



Regional Affordable Rental Housing Target

Metro 2050 Implementation Guideline
May 2024

Preamble

The successful implementation of [Metro 2050](#) depends on ongoing cooperation and collaboration between Metro Vancouver and member jurisdictions. *Metro 2050* represents consensus among member jurisdictions to work collaboratively on meeting five long-term regional planning goals:

1. Create a compact urban area
2. Support a sustainable economy
3. Protect the environment, address climate change, and respond to natural hazards
4. Provide diverse and affordable housing choices
5. Support sustainable transportation choices

The *Metro 2050* Regional Affordable Rental Housing Target Implementation Guideline outlines the methodology used to monitor progress towards this target:

At least 15% of newly completed housing units built within all Urban Centres, Frequent Transit Development Areas, and Major Transit Growth Corridors combined, by the year 2050, are affordable rental housing units.

This Implementation Guideline will inform discussions between member jurisdictions, the regional district, and other partners about the growth of affordable rental housing near transit across the region. In addition, this Implementation Guideline can serve as a resource for researchers, practitioners, and the public to provide an added level of transparency and accountability in the planning process.

This Implementation Guideline will be updated periodically to ensure the most current information is available to member jurisdictions. This guideline should be read in conjunction with *Metro 2050* and the [Local Government Act](#), and does not replace or supersede the requirements set out in those documents.

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1.0 Metro 2050 Policies and Target

Metro 2050 Policies

Metro 2050 sets out the expectations for Metro Vancouver and its member jurisdictions with respect to increasing regional affordable rental housing in transit-oriented areas within the region, through policies 4.2.3 and 4.2.7:

<p>Metro Vancouver will:</p> <p>4.2.3 Set a regional target that at least 15% of newly completed housing units built within all Urban Centres, Frequent Transit Development Areas, and Major Transit Growth Corridors combined, by the year 2050, be affordable rental housing units. Metro Vancouver will monitor progress towards the target and review the target periodically.</p>	<p>Member jurisdictions will:</p> <p>4.2.7 Adopt Regional Context Statements that:</p> <p>a) indicate how they will, within their local context, contribute toward the regional target of having at least 15% of newly completed housing units built within all Urban Centres, Frequent Transit Development Areas, and Major Transit Growth Corridors combined, to the year 2050, be affordable rental housing units (recognizing that developing affordable rental housing units in transit-oriented locations throughout the urban area is supported);</p>
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Metro 2050 Target

The regional affordable rental housing target is included as a performance measure for Goal 4, as shown in Section G of Metro 2050:

<p>Goal 4: Provide Diverse and Affordable Housing Choices</p> <ul style="list-style-type: none">Percentage of newly completed housing units built within Urban Centres, Frequent Transit Development Areas, and Major Transit Growth Corridors that are affordable rental housing units
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Metro Vancouver produces annual reports on implementation of the regional growth strategy and progress towards its goals and targets. With regards to the regional affordable rental housing target, the following methodology and definitions will be used to monitor and report on progress.

2.0 Methodology

Based on the policy language in Metro 2050, the formula for the regional affordable rental housing target is:

$$\text{Formula} = \frac{\text{Affordable rental units that are newly completed within UCs, FTDAs, and MTGCs}}{\text{All newly completed housing units within UCs, FTDAs, and MTGCs}} \times 100$$

The purpose of this target is to encourage new affordable rental housing development near transit. For this reason, the geographies of Urban Centres (UCs), Frequent Transit Development Areas (FTDAs), and Major Transit Growth Corridors (MTGCs) are used. These are regionally-significant transit-oriented geographies as defined in the regional growth strategy, *Metro 2050*.

