

Policy

Rental Housing on City-Owned Land – Public Benefits Pilot Rezoning Policy

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1 BACKGROUND AND CONTEXT

In fall 2023, Council approved a motion to deliver more middle-income housing in Vancouver. Staff were directed to expand the mandate of the Vancouver Housing Development Office (VHDO) to include middle-income housing on land that is owned by the City of Vancouver, apart from properties within the Vancouver Affordable Housing Endowment Fund (VAHEF). Additionally, the Mayor's Budget Task Force Report (2024) recommended optimizing the City's real estate portfolio to create perpetual value and generate non-tax revenue.

2 INTENT

Development projects are typically expected to deliver public benefits on site or through a Community Amenity Contribution secured at Rezoning. This policy aims to deliver rental housing on City-owned land while piloting an innovative approach to delivering long-term, broad-based public benefits through City-led development.

Under this policy, and subject to development economics, projects on up to five City-owned sites may be developed to provide long-term, broad-based public benefits through generation of non-tax revenues. These ongoing revenue streams may be utilized by Council, through its financial and capital planning processes, to advance City priorities; this may include addressing the growing infrastructure deficit, supporting the renewal and upgrade of community amenities, or contributing towards affordable housing – including redevelopment of co-op and social housing within the Vancouver Affordable Housing Endowment Fund (VAHEF) – in partnership with senior levels of government.

This policy recognizes that utilizing City sites to generate ongoing revenue streams as an alternative approach to delivering public benefits is currently not formalized in City policies. This approach will be implemented as a pilot on up to five City-owned sites across Vancouver.

Following the pilot program, staff will report back to City Council with lessons learned and, if appropriate, recommendations for a new, long-term policy.

3 APPLICABILITY

This policy applies to up to five development proposals through the Vancouver Housing Development Office (VHDO) which include residential rental units on City-owned land. All applications will undergo a full rezoning process including public hearing.

The City will continue to deliver affordable housing in partnership with senior governments and other partners through sites held in VAHEF. As there are existing policies that enable flexibility for social housing projects, VAHEF sites will not be subject to this policy.

4 POLICIES

4.1 Criteria

This Policy will apply only to parcels of land with developments which meet the following criteria:

- (a) The development is delivered on City-owned land through the VHDO, and is not held in the VAHEF portfolio;
- (b) The proposed development:
 - (i) will be secured as 100% rental tenure for the residential portion of the building through a Housing Agreement for 60 years or the life of the building;
 - (ii) may or may not include social housing or below-market housing; and
 - (iii) may or may not include public amenities on site;
- (c) The development should comply with the City's Family Room: Housing Mix Policy for Rezoning Projects requirement that 35% of all residential units must contain 2 or more bedrooms; and
- (d) Enhanced tenant protections will be secured for any eligible tenants on site.

4.2 CAC Exemption

The Director of Planning may evaluate and bring forward for referral to Public Hearing up to five applications that may be exempt from payments and/or provision of amenities pursuant to the City's Community Amenity Contributions Policy for Rezoning if the parcels of land and the proposed development:

- (a) meet the Criteria; and
- (b) can demonstrate to the Director of Planning that the development, subject to economic conditions, will generate a non-tax revenue stream for the City which will be secured for 60 years or the life of the building.

4.3 Reporting Requirements

Staff will report annually to Council on the generation and allocation of revenues from any developments approved pursuant to this Policy to ensure transparency and accountability.