Bulletin

Market Rental Incentive Programs

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CITY OF
VANCOUVER

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RELEVANT BY-LAWS AND POLICIES

- Secured Rental Policy
- Transit-Oriented Areas Rezoning Policy
- Vancouver Development Cost Levy By-law
- Area Specific Development Cost Levy By-law
- Vancouver Utilities Development Cost Levy By-law
- Parking By-law
- Zoning and Development By-law – C-2, C-2A, C-2B, C-2C and C-2C1 District Schedules; RR-2A and RR-2B Districts Schedule; RR-3A, RR-3B and RR-3C Districts Schedule
- Green Buildings Policy for Rezonings

BACKGROUND AND CONTEXT

This Bulletin provides information on secured market rental housing policies and incentives set out in the Zoning and Development By-law, the Development Cost Levy By-laws, and various city-wide policies and local area plans. The information contained in this document helps guide the way in which the rental incentives are applied to specific projects.

1 RENTAL INCENTIVES

1.1 Parking Requirements

As of June 30, 2024, minimum general purpose vehicle parking requirements were eliminated for all land uses city-wide. Accessible and visitor parking requirements continue to apply per the Vancouver Parking By-law. Transportation Demand Management Plans (TDM) are required for residential developments of 12 or more units in the Downtown, Broadway Plan area or a designated Transit-Oriented Area, and for large development sites of 8,000 m^2 or more, or containing 45,000 m^2 or more of new floor area where the development permit application was submitted on or before December 10, 2025. TDM plans are not required for development permit applications submitted after that date; however, monitoring of in-stream projects with TDM plans is ongoing and may result in future policy and regulatory amendments to support sustainable transportation in new developments.

For more information, see the Parking By-law webpage and the Transportation Demand Management for Developments Bulletin.

1.2 Development Cost Levy (DCL) Waivers

Projects creating new rental supply, where 100% of the residential component of the building is rental in tenure and secured through a Housing Agreement, are eligible for a waiver of City-wide and Area-Specific DCLs for the residential floor area. Projects that include existing rental units (e.g. alterations or extensions) are not eligible for a waiver.

DCLs may be waived or reduced for two classes of “for-profit affordable rental housing” (as defined by the DCL By-laws in accordance with the Vancouver Charter). Projects that secure 20% or more of the residential floor area as below-market rental are eligible for a Class A (100%) waiver. For more information on below-market rental project requirements, refer to the Inclusionary Affordable Housing: Below-Market Rental and Social Housing Bulletin. Market rental projects are eligible for a Class B (86.24%) waiver, which is described further below. Refer to the Development Cost Levies Bulletin for current DCL rates.

1.2.1 Starting Rents for Market Rental (Class B) DCL Waivers for 2026

The DCL waiver criteria include maximum starting rents by unit type. Proposed starting rents are evaluated against the DCL maximums and set at the time of occupancy permit issuance. To be eligible for a Class B waiver, rents must not exceed the following rates at initial occupancy:

Table 1: Average Maximum Monthly Rents for 2026

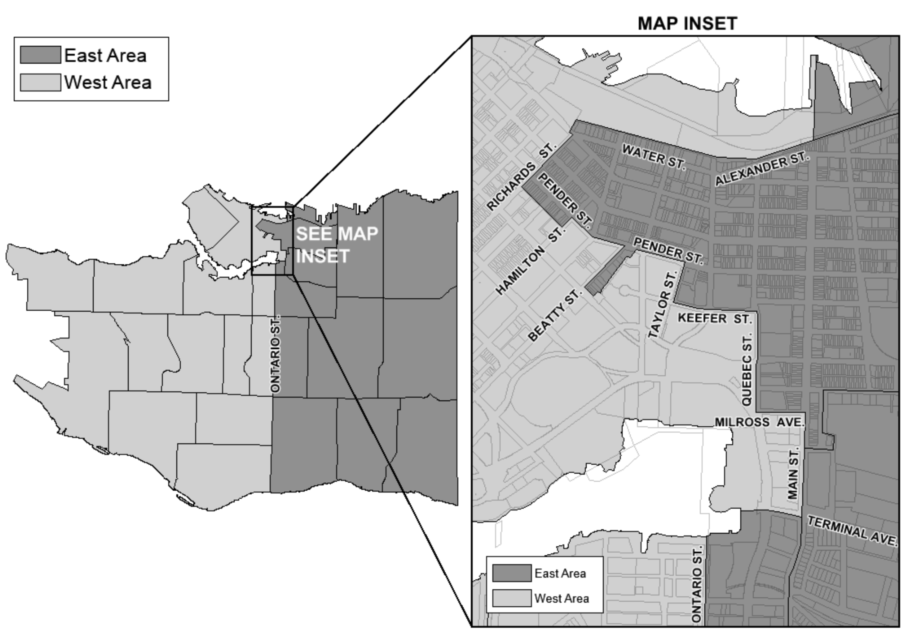
Unit Type	East Area DCL Maximum Rents[1]	West Area DCL Maximum Rents[2]
Studio	$2,076	$2,284
1-bedroom	$2,425	$2,668
2-bedroom	$3,291	$3,620
3-bedroom or larger	$4,068	$4,475

[1] Average city-wide rents for the City of Vancouver for units built since 2015, as published by CMHC in the 2025 Rental Market Survey Data Tables.

[2] Average city-wide rents for the City of Vancouver for units built since 2015, as published by CMHC in the 2025 Rental Market Survey Data Tables, plus 10%.

Note: Refer to Figure 1 for Vancouver east and west area boundaries.

