



City of Richmond

Report to Committee

To: Planning Committee **Date:** December 14, 2017
From: Kim Somerville **File:** 08-4057-01/2017-Vol 01
 Manager, Community Social Development
Re: Draft Affordable Housing Strategy 2017-2027

Staff Recommendation

1. That the recommended draft Affordable Housing Strategy 2017-2027 as outlined in the staff report titled, "Draft Affordable Housing Strategy 2017-2027", dated December 14, 2017 from the Manager, Community Social Development, be endorsed for the purpose of seeking public feedback on the implementation plan and future actions in the draft Affordable Housing Strategy 2017-2027.
2. That the final Affordable Housing Strategy 2017-2027, including the results of the consultation, be reported back to Planning Committee at a later date.

Kim Somerville
 Manager, Community Social Development
 (604-247-4671)

Att. 2

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Real Estate Services Development Applications Policy Planning Transportation Finance	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

The purpose of this report is to present the draft Affordable Housing Strategy 2017-2027, which is the second strategy undertaken by the City since 2007, providing strategic direction to the City and other stakeholders. The Affordable Housing Strategy 2017-2027 will guide future housing policy and outline actions for implementation. A secondary purpose of this report is to request that the draft plan be endorsed for the purpose of seeking public feedback on the implementation plan and future actions, and to report back with the final Affordable Housing Strategy and results from the public consultation to Planning Committee at a later date. This report will outline the five strategic directions of the Affordable Housing Strategy, implementation framework, and consultation plan.

This report supports the following Council 2014-2018 Term Goals:

Goal #2 A Vibrant, Active and Connected City:

Continue the development and implementation of an excellent and accessible system of programs, services, and public spaces that reflect Richmond's demographics, rich heritage, diverse needs, and unique opportunities, and that facilitate active, caring, and connected communities.

2.2. Effective social service networks.

Goal #3 A Well-Planned Community:

Adhere to effective planning and growth management practices to maintain and enhance the livability, sustainability and desirability of our City and its neighbourhoods, and to ensure the results match the intentions of our policies and bylaws.

3.4. Diversity of housing stock.

Goal #3 Partnerships and Collaboration:

Continue development and utilization of collaborative approaches and partnerships with intergovernmental and other agencies to help meet the needs of the Richmond community.

5.2 Strengthened strategic partnerships that help advance City priorities

This report also supports the Social Development Strategy Goal #1: Enhance Social Equity and Inclusion:

Strategic Direction #1: Expand Housing Choices

Prior to this report, staff brought forward the Housing Affordability Profile and the Final Policy Recommendations Report for Council consideration, with both documents incorporating significant stakeholder feedback, extensive research, and analysis. An initial round of consultation in the first phase included an open house, six pop-up events at community centres around Richmond, an online survey, and workshops with key stakeholders. The second round of

consultations involved focus group sessions with key stakeholders directly responsible for creating and managing affordable housing to determine policy recommendations. Currently, the draft Affordable Housing Strategy 2017-2027 is the final document to be presented for consideration as part of the Affordable Housing Strategy update process. The Affordable Housing Strategy 2017-2027 is an action-oriented framework which is a culmination of the work undertaken through a multi-phase process, including a review of existing policies and practices in Richmond, best practice research from other jurisdictions, economic analyses and feedback from stakeholders and Richmond residents. The Strategy also presents an implementation plan outlining future actions to be taken over the next ten years, which will be the focus of the final round of consultation sessions with the public and key stakeholders. Staff will not be seeking feedback on the following policies approved by Council on July 24, 2017:

1. Changes to the low-end market rental policy
2. Increases to the cash-in-lieu contribution rates
3. Setting targets for family-friendly housing for units secured through development

The updated Affordable Housing Strategy will respond to Metro Vancouver's 2040 Regional Growth Strategy Policy 4.1.8: *Prepare and implement Housing Action Plans*. Metro Vancouver indicates that the following themes should be reviewed and/or included:

- Assessments of local housing market conditions, including supply, demand and affordability;
- Identifying housing priorities;
- Identifying implementation measures within the jurisdiction and financial capabilities of municipalities;
- Encouraging the supply of new rental housing and limiting the loss of existing rental housing stock;
- Identifying opportunities to participate in programs with other levels of government to secure additional affordable housing units across the housing continuum; and
- Facilitating ways to work with Metro Vancouver Housing Corporation.

