STREAMLINING RENTAL INITIATIVE ENGAGEMENT SUMMARY

March 2020 - August 2021

CITY OF VANCOUVER | HOUSING VANCOUVER

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Introduction

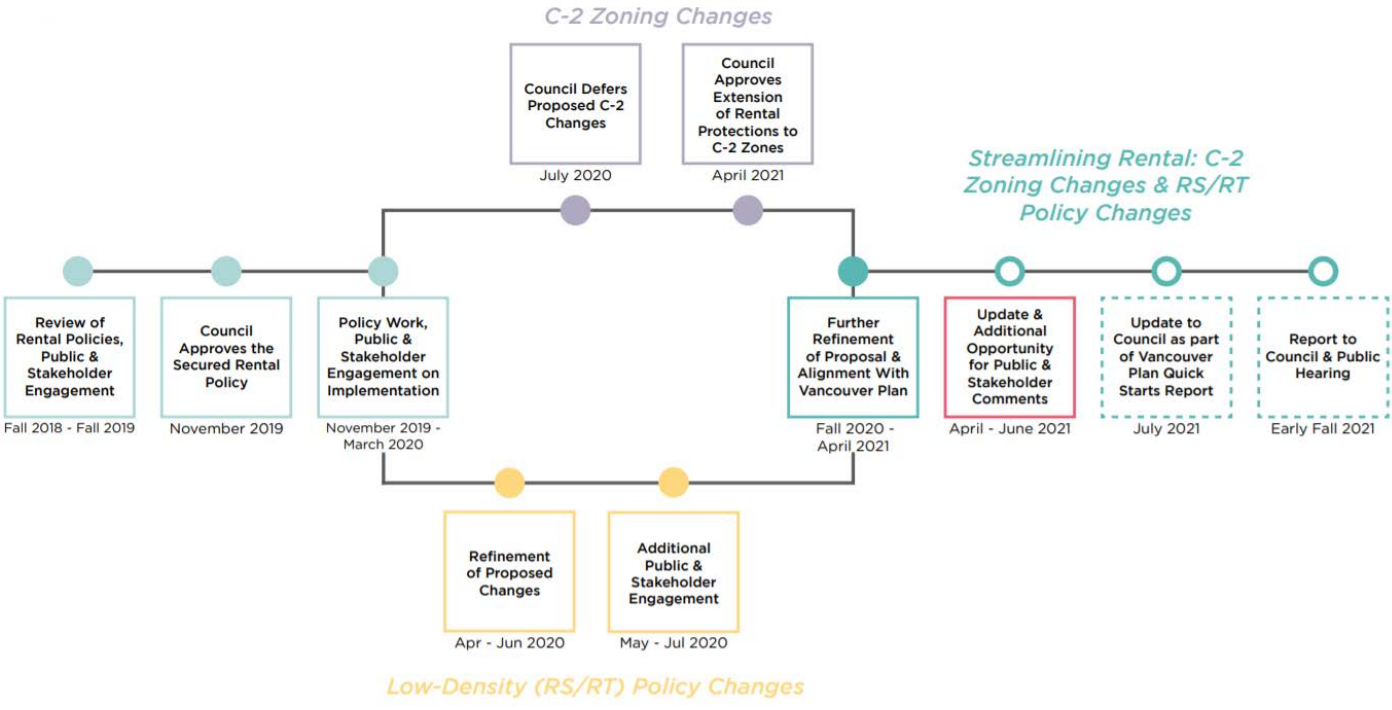
The Secured Rental Policy (SRP) consolidates and updates City rental housing programs that were first introduced in 2009 to encourage construction of new purpose-built rental housing across Vancouver. In addition to creating more of the right supply of housing, the SRP also addresses other key City objectives, including action on the climate emergency and creating more complete, connected neighbourhoods.

