

PIBC Peer Learning Network

# HOUSING ADVISORY BULLETINS



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# **THE HOUSING ADVISORY BULLETINS**

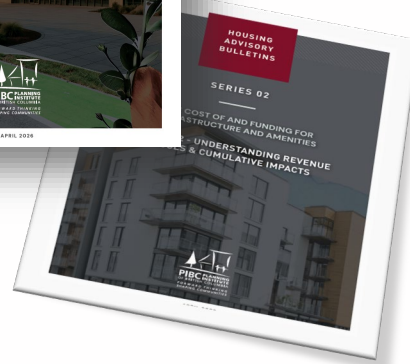
## SERIES 01

Fundamentals of Housing  
Development Economics



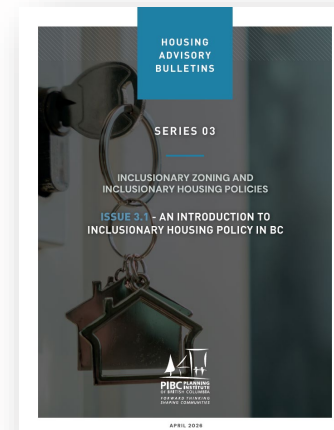
## SERIES 02

The Cost of and Funding for  
Infrastructure and Amenities



## SERIES 03

Inclusionary Zoning and  
Inclusionary Housing Policies





## **SERIES 01**

### **Fundamentals of Housing Development Economics**

# ISSUE 1.1

## LEGISLATIVE CHANGES TO HOUSING DEVELOPMENT AND THE ROLE OF PLANNING PRACTITIONERS



This bulletin is the first in **Series 01**, and is designed to:

- + Summarize key provincial housing legislation enacted from 2022 to 2024 and the resulting shifts in local planning practice.
- + Explain how OCPs, zoning bylaws, and approval processes are now expected to be aligned and regularly demonstrate their capacity to support housing supply that meet local needs.
- + Provide actionable guidance to avoid policy-driven supply constraints and ensure sufficient opportunity for all types of housing to meet local need.

# ISSUE 1.1

## Legislative Changes to Housing Development and the Role of Planning Practitioners

### CHANGING CONTEXT FOR LOCAL PLANNING IN BRITISH COLUMBIA

#### Housing Supply Act (Bill 43, 2022)

- Housing Target Orders
- Authorizes Minister to consult with municipalities and issue targets, require annual progress reporting, and use compliance tools when necessary
- Encourages local governments to create the conditions needed to meet these targets

#### Housing Statutes Amendment Acts (Bills 44, 46, and 47, 2023)

- **Bill 44** includes changes to public hearings, SSMUH, and OCP and zoning bylaw alignment to housing needs
- **Bill 46** updates the development financing system, expanding DCCs and introducing ACCs
- **Bill 47** requires designation of Transit Oriented Areas (TOAs)

#### Housing Statutes Amendment Act (Bill 16, 2024)

- New tools to support proactive planning and complete communities, including:
  - Tenant protection bylaws
  - Inclusionary Zoning
  - Updated density bonus provisions
  - Expanded authorities to require works, services, and Transportation Demand Measures

# ISSUE 1.1

## Legislative Changes to Housing Development and the Role of Planning Practitioners

### THE ROLE OF PLANNERS IN SHAPING DEVELOPMENT OUTCOMES

#### How Legislative Changes Elevate the Role of the OCP & Zoning Bylaw

- + Shifting away from bespoke amendments and customized zones.
- + Taking a longer-term outlook, with more regular updates.
- + New baseline permissions are now required (i.e. SSMUH, TOAs).
- + OCP-compliant residential rezonings are streamlined, with reduced public input.
- + Shift from negotiated CACs to codified tools, with feasibility requirements.
- + Focusing on feasible housing supply that meets Housing Target Orders

#### Planners add the most value by:

- + Translating housing need into **clear, mapped, and serviced development capacity.**
- + Reducing uncertainty by standardizing and simplifying permissions where appropriate.
- + Ensuring local requirements are **predictable, transparent, and supported by financial analysis.**
- + Monitoring whether policy-enabled capacity is resulting in applications and completions, adjusting where it is not.

# ISSUE 1.1

## Legislative Changes to Housing Development and the Role of Planning Practitioners

### THE ROLE OF PLANNERS IN SHAPING DEVELOPMENT OUTCOMES

#### The Impact of Policy-Driven Supply Constraints

- + **Land and housing costs matter in a supply context** as they are signals that reflect the balance of demand and supply of viable development opportunities.
- + It is important to **distinguish “theoretical” supply from “realizable” supply** as not all planned capacity is equally developable.

The market for different housing types must work within the potential supply that is both **permitted by policy and financially viable**. Theoretical supply will not be realized in all locations.

Planners can strongly influence the portion of supply that relates to **viable, developable land** and the **certainty of permissions**.

# ISSUE 1.1

## Legislative Changes to Housing Development and the Role of Planning Practitioners

### THE ROLE OF PLANNERS IN SHAPING DEVELOPMENT OUTCOMES

#### How Planning Policy Affects Development Viability, Land Values, and the Delivery of Housing

- + Local government land use policy influences development viability in three main ways:
  - + **What can be built** – value creation and revenue potential
  - + **How long it takes** – risk, carrying costs, financing
  - + **What it costs** – direct costs and implicit costs

Integration of viability considerations early in the plan / policy development process supports effective outcomes.



# ISSUE 1.1

## Legislative Changes to Housing Development and the Role of Planning Practitioners

### UNDERSTANDING HIGHEST AND BEST USE

#### How Redevelopment Potential is Dictated by Highest and Best Use



**From a planning standpoint**, the key is to ensure that intended development areas have:

- + Land use policies that create a viable “value lift,”
- + Clear and timely processes,
- + Requirements that are proportional and predictable, and
- + Pathways to connect to existing or planned infrastructure to make projects buildable.

# ISSUE 1.1

## Legislative Changes to Housing Development and the Role of Planning Practitioners

### UNDERSTANDING HIGHEST AND BEST USE

#### Competition Between Different Land Uses



#### Competition matters because:

- + Not all land should be expected to redevelop at the same time.
- + Some existing uses can sustain high land values which may delay redevelopment.
- + Protecting scarce land bases requires understanding the HBU pressures that policy can intensify or mitigate.

