

PRE-ZONING APPROACHES FOR AFFORDABLE HOUSING: Jurisdictional Scan + Discussion

City of Nanaimo | October 2025

Table of Contents

INTRODUCTION	1
ASSESSMENT FRAMEWORK.....	2
1. Geographic Scope.....	3
2. Tenure	4
3. Proponent Eligibility	5
4. Threshold + Affordability Level.....	6
5. Implementation Method.....	11
6. Legal Requirements	11
7. Timeframe	13
8. Incentives	14
9. Success.....	15
APPENDIX A : ASSESSMENT FRAMEWORK	16

Introduction

The City of Nanaimo is looking into ways to minimize regulatory barriers for affordable, non-market rental development by implementing pre-zoning for this purpose. By removing the need for rezoning, this approach reduces risks, lowers costs and timelines, speeds up construction, and offers greater certainty for non-profit developers and funders. To assist with this initiative, CitySpaces Consulting has created an assessment framework in collaboration with City staff to evaluate strategies used in other communities and determine how they could be adapted to fit Nanaimo's specific needs.



Assessment Framework

To systematically assess the various approaches used by the jurisdictions reviewed, an assessment framework was developed to outline the key questions to be explored. These questions include:

1. **Geographic Scope:** Is the pre-zoning policy applied city-wide, or is it limited to specific land use designations or areas?
2. **Tenure:** Which housing tenures are eligible for pre-zoning?
3. **Proponent Eligibility:** Who is eligible to participate? (non-market or market developers?)
4. **Threshold + Affordability Level:** What proportion of units must be non-market to qualify? Is there a minimum project size requirement?
5. **Implementation Method:** How was the pre-zoning implemented? (e.g., waiving certain processes, amending existing zone definitions, etc.)
6. **Legal Requirements:** Are there additional eligibility criteria or restrictions, and what is their purpose? (e.g., legal agreements, policy compliance)
7. **Timeframe:** For how long must the units remain non-market?
8. **Incentives:** Are there any incentives or other benefits linked to the pre-zoning approach?
9. **Success:** What has the uptake been like? (e.g., number of projects, projects per year)

A mix of interviews by City staff and desktop research and analysis by CitySpaces was applied to answer the key questions and classify the programs into the assessment framework.¹

Approaches in five communities were examined:

- City of New Westminster
- City of Surrey
- City of Victoria
- District of Saanich
- District of Squamish



1. See [Appendix A](#) for the assessment framework summary table.



1. Geographic Scope

Each jurisdiction reviewed took a slightly different approach in defining the geographic scope of their pre-zoning policies, but the overall goal and outcomes aligned within their respective land use frameworks. All approaches aimed to create opportunities for as-of-right non-market housing development, though the specific methods varied, as outlined below:

- **New Westminster** – applied pre-zoning to the Residential – Multiple Unit Buildings (RM) land use designation only;
- **Saanich** – extended pre-zoning to any non-industrially zoned property within the urban containment boundary;
- **Squamish** – allowed pre-zoning across all zones with a primary residential use;
- **Surrey** – applied pre-zoning to all land use designations permitting the Low-Rise Residential use; and
- **Victoria** – focused on any residential land use designation outside of downtown.

All jurisdictions used either future land use designations (FLUDs) or current existing zoning to determine where non-market housing could develop without requiring a rezoning process. The flexibility of the geographic scope varied: some jurisdictions used a **specific land use designation** (less flexible), while others applied it to **any residential designation** (more flexible), or even to **any zones with a residential use** (less flexible) versus **any zone with a non-industrial use** (more flexible).

While it is difficult to fully gauge the extent of opportunity without examining the FLUDs and current zoning in each jurisdiction, it is clear that all approaches created a relatively broad range of opportunities for non-market housing development.