The most recent phase of work on the implementation of the SRP – the Streamlining Rental Initiative – began following Council direction to City Staff to advance work on a number of key actions, including changes to streamline the approvals processes for new rental housing in C-2, RS and RT zones. The development process changes proposed as part of the Streamlining Rental Initiative were refined through a multi-year engagement process. Starting in 2018, the City has consulted the public and stakeholders through multiple phases of work, including:

I) As part of the review of the City's rental incentive programs during the last 10 years;
II) During the development of the Secured Rental Policy (SRP); and
III) As part of the Streamlining Rental implementation work to advance zoning changes in C-2 and the creation of new rental zones for use in surrounding low-density areas.

This summary document is a synthesis of the key themes and findings received as part of feedback from stakeholders and the public during this third key phase of engagement between March 2021 and August 2021 on the Streamlining Rental Initiative.

Figure 1. Streamlining Rental Engagement Timeline



Engagement Methods

Between March 2020 and August 2021, staff engaged residents through in-person and online virtual information sessions, surveys, and stakeholder engagement meetings that involved well over 7,000 engagement touchpoints. This included:

- **6 in-person public information sessions** focused on the Secured Rental Policy implementation held throughout Vancouver in March 2020, attended by over 800 residents
- **10 stakeholder workshops** including the City's Renters Advisory Committee, Urban Development Institute's Rental Housing Subcommittee, Vancouver Planning Commission, local architects, and Business Improvement Area executive directors
- **An online comment form** in March 2020, which received 400 responses
- **Shape Your City project webpage** with open house style boards, Council updates, and project information receiving over 5,000 visitors
- **2 online public information sessions** held in June 2021 focusing on the Streamlining Rental initiative, attended by 102 residents
- **Public and development industry one-on-one sessions** in June and July 2021. Public sessions were attended by 18 residents. Industry-specific sessions were attended by 15 representatives.
    - 16 property-specific discussions with small-scale developers and property owners were also held from July-September 2020
- **An online survey** open from May 14 – July 30, which received 1,700 responses

Notification

The public was notified about the public information sessions and online sessions through a variety of methods, including:

- Email notification to the Housing Vancouver and Vancouver Plan mailing lists
- Poster advertisements distributed to the City's 24 community centres, 22 libraries, and City Hall (March 2020)
- Newspaper advertising in the Vancouver Courier (March 2020)
- Online notification through the City's website and Shape Your City pages
- Social media advertising and posts via LinkedIn, Twitter, Facebook, and Instagram receiving over 60,000 impressions and 1,200 engagements

What We Heard from the Public

Previous Engagement Reports

The engagement work for Streamlining Rental builds upon three years of consultation from the Rental Incentives Program Review (August 2018 – October 2019) and zone specific C-2 and low-density transition areas consultation. The published engagement reports are listed for reference:

- Phase I Rental Incentive Review: CitySpaces Consulting Report, Appendix M, page 142
- Phase II Rental Incentive Review Engagement Summary, Appendix J, page 89
- Phase III C-2 Specific Engagement
- Phase III Low Density Specific Engagement

Rental Incentive Review – Phase I and II Findings

Phase I – Consultation included engagement and workshops with developers and landlords, a survey of renters residing in buildings constructed under city incentive programs, and pedestrian intercept surveys.

Phase I Key Findings

1. The City's rental housing development incentives are creating new market rental housing
2. Incentives are necessary to make construction of rental housing viable
3. Current incentives are insufficient, rental housing is only marginally viable to construct when compared to strata developments
4. The City's rental housing incentives and programs should be simplified to reduce the length and complexity of the development process
5. Increasing the level of affordability in new rental housing is challenging
6. Finding rental housing is challenging due to lack of options for renters and high rents for many households in the city

Phase II - consultation was conducted from August 2019 to October 2019. Engagement methods include in-person dialogue during public open houses, written comment forms at the open houses, and an online public survey via Talk Vancouver (n= 3,283). Overall, we heard from 3,500 people during the Phase II consultations.