Many of the above themes are addressed in the draft Affordable Housing Strategy; staff continue to work collaboratively to address areas outside of the strategy, such as preserving existing rental housing and increasing the supply of market rental housing through the draft Market Rental Policy.

Analysis

Affordable Housing Strategy Update: Progress to Date

The City's current Affordable Housing Strategy was adopted in 2007. A comprehensive and multi-phased approach has been undertaken to update the Affordable Housing Strategy in light of changing market and demographic trends, as well as the evolving role of the Federal and Provincial government in housing. The following chart displays the work completed to date, and the next steps in finalizing the update process.

Figure 1 – Affordable Housing Strategy Update Process

Phase	Purpose	Process	Deliverable
1. Data Analysis	<ul style="list-style-type: none"> Identify housing gaps, challenges, and opportunities in Richmond to develop policies that respond to community need. 	<ul style="list-style-type: none"> Statistics and data analysis. Public consultation: pop-up events, open house and online surveys. Stakeholder consultation: focus groups and meetings with representatives from the non-profit housing and service sector, development industry, and government agencies. 	Housing Affordability Profile (endorsed by Council on November 14, 2016) outlining key housing gaps and priority groups in need.
2. Policy Review	<ul style="list-style-type: none"> Review progress to date. Examine successes and challenges with current policies. Evaluate options for overall policy approach. Develop a series of recommended policy actions to respond to the identified priority. 	<ul style="list-style-type: none"> Extensive policy review including: background research, environmental scan and analysis of various housing policy actions (completed by housing policy consultant). Economic analysis (completed by two third-party land economists). Focus groups with stakeholder groups involved with implementation of Affordable Housing Strategy policies (e.g. non-profit housing and service providers, large-scale developer and small builder representatives, and staff from government agencies). 	Final Policy Recommendations (approved by Council on July 24, 2017)
3. Draft Affordable Housing Strategy	<ul style="list-style-type: none"> Develop an implementation framework which outlines action items to achieve policy goals. Identify timelines for completion. 	<ul style="list-style-type: none"> Create implementation plan with timeline. Update Affordable Housing Strategy document. Final round of consultation: open houses and online discussion forum. Refine policy actions and implementation plan if needed. 	Draft Affordable Housing Strategy 2017-2027 (recommended for Council endorsement at this time)
4. Final Affordable Housing Strategy	<ul style="list-style-type: none"> Finalize the Housing Action Plan (primary reference document). Update the Housing Affordability Profile with current statistics and Final Policy Recommendations. Report 	Bring forward a final Affordable Housing Strategy for Council consideration.	Final Affordable Housing Strategy 2017-2027 with companion documents (Housing Affordability Profile and Final Policy Recommendations) to be presented for adoption

The updated Affordable Housing Strategy continues to acknowledge the City's role in addressing housing affordability, while recognizing the limitations of the municipal mandate, and the resources required. Once adopted by Council, the approved Affordable Housing Strategy will define the City's role, guide decision making, and identify priorities and resources for the next ten years. Continued partnerships with the non-profit housing sector, community service agencies, the development industry, and other levels of government, are the foundations of the Affordable Housing Strategy 2017-2027, and will be critical in responding to and addressing community need.