CONSIDERATIONS FOR NANAIMO

Both FLUDs and existing zoning are effective tools for implementation. However, it is important to carefully consider how Nanaimo's current framework functions and the potential outcomes of each approach. A key factor to evaluate is the alignment between the existing zoning and FLUDs, and whether defining eligibility based on existing zoning might create discrepancies with the FLUDs. **Aligning eligibility with FLUDs may offer the best harmony with the broader vision laid out by the official community plan (OCP).**

Using FLUDs to determine eligibility could ensure development aligns with the vision established by the OCP, especially since these designations were subject to comprehensive



public consultation. This alignment may also help the public better understand and anticipate the impacts of new developments, potentially reducing surprise or opposition.

On the other hand, using zoning as the sole implementation tool can be broader and less tied to the OCP's future vision. For instance, areas designated and zoned for small-scale multi-unit housing could allow for larger developments, such as six-storey apartments, without a public approval process if residential is a principal use. Whether this is problematic depends on individual perspectives, but it could be unexpected and potentially controversial for neighbors and the broader public.

Beyond the vision laid out by the FLUDs, broader planning factors, such as proximity to services, amenities, and transportation infrastructure, might be better served by aligning pre-zoned development with the FLUDs, as these considerations are likely already embedded within the OCP's future land use planning.

RECOMMENDATION



Base eligibility on future land use designations to better align with the overall land use framework and hierarchy of uses and intensity established by the official community plan.

2. Tenure

All jurisdictions reviewed extend eligibility to non-market rental housing, generally requiring the tenure to be secured through a legal agreement. Victoria additionally permits co-operative housing, provided there are provisions for offering affordable housing to low- and moderate-income households in their organizational documents. Squamish, on the other hand, allows for both rental and ownership housing, but only if they meet the definition of permanently affordable housing (PAH), which is based on the housing cost relative to the user's income rather than a specific tenure type. While New Westminster allows for co-operative ownership or operations, rental tenure is more explicitly specified.

Notably, Squamish is the only jurisdiction that permits ownership housing under its program, but it has seen no uptake so far. Although affordable homeownership options could align with the broader intent of the pre-zoning initiative, this model remains largely underdeveloped. Establishing and sustaining affordable homeownership programs is extremely challenging, and any proposals for affordable homeownership would likely be



too unique or exceptional to fit neatly within a standardized set of eligibility parameters. As a result, affordable homeownership remains a rare and difficult tenure type to implement effectively under pre-zoning policies.

RECOMMENDATION

Extend eligibility to non-market rental tenure projects; housing co-operatives may fit within this definition.



3. Proponent Eligibility

There is broad consistency across the five jurisdictions examined regarding the eligibility of proponents for non-market housing pre-zoning provisions. In four of the five jurisdictions, eligibility requires the project is owned and operated by a non-profit or government agency. However, Squamish takes a different approach: it does not base eligibility on the legal status of the proponent, instead relying on a legal agreement to ensure the housing costs remain at non-market rates.

In the short-term, whether the proponent must be a non-profit or simply required to rent the units at non-market rates might yield the same outcome in terms of affordable housing provision. However, there are key distinctions between non-profit and for-profit operators. Despite similar rent restrictions, the management style, tenant selection, treatment of tenants, and long-term objectives may differ considerably. Many senior government affordable rental programs specifically fund registered non-profits to develop and operate affordable housing, and these funding streams typically do not support for-profit developers.

If a non-profit were to partner with a for-profit developer, all financial agreements would be made with the non-profit, which would need full rights of use and a long-term low-cost (or free) lease for the land if they do not own it outright, for the duration of the operating agreement. After the original operating agreement expires, it is more likely a non-profit would continue to operate the building with non-market rents, whereas a for-profit operator might seek to maximize revenues once any legal rent restrictions have lapsed.

However, there are potential opportunities arising in the current market. There may be opportunities to access land owned by for-profit companies who seek to reduce their debt burden by developing the land with the support of affordable housing funding programs.



