



City of Richmond

Report to Committee

To: Planning Committee **Date:** February 7, 2022
From: John Hopkins **File:** 08-4045-01/2022-Vol
 Director, Policy Planning 01
Re: **Official Community Plan Targeted Update – Proposed Scope and Process**

Staff Recommendation

That Council endorse the proposed scope and process to update the Official Community Plan as outlined in the staff report dated February 7, 2022 from the Director, Policy Planning titled, "Official Community Plan Targeted Update - Proposed Scope and Process".

John Hopkins
 Director, Policy Planning
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JH:sg

Att. 5

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Community Services	<input checked="" type="checkbox"/>	
Community Social Development	<input checked="" type="checkbox"/>	
Sustainability	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
Transportation	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

This report seeks Council's endorsement of the proposed scope and process for a targeted update to the Official Community Plan (OCP).

This report supports Council's Strategic Plan 2018-2022 Strategy #2 A Sustainable and Environmentally Conscious City:

2.4 Increase opportunities that encourage daily access to nature and open spaces and that allow the community to make more sustainable choices.

This report supports Council's Strategic Plan 2018-2022 Strategy #3 One Community Together:

3.1 Foster community resiliency, neighbourhood identity, sense of belonging, and intercultural harmony.

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

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

6.5 Ensure diverse housing options are available and accessible across the housing continuum.

6.6 Growth includes supports and/or services for Richmond's vulnerable populations, including youth, seniors, individuals with health concerns, and residents experiencing homelessness.

This report supports Council's Strategic Plan 2018-2022 Strategy #8 An Engaged and Informed Community:

8.1 Increased opportunities for public engagement.

8.2 Ensure that the citizenry of Richmond is well-informed and engaged about City business and decision-making.

Findings of Fact

Background

Under the *Local Government Act*, an OCP is a statement of objectives and policies which enable the City to plan, co-ordinate and manage the City's sustainability, social, economic and land use interests, over the long term. In addition, an OCP must also include greenhouse gas (GHG) emission reduction targets and actions to achieve the targets. With an adopted Community Energy & Emissions Plan 2050 (CEEP), the revised CEEP defines detailed implementation actions that pertain to development, land use and environmental protection. An OCP reflects the overall values of the community by establishing a City vision, goals and objectives for future sustainability, development and servicing, supported by policies and urban design guidelines to achieve the vision.

Although the Province does not mandate how often an OCP is to be reviewed, Richmond City Council has reviewed and updated the OCP, and various Area Plans, on a regular basis since the adoption of the first city wide OCP in 1986. Over the past 5 years, the OCP has undergone several major amendments to keep it relevant and effective in light of social, demographic, environmental, and economic trends and changes in community values. Key updates to the OCP have included:

- **Industrial Land Intensification Initiative** to further protect and encourage the intensification of industrial lands in Richmond;
- **Farming First Strategy** to support the role that agriculture plays in the local and regional economy;
- **BC Energy Step Code Policies** to encourage zero emissions development and identify planned future Step Code considerations;
- **Arterial Road Land Use Policy** to introduce new housing typologies along arterial roads (i.e., townhouses, row houses, duplexes, tri-plexes, coach houses);
- **No. 5 Road Backlands Policies** to clarify acceptable land uses and prioritize farming along No. 5 Road;
- **Market Rental Housing Policies** to protect the existing stock of market rental housing, support tenants of market rental housing at the time of redevelopment, and encourage the development of new purpose built market rental housing through density bonusing and other incentives;
- **Community Energy & Emissions Plan 2050** which includes recommendations to update the OCP with revised GHG reduction targets; and
- **Multi-Modal Mobility Hub Policies** to establish transportation network nodes that seamlessly integrate multiple travel options, supportive infrastructure, and placemaking strategies to create pedestrian-friendly centres that help to maximize first-to-last kilometre connectivity without need for private motor vehicles.

The overall vision of becoming a more sustainable city and the policy direction in the OCP which aims to concentrate growth in the City Centre, near Neighbourhood Service Centres and along Arterial Roads, and protect employment and agricultural land and environmentally sensitive areas, continues to serve as a strong foundation to guide planning and development in Richmond.

Proposed Scope of Update

Periodically, a deeper dive into specific issues is required to strengthen the OCP policy framework. Staff are proposing a review and update to the OCP that would include a targeted and measured approach for preparing the community for the challenges and opportunities that are facing Richmond today and into the future. This includes an in depth analysis to create a more robust policy framework for the provision of affordable housing, addressing issues as they relate to social equity from a land use perspective, improved environmental protection and enhancement, and addressing the challenges of climate mitigation and adaptation. Also, the OCP scope needs to consider long-term planning (e.g., greater than 30 years) to take into account emerging trends and transformation technologies.

The proposed overarching themes for the 2022 update are “**Resiliency, Equity and Adaptation.**” Over the last few years, resiliency, equity and adaptation have emerged as important considerations for local governments across Canada, and the ideas of resiliency, equity and adaptation have also gained prominence as an essential characteristic of strong and successful communities. These priorities are

reflected in recent strategies and plans including the Affordable Housing Strategy (2017-2027), Community Energy and Emissions Plan (2014 and 2022), Cultural Harmony Plan (2019-2029), Resilient Economy Strategy (2014) and others. In particular, the Community Wellness Strategy (2018) provides guidance for the OCP update in terms of equity.