*Note: All figures are presented in current dollars. Redevelopment costs represent all project costs and fees, exclusive of land, inclusive of financing, contingency and developer required rate of return, assuming projects can be supported by land use policies either through rezoning and/or OCP amendment and associated time for approvals. In simple terms, to be viable, Net Present Value of development option must be greater than Value as Current Use.*

# ISSUE 1.1

## Legislative Changes to Housing Development and the Role of Planning Practitioners

### KEY CONSIDERATIONS WHEN DEVELOPING LAND USE POLICIES

1. Embed feasibility analysis in core planning work
2. Standardize and simplify zones and site standards to reduce uncertainty and timelines
3. Explore the potential of coordinating requirements across local government functions
4. Focus on deliverability, not only capacity



## ISSUE 1.2

# UNDERSTANDING THE CORE ELEMENTS OF DEVELOPMENT VIABILITY FOR PLANNING PRACTITIONERS

This second bulletin of **Series 01** is designed to help planning practitioners:

- + Understand the key components of development viability.
- + Recognize how local government policies influence these components.
- + Apply financial feasibility considerations when developing or updating OCPs, zoning bylaws, and servicing requirements.



# ISSUE 1.2

## Understanding the Core Elements of Development Viability for Planning Practitioners

### WHY UNDERSTANDING DEVELOPMENT VIABILITY MATTERS FOR PLANNERS

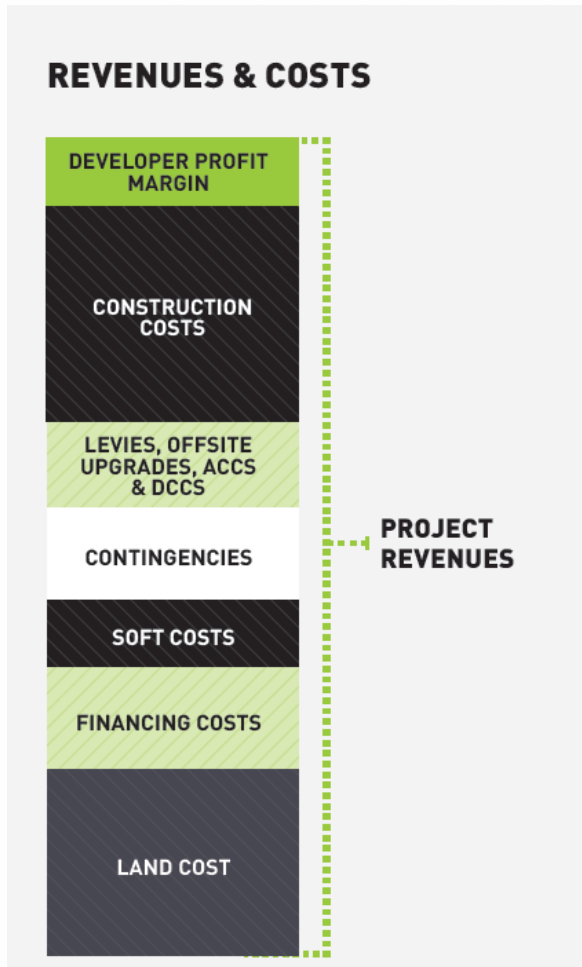
- + Recent provincial reforms require local governments to demonstrate how their policies and planning tools support the delivery of financially feasibility housing.
- + When policies do not allow for the financial conditions to deliver development to be met, planned capacity may not translate into actual housing supply.
- + By grounding planning decisions in viability, practitioners help ensure that policy enabled capacity is realistic, financeable, and capable of producing intended housing outcomes.



# ISSUE 1.2

## Understanding the Core Elements of Development Viability for Planning Practitioners

### CORE ELEMENTS OF DEVELOPMENT VIABILITY



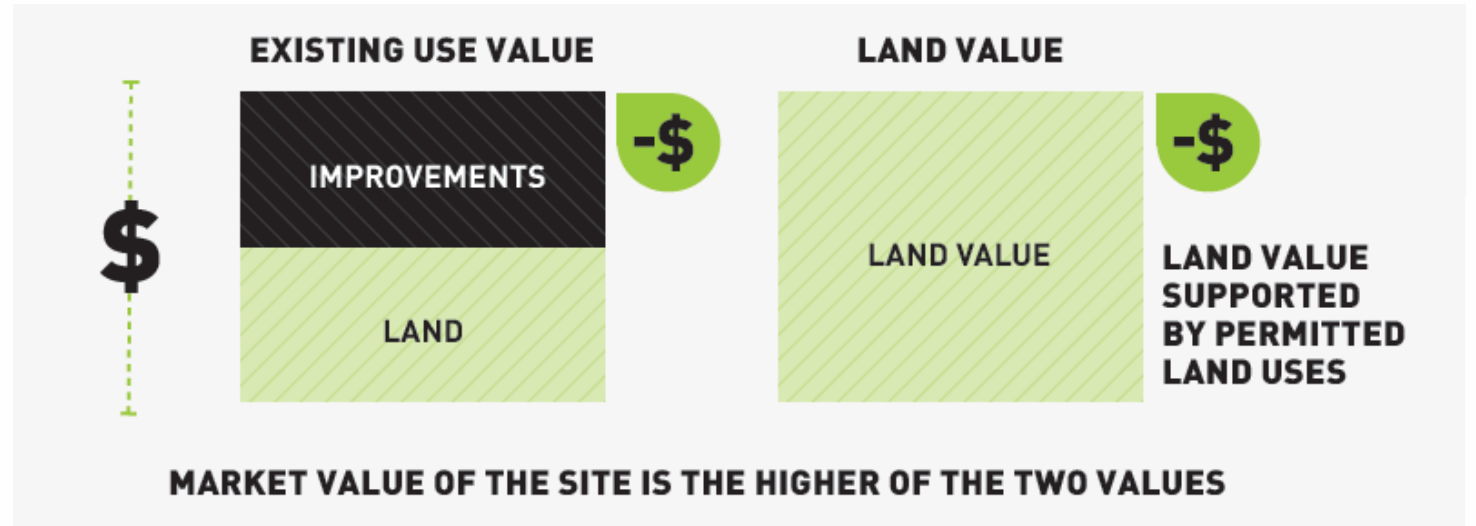
- + A development is viable when the revenues generated from selling or leasing the project are sufficient to cover project costs and produce an industry standard developers profit margin.
- + Planners influence all components of development viability.

# ISSUE 1.2

## Understanding the Core Elements of Development Viability for Planning Practitioners

### ZONING AND LAND VALUE AS AN INDICATOR OF VIABILITY

- + (1) Zoning bylaws set land values, which can be used to determine development viability.
- + (2) Residual Land Value Analysis (RLV) allows you to calculate land value based on zoning.
- + (3) Once calculated, two criteria must be met to ensure viability.



