Bulletin

Rental Housing Stock Official Development Plan

Effective September 1, 2018 Last amended November 17, 2022 Authority: Director of Planning

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1. Regulatory References

- Rental Housing Stock Official Development Plan
- Zoning and Development By-law

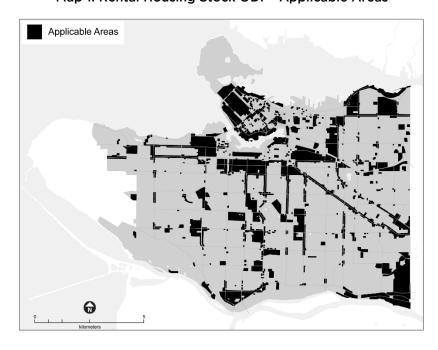
2. Background and Context

This bulletin provides further information on the amendments to the Rental Housing Stock ODP approved by Council on June 5, 2018, as well as further amendments approved on November 5, 2019, January 20, 2021, and April 27, 2021. This document is intended to help inform the way in which rental replacement requirements will be applied to specific projects in areas covered by the Rental Housing Stock ODP.

3. Intent & Application

The intent of the Rental Housing Stock ODP (RHS ODP) is to prevent against the loss of rental housing units through demolition of existing rental without replacement. The RHS ODP generally requires one for one replacement of all existing rental housing units on sites where a new development of three of more dwelling units is being proposed. Development applications proposing major alterations, additions, or renovations involving change of use to existing buildings containing rental housing units are also covered by the RHS ODP.

The RHS ODP applies in the RM-2, RM-3, RM-3A, RM-4 and RM-4N, RM-5, RM-5A, RM-5B, RM-5C, and RM-5D, RM-6, FM-1, C-2, C-2B, C-2C, and C-2C1, or CD-1 District or Districts Schedules of the Zoning and Development By-law, to new developments of three or more residential units involving the demolition or change of use or occupancy of an existing rental housing unit on the site. See Map 1 below for applicable areas covered by the RHS ODP.



Map 1: Rental Housing Stock ODP -Applicable Areas

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Note: this map is for illustrative purposes only and is up to date as of August 16, 2022. New CD-1 districts added after August 16, 2022 are not included.

What is a Rental Housing Unit?

A rental housing unit is a dwelling unit, housekeeping unit, or sleeping unit on a site that is:

- Currently being rented by a tenant for 30 days or more; or
- Has previously been rented by a tenant for 30 days or more in the 3 years preceding the date of the rezoning application or development permit application for projects not requiring a rezoning

Exclusions

Rental replacement requirements under the Rental Housing Stock ODP do not apply to the following cases, which are not considered rental housing units for the purposes of the RHS ODP:

- non-profit co-operative housing;
- community care facility or group residence;
- rented units in hotels, including stays longer than 30 days;
- strata-titled building where the majority of the units were within the last three years individually owned and
 - a) for which a petition has been filed with the Supreme Court of BC to dissolve the strata corporation; or
 - b) for which all the strata lots within the corporation are now under single ownership; and
- building that was operated as an equity co-op in the past 3 years at the time of rezoning application or development permit application for projects not requiring a rezoning.

4. Rental Replacement Requirements

For applicable sites under the Rental Housing Stock ODP, there are two scenarios for rental replacement requirements, depending on the scale and nature of the proposed development:

Scenario 1:

Development projects involving demolition of one or more existing buildings on a site containing one or more existing rental housing units, where three or more dwelling units are being proposed in the new development.

OR

Development projects involving alterations or additions to existing buildings on a site containing one or more existing rental housing units resulting in a change in the unit mix within the existing building(s) and/or the reconfiguration of a majority of the existing residential units.

- Examples include:
 - Renovations where building components down to the raw framing have been replaced, including pipes and plumbing, electric, drywall, etc.; and

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 Renovations involving the majority of units (e.g. 50% or more of the units) in an existing building resulting in changes to the layout, number, and/or bedroom mix of units in the building.

Scenario 2:

Renovation projects involving a change of use or occupancy to one or more existing rental housing units on site, which do not require major alterations or additions resulting in a change to the unit mix within the buildings and/or the reconfiguration of a majority of the existing residential units.

- Examples include:
 - A proposal to renovate an existing Multiple Conversion Dwelling involving removal of an existing rental or housekeeping unit, which does not involve major alterations or additions to the rest of the units; and
 - A proposal to convert existing non-residential space (e.g. a storage unit) into a new rental unit, which does not involve major alterations or additions to the rest of the units.