Existing and Emerging Priorities

The current 2007 Affordable Housing Strategy outlines the following three priorities:

1. Non-market (subsidized) rental – targeted to households with incomes below \$34,000
2. Low-end market rental – targeted to households with incomes of \$57,500 or less (depending on unit type)
3. Entry-level homeownership – targeted to households with incomes of \$60,000 or less

Through the 2007 Affordable Housing Strategy, the City has utilized various policies and mechanisms to support the creation of non-market housing projects, private market rental housing, secondary suites and units incorporating basic universal housing design features. The draft Affordable Housing Strategy 2017-2027, which is the final phase of the Affordable Housing Strategy update process, showcases the City's significant involvement and/or investment in innovative projects which resulted from successful Affordable Housing Strategy Policy tools. The draft Affordable Housing Strategy 2017-2027 (Attachment 1) continues the balanced approach of securing cash contributions to support the creation of non-market rental housing, implementing policies, and affordable rental units in developments. Richmond also continues to be the only municipality that consistently applies Affordable Housing Policy requirements to developments across the city. The draft Affordable Housing Strategy 2017-2027 provides clarity around how cash contributions to the Affordable Housing Reserve Fund can be used by identifying specific policy actions that will require financial resources, such as developing partnership projects and land acquisition opportunities.

As part of the first phase of the Affordable Housing Strategy update process, a Housing Affordability Profile was created and highlighted key housing gaps and priority groups in need. Through extensive data analysis and feedback from stakeholder and public consultation sessions, the following priority groups facing additional barriers to finding affordable, and appropriate, housing in Richmond include:

- Families;
- Low-to-moderate income households;
- Persons with disabilities;
- Seniors; and
- Vulnerable groups including households on fixed incomes, persons experiencing homelessness, women and children experiencing family violence, persons with mental health and addictions issues, and Aboriginal populations.

The analysis and feedback also revealed key housing gaps experienced by households while searching for suitable and affordable housing in the community, such as:

- Family-friendly units across the housing continuum;
- Accessible and adaptable units along the housing continuum;
- All types of rental housing;
- Non-market housing with supports; and
- Emergency shelter spaces for women and children.

The gaps and groups in need reflect the changing demographics in Richmond, and demonstrate the impact of the low vacancy rates and escalating housing prices. Despite the variety of housing types available, and the ongoing success in creating new affordable rental stock in Richmond, the current demand continues to exceed supply. The current housing stock may also not be suitable or appropriate for some household types (e.g. families requiring multiple bedrooms or accessible units). The housing gaps and priority groups informed the final policy recommendations, adopted by Council on July 24, 2017, which aim to respond to current needs and future opportunities.

Proposed Strategic Directions and Recommended Actions

In responding to the identified housing gaps and priority groups in need, the Affordable Housing Strategy has organized the 21 approved policy actions under five strategic directions. The directions include:

1. Use of City regulatory tools to encourage a diverse mix of housing types and tenures;
2. Maximize use of City resources and financial tools;
3. Build capacity with non-profit housing and service providers;
4. Facilitate and strengthen partnership opportunities; and
5. Increase advocacy, awareness and education roles.

The Affordable Housing Strategy 2017-2027 spans over 10 years, with actions identified as short-term (1-3 years), medium-term (4-6 years), long-term (7-10 years), and ongoing. While there are 21 approved policy actions, the following priority policies will be the primary focus should the Affordable Housing Strategy 2017-2027 be adopted:

- **Securing Low-End Market Rental (LEMR) units through development** – the City continues to work with the development industry to secure LEMR units through development. The LEMR units are targeted for low-to-moderate income households, and intended to create mixed-income buildings across the city. Amendments to the LEMR policy, adopted by Council in July 2017, include:
 - Increasing the built unit requirement from 5% to 10% of the total residential floor area to be secured as LEMR units;
 - Decreasing the unit threshold from 80 units to 60 units in developments where LEMR units are required;
 - Implementing a family-friendly target for secured LEMR units of 15% 2 bedroom and 5% 3 bedroom; and
 - Changes in methodology to calculating the maximum rent and annual household income thresholds.