Phase II Key Findings

1. There is a need for purpose built rental housing in Vancouver – 85% of respondents believed there is a need to build more purpose built rental housing in the city
2. Renters are facing significant challenges – 65% of renters say their rental home is only somewhat or not at all meeting their needs. Due to the persistently low vacancy rate, renters are having to make trade-offs to live in Vancouver
3. There is a willingness to see higher buildings to achieve greater affordability of rental units – 69% of survey respondents agreed with the idea of building larger and taller buildings to improve affordability

4. Respondents expressed equity concerns about the geographic concentration of purpose-built rental housing along busy streets with higher noise and air pollution levels; 82% of survey respondents supported policies to allow rental buildings in low-density areas close to arterials and commercial districts.

Secured Rental Policy Implementation – Phase III Findings

C-2 and Low Density Area Implementation Actions (March-October 2020)

1. **General support to enable rental housing in more areas**: A significant amount of respondents expressed support for the proposals stating that these measures will help accommodate the growing number of renters in Vancouver, increase rental vacancy rates, and shorten development timelines. Additionally, some respondents were generally supportive of the proposals, but had some concerns or areas they would like to see addressed.
2. **Concerns about urban design, height, scale, and design of the proposed building forms**: We heard concerns, mainly from homeowners, about the impact of the proposed development forms on shadowing, compatibility with the existing built form, and potential uniformity of new developments.
3. **Displacement and affordability concerns**: Some respondents were concerned about the potential for renter and business displacement these areas due to redevelopment. Some respondents were concerned over the affordability of market rents in new developments.
4. **Diverging opinions on policy scope and geographic coverage**: While some respondents suggest expanding the geographic coverage of these changes to include more areas of the city, others are concerned the proposed development forms bring too much change to low density neighbourhoods. Some respondents also commented on the importance of community character, and retention of heritage buildings in Vancouver.
5. **General support for proposed changes to commercial spaces in all C-2 areas**: Overall, we heard from residents about the importance of having local shops and commercial spaces within walking distance to where people live. Respondents were also concerned about supporting small and local businesses to ensure these areas remain vibrant and walkable. Some respondents suggested relaxations to building height to enable more flexible and functional commercial spaces.

Streamlining Rental Initiative – Phase III Findings (May-August 2021)

Survey Results

The Streamlining Rental survey was open from May 14 – July 30 2021 and received 1,700 responses from residents and stakeholders. A summary of key findings, sample quotes, and quantitative survey results are summarized in this section.

Key Findings

1. Strong support for streamlining the rental development approvals process

The majority (65%) of survey respondents supported changing the approvals process to make it easier and faster to build new secure market and below-market rental housing (including social housing) in more neighbourhoods. We heard that the rental development process for up-to 6-storey apartments is too long and onerous, especially during the public hearing meetings.

Support was particularly strong amongst renters (83%) compared to homeowners (51%). Most respondents (72%) also supported encouraging the construction of secure below-market and social housing targeted to low and moderate income households. Many questioned the fairness of the current development approvals system which favour ownership housing.

Sample Quotes:

- *"The rezoning process is the most expensive, time consuming and risk prone part of the process."*
- *"It's very frustrating to hear new apartments by a skytrain need any public approval process. Should not be so."*
- *"I am a huge fan of these changes. I think it is quite problematic that we force developments to go through the CD-1 rezoning process, when most rental units have very similar objectives and requirements."*

2. Broad support for new rental housing near amenities like parks, schools, transit, shopping areas and amenities to improve walkability and help address the climate emergency

60% of survey respondents felt the proposed changes would help create complete, walkable neighbourhoods and that they complement the City's climate emergency response. Many residents expressed their desire for living in walkable and transit-oriented neighbourhoods to reduce automobile dependency.

However, some participants questioned the environmental impacts of redeveloping existing houses to build rental apartment buildings, and expressed concerns that the net outcome may not support the City's climate emergency response objectives.