For-profit housing development does not perform well in the current market, and developers are increasingly reaching out to non-profits as a way to complete their shovel-ready projects with government funding support. While this may not offer an opportunity for the profit the developer may have desired, it is a way to manage holding costs if they are overleveraged coming out of the recent building boom and period of low interest rates.

One area where flexibility could be useful is the operation of ground-floor commercial spaces in mixed-use developments, particularly where land use designations suggest or require such use. Allowing for-profit operators to manage these non-residential areas (with affordable housing above) might be beneficial. It may be beneficial to restrict the share of non-residential space (i.e. 30% of the floor area, or the ground floor only) in this context.

RECOMMENDATION



Require a non-profit operator of the housing but allow for land ownership to be flexible to allow for unique partnerships to be formed; consider allowing flexibility for for-profit operation of non-residential spaces up to a certain threshold (see [Legal Requirements](#) for further discussion on non-residential areas).

Tying eligibility to affordable housing programs with grants or ongoing operating funding will help ensure outcomes align with the pre-zoning program's objectives (discussed further in the next section).

4. Threshold + Affordability Level

SHARE OF NON-MARKET UNITS

Most of the jurisdictions examined do not specify a particular share or ratio of units that must meet the definition of affordability. Squamish is the exception, requiring 100% of units to meet the definition of affordable housing, as outlined in its Zoning Bylaw and Perpetual Affordable Housing Policy. However, this strict requirement has been seen as an obstacle to program uptake. Despite numerous inquiries, only a few proponents have shown interest in the pre-zoning provisions, and none have proceeded with a project under these terms.



Within this discussion there is a large philosophical question about how to classify non-market units within a project:

- Should non-market units be strictly defined as those with rents meeting a specific affordability threshold (e.g., a percentage of median income or below)?
- Or can all units in a senior government-funded, subsidized rental project be considered non-market?

In many cases, even units that are not classified as 'affordable' under specific funding programs still face rent or tenant restrictions.

For example, some programs require a certain proportion of units to meet an affordability threshold, while also imposing restrictions on the overall project revenue. This means the project's total revenue must fall below a certain percentage of the potential market value, which indirectly limits how much rent can be charged for units considered "market rate." As a result, the "market rate" units in these projects are often priced lower than they would be in a fully unregulated market, effectively suppressing rents for these units to maintain compliance with the program's requirements.

Similarly, BC Housing's Community Housing Fund program, which has been a primary funding source since 2018, creates three distinct rent classes within each project:

1. 20% shelter/social assistance rate;
2. 50% rent-geared-to-income (with an income eligibility threshold set for each community); and
3. 30% moderate-income market rents.

The moderate-income units can sometimes result in relatively high rents, especially when compared to traditional affordable housing standards. For example, in the most recent intake, rents for these moderate-income units can be up to approximately \$2,150 for a one-bedroom and \$3,470 for a two-bedroom unit. While these rents may not be affordable for many households, they are based on 30% of the median income for couples, with and without children in British Columbia. These units could be considered non-market or below market because the rents are not set based on what the market could bear, are income restricted, and receive a monthly operating subsidy just like all units in Community Housing fund projects.

AFFORDABILITY THRESHOLD

Another consideration is whether Nanaimo should establish a specific threshold for determining when units are considered affordable. While many affordable housing



programs and policies set clear thresholds, typically defined against either market rents or incomes, it is challenging to establish a consistent and applicable threshold where development is still feasible. There are several factors to consider.

The cost of construction has no relationship to the current average or median market rents, and if most existing rental housing is older, there may be a weak relationship to the current cost of delivery. Additionally, current market rents do not reflect what households can actually afford. On the other hand, setting an affordability threshold based on income statistics guarantees a portion of households will be able to afford the units, but this is a broad measure with little relationship to the cost of development or available funding.

Affordable housing funding programs should strike a balance between rent and income restrictions and the benefits provided through favorable financing, capital grants, or operating subsidies. Because of this necessary balancing act, the details of these programs can shift frequently. For example, the Community Housing Fund has raised its maximum rent thresholds, increased capital grants per unit, and enhanced operating funding in every intake since 2019.

