

Metro 2040 Housing Policy Review

DISCUSSION PAPER

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Metro 2040 Housing Policy Review: Discussion Paper
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Table of Contents

1.0	<i>Introduction</i>	2
1.1.	Purpose	2
1.2.	Method	2
1.3.	Regional Housing Mandate	2
2.0	<i>Context</i>	3
2.1.	Regional Housing Market	3
2.2.	Provincial and Federal Housing Plans and Policies.....	5
2.3.	Housing in Peer Regional Plans.....	9
3.0	<i>Where are we now?</i>	11
3.1.	Board Strategic Plan 2019-2022.....	11
3.2.	Metro 2040 (2011)	12
3.3.	Regional Affordable Housing Strategy (2016)	21
3.4.	Metro Vancouver Housing 10-Year Plan (2019)	22
3.5.	Applied Policy Research	23
4.0	<i>Looking ahead to Metro 2050</i>	25
4.1.	General.....	25
4.2.	Urban Centres.....	25
4.3.	Housing	26
4.4.	Transportation.....	27
4.5.	Performance Monitoring.....	28
4.6.	Housing Demand Estimates	28
4.7.	Metro Vancouver Housing.....	28
5.0	<i>APPENDIX</i>	29
5.1.	Regional Tools and Initiatives.....	29

1.0 INTRODUCTION

1.1. Purpose

This Discussion Paper is part of the *Metro 2040* Housing Policy Review that Metro Vancouver is undertaking in preparation for the development of *Metro 2050*, the update to the regional growth strategy. The purpose of the Housing Policy Review is to determine to what extent the housing-related goals, strategies, and policy actions in *Metro Vancouver 2040: Shaping Our Future* (*Metro 2040*), the regional growth strategy, should be adjusted to better support current practices and changes in the housing market and policy landscape, as well as emerging regional aspirations related to the promotion of diverse and affordable housing choices.

Questions considered include:

- How could *Metro 2040* be improved?
- What is missing?
- What is unclear?
- What is unnecessary / could be removed?

As a result of the changing housing market and policy landscape, new policy directions need to be explored by the *Metro 2040* Housing Policy Review. However, despite the extent of the need, given that Metro Vancouver does not have a direct authority to affect regional housing policy, the *Metro 2040* Housing Policy Review will need to carefully examine the supportive role of the regional growth strategy in directing housing-related action for its member jurisdictions.

1.2. Method

This Discussion Paper relies on a review of relevant documentation, including Metro Vancouver's policies, plans and research, three peer regional district regional growth strategies, and an understanding of the shifts in the regional housing market and federal and provincial housing policy landscape. The consultant has met with regional housing staff and the chair of Metro Vancouver Regional Planning Advisory Committee (RPAC) Housing Subcommittee to begin exploration of what has worked well and where there are opportunities for improvement in Strategy 4.1 (and related sections) of *Metro 2040*. The consultant also presented a Draft Discussion Paper to RPAC and the RPAC Housing Subcommittee in February 2020 for initial comment, and that feedback is incorporated here.

1.3. Regional Housing Mandate

The provision and maintenance of a diverse and varied housing stock is critical to the quality of life and livability of the region. The provision of housing in each member jurisdiction must meet the projected and planned needs of future populations and work in alignment with the growth framework set out in *Metro 2040*. There are multiple ways by which Metro Vancouver supports and works toward this shared regional housing mandate.

Metro Vancouver's Regional Planning Services Division is responsible for developing, implementing and stewarding *Metro 2040*. The Division provides data and research and convenes stakeholders on issues of common interest regarding growth management, land use and transportation.

With regards to housing, Regional Planning collaborates with member jurisdictions to develop and disseminate data and research on housing, in particular regarding the integration of land use and transportation in the region, and develops implementation guidelines based on this research. Regional Planning convenes housing planners from across the region through the RPAC Housing Subcommittee and works closely with and convenes housing providers, developers, not-for-profits, and others through project-specific work.

Through the Metro Vancouver Housing Corporation (MVHC), Metro Vancouver also provides housing for close to 10,000 people on 49 sites. In addition, Metro Vancouver has a Metro Vancouver Housing Planning & Policy group responsible for strategic planning and policy for MVHC and exploring partnerships with public, private, and non-profit sectors to develop more housing across the region. This group also coordinates the development, implementation and monitoring of the *Regional Affordable Housing Strategy* (RAHS), *Metro Vancouver Housing 10-Year Plan*, and other regional housing policy initiatives.

2.0 CONTEXT

2.1. Regional Housing Market

The housing market has changed significantly since *Metro 2040* was adopted in 2011. Metro Vancouver has shifted from a region with relatively high housing prices and an ongoing shortage of low-income rentals, to a region under extreme housing pressure for both ownership and rental tenure, and a host of new housing issues from which it has arguably not yet emerged. Along with these developments has come heightened public concern over the impacts of the housing crisis on the region's social and economic well-being.

As a result, *Metro 2050* must respond to the following issues:

- **A growing and changing population.** The region is expected to continue to grow by over 35,000 residents per year. The majority of this growth is being driven by immigration which is also driving demand for larger family housing (3+ bedrooms) as many immigrant households tend to be larger in size.¹ However, there is also a demand for smaller and more accessible homes to support an aging population.
- **Housing supply is not keeping up with demand.** Given this growth, and the influence of housing supply on price, many are concerned that there is not enough new housing supply being built, and quickly enough, to meet annual demand, including the backlog of demand from previous years.
- **A widening gap between incomes and housing prices.** Over the past 20 years, the ratio of home prices to income has increased dramatically. Before the year 2000, the sale price of a two-storey detached home was around 3.2 times the median annual household income; by 2015, the cost of

¹ Metro Vancouver (2016). Census Bulletin, Occupied Dwellings and Household Size.

an average home was more than 19 times higher than income.² These prices are not supported by local median incomes, which are among the lowest in a major Canadian city. With high prices preventing many people from homeownership, the pressure on the rental market has grown. There is also a small, but growing interest in facilitating affordable homeownership to address this issue.

- **Financialization of the housing market**, whereby global capital has been invested in housing as a commodity, as security for financial instruments that are traded on global markets, and as a means of accumulating wealth.³ Activity like speculation or flipping, foreign ownership, empty homes, short-term rentals, and expansion of the Real Estate Investment Trust sector, among others, are evidence of this. This has resulted in rising prices for both ownership and rental housing. Metro Vancouver is not alone in this phenomenon; this trend is evident throughout major world cities.
- **A lack of “missing middle” housing forms and prices.** For a variety of reasons, including zoned capacity and land economics, residential development has favoured single-detached homes and multi-family housing in high density forms, with very little ground oriented multi-family housing like duplexes, triplexes, and townhouses, termed the “missing middle”. There is a mismatch between the type of housing needed (i.e. housing suitable for families at a reasonable price) in favour of small investor-owned one-bedroom condominiums.
- **An increased demand for rental housing**, as young households are unable to afford high home prices or must postpone homeownership. New households in the Metro Vancouver region are increasingly renting rather than owning, further driving the demand for rental housing. This will likely only continue as the region draws new employers and jobs, particularly in the high-tech industry.
- **A shortage of rental housing.** Over the past 10 years, the rental vacancy rate in Metro Vancouver has remained very low at an average of 1.3%, making it difficult to find suitable and affordable rental housing.⁴ To meet the region’s forecasted population growth, an estimated 5,400 new rental units are needed every year, with over 80% of these for very low to moderate income households.⁵ New purpose-built rental housing is generally not economically viable without some form of incentive. While the supply of rental housing has grown in recent years to help meet this demand, it has not kept pace over time, leaving a backlog of housing need. This is compounded by the loss of older rental units that are redeveloped as condominiums.
- **The majority of renter households are lower income.** Nearly 60% of all rental households in Metro Vancouver have very low (<\$35,000/year) or low incomes (<\$60,000/year),⁶ making it difficult to find housing that is affordable for them. Close to one-third of all renter households pay more than 30% of their gross income on housing, while over 12% pay more than half of their income.⁷ When other costs such as transportation, child care, or health care are taken into account, there is little left over for other basic needs, let alone savings.

² Canadian Centre for Policy Alternatives (2016). Getting Serious About Affordable Housing: Towards a Plan for Metro Vancouver.

³ United Nations. Jan 18, 2017.