Sample Quotes:

- *"Please support and allow more purpose built rental in west side neighbourhoods so that families have the opportunity to live in communities that are rich in amenities (parks, fields, community centers, libraries, schools), close to transportation and provide excellent places for children, elders."*

- *"It is also great that we will allow denser rental units right off arterial roads and near walkable areas."*
- *"The most sustainable housing is the one that already exists."*

3. Support for more secured rental housing in more neighbourhoods throughout the city

Renters in particular emphasized the importance of building more secured, purpose-built rental housing as it offers more stability and tenant protection than secondary rental (e.g. rented condos, basement suites). We heard from renters that that secondary basement suites are not adequate for long-term housing.

We heard from many residents that secured rental housing should be allowed in all residential areas city-wide to address the housing shortage in Vancouver. Many residents also supported building secured rental on quieter residential side streets, rather than concentrating projects on busy arterials, to create more equitable housing options for renters.

Sample Quotes:

- *"There should be no restrictions on building rental housing anywhere. Not one square meter of the city's land should be exempt from building rental housing; the desires of wealthy landowners are worthless in the face of an emergency."*
- *"I'm frustrated with the argument from homeowners in my neighbourhood that there are already enough rentals because of all the basement suites, but we need purpose-built rental buildings. I don't want to live below ground and I don't want to be at the mercy of an individual landlord's whim. Purpose built rental is more secure."*
- *"This is a refreshing and welcome change to rental housing in Vancouver. I would even like to see it expanded deeper into low density areas."*
- *"As a new homeowner, I would welcome this kind of density in my neighbourhood—it has the potential to create more vibrant and mixed communities."*

4. Questions and concerns for renter displacement and affordability

Some participants expressed concern that allowing new rental housing in low-density areas would lead to displacement of renters living in suites, and that new rental housing should only be allowed on sites with no existing rental to minimize displacement. Many participants expressed concerns that new market rental is not affordable to local median incomes and families. Some respondents also mentioned the need to require deeper levels of affordability in new market rentals. We heard that new market rents for family sized units with 2+ bedrooms were out of reach for many renter families

Sample Quotes:

- *"There are not enough incentives for moderate income rental apartments and the incentives described do not appear very financially attractive"*

- "*These rentals have to be reasonably priced for low income people and must be suitable for little children as well."*

5. Some concern regarding the potential scale and pace of change in low density areas

Some respondents expressed concerns about the size of new rental buildings and their compatibility with existing lower density homes. Specific concerns were noted around shadowing and overlook impacts, loss of views from private property and negative impacts on surrounding property values. We heard that the rental rezoning options should be more customized to better respond to local neighbourhood contexts.

Some had concerns that new apartments may add pressure on existing schools, parks, and community services which may already be at or near capacity.

Sample Quotes:

- *"*I disagree with putting apartment buildings next to family houses or duplexes. It blocks the sunlight which is so precious to Vancouverites. No property owner can build an oversize height house, so I am against having the city give permission to place a 4 or 6 story apartment that creates more vehicle traffic, noise, shades existing properties"
- *"It's too broad to include all of Vancouver. I agree the changes would make it faster but don't agree that it's better. No guarantee that purpose built will be affordable in some neighbourhoods because of cost of land."*
- *"Both housing and service amenities must be built in parallel, to immediately create functioning communities with adequate services for all residents."*

6. Concern over planning and engagement process

We heard concerns, mainly from homeowners, over the planning and engagement process. We heard questions as to why this Quick Start Action was being proposed are proposed ahead of the Vancouver Plan, and that the 4-year engagement process was insufficient due to a lack of neighbourhood level engagement. Some respondents desired mail-out notification on the proposed changes.