To ensure the City of Nanaimo's pre-zoning approach remains effective over time without needing frequent updates, it may be more practical to avoid defining a specific affordability threshold. Instead, eligibility could be tied to eligibility for subsidized senior government funding, particularly programs offering grants or operating subsidies, which tend to support projects with deeper affordability. Additionally, this could be further narrowed to programs that require non-profit status for eligibility, as these typically align more closely with the goal of providing affordable housing rather than supporting market rental developments, which are often funded through financing alone.

Certain programs, such as the Canada Mortgage and Housing Corporation's (CMHC) Apartment Construction Loan Program (ACLP), require 20% of the units in a project be rented at no more than 30% of the median family income in the local market. At first glance, this may appear to ensure affordable, non-market units, but it's important to note that the ACLP is not an affordable housing initiative. The rents must remain capped for just 10 years, and projects can be for-profit. Essentially, the ACLP is a market rental program with an affordability provision, but it is not designed as an affordable housing program. In Nanaimo, 20% of units would need to rent for no more than about \$2,600 per month,



irrespective of the unit's size.² Additionally, this program does not offer grants or operating subsidies, and any qualified proponent can apply for funding.

The CMHC Affordable Housing Fund (AHF) provides a similar financing option to non-profits, but with the added benefit of per-unit grants, to support greater affordability. AHF mandates 30% of units must rent at no more than 80% of the current median market rent for units of each size. In Nanaimo, this would translate to rents around \$1,175 for a one-bedroom or \$1,500 for a two-bedroom unit, offering much deeper affordability compared to the ACLP, and making these rents accessible to households with median single or dual incomes. **When affordability is measured against household incomes, it often results in higher rents,³ while using current rent statistics as a reference can sometimes lead to insufficient revenues for project viability, unless there is substantial government support.⁴**

Past order of magnitude feasibility studies have found budgets based on the AHF and ACLP have similar feasibility, with the AHF grants offsetting reduced revenues from the deeper affordability requirement. To achieve this parity, AHF projects must also score sufficiently on a range of social, environmental, and affordability metrics to be eligible for a sufficient grant to offset reduced rent revenues. While a project might be able to achieve feasibility with either program, the AHF results in much greater affordability outcomes.

Since many funding programs are designed at the national or provincial level, their requirements may be easier to meet in some regions, but more challenging in others. For instance, in Metro Vancouver, higher rents for affordable units might be allowed due to the area's generally higher median rent. Conversely, in small or remote communities, rent statistics are typically much lower, but construction costs are higher due to limited access to labour and materials. In these areas, affordable rents need to be lower, yet they must also absorb the higher costs of delivery. Nanaimo may be in a favorable position within this dynamic, with relatively good access to both labour and materials, while also having higher

2. Rents of \$2,600 would be affordable to households earning \$104,000 or more, while the median household income was \$75,500 in 2021 (maximum affordable rent of \$1,888), and the median income of one person households was \$40,400 (maximum affordable rent of \$1,010).

3. Publicly available statistics typically describe the incomes of all households and families, none of which provide a universal description of affordable housing needs. These coarse statistics also include owner households, which significantly skews incomes higher. It is technically possible to produce a unique income statistic to reference against through a custom data order to Statistics Canada, but this would make eligibility less clear and increase the administrative burden for the city.

4. CMHC rental statistics are based on all current tenancies rather than the market rents of new tenancies, meaning statistics tend to significantly lag the true costs for any household securing new rental housing. While this dynamic results in more deeply affordable units in projects, it may be challenging to achieve financial feasibility depending on the relationship between the current statistics and the cost of delivery.



rent and income statistics compared to smaller communities, offering a better balance between potential revenue and delivery costs.

If pre-zoning eliminates the need for a rezoning process for non-market rental housing in areas designated for that type of development, there may be no need for overly strict eligibility criteria, as public hearings would be prohibited for these rezonings.