# ISSUE 1.2

## Understanding the Core Elements of Development Viability for Planning Practitioners

### HOW PLANNERS AND LOCAL GOVERNMENTS IMPACT CORE ELEMENTS OF DEVELOPMENT VIABILITY

#### Zoning

- + Financial testing
- + Standardized zoning districts and pre zoning approaches

#### Infrastructure Works and Servicing Requirements

- + Provide clear, predictable, upfront servicing requirements
- + Clearly communicate permitting fees

#### Building Layout and Design

- + Understand financial implications of design and layout expectations
- + Alignment across departments

#### Parking Requirements

- + Balance financial viability with on street network capacity, transportation options, and proximity to daily needs

# ISSUE 1.2

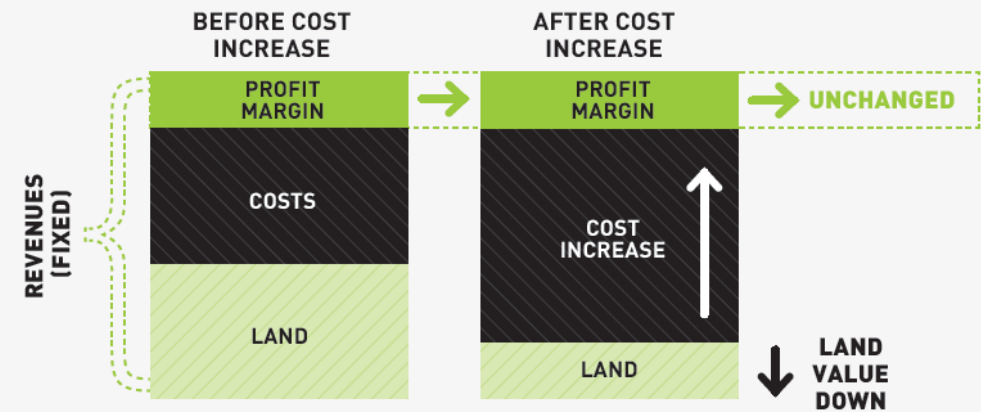
## Understanding the Core Elements of Development Viability for Planning Practitioners

### HOW COST CHANGES IMPACT DEVELOPMENT VIABILITY

#### IMPACT #1 - LAND HAS BEEN PURCHASED



#### IMPACT #2 - LAND VALUES MARKET-WIDE



Revenues cannot be increased just because costs increase as they are set by the market. As a result, there will be a downward pressure on land values.

# ISSUE 1.2

## Understanding the Core Elements of Development Viability for Planning Practitioners

### RETURNS, RISK, AND TIMING

#### Profit Margins

- + Time horizon of returns
- + Opportunity cost and risk adjusted returns
- + Large variability in actual return
- + Lending requirements and industry standards

When establishing land use policy, zoning, or development charges, the expected profit margin should be treated as a fixed cost necessary to make projects financeable and support housing supply.



# ISSUE 1.2

## Understanding the Core Elements of Development Viability for Planning Practitioners

### FINANCING COSTS

#### + Strata Projects

Financing sequence highlights the value of **predictable, timely approvals.**

Aligning zoning with OCP direction, reducing reliance on public hearings, and standardizing zoning districts can shorten timelines and lower financing risk.

#### + Rental Projects

Planners should be aware of the narrow margins typical of rental projects and how policy decisions influence both operating and capital feasibility.

# ISSUE 1.2

## Understanding the Core Elements of Development Viability for Planning Practitioners

### MONITORING AND POLICY TESTING

#### Monitoring is important for two reasons:

- + It helps planners and local governments understand whether development activity is occurring where it is planned and whether the local government is on track to meet its housing targets.
- + It identifies barriers such as escalating costs, insufficient density, design expectations, or servicing constraints that may be undermining feasibility.





## **SERIES 02**

# **The Cost of and Funding for Infrastructure and Amenities**

## ISSUE 2.1

# LEGISLATIVE CHANGES TO FUNDING INFRASTRUCTURE AMENITIES



This bulletin is the first in **Series 02**, and focuses on:

- + The practical implications of key provincial housing legislation for funding and financing community infrastructure and amenities.
- + An overview of the tools available to local governments to help fund the infrastructure needed to support growth.

Central among these tools are **development cost charges (DCCs)** and **amenity cost charges (ACCs)**.

# ISSUE 2.1

## Legislative Changes to Funding Infrastructure Amenities

### FUNDING AND FINANCING COMMUNITY INFRASTRUCTURE AND AMENITIES

#### Funding vs. Financing

- + **Funding** refers to who ultimately provides the resources – or, in the case of debt, who bears responsibility for repayment.
- + **Financing** refers to the mechanisms used to raise or secure revenue for capital expenditures.

#### “Lifecycle” Costs

#### “On-site” vs. “Off-site” Costs



# ISSUE 2.1

## Legislative Changes to Funding Infrastructure Amenities

### FUNDING AND FINANCING COMMUNITY INFRASTRUCTURE AND AMENITIES

#### Guiding Principles for Funding Infrastructure and Amenities

- + Benefiter Pays
- + Integration
- + Certainty
- + Fairness and Equity
- + Accountability & Transparency
- + Consultative Input

#### Tension Between Intent and Reality: Balancing Community Expectations, Market Viability, and Legal Requirements

#### The Role of Planning Practitioners

- + What Land Use Planning Can and Cannot Do
- + The Role of Planners Across Sectors (Public vs. Private)

# ISSUE 2.1

## Legislative Changes to Funding Infrastructure Amenities

### LEGISLATIVE AND POLICY FRAMEWORK IN BRITISH COLUMBIA

#### Role of OCPs and Growth Management Strategies in Planning for Growth

- + OCPs and growth strategies answer the question “what growth are we planning for and what costs will it require?”
- + DCC and ACC programs answer the question “how do we recover the growth-related share of these costs?”

Strong alignment between land use planning and development finance is essential for effective, defensible DCC and ACC programs in British Columbia.



# ISSUE 2.1

## Legislative Changes to Funding Infrastructure Amenities

### LEGISLATIVE AND POLICY FRAMEWORK IN BRITISH COLUMBIA

#### Recent Legislative Changes

- + Changes brought by the recently adopted legislation significantly increases the scale, speed, and geographic breadth of development and redevelopment
- + Places new and immediate pressure on local government infrastructure and community amenities

This context is critical to understanding the expanded role of DCCs and the introduction of ACCs.



## ISSUE 2.2

# UNDERSTANDING REVENUE TOOLS & CUMULATIVE IMPACTS



This second bulletin of **Series 02** focuses on:







- + Revenue tools local governments use to fund community infrastructure and amenities.
- + Distinction between growth-related fees and other revenue sources .
- + Cumulative impact of policies, regulations, and charges on development viability.
- + How DCCs, ACCs, and inclusionary housing, zoning and other tools interact to avoid constraining housing supply, undermining provincial objectives, or shifting costs to consumers.