- **Increasing the cash-in-lieu contribution rates** – the cash contributions will be used to support partnerships to create additional non-market units in Richmond, or innovative projects which respond to the key housing gaps and priority groups in need. The following cash contribution rates, adopted in July 2017, are now in place:
 - Single family rezoning: \$4/ft²;
 - Townhouse developments: \$8.50/ft²;
 - Developments with 60 units or less (wood-frame): \$10/ft²; and
 - Developments with 60 units or less (concrete): \$14/ft².
- **Maximizing the Affordable Housing Reserve Fund** – set an annual target of collecting \$1.5M in cash contributions to support innovative affordable housing projects, partnerships and land acquisition. The Affordable Housing Strategy 2017-2027 endeavours to identify specific uses for the cash contributions, with prioritizing the funds for land acquisition and partnership opportunities.
- **Use of City-owned land for affordable housing** – review affordable housing land needs and ongoing consideration of allocating land as a contribution to partnership projects with other levels of government and non-profit housing sector to create new affordable housing. Projects could include non-market rental, low-end market rental or a mix of rents to facilitate cross-subsidization of rents within a building.
- **Use of municipal financial incentives to support affordable housing objectives** – consider waiving development cost charges and municipal permit fees for new eligible affordable housing developments which are owned and operated by non-profit housing providers, and where affordability is secured in perpetuity. A review will consist of assessing implications on the City's tax increase, costing out development cost charge waivers, and developing an implementation framework. With respect to property tax exemptions for non-market housing managed by non-profit housing providers, a review and best practice analysis will be undertaken in the medium-term (4-6 years).
- **Facilitating non-profit housing development opportunities** – develop policies and practices which empower non-profit housing providers to secure and/or create affordable housing in Richmond. Further policy work will include:
 - Creating criteria for reviewing and prioritizing City-supported non-profit housing projects;
 - Allowing flexibility for affordable housing developments which are non-profit driven and owned to present innovative rent structures that support a mix of affordable rental rates for consideration; and
 - Developing a list of pre-qualified housing providers for partnership opportunities on potential housing developments and ownership/management of LEMR units.

Since adoption of the Affordable Housing Strategy in 2007, the City has been successful in securing a variety of housing types and cash contributions to support innovative standalone affordable housing projects. The proposed strategic directions in the draft Affordable Housing Strategy 2017-2027 will position the City to capitalize on partnership opportunities, while continuing to be a leader in inclusionary housing policies in the region.

Implementation Framework

The implementation framework in the draft Affordable Housing Strategy 2017-2027 identifies the short-term (1-3 years), medium-term (4-6 years), long-term (7-10 years) and ongoing actions to be undertaken over the timeframe of the plan. Staff anticipate providing annual progress reports to update Council and the public on actions that are completed or underway. Further, the amendments to the Low-End Market Rental (LEMR) policy and cash-in-lieu contribution rates will be reviewed on a bi-annual basis. A key assumption of the draft Affordable Housing Strategy 2017-2027 is that adequate resources will be available to support implementation, in addition to responding to the growing and complex nature of the affordable housing portfolio. More staff resources will be required to carry out the actions identified in the draft Affordable Housing Strategy 2017-2027.

Partnerships will be critical to successful implementation of the strategic directions and policies. While the City can play an active role in addressing affordable housing, it cannot do so in isolation and will require support from other levels of government and key stakeholders.

Affordable Housing Strategy Update Process & Next Steps

There are three key documents that are generated through the update process, with the draft Affordable Housing Strategy 2017-2027 anticipated to be the primary resource document. Staff will also update the Housing Affordability Profile, endorsed by Council in November 2016, and the Final Policy Recommendations Report, endorsed by Council in July 2017, to keep the design of all documents consistent. As well, staff will update the statistics in the Housing Affordability Profile with the recently released 2016 Census data, and report back with any new trends. The final Affordable Housing Strategy 2017-2027 and companion documents will be presented for Council consideration in February 2018.

