



University Endowment Lands

HOUSING NEEDS ASSESSMENT

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Prepared for University Endowment Lands

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ACKNOWLEDGEMENTS

The University Endowment Lands (UEL) Administration wishes to recognize that it is situated on the traditional territory of the Coast Salish peoples, including the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh Úxwumixw (Squamish), and səlílwətaʔt (TsleilWaututh) First Nation. The UEL is grateful for this opportunity to plan for the future on this shared territory.

The UEL would also like to thank Statistics Canada, Metro Vancouver, BC Assessment, and Canadian Mortgage and Housing Corporation for access to data which made this Housing Needs Report possible.

DEFINITIONS

ADEQUATE in relation to housing, means that, according to the residents in the housing, no major repairs are required to the housing.

ADAPTABLE DESIGN means creating liveable residences for a wider range of persons. By considering design features that can be easily and inexpensively incorporated at a future time, adaptable design also allows flexibility for residents whose needs may change over time.

AFFORDABLE HOUSING has shelter costs equal to less than 30% of total before-tax household income.

APARTMENT means a dwelling unit in a building with three or more dwelling units. Typically, apartments are classified as either: (a) apartment in a building that has fewer than five storeys; and, (b) apartment in a building that has five or more storeys.

APARTMENT (DUPLEX) means one of two dwellings, located one above the other, may or may not be attached to other dwellings or buildings. Apartment (duplex) units are commonly the main units and the secondary suite units in houses with secondary suites.

CENSUS DIVISION the general term for provincially legislated areas (such as county and regional district)

or their equivalents. Census divisions are intermediate geographic areas between the province/territory level and the municipality (census subdivision).

CENSUS SUBDIVISION the general term for municipalities (as determined by provincial/territorial legislation) or areas treated as municipal equivalents for statistical purposes.

COOPERATIVE HOUSING is a type of housing that residents own and operate as part of a membership.

CORE HOUSING NEED means a household living in housing that falls below at least one of the adequacy, affordability or suitability standards and that would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable.

DWELLING STRUCTURAL TYPE refers to the structural characteristics and/or dwelling configuration, that is, whether the dwelling is a single-detached house, an apartment in a high-rise building, a row house, a mobile home, etc.

EXTREME CORE HOUSING NEED has the same meaning as core housing need except that the household has shelter costs for housing that are more than 50% of total before-tax household income.

GENDER BASED ANALYSIS PLUS (GBA+), as an analytical process used to assess how diverse groups of women, men and people of all genders may experience policies, programs and initiatives. The “plus” in GBA+ acknowledges that GBA goes beyond biological (sex) and socio cultural (gender) differences.

HOUSEHOLD refers to a person or a group of persons who occupy the same dwelling.

INFLL HOUSING refers to incorporating additional forms of housing to a neighbourhood that fit with the established character, whether that be the subdivision of land to accommodate multi-unit developments or increasing density through gentler forms such as permitting accessory dwelling units (e.g. secondary suites, carriage homes) on existing lots.

MARKET HOUSING means housing that is privately owned by an individual (or a company) who generally does not receive direct subsidies to purchase or maintain it. Prices are set by the private market.

MEDIAN is the value which is in the centre of a group of values.

MIGRANT means a migrant within the meaning of the Mobility and Migration Reference Guide, published by Statistics Canada for the 2016 Census. For the purposes of this report, migrants include both internal migrants (who lived in a different municipality or province within Canada 5 years ago), and external migrants (those who did not live in Canada 5 years ago).

NON-MARKET HOUSING means affordable housing that is owned or subsidized by government, a non-profit society, or a housing cooperative; whereby rent or mortgage payments are not solely market driven.

OWNER HOUSEHOLD refers to a private household where some member of the household owns the dwelling, even if it is still being paid for.

PARTICIPATION RATE means the total labour force in a geographic area, expressed as a percentage of the total population of the geographic area.

PRIMARY RENTAL MARKET means a market for rental housing units in apartment structures containing at least three rental housing units that were purpose-built as rental housing.

RENTER HOUSEHOLD refers to private households where no member of the household owns their dwelling.

ROW HOUSE means one of three or more dwellings joined side by side (or occasionally side to back), such as a townhouse or garden home, but not having any other dwellings either above or below. Townhouses attached to a high-rise building are also classified as row houses.

SECONDARY RENTAL MARKET means a market for rental housing units that were not purpose-built as rental housing.

SEMI-DETACHED DWELLING means one of two dwellings attached side by side (or back to back) to each other, but not attached to any other dwelling or structure (except its own garage or shed). A semi-detached dwelling has no dwellings either above it or below it, and the two units together have open space on all sides.

SINGLE-DETACHED DWELLING means a single dwelling not attached to any other dwelling or structure (except its own garage or shed). A single-detached house has open space on all sides, and has no dwellings either above it or below it.

SUBSIDIZED HOUSING refers to whether a renter household lives in a dwelling that is subsidized. Subsidized housing includes rent geared to income, social housing, public housing, government-assisted housing, non-profit housing, rent supplements and housing allowances.

SUITABLE HOUSING means housing that has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements.

TENURE refers to whether the household owns or rents their private dwelling.

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EXECUTIVE SUMMARY

The University Endowment Lands (UEL) is within Metro Vancouver's Electoral Area A and lies on the Burrard Peninsula near the University of British Columbia (UBC), the City of Vancouver, and Musqueam Nation Reserve #2. Due to its idyllic setting and proximity to UBC, the UEL has attracted residents from diverse demographics, which, coupled with its unique governance model, creates housing opportunities and challenges for current and prospective residents. This report outlines these challenges and opportunities and provides recommendations for addressing them.

The four themes that emerged from this report were:



1. Growing Young Adult & Senior Populations



2. Redevelopment of Area D to Accommodate Growth



3. Incorporating Gentle Densities to Diversify the Housing Supply



4. Establishing Parameters to Measure Progress

1. Growing Young Adult & Senior Populations

Population growth in the UEL between 2006 and 2016 was concentrated amongst the 20-to-24 age group with notable growth in the 65-to-84 age. As younger residents begin to enter the housing market or search for affordable rentals and older residents age in place, downsize, or seek alternative forms of housing it is important to consider the ability of these demographics to find suitable homes. However, in the UEL, current market housing prices pose a challenge in finding affordable housing as well as a suitable dwelling types. In addition, with some of the highest median rents in the province the UEL also presents affordability challenges for most people. While the UEL has been proactive in supporting affordable rentals and protecting rental stock through the Area D Neighbourhood Plan and current bylaws there is an additional opportunity to support a diversity of housing types and tenure for young adults and seniors.

2. Redevelopment of Area D to Accommodate Growth

The Area D neighbourhood is situated directly adjacent to one of UBC's main gateways at the southeast corner of the University Boulevard and Wesbrook Mall intersection. Area D contains housing for a wider demographic as it offers housing forms and tenure that are not strictly market-based single-detached dwellings (e.g. townhomes and apartment buildings), as is the case with Areas A, B, and C. The Area is also covered by bylaws, which protect the current rental stock and encourage developers to provide rental/affordable housing in

exchange for higher densities. While higher densities are not guaranteed and at the sole discretion of the Minister responsible for the UEL, these policies will help to shape the growth in Area D by increasing affordable housing, protecting and enhancing rental stock, and encouraging a greater variety in housing type and tenure.

