



**Urban Land  
Institute**

**Advisory Services Program**

# Downtown East Side

**VANCOUVER, BC**

ULI ADVISORY SERVICES

**JUNE 28-30, 2021**

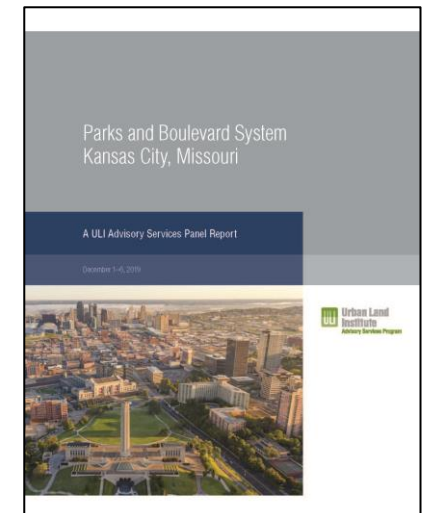
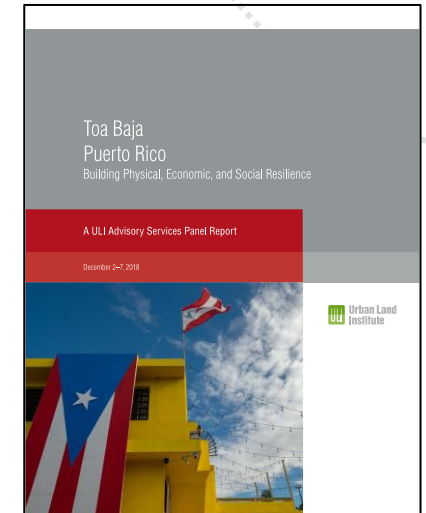
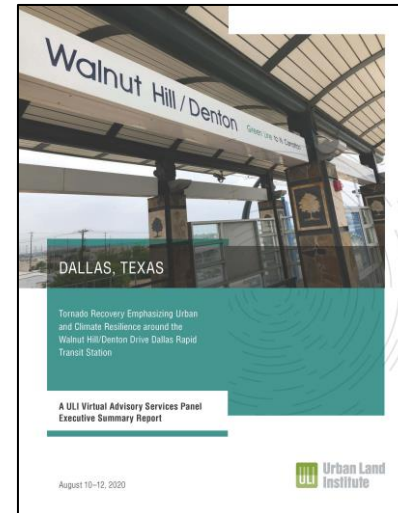
Credit: DSG



# About the Urban Land Institute

**ULI Mission:** Shape the future of the built environment for transformative impact in communities worldwide

- A multi-disciplinary membership organization with more than 45,000 members in private enterprise and public service
- What the Urban Land Institute does:
  - Conducts Research
  - Provides a forum for sharing of **best practices**
  - Writes, edits, and publishes **books** and **magazines**
  - Organizes and conducts **meetings**
  - Directs outreach programs
  - Conducts **Advisory Service Panels**



## ADVISORY SERVICE PANELS

Since 1947, ULI's Advisory Services Program have helped more than 700 communities find independent, strategic, and practical solutions for the most challenging land use issues.

ULI British Columbia is committed to the process of decolonization, and reconciliation with First Nations and Urban Indigenous communities.

We acknowledge ULI BC is on unceded traditional Indigenous and First Nations territories.

In particular, many of us are coming from the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Sḵwxwú7mesh (Squamish), and Selilwitulh (Tsleil-Waututh) Nations.

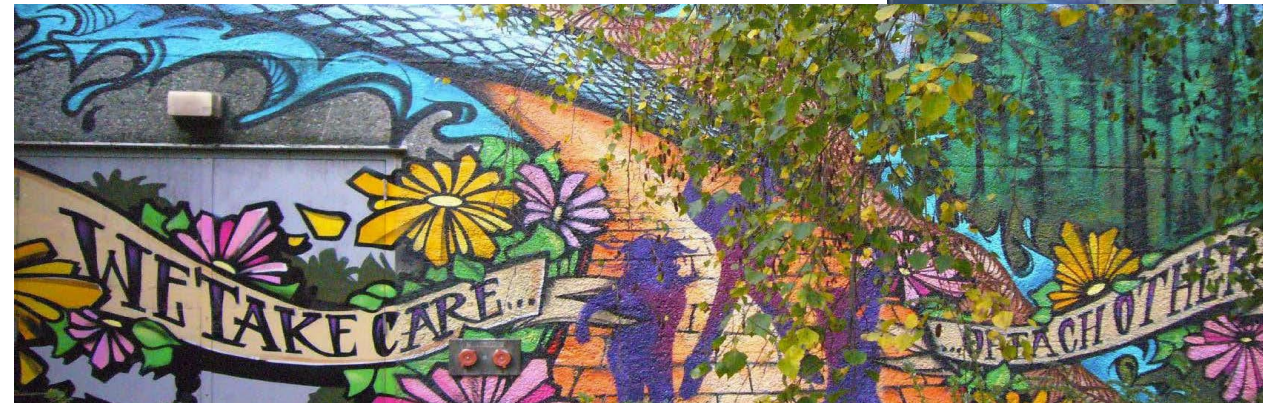
We recognize that everyone participating on this virtual call may be on different territory.

This acknowledgment is a reminder of the discriminatory, racist, and colonial practices that have had a lasting legacy, and continue to create barriers for Indigenous peoples and communities.

# ULI's Economic Opportunity Panels

Vancouver, BC - June 2021

- Series concentrating on historically disadvantaged communities, including African American communities, indigenous communities, and communities of color
- Goal: to attract real estate investment to achieve more equitable development with economic, social, and environmentally resilient outcomes
- Our work so far includes:
  - Bulls Head Neighborhood – Rochester, NY
  - Downtown East Side – Vancouver, BC
  - More to come!
- Supported in large part by the ULI Foundation and its members



# Thank you to our sponsors!

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Thank you everyone else!