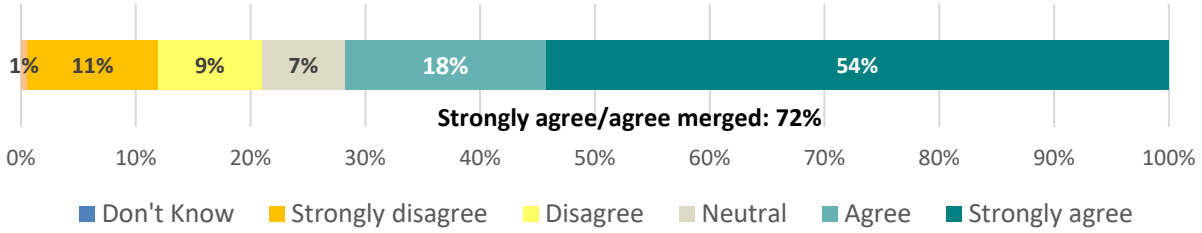
Sample Quotes:

- *"Why are you trying to take away the ability for residents that already live in a neighbourhood to give feedback, such as at public hearings, before a new development in their area?"*
- *"There has been no notification given to the properties that would be affected"*
- *"There has been no meaningful consultation with residents while targeting special interests."*

Quantitative Survey Results

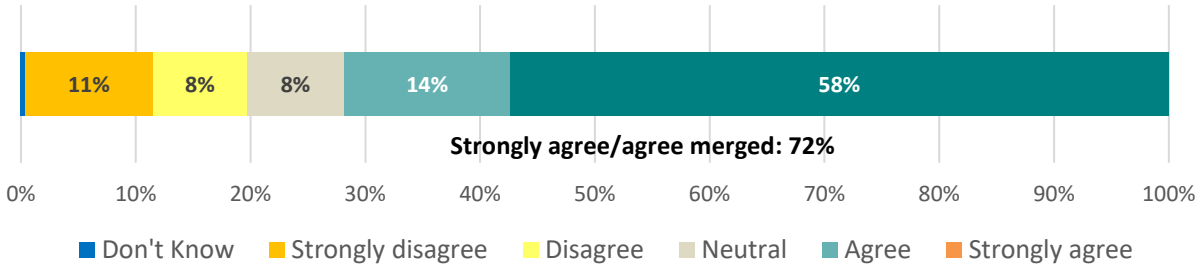
72% Strongly agree/agree that city should encourage the construction of secure market rental housing in more neighbourhoods.

- *84% of renters vs. 63% of homeowners strongly agree/agree with the statement*



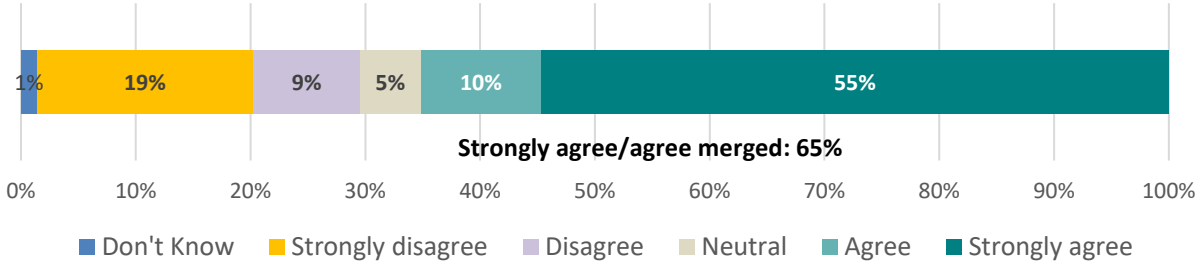
72% Strongly agree/agree that the city should encourage the construction of secure below-market and social housing targeted to low and moderate income households in more neighbourhoods