3. Incorporating Gentle Densities to Diversify the Housing Supply

Current UEL bylaws do not permit secondary suites or other forms of accessory dwelling units in single-detached dwelling neighbourhoods. However, the Official Community Plan (2005) supports the potential incorporation of secondary suites as a means of slowly and modestly increasing residential densities. Incorporating these 'gentle forms' of infill-housing may be an approach to address the community's anticipated housing needs, increase rental stock and reduce the need for Area D to accommodate all future growth. Permitting gentle densities in established residential neighbourhoods would require considerable community engagement and would be at the discretion of the Minister responsible for the UEL.



4. Establishing Parameters to Measure Progress

The UEL Administration has typically used existing benchmarks to assess its housing performance, rather than developing targets and goals unique to the community. The results of this Housing Needs Report can be a starting point in the development of unique targets and goals and a formal set of metrics and measures to monitor the performance of current housing policies as well as identify any emerging gaps in UEL's housing needs. This data may also be an important tool for the community and Administration when developments are proposed as it will clearly identify existing and future housing needs.

INTRODUCTION

1.1 Project Overview

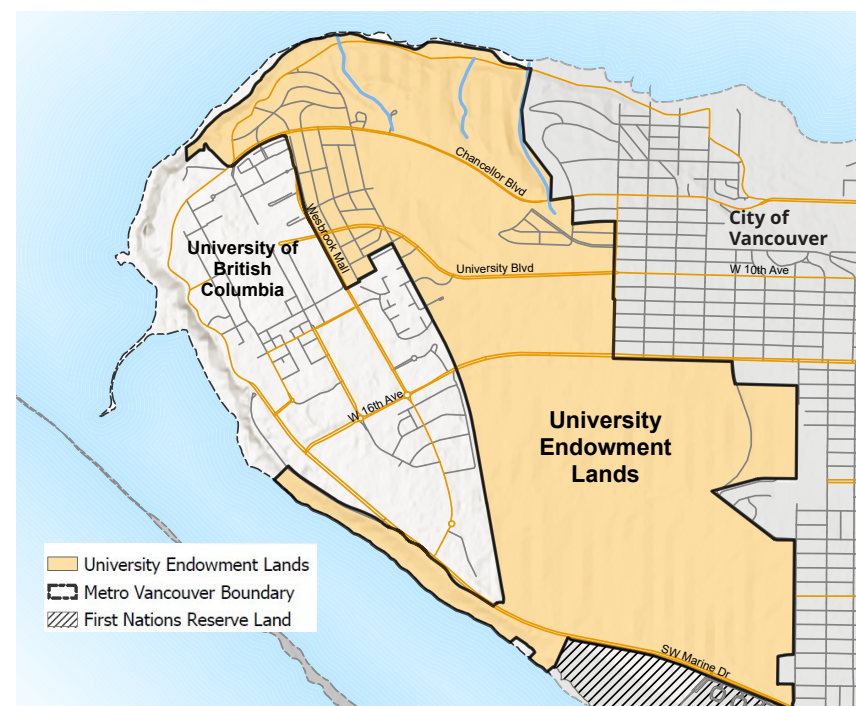
As part of the Area D Plan, the UEL Administration committed to completing a Housing Needs Report (HNR) by April 2022. The purpose of this HNA is to examine the current supply and demand for housing and to determine existing and future housing needs within the UEL. The findings in this report will help the UEL Administration identify the housing opportunities and challenges facing the UEL community as well as determine if current policies and plans address future needs.

1.2 Location & Governance

The UEL is the only urban area directly administered by the Province and, accordingly, has a unique governance and service delivery arrangement. Unlike other populated communities in urbanized regions of British Columbia, the UEL does not have an elected municipal council. Instead, the Provincial government is the governing body who administers the UEL directly through the Ministry responsible for the UEL under the University Endowment Land Act. UEL residents have elected representation at Metro Vancouver Regional District through the Electoral Area A Director.

While the UEL is unique in its geography, history, and jurisdiction, it faces many of the same pressures as other urban areas, including development pressures, changing demographics, aging infrastructure, and public demand for services and amenities.

Figure 1 – UEL Map Showing UBC, City of Vancouver, and Musqueam 2



1.3 History

Ancestors of the Musqueam Nation lived and fished the Fraser River estuary, including the Burrard Peninsula, for thousands of years before the Province of BC passed legislation to administer the lands in Point Grey in 1925. A total of 1200 hectares was set aside for the development and sale of residential lots to financially support the development of the University of British Columbia. Residential development slowed during the late 1920's due to the Great Depression and by the mid-1950's half of the land remained undeveloped. With the remaining land the Province created the Pacific Spirit Park. The Park occupies 874 hectares between the developed lots in UEL and Vancouver and serves as a defining characteristic of the area. In 2008, the *Musqueam Reconciliation, Settlement, and Benefits Agreement Implementation Act* transferred ownership of land within the UEL, including 22 acres in Area D, to the Musqueam First Nation.¹ Subsequently, the Musqueam Nation and Musqueam Capital Corporation proposed the Ielə̀n development and rezoning for the project was approved in 2016. In 2021, the Minister approved the Area D Neighbourhood Plan with amendments to the OCP and Bylaw shortly thereafter, which has modernized the planning regime within the UEL's multi-family area.



¹ The Musqueam Reconciliation, Settlement and Benefits Agreement Implementation Act 2008. https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/00_08006_01

1.4 Regional Context

There is strong interest within the Metro Vancouver region to extend a SkyTrain line to service UBC. Regional partners are currently engaged in the preliminary planning work to identify route options, including a line extension from Arbutus Street to the UBC campus. This project would require senior government funding approval to proceed, which has not yet been secured. Any future SkyTrain extension to UBC would impact travel patterns and potentially increase demand for housing within the UEL.

Figure 2 – UEL Map Showing the 4 Neighbourhoods



UBC continues to operate as a major regional institution, drawing about 56,000 students and about 15,000 faculty and staff to the campus annually. Combined the Vancouver UBC campus (home to approximately 12,500 people) and the UEL comprise over 98% of the Metro Vancouver Electoral Area A population. In addition, the Ieləṁ development is also an important regional element to consider as it is expected to add 2,300 people to the area.

1.5 Existing Housing Policy Framework

The UEL's current housing policy framework includes the Official Community Plan (OCP), the Area D Neighbourhood Plan, and the Land Use, Building, and Community Administration Bylaw (LUB). The OCP provides the general housing policy direction for the community and considers future changes to investigate gentle growth in single-family neighbourhoods and support affordable options in the multi-family area. The Area D Neighbourhood Plan contains housing policies specific to the UEL's multi-family area (Area D). The Plan includes policies which support affordable housing options for additional density, among other incentives. Finally, the LUB contains specific requirements for current housing and future developments. Bylaws include requirements for a Tenant Relocation Plan when buildings undergo major renovations or redevelopment as well as other protections. Combined, the framework aims to support a fair and equitable housing regime as is reasonably feasible within a private market system.