⁴ 10-year average for purpose built rental housing in Metro Vancouver from 2007 – 2018 is 1.3% (CMHC Rental Market Reports). A residential vacancy rate of 2 – 3% is generally considered a balanced market.

⁵ Metro Vancouver *Metro 2040*. Metro Vancouver 10 Year Housing Demand Estimates (2016 – 2026)

⁶ Statistics Canada. Census 2016

⁷ Canada Mortgage and Housing Corporation (based on 2016 data).

- **New purpose-built rental housing is expensive compared to existing rental housing.** Market conditions and municipal incentives have helped support the creation of new market rental housing for the first time in 30 years. However, due to high land and construction costs, market rents are high relative to the existing rental stock.
- **Pressure on tenants**, ranging from rising rents, poor quality housing, renovictions and demovictions, and an overall lack of choice in the rental market. This is related to very low rental vacancy rates, an aging stock, and overall shortage of rental housing.
- **Aging housing stock in the private, non-market and cooperative sectors.** The desire to preserve the affordability of existing housing comes with a growing need to retrofit and upgrade housing to meet modern safety, seismic and energy codes.
- **The unintended consequence of new transit investments**, particularly rapid transit investments, are raising property prices in station areas, creating challenges in co-locating rental and affordable rental housing in good transit locations. This has led to the need to look further afield for affordable housing development sites, in shoulder areas or along frequent bus routes, for example. Land value capture mechanisms are an option, and these can either assist with creating new affordable housing or compete with affordability objectives. The new rental tenure zoning tool can also be used to moderate property price increases.
- **A growing unmet need for social housing**, especially for seniors and families. Waitlists for social housing in BC have almost doubled in the past 10 years and the Metro Vancouver region represents two-thirds of the provincial need with over 12,000 applicants.⁹
- **Ongoing homelessness in the region.** Efforts to reduce or eliminate homelessness have not been successful, and homelessness continues to grow. The 2017 regional homeless count found 3,605 homeless individuals, a 30% increase since the previous count in 2014. Figures for 2020 have not yet been released.⁸
- **Heightened public concern.** For all of these reasons, housing remains atop the list of priorities in Metro Vancouver, chosen by 65% of respondents in a 2018 survey conducted by the Angus Reid Institute.⁹ This represents a 10-point jump from the comparable 2015 study of housing and transportation in the region.¹⁰ The proportion of those saying that housing is the top issue reached 82% among Metro Vancouver renters in 2018 and is a majority among owners as well (56%). The survey classifies respondents into four groups: “Happy, Comfortable, Uncomfortable and Miserable.” Using the same methodology, the 2018 survey shows that the composition of these groups has changed for the worse. The size of the two middle groups, the “Comfortable” and the “Uncomfortable” has not changed significantly, while the number of “Happy” residents has decreased, and the “Miserable” group has grown in size. Notably the “Miserable” group is dominated by young renters.

2.2. Provincial and Federal Housing Plans and Policies

Below-market housing requires subsidies in order to be able to offer rents at below market rates that are affordable to low- or even middle-income households. In a high cost housing market like Metro Vancouver, the level of subsidy required is significant. Only the federal and provincial governments have

⁸ 2017 Homeless Count in Metro Vancouver.

⁹ Angus Reid Institute, August 2018.

¹⁰ [Angus Reid Institute, 2015](#).

the tax base to do this on a meaningful scale. In the past, the federal and provincial government supported the development of new below-market housing through programs that provided ongoing subsidies to non-profit operators to cover the difference between tenant (below-market) rents and market rents, usually for the period of the mortgage.

Much has changed since *Metro 2040* was adopted in 2011, and even since 2016 when RAHS was adopted. Throughout this period, both the federal and provincial government were largely absent from this portfolio. Little new non-market housing had been built with the exception of some supportive housing for the homeless. Municipalities tried to fill the gap, adopting rental incentive programs and inclusionary housing policies, moving the dial somewhat on new market rental, but producing little new affordable housing supply.

Today both senior levels of government are demonstrating a renewed commitment to housing affordability. In 2017, the federal government introduced the *National Housing* (NHS) and in 2018, the provincial government released *Homes for BC: A 30-Point Plan for Housing Affordability in British Columbia*. These plans, along with related programs and budgetary commitments, have directed much needed attention to affordable housing needs, in particular by providing funding for new non-market housing. This section provides an overview of the key federal and provincial policies, programs, budgetary and legislative changes since 2011, with a focus on the type and scale of intervention, and the likely regional implications of these changes.

Key federal policies and programs:

- The NHS vision for housing in Canada is that “Canadians have housing that meets their needs and that they can afford.”
- The NHS incorporates the concept of a “right to housing” in policy language for the first time, although the right to housing is not actionable at the individual level.
- The NHS provides new funding for housing affordability programs over its ten-year term from 2018-19 to 2027-28. Taking into account existing and subsequent commitments, Canada Mortgage and Housing Corporation (CMHC) plans to spend an average of \$2.8 billion/year on assisted housing programs.¹¹
- Federal spending notably consists of both grants and loans. Programs fall into two categories - those funded and administered unilaterally by CMHC, and those requiring cost matching and administration by the province. Programs target the most vulnerable / low income Canadians through non-market rental housing, and an increased budget for homelessness. There is some financial support for market rental housing in the form of favourable financing terms.
- Other federal government initiatives have addressed broader housing market issues such as lack of data on key housing variables, declining homeownership affordability in large cities, and rising homeowner debt levels and tax evasion and criminal involvement in the housing market.

¹¹ This represents a \$0.4 billion/year (15%) increase in nominal spending over the 10-year historical average. Employment and Social Development Canada (ESDC) plans to spend \$225 million/year on homelessness programs, which represents a \$86 million/year (62%) increase in nominal spending over the five-year historical average. Parliamentary Budget Office *Federal Program Spending on Housing Affordability*, June 2019.

Key Provincial housing policies and programs:

- Provincial non-market housing supply programs (cost shared with the federal government) are being funded through Building BC investments, namely the Community Housing Fund (\$1.9B over 10 years to develop 14,350 units of mixed income, affordable rental housing for independent families and seniors) and other funds dedicated to key priority groups such as the Indigenous Housing Fund, Supportive Housing Fund and the Women's Transition Housing Fund.
- The Province has introduced the Housing HUB, a one-stop source for provincial support for partnerships to create housing affordable to middle-income households earning between \$50,000 and \$100,000 per year (both rental and affordable homeownership).
- The *Homes for BC* plan has placed significant emphasis on managing housing demand to mitigate some of the worst excesses of the market conditions experienced from 2015 to 2017 namely speculation, empty homes, foreign ownership, and proliferation of short term rentals. Some of the new provincial initiatives have included a provincial empty homes/speculation tax, disclosure of beneficial ownership of lands in B.C (in progress), increased allowable fines for prohibited short-term rentals in strata corporations and additional Property Purchase Tax for foreign nationals.
- The Ministry of Social Development and Poverty Reduction has developed a *Homelessness Action Plan* to reduce the homeless population through permanent housing and services, with a province-wide homeless count as one of the first key actions.

With the exception of the provincial Rapid Response to Homelessness temporary modular housing initiative, federal and provincial supply programs have been hampered by slow roll out, not unexpected given the long time horizon to build new housing and the lack of excess capacity in the housing industry.

Today's policy and program context differs from the past in some important ways:

- Financial support for non-profit housing now usually consists of an up-front capital grant per door to reduce operating costs so that non-profits can balance their revenues and expenses, layered with favourable financing terms.
- The level of affordability targeted is rising to include middle-income households and market renters and both the federal and provincial government offer support in the form of low-cost financing, in an attempt to make dollars stretch farther.
- Programs expect municipalities to participate in partnerships to create non-market housing by providing leased or freehold land at low or no cost, fee waivers, density increases, expedited processing or other incentives.
- In BC, there has been growing emphasis on shelter allowances to assist low-income renters, rather than increasing the supply of new affordable housing. For example, the new federal Canada Housing Benefit program, which will happen in partnership with the provinces and territories, is slated for introduction in 2021, and will provide subsidies to renters in the private rental market. Unfortunately, this is less effective in markets with very low vacancy rates such as Metro Vancouver.

