

If you eliminate the Richmond workers who live in Vancouver and the Vancouver workers who live in Richmond, almost 30,000 of Richmond's workers live elsewhere in the Lower Mainland. [<https://www.richmond.ca/shared/assets/Jobs6260.pdf> City of Richmond Website, Jobs in Richmond Hot Facts, Where do people who live in Richmond work? Where do people who work in Richmond come from?]

The vast majority would rather live in Richmond, but they can't find affordable housing. That likely translates into demand today for 15-20,000 market rental housing units before we add in the demand from increases in the population. This huge demand for market rental housing is ignored in the staff report, but we should be trying to meet it by constructing at least 1,500 market rental housing units per year for the next 10 years.

The staff report does mention the 2016 Metro Vancouver report that predicted demand for 14,000 new housing units over 10 years to accommodate increases in the population. It didn't predict that in 2019, there would be a decreasing demand for ownership housing and an exploding demand for rental housing. It's more likely that there will be demand for 10,000 rental units and 4,000 ownership units rather than the other way around as predicted in the report. That is demand for 1,000 rental units per year for 10 years.

Adding the population increase demand to the working in Richmond but unable to live here demand, we should be constructing at least 2,500 market rental housing units per year for the next 10 years. However, there were only 1,800 residential building permits for all types of housing issued in Richmond in 2018. [BC Government, Building Permits by Community] You see the problem. Even if we build nothing but market rental housing for the next 10 years, it will not meet the demand.

The proposed requirement for market rental housing would only apply to developments with over 60 housing units. We need to maximize the number of market rental units in those developments. My suggestion of 60% is reasonable. The developers will claim that they lose money constructing market rental housing. A report done for CMHC in 2016 on the economics of constructing market rental housing showed that you can make money in Vancouver if you avoid high end finishes and construct the units specifically for the rental market. [CMHC, The Economics of New Purpose-Built Rental Housing Development in Selected Canadian Markets] You will not make as much as you would selling high end units to foreign speculators, but you can make money while providing Richmond with the housing it needs.

From: McPhail,Linda
Sent: Tuesday, 2 April 2019 03:42 PM
To: Mah,Cheryl
Subject: Fwd: April 2 Planning Committee - Market Rental Housing Policy

Linda McPhail
Councillor, City of Richmond

www.richmond.ca

Sent from my Samsung Galaxy smartphone.

----- Original message -----

From: "John Roston, Mr" <john.roston@mcgill.ca>
Date: 2019-04-01 11:59 AM (GMT-08:00)
To: "McPhail,Linda" <LMcPhail@richmond.ca>
Cc: "Brodie, Malcolm" <MBrodie@richmond.ca>, "Steves,Harold" <hsteves@richmond.ca>, "McNulty,Bill" <BMcNulty@richmond.ca>, "Au,Chak" <CAu@richmond.ca>, "Day,Carol" <CDay@richmond.ca>, "Loo,Alexa" <ALoo@richmond.ca>, "Greene,Kelly" <kgreene@richmond.ca>, "Wolfe, Michael" <MWolfe@richmond.ca>, "Konkin,Barry" <BKonkin@richmond.ca>
Subject: April 2 Planning Committee - Market Rental Housing Policy

Dear Councillor McPhail, Mayor & Councillors,

The staff report "Market Rental Housing Policy And Approaches For Residential Rental Tenure Zoning" to be considered at the April 2 meeting of the Planning Committee outlines a sensible plan for preserving existing market rental housing and requiring additional such housing in new developments that provide more than 60 apartment units.

However the repeatedly mentioned recommendation for a 10% market rental requirement is totally inadequate. It is based on an outdated 2016 report that only takes into account the projected increase in population and households and assumes that the vast majority of these new households will want ownership housing rather than rental housing. It does not take into account the current under 1% vacancy rate that has created a rental crisis which can only be solved by a huge increase in market rental units even if there is no increase in population.

The 2016 report also didn't foresee that in 2019 there would be a decreasing demand for ownership housing and an exploding demand for rental housing. It forecasts demand from 2016 to 2026 for 14,000 housing units in Richmond due to the increase in population with 10,800 of those being for ownership and only 3,200 for rental including 1,200 for market rental. City staff have translated that into demand for only 120 market rental units per year, a ridiculously low figure.

I have been pushing for 60% market rental in these large new developments with more than 60 units. Council required 20% in the Richmond Centre redevelopment claiming that was due to no rezoning being required. The staff recommendation for 10% is totally inadequate and that figure should not be used in the proposed plan.

There is also no mention of a multi-bedroom requirement. We know that there is a surplus of studio and one bedroom rental units and a severe shortage of multi-bedroom units. A multi-bedroom requirement must be part of the market rental policy.

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