1.6 Process, Approach, & Limitations

The HNR relies on data from the 2006, 2011, and 2016 Canadian census, the Canadian Mortgage and Housing Corporation (CMHC), BC Assessment, and Metro Vancouver, among others. Preliminary analysis of the data was completed by Metro Vancouver and verified with UEL internal data. When in conflict with outside sources, internal UEL data was used to increase the reliability of the information. Demographic, development, and housing trends were reviewed and verified by consultants for validity and accuracy. Due to the population size of the UEL there were limitations to the data available specific to the UEL. Data which includes the UBC population as well the whole of Electoral Area A is used in cases where data specific to the UEL could not be collected. Disaggregation of available data to support a robust gender

based analysis (GBA+) was, in general, not possible due to the limitations associated with such a small population. Where possible and when data was available efforts were made to include GBA+ analysis, however limited. During the creation of the HNR, Statistics Canada released the 2021 population and dwellings counts for the UEL. Although this census data was reviewed, it was not included within the HNR as the data was significantly impacted by COVID-19 (students not living in rentals) and limited to total population size.



DEMOGRAPHICS

2.1 Population Trends & Growth

As of 2016, the UEL had a population of 3,155 with an annual growth rate of around 1% over the past 10 years. Although the UEL had a similar annual growth rate as the City of Vancouver from 2006-2016, its growth has been slower than the Metro Vancouver region and neighbouring UBC (see Table 1). The UEL's average household size of 2.5 persons has remained consistent since 2006 and is similar to the regional average. It is expected that the Ieləḡ development will have a significant impact on the UEL's overall growth and demographics in the coming years.



Table 1 – Population Change, UEL (2006-2016)

Community	2006	2011	2016	Growth 2006-2016	Percent Change 2006-2016	Annual Growth Rate
UEL	2,870	3,355	3,155	285	9.9%	0.99%
UBC	7,455	8,790	10,880	3,425	45.9%	4.59%
E.A. A	10,535	12,385	14,285	3,750	35.6%	3.56%
City of Vancouver	578,041	603,502	631,486	53,445	9.2%	0.92%
Metro Vancouver	2,116,581	2,313,328	2,463,431	346,850	16.4%	1.64%

From 2006 to 2016, the fastest growing age groups in the UEL were those between ages of 20 and 24 (+136%) and 65 and 85 (48.7%). Conversely, those aged 0 to 14 (-33%) and 85 years and over (-13.3%) decreased during the same time period. As of 2016, those between the ages 20 and 24 (22%) were the largest demographic in the UEL. As a result, the UEL’s median age has dropped from 36.0 years of age in 2006 to 27.0 years of age in 2016. In contrast, the City of Vancouver’s median age was 39.9, Metro Vancouver’s 40.9, and the Provincial median 40.5 in 2016. This downward trend is expected to continue as the 20 to 24 age cohort is expected to increase by 11% by 2024 in Electoral Area A (and UBC). Conversely, the 0 to 14 age cohort in the Electoral Area is expected to decrease by 5% during that same period.

The UEL is divided between 4 neighbourhoods: Area A, Area B, Area C, and Area D (see Figure 2). Areas A, B, and C are single-detached dwellings only neighbourhoods while Area D is solely multi-family residences with retail and commercial uses. As a result, the neighbourhoods vary significantly in their demographic compositions, household incomes, and housing tenures. Areas B and C have higher incomes, median population ages, and ownership, while Area A had a relatively lower median age and median income (see Table 2). Area D had a significantly lower income per household, median age, average household size, and home ownership rates but had the largest share of the UEL population.

Table 2 – UEL Neighbourhood Demographic Summary

2016	Area A	Area B	Area C	Area D
Population	490	390	340	1,950
% of Population	15.4%	12.3%	10.7%	61.5%
# Households	216	103	123	1,134
Average HH Size	2.6	2.7	2.8	1.7
Median Age	31.9	38.6	41.6	26.5
Median Income	\$97,000	\$157,000	\$128,000	\$39,000
Owners	65%	82%	74%	35%
Renters	35%	18%	26%	65%

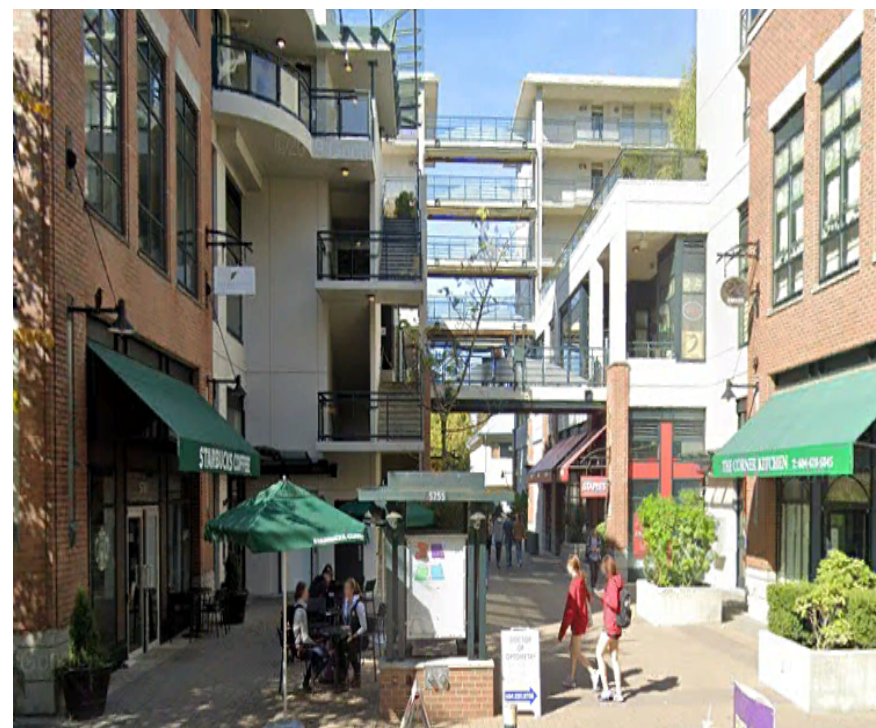
Source: Based on Statistics Canada (Census 2016), Environics Analytics, and TransLink’s Regional Transportation Model Inputs (2019, June 24. Metro Vancouver), and UEL Data (2021)



2.2 Employment

Most UEL residents work outside of the UEL and Electoral Area A but within Metro Vancouver. Most workers who resided within the UEL were employed in Education Services and Professional or Technical Services. While the number of residents aged 15 years and over in the UEL increased by over 20% from 2006 to 2016, the number of people within the labour force decreased by 10%. As a result, the labour force participation rate of the UEL is low (47.6%) when compared to the regional average (65.7%) and the City of Vancouver (67.7%). In addition, unemployment rates have increased from 6% in 2006 to 11.9% in 2016 (see Table 3). The employment trends within the UEL can most likely be attributed to a growing student population, transient employment as well as a retiring workforce.³

Table 3 – Labour Force Status 2016⁴



	UEL	E.A. A	City of Vancouver	Metro Vancouver	British Columbia
Total Population Aged 15 Years and Over	2,825	11,995	547,845	2,064,615	3,870,375
In Labour Force	1,345	5,970	370,955	1,355,520	2,471,665
Employed	1,185	5,315	350,145	1,276,900	2,305,690
Unemployed	160	650	20,815	78,620	165,975
Not In Labour Force	1,475	6,030	176,890	709,095	1,398,710
Participation Rate	47.6%	49.7%	67.7%	65.7%	63.9%
Unemployment Rate	11.9%	10.9%	5.6%	5.8%	6.7%