To further incorporate these themes into the OCP, the OCP update is proposed to be organized around six target areas, including:

1. Housing Affordability
2. Social Equity
3. Environmental Protection & Enhancement
4. Climate Mitigation & Adaptation
5. Long-Term Planning for Emerging Trends & Transformational Technologies
6. Administrative Updates

Target Area 1: Housing Affordability

As in all communities throughout Metro Vancouver, housing affordability is a challenge in Richmond. Safe, adequate, and affordable housing is a key component of a complete and inclusive community. Stable housing helps people stay healthy, raise families, and maintain employment. Therefore, the major focus of the OCP update will be a ‘deep dive’ into housing affordability in Richmond with two key objectives:

1. Fostering Housing Affordability Through Innovation
2. Promoting Affordable Living

Rather than the conventional approach to an OCP update, staff are proposing to undertake a comprehensive rethink of traditional approaches to improve housing affordability (e.g. zoning and land use designations), which will involve exploring and considering bold solutions and new tools that the City could employ. For example, rather than focusing on the provision of smaller housing units that can be treated as a speculative commodity, the policy focus will be on managing the cost of housing particularly for those making less than the median income. It is critical to liveability and equity to provide a range of housing for all income ranges. Further, the provision of affordable housing would address climate mitigation as many people who are making less than the median income, such as in the service and retail sectors, are forced to commute from different parts of the Greater Vancouver region.

Richmond has a long history of being successful in using all of the tools that are available for municipalities (e.g. inclusionary zoning, density bonusing, rental tenure zoning) to create and retain affordable housing units. Despite this, addressing the affordable housing crisis has been challenging not only in Richmond, but in other jurisdictions around the Lower Mainland and in Canada as the cost of housing has increased at a much higher rate compared to average income levels.

Staff intend to look at a number of models, not only nationally, but internationally, to understand what could be employed in the Richmond context. This would include investigating methods that can control the escalation of land prices such as establishing a housing authority, or using density based criteria where any additional residential density beyond the base density is required to be built as affordable (i.e., monthly rent or mortgage payment is no more than 30% of the median income).

A density based criteria is currently being examined for the Spires Road neighbourhood as part of a referral from Planning Committee where all additional residential density would be provided as affordable housing units. It is intended to examine the economics of this model to determine the effectiveness and applicability to the entire Richmond housing market.

While there may not be one model that can address the needs of Richmond residents on its own, a combination of models, in addition to regular sustained funding from higher levels of government, would assist in making Richmond a more affordable city to live in for all residents and curb the rampant real estate speculation that has priced out many people from the real estate and rental housing market. Examples of models in the delivery of housing affordability to be considered can be found in Attachment 1.

Housing Needs, Supply and Demand

Richmond has a long history of creating affordable housing through direct investment (e.g., land and funding contributions) and regulatory approaches that secure contributions from the private market (e.g. Low End Market Rental program). While the City has achieved significant success, there are opportunities to expand the City's approach to affordable housing. In particular, there may be opportunities to further incentivize or require housing affordability provisions from private market developers. There may also be opportunities to explore new program models that leverage City resources, including land and funding. This would include engaging with federal and provincial ministries and organizations to advocate for more grants, financing and direct construction of affordable housing units.

A starting point for the housing affordability review is the City of Richmond's Housing Needs Report (HNR). Overall, the HNR found that the supply of housing is not meeting the needs of many residents, particularly those residents who have a lower income. Key findings of the report include the following:

- Housing demand is growing.
- Affordability has become critical. Median shelter costs for renters increased 4.5 times faster than median household income and the cost to buy a home rose 77% from 2006-2016, while incomes remained virtually unchanged.
- Substantial non-market and low end market rental housing is needed.
- There is strong demand for market rental housing.
- The need for housing for seniors is growing rapidly.
- The number of individuals that are either experiencing homelessness or at risk of experiencing homelessness is increasing.

It's also important to note that it has been demonstrated that private-market housing solutions that only focus on the supply side have limited capacity to solve the housing affordability crisis. For example, over the past 10 years, the supply of new residential housing units in Richmond has exceeded population growth by over 50%. However, during the same period, the average sale price of a single-detached house increased by 67%. This trend suggests that increasing the supply of market ownership housing has limited capacity to address the affordability crisis and a more comprehensive range of policies should be investigated.

Focus of the Housing Affordability Review

The HNR provides important insights into Richmond's housing needs, which reflect affordability trends common in the region and across the country, as well as conditions unique to Richmond. Based on the findings of the HNR, the 'deep dive' into housing will focus on the following housing categories and income levels along the housing continuum (Attachment 2):

1. **Housing with Supports** (housing with on-site supports for individuals who are homeless or at risk of homelessness);
2. **Non-Market Housing** (rental units managed by BC Housing, Metro Vancouver Housing, or another non-profit made available at low rental rates);
3. **Housing for households with low to moderate incomes** (this would include moderate-income rental units, units secured through the City's Low End Market Rental program and co-operative housing);
4. **Affordable Home Ownership** (housing at below market value for purchase by moderate income households and rent-to-own); and
5. **Market Rental Housing** (units rented at market rates, including secured and privately owned rental apartments, and rented privately owned condos & secondary suites).

Homeless shelters are not proposed to be included in this review as Council recently adopted the Richmond Homeless Strategy 2019-2029, which guides the community's actions regarding homelessness service provision over the next 10 years.

Analyzing Housing Affordability

Housing affordability throughout Metro Vancouver is a complicated issue that is influenced by many factors at the federal, provincial, regional, local and household levels. To explore the complex issues associated with housing affordability, policy papers will be prepared at key stages of the OCP review. Policy papers provide an opportunity to take a detailed look into the issues and trends that impact housing affordability and to explore innovative options that go beyond traditional land use planning. This will include an examination of regional, national and international models that support housing affordability and their viability to the Richmond-context. These analyses will include a review of initiatives led by governments, non-market housing providers and private enterprise. The outcomes of these analyses will be a series of policy and program options that Richmond can realistically employ to address housing affordability.