There are four takeaways from this review of policies and programs that should be considered in *Metro 2050*:

1. Municipalities are expected to do more than ever before to address affordable housing needs which affects staff workloads and municipal resources. Federal and provincial government funding programs for new affordable supply typically expect to see sites provided at low or no cost (often public sites), along with municipal incentives like density bonusing, parking reductions, and speedy approvals. These arrangements, whether utilizing municipal or other public land, involve partnership arrangements with non-profits and other partners and are implemented by means of complex operating agreements and/ or Housing Agreements involving significant staff time. Municipal staff are also increasingly involved in direct tenant relations when redevelopment or renoviction results in tenant displacement. The new provincial requirement for Housing Needs Reports places further expectations on local government, however, at least it is resourced with grant funding. The question is: does this changing role for member municipalities have implications for Metro Vancouver and if so, what can Metro Vancouver do to support municipalities?
2. There is increasing reliance on shelter allowances federally and provincially (a demand-side measure), meaning that market rental supply will need to continue to expand to enable shelter allowances to assist households in the private market.
3. Funding commitments may not be sufficient to make a significant difference for municipalities to reach their housing goals for very low- and low-income households. According to the federal Parliamentary Budget Office Federal Program Spending on Housing Affordability, June 2019, while the additional NHS funding will help, the federal government's overall annual spending on housing is similar in level to past years.

...It is not clear that the National Housing Strategy will reduce the prevalence of housing need relative to 2017 levels. Overall, Canada's National Housing Strategy largely maintains current funding levels for current activities and slightly reduces targeted funding for households in core housing need. CMHC's assumptions regarding the impact of NHS outputs on housing need do not reflect the likely impact of those programs on the prevalence of housing need.¹²

4. *Metro 2050* must be relevant no matter what provincial or federal housing policies or programs prevail. Current federal and/or provincial funding could be withdrawn due to a change in government at any time. If that were to occur, the context would shift significantly, and we could expect to see limited non-market development, increased pressure on municipalities to do more, growing expectations placed on the private sector, and ultimately, growing unmet housing need.

There have also been a number of changes to provincial legislation and regulations that will have implications for housing at the local level such as:

- The *BC Building Code* was updated to permit mid-rise (>6-storey) wood frame buildings.
 - This has positive implications for affordability, as wood-frame construction is generally less expensive to build and creates more opportunities for affordability by design.

¹² p. 1. Executive Summary.

- The *Residential Tenancy Act* was updated to strengthen protection for renters and increase compensation for tenants facing relocation due to renovations or demolitions (including reduction of the maximum annual allowable rent increase to inflation and closing the fixed-term lease loophole).
 - This remains a significant issue that many municipalities are confronting. Much staff time has been dedicated to this challenging issue both in developing tenant displacement policies and working with affected tenants.
- Updates to the *Local Government Act* and *Vancouver Charter* were made to grant local governments the authority to apply Residential Rental Tenure Zoning and requiring that local governments prepare Housing Needs Reports every five years.
 - Municipalities are slowly coming to grips with the new rental zoning tool. The opportunity for rental zoning to protect existing rental stock and facilitate new rental supply is significant, but not without implications and municipalities are proceeding slowly.
 - The Housing Needs Report requirement is supported by a provincial funding stream managed through the Union of BC Municipalities.

Regional housing-related initiatives (Metro Vancouver and TransLink) are described in Appendix A.

2.3. Housing in Peer Regional Plans

This review briefly considered three regional plans of peer jurisdictions including: (1) Capital Regional District, (2) Squamish Lillooet Regional District, and (3) Puget Sound Regional Council. Two were adopted relatively recently, and the *Puget Sound Regional Council Plan* remains a draft (most recent draft published December 2019). The size and nature of these regions is not directly comparable to Metro Vancouver; however, the review reveals some similarities and differences worth considering. Each plan was reviewed based on its structure, housing goal, definitions, presence of a separate housing plan, presence of housing demand estimates or targets and other elements. Table 1 provides an overview of peer regional plans and *Metro 2040* for comparison sake.

Table 1: Comparison of Peer Regional Growth Strategies

	Capital Regional District (2018)	Puget Sound Regional Council (2019) <i>Vision 2050 (Draft)</i>	Squamish Lillooet Regional District (2019)	Metro Vancouver <i>Metro 2040</i> (2011)
Standalone Housing Goal	No Housing and community combined	Yes	Yes	No Incorporated in Goal 4: “Develop Complete Communities”
Goal Text	“Improve housing affordability”	“The region preserves, improves, and expands its housing stock to provide a range of affordable, accessible, healthy, and safe housing choices to every resident. The region continues to promote fair and equal access to housing for all people”	“Generate a range of quality affordable housing”	Strategy 4.1: “Provide diverse and affordable housing choices”

	Capital Regional District (2018)	Puget Sound Regional Council (2019) <i>Vision 2050 (Draft)</i>	Squamish Lillooet Regional District (2019)	Metro Vancouver Metro 2040 (2011)
Separate Housing Plan/ Strategy?	Yes	Planned/underway	Housing Needs Report in progress	Yes
Definition of Affordable Housing	In glossary	Yes	Yes	No
Housing Demand Estimates (HDEs) / Targets	HDEs with no tenure or income breakdown. Targets in appendix, for performance monitoring.	Population and employment estimates/growth shares Figure 6, page 30. No HDEs/targets, rather member jurisdiction role.	Basic HDEs. Distinction made between total dwelling units and occupied dwelling units. No tenure or income breakdown. No reference in housing section.	HDEs by tenure and household income Guidelines not targets. In appendix. Being updated.
Performance Measures/ Indicators	Not in RGS. Regional Growth Strategy Indicator Report 2019. 4 housing indicators: core housing need, average rent, vacancy rate by rent quartiles, and number of subsidized housing units that have a financial relationship with BC Housing	Don't see this. Perhaps left up to member jurisdictions	Yes, Table 8 in Appendix A lists 2 indicators for this goal – affordability and diversity	2 Performance Measures: H+T and rental housing demand and supply. Reported in Metro Vancouver Online Dashboard
New directions/ Best practices	None	Equity generally. e.g. TOD, displacement, distribution of housing to avoid/address discrimination, missing middle housing, meet housing needs for all income levels specifically	Short term rental housing, land banking for community housing, workforce housing, distinction between occupied private dwellings and vacant dwellings. 9 strategic directions.... Including one that is quite directive i.e. muni agree to... inclusionary zoning requirements with aggressive targets p. 29.	HDEs by tenure and household income
Implementation Tools	Regional Context Statements	12 Multicounty Planning (Housing) Policies (MPPs). The MPPs in VISION 2040 address common objectives and priorities for housing in the region, best practices, and areas for coordination	Regional Context Statement	Regional Context Statements, Housing Action Plans

3.0 WHERE ARE WE NOW?

This section reviews and analyzes relevant Metro Vancouver plans and policies including the *Board Strategic Plan 2019-2022*, *Metro 2040*, *Regional Affordable Housing Strategy*, *Metro Vancouver Housing 10-Year Plan*, and recent and relevant policy research. The review of each policy or set of documents concludes with some ideas for staff and member jurisdictions to consider.

3.1. Board Strategic Plan 2019-2022

The *Board Strategic Plan 2019 to 2022* provides broad direction to the Metro Vancouver Regional District Board of Directors and ancillary bodies such as the Greater Vancouver Sewerage and Drainage District (GVS&DD) and Metro Vancouver Housing Corporation (MVHC). It identifies the Board's key priorities for its four-year mandate.

The relevant Board Regional Planning goal for housing is:

- 2. Ensure complete and livable communities*

Specifically;

- 2.1 Work with members and TransLink to increase transit-oriented development and for the provision of a mix of housing types and tenures within those corridors. Encourage and protect affordable housing, specifically rentals, in transit-oriented locations.*

This goal statement is similar but stronger than the text contained in Section 4.1.7 a) iii) of *Metro 2040* and is therefore an area that could be strengthened in *Metro 2050* to align with the Board goal. The goals within RAHS (Goals 2 and 4) are much more closely aligned with the above statement.

The relevant Board Housing Services goal is:

- 1. Develop an affordable housing plan*

This refers to the *Metro Vancouver 10-Year Housing Plan* released in November 2019 to guide the work of MVHC.

- 3. Fostering collaboration and engagement.*

This goal refers to Metro Vancouver's role as a convenor to bring government, business, community, academic experts, and others together to share ideas on affordable housing. It also references ongoing work with tenant communities, provincial and federal governments, and the private sector to advance affordable, sustainable, and livable housing within the region.