It is anticipated that the final round of consultation sessions will take place in late January 2018, with two open houses to be held in the community. The primary purpose of the consultation will be to seek feedback on the implementation plan and future actions in the Affordable Housing Strategy. As the policy actions have already been adopted in July 2017, staff will not be seeking feedback on policy changes. The focus will be to consult on implementing the policies, and receiving feedback from key stakeholders and the public on how future actions address the priority groups in need and respond to the identified housing gaps. Many of the actions will require significant collaboration with key stakeholders and other levels of government, and the open houses will present an opportunity to discuss each stakeholder's roles in implementation. The open houses will also seek feedback on any potential additional actions to support the policy objectives and strategic directions. Below are examples of potential consultation topics:

- **Strategic Direction 1: Use Regulatory Tools to Encourage a Diverse Mix of Housing Types and Tenures**
 - Occupancy management practices and opportunities
 - Family-friendly housing opportunities
 - Partnership opportunities to secure affordable housing units with adaptable features to support priority groups in need (e.g. persons with disabilities)
 - Other tools and actions that the City could utilize to support diversity in housing types and tenures

- **Strategic Direction 2: Maximize Use of City Resources and Financial Tools**
 - Acquiring land for affordable housing purposes
 - Options for utilizing the Affordable Housing Reserve Fund
 - Municipal financial incentives for affordable housing
 - Options to support local rent bank initiatives
 - Other initiatives that the City could explore utilizing its resources and financial tools within local government authority
- **Strategic Direction 3: Build Capacity with Non-Profit Housing and Service Providers**
 - Exploring options for non-profit housing development
 - Partnership opportunities to create and secure housing to meet needs of priority groups and address housing gaps
 - Actions to renew existing non-profit housing developments
 - Other innovative actions to engage non-profit housing and service providers to create housing for priority groups in need
- **Strategic Direction 4: Facilitate and Strengthen Partnership Opportunities**
 - Opportunities to review co-location of community assets and affordable housing
 - Potential Richmond-based community land trust
 - Other actions that support successful partnerships
- **Strategic Direction 5: Increasing Advocacy, Awareness and Education Roles**
 - Continued advocacy to senior levels of government to meet the housing needs of the community
 - Other initiatives for advocacy to senior levels of government and building awareness in the community regarding housing needs

Key stakeholders participating in the previous rounds of consultation (list of organizations and representatives provided in Attachment 2) will be invited to attend as well as members of the general public. There will also be an online forum via Let's Talk Richmond where individuals will be invited to submit their feedback on the implementation actions in the draft Affordable Housing Strategy 2017-2027. If necessary, staff may refine the implementation plan and actions, report back on consultation feedback, and present the final Affordable Housing Strategy 2017-2027 for Council adoption in February 2018.

Financial Impact

None.

Conclusion

The draft Affordable Housing Strategy 2017-2027 proposes high-level strategic directions and detailed actions for implementation to advance the City's affordable housing objectives. With the accompanying documents, the Housing Affordability Profile and the Final Policy Recommendations Report, the Affordable Housing Strategy provides a clear understanding of the housing needs and the foundation for work to address housing affordability in Richmond over the ten-year timeframe. Should the document be adopted, it will mark the second iteration of an affordable housing strategy process completed by the City. The Affordable Housing Strategy places emphasis on partnerships to position Richmond for success in securing funding

and project opportunities with other levels of government and key stakeholders. The Affordable Housing Strategy also clearly defines the City's role and authority in affordable housing, and aims to enhance Richmond's innovative inclusionary housing approach.

It is recommended that the draft Affordable Housing Strategy 2017-2027 be endorsed and approved for the purpose of seeking public feedback, and the final Affordable Housing Strategy 2017-2027, including results of the consultation be reported back at a later date.



