan policies require a certain percentage of new residential floor area to be below-market rental units secured at 20% below city-wide average rents, units allocated to returning tenants exercising their right of first refusal will be counted toward the below-market rental housing requirements.
- » The right-of-first refusal option at a 20% discount to city-wide average market rents may be satisfied in another rental building within the Broadway Plan area in order to enable the option for a single move by the impacted tenant, should the tenant agree to the option.

Temporary financial support while in interim housing

- » In lieu of financial compensation based on length of tenancy, a tenant may choose to receive a temporary rent top-up for the time when they are in interim housing before they can exercise their right-of-first refusal to mitigate any rent increases they may experience while they are waiting to exercise their right-of-first-refusal.
- » Tenants may choose one of two rent top-up options, both paid for by the development applicant:
 - » Applicant or their representative finds three interim housing options (tenant selects one) that best meet the tenant's identified priorities as detailed in the Mandatory Needs Assessment and additional one-onone conversations; all options should be in Vancouver, unless otherwise specified by the tenant; or
 - Tenant finds their own interim housing, the top-up paid by the applicant will be capped at the difference between the tenant's rent for their original unit and the average rent for new market rental units in the City of Vancouver as published in the most recent <u>CMHC Market Rental Report</u>. (See average rental rates for private apartments built in 2005+ in the City of Vancouver:
- » On Large and Unique sites where there are existing tenants on site, create a development phasing plan, where feasible, that minimizes disruption to existing tenants.
- » Continue tenant and landlord education in an effort to increase awareness of tenant and landlord rights and responsibilities, with specific focus on the needs of equity-denied groups (e.g., youth, 2SLGBTQ+, racialized communities, Indigenous people, and sex workers), due to stigma and discrimination faced in accessing and maintain housing.
- » Continue to work with the Residential Tenancy Branch to improve tenant/landlord relations and increase/uphold tenant rights.

For additional Tenant Stability and Protections-related policies involving senior government and cross-sector partnerships refer to Section - Partnerships and Monitoring (below).

Affordability and Supply

New housing supply and affordability requirements in the Broadway Plan area focus on increasing housing choices for the diverse household types and incomes in Vancouver, with a focus on shifting a greater proportion of new development to rental tenure, including non-market housing options, alongside ownership options. These housing options include secured rental homes away from busy arterial streets, enabled through increased density. The Broadway Subway creates the opportunity to integrate higher density housing options in mixed-use developments resulting in a significant number of new homes whose residents will benefit from easy access to rapid transit, jobs, services and amenities.

Centres: Station Areas and Shoulder Areas

- » Enable higher density housing options in Station Areas and Shoulder Areas, through additional height and density for new developments that:
 - » Provide 20% or 25% of residential floor space as social housing to be owned by the City and delivered as completed units on terms that are satisfactory to the City; or
 - » Provide 20% of the residential floor area as below-market rental housing with the remainder of the residential floor area as secured market rental housing; or
 - » Provide 100% of residential floor space as secured rental housing; or
 - » Provide 100% of the residential floor area as strata ownership housing with a community amenity contribution (cash contribution or in-kind contribution).
- » In Granville/Burrard Slopes and Mount Pleasant Centre where social housing units are secured through provision of additional density, prioritize these units as artist social housing live work units or artist social housing units with shared production spaces.
- » In Mount Pleasant Centre where social housing units or below-market rental units are secured though provision of additional density, prioritize access to these units for sex workers and peer workers providing supports in the Kingsway area.

Villages

» Support inclusion of mixed-used rental housing and commercial developments in Village Areas through additional density for new developments that provide 100% of the residential floor area as secured market rental housing.