The 'deep dive' into housing affordability is proposed to be undertaken over three steps:

Step 1: Contextual Understanding of Richmond's Housing Market

The initial step will involve a thorough examination of Richmond's housing market, considering the relationships between supply, demand and need, as identified in the Housing Needs Report (HNR). This will include gaining an understanding of the City's ability to affect changes that match housing supply to community need. Further, a goal of this review is to better understand the financial drivers (e.g. banks, investors), potentially new investors (e.g. pension plans) in the housing market and how the City can partner in some of the solutions to the affordability crisis.

Through the rezoning and development process, Richmond has been successful in increasing housing supply. However, it is unclear whether the increase in supply has had a positive impact on

housing affordability or whether the housing that is being provided is meeting the affordability needs of the community as identified in the HNR. As a result, the commonly accepted relationship between supply and demand warrants additional study.

While local government can be effective at supporting an increase in the supply of housing, as Richmond has, there are limits to the traditional tools that are available to a local government (e.g. zoning and land use designations) to match supply to the Richmond-specific housing needs outlined in the HNR (i.e. providing enough non-market and rent controlled housing). As a result, further analysis is required to gain a comprehensive understanding of the factors impacting housing affordability in Richmond.

As a first step, staff will undertake a detailed review into Richmond's housing market as well as what is occurring at both the federal and the provincial levels that impact housing affordability in Richmond. In order to gain an understanding of the relationship between supply, demand and need, the contextual analysis will move beyond the findings of the HNR.

A key component of Step 1 will be an examination of what role land prices play in affordability. Specifically, who is benefiting from land price appreciation as a result of rezoning (i.e. landowner, home purchaser or renter)? And, what contextually-specific policies could the City employ to control land-price escalation? Further analysis from land economists will be required, in addition to liaising with housing policy experts, and the real estate and development community. Staff will also look into how residential development is marketed as little is known about this.

Step 2: Policy & Program Options

Based on the findings from Step 1, this step will explore the pros, cons and feasibility of policy and program options that may be applicable to Richmond, including identifying specific policies and programs to affect change.

Municipalities can use a range of approaches to address housing affordability, including, but not limited to:

- **Density-based criteria** that links increased development capacity to meeting community needs. For instance, investigate the feasibility of requiring that all new residential development potential beyond existing base densities as permitted in the OCP or Area Plans be mandated to be affordable housing units (i.e., monthly rent or mortgage payments are no more than 30% of median income). As indicated in Attachment 1, a recent example of this is in Cambridge, Massachusetts where they implemented a policy to address the escalation of land prices resulting from rezoning by allowing only affordable housing units (rent is at 30% of income levels) above the density permitted under base zoning. This is a similar approach to the referral for the Spires Road neighbourhood.
- **Maximizing affordable housing contributions** from the private sector through regulatory approaches (e.g. mandatory market rental), housing agreements, inclusionary zoning (e.g., low end market rental program) and other approaches.
- **Provision of grant funding, land contributions and other incentives** to subsidize construction of non-market housing.
- **Advocacy** to achieve increased funding allocations and new revenue tools from other levels of government. Example tools include revenue from the Province's Speculation and Vacancy Tax program.

- **Direct management and ownership of housing units** through a municipal housing authority or similar organization. This approach requires significant resourcing requirements but is used in some municipalities to create housing types not provided within the private market, such as affordable home ownership models.
- **Provision of financial incentives** to encourage housing affordability, such as reviewing density bonusing, development cost charges and property tax incentives along with access to grant and loan programs.

A significant portion of Step 2 is to review the City's long standing Single Family Lot Size Policy. Simply allowing two-lot subdivisions does not address housing affordability and could potentially destabilize existing neighbourhoods. Rather than removing the Single Family Lot Size Policy, staff intend to investigate various alternative housing forms (e.g. duplexes, triplexes, detached suites) that could be considered in an effort to increase housing affordability through strata titling, housing agreement, or other means. The review is expected to look at what, if any, alternative types of housing could be considered within established subdivisions including an assessment of potential implications to the City's existing Lot Size Policies. This would include looking at existing large single family buildings and how they could be modified to include additional dwelling units, in addition to reviewing new building design templates that would allow for multiple dwelling units but be in scale with a single-family neighbourhood design.

The Single Family Lot Size Policy review would also look at ways to redevelop certain areas that are close to community centres, Neighbourhood Service Centres and Arterial Roads to assess the financial feasibility of requiring any additional residential density to be affordable (i.e., monthly rent or mortgage payments that are no more than 30% of median income). In addition to assessing the financial feasibility of this model to determine if this can be achieved, a review of incentives and regulations would be required. Following the adoption of the updated OCP, it is intended that a new policy context will be in place to review such applications with a goal to address housing affordability.

As part of the new Single Family Lot Size Policy framework, the scope would look into providing some form of flexibility for existing residents the ability to provide inter-generational housing options which may require an increase in housing density on their single-family lot (e.g. small lot single-family, duplex). It is envisioned that this would be an option for existing residents only who have a demonstrated need and not for speculators.

Each approach described above has benefits and challenges, which will be explored in detail through Step 2 in order to determine the pros, cons and feasibility of the approach in the Richmond context.