- June 2021

• Adam Hayashi • Alvin Singh • Betty Lepps • Carleen Thomas • Councilor  
Christine Boyle • Dan Garrison • David LePage • Duncan Wlodarczak • Dylan  
Goggs • Godwin Ezinkwo • Janice Abbott • Jeremy Stone • Julia Markovich •  
Mayor Kennedy Stewart • Kevin Albers • Lance Jakubec • Marcia Nozick • Mary  
Clare Zak • Matt Smedley • Matt Smedley • Peter Hall • Roger Lam • Shannon  
Paterson • Shaugn Schwartz • Shayne Williams • Stephanie Allen • Steven  
Johnston • Tim Grant • Tim Orr • Tom Wanklin • Yazmin Machuca •

# ULI Panelists and Staff

Vancouver, BC - June 2021

Selected for their subject matter expertise to provide **objective, volunteer** recommendations

**Laura London**  
(Panel Co-Chair)

Arlington Partnership for  
Affordable Housing (fmr)  
Arlington, VA



**Ilana Branda**

Montgomery County  
Department of Health  
and Human Services  
Silver Spring, MD



**Jermaine Ruffin**

City of Detroit, MI  
Detroit, MI



**Richard K. Green**  
(Panel Co-Chair)

USC Lusk Center for Real  
Estate  
Los Angeles, CA



**Hal Ferris**

Spectrum Development  
Solutions  
Seattle, WA



**Jeanhy Shim**

Housing Lab Toronto  
Toronto, ON



**Charmaine Atherton**

Banc of America  
Community  
Development  
Corporation  
Los Angeles, CA



**Christopher Ptomey**

Urban Land Institute  
Washington, DC



## *ULI Staff*

Deborah Kerson Bilek – Vice President, Advisory  
Services  
David Zehr – Senior Associate,  
Advisory Services  
Adrianna Spindle-Jackson – Advisory Services



# Today's Agenda

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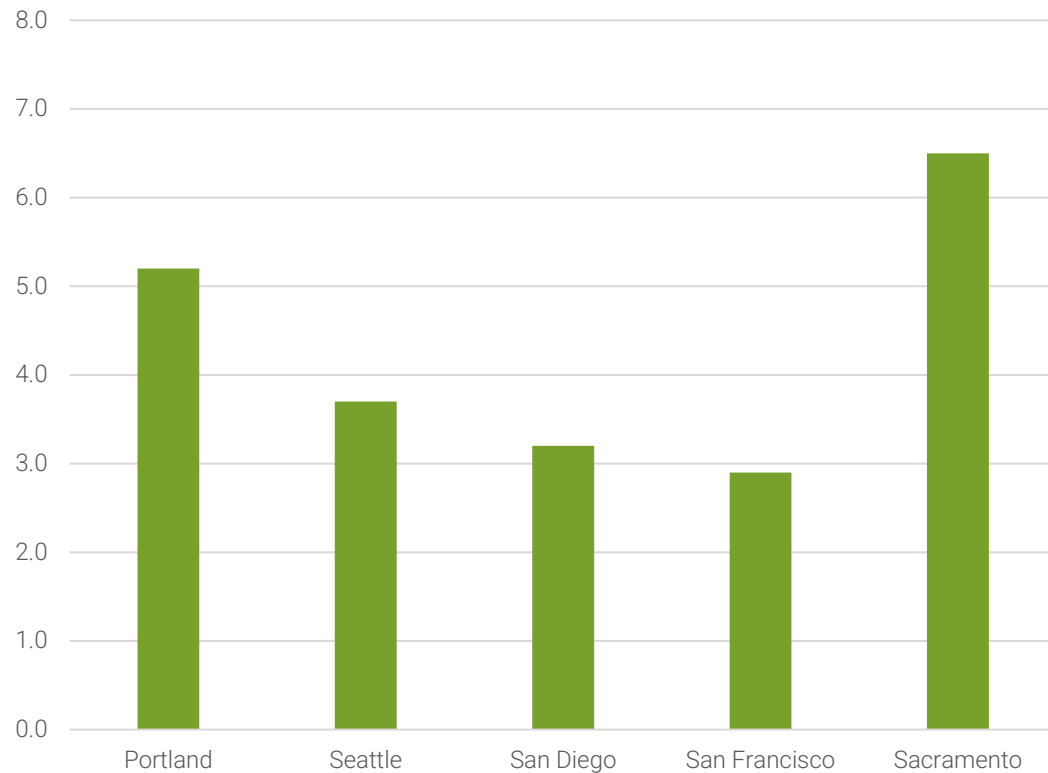
# Today's Agenda