Figure 1: City of Vancouver Map – East and West Areas



Note: This map is intended for the purposes of administering the DCL waiver.

1.2.2 Rent Increases for Market Rental Units

Class B DCL waiver rent requirements apply at initial occupancy. Rent increases for market rental units that apply after initial occupancy, including during a tenancy and upon unit turnover, are regulated by the Province as per the Residential Tenancy Act.

1.2.3 Full and Partial Waiver Options for 3-bedroom Units for Market Rental (Class B) DCL Waivers

One of Council's objectives is to create more diversity in the rental housing stock. This includes encouraging more housing suitable for children and families, especially 3-bedroom units. In order to support this objective, options for a full or partial DCL waiver are available for projects proposing 3-bedroom units as outlined below.

Projects applying for a Class B DCL waiver and meeting the average maximum rent requirements in Section 1.2.1 for all unit types other than 3-bedroom units are eligible for a partial waiver for studio, 1- and 2-bedroom units. Full DCLs will be charged for the 3-bedroom units.

Projects that meet all criteria, including the maximum average rents for all unit types, are eligible for a Class B waiver for all unit types.

Figure 2: Project Eligibility for Full and Partial Waiver Options - Market Rental (Class B) DCL Waiver

Projects eligible for DCL waiver for all units	Projects eligible for DCL waiver for some units	Projects not eligible for DCL waiver
Average rents in all studio, 1-, 2- and 3-bedroom units are at or below rents in *Section 1.2.1*. ← ELIGIBLE FOR WAIVER for all units	Average rents in all studio, 1- and 2-bedrooms units are at or below rents in *Section 1.2.1*. ← ELIGIBLE FOR WAIVER OF THESE UNITS ONLY	Average rents in studio, 1- or 2-bedroom units exceed rents in *Section 1.2.1* (even if 3-bedroom units comply). X NOT ELIGIBLE FOR ANY WAIVER
	Average rents in 3-bedroom units exceed rents in DCL By-laws. X NOT ELIGIBLE FOR WAIVER FOR 3-BEDROOM UNITS	

Note: A partial waiver is not permitted for studio, 1- and 2-bedroom units. These unit types must all meet the maximum rental rates in order to qualify for any waiver.

1.2.4 Average Maximum Unit Sizes

On October 4, 2023, Council approved amendments to the City-wide and Area-Specific DCL By-laws to remove the average maximum unit sizes DCL-wavier requirement for "for-profit affordable rental housing" projects. Projects with a Housing Agreement enacted prior to October 4, 2023 are still required to meet the maximum average unit sizes as previously required by the DCL By-laws and as stipulated in the Housing Agreement.

1.2.5 Social Housing

Projects where 100% of the residential development is rental in tenure and also contain another type of housing exempt from DCLs, such as social housing, are eligible for a DCL waiver provided that the market rental units meet the requirements under the DCL By-laws.

2 REQUIREMENTS FOR SECURED RENTAL PROJECTS

2.1 Housing Agreement Requirements

2.1.1 Security of Tenure

Rental units will be secured for a term of 60 years or life of the building, whichever is greater, through legal agreements, (e.g. Housing Agreement pursuant to section 565.2 of the Vancouver Charter including non-stratification and no separate sales covenants), or any other legal mechanism deemed necessary by the Director of Legal Services and the General Manager of Planning, Urban Design and Sustainability.

2.1.2 Proposed Starting Rents and Rent Increases

Where applicable, starting rent and rent increase requirements will be secured through a Housing Agreement. For details on starting rents, see the Administration of the DCL Waiver section of this bulletin. For details on starting rents for below-market rental units enabled by the policies referenced in this bulletin, see the Inclusionary Affordable Housing: Below-Market Rental and Social Housing Bulletin.

2.2 Family Housing Requirements

The City's rental incentive policies encourage the inclusion of family housing. For rezoning applications, the city-wide target for family housing is 35% of units. This target also applies to residential rental tenure projects developed under existing zoning in certain districts (including the C-2 and RR districts). More specific requirements for the breakdown of the 35% family units are included in some rezoning-enabling policies (e.g. 10% 3-bedroom units are required for rental rezonings under the Broadway Plan).

The General Manager of Planning, Urban Design, and Sustainability may consider a relaxation for projects that demonstrate significant design challenges or where the application of the policy would deter the development of a project that meets other Council approved policies and objectives.

For more information, see the Family Room: Housing Mix Policy for Rezoning Projects.

Family units will be two or more bedroom units designed to meet the Council-adopted High-Density Housing for Families with Children Guidelines.

2.3 Green Buildings Requirements

In May 2022, Council approved amendments to the Vancouver Building By-law (VBBL) to reduce the carbon emissions limit for all new residential buildings of 4 to 6 storeys, effective as of July 1, 2023. Consequentially, in February 2023, Council approved changes to the Secured Rental Policy and the C-2, C-2B, C-2C and C-2C1 district schedules to remove green building requirements made redundant or unnecessary by the VBBL changes, effective March 15, 2023.

2.3.1 Rezonings

All rezoning applications will be expected to meet the Green Buildings Policy for Rezonings. More information on these requirements and the necessary documentation to be submitted can be found in the Green Buildings Policy for Rezonings and the Green Buildings Policy for Rezonings – Process and Requirements Bulletin for applications made after May of 2022.

2.3.2 Developments Proceeding Without a Rezoning

All development permit applications for residential buildings of 4 to 6 storeys will be required to meet the energy and emission limits set out in the VBBL. More information can be found on the City's Zero emissions buildings webpage.