However, for incentives with a cost to the public, such as development cost charge (DCC) waivers, there may be a stronger case for setting higher requirements to balance public perceptions about whether sufficient public good was achieved in exchange. Removing a regulatory step for developments already designated in the OCP does not directly cost the public, so the justification for stringent requirements may not be as strong.

RECOMMENDATION



Do not define a specific threshold or share of units that must meet a particular affordability definition and instead defer to eligibility for subsidized senior government funding programs offering grants or ongoing operating subsidies. Eligibility does not necessarily have to include using those programs, and could simply require meeting their eligibility requirements to create space for non-profits who fund development through fundraising and/or donations. This would help ensure projects meeting the requirements for senior government funding programs remain eligible for pre-zoning as program evolve.

ALTERNATIVE RECOMMENDATION

If a specific affordability metric is desired within the pre-zoning program parameters, it may be strategic to consider the requirements for current affordable rental programs and scaling back the requirement slightly. For example, if AHF requires 30% of units to rent for no more than 80% of the median market rent, eligibility could be for 20% of units to rent for no more than 90% of the median market rent. Referencing against a rent metric rather than incomes would allow for a different affordability threshold per bedroom count. This may require future program revisions to maintain pre-zoning eligibility for projects accessing senior government affordable rental funding, and may draw more attention to the exact rent thresholds for eligibility.



5. Implementation Method

Each jurisdiction reviewed modified their Zoning Bylaw to facilitate their pre-zoning scheme, typically by introducing a new, broadly permitted use for affordable or non-market housing. This allowed such projects to be built up to the maximum height and/or density in the OCP. The specific areas where the new use was allowed varied across jurisdictions: in Victoria, it applied to any residential designation; in New Westminster and Surrey, it was restricted to a specific designation; in Saanich, it covered any zone with a non-industrial use; and in Squamish, it was permitted in any zone with a residential principal use.

RECOMMENDATION

Establish the pre-zoning through broadly permitting a new use through amendments to the general regulations in the Zoning Bylaw. Use FLUDs to define where the new use is permitted rather than existing zoning (see [Geographic Scope](#) for further discussion on using designations rather than current zoning for eligibility).

6. Legal Requirements

All jurisdictions reviewed require a legal agreement to secure rental tenure and the affordability as proposed. Additional requirements vary by local context, planning framework, and policy priorities, including:

- **New Westminster** – Maximum six-storeys; projects must meet non-profit housing development standards (design, setbacks, parking);
- **Saanich** – Must meet siting and density requirements; not permitted in industrial zones; at least 50% of floor area must be housing;
- **Squamish** – Maximum height of 23-metres; density restricted to existing zoning in Debris Flow Hazard, Restricted Densification, or Limited Densification Areas;
- **Surrey** – Maximum six-storeys (eight-storeys in Tier 3 Transit Oriented Areas); Zoning Bylaw amendments regulate use, density, height, and setbacks; and
- **Victoria** – Must align with OCP design guidelines; density cannot exceed Zoning Bylaw limits.



It is worth considering whether a housing agreement is necessary when operators are already bound by operating agreements. In many cases, housing agreements duplicate, or potentially conflict with, requirements set by funders, while adding legal complexity. Questions also arise around compliance and enforcement, particularly as more agreements are introduced. Operating agreements already require annual reporting to funders, which may provide a more robust oversight mechanism. If projects are restricted to non-profit operators accessing senior government funding, it is unclear what additional risk a housing agreement mitigates in the pre-zoning context.

Restrictive covenants on title can have both positive and negative impacts for non-profits. On one hand, BC Assessment significantly discounts property values for restricted non-market rental housing, reducing property taxes, a meaningful benefit, particularly in the early years of operation. On the other hand, reduced assessed values limit the ability of non-profits to leverage equity for future projects. Given the wide variation in organizational capacity and sophistication across non-profits, these long-term implications may not always be well understood. An exit clause enabling future re-negotiation of housing agreements could help address this concern.