Vancouver, BC - June 2021

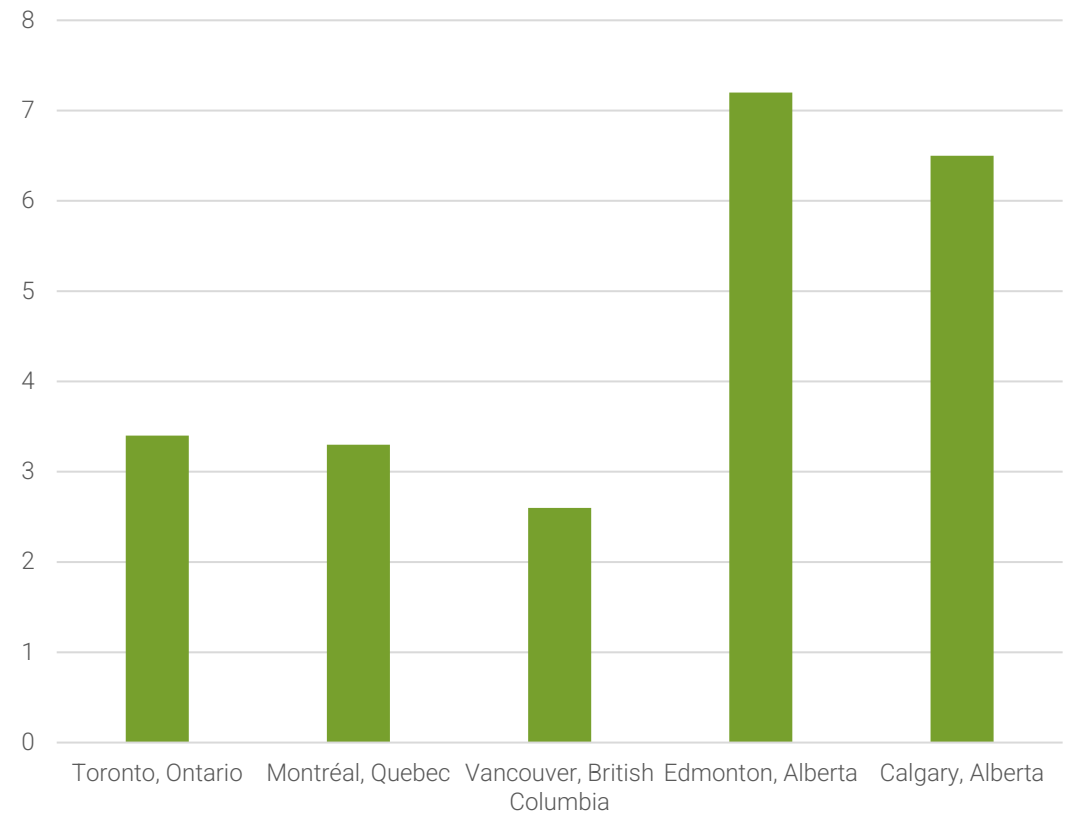


# Vacancy Rates: 5 selected US Cities and 5 largest Canadian Cities

Vacancy Rates: Rental Housing 2020 Q1  
Source US Census

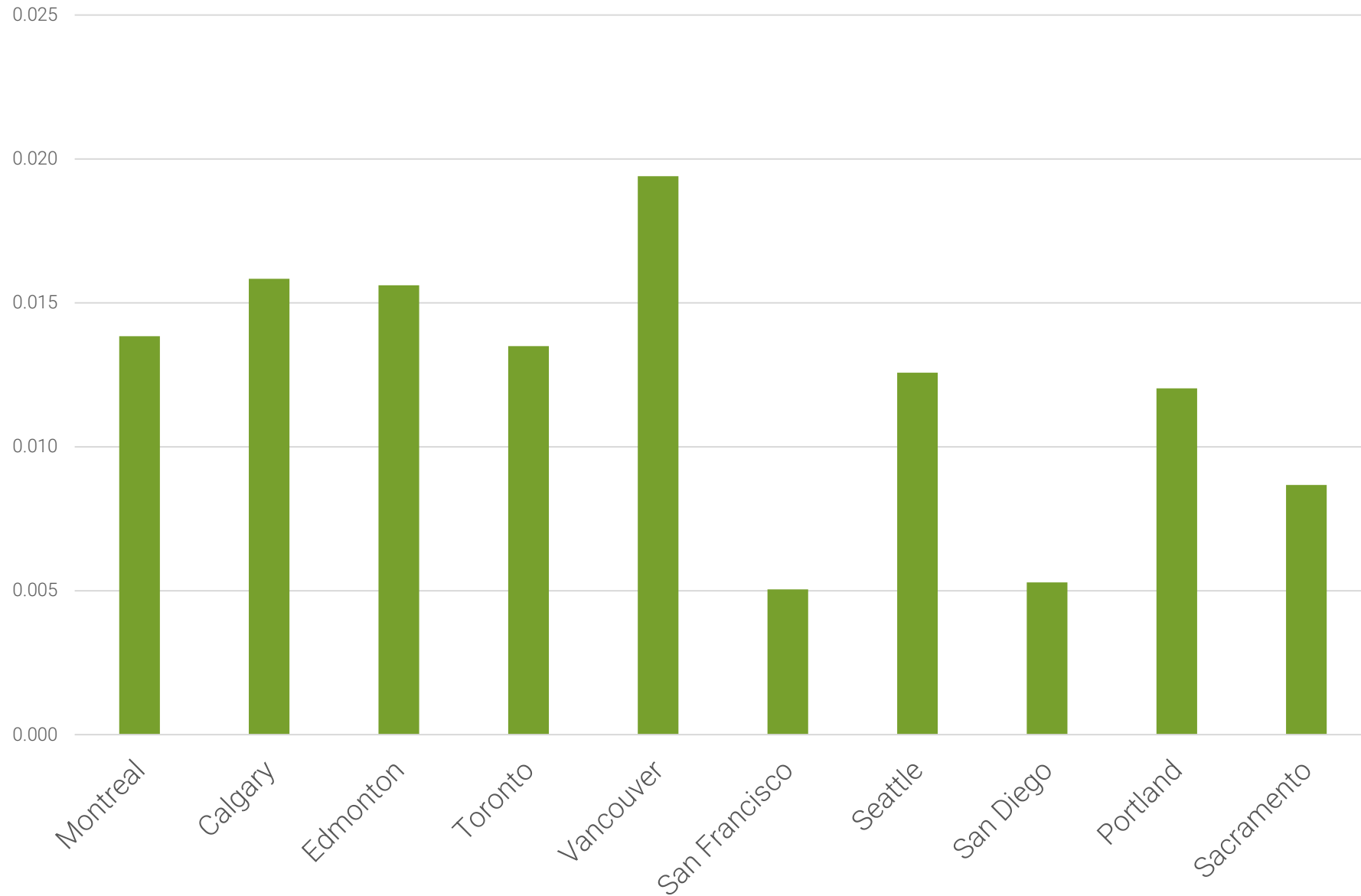


Vacancy Rates for 6+ Unit Buildings 2020 Q1  
Source Statistics Canada



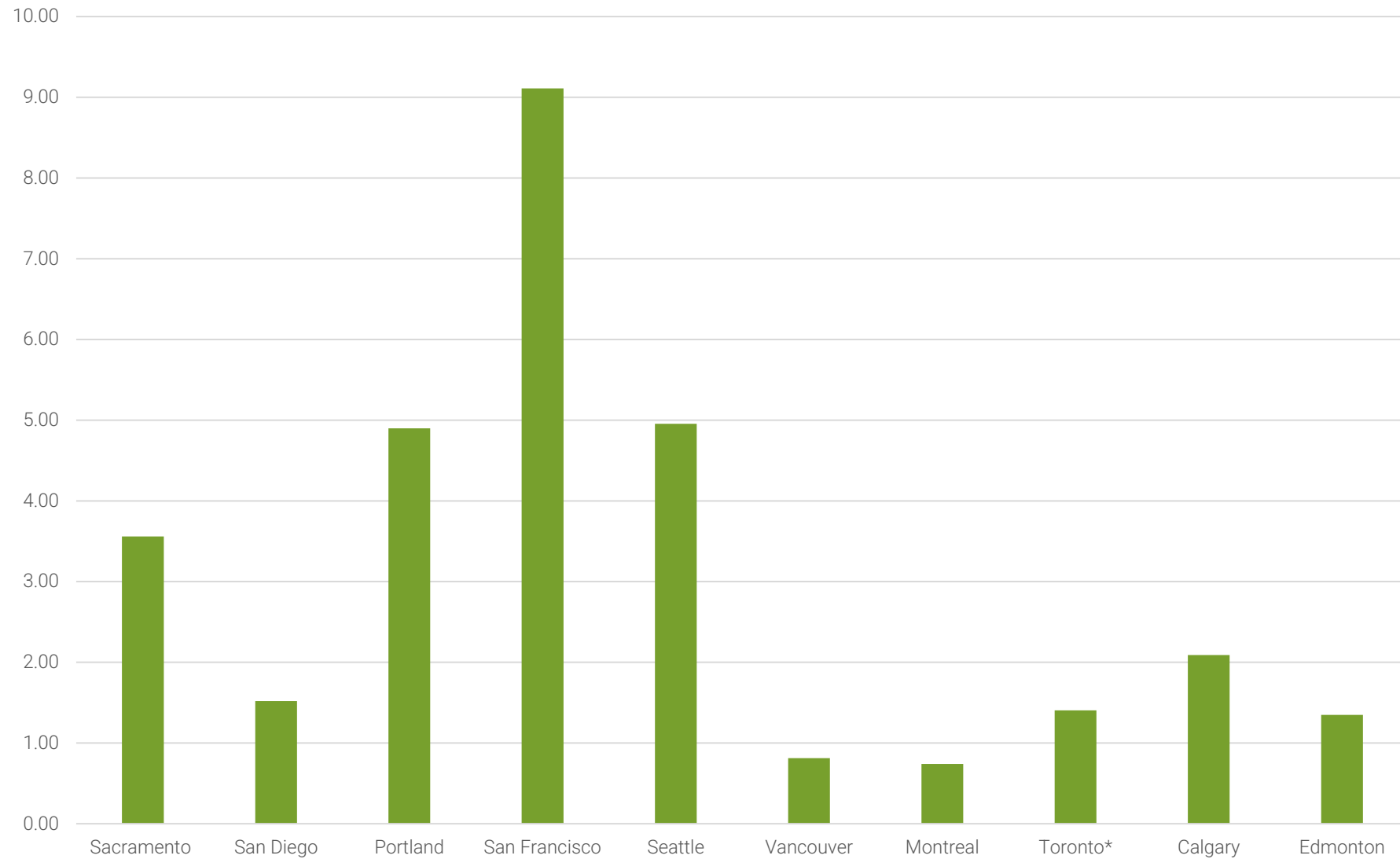
Residential Units Authorized by Building Permit per capita 2019-2020  
Sources: Statistics Canada and US Census

Vancouver, BC - June 2021



Homeless Count per 1000 Population  
Sources: USHUD, Canada Homeless Hub, Author's Calculation  
US Data 2019, Canada Data 2018

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# Today's Agenda

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# Panel Assignment & Scope

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Panel Assignment initially presented:

1. DTES as the geography of focus, and
2. Exploring approaches to worker-focused housing

After our panel's meetings, interviews, and materials review, we see and acknowledge:  
**The real story is so much bigger.**

Housing and employment are inextricably linked, and individuals vulnerable to homelessness rely jointly on workforce and housing support systems. However, providers in the two systems frequently operate independently of each other. Individuals receiving housing services may have to search for employment assistance on their own, and employers may have expectations that do not consider the urgent situations of individuals experiencing homelessness. Overcoming the challenges of this divide will require solutions that address organizational and programmatic partnerships as well as best practices and successful models that will help lead the city and the community to actionable steps. What does reorienting an approach to housing that begins with those maintaining employment look like? (Note, key phrases in red)

# Panel Assignment & Scope

Vancouver, BC - June 2021

Initial Scope statement:

“Innovation in housing to support individuals who are employed or engaged in employment training programs is essential.”



