AGENDA INFORMATION ☑ Regular Meeting Date: November 4, 2024 ☐ Other: Date:







The District of North Vancouver REPORT TO COUNCIL

October 21, 2024

File: 10.5040.40/002.000

AUTHOR: Jayden Koop, Community Planner

SUBJECT: Provincial Housing Target Progress Reporting for the District of North

Vancouver, October 1, 2023 - September 30, 2024

RECOMMENDATION:

THAT the Housing Target Progress Report as detailed in the October 21, 2024, report of the Community Planner titled Provincial Housing Target Progress Reporting for the District of North Vancouver, October 1, 2023 – September 30, 2024, is received by Council in accordance with the *Housing Supply Act* and Regulation.

AND THAT the Housing Target Progress Report is published on the District's website, and submitted to the Minister of Housing in accordance with the *Housing Supply Act* and Regulation.

REASON FOR REPORT:

In accordance with the provincial regulation and legislation, the District is required to provide Council with a Housing Target Progress Report (**Attachment 1**), which must be received by Council resolution within 45 days of the end of the reporting period, submitted to the Minister, and posted to the municipal website as soon as practicable.

SUMMARY:

In September 2023, the Province issued a Housing Target Order (the "Order") to the District of North Vancouver (**Attachment 2**). It requires at least 2,838 housing units to be completed within five years from October 1, 2023. To evaluate progress, the Order includes annual targets and a schedule of reporting. This reporting period is for the first year, from October 1, 2023 to September 30, 2024.

The District's annual target for the first year is 499 completed housing units. During this first year, a total of 500 net new housing units were completed¹, meeting the first-year target set by the Province.

¹ For definitions on terminology throughout the report, refer to **Attachment 1.**

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In addition, over the last 12 months, the District has adopted partnership agreements, bylaws, and policies that are expected to help deliver more housing units in the coming years.

BACKGROUND:

The <u>Housing Supply Act</u> (the "Act") and Regulation give the Province the authority to set housing targets for 47 municipalities. In May 2023, the Province announced that the District of North Vancouver was one of ten municipalities that would receive a housing target based on an objective and data-based process. In April 2024, the Province announced 20 additional municipalities that would receive housing targets.

The Minister presented the District with the Housing Target Order, accompanied by a letter dated September 26, 2023 (**Attachment 3**). The letter from the Minister also provided guidance on unit size (bedrooms), tenure (rental and owned), affordability (market and non-market), and supportive rental units. This unit breakdown is not part of the Order and is instead supplemental information, but may become part of a future Order.

Provincial Housing Target

The provincial housing target for the District of North Vancouver is 2,838 net new completed units in five years (2023-2028). This target is based on 75% of the total Provincial Housing Needs Estimate (3,784 units) over the five-year period.

Progress Report

The Housing Target Order requires the District to prepare a Housing Target Progress Report for defined reporting periods. The reporting periods are:

- Six months after the Housing Target Order's issuance, and
- Annually thereafter on the anniversary of the Order.

Progress reports must be received in a meeting that is open to the public and by Council resolution within 45 days after the end of the reporting period. If a municipality has not met the housing target for that reporting period, it must provide information about any actions it intends to take toward meeting the housing target within the 2-year period following the report.

On April 22, 2024, the <u>six-month interim progress report</u> was received by Council resolution. The District then <u>submitted the interim progress report</u> to the Province in May 2024.

Evaluation of Progress Reports

The Province will evaluate the progress report against the following performance indicators:

- Progress toward meeting the annual cumulative housing target;
 - Year 1: 499 units;
 - Year 2: 1,021 units;
 - Year 3: 1.577 units:
 - Year 4: 2,179 units; and
 - Year 5: 2,838 units.

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 Actions taken by the municipality toward meeting the annual housing target (e.g. number of applications in progress, adoption of policies and initiatives, and update of land use planning documents).

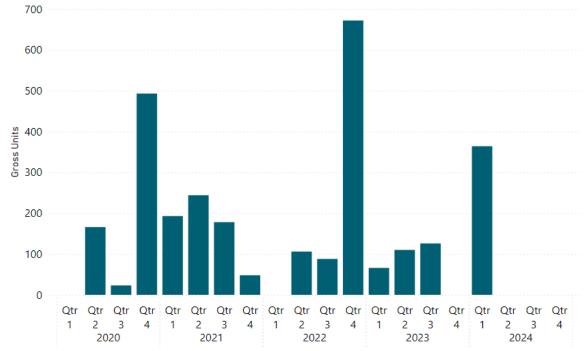
Considerations for progress reporting

District staff have advised the Province that there are many factors that directly impact the supply and capacity for new housing. These include:

- Regulatory requirements: federal, provincial, regional, utility, and municipal regulations and approval timelines (of which the District only controls municipal);
- Infrastructure capacity: transportation, water, sanitary, storm, and private utilities;
- <u>Environmental/physical conditions</u>: environmentally sensitive and recreation areas, natural and human caused hazards;
- <u>Services and amenities</u>: local and provincial services (e.g., child care, schools, and hospitals);
- <u>Land ownership and tenure</u>: landowner's interests, tenant's interests, lands under negotiation or holdings, and municipal and Indigenous economic development interests; and
- Market-related factors: interest rates, labour market, and supply chain issues.