Consider

Ensuring that at a minimum, *Metro 2050* is consistent with and reflects the Board's specific housing planning goals above.

3.2. Metro 2040 (2011)

Metro 2040 is the region's growth management and land use plan, setting land use policies to guide the future growth of the region and support the efficient use of transportation, other infrastructure and community services. This section reviews **Goal 4: Develop Complete Communities** in depth, including the relevant performance measures and monitoring reports, and Table A2, Housing Demand Estimates. A much more limited review of **Goal 1 Create a Compact Urban Area** and **Goal 5: Support Sustainable Transportation Choices** is included.

Structure

Metro 2040 has five broad goals. Goal 1 and Goal 5 are relevant for housing policy, but the main way that housing is contained in *Metro 2040* is through Goal 4 as a strategy.

In the introductory section of *Metro 2040*, a statement equates higher density development with greater affordability.¹³ This is a necessary condition but not sufficient for housing affordability. Consideration should be given to alternative wording.

Consider

Finding alternative wording to describe the relationship of higher density and affordability.

Goal 1: Create a Compact Urban Area

Metro 2040 is generally agnostic about residential tenure in Urban Centres and Frequent Transit Development Areas (FTDAs). It does however describe affordable housing as a land use characteristic of Regional Centres, Town Centres and FTDAs in Table 3 Guidelines (*Metro 2040*, pg. 19).

Consider

Strengthening the rental tenure aspect of these centres in *Metro 2050*, to include **rental** and **affordable rental**, as both are desirable from a transit and affordability perspective, especially given the new residential rental zoning tool.

Incorporating the idea that these housing types are suitable for station shoulder areas and/or other parts of the Frequent Transit Network.

Goal 4: Develop Complete Communities

Housing policies are focused within **Goal 4: Develop Complete Communities**. Specifically;

Strategy 4.1. Provide diverse and affordable housing choices

¹³ Pg. 5, *Metro 2040*.

The contextual language on page 45 of *Metro 2040*, introducing Goal 4 could be amended to include a clear statement on the growing municipal role in ensuring a local housing supply that is suitable for a range of households, including affordable, rental and special needs housing. It could also clearly outline the limits of the municipal role and the need for funding from provincial and federal governments to create sufficient affordable housing to meet needs across the region.

Furthermore, housing diversity and affordability is embedded as a strategy within Goal 4, and there is no standalone housing goal as befitting the region's top public issue as described above.

Alternatively, and given the current emphasis on integrating transportation and land use to achieve combined housing and transportation access, *Metro 2050* could embody a new goal related to the role of both housing and transportation affordability (and other household costs) in ensuring an affordable and diverse region.

In addition, the language of Strategy 4.1 is weak from an equity perspective. It could be strengthened by adding "...for all" or "across the income spectrum" or similar language. It could also be broadened to include the concept of secure housing to reflect growing concerns around lack of security of tenure and tenant displacement.

Goal 4 – Framework

The *Metro 2040* housing policy framework is summarized in Table 2 below and is consistent with Metro Vancouver's Regional Planning role as described in the *Local Government Act* (LGA).

Table 2: Metro 2040 Goal 4 Housing Policy Framework

What is the regional land use goal?	Goal 4: Develop Complete Communities
What strategy will Metro Vancouver use?	Strategy 4.1 Provide diverse and affordable housing choices
What is Metro Vancouver's role?	<ul style="list-style-type: none">• Implement Regional Affordable Housing Strategy• Assist members with Housing Action Plans/Housing Data/Housing Demand Estimates• Monitor• Advocate• Support MVHC• Review / Accept Regional Context Statements
What does Metro Vancouver require from municipalities?	Regional Context Statement that aligns with or works toward Housing Demand Estimates
How will municipalities do this?	Section 4.1.7 describes a mix of outcomes and policies to achieve Regional Context Statements
What does Metro Vancouver expect from municipalities?	Prepare and implement a Housing Action Plan (HAP) as described in Section 4.1.8

Or, stated another way:

Metro Vancouver role

- Implement the *Regional Affordable Housing Strategy* (RAHS);
- Assist municipalities by providing demographics, Housing Demand Estimates (HDE);
- Monitor Housing Actions Plan's (HAP) achievement of Housing Demand Estimates (HDE);
- Advocate to provincial and federal government;
- Support Metro Vancouver Housing Corporation (MVHC); and,
- Accept Regional Context Statements (RCS) that achieve strategy and meet or work towards consistency with the regional growth strategy and Housing Demand Estimates (HDE).

Municipal role

- Adopt RCSs that meet or work towards HDEs;
- Prepare and implement Housing Action Plans; and,
- Select from a menu of policy approaches/tools to achieve outcomes.

Strategy 4.1.7: Adopt Regional Context Statements

This is an important element of Strategy 4.1, as it specifies that municipalities must adopt an RCS, the key implementation tool of the regional growth strategy in the LGA, and which should:

...include policies or strategies that indicate how municipalities will work towards meeting the estimated future demand as set out in Appendix Table A4.

RCSs describe how local aspirations, as expressed in the Official Community Plan, support and align with *Metro 2040*'s goals and policies. *Metro 2040* thus uses language that virtually suggests the HDEs are targets, but very carefully in notes to the Appendix and elsewhere (Section 6.13 Tables, Figures and Performance Measures) that the HDEs are guidelines only. In fact, there is nothing in *Metro 2040*, nor in the guiding legislation in the LGA, which would provide Metro Vancouver with recourse if municipalities were not living up to their RCS commitments.

Section 4.1.7 a) i) to iv) then goes on to list outcomes or “work towards” statements which should be attained, mixed with approaches and policy tools which could be used to achieve those outcomes.

Strategy 4.1.8: Prepare and implement Housing Action Plans

This strategy describes the elements of a HAP being a) a form of needs assessment, b) identification of priorities and c) implementation measures, as well as the type of goals or objectives they should seek to address d), e), and f). HAPs are not a tool enabled through the LGA, rather they have been a mutually agreed upon addition during the *Metro 2040* planning process.

Consider

What is Working

The link between RCSs and the HDEs that is contained in Section 4.1.7, although vague and unenforceable, is a strength of *Metro 2040*.

Metro Vancouver and member jurisdictions are complying with the two most significant implementation items required/expected by *Metro 2040* - RCSs and HAPs. RCSs have been accepted from all member municipalities, and 13 municipalities have adopted HAPs. Three HAPs are pending, and some are outdated, having been adopted in the late 2000s.

There is new provincial legislation mandating the preparation of Housing Needs Reports for municipalities. A form of housing needs assessment is presently included in the HAP description (4.1.8 a), and establishing housing needs before developing a plan is generally good planning practice.

Table 3 summarizes the areas in Goal 4 where *Metro 2040* could be improved with some ideas to consider in the development of *Metro 2050*.

Table 3: What Could Be Improved and What to Consider

What Could Be Improved	What to Consider
Housing affordability and diversity in <i>Metro 2040</i> (as a strategy within Goal 4) is not given the priority it deserves as a standalone housing goal, in line with the scale of the issue and public opinion.	Housing (supply, diversity, affordability and security) could be a standalone goal within <i>Metro 2050</i> reflecting housing's importance in current public discourse. Two of three peer regional plans have a standalone housing goal. However, Metro Vancouver has a limited mandate in the housing policy area, and overemphasizing housing may raise expectations beyond what Metro Vancouver and its member municipalities are able to achieve. A standalone goal could be accompanied by a clear statement of the limits regional and municipal jurisdiction, scope and financial capacity and the corresponding provincial and federal government role in funding affordable housing. ¹⁴ Another approach would be to reflect the regional emphasis on housing and transportation by having a goal focused on housing and transportation affordability (and perhaps other major household costs like child care). Again it would need to be accompanied by language clearly bounding the local and regional roles, and the roles of provincial and federal governments in providing funding.
There is no affordable housing or housing affordability definition in the main body or appendix of <i>Metro 2040</i> .	Both RAHS and the <i>Metro Vancouver Housing 10-Year Plan</i> have definitions of affordable housing, as do all peer regional growth strategies. Adding a definition (or definitions) would strengthen and clarify the policy language.

¹⁴ A standalone housing goal was considered for *Metro 2040* but ultimately abandoned in order to create a new goal focused on the two social objectives (complete communities).

