



City of Richmond

Report to Committee Planning and Development Division

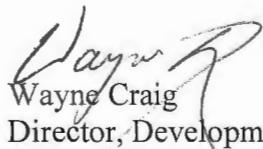
To: Planning Committee
From: Wayne Craig
Director, Development

Date: December 8, 2016
File: 08-4430-01/2016-Vol 01

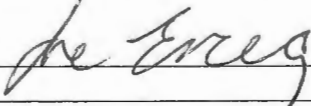
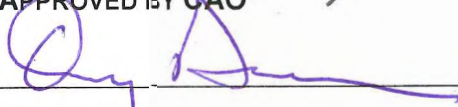
Re: Amendments to Richmond Zoning Bylaw 8500 for 2016 Affordable Housing Contribution Rates.

Staff Recommendation

That Richmond Zoning Bylaw 8500, Amendment Bylaw 9641, to update affordable housing contribution rates for residential zones, be introduced and given first reading.


Wayne Craig
Director, Development

BK:blg
Att. 1

| REPORT CONCURRENCE | | |
|--|-------------------------------------|---|
| ROUTED TO: | CONCURRENCE | CONCURRENCE OF GENERAL MANAGER |
| Policy Planning | <input checked="" type="checkbox"/> |  |
| REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE | INITIALS: | APPROVED BY CAO |
| | DW |  |

December 8, 2016

Staff Report

Origin

On September 14, 2015, Council endorsed an increase in affordable housing contribution rates and new requirements for single family development, as part of the update of the City's Affordable Housing Strategy. Council also approved a provision for in-stream development applications subject to affordable housing contribution requirements, allowing these projects to pay the old contribution rate if first reading was given to the rezoning bylaw prior to September 14, 2016. All applications since September 14, 2015 have moved forward in accordance with the new contribution rates. This report presents a 'house-keeping' amendment to Richmond Zoning Bylaw 8500 to update the sections of the Zoning Bylaw which secure affordable housing contributions.

Analysis

Affordable Housing Strategy

The Affordable Housing Strategy and the Affordable Housing Reserve Fund Policy 5008 form the City policy framework to secure affordable housing contributions from development. The Strategy also manages the City's affordable housing reserve funds by securing the resources to meet the specific housing and support needs of priority groups, as established by Council.

The Richmond Affordable Housing Strategy was established in 2007, and set the rates where a cash contribution for affordable housing received under a statutory density bonus approach for rezoning applications received after July 1, 2007. These rates were:

- \$1 per square foot from single-family subdivision developments.
- \$2 per square foot from townhouse developments.
- \$4 per square foot from apartment and mixed-use developments involving 80 or less residential units.

New Affordable Housing Contribution Rates as Endorsed by Council

At the February 3, 2015 Planning Committee meeting, staff were authorized to proceed to industry consultation on proposed amendments to the Affordable Housing Strategy, including discussion of new contribution rates.

Staff consulted with representatives from the Urban Development Institute (UDI), the Richmond Small Builders Group, and the Greater Vancouver Home Builders' Association (GVHBA).

At the September 9, 2015 Planning Committee meeting, staff presented an update on the consultation undertaken for the Affordable Housing Strategy, and recommended that new, increased contribution rates be endorsed. Council endorsed the recommendations from the Community Services Division, and endorsed the following rates for affordable housing contributions:

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- \$2 per square foot for single-family developments.
- \$4 per square foot for townhouse developments.
- \$6 per square foot for apartment and mixed-use developments involving 80 or less residential units.

Council also supported a revision to the Affordable Housing Strategy requirements for all single-family developments: the developer must provide one of the following options:

- a suite in all units;
- a suite in 50 % of units plus a cash-in-lieu contribution for the remaining 50% of units; or
- a cash-in-lieu contribution based on the total residential floor area proposed.

Proposed Zoning Bylaw Amendment

All rezoning applications considered after Council endorsed the new Affordable Housing Contribution provisions on September 14, 2015 have included Affordable Housing in accordance with the amended Affordable Housing Strategy requirements.

There are however, a number of in-stream zoning bylaws where applicants have been authorized to proceed based on the previous contribution rates, and where zoning amendment bylaws have been given third reading following a Public Hearing.

Required affordable housing rates are outlined in Section 5.15 of Richmond Zoning Bylaw 8500, and refer to the density bonus provisions in individual zones. The current Section 5.15 is provided in Attachment 1. If this table were simply amended to reflect the new affordable housing rates adopted by Council any in-stream rezoning bylaw where Council has endorsed the application to proceed based on the old affordable housing contribution rates could not be adopted, as the old rate for cash-in-lieu of affordable housing contributions would not satisfy the density bonus requirements of the zoning bylaw. There are approximately 55 in-stream zoning amendment bylaws which are eligible to proceed under the old affordable housing rates. These are amendment bylaws which received Council consideration prior to September 14, 2016.

