



Rental and Affordable Housing in Vancouver: Challenges and Creative Solutions

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The BC Non-Profit Housing Association (BCNPHA) is a provincial umbrella organization that provides leadership and support to non-profit housing providers who aim to develop and operate a high standard of affordable housing. The BCNPHA Asset Analysis project has pooled data from three key sources to create the most comprehensive database of non-profit housing providers across BC. This database positions BCNPHA as a crucial link to a sector that is both willing and able to develop rental and affordable housing. The current economic climate and rising construction costs have made developing rental and other forms of affordable housing unattractive to private-market developers, despite a growing demand. The following offers a number of measures that the City of Vancouver can implement, in both the short- and long-term, to encourage the development of new purpose-built rental and affordable housing in the City.

SHORT-TERM MEASURES

- *Fast-track the permit approval process for rental and affordable developments.* A lengthy and complex approvals process means delay and uncertainty for developers, which translates to increased direct and indirect costs. These costs have the potential to impact not just the affordability of a project, but its feasibility as well. Fast-tracking will prioritize affordable housing, reducing delays and expenses for small or non-profit developers. Through the Asset Analysis project, a number of non-profits in the city have expressed their interest in redevelopment to BCNPHA, particularly at higher densities.
- *Create financial incentives for developers of rental and affordable housing.* Financial incentives can improve the economics of developing less profitable forms of housing. These incentives could include waiving development permit fees for non-profits and other developers of affordable housing, reducing development cost levies, allowing for flexibility in parking space requirements, density bonus allowances, and property tax exemptions. Resale covenants can be introduced to ensure affordable units remain affordable in perpetuity.

LONG-TERM MEASURES

- *Sell or lease city-owned land to non-profits at below-market rates.* The non-profit sector has considerable experience partnering with municipalities, developers, and private partners to develop affordable housing. Moreover, since non-profit housing must by definition remain affordable in perpetuity, this measure would ensure long-term affordability of the site.
- *Develop a workforce housing strategy.* While the City's current work on homelessness is commendable, the economic downturn has created affordability problems for working households as well. The City should develop a range of rental and ownership options (including small starter homes, duplexes, townhouses, and apartments) that are affordable for area workers. Non-profit housing societies, who have substantial expertise in developing affordable housing, can play a key role in this strategy.
- *Encourage smaller forms of rental and affordable housing.* Allow and encourage smaller forms of housing in residential areas, including legalizing secondary suites, laneway housing and coach housing. This measure could also involve broadening two-family zoning to more parts of the city. Higher density developments should be channeled along transit corridors.