# ISSUE 2.2

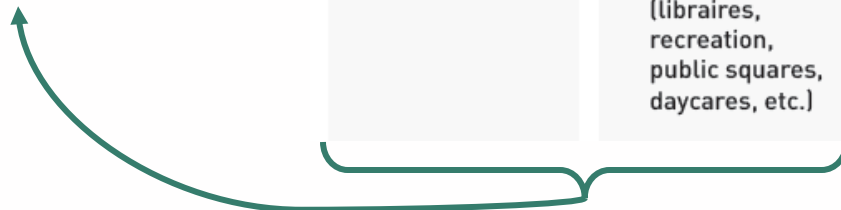
## Understanding Revenue Tools & Cumulative Impacts

### OVERVIEW OF REVENUE TOOLS

#### Growth Funding Tools

 DEVELOPMENT COST CHARGES	 AMENITY COST CHARGES	 INCLUSIONARY ZONING	 DENSITY BONUSING	 COMMUNITY AMENITY CONTRIBUTION	 SUBDIVISION DEVELOPMENT CONTROL BYLAW
<ul style="list-style-type: none"> <li>• Division 19 of the Local Government Act (LGA)</li> <li>• Used to fund initial round of growth-related capital infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• New Division 19.1 of the LGA</li> <li>• New development finance tool used to collect funds for amenities arising from increased demand for services</li> <li>• Prescribed list of eligible project types (libraires, recreation, public squares, daycares, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Section 482.7 of the LGA</li> <li>• Local governments can require affordable housing within zoned density, as units or cash-in-lieu</li> </ul>	<ul style="list-style-type: none"> <li>• Section 482 of the LGA</li> <li>• Local governments can establish density rules for a zone (i.e., amenities or affordable housing)</li> <li>• Cannot collect for an amenity for which an ACC is being collected</li> </ul>	<ul style="list-style-type: none"> <li>• In-kind or cash contributions negotiated in exchange for additional height/ density</li> <li>• Voluntary payments</li> </ul>	<ul style="list-style-type: none"> <li>• Section 506 of the LGA</li> <li>• Allows government to regulate and require, by bylaw, works and services from developments</li> </ul>

Focus of this bulletin



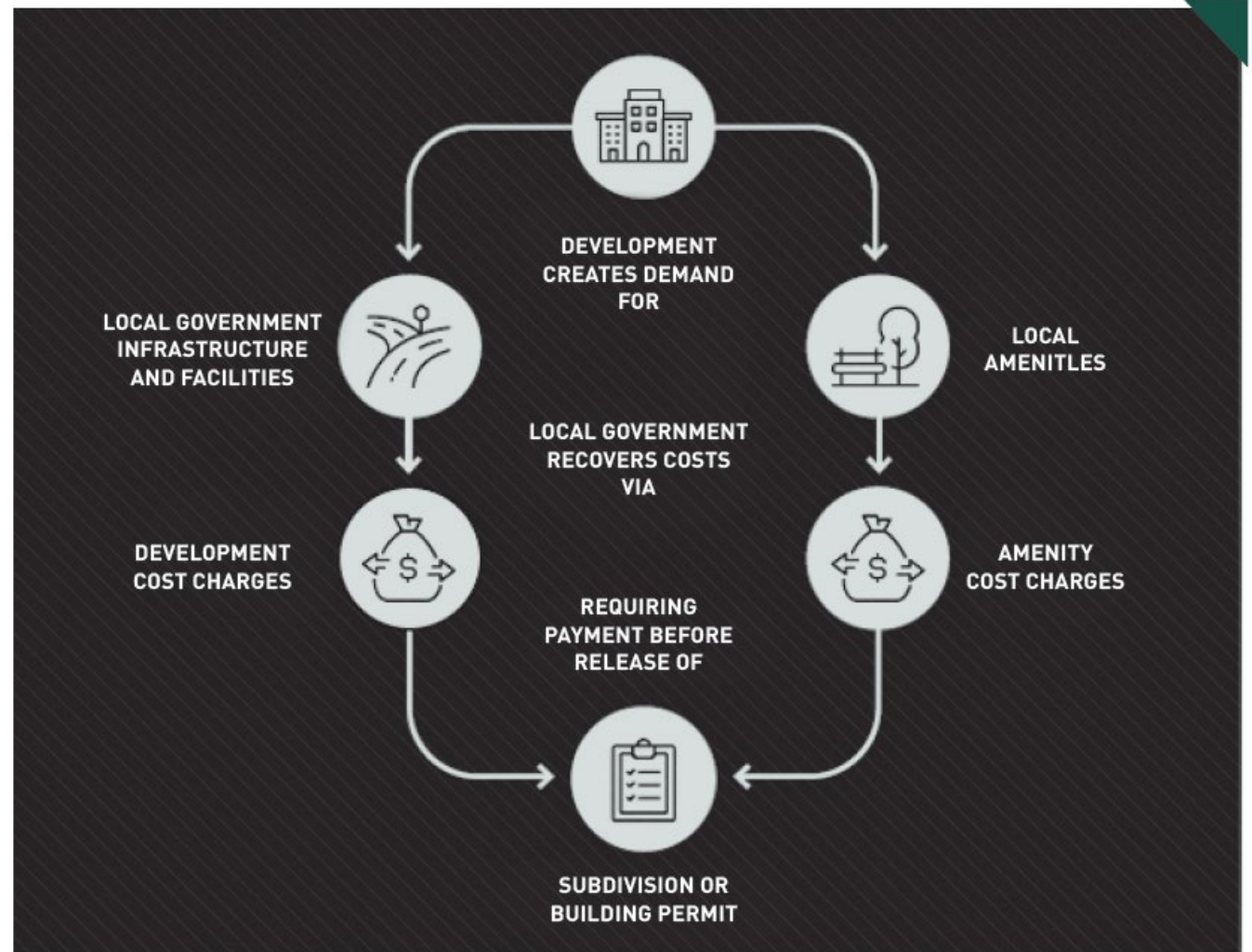
# ISSUE 2.2

## Understanding Revenue Tools & Cumulative Impacts

### OVERVIEW OF REVENUE TOOLS

#### DCCs: Expanded Scope and Renewed Importance

- + Bill 46 expands the scope of infrastructure eligible including:
  - + Fire protection
  - + Police facilities
  - + Solid waste and recycling infrastructure
  - + Certain cost-shared projects within the highways category