Redefined Scope statement:

“**Innovation in housing** to support individuals who are employed or engaged in employment training programs **is essential.**”

Through listening during the panel process, we discern that cultivating innovation in housing will:

- Better align the housing and employment ladders, and stabilize those in transition along the path
- Deliver more quality, safe housing
  - Physical property conditions, community behaviors, legal/financial terms of tenure
- Give more people more hope, more purpose, and reasons to get up and be active in their lives and communities, each day



# Panel Assignment & Scope

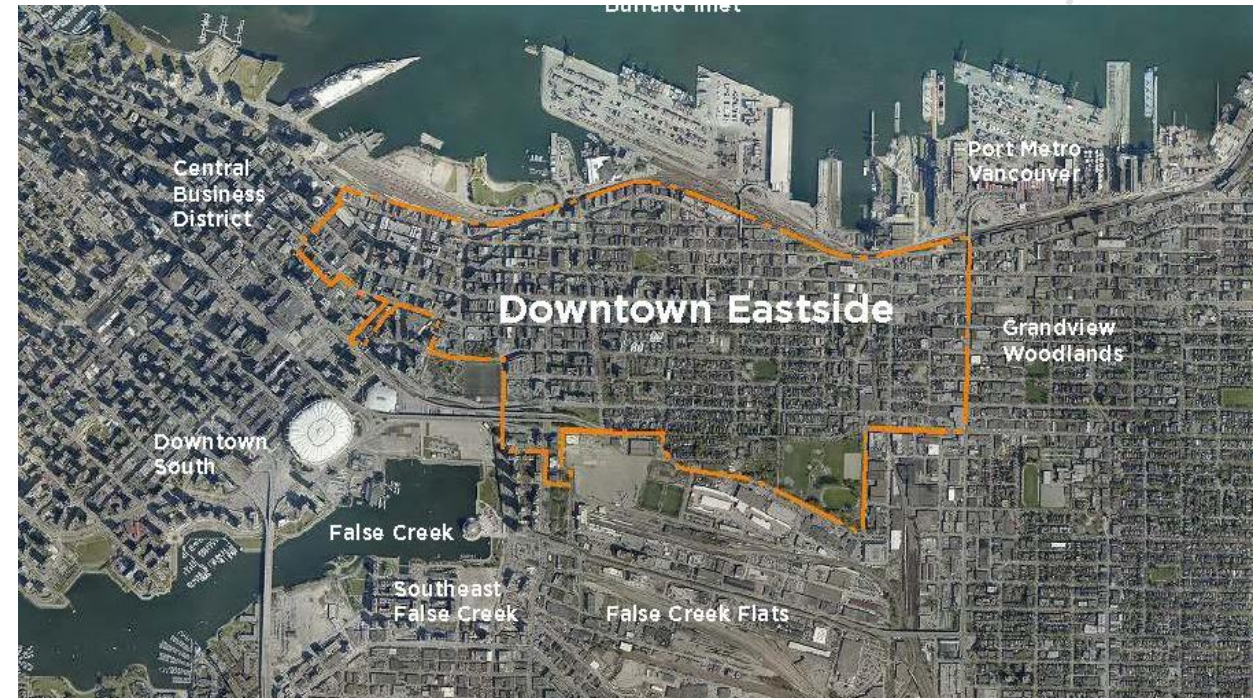
Panel Recommendations rooted in these goals:

- Recognition of indigenous populations
- Acknowledgement of historically-originated patterns of discrimination, marginalization, and dispossession
- Honoring history
- Lifting and strengthening human dignity, in both processes and outcomes

# Panel Assignment & Scope

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- “Whack-a-mole” is not an economic development strategy!
  - Leads to displacement, gentrification
  - Moves the problem down the line, with few/no holistic solutions to core concerns
- Real estate (placemaking, land use policy, financing tools, technical elements) is tightly woven with historical and systemic patterns, in DTES and beyond
  - Dispossession, instability, inaccessibility
  - Racism, poverty, addiction



# Panel Assignment & Scope

Our palette of recommendations and best practice examples seek:

- Opportunities to expand overall housing supply
- More coordination and means to execute supportive services
- Policies and tools to strengthen the DTES and beyond (city, region, country)
- Expanding to scalable solutions
- Operating starting in the near term, and running over a longer horizon
- Messaging that tells stories and celebrates successes

# Today's Agenda

Vancouver, BC - June 2021



# Today's Agenda

Vancouver, BC - June 2021



1. Commitment to Production and Affordability
2. Enhancing Supportive Services

# Commitment to Production and Affordability

- Limited Land Availability
- Timeline for Approvals
- Production and Preservation of Units



# Land is a Limited Resource

Addressing barriers to housing development and affordability

## 1. Affordable housing developers compete with private developers to buy land

- Incentives for affordability – “by right” and increased density in exchange for specific AMI restrictions (matrix for transparency)
- Acquisition Loans at favorable terms for affordable use (establish AMI range for affordable definition)
- Inventory of land owned by municipalities – Favorable sale terms or ground leases
- Connect non-profit land owners (faith-based and others) with affordable developers

## 2. Vancouver is surrounded by border, mountains, ocean, so infill locations are extremely finite

- Lack of undeveloped parcels in urban center – incentivize development along transit further out with “by right”, increased density and subsidy/unit

# Land is a Limited Resource

Addressing barriers to housing development and affordability

## 3. More than half the land area is single family homes

- ADU's "by right"
- Re-zoning on "fringes" and along arterials where additional density makes sense
- Allow for duplex, triplex and fourplex production tied to covenants that assure long term affordability

## 4. REITs are coming in and buying single family homes

- Environmental, Social, and Government (ESG) focused REITS that could buy and manage with long-term affordability in mind