Step 3: Charting Courses of Action to Improve Housing Affordability

Following the findings from Steps 1 and 2, staff will be in a position to suggest feasible options to improve housing affordability in Richmond, as well as next steps. It is anticipated that this will include a package of policies, programs and housing delivery models that move beyond traditional or standard land use planning approaches.

The outcomes of Step 3 will form the housing affordability component of the OCP update, as well as strengthen the housing policy linkages between the OCP and the City's Affordable Housing

Strategy (2017-2027). Charting viable courses for action that improve housing affordability in Richmond will provide direction and guidance to the OCP update.

Target Area 2: Social Equity

The City's Social Development Strategy: Building our Social Future defines social equity as "ensuring that all segments of the population have equal opportunity and that their needs are recognized and addressed in a fair manner". In addition, the City's Sustainability Policy defines social sustainability as "basic needs are met, wealth and resources are distributed justly, equitable opportunities exist for social enrichment at the individual and community level and resiliency exists to address challenges." Social equity ensures that basic needs (e.g. food, clothing, housing, income), social supports (e.g. education, health care, child care) and community services (e.g. parks, recreation, arts & culture, social services) are available to and accessible by all citizens, regardless of age, gender, ethnicity, income or ability. In short, social equity involves the removal of systematic barriers that cause the disparities experienced by different groups of people. An equitable society is an inclusive one, where participation by all residents is welcomed, encouraged and facilitated.

Drawing from these perspectives, the current OCP provides a policy framework for social inclusion and accessibility. Given that the scope of the OCP is primarily land use and physical development, the OCP update provides an opportunity to incorporate policies that apply a social equity lens to land use planning and design; and, to identify gaps in, and further strengthen, existing social equity policies from the perspectives of resiliency, equity and adaptation. This will include a policy review of strategies to examine age, income and ability, along with ethnicity, race, gender and indigeneity, which affect an individual's experience of life in a community. The analysis would consider ethnicity, race, gender, age, indigeneity, disability, class and other factors that could apply to Richmond's private and public spaces.

Both the CEEP and the Community Wellness Strategy (2018) provide guidance for the OCP update in terms of equity, and both can serve as a model for the OCP update. In addition, the update of the Social Development Strategy is scheduled to commence this year, which will provide opportunities to share learnings between the update of the Strategy and the OCP update.

Topics to be addressed, for example, include:

- A review of City planning concepts to employ a social equity lens to land use and physical planning, such as an analysis of how various segments of Richmond's population experience these spaces and removing barriers to their use of these spaces, which will also include an analysis of prioritizing moving people not cars;
- Reviewing and updating, where necessary, the City's universal accessibility policies; and
- Identifying opportunities to strengthen the involvement of underrepresented groups in shaping the future of Richmond.

Target Area 3: Environmental Protection & Enhancement

The City is surrounded by Environmentally Sensitive Areas (ESA), as defined in Development Permit Areas, including marshes, wetlands, forested areas, beaches and open spaces. To protect and enhance these areas, the current OCP has guidelines which are used to implement the protection and enhancement of ESAs.

In order to further enhance, expand, and connect Richmond's diverse ecological network, in 2015, Council adopted the Ecological Network Management Strategy. The strategy provides a framework for managing and guiding decisions regarding the city-wide system of natural areas in Richmond and the ecosystem services they provide on City, public and private lands.

The CEEP also notes that green infrastructure, such as natural and built biological environments that provide functions similar to traditional civic infrastructure, can enhance Richmond's resiliency and adaptability to climate change by managing and filtering stormwater, reducing 'urban heat island' effects, improving local air quality, and supporting biodiversity. Richmond's green infrastructure includes its urban forest, soils, agricultural areas with peatland soils, and the saltwater marshlands of Sturgeon Banks, which already contain large amounts of sequestered carbon. Carbon-smart land management has potential to sequester additional CO₂, thereby helping reduce the City's net emissions.

As part of the OCP update, the policy linkages between ESAs and the Ecological Network Management Strategy are proposed to be reviewed and updated to further advance the protection and enhancement of natural areas. This will include:

- Enhancing policy linkages between ESAs and the Ecological Network Management Strategy;
- Updating, 'ground truthing' and monitoring the City's ESA map and inventory using a science-based approach;
- Undertaking a 'best practices' review of innovative ESA management policies and guidelines and potential for carbon sequestration; and
- Reviewing the ESA Development Permit process and methodology, including 'best practices' models for the delivery of Qualified Environmental Professionals (QEP) reports.

Target Area 4: Climate Mitigation and Adaptation

In January 2020, Council approved 8 Strategic Directions to guide the development of the CEEP. The CEEP supports many current and planned OCP target areas. Specific to land use and development, Direction 4: Complete Communities states 'Implement OCP and Local Area Plan objectives for compact, complete neighbourhoods in Richmond, with a range of services, amenities and housing choices, and sustainable mobility options within a five-minute walk of home'. Urban form has significant influence on the amount of energy used by transportation as well as heating and cooling of buildings. Policies in Richmond's OCP and the City Centre Area Plan encourage compact development and have facilitated the extension of high-frequency rapid transit to Richmond, helping the City reduce overall greenhouse gas (GHG) emissions since 2007, even with continued population growth and economic expansion. Most notably, the forthcoming CEEP includes an action to 'Assess the impacts on energy use and GHG emissions as new local area plans are introduced, and when there are amendments or updates to the OCP'. Land use and policy scenarios developed as part of the OCP review will be assessed accordingly and reported to Council when brought forward for consideration.