What Could Be Improved	What to Consider
<p>There is little equity-specific language in Goal 4, although equity underlies Strategy 4.1 (diversity and affordability) and some of the outcomes, in particular, “meeting estimated future housing demand” and “increasing the supply of affordable rental units.”</p>	<p>If the equity lens is to be strengthened in <i>Metro 2050</i>, language such as “for all” could be added to selected goals or strategies, the word equity could be used in contextual language, and/or reference could be made to the housing needs of specific equity groups, including Indigenous peoples.</p> <p>The equity lens could be strengthened by stating that <i>Metro 2050</i> housing policies aim for regional distribution of housing types / tenures / affordability levels in all municipalities (according to need, with some variation to account for local differences), on a fair share basis. This is implied through the HDEs. However, fair share language could be seen as too directive by member jurisdictions.</p>
<p>The <i>Metro 2040</i> description of Metro Vancouver roles in Section 4.1.2. does not adequately reflect Metro Vancouver’s key policy research and planning function with respect to housing. It arguably outstrips all other Metro Vancouver planning roles, except RCS acceptance and convening member jurisdictions, in terms of importance. Even many of the RAHS actions are research / best practice / data oriented. Convening member municipalities around housing policy through the RPAC and RPAC Housing Subcommittee is another important Metro role in practice that is not explicitly identified in <i>Metro 2040</i>.</p>	<p>Clarify the regional role vis a vis housing policy and add language specifically describing the region’s role in research, best practices, data collection/analysis and convening.</p>
<p>Metro Vancouver’s policy research role is key, and it is important that this is translated into policy at the local level.</p>	<p>Expecting that learnings from regional policy research such as the <i>2018 Regional Parking Study, Housing and Transportation Cost Burden Study (H+T)</i>, and <i>Transit-Oriented Affordable Housing Study (TOAH)</i> be incorporated in HAPs and RCSs.</p>
<p>The policy review noted heightened public expectations for municipalities to address the affordable housing crisis, leading some municipalities to expand staff and resources devoted to housing. What does this mean for Metro Vancouver’s role in housing policy and its contribution to alleviating the affordable housing crisis?</p>	<p>Expanding the regional planning role or regional coordination role for housing could be a response to the growing municipal role in housing policy and housing delivery. The region has expanded its housing function in the past several years, with a renewed mandate and plan for MVHC to grow and renew its housing supply, a regional tax to support MVHC non-market housing development on member and regional lands, and expanding the staff complement in Housing Services. Member municipalities would have to agree to a change in the regional role that goes beyond the LGA. Another option would be for Metro Vancouver to step up its supportive role of member municipalities, which arguably it has been doing in the past few years.</p>
<p>The Province does not require Housing Needs Reports for regional districts (except for Electoral Areas with populations over a certain size), but since municipalities are required to complete them, what is the role for Metro Vancouver?</p>	<p>Metro Vancouver is assisting municipalities with data in development of their Housing Needs Reports and in aggregating aspects of municipal HNRs on a regional basis (both are either underway or planned). This would ideally occur before any update to RAHS, if undertaken, and be used to inform any update or replacement of RAHS.</p>

What Could Be Improved	What to Consider
Implementing RAHS 2016 is another key role of Metro Vancouver. However, the current RAHS is becoming outdated and will definitely be outdated by the time <i>Metro 2050</i> is adopted. Furthermore, the adoption of the <i>Metro Vancouver Housing 10-Year Plan</i> (2019) has superseded that aspect of RAHS.	Adding language in <i>Metro 2050</i> stating that Metro Vancouver may update RAHS, as conditions warrant, or explore the creation of a new regional housing strategy at a later date. Most peer regional growth strategies reviewed have or envision an ancillary housing plan to guide regional action on housing.
An important consideration is how <i>Metro 2050</i> can reflect or support the new <i>Metro Vancouver Housing 10-Year Plan</i> .	Referencing the new <i>Metro Vancouver Housing 10-Year Plan</i> , particularly Goal 4: "Develop partnerships as a means to expand affordable rental housing across the region." It could indicate a role for member jurisdictions to support/pursue/explore these types of actions.
There is no direct linkage between Regional Context Statements and Housing Action Plans in <i>Metro 2040</i> language. Presumably RCSs would reflect the local HAP, if there is one.	This is likely because some municipalities will have only an RCS. It is not necessary that an RCS reflect the HAP, only that the RCS reflects how local plans are consistent, or will be made consistent over time, with <i>Metro 2050</i> 's goals, strategies and actions.
Municipalities have generally been complying with the <i>Metro 2040</i> HAP expectation; the issue now is keeping HAPs current and up to date.	Could add language to state expectation that municipal members are to keep their HAP up to date, and that they reflect the municipal Housing Needs Report, perhaps on a similar 5-year cycle. It is important to note that some municipalities have elected to focus on implementing policies to achieve their housing goals rather than updating their HAP. Regular updating of HAPs will have financial and staffing implications for municipalities, as these are not funded by the provincial government.
The descriptions of RCS and HAP content overlap to some degree, as they should, but it is confusing and repetitive.	May want to consider revising descriptions for clarity.
The language of "work towards" in 4.1.7 a), while reasonable and consistent with Metro Vancouver's mandate, ensures there is no municipal accountability for achieving the goals or outcomes of Strategy 4.1 or specifically meeting HDEs.	This is inevitable given the region's supportive housing policy mandate. Improved performance measures reported by municipalities could better illuminate the situation. This could include an inventory of affordable housing by municipality or on a per capita basis. See Performance Measures section.
Characterization of RCS desired content in 4.1.7 i) to iv) is somewhat confusing, as it is a mix of outcomes or goals and tools or approaches to achieve outcomes.	Categorize or list desired outcomes in 4.1.7 and 4.1.8 in a more structured fashion. Consider omitting tools/approaches from RGS (see below).
Section 4.1.7 outcomes do not adequately reflect some current high priority regional housing issues and thinking including: right supply versus supply, lack of missing middle housing forms, continued homelessness, combined housing and transportation affordability, tenant insecurity/tenant displacement, and housing adequacy and suitability in the context of climate change/natural disasters.	Could better articulate desired outcomes in 4.1.7 and 4.1.8 by using the five RAHS goals, as these reflect most current housing issues of concern, with the exception of climate change. They have the advantage of having been endorsed by municipalities through RAHS. In addition, some municipal HAP's goals and strategies reflect those of RAHS.
<i>Metro 2040</i> Section 4.1.7 outcomes are missing any direction around homelessness.	Adding a strategy or outcome referencing ending homelessness, as per RAHS, and consistent with the region's intent to incorporate an equity perspective in <i>Metro 2050</i> . The challenge is how to define the regional role in addressing homelessness without overreaching Metro Vancouver's

What Could Be Improved	What to Consider
	mandate. One approach would be to emphasize the role of housing outcomes in addressing homelessness.
<i>Metro 2040</i> is missing any reference to the climate impacts of housing and the relationship of energy costs and affordability. It also does not address potential mitigation measures for climate change and how these might affect affordability.	Consider incorporating a climate strategy or outcome for housing to reflect the contribution of housing to climate change, the importance of addressing climate change impacts today, adapting housing for changing climate, and the potential impact of natural hazards on housing. The potential impacts of mitigation and adaptation measures for affordability should also be considered. Finally, <i>Metro 2050</i> should align with the intent of <i>Climate 2050</i> and the Buildings roadmap.
The inclusion of specific policy tools that could be used to accomplish certain outcomes within Strategy 4.1.7 may be unnecessarily detailed and overreaching.	Consider avoiding specifying implementation tools for each outcome. Several tools can accomplish the same thing and/or available tools can change over time. <i>Metro 2050</i> could omit any reference to specific municipal implementation tools like reduced parking standards for apartments or infill housing policies and instead refer to an inventory of tools, best practices or implementation guidelines that reside outside <i>Metro 2050</i> that can be updated regularly as new research is undertaken. The drawback of this approach is that it could potentially weaken Metro Vancouver's ability to ask for something specific through an RCS... for example, "station plans, and area plans that include rental housing, affordable rental housing..."
It is unclear from <i>Metro 2040</i> on what basis regional approval of the RCS housing element for Strategy 4.1 is accomplished.	The RGS Implementation Guideline #1 could be strengthened to provide clarity on this question for the new <i>Metro 2050</i> .
Despite the successful practices with respect to implementation of <i>Metro 2040</i> , the <i>Metro 2040</i> performance monitoring dashboard (rightly) notes the region is not on track to achieve progress for Strategy 4.1.	Metro Vancouver and member municipalities should consider ways to better achieve progress toward performance measures and ongoing regional action for <i>Metro 2050</i> .
<i>Metro 2040</i> currently includes strategies identified as "actions requested of other governments and agencies".	Although Metro Vancouver can play an advocacy role with other levels of government and stakeholders around housing policy, it does not have the authority to "assign" actions to other governments and agencies through the regional growth strategy. These strategies should be reassigned as "advocacy actions" for Metro Vancouver.