Beyond pre-zoning requirements, the City may also wish to use housing agreements for broader policy objectives. For example, while provincial housing targets for Nanaimo include non-market units at specific incomes,⁵ tracking progress without housing agreements is challenging. Even where initial project rents are known, they may change over time or by completion of construction, and housing agreements provide the most reliable mechanism for monitoring affordability across projects.

Most approaches, aside from Saanich, do not explicitly permit mixed uses within projects. **While the primary objective is to support non-market rental housing, some flexibility for complementary uses may be valuable,** even in developments limited to six storeys. If the pre-zoning is extended to land use designations with mixed uses, there may be value in allowing the intention of the FLUD to be realized through these projects. However, most affordable housing funding programs cap non-residential space at 30% of floor area, meaning projects with higher commercial components would require alternative financing. Additionally, ground-floor commercial space often presents financial challenges, as construction and financing costs typically exceed short-term revenue potential.

5. The Housing Target Order 'non-market rental' identifies rents being no more than 30% of High Income Limits (HILs); Deep Subsidy and Rent Geared to Income (RGI) units in Community Housing Fund projects meet this requirement, and RGI unit rents are also referenced against HILs, but other programs may vary.



The cost of constructing and financing commercial space in mixed-use, multi-storey buildings often exceeds near-term revenue potential, meaning the revenues from the housing may technically be required to subsidize the commercial space. In a non-market context, where surplus residential revenues are unavailable, requiring ground-floor commercial can undermine project feasibility.

However, some non-profits may wish to include complementary services, such as childcare, on the ground floor of their projects, which would alter the considerations. While mandating non-residential uses is not recommended in these locations, providing flexibility to incorporate them could be beneficial.

RECOMMENDATION



Allow for up to 30% of floor area to be non-residential to align with typical funding programs and maintain the overall vision of the FLUDs.

Consider not requiring a housing agreement where the project is otherwise restricted by a long-term operating agreement, which would have to match and potentially be duplicative; alternatively, build in a mechanism to amend or remove the housing agreement in the future to support the long-term objectives of non-profit operations and development.

7. Timeframe

The City of Victoria requires a 60-year housing agreement, whereas Squamish mandates affordability in perpetuity. The other three jurisdictions reviewed do not specify a timeframe. Squamish staff noted a permanent commitment may be a significant barrier to uptake, as proponents may perceive it as risky.

Funding programs typically include defined timeframes. For example, the BC Housing Community Housing Fund requires a 60-year operating agreement and provides ongoing funding adjusted for future costs, while the Canada Mortgage and Housing Corporation Affordable Housing Fund only requires a 20-year commitment and offers no operating support.

If pre-zoning eligibility is limited to non-profit operators, below-market rents are likely to be maintained even after the affordability commitment expires, as the mandate of these organizations is to provide affordable housing. While rents may be adjusted to cover



operating costs after restrictions expire, they are unlikely to rise to market levels as it could conflict with the organization's mission or legal status.

As noted previously, housing agreements can also affect a non-profit's ability to leverage property equity for new housing development. While restrictive covenants may reduce property taxes, a potential benefit, they achieve this through suppressing property values. Non-profits may therefore differ in preference: some may value long-term tax reductions, while others may prioritize maintaining property equity to support expansion.

RECOMMENDATION



Do not set a specific timeframe for below-market rent commitments, or link them to the funding program instead, while requiring the project be operated by a non-profit organization in perpetuity.

8. Incentives

Most communities reviewed offer incentives for affordable or rental housing, but these are generally not directly tied to pre-zoning initiatives. Incentives are typically optional benefits provided in exchange for certain outcomes. In the cases examined, incentives were either implemented alongside pre-zoning but remained independent, or formed a core part of the pre-zoning approach itself.