This target area will aim to apply a 'climate lens' to OCP policy development to support decision making. Appropriate criteria will be developed when assessing OCP and Area Plan policy updates and their potential impacts to energy and GHGs.

OCP flood protection management and agricultural land policies and practices, as they relate to the impacts of fill, will also be reviewed and updated from a climate adaptation, resiliency and climate

change perspective. This would include exploring opportunities to fill certain areas which may include land in the Agricultural Land Reserve. In the short-term, criteria could be established for fill requests to improve the viability of farm land. In the long-term, this would provide long-term flood protection in the face of climate change. These strategies would have to ensure there is minimal negative impact to the existing Ecological Network and not conflict with strategies and policies as identified in Target Area 3 (Environmental Protection & Enhancement).

Target Area 5: Long-Term Planning for Emerging Trends & Transformational Technologies

As a typical OCP has a 30-year planning horizon, a proposed objective of this OCP update is to set up and start a process to identify and monitor the emergence of significant trends that may affect the City's ability to achieve the OCP vision over the long term. These potential trends may include demographic shifts (e.g., climate-driven migration), technological advances (e.g., data analytics, autonomous vehicles, and artificial intelligence), economic shifts (e.g., circular economy, knowledge economy), social factors (e.g., social equity and justice), and environmental changes (e.g., climate change). Recognizing these trends and anticipating those that will impact Richmond will ensure that OCP planning is proactive. An early and continued consideration of emerging trends and transformational technologies will ensure the City is well positioned to address any potential impacts. The challenge will be to incorporate potential trends and technological advancements into long-range planning. Consequently, balance will need to be given to the breadth and length of the OCP vision and how to ensure responsiveness to change.

The analysis of emerging trends and transformational technologies will consider:

- Policy approaches and timing for incorporating land use and built form policies in the OCP to support autonomous vehicles (e.g., land use and design implications to parking and infrastructure, and minimizing the growth of car dependency);
- Leveraging opportunities for artificial intelligence and data analytics to contribute to data-driven land use planning approaches; and
- A review of the impacts that climate-related environmental and socio-economic changes could have on migration and immigration patterns.

Additional emerging trends and transformational technologies may be identified through a 'future foresight' approach. Undertaking the long-term planning for emerging trends and technologies will ensure that the updated OCP is a living document that is resilient and adaptable to evolving lifestyles, technologies and community needs.

Target Area 6: Administrative Updates

It is proposed that the final target area consist of administrative updates to the OCP. Metro Vancouver is currently in the process of updating the Regional Growth Strategy (Metro 2050). For Richmond, an outcome of this process will be the need to update the City's Regional Context Statement (RCS) which forms part of the OCP. This will involve updating the City's growth projections for the next several decades.

As part of the administrative updates, staff are also proposing to review linkages between Sub-Area Plans, Area Plans and the OCP. This will ensure policy alignment between Sub-Area Plans, Area Plans and the policy framework of the updated OCP. Staff are proposing to establish an action plan to guide the planning and development of the City's neighbourhood service centres (Attachment 3). The

Neighbourhood Service Centres Action Plan will serve as a catalyst for updating the existing plans, or where required, creating new plans, for the City's neighbourhood services centres.

The action plan will establish:

- A neighbourhood service centres planning process that includes clearly defined planning goals (e.g., the delivery of affordable housing), along with an administrative structure and delivery mechanisms.
- A public engagement strategy that provides a variety of opportunities for residents, business, landowners and other stakeholders to provide input into the planning process; and,
- Criteria for prioritizing the order in which specific neighbourhood service centres will undergo area planning.

The overarching goal of the Neighbourhood Service Centres Action Plan is to plan resilient, equitable and adaptable neighbourhood services centres throughout the City that provide residents with a variety of housing, jobs, and services, and function as the public heart of the neighbourhood. Planning and redeveloping the City's neighbourhood service centres will help the environment by reducing the need to travel long distances from home to jobs and services, as well as contribute to increasing Richmond's affordable housing stock.

Finally, it is proposed that the implementation strategy of the current OCP be updated to establish priorities, monitor progress and provide annual progress reports to Council.

Concurrent OCP Initiatives

Beyond the six target areas noted above, several City initiatives are currently underway that may result in amendments to the OCP during the OCP review which include:

- Low-End Market Rental Housing Review and related Council referrals to market rental housing;
- BC Building Code updates and local application of the BC Energy Step Code in bylaw; and
- Resilient Economy update.

As these initiatives are at various stages of undertaking, these projects will continue to run parallel to the OCP update process.

Public Consultation Approach

Community and stakeholder involvement will be an integral and vital component in updating the OCP target areas. In order to ensure that the public and key stakeholders contribute to the OCP update process, as well as simultaneously dealing with the ongoing uncertainty created by the COVID-19 pandemic, a focused public and stakeholder engagement strategy is proposed. This approach will ensure both the general public and specific stakeholders associated with each of the six target areas are able to provide meaningful contributions to the OCP update process. In addition, a cross-departmental approach to coordinating public consultation efforts will be undertaken.

Details of the public and stakeholder engagement strategy include:

- The extensive use of digital consultation that will include interactive online activities (i.e., Let's Talk Richmond surveys, and social media engagement);
- Engagement with relevant Council Advisory Committees, external agencies, and neighbouring municipalities; and
- Distribution of information through electronic and print media.

Further details on the approach to consultation are provided in Attachment 4.

Phasing & Timeline

Because of the diversity and breadth of topics addressed through the six target areas, the OCP update is proposed to be undertaken over three phases beginning in early 2022 with bylaw adoption scheduled for mid-2024. Over the three phase process, staff will update Council at key milestones.