³ Based on Statistics Canada (Census 2016), UEL Custom Data Set

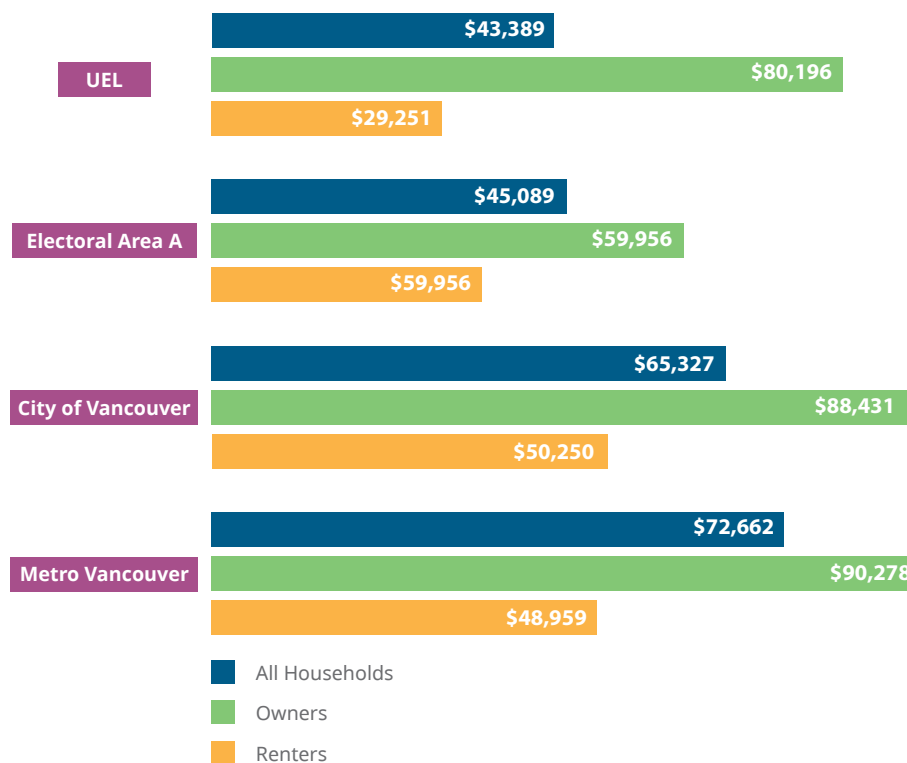
⁴ As these numbers are from 2016 they represent a pre-pandemic workforce in the UEL, there may be significant differences in the current labour force.

2.3 Household Income

In 2016, the median income of all UEL households was \$43,389 and the average income was \$114,808.⁵ While the median household income has dropped by more than \$20,000 since 2006, the UEL's average 2016 income was significantly higher than the Province's (\$90,354), Metro Vancouver's (\$96,423), and City of Vancouver's (\$93,947) average. The UEL also had a very high median income but 59% of all households were earning less than \$60,000 per year, possibly indicating a wide income gap amongst residents. Within that 59%, the proportion earning less than \$30,000 was 41%. Area D had the lowest median income of all the UEL neighbourhoods at \$39,000, well below the total UEL median.

UEL renters in 2016 had a much lower median income (\$29,251) than all households with 70% of renter households earning less than \$60,000 and about half (50.7%) earning less than \$30,000. Conversely, owners had a significantly higher median income (\$80,196) when compared to the rest of UEL households, which is over \$36,000 more than the total UEL median (see Figure 3). When compared to the City of Vancouver and Metro Vancouver, UEL had the largest median income gap (over \$50,000) between owners and renters.

Figure 3 – Median Income of All (Owner, and Renter) Households in 2015 (\$)



⁵ All incomes are in 2015 equivalent dollars

HOUSING CHARACTERISTICS

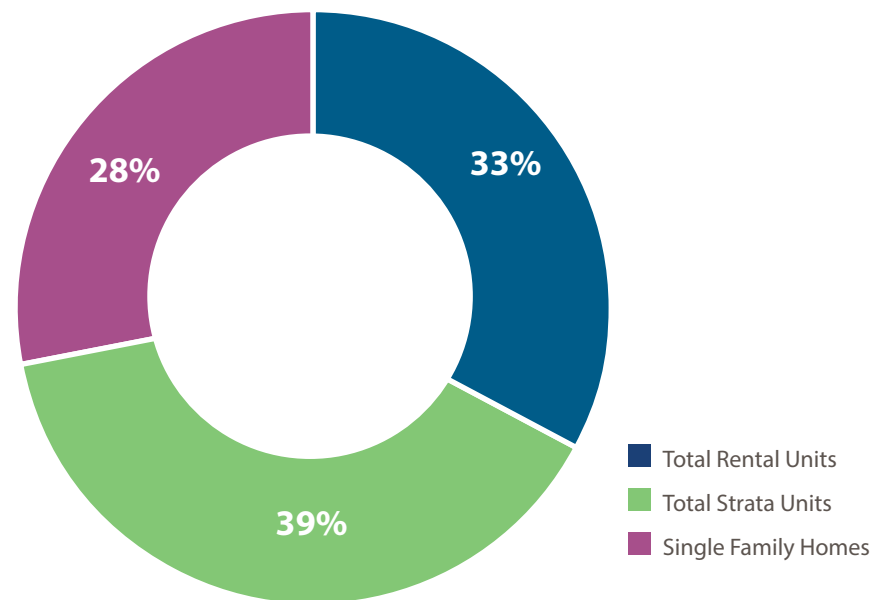
3.1 Housing Overview

In 2021, most dwellings in UEL were strata and purpose-built rental units in Area D and the remaining were single-detached dwellings in Areas A, B, and C (see Figure 4).⁶ Of the total dwellings, 35% were three-or-more bedroom, 35% were two-bedroom, 29% were one-bedroom, and 1% were studio units.⁷ While the single-detached dwellings areas all had 3 or more bedrooms, Area D had the most variety of units and tenure types, including both purpose-built rentals and strata units, a mix of 46% and 54% respectively.

Roughly half of UEL households (47%) were owners, which is the same ownership rate as the City of Vancouver, but lower than Metro Vancouver at 64%.⁸ Few, if any, new additions to the housing stock have been made in the past 15 years. From 2005 to 2021, all new developments were strata projects in Area D or the demolition and rebuilding of single-detached dwellings. However, the Ieləmə development added 314 units (62 affordable housing, 111 rentals, 12 town homes and 128 strata apartments) in April of 2022.

In contrast, the City of Vancouver increased the number of total dwellings by 8% from 2011 to 2016.⁹ Moreover, the City of Vancouver had more variety of buildings, including 19% of households were purpose-built rentals, 10% were secondary suites, and 0.1% were laneway homes.¹⁰ This also included non-market housing (including co-ops), which were 8% of all households in the City.¹¹

Figure 4 – Tenure Type of all Dwellings in the UEL (2021)



⁶ Stats Can 2016 indicated fewer dwellings however we have chosen to use internal data to increase the accuracy. The total number of dwellings includes both occupied and unoccupied.