For example, the District of Saanich waives transportation demand management requirements for projects with 12 or more units and eliminates parking requirements for non-market housing. While these measures accompanied the Rapid Deployment of Non-Market Housing Program, they are not strictly tied to pre-zoning. In Squamish, site coverage regulations for principal buildings are waived for fully affordable projects (a pre-zoning eligibility requirement), and parking is not required; these measures function more as central components of the pre-zoning implementation rather than optional incentives.

RECOMMENDATION



Additional incentives for affordable housing can be offered independently of pre-zoning initiatives. Incentives available to all non-market projects may be more straightforward to implement and administer than those tied specifically to pre-zoned opportunities.



9. Success

Most pre-zoning programs examined are relatively new, making it difficult to assess their effectiveness:

Jurisdiction	Year Implemented	Uptake / Status
City of New Westminster	Late 2024	Recently implemented; insufficient time to assess uptake
District of Saanich	Late 2024	Recently implemented; insufficient time to assess uptake
District of Squamish	2013	1 application submitted; requirements perceived as too onerous for non-profits as eligibility is challenging and the 100% deep affordability requirement does not align with typical funding programs.
City of Surrey	2025 (draft)	Regulations currently being drafted for Council consideration in late 2025
City of Victoria	2022	4 projects approved; 1 project under review