Joyce Rautenberg
Affordable Housing Coordinator
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Att. 1: Draft Affordable Housing Strategy 2017-2027
2: Consultation Plan



CITY OF RICHMOND
**AFFORDABLE
HOUSING STRATEGY**
2017-2027





Summary

The 2017–2027 City of Richmond Affordable Housing Strategy is the second strategy undertaken by the City since 2007. The purpose of the updated Affordable Housing Strategy is to provide direction to the City of Richmond and other stakeholders in response to the current and future affordable housing needs of the community.

Market conditions have changed considerably over the last 10 years. Housing affordability remains an urgent issue across Metro Vancouver and in Richmond and the lack of affordable housing is increasingly emerging as a key public policy crisis. In response to the increasingly complex nature of creating and maintaining affordable housing, the City embarked on a process in 2016 to update the 2007 Strategy, building on successes to date, and maintaining the City's leadership on housing policy.

The Affordable Housing Strategy is an action-oriented framework that guides the City's response, within its authority, to maintain and create safe, suitable and affordable housing options for Richmond's residents. The Affordable Housing Strategy is the result of a multi-phase process, which included a review of existing policies and practices in Richmond, best practice research from other cities, economic analysis, and input from stakeholders and Richmond residents.

The City's overarching affordable housing vision is to:

Ensure that Richmond remains a liveable, sustainable community and that the City continues to take an active role to maintain, create, and facilitate diverse and affordable housing choices for current and future residents.

The issues raised during the community engagement process led to valuable insights into the current state of housing affordability in Richmond. This valuable input helped to set the stage for the five strategic directions that will shape the City's response to affordable housing over the next 10 years.

Five strategic directions:

1. Use the City's regulatory tools to encourage a diverse mix of housing types
2. Maximize use of City resources and financial tools
3. Build capacity with non-profit housing and service providers
4. Facilitate and strengthen partnership opportunities
5. Increase advocacy, awareness and education roles



Note to Readers

*The Affordable Housing Strategy features terminology specific to housing policy and city planning in general. Key terms have been bolded, and their definitions can be found in the **Glossary** under **Appendix 2**.*

The City recognizes that a diverse range of housing choices for families and individuals of different incomes and circumstances is essential in creating a well-planned and liveable community in Richmond. While the entire Housing Continuum is referenced in the Affordable Housing Strategy, the strategic directions and associated policies and actions for implementation, specifically focus on transitional and supportive housing, non-market rental housing, and low-end market rental units targeted to the priority groups in need.

The priority groups in need were identified in the Housing Affordability Profile and endorsed by City Council in November 2016:

- Families (including lone-parent families, families with children, and multi-generational families);
- Low and moderate income earners;
- Low and moderate income seniors;
- Persons with disabilities; and
- Vulnerable populations (including households on fixed incomes, persons experiencing homelessness, women and children experiencing family violence, individuals with mental health and addictions issues, and indigenous people).

Among Metro Vancouver municipalities, Richmond is known and respected as a leader in addressing affordable housing issues. As the first municipality in Metro Vancouver to establish an Affordable Housing Reserve Fund for the development of affordable housing units in the mid-1990s, the City has consistently used its local government authority to facilitate the development of affordable housing. Since the first Affordable Housing Strategy was adopted in 2007, the City has been instrumental in supporting the creation of more than 1,500 new affordable homes.

The City cannot solve housing affordability concerns alone, but can play a key role in partnership with the federal and provincial governments, who have the primary responsibility, along with the private and non-profit sectors. The Housing Action Plan sets out actions for implementation that can only be accomplished with the continued involvement of all stakeholders.

The City cannot solve housing affordability concerns alone, but can play a key role in partnership with the federal and provincial governments, who have the primary responsibility, along with the private and non-profit sectors. The Affordable Housing Strategy sets out actions for implementation that can only be accomplished with the continued involvement of all stakeholders.