# ISSUE 2.2

## Understanding Revenue Tools & Cumulative Impacts

### OVERVIEW OF REVENUE TOOLS

#### ACCs: A New Standardized Tool for “Soft” Infrastructure

	Amenity Cost Charges (ACCs)	Development Cost Charges (DCCs)
Can be levied to recover costs for:	<p>Any “Amenity” that provides social, cultural, heritage, recreational and environmental benefits, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Community, youth or seniors centres</li> <li>• Recreation or athletic facilities</li> <li>• Libraries</li> <li>• Day care facilities</li> <li>• Public squares</li> </ul>	<ul style="list-style-type: none"> <li>• Water</li> <li>• Sewer</li> <li>• Drainage</li> <li>• Highway Facilities</li> <li>• Parks Acquisition and Improvements</li> <li>• Fire Protection</li> <li>• Police</li> <li>• Solid Waste Facilities</li> <li>• Recycling Facilities</li> </ul>
Inspector of Municipalities Approval:	<p>Not required <i>(Inspector may request information)</i></p>	<p>Required for bylaw passage</p>
Consultation Requirement:	<p>Consultation with public and affected persons, public authorities and organizations must occur one or more times</p>	<p>Not required by legislation <i>(but will be considered as part of Inspector review)</i></p>

# ISSUE 2.2

## Understanding Revenue Tools & Cumulative Impacts

### OVERVIEW OF REVENUE TOOLS

#### Interaction with Other Development Funding and Housing Tools

- + Density Benefit
- + Affordable and Special Needs Housing / Inclusionary Zoning

#### Implications for Local Government Development Strategy

- + Significantly limits negotiated or discretionary approaches
- + Increases the technical requirements for charge setting
- + Requires closer alignment between land use planning and financial planning
- + Makes development viability testing part of local government decision-making

# ISSUE 2.2

## Understanding Revenue Tools & Cumulative Impacts

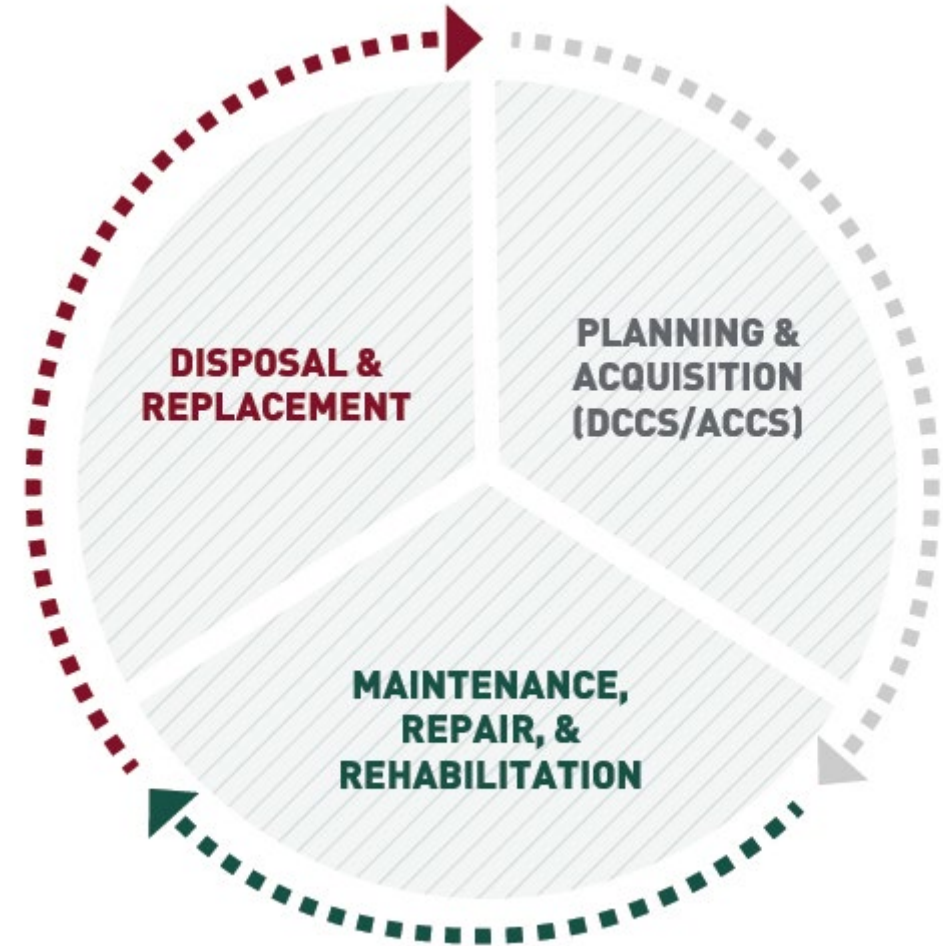
### OVERVIEW OF REVENUE TOOLS

#### Lorval v. Township of Langley

Growth should help pay for infrastructure and amenities through **clear, legislated, and transparent mechanisms.**

#### Other Revenue Tools

- + Property Tax
- + User Fees
- + Local Area Service Taxes
- + Grants
- + Emerging and Innovative Funding Tools



# ISSUE 2.2

## Understanding Revenue Tools & Cumulative Impacts

### IMPORTANCE OF UNDERSTANDING CUMULATIVE IMPACTS

#### Financial Feasibility Analysis

Determines whether policies allow development to occur at a level consistent with market realities and long-term housing supply objectives.

#### Key Factors to Consider

- + Rising Land and Construction Costs
- + Restrictive Zoning, Parking, and Other Land Use Requirements
- + Development Approvals Processes
- + Increasing Levies
- + Legislative Requirements



## **SERIES 03**

# **Inclusionary Zoning and Inclusionary Housing Policies**



## ISSUE 3.1

# AN INTRODUCTION TO INCLUSIONARY HOUSING POLICY IN BC



This bulletin is the first in **Series 03**, and is designed to:

- + Explain common Inclusionary Housing policies
- + Outline key factors to be considered when developing Inclusionary Housing policies
- + Highlight the importance of financial viability testing as a requirement when developing and monitoring Inclusionary Housing Policies

# ISSUE 3.1

## An Introduction to Inclusionary Housing Policy in BC

### WHAT ARE INCLUSIONARY HOUSING POLICIES AND HOW CAN THEY BE USED IN BC?

#### Inclusionary Housing Policies

- + Land use mechanisms available to BC local governments to secure below market housing units as part of private market-based residential development.
- + Embeds affordability outcomes directly into the development process rather than relying on public funding or subsidy programs.

Provincial reforms have **increased base development permissions, streamlined the approvals process,** and **expanded the toolbox** for local governments to secure Inclusionary Housing.