- *90% of renters vs. 57% of homeowners strongly agree/agree with the statement*



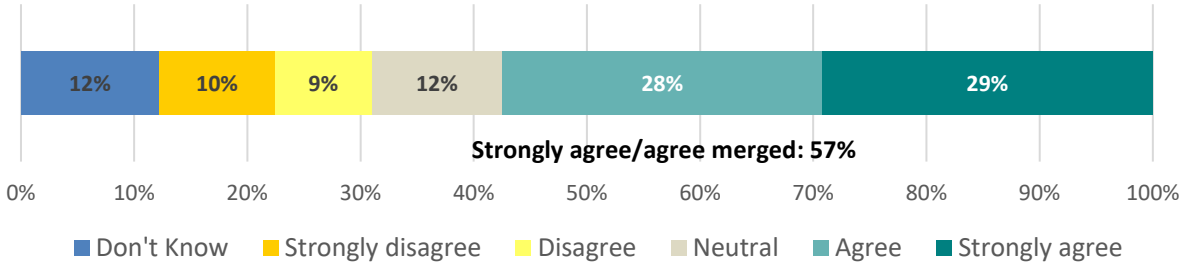
65% Strongly agree/agree that the city should change the approvals process to make it easier and faster to build new secure market and below-market rental housing (including social housing) in more neighbourhoods.

- *83% of renters vs. 51% of homeowners strongly agree/agree with the statement*



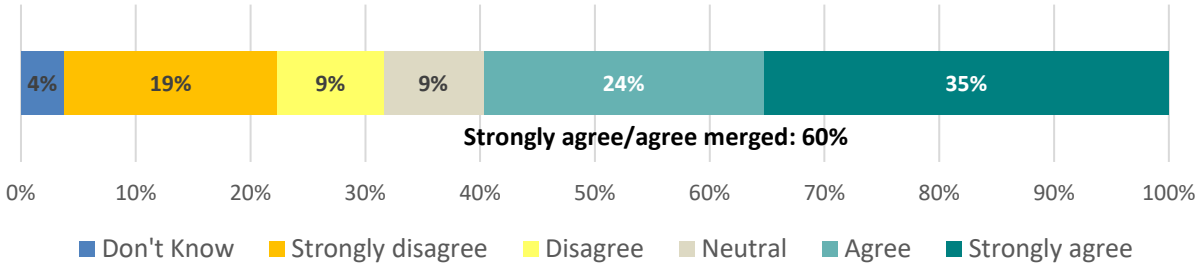
57% Strongly agree/agree that the proposed changes make it faster and easier to build new secure rental housing.

- *70% of renters vs. 47% of homeowners strongly agree/agree with the statement*



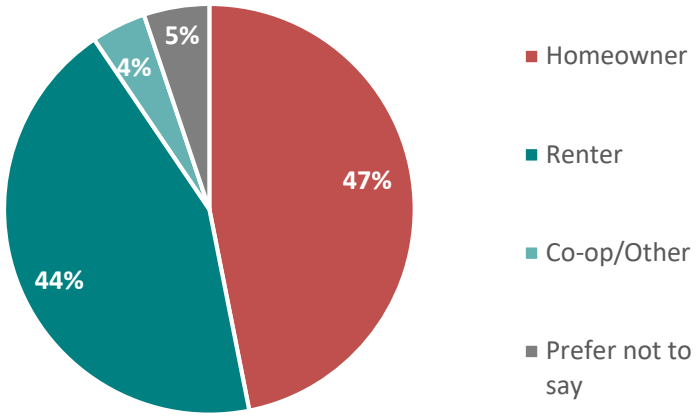
60% Strongly agree/agree that the proposed changes help create more complete neighbourhoods and address the climate emergency by focusing opportunities within walking distance of public transportation, shopping, and other daily needs.

- *77 of renters 47% of homeowners strongly agree/agree with the statement*



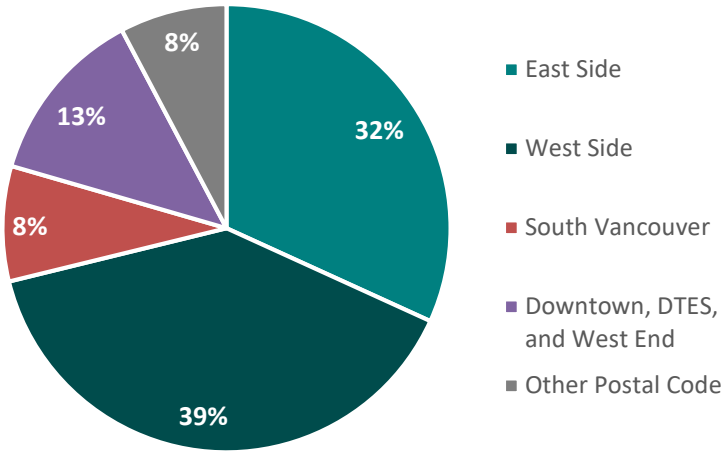
Do you own or rent your home?