Goal 5: Support Sustainable Transportation Choices

This goals' two strategies in *Metro 2040* focus on coordination of land use and transportation to:

5.1 ...encourage transit, multiple occupancy vehicles, cycling and walking

5.2 ...efficient movement of vehicles

There is no reference to a desire for a transit serving mix of housing types and tenures near transit, specifically rental and affordable rental housing, as stated in the *Board Strategic Plan 2019-2022* goal above.

There is no reference to the role of municipalities, Metro Vancouver Regional Planning and TransLink in ensuring a mix of housing types and tenures are located near transit, including rental and affordable rental housing.

Consider

Incorporating the directions outlined in the Metro Vancouver *Board Strategic Plan 2019-2022*. There are two ways of accomplishing this:

- a) Add Goal 5 strategy i.e. “5.3 Coordinate land use and transportation to ensure a mix of housing types and tenures, specifically rental and affordable rental housing, are located within transit nodes or along transit corridors” or use actual Board Strategic Plan language.
- b) Refer in Goal 5 to language in a new housing goal on this topic.

Adding actions for Metro Vancouver to advocate to TransLink:

- to require station plans and area plans to include rental housing, affordable rental housing, etc.
- to use TransLink surplus land for affordable housing, particularly rental housing or affordable rental housing.

Referencing TransLink’ Project Partnership Agreements, specifically the Supportive Policies Agreements as a tool for achieving rental and affordable rental housing near future transit investments.

Performance Monitoring

Section G of *Metro 2040* provides two performance measures for Goal 4, Strategy 4.1:

- a) Share of median household income spent on housing plus transportation costs, and
- b) Share of regional housing demand achieved in new supply.

The *Metro 2040* Performance Monitoring Dashboard is the online vehicle for reporting on the regional growth strategy’s performance measures. The current version shows four measures (Housing + Transportation Cost Burden, Housing Choice, Demand and Supply, Municipal Housing Actions), two of which are not performance measures, but rather context measures. The dashboard shows no data availability for the two performance measures. Furthermore, the Municipal Housing Actions measure quickly becomes out of date as municipalities adopt new measures and policies, as it is not a “live” dashboard.

Consider

Improving performance measures to ensure consistency with new regional goals/outcomes, frequency of reporting and data availability. Some specific suggestions include: zoned capacity for housing, using real time municipal data as opposed to Census data, and rental vacancy rates. Utilizing RAHS performance measures or selecting from among RAHS measures, most of which have data availability, is another option.

Housing Demand Estimates

One of the strengths of *Metro 2040* is the link to Housing Demand Estimates (HDE). It is an elegant, if slightly misleading approach, as described above, due to lack of clarity around whether the HDEs are targets versus a guide or best estimate. HDEs have been used to measure how effectively new regional housing supply is meeting demand. While this is a useful measure, it risks de-emphasizing the role of market economics and land costs in determining what gets built and when. Municipalities don't control the pace of development.

The current HDEs provide household estimates at a high level of detail, by tenure and income level by municipality. This level of detail was requested by municipal housing planning staff, is useful for local planning purposes, and implicitly incorporates an equity lens. That being said, the HDEs are out of date, and the planned update to the methodology is warranted.

It appears that the current HDEs consider only occupied dwellings, and do not account for second homes, vacant homes, short-term rentals, or student and non-permanent resident housing demand. Similarly, they do not address the limitations of how these missing variables affect the HDEs.

A related development, the regulation for Housing Needs Reports, specifies that Housing Needs Reports must include 5-year projections of housing demand by unit type. In meeting the Housing Needs Report requirement, municipalities may use housing demand estimates that diverge from the regional HDEs, rendering regional HDEs less relevant. Metro Vancouver is working with member jurisdictions to develop aspects of the Housing Needs Reports to ensure they are based on recent data and a consistent regional approach.

HDEs reside in the Appendices to *Metro 2040* and to RAHS. It is worth considering whether HDEs should continue to reside directly within *Metro 2050*, which means they are difficult to change when outdated, requiring a Type 3 RGS amendment of 50% plus 1. The planned update to HDEs, which is a separate input to *Metro 2050*, will consider the role and placement of HDEs.

Consider

Working with member jurisdiction staff to address the relationship of regional HDEs and estimates developed through local Housing Needs Reports.

HDEs could live outside the RGS, perhaps as an implementation guideline, which would allow for them to be updated more regularly and easily. However, this would likely reduce their importance, relevance and effectiveness.

3.3. Regional Affordable Housing Strategy (2016)

RAHS bridges the regional functions of housing planning and, to some extent, housing service delivery. It was developed and adopted in 2016 following a two-year planning process. RAHS is now four years old and somewhat outdated given the pace of events in the regional housing market, the federal and provincial housing policy arena and within the Metro Vancouver organization. For example, Metro Vancouver Housing has developed its own 10-Year Plan as of 2019, which guides future direction for MVHC. Previously, MVHC goals and actions were incorporated in RAHS.

As RAHS is arguably more up to date than *Metro 2040* in addressing current issues, the following table compares the five RAHS goals along with whether they are addressed, and how well, in *Metro 2040*. There are close ties between the two: there is either direct or indirect coverage of four of five RAHS goals in *Metro 2040*. RAHS Goal 5 “End Homelessness in the Region” is not addressed in *Metro 2040*.

Table 4: Comparison of RAHS and Metro 2040

RAHS Goal #	RAHS Goal	Coverage in Metro 2040	Adequacy in Metro 2040
Goal 1	Expand the Supply and Diversity of Housing to Meet a Variety of Needs	<i>Metro 2040</i> Strategy 4.1 Provide Diverse and Affordable Housing Choices	Direct
Goal 2	Expand the Rental Supply and Balance Preservation of Existing Stock with Redevelopment while Supporting Existing Tenants	<i>Metro 2040</i> 4.1.8 d) HAPs should encourage the supply of new rental housing and where appropriate mitigate or limit the loss of existing rental housing stock	Direct, but indirect tenant protection angle
Goal 3	Meet Housing Demand Estimates for Very Low- and Low-Income Earners	<i>Metro 2040</i> 4.1.7a) RCSs should include policies or strategies that indicate how municipalities will work towards meeting the estimated future housing demand as set out in Appendix Table A.2	Direct
Goal 4	Increase the Rental Housing Supply along the Frequent Transit Network	<i>Metro 2040</i> 4.1.8 iii)increasing the supply of affordable rental units for households with low or low to moderate incomes through policies such as.... particularly in areas that are well served by transit	Moderate, but focus on low to moderate rental housing only and does not include preservation in these areas
Goal 5	End Homelessness in the Region	None	Poor, no reference.

Each RAHS goal has affiliated strategies and actions, mostly for Metro Vancouver and municipalities.

The *Regional Affordable Housing Strategy Progress Report (2019)* documented progress since RAHS was adopted both in terms of actions and performance measures. It found that significant progress has been made at all levels of government and by other housing stakeholders with an increased emphasis on

housing, and new government programs and funding. While progress on actions in RAHS has been made, it noted that it will take time for the impacts to be fully realized, and that there is still much work to be done to improve affordability. The document reported on the RAHS performance measures, and the findings can be summarized as worsening conditions with some movement in the right direction, but generally of inadequate scale to solve the problem. It is recognized that achieving measurable progress in three years from 2016 to 2019 is highly unlikely.

The RAHS progress report explored the idea of incorporating RAHS functionality into other regional plans, including increasing emphasis on housing and social equity in the new *Metro 2050*. While integrating RAHS goals and performance measures, where possible, into *Metro 2050* and the *Metro Vancouver Housing 10-Year Plan* would seem to be a logical approach, RAHS also contains finer grained strategies and actions than could or should be included in *Metro 2050*. The RAHS actions for Metro Vancouver essentially act as a work plan for regional housing planning work.