# ISSUE 3.1

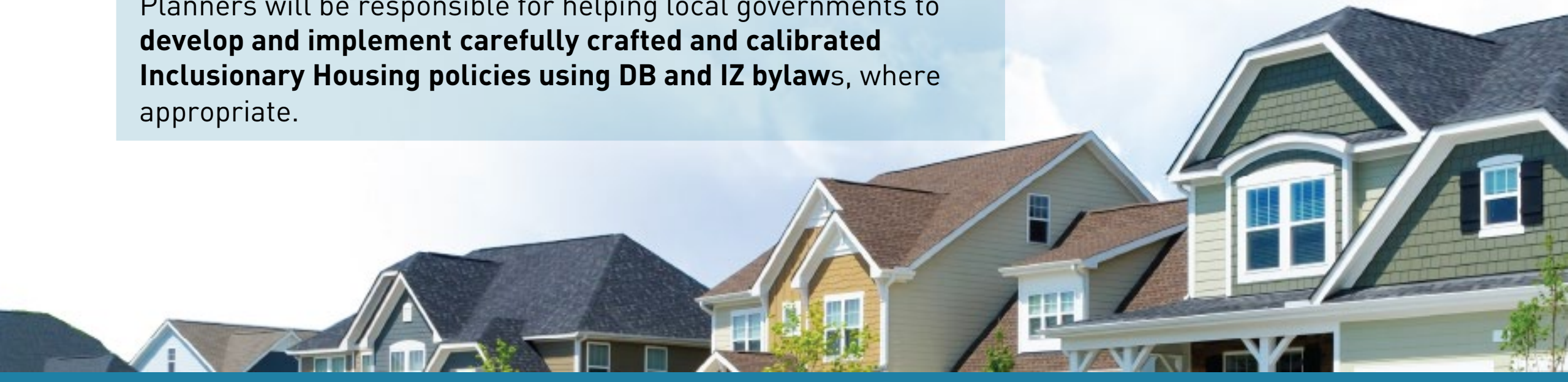
## An Introduction to Inclusionary Housing Policy in BC

### WHAT ARE INCLUSIONARY HOUSING POLICIES AND HOW CAN THEY BE USED IN BC?

#### Implications of Recent Legislative Changes

Opportunities for local governments to utilize CACs are likely to diminish.

Planners will be responsible for helping local governments to **develop and implement carefully crafted and calibrated Inclusionary Housing policies using DB and IZ bylaws**, where appropriate.



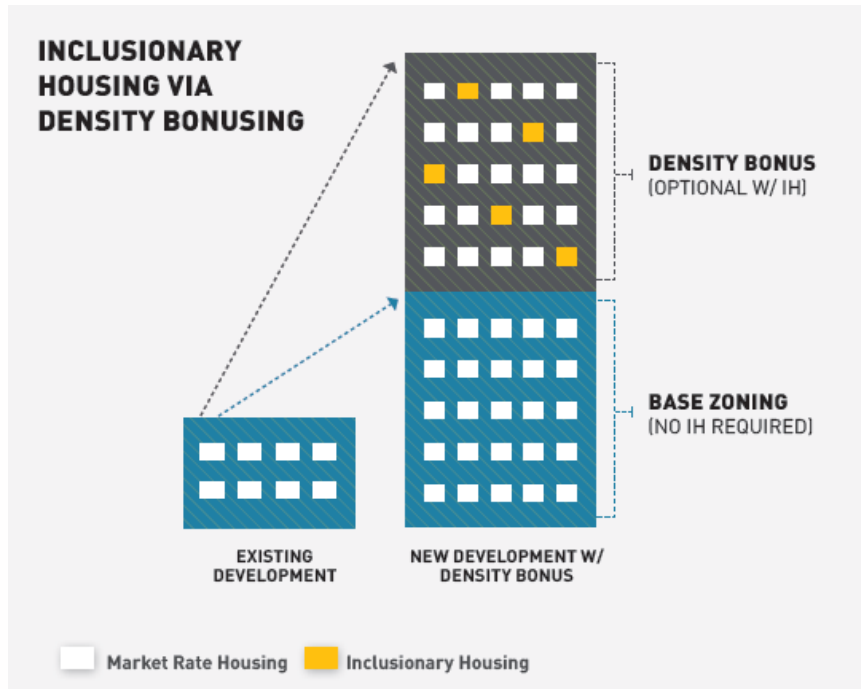
# ISSUE 3.1

## An Introduction to Inclusionary Housing Policy in BC

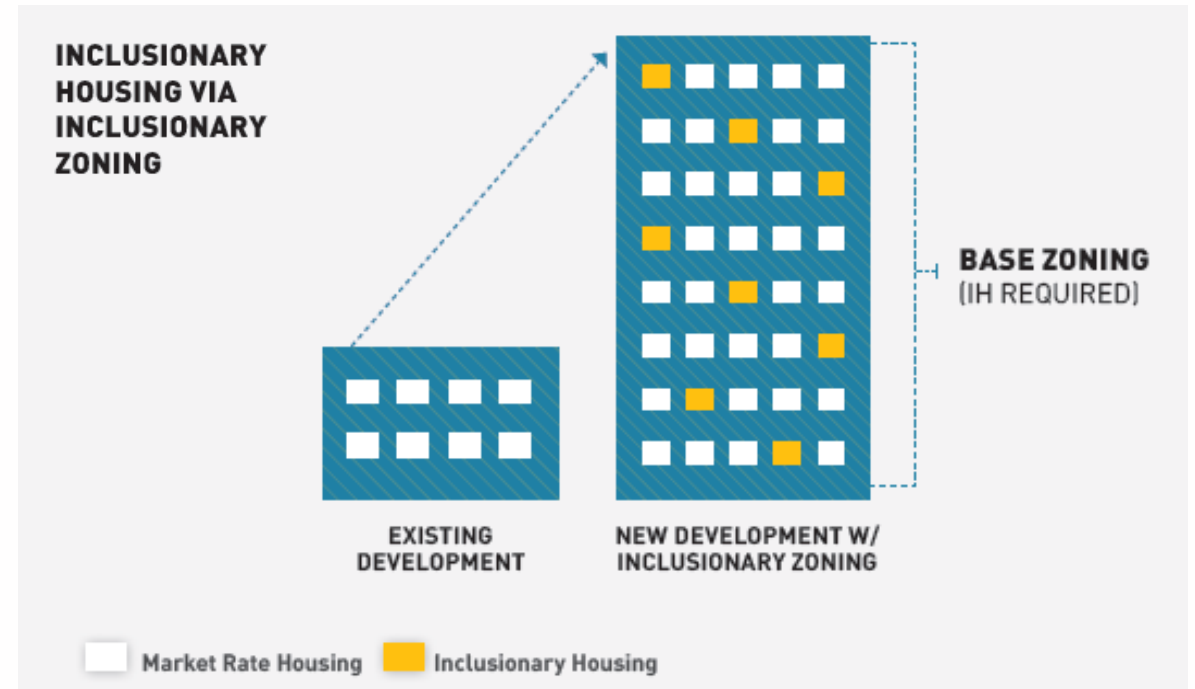
### WHAT ARE INCLUSIONARY HOUSING POLICIES AND HOW CAN THEY BE USED IN BC?