Phase 1: Background & Contextual Research (Q2 & 3 of 2022)

The first phase will involve undertaking background and contextual research related to the six target areas:

1. Housing Affordability;
2. Social Equity,
3. Environmental Protection & Enhancement
4. Climate Mitigation & Adaptation,
5. Long-Term Planning for Emerging Trends & Transformational Technologies
6. Administrative Updates (e.g., Regional Context Statement)

Key Tasks include:

- Initiate background research for six target areas.
- Undertaking a contextual analysis of Richmond's housing market (i.e., supply, demand and need).
- Stakeholder consultation with key players in the delivery of affordable housing (e.g., Federal and Provincial governments, non-profits, and pension funds)

Phase 2: Resiliency, Equity and Adaptation - Policy & Program Options (Q4 2022 to Q2 2023)

The second phase will involve pulling the information gathered in Phase 1 into a series of policy options for Council's consideration. The policy options will be developed based on their applicability to the Richmond context. The preparation of the policy options will be organized around the themes of "Resiliency, Equity and Adaptation." This phase will also involve public and stakeholder consultation that will include Let's Talk Richmond and consultation with Council Advisory Committees. The details of this consultation will be finalized with Council as part of Phase 2.

Key Tasks include:

- Undertake policy review for the six target areas.
- Report back to Council on research through a series of policy papers for the target areas.
- Seek Council direction for the next round of consultation with stakeholders and the public.
- Undertake public consultation and present findings to Council.

Phase 3: Pulling the Plan Together (Q3 2023 to Q3 2024)

The final phase of work will involve synthesizing the materials, information, and public feedback gathered during Phases 1 and 2 into an updated OCP. The research, analysis, and engagement activities carried out in the earlier phases will be structured to enable a clear translation into policy directions and implementation actions for the six target areas.

Key Tasks include:

- Draft of updated OCP presented to Council.
- Public consultation on draft OCP. Details of the public consultation approach will be finalized with Council prior to consultation being undertaken.
- Bylaw consideration for updated OCP and accompanying Implementation Strategy.

Financial Impact

The existing OCP review budget will have no financial impact on existing budgets or have any tax implications. Funding for OCP and Area Plan reviews has been collected through a community amenity levy funded by development contributions. Subject to Council endorsement on the scope of the OCP, staff will prepare a work plan that would include the hiring of consultants, experts in the fields of affordable housing, social equity, and environmental projection, and public and stakeholder consultation. At this point, staff anticipate expenditures to range from \$400,000 to \$600,000 over a two-year time frame. As indicated above, this would have no impact on existing budgets.

Conclusion

Based on staff's recommendations, the upcoming OCP review would be a targeted review focusing on six key areas including:

1. Housing Affordability
2. Social Equity
3. Environmental Protection & Enhancement
4. Climate Mitigation & Adaptation,
5. Long-Term Planning for Emerging Trends & Transformational Technologies
6. Administrative Updates (e.g., Regional Context Statement)

A summary of key tasks by Target Area is provided as Attachment 5.

The OCP update is proposed to be undertaken in three phases starting in early-2022 with a targeted completion of mid-2024. The OCP update will involve extensive digital public consultation alongside engagement with Council Advisory Committees, neighbouring municipalities, external stakeholders and the general public.

February 7, 2022

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The proposed overarching themes to guide the update are “Resiliency, Equity and Adaptation.”

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SG:cas

- Att. 1: Examples of Housing Affordability Models
- Att. 2: Housing Continuum
- Att. 3: Neighbourhood Service Centres
- Att. 4: Proposed Public & Stakeholder Engagement Approach
- Att. 5: Summary of Key Tasks by Target Area

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Examples of Housing Affordability Models

- Implementation policy to control land-price escalation:** In October 2020, Cambridge Massachusetts implemented a policy to address the escalation of land prices resulting from rezoning by approving a 100% Affordable Housing Overlay (AHO) for the city. The AHO allows for the creation of new affordable housing units above the density permitted under base zoning. All of the units created above the base density are required to be rented at rents pegged at 30% of gross household income, which matches with local income. To date, Cambridge has 4 projects that are participating in the program.
- Municipal Housing Authorities:** This can include an independent, City-controlled, or non-profit entity dedicated to providing and managing non-market housing stock that is for rent or purchase by qualified individuals and facilities. Examples include the Whistler Housing Authority, the Metro Vancouver Housing Corporation, Capital Region Housing Corporation, and the Tofino Housing Corporation.
- Affordable Home Ownership:** Rent-to-own is an alternative route to homeownership for households or individuals who do not have the financial resources for a down payment or lack good credit to secure a mortgage. Although rent-to-own agreements vary, they typically provide the tenant with the option to purchase the residential unit at the end of the lease term, with rent contributing to the purchase price or down payment amount. During the lease term, it is expected that the tenant will have improved their credit as well as saved enough money to afford a down payment. An example of this is in Langford where qualified renters in the Belmont Residences project can apply 25% of their rent towards the future purchase of a home; or Athem’s proposed rent to own project in the District of North Vancouver which is intended to provide entry to the housing market for the “missing middle” segment who would like to transition to home ownership. Another example is the Panatch Group’s 50 Electronic Avenue project in Port Moody that includes 30 units in a 358 unit development as part of a developer initiated and administered rent-to-own opportunity geared toward first time homebuyers in Port Moody. The City of Calgary established a non-profit organization, Attainable Homes Calgary, to assist moderate income residents to attain homeownership. The program assists the purchaser with the purchase down payment. At the time the home is sold, the no interest down payment is returned and if the value of the property has increased, the owner provides a portion of appreciation to the non-profit organization, which is used to assist others interested in the program.
- Community Land Trusts:** Community Land Trusts (CLT) are non-profit, community-based organizations that obtain and manage land for the communities that they serve. Typically, Community Land Trusts are based on a dual-ownership model where the land is owned by the CLT and the buildings on the land are owned by an individual or non-profit organization.