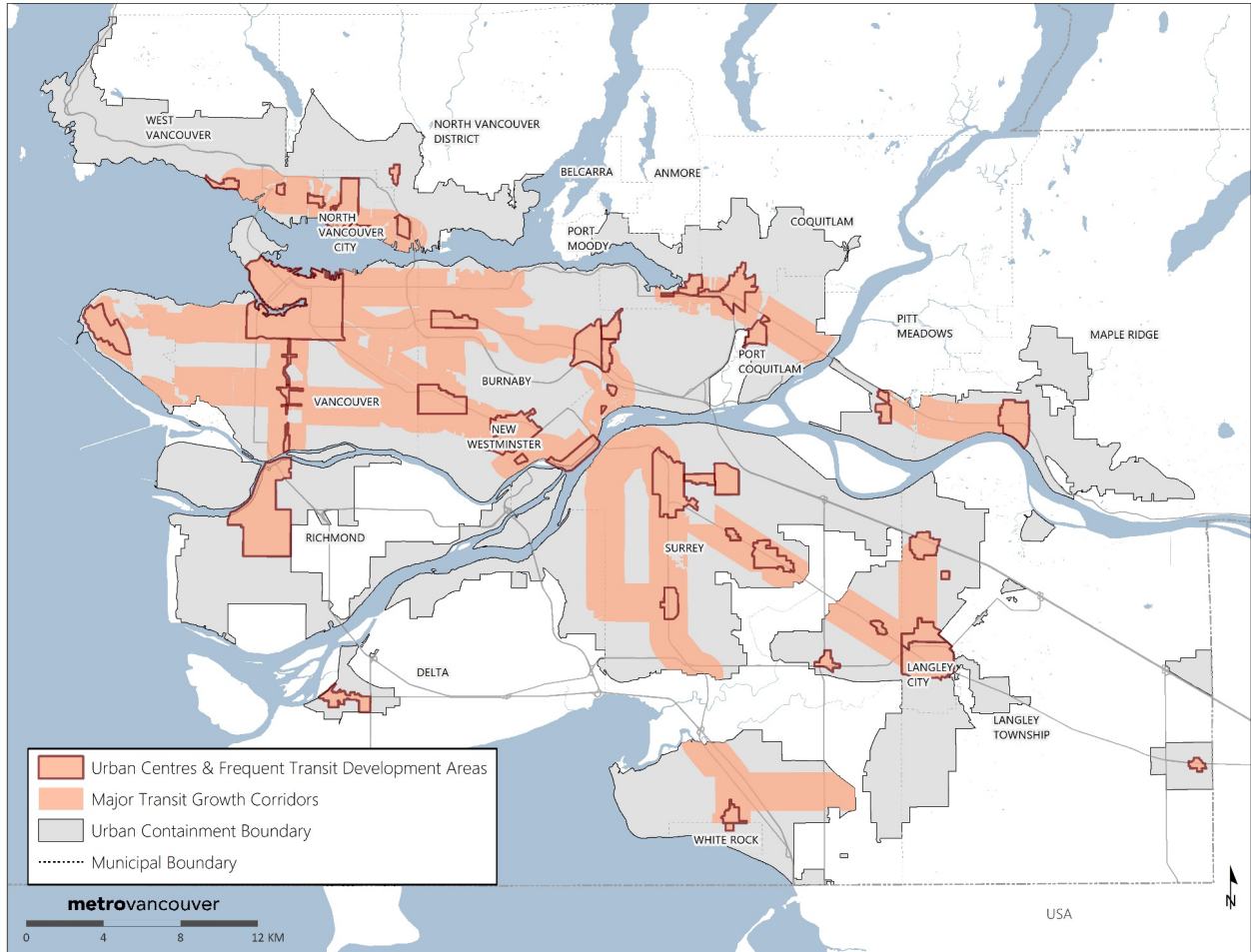
Urban Centres (UCs) are intended to be the region's primary focal points for concentrated growth and transit service. They are intended as priority locations for employment and services, higher density forms, mixed residential tenures, affordable housing options, commercial, cultural, entertainment, institutional, and mixed uses.

Frequent Transit Development Areas (FTDAs) are additional priority locations to accommodate concentrated growth in higher density forms of development. They are identified by member jurisdictions and located at appropriate locations within the Major Transit Growth Corridors. FTDAs complement the network of Urban Centres, and are characterized by higher density forms of residential, commercial, and mixed uses.

Major Transit Growth Corridors (MTGCs) are select areas along TransLink's Major Transit Network within which member jurisdictions, in consultation with Metro Vancouver and TransLink, may identify new FTDAs. These corridors extend approximately 1 kilometre from the roadway centreline in both directions and do not extend outside the Urban Containment Boundary. MTGCs enable monitoring of a contiguous transit-oriented geography when combined with UCs and FTDAs across the region for the purposes of the regional affordable rental housing target.

These geographies are combined and shown in Map 1 below.

Map 1. Urban Centres, Frequent Transit Development Areas, and Major Transit Growth Corridors



Definitions

At A Glance

Newly completed housing All residential units built within the past five years¹ (e.g. 2018 to 2023).

Affordable rental housing All social and non-market rental units²
+
Private rental units with affordable rents^{3,4}

Metro 2050 includes the following definition of **affordable housing**:

- housing that is affordable to households earning up to 120% of the Regional Median Household Income. In Canada, a general measure of housing affordability is the shelter-cost-to-income ratio, where no more than 30% of a household's gross income is spent on housing (including all housing-related costs like utilities).

¹ Source: Canada Mortgage and Housing Corporation, Starts and Completions Survey

² Source: Canada Mortgage and Housing Corporation, Social and Affordable Housing Survey

³ Affordable rents are based on 2021 Census median household income for the Vancouver region, by bedroom count, see table below.