- The tenure split closely matched the citywide housing tenure split of Vancouver according to the most recent Census, which was 53% renters and 47% homeowners in 2016.



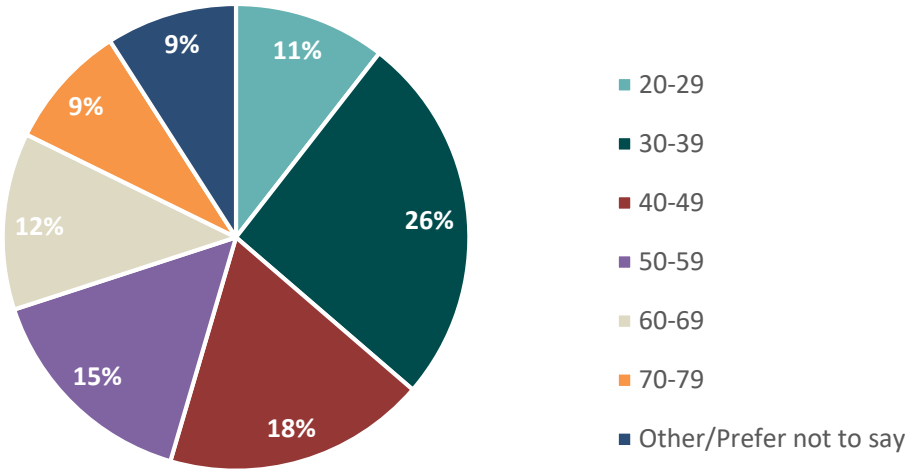
What neighbourhood do you live in?

- Respondents to the survey were from throughout Vancouver, with representation from all neighbourhoods.



How old are you?

- The respondents were diverse in age, with 37% under the age of 40, and the largest age group response from those aged 30-39.