Furthermore, it is only possible to get to the point of agreed goals, strategies, actions and performance measures through a comprehensive planning process with housing stakeholders. To the extent that future Metro Vancouver housing plans and regional growth strategies need to reflect a regional consensus on a finer grained level of actions, such a process is required. However, it could be achieved through another format, for example a revised regional housing plan or a supporting Implementation Plan for the *Metro 2050* Housing Goal. Given the regional nature of the housing market, a case can be made for a shared regional approach to housing policy and planning, particularly with regards to affordable housing, providing there is member jurisdiction alignment on this.

While RAHS outcomes are moving in the right direction, as demonstrated in the 2019 RAHS Progress Report, the scale of the problem is not being adequately addressed as a region.

Consider

Retaining RAHS, and incorporating RAHS goals in *Metro 2050*. They have the advantage of having already been endorsed by municipalities through the RAHS process.

Updating RAHS or some variant after *Metro 2050* is adopted and utilizing either the new updated HDEs or a regional aggregation of municipal Housing Needs Reports, to better reflect current conditions.

Incorporating some or all of RAHS performance measures as new *Metro 2050* performance measures ensuring data availability and with a reasonable reporting period.

Reassigning actions currently assigned in *Metro 2040* to other governments and agencies as “advocacy actions” for Metro Vancouver.

3.4. Metro Vancouver Housing 10-Year Plan (2019)

The *Metro Vancouver Housing 10-Year Plan* was adopted by the MVHC Board in 2019. It provides a vision and framework to guide how Metro Vancouver Housing will provide, preserve and expand affordable housing in the region. It integrates all of the RAHS actions for MVHC to support affordable housing across the region. It is solely focused on MVHC activities and sets targets based on Metro Vancouver’s own

resources – cash and land – with the proviso that more units can be created with federal and provincial resources and partnerships with municipalities, and private and non-profit sectors.

There is limited reference to *Metro 2040* within the 10-Year Plan, however it does refer to the HDEs, but only for context given the outdated nature of HDE. An important consideration now is how *Metro 2050* can reflect or support the 10-Year Plan. The 10-Year Plan envisions a role for partnerships with member municipalities and others in Goal 4: Develop partnerships to expand affordable rental housing across the region. Action 4.1 outlines ways for Metro Vancouver Housing to partner with member jurisdictions including:

- seeking vacant public lands or other contributions to facilitate more affordable housing;
- co-locating housing with civic facilities;
- renewing existing municipal land leases; and,
- opportunities for Metro Vancouver Housing to manage units gained through the municipal development approval process.

These approaches could be incorporated in *Metro 2050* as a way for member municipalities and Metro Vancouver Housing to create partnerships.

Consider

Referencing the new *Metro Vancouver Housing 10-Year Plan*, particularly Goal 4: “Develop partnerships as a means to expand affordable rental housing across the region.” It could indicate a role for member jurisdictions to support/pursue/explore these types of actions.

Describing the relationship between Regional Planning and Housing Services and refer to *Metro 2050* and HDEs in future updates to the *Metro Vancouver Housing 10-Year Plan*.

3.5. Applied Policy Research

Since *Metro 2040* was adopted, Metro Vancouver Regional Planning has embarked on a program of research to support and advance thinking on Goals 4 and 5, and of RAHS Goal 4. These include two regional parking studies, the Housing and Transportation Cost Burden Study (2015) and Transit-Oriented Affordable Housing Study (2017-2019). These works provide a rationale for integrating land use and transportation planning in service of housing affordability and diversity and demonstrate the value add of the regional planning role of best practices research and information dissemination. What are the implications of this research for *Metro 2050*? And how should it be incorporate/reflected in *Metro 2050*?

Regional Parking Studies 2012 and 2018

The majority of new residential growth in Metro Vancouver is in the form of multi-residential (apartment) buildings. Getting the right match between parking use and supply benefits housing affordability, sustainable transportation choices and overall livability. The 2018 Regional Parking Study updated the 2012 Apartment Parking Study, which was the first regional study of apartment parking in Metro Vancouver and, at the time, the largest study ever undertaken in Canada and the United States. These

studies provide information to municipalities and developers on apartment parking use and supply at various surveyed sites across the region.

Both studies found that apartment parking supply exceeds use across the region, for both rental and strata buildings, and suggest that municipal planning and engineering staff should consider the findings when undertaking municipal parking bylaw updates, rezoning and development reviews, developing area and neighbourhood plans, corridor planning efforts, and street parking management. Depending on the type of development, improving the match between supply and use can also support housing affordability objectives.

Consider

Incorporating the expectation in *Metro 2050* that learnings from *2018 Regional Parking Study* be incorporated in a general way in HAPs and RCSs.

Housing and Transportation Cost Burden Study 2015 (H+T)

This work demonstrated high housing and transportation costs disproportionately affect renters throughout the region, particularly low-income renters. It suggested that locations near transit can improve affordability for renters and posed a new policy challenge for municipalities and developers to ensure co-location of this type of housing near transit. This work greatly informed RAHS, in fact directly influenced Goal 4 “Increase the Rental Housing Supply along the Frequent Transit Network”.

Consider

To the extent that RAHS Goal 4 is included as a goal to work towards in RCSs in *Metro 2050*, it could be sufficient to address the housing and transportation concept at the outcome level.

Transit Oriented Affordable Housing Study 2017-2019 (TOAH)

Metro Vancouver and study partners used the H+T study as a basis to dive deeper into the opportunities and constraints for building new affordable rental housing in transit-oriented locations across the region. In Phase 1, the study partners examined the challenges and opportunities with building new affordable housing, particularly affordable rental housing in transit locations. In Phase 2, the partners evaluated specific policies and financial tools. One of the key land use findings of TOAH Phase 2 was:

New advances in land use, affordable rental housing, and transit planning are required. Affordable rental housing is an important transit-oriented land use and should be a key component of transit corridor, station area and neighbourhood plans.¹⁵

Consider

Requiring RCSs to demonstrate how corridor, station area and neighbourhood plans accomplish or work towards HDEs.

4.0 LOOKING AHEAD TO METRO 2050

Member jurisdictions and Metro Vancouver are implementing *Metro 2040* as envisioned, and according to the scope laid out in the *LGA*. Despite this, the region is far from achieving the outcomes desired in terms of housing affordability and diversity. *Metro 2040* lacks direct alignment with all *Regional Affordable Housing Strategy* goals, the *Board Strategic Plan 2019-2022*, and some emerging issues. Improvements are possible within the *LGA* framework, and/or with agreement from member municipalities.

This section summarizes the main housing ideas and directions revealed through this review that could be considered in the development of *Metro 2050*. It incorporates comments received on the draft Discussion Paper by members of the Regional Planning Advisory Committee (RPAC) and RPAC Housing Subcommittee. Ideas arising from the review of various sources (e.g. RAHS, Housing Plan, Policy Research) are integrated and organized by main theme following the order of *Metro 2040*.

4.1. General

- a) Ensuring that *Metro 2050* is consistent with the Board's specific housing planning goals as formulated in the *Board Strategic Plan 2019-2022*.
- b) Finding alternative wording to describe the relationship of higher density and affordability.

4.2. Urban Centres

- a) Strengthening the rental tenure aspect of urban centres in *Metro 2050* to include rental and affordable rental housing as both are desirable from a transit and affordability perspective.
- b) Incorporating the idea that rental and affordable rental housing are suitable for station shoulder areas and/or locations near other parts of the Frequent Transit Network where land prices are not as high as urban centres.

¹⁵ Regional Planning Committee Regular Meeting Transit-Oriented Affordable Housing Study Phase 2 – Key Findings Date: April 5, 2019, Page 6.

