

September 10, 2024

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Mayor Megan Knight and Council
City of White Rock
15322 Buena Vista Ave
White Rock, BC V4B 1Y6
VIA EMAIL: mknight@whiterockcity.ca; whiterockcouncil@whiterockcity.ca

Dear Mayor Megan Knight and Council:

**What Works: Local Government Measures for Sustaining and Expanding
the Supply of Purpose-Built Rental Housing**

At its July 26, 2024 regular meeting, the Board of Directors of the Metro Vancouver Regional District (MVRD) passed the following resolution:

That the MVRD Board:

- a) receive for information the report dated June 3, 2024, titled “What Works: Local Government Measures for Sustaining and Expanding the Supply of Purpose-Built Rental Housing”; and*
- b) forward “What Works: Local Government Measures for Sustaining and Expanding the Supply of Purpose-Built Rental Housing” and its attachment to member jurisdictions for information with an offer for staff or Council presentations upon request.*

What Works: Local Government Measures for Sustaining and Expanding the Supply of Purpose-Built Rental Housing is the latest in Metro Vancouver’s existing “What Works” series of resource guides aiming to advance regional planning and housing policy goals through best practice research and policy analysis. The new guide profiles measures such as fee waivers and reductions, design and parking requirements, zoning and regulatory actions that can have an impact on new rental housing supply, and rental protection measures to sustain existing rental housing.

Metro 2050, the regional growth strategy, highlights the need to increase the supply of purpose-built rental housing as a strategy to achieve diverse and affordable housing choices across the region. Across Canada, purpose-built rental development has been facing financial feasibility challenges, owing to increases in interest rates and construction costs, requiring higher equity contributions and lower returns on investment for rental housing developers. In Metro Vancouver,

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there were fewer than 10,000 new purpose-built rental units built between 2011 and 2021, compared to about 87,000 new renter households. In 2021, this translated to only one purpose-built rental unit for every 3.67 renter households in the region.

The results of the land economic analysis contained within the guide found that local government measures such as pre-zoning, reduced parking ratios, and reduced development fees can have a significant positive impact on the creation of new purpose-built rental housing. While many of these incentives are typically leveraged to support social and affordable housing, some communities may choose to extend incentives to purpose-built rental projects given the significant need for secure market rental housing. In addition, the results indicate that senior levels of government can have a similarly positive impact on purpose-built rental housing supply through programs that provide favourable financing through lower interest rates and longer amortization for market rental housing.

Should your jurisdiction be interested in receiving a presentation, or if you have any questions, please contact Jonathan Cote, Deputy General Manager, Regional Planning and Housing Development, by phone at 604-432-6391, or by email at jonathan.cote@metrovanancouver.org.

Yours sincerely,



Mike Hurley
Chair, Metro Vancouver Board

MH/JC/jh

cc: Guillermo Ferrero, Chief Administrative Officer, City of White Rock
Jerry W. Dobrovolny, Commissioner/Chief Administrative Officer, Metro Vancouver
Heather McNell, Deputy Chief Administrative Officer, Policy and Planning, Metro Vancouver

Encl: [MVRD Board report dated June 3, 2024, titled "What Works: Local Government Measures for Sustaining and Expanding the Supply of Purpose-Built Rental Housing" \(pg. 48\)](#)

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