In order to ensure that these in-stream-rezoning bylaws are not rendered non-compliant with the density bonus provisions, a new table of affordable housing contribution rates is required, as well as insertion of an effective date as to when the different rates are applied:

- For any rezoning application where affordable housing contribution is required which was considered by Council before September 24, 2016, the old contribution rates will apply.
- For any application considered by Council after September 24, 2016, the new affordable housing rates will apply.

Proposed Bylaw 9641 also includes an amendment to five other sections of Richmond Zoning Bylaw 8500, to update the language of the density bonus provisions contained within the RS1

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zones the RC1 zones, and three site-specific residential zones to include reference to the new Affordable Housing Strategy requirements related to the provision of secondary suites.

Public Consultation

Public notification for the Public Hearing for Bylaw 9641 as presented in this report will be provided as per the *Local Government Act*.

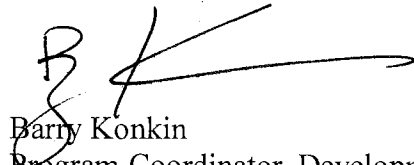
Financial Impact

The proposed Zoning Bylaw Amendment will ensure that the Council-endorsed affordable housing contribution rates are secured through all in-stream and new rezoning applications.

Conclusion

The Council-endorsed rates for affordable housing contributions secured through development applications are now being secured through rezoning considerations. It is in order to amend Part 5 of the Richmond Zoning Bylaw 8500; to update the required contribution table, including an effective date for the new rates, to address in-stream rezoning bylaws.

It is recommended that Richmond Zoning Bylaw 8500, Amendment Bylaw 9641 be introduced and given first reading.



Barry Konkin
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Joyce Rautenberg
Affordable Housing Coordinator
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BK:blg

Attachment 1: Section 5.15 of Richmond Zoning Bylaw 8500



**Richmond Zoning Bylaw 8500
Amendment Bylaw 9641 (08-4430-01/2016-Vol 01)
Affordable Housing Rates**

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

1. Richmond Zoning Bylaw 8500 is further amended at Section 5.15 by deleting Section 5.15.1 in its entirety and substituting it with new Sections 5.15.1 and 5.15.1A set out in Schedule "A" attached hereto and forming part of Bylaw 9641.
2. Richmond Zoning Bylaw 8500 is further amended by deleting Section 8.1.4.5(b) in its entirety and substituting it with:
 - “(b) (i) 100% of the **lots** contain **secondary suites**; or
 - (ii) at least **50%** of the lots contain a **secondary suite** and the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the RS2/A-H, J-K **zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw for the **floor area** permitted on any **lot** not containing a **secondary suite**; or
 - (iii) the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the RS2/A-H, J-K **zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw”.
3. Richmond Zoning Bylaw 8500 is further amended by deleting Section 8.2.4.5(b) in its entirety and substituting it with:
 - “(b) (i) 100% of the **lots** contain **secondary suites**; or
 - (ii) at least **50%** of the lots contain a **secondary suite** and the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the RC1 or RC2 **zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw for the **floor area** permitted on any **lot** not containing a **secondary suite**; or
 - (iii) the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the RC1 or RC2 **zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw”.

4. Richmond Zoning Bylaw 8500 is further amended by deleting Section 15.21.4.4(b) in its entirety and substituting it with:
 - “(b) (i) 100% of the **lots** contain **secondary suites**; or
 - (ii) at least **50%** of the lots contain a **secondary suite** and the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the **ZS21 zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw for the **floor area** permitted on any **lot** not containing a **secondary suite**;
or
 - (iii) the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the **ZS21 zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw”.

5. Richmond Zoning Bylaw 8500 is further amended by deleting Section 15.22.4.4(b) in its entirety and substituting it with:
 - “(b) (i) 100% of the **lots** contain **secondary suites**; or
 - (ii) at least **50%** of the lots contain a **secondary suite** and the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the **ZS22 zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw for the **floor area** permitted on any **lot** not containing a **secondary suite**;
or
 - (iii) the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the **ZS22 zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw”.

6. Richmond Zoning Bylaw 8500 is further amended by deleting Section 15.23.4.4(b) in its entirety and substituting it with:
 - “(b) (i) 100% of the **lots** contain **secondary suites**; or
 - (ii) at least **50%** of the lots contain a **secondary suite** and the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the **ZS23 zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw for the **floor area** permitted on any **lot** not containing a **secondary suite**;
or
 - (iii) the **owner**, at the time **Council** adopts a zoning amendment bylaw to include the **owner’s lot** in the **ZS23 zone**, pays into the **affordable housing reserve** the sum specified in Section 5.15 of this bylaw”.