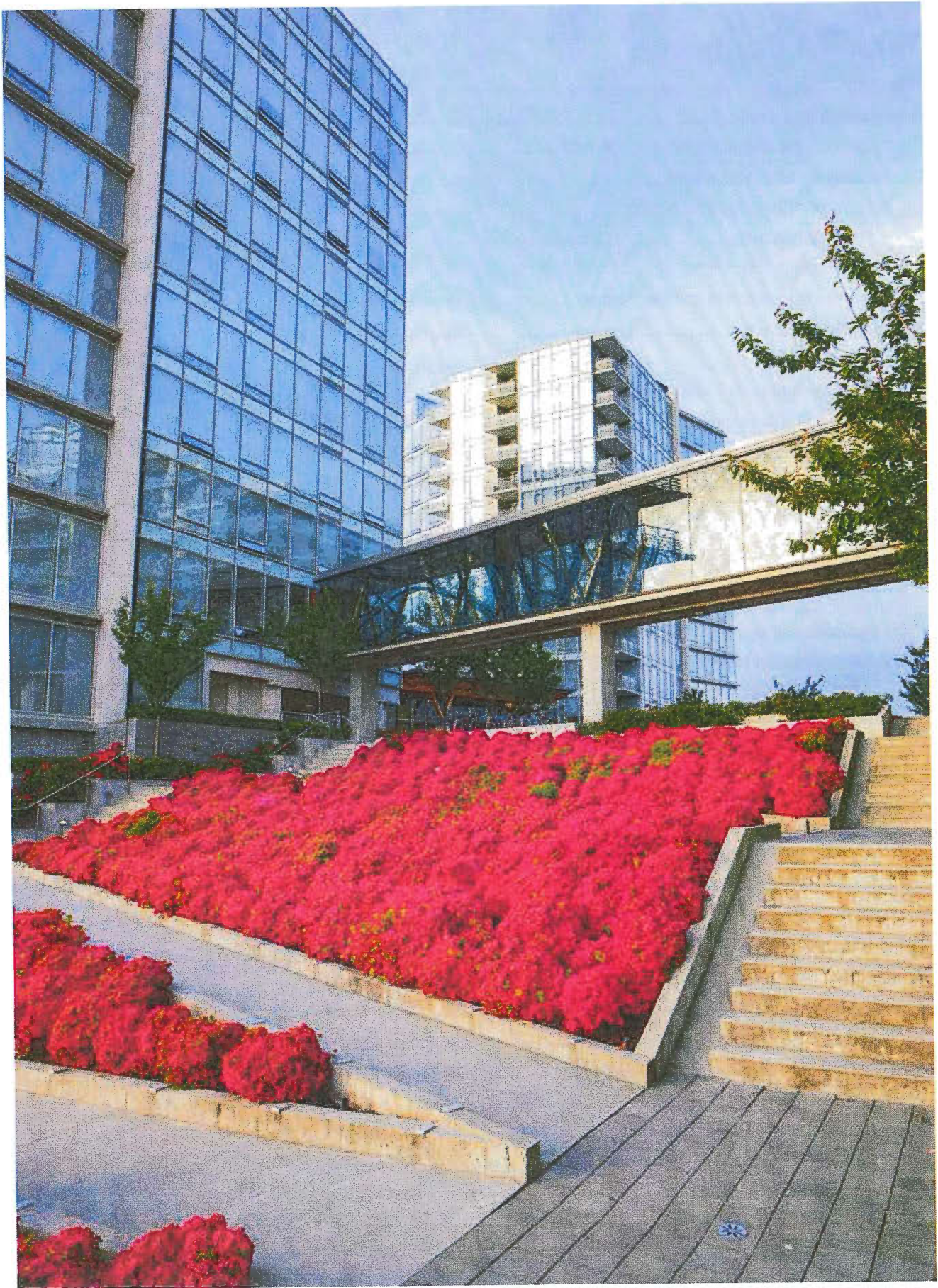


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Introduction and Context

The Affordable Housing Strategy is an action-oriented framework that guides the City's response, within its authority, to maintain and create safe, suitable and affordable housing options for Richmond's residents. The updated Affordable Housing Strategy was developed from a review of existing policies and practices in Richmond, best practice research from other cities, economic analysis, and input from stakeholders and Richmond residents. The multi-phased process to update the Affordable Housing Strategy began in late 2016 with the creation of a Housing Affordability Profile, informed by research and community consultation from stakeholders and the public, which identified key housing needs. A policy review phase followed, which identified potential policy options for addressing housing needs, informed by consultation with stakeholders on the suitability and practicality of proposed policy options. These stakeholder consultations led to the refinement of proposed policy options into final housing policy recommendations, which serve as the basis of the Affordable Housing Strategy.