4.1 Demolitions or Major Alterations

For development projects where three or more dwelling units are proposed, involving demolition or major alterations or additions to one or more existing buildings on the site containing one or more existing rental housing units:

A housing agreement, satisfactory to Council, must be entered into that requires the following:

- One-for-One Replacement of Existing Rental Units:
 - One-for-one replacement of all existing rental housing units with self contained dwelling units on the site or in the same zoning district; or
 - One-for-one replacement with another type of affordable housing (e.g. social housing) if permitted under an applicable community plan.
- Note: in cases of major alterations where the existing rental units are sleeping or housekeeping
 units, the Director of Planning may permit less than one-for-one replacement, having regard
 for the Council's intention to maximize the replacement of such rental units
- A **Tenant Relocation Plan** in keeping with the city's Tenant Relocation and Protection Policy, if applicable, and
- Family Housing Units at least 35% of the total number of rental replacement dwelling units in the new development must include two or more bedrooms, except where the Director of Planning considers that such requirement would deter or prevent:
 - o conservation of a protected heritage property or a building on, or eligible for addition to, the Vancouver Heritage Register:
 - o the renovation of a building where there are physical constraints due to light, access, and the form and structural elements of the existing building:
 - o development of low-rise and midrise buildings on mid-block or unique sites with significant design challenges in meeting the requirement; or
 - o development on sites or in areas identified in Council-approved plans or policies as targeted to single and couple households.

4.2 Change of Use or Occupancy Not Requiring Major Alterations or Additions

For renovation projects resulting in a change of use or occupancy of a rental housing unit on a site, which does not require alterations or additions resulting in a change to the unit mix within the buildings(s) and/or the reconfiguration of a majority of the existing residential units, the following is required:

One-for-one replacement of all existing rental housing units with self contained dwelling units
on the site or in the same zoning district, secured to the satisfaction of the Director of Planning

Note: in cases where the existing rental units are sleeping or housekeeping units, the Director of Planning may permit less than one-for-one replacement, having regard for the Council's intention to maximize the replacement of such rental units

Note: For renovation projects that do not require alterations or additions resulting in a change to the unit mix within the buildings and/or the reconfiguration of a majority of the existing residential suites, the 35% family housing requirement for rental replacement dwelling units in 4.1 does not apply

• A **Tenant Relocation Plan** in keeping with the city's Tenant Relocation and Protection Policy is provided, if applicable.

Note: the requirements under section (3.2) will be secured as conditions of the development permit approval.

5. Rental replacement off site

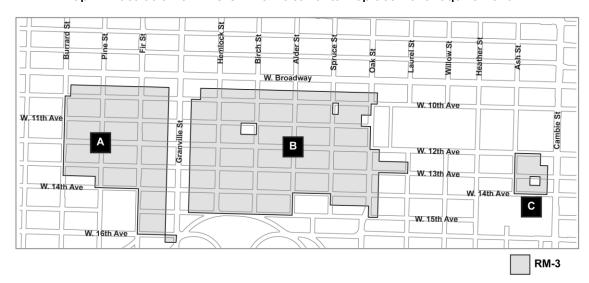
In most cases, rental replacement per the RHS ODP can occur either:

- a) as part of the new development on the same site, or
- b) on another site in the same zoning district.

For instance, if a new development of three of more units is proposing to demolish an existing rental building in the RM-4 zoning district, the replacement rental required by the RHS ODP could be included as part of the new development on the existing site, or in a separate development also within the boundaries of the <u>same</u> RM-4 zoning district. The rationale is to facilitate rental replacement proposals that contribute to the expansion of the existing rental housing stock while ensuring no net loss of rental units in the area. It is encouraged in these cases that the off site replacement rental is completed prior to demolition of the existing rental building, in order to facilitate relocation of existing renters and minimize displacement.

In some cases for scenario b above (separate site selected for replacement rental located within the boundary of the <u>same</u> zoning district as the subject site) where the site has been rezoned (e.g. to a CD-1 zone) as part of the development process, the RHS ODP allows replacement of existing rental housing units on the previously mentioned site, as long as the site is adjacent to the contiguous area of the same zoning district of the site that requires the replacement housing.

Map 2 illustrates the permitted geography for rental replacement within the boundaries of a zoning district where the RHS ODP applies. If a development is proposing to demolish existing rental units in area A (zoned RM-3 and therefore subject to the RHS ODP), replacement rental may be proposed on another site in area A, or a site that was previously located in area A prior to being rezoned to a CD-1, but not in area B or C (also zoned RM-3).



Map 2: Illustration of RHS ODP off site rental replacement requirement

6. Tenant Relocation

The City approved the Tenant Relocation and Protection Policy and Guidelines in December 2015. Further updates to the Tenant Relocation and Protection Policy was approved in 2019, and new tenant protection provisions associated with the Broadway Plan were approved in 2022. Please refer to these policies and guidelines prior to making an application if there are existing tenants that will be impacted or displaced due to major renovation or redevelopment.

7. Housing Agreements and Security of Tenure

Security of tenure of replacement rental units will be held 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 no stratification and no separate sales covenants) or any other legal mechanism deemed necessary. Where the building containing the replacement rental units is being subdivided (i.e. in projects containing strata and replacement rental housing), the City's standard practice is to require a separate airspace parcel to secure the rental units.

7.1 Projects in C-2 areas

For projects in C-2 areas involving mixed uses, a separate air space parcel is also required to secure the commercial component of the project per the City's standard practice.

8. Development Cost Levy (DCL) Waiver for New Rental Housing

Rental replacement projects resulting in a new market rental building, where 100% of the residential development is rental in tenure are eligible for a DCL waiver for the residential portion of the development. For more information about the specific requirements to be eligible for a full or partial waiver, please refer to the City's Rental Incentive Programs Bulletin.

Note: rental projects proposing changes to an existing building—involving renovation or alterations—are not eligible for the DCL waiver.