- ***Municipal Land Contributions:*** Municipalities across British Columbia provide land contributions to support affordable housing developments. A successful model is releasing calls for expressions of interest for affordable housing proposals for City-owned properties. For example, in 2018, the City of Vancouver issued a call for seven City-owned sites. Successful proponents were responsible for all project activities, including designing, building, funding and operating the new developments. This approach enabled housing organizations to begin the planning phase for new developments and to seek zoning approvals prior to seeking funding. The model ensures that projects are shovel-ready in advance of funding calls from the provincial and federal governments.
- ***Municipal Funding Contributions:*** While the provincial and federal governments have the primary responsibility for funding affordable housing developments, municipalities can deliver partial funding contributions to support new projects. For example, the City of Vancouver delivers the Community Housing Incentive Program, which provides up to \$100,000 per unit to offset construction costs.
- ***Pre-zoned rental properties:*** Through the use of rental tenure zoning and other approaches, municipalities have the ability to permit multi-family rental construction without the need for a rezoning. For example, the City of Vancouver approved policy changes that permit additional density for rental developments in all C-2 commercial zones on arterial streets. Greater density is provided for below-market and non-market housing. This approach incentivizes the provision of rental housing, avoids the time and money associated with a rezoning process, and provides certainty about the density that is permitted for rental developments.

*Additional models for the delivery of housing affordability will be identified as part of the housing affordability review. Each example will be analyzed to determine its pros, cons and feasibility to the Richmond context.

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Housing Continuum

Housing Continuum

Short-Term Accommodation	Affordable Housing				Market Housing	
Emergency Shelters	Housing with Supports	Non-Market/Social Housing	Low-End Market Rental Housing	Affordable Home Ownership	Market-Rate Rental	Market Home Ownership
Shelters for individuals temporarily needing accommodation.	Short- and long-term housing with on-site supports for individuals who are homeless or at risk of homelessness.	Rental units managed by BC Housing, Metro Vancouver Housing, or another non-profit made available at low rental rates.	Below market rental units, including units secured through the City's Low End Market Rental program.	Units at below market value for purchase by moderate income households.	Units rented at market rates, including "primary" purpose-built units (e.g. rental apartments); and "secondary" units (e.g. rented condos & secondary suites).	Units purchased at market value.

Target Groups: Individuals experiencing homelessness or at risk of homelessness.

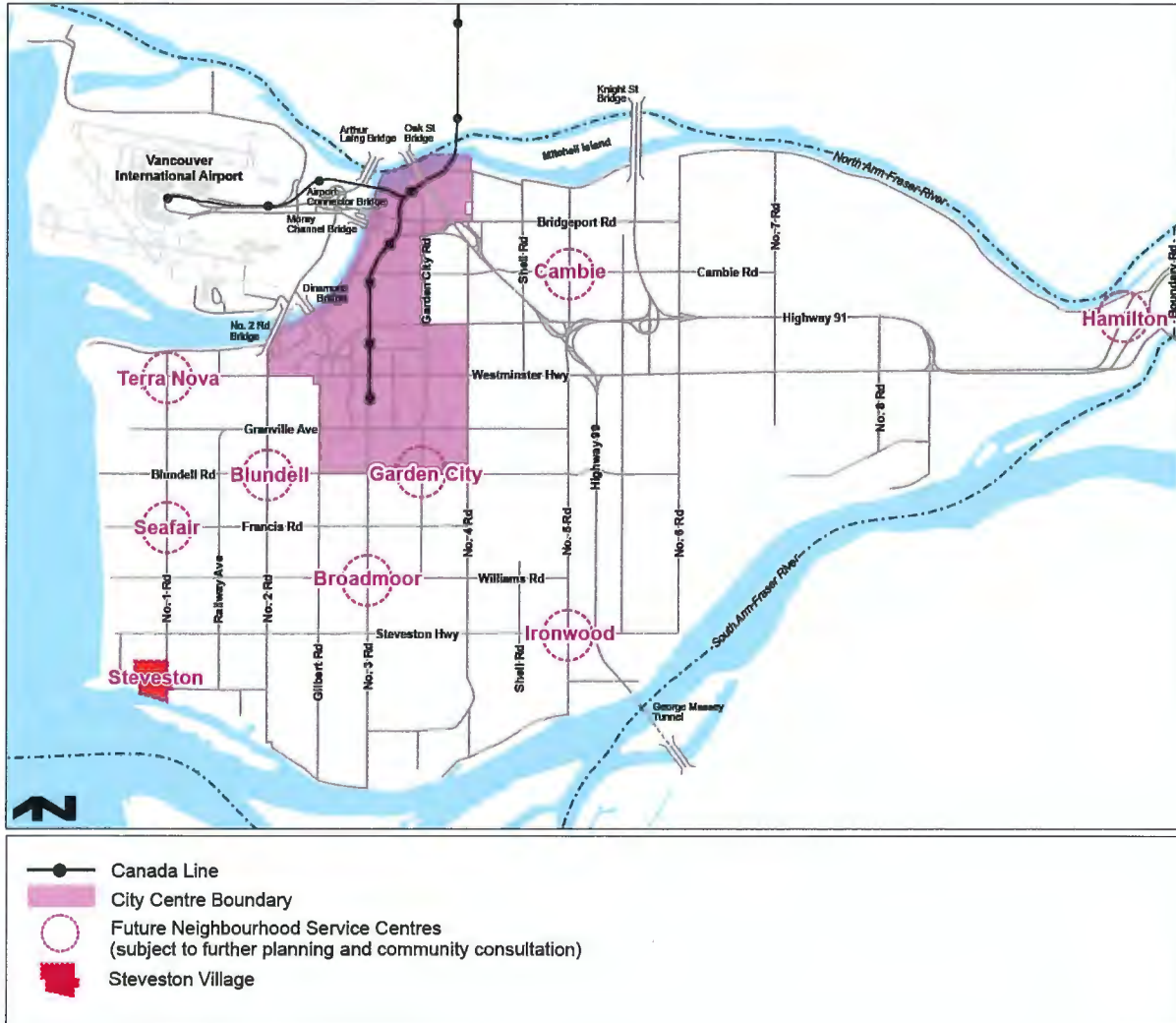
Target groups: Very low to moderate income households.

