



City of Richmond

Report to Committee

To: Planning Committee
From: Wayne Craig
Director, Development

Date: April 1, 2021
File: 08-4105-00/Vol 1

Re: Referral on Rental and Age Restrictions in Future Development

Staff Recommendation

1. That Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10257, which would restrict a strata corporation from imposing rental and age restrictions in future rezoning applications for multiple family residential developments, be introduced and given first reading.
2. That Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10257, having been considered in conjunction with:
 - the City's Financial Plan and Capital Program; and
 - the Greater Vancouver Regional District Solid Waste and Liquid Waste Management Plans;

is hereby found to be consistent with said Program and Plans, in accordance with Section 477(3)(a) of the *Local Government Act*.

3. That Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10257, having been considered in accordance with Section 475 of the *Local Government Act* and the City's Official Community Plan Bylaw Preparation Consultation Policy 5043, is found not to require further consultation.

Wayne Craig
Director, Development
(604-247-4625)

WC:jdr

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Policy Planning	<input checked="" type="checkbox"/>	
Affordable Housing	<input checked="" type="checkbox"/>	
Law	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

On February 2, 2021, Planning Committee passed the following referral:

That staff create a policy that would allow for all future developments to require no rental restrictions or age restrictions, in perpetuity.

This report responds to the referral motion and presents a policy for Committee and Council's consideration.

This report supports Council's Strategic Plan 2018-2022 Strategy #6 and Well Planned Growth:

Leadership in effective and sustainable growth that supports Richmond's physical and social needs.

6.1 Ensure and effective OCP and ensure development aligns with it.

Background

On February 2, 2021, Planning Committee considered a site-specific rezoning and Official Community Plan (OCP) amendment application by Polygon Talisman Park Ltd. for a mixed-use mid-rise and high-rise development including 156 affordable rental units, 120 market rental, 1,014 strata unit residential units and limited commercial within the Capstan Village area of the City Centre (RZ 18-836123). As part of its consideration of the application, Planning Committee resolved that the application be revised to "include registration of a legal agreement to ensure no strata bylaws may be adopted that would restrict the ability to rent any of the strata units or the imposition of age restriction on occupants of any strata unit on title in perpetuity on this development".

As a result of the discussion on February 2, 2021, with regard to rental availability, Planning Committee then passed the above noted referral motion to direct staff to create a policy to secure these commitments in all future developments.

Analysis

Proposed OCP Policy

The City of Richmond's OCP provides an overarching framework for future growth and development.

Official Community Plan Bylaw 9000, Amendment Bylaw No. 10257, would introduce a new policy to the OCP that would require as a condition of a multiple family rezoning that the developer register a legal agreement, under Section 219 of the *Land Title Act*, on title that would prohibit future strata corporations from imposing a bylaw that would restrict the ability for an owner of the strata unit to rent out their unit or imposing a bylaw that would set an age restriction

on owners and/or tenants of the building in perpetuity. The required legal agreement would be registered on title prior to rezoning bylaw amendment adoption. Staff note that the above referenced legal agreement would not be required for units secured as Low End of Market Rental (LEMR) or market rental, as these units are subject to their own separate housing agreements, legal agreements, and in many cases rental tenure zoning.

The proposed policy would be incorporated into Section 3.3 (Diverse Range of Housing Types, Tenure and Affordability) of the City's OCP and would apply to all rezoning applications for townhouse or multiple family dwellings, in all areas of the City.

Form J Rental Disclosure Statements

During the February 8, 2021 Council meeting there was some discussion about the filing of a Form J Rental Disclosure Statement by a developer and whether a legal agreement prohibiting a strata corporation from imposing rental restrictions was needed.

A "Form J Rental Disclosure Statement" ("Form J") forms part of the developer's disclosure to potential purchasers where the developer intends to rent (or preserve the right to rent) any number or all of the residential strata lots for a specified period of time. The "Form J" is typically filed as part of the initial disclosure statement to the Provincial Superintendent of Real Estate in accordance with the *Strata Property Act*. The City is not party to a developer's Disclosure Statements and does not have the ability to enforce a Strata Corporation's compliance.

The "Form J" effectively exempts the application of strata rental bylaws to the units specified in the form for the specified period of time. For those that were filed after January 1, 2010, the "Form J" applies to the developer, the initial purchasers, and the successive unit owners, regarding the rental of the units. The "Form J" however does not prohibit a Strata Council from passing a rental bylaw, and if so passed, the onus would be on the individual owner to know that if their unit was listed on the "Form J" that the Strata Corporation's Bylaw would not apply.

Staff note that there is no equivalent disclosure statement or form respecting age restrictions within residential strata developments.

The registration of a legal agreement is in staff's view a more transparent and effective mechanism of ensuring that a strata corporation does not impose rental restrictions than the "Form J". The legal agreement would be registered on the Title of all residential strata units for property owners to see. If the property is transferred, legal agreements registered on Title should be disclosed as part of the property transfer, such that all owners (including subsequent owners of any unit) will be aware of their ability to rent their unit. In addition, the City would be a party to the agreement and would therefore be able to take action in the event that the City is advised that a strata corporation has taken action to impose a rental or age restriction contrary to the legal agreement.

