

DELEGATION EXECUTIVE SUMMARY

Name or Organization: Alex Boston, ACE Housing Project Director on Affordability, Climate & Economic development

Subject: Metro Vancouver Innovation to Market Transformation on Housing Supply & Affordability

Presenting to: Regional Planning Committee

Date of Meeting: September 7, 2023

Offsite Construction & Strategic Land Use Delivering Affordability & Supply, Climate & Economy Rewards

Metro Vancouver’s proposal to advance pre-approved designs for offsite construction can make an important contribution to affordability and supply, climate action & economic development.

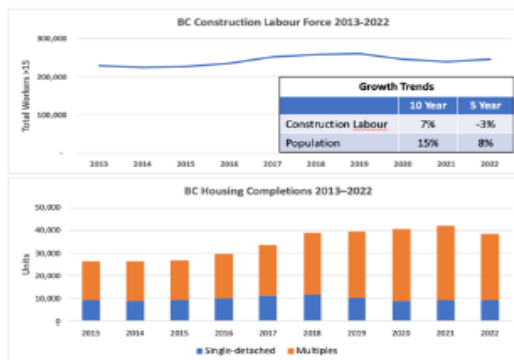
Top Housing Supply Constraint: Labour Force NOT Local Governments

Local government permitting is NOT the biggest constraint on housing supply. The single biggest constraint is labour force shortfalls. This dynamic is also increasing construction costs.

While B.C.’s population has grown 8% in the last five years, the construction labour force shrunk 3% ([Statistics Canada, 2023](#)). This shortfall will worsen with 38,000 projected retirees over the next decade and insufficient replacements, leaving a 19,000 worker shortfall ([Build Force, 2023](#)).

Offsite Wood Construction: Delivering on Affordability & Supply. Climate & Economy

The top strategy for addressing labour force constraints is transforming the traditional approach to construction to drive productivity step changes. This *requires* shifting construction into high tech offsite construction manufacturing plants. Offsite construction can achieve the productivity gains essential to meeting supply targets. Offsite wood construction can also deliver B.C.-wide affordability, climate action and economic benefits ([Blackbox Offsite Solutions, 2021](#); [Building Intellect, 2015](#); [McKinsey, 2019](#); [WPI Economics, 2017](#)).



Boston with Statistics Canada data, 2023

Affordability & supply

- Accelerate construction schedules up to 50% and cut costs up to 20%*

Climate action & waste

- Deliver net zero new buildings, top of B.C.’s Energy Step Code – the only way to scale province/industry-wide!
- Reduce embodied carbon in apartment construction with engineered wood over concrete
- Cut construction waste to landfills by 50-90%*

Economic & community development

- Improve labour productivity up to 50%*
- Reduce workplace injury and mortality rates in one of B.C.’s most dangerous sectors
- Reduce construction disruptions to businesses, residents and traffic by halving construction schedules
- Generate secure, value-added jobs in big cities, forest-based towns and Indigenous communities
- Grow a new industrial sector in B.C. with immense domestic and international market potential

*Gains depend on effective public and private sector policy and practice

Metro & B.C. Offsite and Mass Timber Construction: North American Innovators

While only about 5% of housing units in B.C are built offsite ([Canadian Home Builders Association, 2021](#); [NRCan, 2021](#)), Metro Vancouver and B.C. is home to an offsite wood frame and mass timber manufacturing industry that is more advanced than most North American jurisdictions, notably in the multi-family sector. This leadership has been driven by construction entrepreneurs, manufacturing and forest products innovators, talented engineers, architects and tradespeople, and local and provincial policy innovation on climate, energy and construction.

Metro is home to a half dozen manufacturers and a score of multi-family and commercial projects.

To deliver on affordability and supply, climate and the economy, Metro Vancouver and B.C. must move from innovation to market transformation. This is, in fact, necessary for some innovators to not only thrive but survive! Entrenched barriers have big costs that overwhelm benefits. This requires local and provincial policy leadership.

Innovation to Market Transformation: Driving Demand with Metro Vancouver Policy Leadership

Regardless of immense potential benefit, novelty confront barriers. The single biggest barrier to scaling offsite construction is inadequate demand from project developers, both private and public sector.

Provincial and local government leadership is essential to drive market demand. There are a number of opportunities for methodically growing demand for offsite construction, e.g.

- Pre-zoned, pre-approved prefab designs
 - Rental
 - Part 9 multiplex
 - Supportive housing
 - Non-market/co-op housing
- Pre-zoned mid-rise with supportive mass timber design guidelines on transit hubs and corridors
- Harnessing underutilized, strategically located public land to build non-market housing

Metro Vancouver's proposal to advance pre-approved designs for offsite construction can make an important contribution to driving market transformation and delivering big benefits.

While demand grows, there are many other solutions to advance across public, private and social sectors.

UBCM Convention: Public, Private, Social Sector Collaboration

Three distinct municipalities from diverse regions of the province (Vancouver, Courtenay and Quesnel) adopted a resolution calling on UBCM to work with the B.C. Government to develop a robust policy framework:

- Collaborative policy development across diverse sectors to advance strengthen solutions and alignment
- Market demand strategy on private and public lands
- Early adopter program for diverse sectors: municipal, development, home building, housing provider, Indigenous, forest products, labour...

The support of Metro Vancouver member municipalities can strengthen early policy and planning momentum *with the Province of B.C. and across the province of B.C.*

Invitation: Lunch following Premier Eby's Address at UBCM Convention, September 22, 12:30, Fairmont Waterfront



BC'S HOUSING ACE CARD

Hitting the Affordability, Climate & Economy Jackpot with Offsite Wood Construction & Strategic Land Use

The graphic shows a blue background with a white playing card (Ace of Diamonds) and a photograph of a construction worker on a wooden structure.

Logos at the bottom: BCNPHA, BC TRANSFORMED RURAL SOCIETY, BCFOA, chfoic, METRO VANCOUVER, SUMMIT VANCOUVER, KALEBNIKOFF Mass Timber Inc., UDI, zeic

See leading players from diverse sectors lay down their cards to win big Affordability, Climate & Economy rewards

Help write the rules for a new deal for BC

Join us with your directors of planning, housing and economic development

[Register at EvenBrite](#)

Alex Boston, Principal – Boston Consulting & Director – ACE Housing Project on Affordability, Climate & Economy
Alex has served scores of B.C. local governments as well as provincial and federal governments, utilities, real estate developers, transit authorities, social service organizations and research institutes. He is former Renewable Cities ED and a SFU Centre for Dialogue Fellow