Let redevelopment of neighborhood "nodes" (e.g. Georgia and Dunsmuir Viaducts) present opportunities to create inclusion and affordability

- Incorporate incentives that drive down development costs in exchange for housing that is affordable at specific income levels
- Structure land deals for commercial use that allow Social Enterprise businesses to be present and thrive



# Improving development timelines

- Stakeholder engagement
- NIMBYism and political infighting
- Regulatory clarity
- Community benefits



# New Rochelle, NY Downtown Overlay Zone

- A form-based code
- Project approvals guaranteed within 90 days
- Shovels in the ground within two years
- Density bonuses to
  - Incorporating open space
  - Adding affordable units
  - Historic restoration
  - Employment center





## Results:

- 32 projects
- \$4 billion in investments approved
- 6,300 new units; 770 low-income (initial goal: 5,500 units)
- 245,000 square feet of nonresidential development
- Community benefit bonus created the First Source Referral Center employment center: 330 New Rochellians in jobs

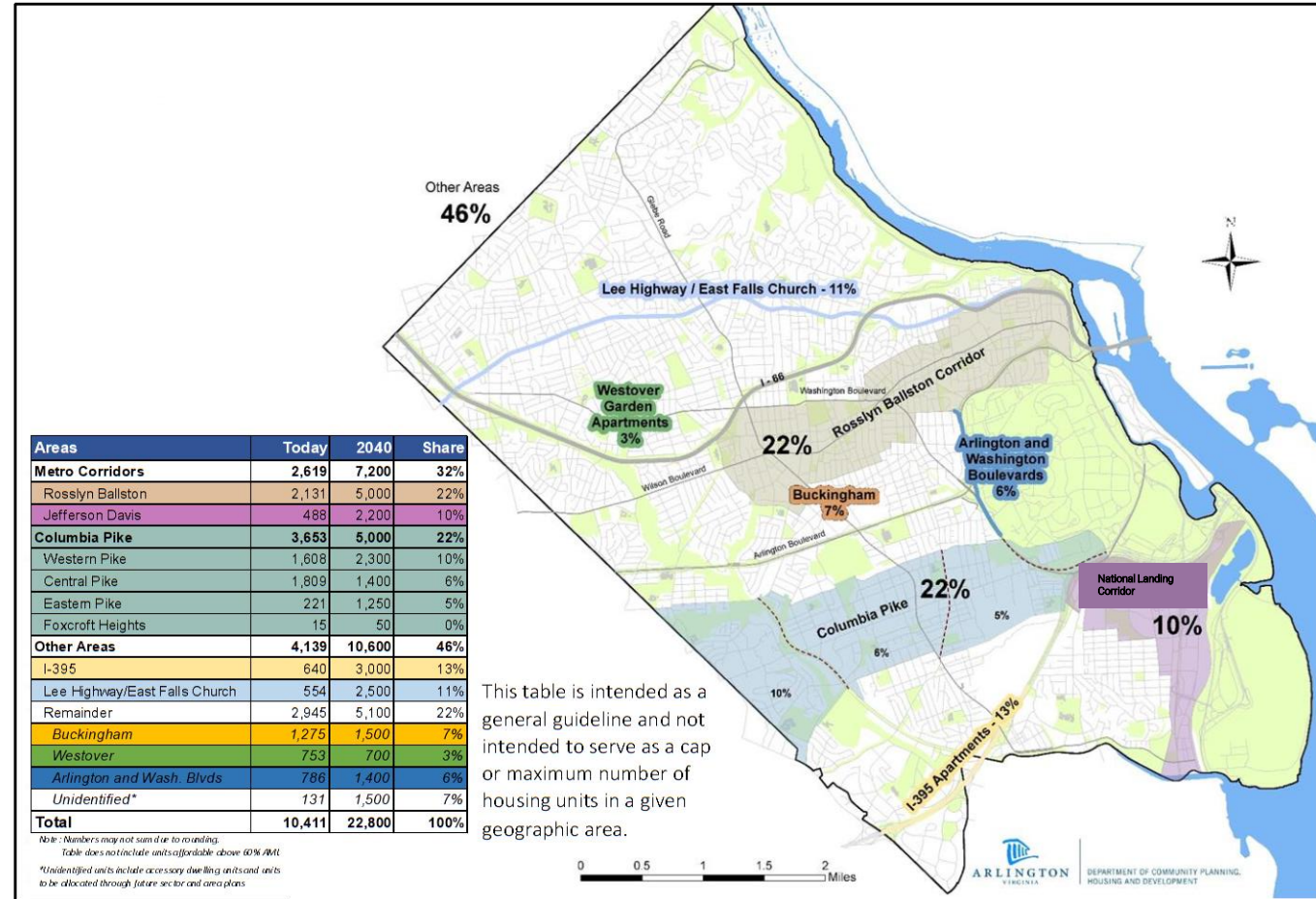
# Affordable Housing Master Plan

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- Arlington, Virginia (county in inner region of Metro D.C.) with +/-250,000 population
- Mixed use: Real estate tax base is 50/50 commercial and residential, with major transit-oriented development, significant portion of area is single family detached ownership housing
- County Board (five at-large elected) adopted Master Plan in 2015 after three years of wide civic outreach
- Established goals & targets for areas across County, financing tools, regulatory strategies, plus:
  - Implementation Plan
  - Monitoring & Reporting Plan
- AHMP is component of Comprehensive Plan, like plans for transportation, storm water, etc.