Target groups: Moderate to high income households.

*Adapted from the 2017 Affordable Housing Strategy

Official Community Plan Targeted Update
Neighbourhood Service Centres

Neighbourhood Service Centres



Official Community Plan Targeted Update

Proposed Public & Stakeholder Engagement Approach

Key elements of the proposed engagement strategy are summarized below:

- Digital consultation to offer the public opportunity to comment online, including the use of the City's online survey platform, Lets Talk Richmond (e.g., surveys). The City's social media platforms (e.g., Twitter, Facebook, YouTube, Instagram) may also be used to further engage the public (e.g., an online discussion on policy directions).
- Electronic and print media to provide the public with access to project information and notification of opportunities for involvement. This may include mail outs, newspaper advertisements, newsletters, a project webpage, social media, and email updates.
- Council Advisory Committees will be consulted at key points throughout the process, including:
 - Advisory Committee on the Environment,
 - Community Services Advisory Committee,
 - Intercultural Advisory Committee,
 - Food Security and Agricultural Advisory Committee,
 - Seniors Advisory Committee, and
 - Economic Advisory Committee.
- Neighbouring municipalities Vancouver, New Westminster, and Delta, will be informed and consulted at key milestones in the process; and
- Stakeholders representing a broad range of interests in Richmond will be consulted:
 - Community Associations
 - Urban Development Institute (UDI),
 - TransLink,
 - Metro Vancouver,
 - School District No. 38,
 - Agricultural Land Commission,
 - Steveston Harbour Authority,
 - Ministry of Transportation & Infrastructure,
 - Port of Vancouver,
 - Richmond Chamber of Commerce,
 - Vancouver International Airport, and
 - Youth Aged 13-24 (e.g., Green Ambassadors Symposium).

Official Community Plan Targeted Update
 Summary of Key Tasks by Target Area

Target Area	Key Tasks
1: Housing Affordability	<ul style="list-style-type: none"> • Research and investigate housing models locally, nationally and internationally. • Liaise with housing policy experts. • Meet with representatives of the real estate and development community (e.g., Urban Development Institute, BC Real Estate Association, BC Non-Profit Housing, BC Housing). • Meet with representatives of the finance industry, in addition to potential investors of rental housing. • Retain land economist to assess financial feasibility of proposed housing models. • Retain housing consultant to prepare policy papers. • Prepare policy & program options for Council consideration.
2: Social Equity	<ul style="list-style-type: none"> • Review current City policies to employ a social equity lens • Meet with representatives to understand more fully on how to eliminate systemic barriers as they relate to city planning. • Reviewing and updating, where necessary, the City’s transportation and universal accessibility policies. • Identifying opportunities to strengthen underrepresented groups in shaping the future of Richmond. • Prepare policy & program options for Council consideration.
3: Environmental Protection & Enhancement	<ul style="list-style-type: none"> • Review existing policy with respect to ESAs and the Ecological Network and investigate how they can be better linked. • Retain consultant to update and ‘ground truth’ the City’s ESA mapping. • Review ESA Development Permit process.
4: Climate Mitigation & Adaptation	<ul style="list-style-type: none"> • Investigate ways to incorporate direction in the CEEP into the OCP. • Establish criteria that would provide a ‘climate lens’ to upcoming amendments to the OCP, Area Plans and Sub-area Plans. • Retain consultant to review a long-term fill strategy that would address flood protection management and agricultural viability, but at the same time, minimize negative impacts to the existing Ecological Network. • Prepare policy options for Council consideration.

<p>5: Long-Term Planning for Emerging Trends & Transformational Technologies</p>	<ul style="list-style-type: none"> • Review policy approaches and timing for incorporating land use and built form policies in the OCP to support autonomous vehicles (e.g., land use and design implications to parking and infrastructure, and minimizing the growth of car dependency). • Identify opportunities for artificial intelligence and data analytics to contribute to data-driven land use planning approaches. • Review of the impacts that climate-related environmental and socio-economic changes could have on migration and immigration patterns. • Prepare policy options for Council consideration.
<p>6: Administrative Updates</p>	<ul style="list-style-type: none"> • Update the City’s Regional Context Statement to reflect the revised Regional Growth Strategy. • Establish a Neighbourhood Service Centre Action Plan. • Ensure that policies and land use maps are harmonized between Area Plans and Sub-Area Plans with OCP policies and mapping. • Update OCP implementation strategy and provide an annual progress report to Council.