Similarly, there are many factors that impact the development process. The District does not control the entire development process and is reliant on developers to complete housing projects. **Figure 1** below shows how the number of net new multi-family housing unit completions has fluctuated since 2020 in the District of North Vancouver.

Figure 1: Gross new multi-family housing units completed per quarter (2020 – 2024)



^{*}Data for 2024 is only available for Q1.

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In general, the spikes in **Figure 1** are attributed to the completion of larger multi-family housing projects. For example:

- Q4 2020 Larco (1700 block of Lions Gate Lane) was completed with 460 units; and
- Q4 2022 Intergulf West (corner of Hunter Street and Mountain Highway) was completed with 326 units, and Park West (corner of Capilano Road and Marine Drive) was completed with 258 units.

EXISTING POLICY:

The District has several policies and initiatives which call for increasing housing supply and diversity, while balancing future and current housing needs.

Official Community Plan (2011)

Policy 2.1.2: Direct residential growth to the Town Centres in the form of mixed-use

and multi-family development to enable greater housing diversity and

affordability.

Policy 7.1.1: Encourage and facilitate a broad range of market, non-market and

supportive housing.

OCP Action Plan (2021)

Priority Action 3: Prioritize rental, social, and supportive housing projects to increase the

range of housing options.

Priority Action 5: Increase housing diversity to support a range of incomes, household types,

and accessibility needs within and close to Town and Village Centres.

Supporting Bolster the District's capacity to achieve housing goals.

Action 11:

Supporting Identify opportunities for sensitive infill housing (coach houses and secondary suites, duplexes, triplexes, and townhouses/rowhouses)

outside Town and Village Centres.

Supporting Simplify and speed up the housing development approvals process to

Action 16: open new homes more quickly.

2024 Housing Needs Report

The 2024 Interim Housing Needs Report (HNR) (to be received by Council on October 21, 2024) identifies the District's five- and 20-year housing need and provides updated statements of housing need. The HNR identifies the anticipated five-year housing need of 7,425 units by 2026 and the 20-year housing need of 22,369 units by 2041. The next regular HNR update will be required by 2028, and subsequent reports will be prepared in five-year intervals.

ANALYSIS:

On September 24, 2024, the Province provided an updated template for the Housing Target Progress Report. The District of North Vancouver – Housing Target Progress Report, based on this template, is provided as **Attachment 1**.

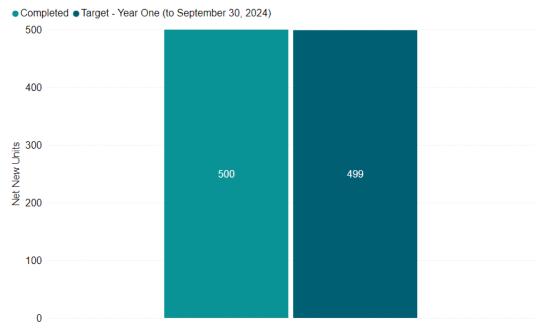
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The Housing Target Order contains performance indicators against which progress reports will be evaluated. The information below summarizes the District's progress with regards to the performance indicators.

Progress to meet the one-year housing target (by September 30, 2024)

A total of 500 net new housing units were completed in the District between October 1, 2023 and September 30, 2024, exceeding the year one housing target of 499 (see **Figure 2** below).

Figure 2: Net new completed housing units (October 1, 2023 to September 30, 2024) compared to the one-year housing target



The 500 net new completed units during this period include:

- Multi-family 364 units;
- Secondary suites 119 units;
- Coach houses 3 units; and
- Single-family –14.

Progress to meet the five-year housing target (by September 30, 2028)

As of September 30, 2024, the District had 3,033 in-stream multi-family units at the following stages of development² (see **Figure 3** below):

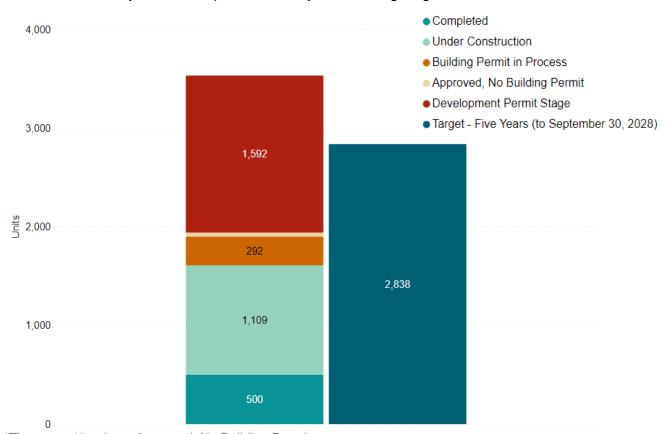
- Under Construction (1,109);
- Building Permit in Process (292);
- Approved, No Building Permit (40); and
- Development Permit Stage (1,592 units).