⁷ Based on 2021 UEL internal data, single family homes were all considered 3+ bedrooms. The development permits of multifamily homes were reviewed for the number of bedrooms and verified by contacting the property owner or manager.

⁸ http://www.metrovancouver.org/services/regional-planning/PlanningPublications/MV_Housing_Data_Book.pdf

⁹ [Housing Characteristics fact sheet \(vancouver.ca\)](#)

¹⁰ [Housing Characteristics fact sheet \(vancouver.ca\)](#)

¹¹ [Housing Characteristics fact sheet \(vancouver.ca\)](#)

3.2 Rental Housing

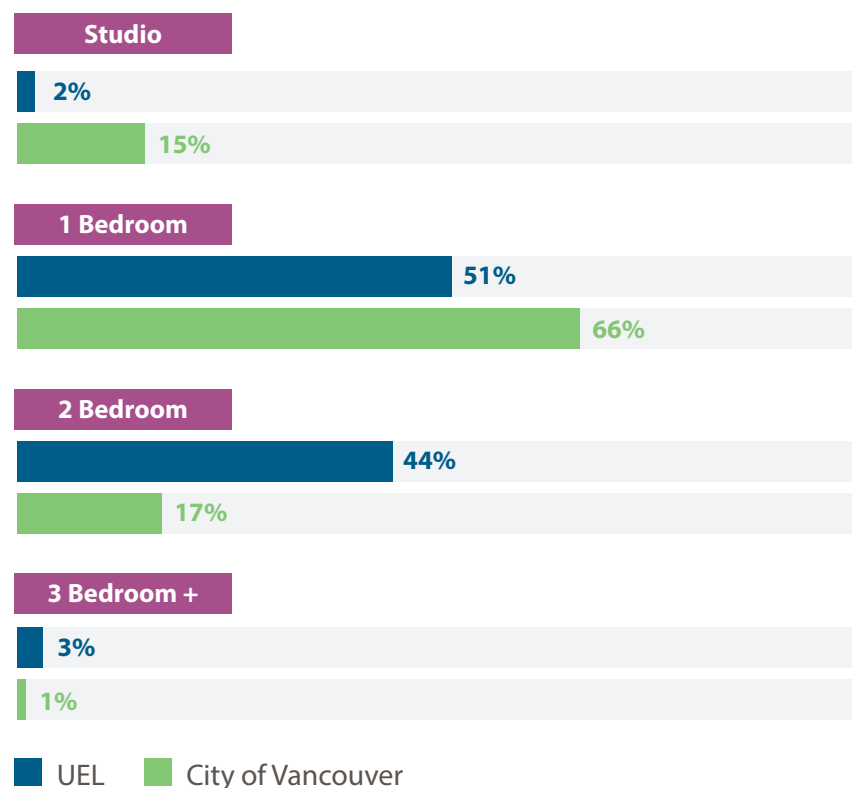
As of 2021, 33% of all dwellings in the UEL were purpose-built rental units and were all located in Area D. Of those units, 95% were one- and two-bedroom units, with studio and 3+ bedroom units at 5% (see Figure 5). Although the secondary rental market is not formally tracked in the UEL, census and internal data suggests a possible secondary market of 11.5% of households for a total of 53% of households being renters in the UEL.

Similarly, 53% of all households in City of Vancouver were rentals, most of which were one- and two-bedroom units at 73%. However, the City of Vancouver had a much higher percentage of studio units and one-bedroom units, with a smaller percentage of larger units (two- and three-bedroom units).

According to the Canadian Mortgage and Housing Corporation (CMHC), from 2010 to 2020 the UEL (data also included parts of UBC), had a much higher median rent for purpose-built rentals than the City of Vancouver (see Figure 6). Moreover, Electoral Area A had had a comparatively lower vacancy rate (~0.5% from 2010 to 2019) than the City of Vancouver (~1% from 2010 to 2019), save for 2020 which was impacted by the COVID-19 pandemic (14.6%).¹² Many factors could explain these disparities, including increased demand due to students, general lack of rental supply (including

secondary rentals), as well as shorter rental durations, which may lead to more frequent market rental price adjustments.

Figure 7 – Purpose-Built Rentals by Number of Bedrooms, UEL and City of Vancouver (2021)



Source: CHMC 2021, Primary Rental Market, City of Vancouver Census Sub Division, UEL internal Data (2021)

¹² CMHC 2021, Census Tract 00.69.1 and City of Vancouver. 00.69.1 includes the part of UBC north of West 16th and East of SW Marina Drive and the rest of the UEL.

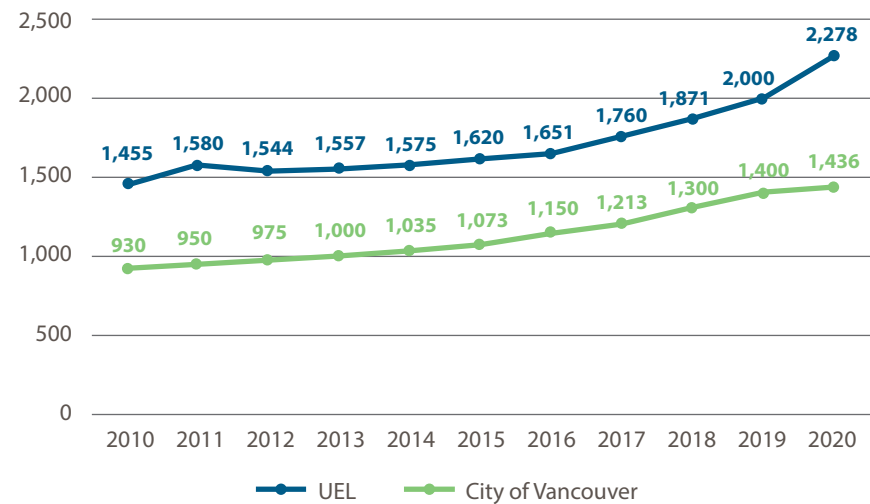
The UEL's purpose-built rental stock is aging with 79% being built before 1980. Approximately 18% of the purpose-built rental stock was built before 1950, 61% between 1951 and 1980, and 21% after 1981. Between 2000 and 2020, there were no new purpose-built rentals built, however, 62 affordable rental units and 111 market rental units were constructed in late 2021 as part of the Ielə̀m development. Although the older purpose-built rentals provide stability in the rental market when compared to the newer units on the secondary market, they are, however, more vulnerable to redevelopment and resulting rent increases. In response to the possible loss of rentals, the UEL adopted bylaw amendments in 2021 which require developers to provide 30% affordable housing, 1:1 rental unit retention, and enter into a Tenant Relocation Plan when redeveloping a site or undertaking a major renovation in Area D.

With some of the highest rental prices in the Lower Mainland, renters in the UEL continue to experience affordability challenges. According to the 2016 Census, 51% of renter households in the UEL spent more than 30% of their income on shelter costs. This was up from 35% in 2006 and 47% in 2011. In addition, 12% of renters spent 50% or more of their household income on rent. For context, 34% of Metro Vancouver and 28% of City of Vancouver house holds spent more than 30% of their income on housing in 2016.

To remain within the affordable range (30% of household income) for the UEL's 2020 median rent, a household would have to make an income of approximately \$91,120.

In contrast, a household in the City of Vancouver making \$57,440 would be within the affordable range, a more than \$33,000 difference.