Arlington County Affordable Housing Master Plan

2040 Forecast of the Distribution of Housing Affordable up to 60% AMI (MARKs and CAFs)



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Source: Arlington County, VA Affordable Housing Master Plan (Adopted Sept. 2015)

# Production and Preservation of Affordable and Workforce Housing

## Tools

- Reduce land cost
  - 50% discount from market
- Favorable financing and underwriting (CMHC)
  - 80% LTC
  - 1.15 DSC
  - 2% interest rate, 10 yr. term, 40 yr. amort.
  - Commercial Use up to 30% of GSF
- Reduce annual property tax in return for permanent affordability (50%)
- Reduce parking (.25 stalls per unit)



Publix Hotel and Addition (Adaptive reuse of SRO), Seattle, WA, courtesy of Uwajimaya

## Affordability

50% of Units at market rate / 50% affordable at 50% of AMI

- Commercial Affordability
- Transitional Housing

# Production and Preservation of Affordable and Workforce Housing

## Capital Stack and Returns

- Debt 80%
  - Low interest mezz loan @ 3 %, 15 yrs. 9%
  - Equity 11%
- 100%

## Sponsors for low interest mezz loan:

- Corporations
  - (Big Tech with large employment in Vancouver)
- Major Employers
- Industry Associations
  - (Hospitals, Higher Ed, Retail, Hotels, Construction)
- High net worth individuals and Family offices



Anthem on 12th (Seattle, WA) Courtesy GVEST 12<sup>th</sup> and Yesler LP

## Returns

Mezz Lender 3% preferred

Equity 6% cash on cash, 12% IRR

# Enhancing Supportive Services

- Partnerships
- Housing Navigator and Tools
- Employer Based Program
- Peer-to-peer Networks



# Integration of Partnership

## Expand the Table to Deepen Inclusion

- Hospital/Healthcare systems
- Labor and employment groups – both within DTES and along transit corridors
- Social Enterprises and social service providers
- Champion to oversee/coordinate service delivery across homeless services continuum
- Coordinated System including sharing data across all homeless service delivery entities
- Examples:
  - Baltimore City Continuum of Care
  - Chicago Coordinated Entry System
  - Atlanta Beltline





# Housing Navigator & Tools

Bridging the Gap to access and maintain housing

- Navigation
  - Web-based tools to identify housing options/availability
    - [Dchousingsearch.org](http://dchousingsearch.org)
    - <http://housingnavigation.org/>
- Leveraging empty bedrooms
  - [St. Ambrose Home Sharing](#) – Baltimore, MD
  - [Montgomery County Home Sharing Program](#) – Montgomery County, MD



Housing  
Initiative  
Partnership

# Housing Navigator & Tools

## Bridging the Gap to access and maintain housing

- **Maintaining**
  - Place-based services from street living through housing tenure
    - <https://pathwaystohousingpa.org/> or <https://www.pathwaysvermont.org/>
    - [Assistance in Community Services Integration Program](#)
  - Supportive housing for those in recovery
    - <https://www.housingunlimited.org/>
    - [DESC](#)
    - Flexible payment schedule to align earned income fluctuations
  - Housing for Neuro-Diverse
    - [First Place - Supportive housing & community life for adults with autism \(firstplaceaz.org\)](#)
  - Emergency loan programs
    - Accessible funds for emergencies to maintain housing



# Employer Supported Programs

- Cost-sharing
  - Explore opportunities for tax free/pre-tax housing payment from employer
- Security Deposit/down payment assistance
- Employer-based consumer loans
  - NHS Baltimore
- Technology and Connectivity Support
  - Employer sponsored access to data
  - Partnership in developing expanded Wi-Fi access across the City
- Apprenticeship Programs