4.3. Housing

- a) Making housing (supply, diversity, affordability and security) a standalone goal within *Metro 2050* reflecting housing's importance in current public discourse. A standalone goal could be accompanied by a clear statement of the limits of regional and municipal jurisdiction and financial capacity and the corresponding senior government role in funding affordable housing.¹⁶
 - Another approach would be to reflect the regional emphasis on combined housing and transportation in a new housing goal by making combined housing and transportation affordability (and perhaps other major household costs like childcare) the goal. Again, it would need to be accompanied by language clearly bounding the local and regional roles, and the roles of provincial and federal governments in providing funding.
- b) Adding a definition of housing affordability or affordable housing to clarify the policy.
- c) Strengthening equity language by adding terms such as “for all” to goal or strategies, employing the word “equity” and “equitable” in contextual language, and/or referring to the housing needs of specific equity groups, including indigenous peoples.
- d) Explaining the regional role vis a vis housing policy by emphasizing Metro Vancouver’s supportive roles in providing policy / data/ research and convening municipal members.
- e) Expanding Metro Vancouver’s regional planning role or regional coordination role could be a response to the growing municipal role in housing policy and housing delivery.
- f) Assisting municipalities with data to develop their Housing Needs Reports and potentially to aggregate aspects of municipal HNRs on a regional basis (both are either underway or planned). This would ideally occur before any update to RAHS, if undertaken, and be used to inform any update or replacement of RAHS.
- g) Expecting that learnings from regional policy research such as the *2018 Regional Parking Study, Housing and Transportation Cost Burden Study*, etc. be incorporated in HAPs and RCSs.
- h) Referencing the new *Metro Vancouver Housing 10-Year Plan*, particularly Goal 4: “Develop partnerships as a means to expand affordable rental housing across the region.” It could indicate a role for member jurisdictions to support/pursue/explore supportive actions.
- i) Retaining RAHS (2016) and adding language that Metro Vancouver may update RAHS as conditions warrant, perhaps once HDEs have been updated.
- j) Expecting that municipal members keep their HAP up to date, and that HAPs reflect the municipal Housing Needs Report, perhaps on a similar 5-year cycle.
- k) Revising descriptions of RCS and HAP content for clarity.

¹⁶ A standalone housing goal was considered for *Metro 2040* but ultimately abandoned in order to create a goal focused on the two social objectives “Create Complete Communities”.

- l) Categorizing desired outcomes of RCSs in 4.1.7 and 4.1.8 in a more structured fashion.
- m) Improving articulation of desired outcomes in 4.1.7 and 4.1.8 by using the five RAHS goals, as these reflect most current housing issues of concern, with the exception of climate change.
- n) Adding a strategy or outcome referencing ending homelessness, as per RAHS, and consistent with the region's intent to incorporate an equity perspective in *Metro 2050*. The challenge is how to define the regional role in addressing homelessness.
- o) Consider Incorporating a climate strategy or outcome for housing to reflect the contribution of housing to climate change and the importance of addressing climate change impacts today.
- p) Avoiding specifying implementation tools for each desired outcome to provide flexibility for member jurisdictions. Instead, *Metro 2050* could refer to an inventory of tools, best practices or implementation guidelines that reside outside *Metro 2050*.
- q) However, it would be desirable to require RCSs to demonstrate how corridor, station area and neighbourhood plans accomplish or work towards HDE.
- r) Strengthening RGS Implementation Guideline #1 to provide clarity on conditions for approval of the housing element of RCSs for *Metro 2050*.
- s) Recognizing that the region is not meeting *Metro 2040* desired housing outcomes. This might be grounds for Metro Vancouver and member municipalities to consider stronger measures in aid of future *Metro 2050* housing goals.
- t) Reassigning any actions requested of other governments and agencies to Metro Vancouver in an advocacy role to reflect Metro Vancouver's lack of jurisdiction over other agencies.

4.4. Transportation

- a) Incorporating the directions outlined in the Metro Vancouver *Board Strategic Plan 2019-2022* with respect to integrating transportation and rental and affordable rental housing either by:
 - Adding a Goal 5 strategy “Coordinate land use and transportation to ensure a mix of housing types and tenures, specifically rental and affordable rental housing, are located within transit corridors” or use actual Board Strategic Plan language.
 - Referring in Goal 5 to a new housing goal, strategy or desired outcome on this topic.
- b) Adding actions for Metro Vancouver to advocate to TransLink:
 - to use Project Partnership Agreements, specifically the Supportive Policies Agreements, to require that station plans and area plans include affordable housing, particularly rental housing and affordable rental housing adjacent to future transit investments.
 - to use surplus TransLink land for rental housing or affordable rental housing.

4.5. Performance Monitoring

- a) Improving housing performance measures to ensure consistency with new regional goals/strategies/desired outcomes, frequency of reporting and data availability. Suggestions include:
- Measuring zoned capacity for housing, using real time municipal data as opposed to Census data, and rental vacancy rates.
 - Utilizing RAHS performance measures or selecting from among RAHS measures most of which have data availability.

4.6. Housing Demand Estimates

It is understood the HDE will be updated under a separate process using a defensible methodology and with expert panel advice. It will also consider the role and placement of HDEs within *Metro 2050*. However, the timing may not coincide with municipal Housing Needs Reports which are currently underway. Metro Vancouver should consider:

- a) Working with municipal staff to address the future relationship of regional HDE and municipal household estimates developed through local Housing Needs Reports;
- b) Whether HDEs should reside outside of the *Metro 2050* (recognizing that this would weaken HDEs as a tool within the RGS, and remove the expectation that RCSs demonstrate consistency with HDEs); and,
- c) More current, annual reporting and updates to HDEs.

4.7. Metro Vancouver Housing

- a) Future updates to the *Metro Vancouver Housing 10-Year Plan* could consider describing the relationship between Regional Planning and Housing Services and referring to *Metro 2050* and HDEs.
- b) *Metro 2050* should refer to the *Metro Vancouver Housing 10-Year Plan* and describe the supportive roles of Metro Vancouver's Regional Planning and Housing functions.

5.0 APPENDIX

5.1. Regional Tools and Initiatives

GVS&DD Waiver or Reduction of Development Cost Charges (DCC) for Not-for-Profit Rental Housing

As envisioned in RAHS (2007), Metro Vancouver supports new affordable housing through the waiver of DCCs. Since 2010, Metro Vancouver's DCC Bylaw (GVS&DD Bylaw No. 254, 2010) has included provisions to waive DCCs for not-for-profit rental housing. In May 2018, the Greater Vancouver Sewerage and Drainage District (GVS&DD) Board adopted *GVS&DD Development Cost Charge Waiver or Reduction for Not-for-Profit Housing Bylaw, No. 314, 2018*, a separate waiver bylaw to improve the waiver's ease of use and respond to the changing federal and provincial funding context. In 2018, GVS&DD DCCs were waived for a total of 1,761 rental units in 27 developments for a total value of \$1,578,011. Almost \$3.5 million in DCC fees have been waived since inception, representing a significant regional contribution to improving the viability of non-market housing.

TransLink DCC Waiver for Affordable Housing

In May 2018, the *South Coast British Columbia Transportation Authority Act* was amended to give TransLink the authority to impose a Regional Transportation Development Cost Charge (DCC) in Metro Vancouver. The new DCC was introduced to assist in paying for eligible transportation projects of the Phase One and Phase Two Investment Plan. To support housing affordability within the region, and ease of administration for municipalities within the Metro Vancouver, TransLink adopted a policy to provide a waiver for certain eligible not-for-profit affordable rental housing and reduction for certain eligible not-for-profit affordable student rental housing from the DCC consistent with the waiver and reduction provided by the Greater Vancouver Sewerage and Drainage District for its own regional development cost charge. TransLink's waiver and reduction are set out in its *Bylaw #125-2018 – A Bylaw to Establish a Waiver or Reduction of Development Cost Charges for Not-for-Profit Rental Housing*. The effective first year for implementation of the TransLink's DCC bylaw and waiver is 2020.

Metro Vancouver no longer the Regional Entity for the federal homelessness program

As of April 1, 2019, Metro Vancouver is no longer the Designated Community Entity (CE) for the Metro Vancouver region for Canada's homelessness strategy. Vancity Community Foundation has assumed a one-year interim role as the CE for this region until March 31, 2020. As regional entity, Metro Vancouver coordinated the allocation of federal homelessness funds with its partner Vancity Community Foundation. This change in responsibility around regional homelessness highlights the challenge of addressing homelessness as part of the housing spectrum within *Metro 2050*, while respecting Metro Vancouver's limited mandate in this area.

TransLink Project Partnership Agreements

A new tool to ensure that large transit investments are supported by effective partnerships with host municipalities. Project Partnership Agreements are a three-phased partnership agreement framework involving TransLink and a host municipality implemented in the context of major capital projects which involve significant cost and risk. It typically includes three sub-agreements, one of which is the Supportive

Policies Agreement, the latter covering updating of relevant municipal plans and strategies, including housing, in support of transit. Three such agreements are currently in place across the region.