Age Restrictions

Under the *Strata Property Act* a Strata Corporation may pass a bylaw that restricts the age of persons who reside in a strata lot. In order to ensure that a Strata Corporation does not pass such a bylaw, a legal agreement registered on title through the rezoning process would be required. The proposed OCP amendment incorporates Council’s direction to prohibit age restrictions in typical multiple-family rezoning applications while also retaining Council’s discretion to waive the requirement for applications proposing age specific development (i.e. seniors independent living) should they wish.

Public Consultation

The provision of rental housing is a fundamental component in meeting the City’s housing objectives. City Council has also expressed a desire to see rental housing policies advanced in a timely manner. Accordingly, staff recommend that public consultation regarding the policy change contemplated in this report occur as part of Council’s consideration of the proposed OCP bylaw. This approach will provide interested stakeholders with multiple opportunities to provide their views to City Council as part of the statutory bylaw amendment process.

Should Planning Committee endorse this bylaw, the bylaw will be forwarded to the next open Council Meeting for City Council’s consideration. Should City Council grant first reading to the OCP amendment bylaw, the bylaw will be forwarded to a Public Hearing. The Council Meeting and Public Hearing will provide any interested party with an opportunity to provide comments directly to City Council.

Staff have reviewed the proposed OCP amendment, with respect to the Local Government Act and the City’s OCP Consultation Policy No. 5043 requirements, and recommend that this report does not require referral to external stakeholders.

The table below clarifies this recommendation as it relates to the proposed OCP.

OCP Consultation Summary

Stakeholder	Referral Comment (No Referral necessary)
Agricultural Land Commission (ALC)	No referral necessary, as they are not affected.
Richmond School Board	No referral necessary, as the proposed amendment does not increase the amount of school aged children.
The Board of Metro Vancouver	No referral necessary, as they are not affected.
The Councils of adjacent Municipalities	No referral necessary, as they are not affected.
First Nations (e.g., Sto:lo, Tsawwassen, Musqueam)	No referral necessary, as they are not affected.
TransLink	No referral necessary, as no transportation road network changes are proposed.
Port Authorities (Vancouver Port Authority and Steveston Harbour Authority)	No referral necessary, as they are not affected.

Stakeholder	Referral Comment (No Referral necessary)
Vancouver International Airport Authority (VIAA) (Federal Government Agency)	No referral necessary, as they are not affected.
Vancouver Coastal Health Authority	No referral necessary, as they are not affected.
Community Groups and Neighbours	Community Groups including the Urban Development Institute and Richmond Community Services Advisory Committee will be notified when this report is made public and will have the opportunity to comment on the proposed OCP amendment at Planning Committee and at a Public Hearing.
All relevant Federal and Provincial Government Agencies	No referral necessary, as they are not affected.

Official Community Plan Bylaw 9000, Amendment Bylaw 10257, having been considered in accordance with OCP Bylaw Preparation Consultation Policy 5043, is hereby found to not require further consultation.

Staff Comments

Proposed Official Community Plan Bylaw 9000, Amendment Bylaw 10257, ensures the ability for any future residential strata unit to be rented. It also prohibits a Strata Council from passing a bylaw to restrict the age of occupants within any future strata unit.

Census data indicates that approximately 30% of condominium units in Richmond are occupied by renter households. This policy would ensure that new residential strata units continue to be made available to renter households. Rental units secured in this manner are an important component of the rental inventory in Richmond. These units also support the City objective of encouraging a range of housing and tenure options for Richmond residents.

Financial Impact or Economic Impact

None.

Conclusion

In response to the referral direction from Planning Committee, staff have prepared a policy for inclusion in the City’s Official Community Plan to prohibit Strata Corporations from imposing rental and age restrictions on strata units, for Committee and Council’s consideration. It is therefore recommended that Official Community Plan Bylaw 9000, Amendment Bylaw 10257 be introduced and given first reading.



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 JDR:blg



Richmond Official Community Plan Bylaw 9000
Amendment Bylaw 10257
(Prohibiting Rental and Age Restrictions
in Multiple Family Residential Rezoning Applications)

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

- 1. Richmond Official Community Plan Bylaw 9000, as amended, is further amended at Section 3.3: Diverse Range of Housing Types, Tenure and Affordability, Objective 1: Encourage a variety of housing types, mixes and densities to accommodate the diverse needs of residents, by inserting the following policy immediately after policy c) and renumbering the remaining sections accordingly:
'd) As a condition of rezoning for all townhouse or multiple family housing development projects, to require that no residential dwelling unit shall be restricted from being rented and that the future strata may not impose restrictions on the age of occupants within any residential strata lot, unless otherwise determined by Council.'
2. This Bylaw may be cited as 'Richmond Official Community Plan Bylaw 9000, Amendment Bylaw 10257'.

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

Approval stamp area with signature lines and a box containing 'CITY OF RICHMOND APPROVED by [signature] APPROVED by Manager or Solicitor'.

MAYOR

CORPORATE OFFICER