7. This Bylaw may be cited as **“Richmond Zoning Bylaw 8500, Amendment Bylaw 9641”**.

FIRST READING

DEC 21 2016

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

| |
|--|
| CITY OF RICHMOND |
| APPROVED by BK |
| APPROVED by Director or Solicitor JH |

MAYOR

CORPORATE OFFICER

Schedule "A"

5.15.1 Where amendment to this bylaws bylaw considered by **Council** before September 24, 2016, and where an **owner** pays into the **affordable housing reserve** according to the **density bonusing** provisions of this bylaw, the following sums shall be used:

| Zone | Sum Per Buildable Square Foot of Permitted Principal Building |
|---------|---|
| RS2/A-K | \$1.00 |
| RC2 | \$1.00 |
| ZS21 | \$1.00 <i>[Bylaw 8965, Sep 23/13]</i> |
| ZS22 | \$1.00 <i>[Bylaw 9490, Mar 21/16]</i> |
| RI2 | \$2.00 |
| RTL2 | \$2.00 |
| RTL4 | \$2.00 |
| RTM2 | \$2.00 |
| RTM3 | \$2.00 |
| RTH1 | \$2.00 |
| RTH2 | \$2.00 |
| RTH3 | \$2.00 |
| RTH4 | \$2.00 |
| RTP1 | \$2.00 |
| RTP2 | \$2.00 |
| RTP3 | \$2.00 |
| RTP4 | \$2.00 |
| RAL2 | \$4.00 |
| RAM2 | \$4.00 |
| RAM3 | \$4.00 |
| RAH1 | \$4.00 |
| RAH2 | \$4.00 |
| CDT2 | \$4.00 |

| Zone | Sum Per Buildable Square Foot of Permitted Principal Building |
|-------|--|
| RCL2 | \$4.00 |
| ZHR6 | \$4.00 |
| ZR7 | \$2.00 |
| ZMU19 | \$4.00 [Bylaw 8580, Jan 24/11] |
| ZMU20 | \$4.00 [Bylaw 8818, Sep 24/12] |
| ZMU21 | \$4.00 [Bylaw 8875, Nov 13/12] |
| ZMU22 | \$4.00 [Bylaw 9001, Jul 8/13] |
| ZMU24 | \$4.00 [Bylaw 9094, Jul 27/15] |
| ZMU26 | \$4.00 [Bylaw 9138, Apr 27/15] |
| ZT70 | \$2.00 [Bylaw 9107, Sep 14/15] |
| ZS23 | \$1.00 [Bylaw 9275, Jun 13/16] |
| ZLR26 | \$2.00 for housing, town , \$4.00 for housing, apartment [Bylaw 9241, Oct 11/16] |

For the purposes of Section 5.15.1, buildable square foot is the maximum **floor area ratio** and excludes the items not included in the calculation of **density** (e.g., **enclosed parking**; unenclosed **balconies**; common stairwells and common elevator shafts; etc.).

5.15.1A Where amendment to this bylaws bylaw considered by **Council** after September 24, 2016, and where an **owner** pays into the **affordable housing reserve** according to the **density bonusing** provisions of this bylaw, the following sums shall be used:

| Zone | Sum Per Buildable Square Foot of Permitted Principal Building |
|---------|---|
| RS2/A-K | \$2.00 |
| RC2 | \$2.00 |
| ZS21 | \$2.00 |
| ZS22 | \$2.00 |
| RI2 | \$4.00 |
| RTL2 | \$4.00 |
| RTL4 | \$4.00 |

| Zone | Sum Per Buildable Square Foot of Permitted Principal Building |
|-------|--|
| RTM2 | \$4.00 |
| RTM3 | \$4.00 |
| RTH1 | \$4.00 |
| RTH2 | \$4.00 |
| RTH3 | \$4.00 |
| RTH4 | \$4.00 |
| RTP1 | \$4.00 |
| RTP2 | \$4.00 |
| RTP3 | \$4.00 |
| RTP4 | \$4.00 |
| RAL2 | \$6.00 |
| RAM2 | \$6.00 |
| RAM3 | \$6.00 |
| RAH1 | \$6.00 |
| RAH2 | \$6.00 |
| CDT2 | \$6.00 |
| RCL2 | \$6.00 |
| ZHR6 | \$6.00 |
| ZR7 | \$4.00 |
| ZMU19 | \$6.00 |
| ZMU20 | \$6.00 |
| ZMU21 | \$6.00 |
| ZMU22 | \$6.00 |
| ZMU24 | \$6.00 |
| ZMU26 | \$6.00 |
| ZT70 | \$4.00 |
| ZS23 | \$4.00 |
| ZLR26 | \$4.00 for housing, town, \$6.00 for housing, apartment <i>[Bylaw 9241, Oct 11/16]</i> |

For the purposes of Section 5.15.1A, buildable square foot is the maximum **floor area ratio** and excludes the items not included in the calculation of **density** (e.g., **enclosed parking**; unenclosed **balconies**; common stairwells and common elevator shafts; etc.).