APPENDIX A

Assessment Framework

Pre-zoning Approaches for Affordable Housing Assessment Framework

Name of Program/Policy	Victoria	New Westminster	Saanich	Squamish	Surrey
	Fast-Track for Affordable Housing	Affordable Housing Acceleration Initiative (AHA)	Rapid Deployment of Non-Market Housing Program (RDP)	Affordable Housing and Public Service Zoning Bylaw Update	"As-of-Right" Zoning for Non-Market Rental Housing Development
Geographic Extent	• Residential designations outside downtown	• OCP's RM (Residential – Multiple Unit Buildings) land use designation only	• Any non-industrially zoned properties within OCP's urban containment boundary and Sewer Service Area	• All zones where residential is principal use (permit "affordable housing")	• All Land Use Designations allowing for Low-Rise Residential
Tenure	• Non-market affordable rental and non-profit cooperative housing	• Non-market affordable rental and co-ops (if rental tenure)	• Non-market affordable rental	• Non-market affordable rental and ownership housing meeting Perpetual Affordable Housing Policy	• Non-market affordable rental
Proponent Eligibility	• Project is owned and operated by a non-profit operator or government agency	• Property is owned and operated by a non-profit operator or government agency.	• Property is owned and operated by a non-profit operator or government agency.	• Eligibility not necessarily connected to legal classification of proponent: • For "Affordable Housing" a Housing Agreement between District and property owner is required • "Public Service" definition includes affordable housing operated by government or society under the Societies Act(SBC 2015)	• Property is owned and operated by a non-profit operator or government agency.
Threshold + Affordability Level	• No clear threshold of units that need to be affordable.	• No clear threshold of units that need to be affordable.	• No clear threshold of units that need to be affordable.	• 100% of units must be affordable per Zoning Bylaw and Perpetual Affordable Housing Policy • There are various definitions for what counts as affordable (intended to target 80-120% of median total household income, but are also referenced against median market rents in the PAH policy)	• WIP - currently in drafting phase • Non-profits expressed the benefit of allowing partnerships with market developers to improve financial feasibility (rather than requiring 100% non-profit ownership over entire project)
Approach	• Zoning Bylaw amendment - "Affordable Housing Development" defined in Zoning Bylaw and general regulations allow up to the higher of the current zone's floor area density or the densities shown in Schedule O map • Increased Density without Rezoning – Allows max density (from OCP) without rezoning, Council approval or public hearing.	• Zoning Amendment Bylaw – forego rezoning process for properties owned by NPO housing providers/ops and housing co-ops. • "Non-Profit Housing Development" defined in Zoning Bylaw and is then allowed as a permitted use on all properties designated "Residential – Multiple Unit Buildings" in OCP	• Zoning Bylaw amendment allowing non-market rental to build to the max FAR and height permitted under the OCP without need for a rezoning (defined in Schedule I of the Zoning Bylaw). • "Non-Market Housing Development" defined in Zoning Bylaw and permitted on non-industrial zoned lots	• Zoning Bylaw amendment • "Affordable Housing" and "Public Service" use defined in Zoning Bylaw, and is permitted in all zones allowing for residential as a principal use (with a few specific exclusions for hazard or other special areas).	• Program to implemented by amending the zoning bylaw (and any other relevant bylaws) to allow non-market rental and co-op housing projects up to 6 storeys to proceed without rezoning.
Legal Requirements	• The project must be subject to or willing to enter into a legal agreement securing affordability and rental tenure (min. 60yrs) • Projects must be consistent with the applicable design guidelines in the OCP. • Proposed density cannot exceed the max. density identified in Zoning Bylaw.	• Legal agreement to secure affordability and rental tenure • Must be 6 storeys or less • Projects must meet certain design/setback/parking requirements as defined for "Non-Profit Housing Development"	• Legal agreement to secure affordability and rental tenure • Siting parameters (height, density, etc) • Cannot be on industrial-zoned land • Must conform to specific siting and density requirements. • Up to 50% of floor area can be commercial or institutional, if allowed by relevant zone (or at least 50% must be rental housing)	• Housing Agreement restricting occupancy or rents • Not permitted at densities higher than existing zoning if the property is located in a Debris Flow Hazard Area, Restricted Densification Area, or Limited Densification Area. • Height limited to 23 metres	• Affordability and rental tenure secured via legal agreement • Property is in low-rise residential development in OCP • No more than 6 storeys (or eight storeys in tier 3 TOA) • Zoning Bylaw amendments will regulate the use, density, building height and setbacks for eligible projects
Timeframe	• 60 year Housing Agreement	• Legal agreement timeframe not defined	• Legal agreement timeframe not defined	• Affordability restrictions are in perpetuity	• WIP - currently in drafting phase • Non-profits expressed the benefit of flexibility in housing agreements during engagement to adapt to changing affordability programs and funding sources.
Incentives	• Victoria has incentives for affordable housing/rental, but they are not specifically connected to the pre-zoning initiative	• New West has incentives for affordable housing/rental, but they are not specifically connected to the pre-zoning initiative	• Waive TDM requirements for projects of 12+ units for "non market housing development" • Eliminate parking requirements for non-market housing developments Saanich has other incentives for affordable/rental housing, but they are not directly contained within pre-zoning initiative: • Allow alternative form of bonding for off-site works • Eliminate cash-in-lieu for replacement trees. • Consideration of FSR as only measure of density.	• Maximum lot coverage does not apply for principal building where all units are affordable • Affordable Housing does not require off-street parking Other incentives not connected to pre-zoning initiative: • DCC waiver if meeting definition of not-for-profit rental housing (or for-profit affordable rental housing) signing housing agreement	• Surrey has incentives for affordable housing, such as application fee or DCC waivers, not connected to this initiative but there may be additional incentives in the forthcoming final regulations
Success	• 7 months is average approval time for projects exempt from rezoning with delegated DPs. • 462 units of non-market rental supported • 4 Providers of mission-driven affordable housing supported through the program since April 2022.	• Still in early stages (Q4 2024)	• Still in early stages (Q3 2024)	• Since 2013, many inquiries but only one application has been submitted by the Squamish Housing Society. • District believes interest in program is poor due to restrictive definition of affordable housing.	• WIP - currently in drafting phase
Notes:		Also includes co-ops			Also includes co-ops Staff report also notes Subdivision Bylaw must be updated to require works and services, road dedication and alternate forms of transportation as a condition of the Building Permit rather than the rezoning

 301 – 375 5th Avenue West
Vancouver BC V5Y 1J6
604-687-2281

 100 – 814 Broughton Street
Victoria BC V8W 1E4
250-383-0304

 www.cityspaces.ca