Figure 5 – UEL and City of Vancouver Median Rents (2021)



Source: CMHC 2021, Census Tract (CT) 00.69.1 (UEL and part of UBC) and City of Vancouver. CT 00.69.1 includes the part of UBC north of West 16th and East of SW Marina Drive and the rest of the UEL.

3.3 Housing Ownership

As of 2021, 61% of dwellings in the UEL were owner-occupied of which 40% were single-detached dwellings and 60% were strata units. Of those strata units, 9% were townhomes and the rest (91%) were in low (4-or-fewer storeys) to mid-rise buildings (5-or-more storeys). Most of the owner-occupied dwellings were two, three or more bedroom units (79%), with 21% being one-bedroom units, and 1% being studio units. All strata units in the UEL were located in Area D and built after 2000.

The UEL contains some of the Province's most expensive real estate with 47 of the top 500 valued residential properties in BC.¹³ All of these high-value properties are located within Area B and represent roughly 10% of all single-detached dwellings within the UEL. The median value of a single-detached dwelling in the UEL was \$2,895,030 in 2006 and rose to \$6,324,700 in 2016, an increase of 118%.¹⁴ The September 2021 benchmark price of a single-detached dwelling in Metro Vancouver was \$1,828,200 and Vancouver West (Kitsilano, Point Grey) at \$3,494,900. Even with the higher average and median household incomes of owners, affordability of single-detached dwelling stock in the UEL would be relegated to those households making \$200,000 and over, or 11.3% of all households in 2016.

Strata dwellings in the UEL have also more than doubled in value but are comparable to the regional benchmarks. The median sales price of a strata residence within the UEL in 2006 was \$279,633 and rose by 167% to \$747,500 in 2021. The September 2021 benchmark for strata apartments in Metro Vancouver was \$738,600 and \$816,700 in Vancouver West. According to CHMC, an individual or family would need \$149,700 for a 20% down payment and carry a monthly mortgage of \$2,677 per month to afford an average strata unit in the UEL.¹⁵ To be within the affordable range, a household would need an income of \$107,080 per year. This is

more than double the 2016 median wage of all households in the UEL but within the affordable range of the average household income. According to the 2016 Census, only 25.9% of all households (median income) within the UEL would be able to afford a strata unit in 2021.



¹³ Based on BC Assessment top 500 Valued residential Properties; does not include property taxes, utilities or other expenses associated with home ownership

¹⁴ Values of dwellings are based on Based on BC Assessment Median Values of Residential Classes

¹⁵ According to the CMHC Mortgage calculator with a 2.5% APR mortgage over 25 years; does not include property taxes and other expenses associated with ownership

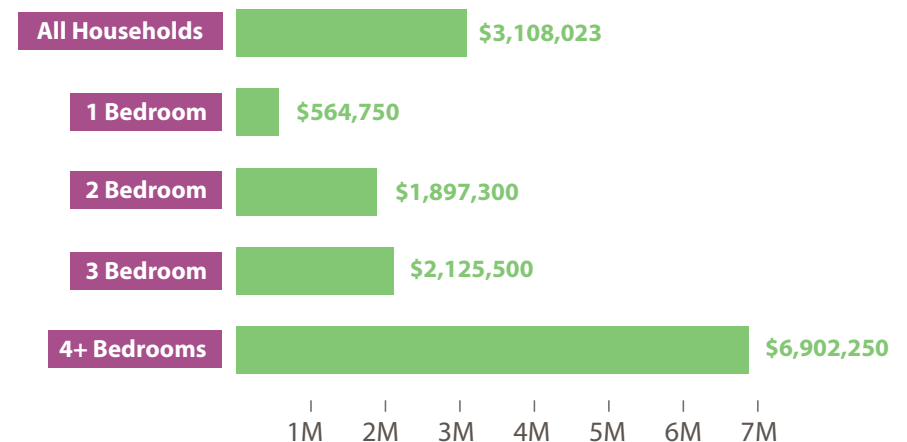
The 2021 Assessment Values of UEL owner-occupied dwellings varied widely with regards to the number of bedrooms (see Figure 6). For example, a household purchasing a 1-bedroom dwelling in the UEL would require \$112,950 for a 20% down payment and would carry a mortgage of \$2,024.¹⁶ An individual household would require an annual income of at least \$72,864 to remain within their core housing needs. Considering the 2016 Census, approximately 52% of owners would be able to afford a one bedroom dwelling at 2021 values. In contrast, 2- or 3-bedroom units were almost three times the assessed value of a 1 bedroom. Those 4+ bedroom dwellings (exclusively single-detached dwellings in Areas A,B, and C), were over 10 times the assessed value of a 1 bedroom dwelling. At their 2021 assessed values, 2+ bedroom units would be unaffordable for most households within the UEL and Metro Vancouver.

In 2016, approximately 27% of owners were below the affordability standard for core housing needs (spending 30% or more of gross income on shelter), which was stable from its 2006 ratio of 26%. Affordability for owners was higher than the regional ratio of 20% but lower than the City of Vancouver at 36.6%. Approximately 8% of owner-occupied households in the UEL were experiencing extreme housing affordability issues, spending more than 50% of household gross income on shelter. In contrast, the City of Vancouver had 5% of owners experienced extreme housing affordability needs. According to the census, 11% of UEL owners also fell below the suitability standard (housing is considered suitable when there are enough bedrooms for the size and make-up

of resident households) in 2016, up from 5% in 2006. This was a higher rate than the City of Vancouver at 8% and 7.3% for the region as a whole.

Prospective and current homeowners face considerable challenges in the UEL. Single-detached dwelling prices have risen to a point where only top earners can afford them, and strata dwellings are out of reach for those with relatively high to moderate incomes. Moreover, the UEL's housing stock is relatively homogenous; offering fewer choices than the neighbouring City of Vancouver.

Figure 6 – 2021 UEL Assessed Values of Owner-Occupied Dwelling Units by Number of Bedrooms



Source: BC Assessment 2021

¹⁶ According to the CMHC Mortgage calculator with a 2.5% APR mortgage over 25 years; does not include property taxes and other expenses associated with ownership

3.4 Non-Market Housing

Prior to 2021, the UEL did not have any non-market housing, including cooperative housing, shelters, seniors-oriented housing, transitional or assisted living facilities, independent social housing, or other forms of subsidized housing for the public. However, in 2022 the UEL expects occupancy of 62 affordable housing units as part of the Ielam development, filling a much-needed gap within the UEL's housing needs.



ANALYSIS

4.1 Rental housing

The UEL is facing an acute and growing affordability and suitability issue when it comes to rental housing. The UEL has traditionally relied on the market to provide purpose-built rental units as well as the secondary market to meet demand; however, there have only been a small number built (62 units affordable and 111 market rentals) since 2000 with a relatively limited number of secondary rentals (estimated to be approximately 180 units). Almost a quarter (24%) of renters reported core housing needs and over half are below the affordability standard, spending more than 30% of their incomes on shelter. Notably, 10% experienced extreme core housing needs, spending 50% or more of their income on shelter. Using the results above, it is estimated that the UEL currently requires 350 affordable rental units to accommodate those below the affordability standard with 70 of those units accommodating those in extreme need. Most, if not all, of these units would need to be 2+ bedroom units to meet suitability standards.