#### Understanding the Difference between Inclusionary Housing Policy Tools

##### + Density Bonusing



##### + Inclusionary Zoning



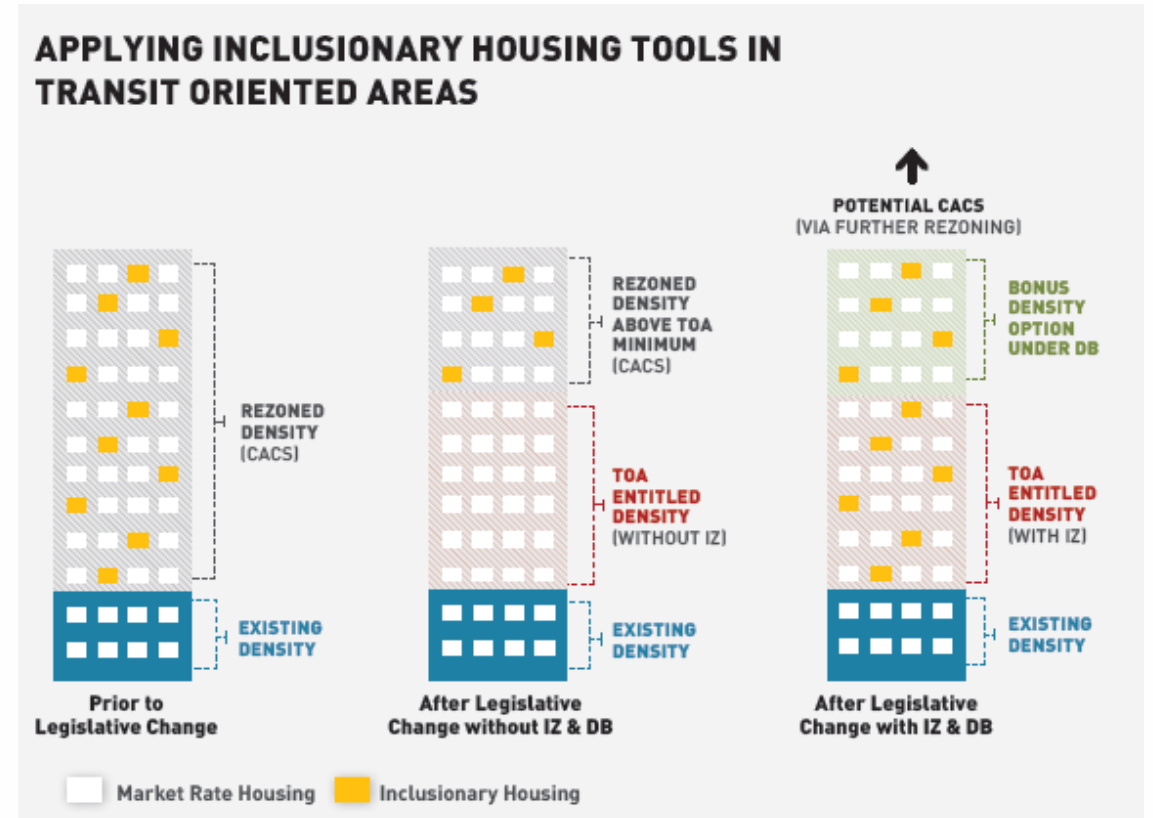
# ISSUE 3.1

## An Introduction to Inclusionary Housing Policy in BC

### WHAT ARE INCLUSIONARY HOUSING POLICIES AND HOW CAN THEY BE USED IN BC?

#### Understanding the Difference between Inclusionary Housing Policy Tools

- + Community Amenity Contributions
- + Transit Oriented Areas



#### Alignment with Other Tools:

Inclusionary units secured as a condition of IZ or DB are not subject to Amenity Contribution Charges.

# ISSUE 3.1

## An Introduction to Inclusionary Housing Policy in BC

### KEY INCLUSIONARY HOUSING POLICY FEATURES

#### Core Features of the Policy Frameworks

- + Affordable Unit / Share Set-Aside
- + Definition and Depth of Affordability
- + Tenure
- + Geography and Typology
- + Developer Incentives
- + Administrative and Governance

#### Methods for Determining Affordability

- + Benchmark Approach
- + Income-based Approach
- + Market-based Approach

**Financial feasibility analysis** ensures that affordability targets reflect both local household capacity and the economic conditions under which development occurs.

# ISSUE 3.1

## An Introduction to Inclusionary Housing Policy in BC

### KEY INCLUSIONARY HOUSING POLICY FEATURES

#### Ownership and Operation: Options and Trade-offs

- + Transfer to a non-profit or municipal entity
- + Developer ownership with contracted management
- + Non-profit operation with developer ownership
- + Affordable ownership programs
- + Alternative contribution forms

How units are secured, owned and operated should be decided early, informed by program objectives, local capacity, and feasibility testing.



# ISSUE 3.1

## An Introduction to Inclusionary Housing Policy in BC

### WHY INCLUSIONARY HOUSING REQUIREMENTS ARE CHALLENGING

- Financial and procedural challenges
- Impact on overall housing delivery
- Neighbourhood and built-form differences
- Spillovers across neighbourhoods and jurisdictions
- Changing market conditions
- Operational funding constraints and shifting funding support



## ISSUE 3.2

# CASE STUDIES OF INCLUSIONARY HOUSING POLICY IN ACTION



This bulletin is the second in **Series 03**, and is designed to:

- + Examine British Columbia and United States case study examples to illustrate how Inclusionary Housing policy has been implemented in practice and the outcomes achieved.
- + Provide perspectives on the successes and shortcomings of Inclusionary Housing policy approaches.

# ISSUE 3.2

## Case Studies of Inclusionary Housing Policy in Action

### PURPOSE OF REVIEWING CASE STUDIES

- + Illustrate policy approaches to Inclusionary Housing in North America, particularly with regards to Inclusionary Zoning.
- + While the tool is relatively new in the BC context, it has a long-established history in other jurisdictions where already permitted.