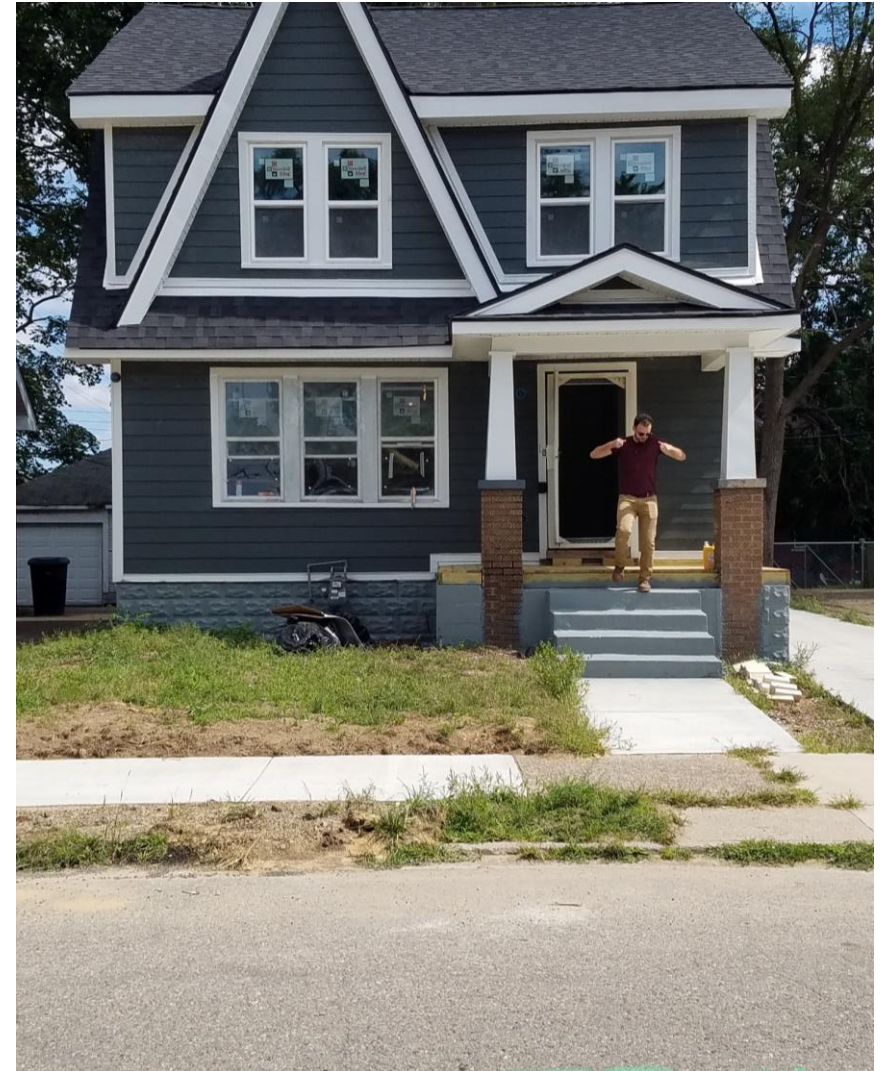


# Supportive Services

## Peer-to-Peer Housing Support

- Organizations in Vancouver have created a culture of peer support for vulnerable populations
- Cultivate a peer-to-peer housing support network
- Housing peer support could include guidance on housing systems navigation, tips to staying housed, bill payment set up, etc
- Housing peer to peer support should consider appropriate cultural, gender, sexual orientation, age etc. when looking to pair them with a client

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# Supportive Services

## Peer-to-Peer Housing Support Models

### Supportive Housing Models

- Avalon Housing Ann Arbor, MI
  - [Avalon Housing Model](#)
- Canadian Observatory on Homelessness
  - Toronto, ON
  - [Homeless Hub Model](#)
- Greater Victoria Coalition to End Homelessness
  - Victoria, BC
  - [GVCEH Model](#)

### Peer Support Staff Description/Toolkits

- Peer Support Staff Member Job Description
  - [Avalon Peer Support Job Description](#)
- Homeless Hub (COH)-Job Description
  - [COH Peer Support Job Description](#)
- Greater Victoria Coalition to End Homelessness
  - [Peer Housing Support Toolkit](#)



# Today's Agenda

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# A New-Old Idea : Sustained Leadership through Tri-Governmental Cooperation

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- Dearth of housing supply along the entire spectrum
  - Especially 'in the middle' between 'safety net housing' and 'market housing'
- Cannot be solved alone by the private sector or one level of government
- Achieving **significant, meaningful and timely** increase in affordable housing supply requires:
  - Resources (i.e. money), leadership (i.e. intention) and coordination (i.e. accountability)
- Coordinated approach as enabler, facilitator and catalyzer
  - Maximize financial investment impact; speed up implementation; ensures social and public goals
- **Waterfront Toronto** and the **Vancouver Agreement** as successful examples of issue-focused tri-governmental cooperation



## Vancouver Agreement (2000-2010)

**Focus:** Vancouver Downtown East Side.

**Vehicle:** Creation of new inter-governmental committees (over 20 different ministries involved) and all decision making by consensus. \$28 million government seed funding, plus reliance on private sector funding or donations in kind.

To support local community solutions to economic, social, health and safety issues, the VA promoted partnerships between governments, community organizations and businesses.

### Achievements:

- 96 projects funded through 50 community organizations or partnerships.

## Waterfront Toronto (2001 to present)

**Focus:** 2,000 acres of under-utilized, former industrial port lands on the waterfront.

**Vehicle:** Creation of a new partnered corporation by three levels of government, staffed by professional management team, led by CEO who has accountability for the corporation, and supported by a Board of Directors and dedicated Inter-Governmental Steering Committee system for decision making. \$1.5 b in seed funding from all 3 levels of government (\$500m each). Defined purpose (revitalization through mixed-use development) and defined timeline (25-year mandate).

### Achievements to date:

- Revitalization of 135 acres: 12,000 residential units (including 1,200 affordable housing); 1.5 m sf of non-residential uses (office, retail, institutional, social enterprises); 100+ acres new parks and public spaces; all buildings to LEED Gold or Platinum standards.
- Catalyst for innovation: \$1.25b Port Lands Flood Protection enabling infrastructure project.



## Idea: A new Vancouver Agreement for Affordable Housing in DTES?

**Focus:** Affordable housing supply for 'missing middle' targeting the 'working poor'

**Model:** Use WT governance model – create a partnered corporation staffed with management staff that has accountability to deliver on a specific mandate within a specific timeline. Decision making by a board of directors and IGSC system

**Purpose:** Enable, facilitate, catalyze in order to deliver affordable housing units

### Proposed Areas of Activity:

#### Development-related:

- Purchase land for new supply
- Lead new development to build new supply
- Enable/support/fund existing providers of homes & service
  - Red tape, approvals, bureaucracy
  - Including for profit, NFP, social enterprise
- Catalyst for innovation and new ideas
- Financial back-stop/guarantee for development and commercial leases, especially for NFP, social enterprises, etc

#### Services-related:

- Coordinate support services providers
- Centralized housing supply database
- Temporary rent subsidies
- Procurement policies supporting local social enterprises and promoting diversity, equity and inclusion

# Summary of Recommendations and Next Steps

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- Opportunities to expand overall housing supply
- More coordination and means to execute supportive services
- Policies and tools to strengthen the DTES and beyond (city, region, country)
- Expanding to scalable solutions
- Operating starting in the near term, and running over a longer horizon
- Messaging that tells stories and celebrates successes
- Next Steps:
  - Additional engagement with ULI through the Technical Assistance Panel (TAP) program
  - Facilitating direct introductions with leaders involved in precedents and case studies
  - Urgency around city planning process – lift aspirations through planning framework
  - Improve marketing platforms for enhanced communication and information



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Q & A

**DOWNTOWN EAST SIDE, VANCOUVER, BC**

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Credit: DSG