Although the UEL's OCP and bylaws do not permit secondary suites in single-detached dwelling areas, the new Area D Neighbourhood Plan will do much to address the current rental housing issues facing the UEL. The plan has rezoning and density policies that protect current purpose-built rental units at a 1:1 ratio, allowing tenants the option to return to similar units at an affordable rate after the redevelopment period.



As part of any rezoning application, applicants will have to supply 30% of the total residential floor space as affordable housing, as defined by BC Housing's Housing Income Limits (HILs) for Vancouver.¹⁷ (See section 6 for possible rental unit projections).

4.2 Over- & Under- housing

According to the Canadian Centre for Economic Analysis (CANCEA), in 2017 half of the population in the City of Vancouver was 'over-housed', meaning that there were more bedrooms in a household than people. Conversely, 8% of households were 'under-housed', meaning that there were fewer bedrooms than people according to National Occupancy Standard (NOS), often referred to as 'overcrowding'.¹⁸ Typically, in Vancouver, those over-housed were baby boomers or older (65+ years of age) and in single-detached dwellings; those under-housed were younger and in less affluent households.¹⁹ Like the City of Vancouver, the UEL is experiencing both over- and under- housing.

According to the 2016 Census, 24% of renter households and 11% of owner households self-reported overcrowding in the UEL. From 2006 to 2016, the number of overcrowded households rose across both renters and owners in the UEL. Although the Census does not track over-housing, from the

2016 Census we can assume that at an average of 2.7 people per household in Areas A, B, and C, with all 3+ bedroom single-detached dwellings (some of which report 10+ bedrooms), there would be considerable over-housing in those areas. Whereas under-housing would be typically located in Area D, with the highest rental population and the fewest bedrooms, on average.



¹⁷ According to BC Housing's 2021 Housing Income Limits (HILs), which represents the maximum gross household income for eligibility in many affordable housing programs, for households to qualify in Vancouver, 1 bdrm or less \$57,500, 2 bdrm \$69,000, 3 bdrm 80,000, and 4+ bedroom 88,500. <https://www.bchousing.org/publications/2021-Housing-Income-Limits-HILS-Effective-September-1-2021.pdf>

¹⁸ StatsCan 2016 Census, Refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is, whether the dwelling has enough bedrooms for the size and composition of the household. A household is deemed to be living in suitable accommodations if its dwelling has enough bedrooms, as calculated using the NOS.

¹⁹ <https://www.vancouverisawesome.com/courier-archive/real-estate/vancouver-has-800000-spare-bedrooms-120000-needed-3070173>

In an ideal world, an equilibrium between available and needed bedrooms would be met, however 3+ bedroom dwellings in the UEL are typically single-detached dwellings and cost between \$2.4 and \$7.6 million. According to Metro Vancouver housing projections, the average household size in the UEL is projected to drop from 2.5 in 2021 to 1.9 in 2025 and eventually to 1.82 in 2050. In effect, there is a mismatch between the number of residents per household and the number of bedrooms available per dwelling in the UEL.

4.3 The “Missing Middle”

The Missing Middle, according to the Congress for the New Urbanism, is a range of multi-unit clustered housing types compatible in scale with single-detached dwellings which help to meet the growing housing stock, demographic, and scale mismatch present in most cities.²⁰ The ‘missing’ refers to an absence in planning policies and zoning for many years and the ‘middle’ refers to the spectrum between single-detached dwellings and mid- to high-rise buildings.²¹ Generally, demand for this type of housing is driven by millennial's looking to own a home in a competitive housing market.

The UEL's housing stock is primarily composed of single-detached dwellings or apartment style stratas, with very few townhomes or other “middle” housing types.²² In Area D, townhomes are 13% of the housing stock representing about 5.5% of all housing in the UEL. While this housing form in the UEL is more prominent than



²⁰ <https://www.cnu.org/our-projects/missing-middle-housing>

²¹ <https://missingmiddlehousing.com/about>

²² Other types can include: duplex, triplex, fourplex, courtyard apartments, bungalow courts, townhomes, multiplex and live/work forms.

in the City of Vancouver (3%), this housing form, including other “middle types”, is in high demand as it provides a ground-oriented home-ownership option for families and those looking to downsize.

Although Area D is primarily composed of younger, one-person households, about 15% of households are couples with children or multiple families living in one household. In addition, while 47% of households in Area D have household incomes of less than \$20,000, according to the 2016 census, there was still a significant (21%) proportion of households with incomes of greater than \$80,000. These demographics are the missing middle in the UEL and could represent up to 270 households in Area D alone. Although some of this potential demand for ‘middle’ housing will be addressed by *leləṁ*, which will include approximately 120 townhome units, it may still leave a gap of some 150 households.

To address the missing middle, some municipalities in Metro Vancouver have turned to infill housing, such as coach/laneway homes. For example, in 2009 the City of Vancouver proactively rezoned 95% of single-detached dwelling areas to permit laneway homes thereby increasing the potential for rental housing. Over 4,000 laneway homes have been permitted since 2009, averaging 390 a year, with a high of over 700 in 2018, indicating a growing demand for this type of housing.²³

In 2017, The City of Vancouver has also implemented a coach home program. The program allows the stratification of single detached dwelling lots and is generally applied to heritage or character homes.

The number of yearly coach home permits has grown from 11 in 2017 to 38 in 2019, showing some demand for this relatively new infill housing type. Although this type of housing offers a less intrusive form of density in single-detached dwelling areas, there are some possible negative impacts to the surrounding community.²⁴



²³ <https://storeys.com/laneway-homes-reduce-property-values-affluent-neighbours-ubc-report/>

²⁴ <https://www.sciencedirect.com/science/article/abs/pii/S0094119021000875#abs0001>.

HOUSING PROJECTIONS & FUTURE NEEDS

5.1 UEL Five Year Housing Projection & Needs

Metro Vancouver predicts that the UEL will add nearly 936 new households with an additional 1,745 residents from 2021 to 2025 (see Table 4). As Areas A, B, and C, are currently built-out this growth will be concentrated in Area D. To meet those projections, housing stock in Area D will need to grow by 67% from current numbers. By applying current demographic trends in the UEL to Metro Vancouver's 2021 projections, there could be a need for approximately 817

new rental units as well as 119 owner-occupied units. With the current affordability trends and the current dearth of affordable rentals, the UEL would require approximately 300 new affordable rentals to meet the projected demand. The UEL expects approximately 500 additional units as part of the Ieləḡ development with an additional 500 units inferred from internal UEL data by 2025. If development continues according to current permits and inferred units, the housing stock would exceed the Metro Vancouver growth projections.