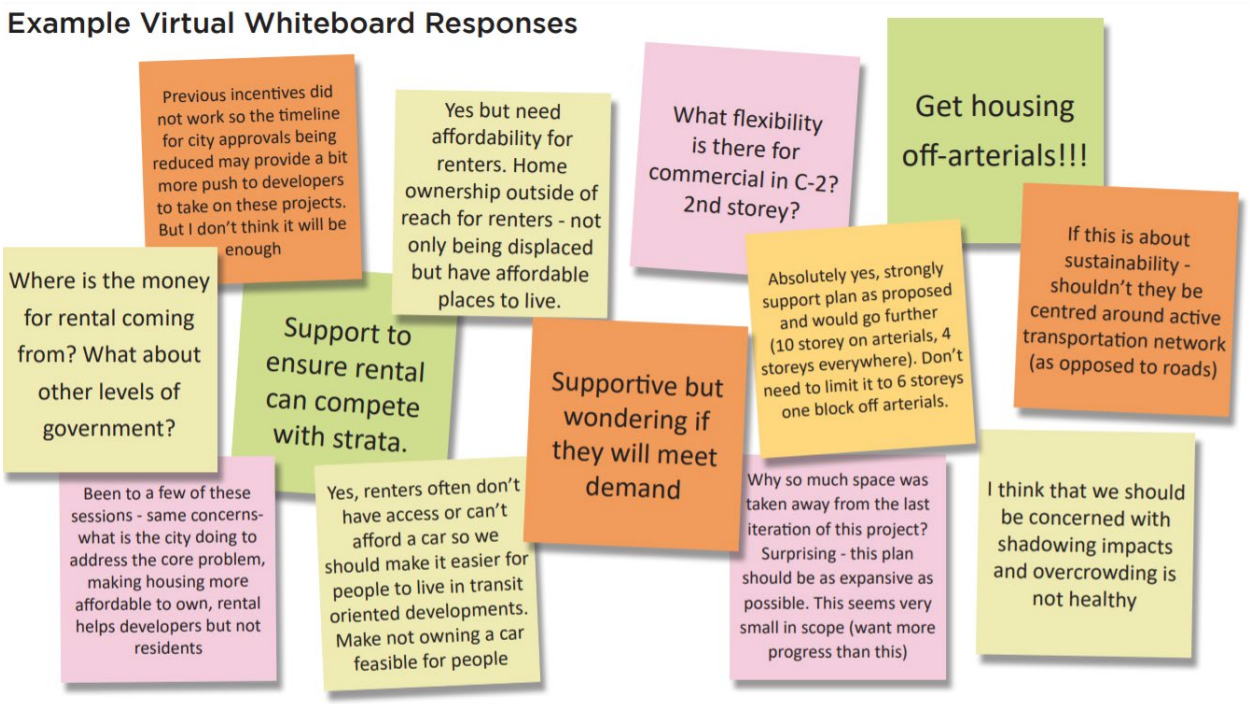
Online Public Information Sessions

The City hosted two public information sessions on June 1 and 3 to provide an opportunity to learn more about the Streamlining Rental Initiative, ask questions and provide comments. The first half of the sessions included a presentation from staff that covered background on rental housing in Vancouver, an overview of previous engagement that has helped inform the proposal, and the updated policy and zoning changes being proposed.

The second half of each session was spent in small breakout groups, with staff facilitating discussion on the proposals, asking attendees to share their input and responding to questions. At the end of the sessions, staff were available for some further one-on-one discussions. Between the two events, 102 total members of the public attended, with a roughly even split between renters and homeowners. The online event attracted more younger residents than typical in-person public information sessions.

Discussions

- While there was broad support to streamline the rental development process from renters and many homeowners, some residents were concerned over the scale and pace of change in their neighbourhoods.
- Many residents supported the proposed changes and were in favour of enabling rental in more residential zoned areas of the city to address the housing crisis.
- The affordability of new market rental units were a key issue for both groups.
- Renters highlighted the importance of enabling rental in walkable, transit-oriented areas.
- Some had questions over the low density eligibility map and whether their properties would be eligible for rental rezoning.



Stakeholder Engagement

Renters Advisory Committee

In July 2021, staff met with the Renters Advisory Committee to present the proposed Streamlining Rental changes and to give an update on the public engagement opportunities. Overall, the committee was supportive of the proposed C-2 development process changes and the opportunities to build rental in low-density areas. The committee also expressed support for the new options for below-market and non-market rental opportunities in RS and RT areas.

Business Improvement Area Executive Directors

Staff engaged with one executive director who expressed general support for the proposed changes to enable new rental housing in commercial shopping areas and surrounding low-density neighbourhoods. Staff received feedback from other BIA executive directors as part of previous rounds of engagement.

Public and Industry Office Hours

Throughout June and July of 2021, staff held online public and industry office hour sessions for one-on-one meetings to discuss site and neighbourhood specific questions, answer clarifying questions, and provide feedback on the changes. In total, there were15 industry meetings and 17 resident meetings.

Urban Development Institute Rental Housing Subcommittee + Local Architects

In June 2021, staff met with the UDI Rental Housing Subcommittee and local architects to discuss the updated proposal and provide feedback on the new rental zones. Although the committee expressed general support for the proposed changes and rezoning opportunities, they continue to advocate for more areas to be eligible for rental developments and for additional height and density, and generally greater flexibility within the regulations, to ensure project viability.

Members also suggested relaxing the commercial requirements in new developments and removing step-back requirements above 4 storeys to improve unit livability.