Existing Apartment Residential Areas

- » Provide new housing and support renewal of existing, aging market rental and strata condominium buildings in Apartment Residential Areas, including:
 - » On rental housing sites, additional height and density considered for new developments that provide 20% of the residential floor area as below-market rental housing with the remainder of the residential floor area as secured market rental housing.
 - » On strata condominium sites, additional height and density considered for new developments that provide 20% of the residential floor area as social housing to be owned by the City and delivered as completed units on terms that are satisfactory to the City or that provide 100% of the residential floor area as strata ownership housing with a community amenity contribution (cash contribution or in-kind contribution) in specific locations.
- » Enable new local-serving commercial opportunities in new rental and strata ownership multi-family developments.

Existing Low Density Residential Areas

- » Provide new multi-family rental and ownership housing in Existing Low Density Residential Areas, through additional height and density for new developments that:
 - » Provide 100% of the residential floor area as secured market rental housing.
 - » Provide 20% of the residential floor area as below-market rental housing with the remainder of the residential floor area as secured market rental housing in specific locations.
- » Enable new local-serving commercial opportunities in new multi-family developments.

» Explore zoning amendments to enable new single lot multiplex housing options (both strata ownership and rental tenure) through additional density.

Non-Market Housing Sites

Enable non-profit and government owned non-market housing (supportive, social and co-operative housing) sites, existing or newly acquired, to renew and expand the number of non-market homes through consideration of additional height and density for new developments that provide 100% of residential floor area as non-market housing, recognizing that projects may need to include a market housing component to assist with project viability.

Large and Unique Sites

» Support Large and Unique sites to redevelop as denser, mixed-use developments with additional height and density to support new housing choices including non-market housing, below-market and market rental housing.

Securing Affordability Requirements in New Housing

- » Continue to require one-for-one replacement of existing rental housing units through new developments as required in certain zoning districts through the *Rental Housing Stock Official Development Plan* to ensure no net loss of rental housing (for details read the <u>Official Development Plan</u>)
- » In all cases where social housing units are secured as part of a for-profit development through provision of additional density, units will be owned by the City and delivered as completed units on terms that are satisfactory to the City.
- » All new below-market and market rental housing units will be secured as rental tenure for 60 years or the life of the building, whichever is greater, through legal agreements including a non-stratification requirement.
- » All new below-market rental housing units are required to meet the following affordability requirements:

- » Starting rents by unit type will not exceed a rate that is 20% less than the city-wide average rents for the City of Vancouver as published by the Canada Mortgage and Housing Corporation (CMHC) (refer to the most recent <u>annual</u> <u>Rental Market Report</u> for private apartment buildings published by CMHC)
- » After initial occupancy, rent escalation during a tenancy will be limited to the increases authorized by the Residential Tenancy Act.
- » Between tenancies, the rent may be re-indexed to the current CMHC average rent by unit type, applying the 20% discount to city-wide average rents for the City of Vancouver as published by the CMHC.
- » Below-market rental units will be subject to tenant income testing and monitoring requirements that apply under the Secured Rental Policy, as described in the Rental Incentive Programs Bulletin. (For details on the Secured Rental Policy, please see the <u>Rental Incentive Programs bulletin</u>)
- Below-market and market rental housing projects enabled through the Broadway Plan are eligible for incentives as described generally in the Rental Incentive Programs Bulletin, with heights and densities set as per the applicable Broadway Plan landuse policy. (For details on the Secured Rental Policy, please see the <u>Rental Incentive Programs bulletin</u>)
- » Through plan implementation, explore opportunities to amend zoning for social and rental housing to reduce costs and speed up housing delivery and for co-location of housing and services (e.g. childcare, local-serving commercial).

Diversity and Suitability

Housing options must reflect the diversity of needs in Vancouver with a focus on those most in need of housing or the city risks losing people who are unable to find housing affordable and suitable to their needs. Location, building and unit types, tenure and affordability all impact housing suitability. The policies contained here seek to protect and promote diversity across the Broadway Plan area by enabling housing choices for a diversity of incomes, backgrounds, and household types.