⁴ Source: Canada Mortgage and Housing Corporation, Rental Market Survey

For the purposes of the regional affordable rental housing target **affordable rental housing** is defined as rental housing that includes all social and non-market rental housing units⁵, as well as private rental housing units in the primary rental market⁶ with affordable rents as defined in Table 1.

Affordable rents have been defined by bedroom size, based on the Regional Median Household Income. According to the 2021 Census, the median household income in the Vancouver region (Vancouver CMA) was \$90,000. The Regional Median Household Income of \$90,000 has been applied to the calculation of affordable rent for a 3 bedroom unit, and an income distribution similar to that used in BC Housing’s Housing Income Limits⁷ (HILs) has then been applied to generate the corresponding affordable rents by bedroom size.

Table 1: Affordable Rents Based on the 2021 Census Regional Median Household Income (RMHI)

	1 Bedroom or Less	2 Bedrooms	3 Bedrooms	4+ Bedrooms
Regional Median Household Income and Adjusted Household Incomes	\$60,700	\$75,350	\$90,000	\$112,500
Corresponding Affordable Rent	\$1,517	\$1,884	\$2,250	\$2,813

Data source for Regional Median Household Income: Statistics Canada, 2021 Census of Population

These affordable rents are slightly higher than the rents that are considered to be affordable to households with incomes equal to or less than the HILs. This means that all new rental housing which is targeted to households earning up to the HILs will be included in this target.

Affordable rents will be updated as required when new Census data becomes available.

3.0 Data Sources

The Canada Mortgage and Housing Corporation (CMHC) collects a variety of housing data through several surveys, which are well-positioned to serve as the data sources for this target. These are:

- **Starts and Completions Survey** – provides data on all newly constructed housing
- **Social and Affordable Housing Survey** – provides data on government and non-profit-owned housing, by bedroom count.
- **Rental Market Survey** – provides data on privately-owned purpose-built rental housing (primary market only), by bedroom count.

Metro Vancouver will obtain custom data from CMHC for each of these surveys, using the custom geographies of UCs, FTDAs, and MTGCs, and the definition of affordable rental housing outlined above. Member jurisdictions will not be asked to contribute data or other resources to support monitoring of this target.

⁵ Source: Canada Mortgage and Housing Corporation, Social and Affordable Housing Survey

⁶ Source: Canada Mortgage and Housing Corporation, Rental Market Survey

⁷ BC Housing 2023 Housing Income Limits are updated from time to time and can be accessed here: <https://www.bchousing.org/sites/default/files/media/documents/2023-Housing-Income-Limits-HILS-Effective-January-1-2023.pdf>

4.0 Limitations and Considerations

There are a number of limitations and considerations to keep in mind with this methodology:

- The secondary rental market (rental housing that is not purpose-built as rental housing, such as basement suites or rented condos) is not captured in this target. This is by design as well as due to a limitation in available data for one portion of the secondary rental market. The focus of this target is purpose-built rental housing due to the security of tenure that this type of housing provides to renters. CMHC collects and shares data on rented condos, which make up one portion of the secondary rental market, however, rented condos do not provide a secure form of rental housing, and are much less likely to be affordable compared to purpose-built rentals. For these reasons, the secondary rental market is excluded from this target.
- This target is designed to be regional in nature, monitoring regionally-significant transit-oriented geographies. Results cannot be broken down by municipality. Any attempt to apply the same methodology to an individual member jurisdiction would likely result in suppressed data, with the exception of possibly one or two of the largest municipalities.

5.0 Monitoring and Reporting

Annual Reporting

Annual progress towards the regional affordable rental housing target will be monitored and reported in the *Metro 2050* Annual Performance Monitoring Reports. These reports will include both the percentage and number of newly completed affordable rental housing units. This information will also be reported in the *Metro 2050* performance monitoring dashboard which will be published on the metrovancover.org website.

Comprehensive Reporting

A more comprehensive report on the regional affordable rental housing target will be published every five years. This report will be aligned with the Census schedule of reports and will include revised affordable rents based on updated household income data from the latest Census. These reports will include both the percentage and number of newly completed affordable rental housing units for the latest 5-year period, alongside previous years' progress.

Other Contextual Reporting

In addition to the percentage and number of newly completed affordable rental housing units, Metro Vancouver will monitor several other contextual measures related to the regional affordable rental housing target as shown in Figure 1 below. The target and these contextual measures will be reviewed periodically and updated as required.

The timeline for achieving this target stretches to 2050, and all monitoring and reporting will take this into consideration. Progress will be measured annually and compared against a steady pace of growth required to reach the target by 2050.

Figure 1. Regional Affordable Rental Housing Target - Contextual Measures for Annual Monitoring