### Selection Factors

- + **Context** – when and why the policy was implemented
- + **Application** – how the policy functions, what it targets and through what means
- + **Key Takeaways** – key findings and or changes to the policy that inform best practice



# ISSUE 3.2

## Case Studies of Inclusionary Housing Policy in Action

### CASE STUDIES

**CITY OF VANCOUVER, BC**  
**West End Rezoning Policy**

**CITY OF NEW WESTMINSTER, BC**  
**Inclusionary Housing Policy**

**CITY OF BURNABY, BC**  
**Rental Use Zoning Policy**

**CITY OF SEATTLE, WA**  
**Mandatory Housing Affordability Program**

**MONTGOMERY COUNTY, MD**  
**Moderately Priced Dwelling Unit Program**

**CITY OF CAMBRIDGE, MA**  
**Inclusionary Housing Program**

 **Policy Research & Interviews with Planners, Builders and Operators**

# ISSUE 3.2

## Case Studies of Inclusionary Housing Policy in Action

### CASE STUDIES

#### Key Takeaways

- + Predictable requirements, incentives, and clear affordability definitions
- + Alignment of inclusionary expectations with shifting market conditions
- + Adaptable tools that preserve affordability outcomes without compromising project viability
- + Policies must reflect operational realities of non-profit housing operators
- + Alignment with wider initiatives and complementary programs
- + Periodic program review and recalibration



## ISSUE 3.3

# KEY CONSIDERATIONS FOR DEVELOPING INCLUSIONARY HOUSING POLICIES



This bulletin is the third in **Series 03**, and is designed to:

- + Summarize key considerations and best practices for designing and implementing Inclusionary Housing policies.
- + Outline decision making frameworks to help local governments determine whether inclusionary approaches are appropriate for their local context.
- + Clarify the role of planners and the limitations of Inclusionary Housing policies

# ISSUE 3.3

## Key Considerations for Developing Inclusionary Housing Policies

### KEY CONSIDERATIONS AND BEST PRACTICES FOR INCLUSIONARY HOUSING POLICIES

#### Four Key Themes that Shape the Success of Inclusionary Policies

- + Achieving Affordability
- + Getting It Built
- + Transfer and Ownership
- + Monitoring and Oversight

Ensures policies are appropriately calibrated to local market conditions, supported by clear administrative structures, and evaluated at regular intervals.



# ISSUE 3.3

## Key Considerations for Developing Inclusionary Housing Policies

### KEY CONSIDERATIONS AND BEST PRACTICES FOR INCLUSIONARY HOUSING POLICIES

ISSUE	KEY CONSIDERATION
	<b>THEME 1 - DEFINING AFFORDABILITY</b>
<b>Determining Needs &amp; Objectives</b>	<ul style="list-style-type: none"> <li>+ How much below-market housing is needed in the community?</li> <li>+ Who is this housing intended for?</li> <li>+ Is the policy targeted for a certain tenure?</li> <li>+ Are a mix of unit sizes required?</li> </ul>
<b>Setting &amp; Measuring</b>	<ul style="list-style-type: none"> <li>+ What is the most appropriate measurement for setting affordability targets?</li> <li>+ Is sufficient data available to set and regularly update this target?</li> </ul>
<b>Determining the Set-Aside Rate</b>	<ul style="list-style-type: none"> <li>+ How much of a set-aside can be supported?</li> <li>+ Are affected parties involved in this process?</li> </ul>

# ISSUE 3.3

## Key Considerations for Developing Inclusionary Housing Policies

### KEY CONSIDERATIONS AND BEST PRACTICES FOR INCLUSIONARY HOUSING POLICIES

ISSUE	KEY CONSIDERATION
	<b>THEME 2 - GETTING IT BUILT</b>
<b>Require vs. Incentivize</b>	<ul style="list-style-type: none"> <li>+ Is a requirement or incentive the better tool?</li> <li>+ Can additional incentives help to better deliver this policy?</li> </ul>
<b>Market Sensitivity &amp; Changing Conditions</b>	<ul style="list-style-type: none"> <li>+ How do policies affect the financial feasibility of development?</li> <li>+ Do these factors vary across locations and typologies?</li> <li>+ How might changes to other policy requirements or market conditions affect financial viability?</li> </ul>
<b>On-Site vs. Flexible Delivery</b>	<ul style="list-style-type: none"> <li>+ Does the policy allow flexibility based on project size?</li> <li>+ Is there a minimum project size for on-site units to be required?</li> </ul>
<b>Ensuring Predictability</b>	<ul style="list-style-type: none"> <li>+ Are requirements clearly communicated?</li> <li>+ How are changes implemented?</li> </ul>

# ISSUE 3.3

## Key Considerations for Developing Inclusionary Housing Policies

### KEY CONSIDERATIONS AND BEST PRACTICES FOR INCLUSIONARY HOUSING POLICIES

ISSUE	KEY CONSIDERATION
	<b>THEME 3 - TRANSFER &amp; OWNERSHIP</b>
<b>Ownership &amp; Stewardship</b>	<ul style="list-style-type: none"> <li>+ Who is best suited to operate the Inclusionary units?</li> <li>+ Who owns the units and how are they transferred or acquired?</li> </ul>
<b>Affordability Length &amp; Security</b>	<ul style="list-style-type: none"> <li>+ How long does the affordability requirement last?</li> <li>+ What happens when an Inclusionary unit turns over?</li> </ul>
<b>Eligibility Management</b>	<ul style="list-style-type: none"> <li>+ Who determines eligibility for Inclusionary units?</li> </ul>
<b>Operational Efficiency &amp; Cost Management</b>	<ul style="list-style-type: none"> <li>+ Will the policy deliver enough units together to be efficient for operators?</li> <li>+ How does the policy reflect operating cost inflation?</li> </ul>

# ISSUE 3.3

## Key Considerations for Developing Inclusionary Housing Policies

### KEY CONSIDERATIONS AND BEST PRACTICES FOR INCLUSIONARY HOUSING POLICIES

ISSUE	KEY CONSIDERATION
	<b>THEME 4 - MONITORING &amp; OVERSIGHT</b>
<b>Evaluation &amp; Administration</b>	<ul style="list-style-type: none"> <li>+ How is policy success measured?</li> <li>+ Are there sufficient staff resources to manage the program?</li> </ul>
<b>Recalibration</b>	<ul style="list-style-type: none"> <li>+ How often can the policy be reviewed and updated?</li> <li>+ What notice period is needed before changes take effect?</li> </ul>

# ISSUE 3.3

## Key Considerations for Developing Inclusionary Housing Policies

### SUMMARY OF PLANNERS' ROLE AND WHAT THEY SHOULD KNOW

- + Understand the mechanics of IZ and DB, and their implications for project viability, land economics, and administrative capacity.
- + Well-designed Inclusionary Housing policy integrates local housing needs, market realities, and operator capacity, ensuring that affordability objectives remain durable overtime.



# ISSUE 3.3

## Key Considerations for Developing Inclusionary Housing Policies

### SUMMARY OF PLANNERS' ROLE AND WHAT THEY SHOULD KNOW

#### When are Inclusionary Housing Policies the Right Tool?

- + Determine if available inclusionary policy options are best suited address their specific affordability gaps and whether local market conditions and administrative capacity support their implementation.
- + Inclusionary Housing policies may have limited ability to address multiple housing objectives simultaneously.
- + Addressing housing needs often requires complementary approaches.

# CLOSING SUMMARY



An aerial photograph of Vancouver, British Columbia, showing the city's dense urban core, the harbor, and the surrounding mountains. The text "QUESTIONS & DISCUSSION" is overlaid in the center of the image.

# QUESTIONS & DISCUSSION