Table 4 – UEL and Area D Anticipated Households and Population, 2021-2050

	2021*	2025	2030	2035	2040	2045	2050	Change # 2021-2050	Change % 2021-2050
Area D Households	1134*	1894	2404	3134	3244	3354	3435	+2,301	203%
UEL Households	1584*	2520	3130	3520	3780	3870	3880	+2,296	145%
Population	3155*	4800	5600	6200	6730	7050	7240	+3,230	81%
Household Size	2.5	1.90	1.79	1.76	1.78	1.82	1.87	-0.63	-25%

Source: *UEL Data (2021) and Metro Vancouver projections (2021)

5.2 UEL Ten Year Housing Needs

According to Metro Vancouver projections, by 2030 UEL could see an additional 2,445 residents with demand for 1,546 new dwellings (see Table 4). If the UEL's bylaws regarding single-detached dwellings remain the same, growth will continue to be concentrated in Area D. Using the same calculation method in Section 5.1, there could be a need for approximately 1,078 new rental units, including 370 new affordable rentals, and 467 additional owner-occupied units. To meet Metro Vancouver's 2030 projections, the housing stock in area D would have to double (111%) in ten years. If the Ielam development is completed by 2030 (an additional 1,200 dwellings) and development in Area D continues as expected (500 dwellings) a total of 1,700 units could be added within the next 10 years, meeting Metro Vancouver's projections.



RECOMMENDATIONS

As discussed throughout this report, the UEL is experiencing a few key housing challenges associated with meeting the needs of the existing and projected future population, including:

- Lack of diversity in housing types;
- Few purpose-built rentals;
- High costs of rent and ownership; and
- Limited land availability for new development.

The recommendations outlined below focus on the interconnectedness of these challenges by discussing the overarching elements of housing diversity and affordability. The importance of establishing performance metrics for housing to measure progress in the UEL over time and modifying goals accordingly based on emerging needs is also discussed.

1. Few Missing Middle Housing Options Exist in the UEL

More housing options are needed in the UEL to meet the diverse housing needs of residents, particularly missing middle housing (i.e. 3+ bedroom apartments, laneway/coach homes, and duplexes). These forms of housing are attractive to young families and seniors looking to downsize. Providing more missing middle housing options will aid in addressing housing affordability challenges, as residents will have increased housing choices. The UEL should consider amendments to current plans and policies that support a diversity of housing

forms with a consideration for the existing character of each neighbourhood.

2. Housing affordability is unattainable for many residents

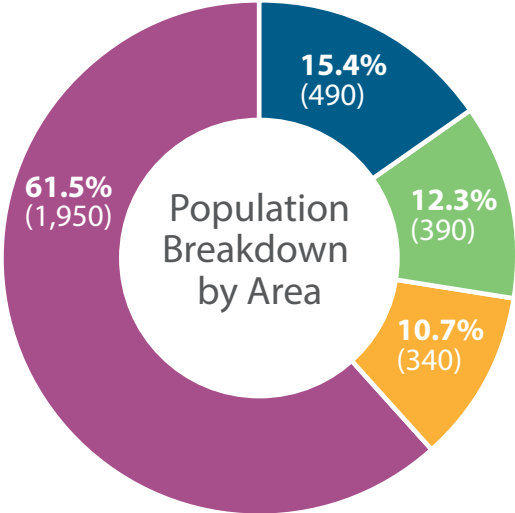
The costs of home ownership and rent in the UEL are some of the highest in Metro Vancouver. A significant proportion of both renter and owner households spend more than 30% of their income on housing due to factors such as high property values, limited purpose-built rental construction, and a large gap in household incomes, amongst others. Although there have been recent steps made to address affordability for renters the UEL will need to consider further strategies to sustain current residents and support those seeking affordable housing options.

3. Housing performance metrics are needed to understand progress towards goals

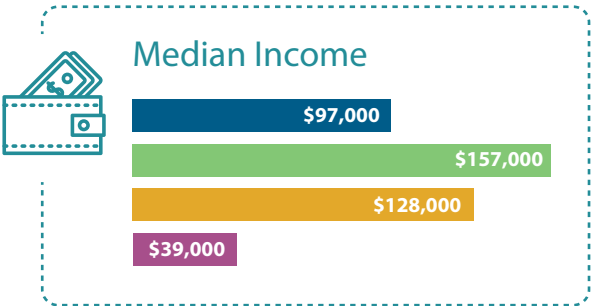
This Housing Needs Report is the first study completed by the UEL to understand its current and projected housing needs. Aside from building permit statistics, the UEL has not historically measured housing trends. The UEL has previously relied on reviewing its housing situation against that of other Metro Vancouver communities and the Canadian Mortgage and Housing Corporation (CMHC) affordability standards to benchmark housing performance. To address this key challenge, the UEL should consider developing housing performance metrics as well as monitoring and evaluating its housing performance against metrics on an annual and 5-year basis.

UEL Housing Needs Summary

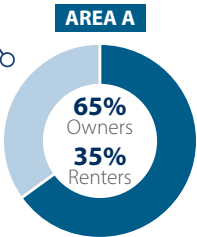
WHO LIVES IN THE UEL?



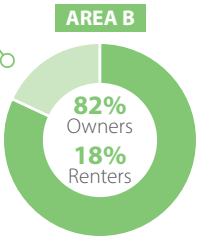
Area A Area B Area C Area D



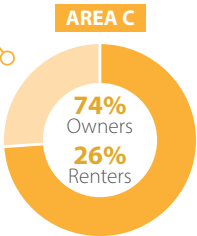
216
Households
2.6 Average
Household Size



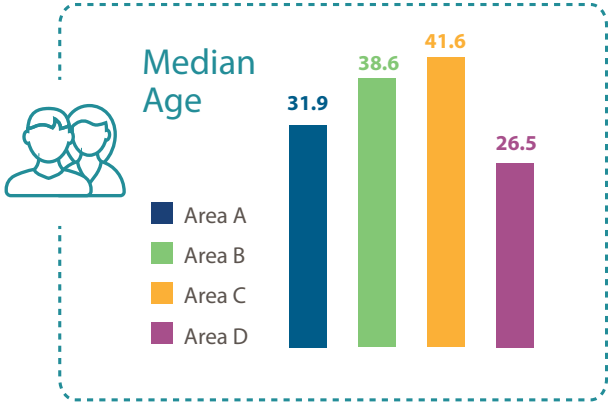
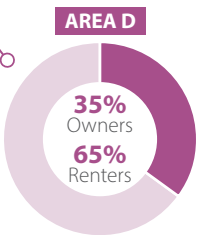
103
Households
2.7 Average
Household Size



123
Households
2.8 Average
Household Size



1,134
Households
1.7 Average
Household Size



Source: Based on Statistics Canada (Census 2016), Environics Analytics, and TransLink's Regional Transportation Model Inputs (2019, June 24. Metro Vancouver), and UEL Data (2021)

UEL HOUSING STOCK



33%

of housing units are purpose-built rentals

95%

of rentals are 1 & 2 bedroom units



Before 1980

79% of purpose-built rental stock built before 1980



61%

of dwellings are owner-occupied with most having 2 or more bedrooms

In 2021, median rent was

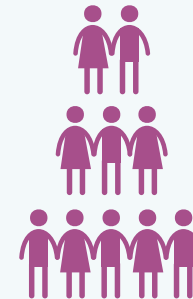
\$2,278



62

In 2022, the UEL will have 62 affordable housing units in Ieləḡ

HOUSING NEEDS



24%

of renter households &

11%

of owner households experience overcrowding



51% of renter & 27% of owner households spend > 30% of their income on housing



150

Laneway/coach homes & secondary suites are currently not permitted in the Land Use Bylaw

'missing middle' housing units (e.g. townhomes, laneway housing) are needed



The UEL will see ~1,745 new residents by 2025, requiring 67% growth in Area D housing stock