² For definitions on each stage of development, refer to **Attachment 1.**

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The 3,033 in-stream units, together with the 500 net new units completed in the first year of the Order, total 3,533 units (as illustrated in **Figure 3**). These in-stream and completed units indicate that the District is making progress towards its five-year housing target of 2,838 units. Notably, there are 1,401 multi-family units currently in the building stages (Building Permit in Process and Under Construction). These units are expected to be completed in the coming months and years and as such, are expected to contribute to the District meeting its five-year housing target. However, fluctuations in year-to-year development activity, along with other factors mentioned above, will impact the actual supply and capacity for new housing.

Figure 3: Net new completed housing units (October 1, 2023 – September 30, 2024) and instream multi-family units, compared to five-year housing target



^{*}There are 40 units at Approved, No Building Permit stage.

The District also has multi-family units in the earlier stages of the development application process, meaning they have not yet received Council approval or reached the detailed application stage. Since these units are early in the development application process, there is less certainty that they will be completed by September 30, 2028, and contribute toward the District's housing target. As of September 30, 2024, the District had the following multi-family residential units at early stages of development application:

^{**}Completed units includes all housing types (net unit count). In-stream units (capturing stages of the development process from Development Permit Stage to Under Construction) only includes multi-family units (gross unit count).

^{***}The left-hand column shows a total of 3,533 units (500 net completed units, 3,033 gross in-stream units).

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- Preliminary Stage (0);
- Concluded Preliminary Stage (1,459); and
- Rezoning Stage (2,062).

Actions taken by municipality

In the last 12 months, the District has undertaken actions that align with meeting the housing target. These include:

- Designation of two new Transit-Oriented areas;
- An amendment to the Zoning Bylaw to permit a secondary suite and coach house in addition to the principal dwelling unit on each parcel in all single-family zones. This amendment permits, approximately, an additional 17,000 dwelling units within existing single-family neighbourhoods;
- Advancement of the Development Approvals Process Review (DAPR) project, including applying for and receiving a grant to support this project. A key objective of the DAPR project is to streamline the District's development approval process, improving timeliness and effectiveness, development certainty and predictability, and transparency regarding time and costs;
- Partnerships with other levels of government and non-profit housing providers to facilitate the creation of new social and supportive housing sites (e.g., with BC Housing, Lu'ma Native Housing Society, Vancouver Coastal Health, and More Than A Roof Housing Society);
- Amendments to the Zoning Bylaw to allow larger secondary suites and two-storey coach houses;
- An update to the Development Procedures Bylaw to enable specific coach house related variances to be delegated to staff;
- An amendment to the Official Community Plan (OCP) to support a future affordable housing project at the southwest corner of Old Lillooet Road and Lillooet Road; and
- Adoption of a new <u>Corporate Plan</u>, which identifies Council priorities and informs the District's work plans. One of the six strategic goals is to address the housing crisis and the community's housing needs.

Timing/Approval Process:

The Housing Target Order mandates that Progress Reports must be received by resolution within 45 days of the end of the reporting period. For this reporting period, Council's resolution must be provided on or before November 14, 2024 (45 days from September 30, 2024). The Progress Report must then be posted on the municipality's website and submitted to the Minister as soon as practicable.

Conclusion:

In the first year of the District's provincial Housing Target Order taking effect, 500 net new units were completed. These units will provide much needed housing in the community. These units, together with in-stream housing applications and permits, position the District to meet its five-year housing target of 2,838 units by September 30, 2028. However, achieving the housing targets relies on the many factors impacting the supply of new housing, including regional infrastructure capacity and market-related factors. The District has taken action to

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meet the community's housing needs and to meet the provincial target. In addition to completing 500 net new units in the past year, the District has entered into partnership agreements with others, and adopted bylaws and policies that will help deliver more housing units over the long term.

Options:

1. THAT the Housing Target Progress Report as detailed in the October 21, 2024, report of the Community Planner titled Provincial Housing Target Progress Reporting for the District of North Vancouver, October 1, 2023 – September 30, 2024, is received by Council in accordance with the *Housing Supply Act* and Regulation.

AND THAT the Housing Target Progress Report is published on the District's website, and submitted to the Minister of Housing in accordance with the *Housing Supply Act* and Regulation.

OR

2. THAT Council refers the Housing Target Progress Report back to staff.

Respectfully submitted,

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Jayden Koop

Community Planner

Attachment 1: District of North Vancouver – Housing Target Progress Report (October 1,

2023 – September 30, 2024)

Attachment 2: Province of British Columbia, Ministerial Order M280

Attachment 3: Letter from the Minister of Housing Ravi Kahlon to Mayor Little dated

September 26, 2023

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REVIEWED WITH:		
Business and Economic Bylaw Services Clerk's Office Climate and Biodiversity Communications Community Planning Development Engineering Development Services Engineering Infrastructure Engineering Public Works Environment	REVIEWED WITH: Finance	External Agencies: Library Board Museum and Archives NSEM NS Health NVRC RCMP Other:
☐ Facilities		