- » Work with community partners to address homelessness in the Broadway Plan area by improving provision of support services and access to shelter in the Broadway neighbourhoods or adjacent areas.
- » Contribute to city-wide single-room occupancy (SRO) hotel replacement and opportunities for deeply affordable options outside of downtown in amenity-rich transit-oriented neighbourhoods such as those in the Broadway Plan area.
- » In social housing projects, target 50% of units to be two and three bedroom units for families (except for seniors housing and supportive housing).
- » In accordance with the City's Family Room: Housing Mix Policy for Rezoning Projects (2016), require that new multi-family developments include two- and three-bedroom units for families as follows:
 - » For residential strata housing, require a minimum of 35% family units, including a minimum of 10% of units with three or more bedrooms and a minimum of 25% of units with two bedrooms.
 - » For secured market rental and below-market rental housing, require a minimum of 35% family units with two or more bedrooms and encourage inclusion of three-bedroom units wherever possible.
- » Consider mobility and sensory limitations of individuals as well "as aging in place" by applying the safety and accessibility provisions that are reflected in the Vancouver Building By-Law.
- » Contribute to reducing carbon emissions and increasing environmental resilience of new housing while prioritizing affordability through supportive policies and guidelines in how we design and construct new buildings.
- » Ensure new multi-family developments, including apartments; provide ground-oriented units at grade where appropriate.

» Consider opportunities to purposefully co-locate childcare facilities and community-based non-profit office and program space with non-market housing redevelopments through funding partnerships with senior levels of government and community sector partners.

Partnerships and Monitoring

The housing challenges faced by Vancouverites are considerable and require deepening and strengthening of existing and cultivation of new partnerships to make progress. Cities like Vancouver see first hand how housing-related issues impact residents yet do not have all of the tools, authority or financial capacity to address them. Even with policy alignment with partners across all sectors, significant funding from senior levels of government will be required to realize the vision outlined in this plan.

A clear monitoring framework is necessary to provide transparency and accountability on progress toward housing goals and objectives. Measuring progress feeds into ongoing policy evaluation and priority setting and helps to refine and shift focus where necessary to meet or goals and objectives.

- » Continue to seek strategic partnerships and senior government funding supports which will be necessary to achieve the housing goals and objectives outlined in plan policy, including:
 - » Expand the delivery of and deepen affordability in supportive, social, co-operative and below-market rental housing in Broadway Plan area beyond the units and affordability requirements outlined through plan policy to further address city-wide need (e.g. senior government funding, non-profit and private sector partners).
 - » Explore and enable opportunities for non-profit acquisition of existing older market rental buildings to maintain existing naturally occurring below market rents and maintain security of tenure for existing tenants.
 - Pursue opportunities to reinvest in aging non-market (supportive, social and co-operative) and market rental buildings to bring them up to current building codes and enable energy efficient retrofits without requiring evictions or permanent displacement of existing tenants.
 - Explore options for co-ordinated tenant relocation in rental buildings that maintain affordability, minimize the number of moves and provide for tenant choice supported by funding and assistance from senior governments and the private sector (e.g. swing sites, rental units in existing or new buildings set aside for tenants affected by redevelopment, Provincial assistance in relocation for low-income renters, etc.).

- » Explore options for creating a central waitlist for existing tenants in the Broadway Plan area impacted by redevelopment to be pre-qualified for new non-market or below-market rental housing units, subject to logistical feasibility and resourcing.
- » Build capacity in coordinating and implementing tenant relocation plans associated with redevelopment in partnership with BC Housing, the Residential Tenancy Branch, community housing sector and private sector, which particular support for tenants who members of equity-denied groups (e.g. youth, 2SLGBTQ+, racialized communities, Indigenous people, sex workers etc.).
- » Work with Indigenous housing providers, the community housing sector and all levels of governments to prioritize renewal of existing and creation of additional trauma-informed and culturally appropriate housing, services and supports for Indigenous peoples in the Broadway Plan area.
- » Monitor and report on affordable housing targets and identified performance measures agreed upon through the Broadway Subway Supportive Policies Agreement (SPA) between the City of Vancouver and TransLink.