Some of the trends impacting housing affordability in Richmond include:

- Sustained population growth, with a high rate of growth expected to continue;
- An aging population, which will result in seniors being a much higher proportion of the population in the future;
- Aging rental housing buildings;
- Persistently low vacancy rates (below a healthy rate of 3%);
- Significant and increasing gap between housing prices and household incomes;
- Growing number of households on waitlists for **non-market/social housing**;
- Decreasing number of affordable **family-friendly** housing options; and
- Growing number of individuals experiencing homelessness.

Purpose of the Affordable Housing Strategy

The purpose of the Affordable Housing Strategy is to ensure that the City's response to housing affordability challenges remains relevant and reflects key priority groups in need, as well as housing gaps. Specific elements of the Affordable Housing Strategy include:

- Highlighting past achievements.
- Providing background on past and current housing affordability.
- Identifying key issues, current housing affordability pressures, and priority groups.
- Setting out ways to meet future affordable housing needs.



The Strategy has five strategic directions, with 21 individual policies:

Strategic Direction 1: Use the City's regulatory tools to encourage a diverse mix of housing types

Policies:

- 1.1:** Low End of Market Rental (LEMR) Contribution (Priority)
- 1.2:** Cash in Lieu Contribution (Priority)
- 1.3:** Family-Friendly Housing
- 1.4:** Secondary Suites
- 1.5:** Market Rental Housing
- 1.6:** Basic Universal Housing
- 1.7:** Micro-Unit Rental Housing (Compact Living Rental Units) Policy
- 1.8:** Transit-Oriented Affordable Housing Development Policy

Strategic Direction 2: Maximize use of City resources and financial tools

Policies:

- 2.1:** Use City Land for Affordable Housing (Priority)
- 2.2:** Affordable Housing Reserve Fund (Priority)
- 2.3:** Financial Incentives (Priority)
- 2.4:** Special Development Circumstances and Value Transfer
- 2.5:** Rent Bank Program

Strategic Direction 3: Build capacity with non-profit housing and service provider

Policies:

- 3.1:** Non-Profit Housing Development (Priority)
- 3.2:** Facilitating Stakeholder Partnerships
- 3.3:** Re-new Non-Profit Housing Stock
- 3.4:** Encourage Accessible Housing

Strategic Direction 4: Facilitate and strengthen partnership opportunities

Policies:

- 4.1:** Co-Location of Non Profit and Community Facilities
- 4.2:** Community Land Trust

Strategic Direction 4: Increase advocacy, awareness and education roles

Policies:

- 5.1:** Building Awareness and Information Sharing
- 5.2:** Monitoring and Reporting
- 5.3:** Prepare Position Papers

Companion documents to the Affordable Housing Strategy include:

- Housing Affordability Profile, including a statistical report and a report on consultation activities, which was endorsed by Council in October 2016; and
- Affordable Housing Policy Recommendations Report, which was endorsed by Council in June 2017.

Housing Affordability Defined

Affordability is a relative term linking housing costs to a household's total income. For the purposes of the Affordable Housing Strategy, affordable housing is defined as housing that a single person or household can afford to rent or purchase without spending more than 30% of their before-tax income. For homeowners, these costs include mortgage payments, strata fees, mortgage and home insurance, as well as utilities. For renters, costs include rent and some utilities. The 30% measurement is a common standard for defining affordability nationally and provincially.

A Household is in Core Housing Need if...

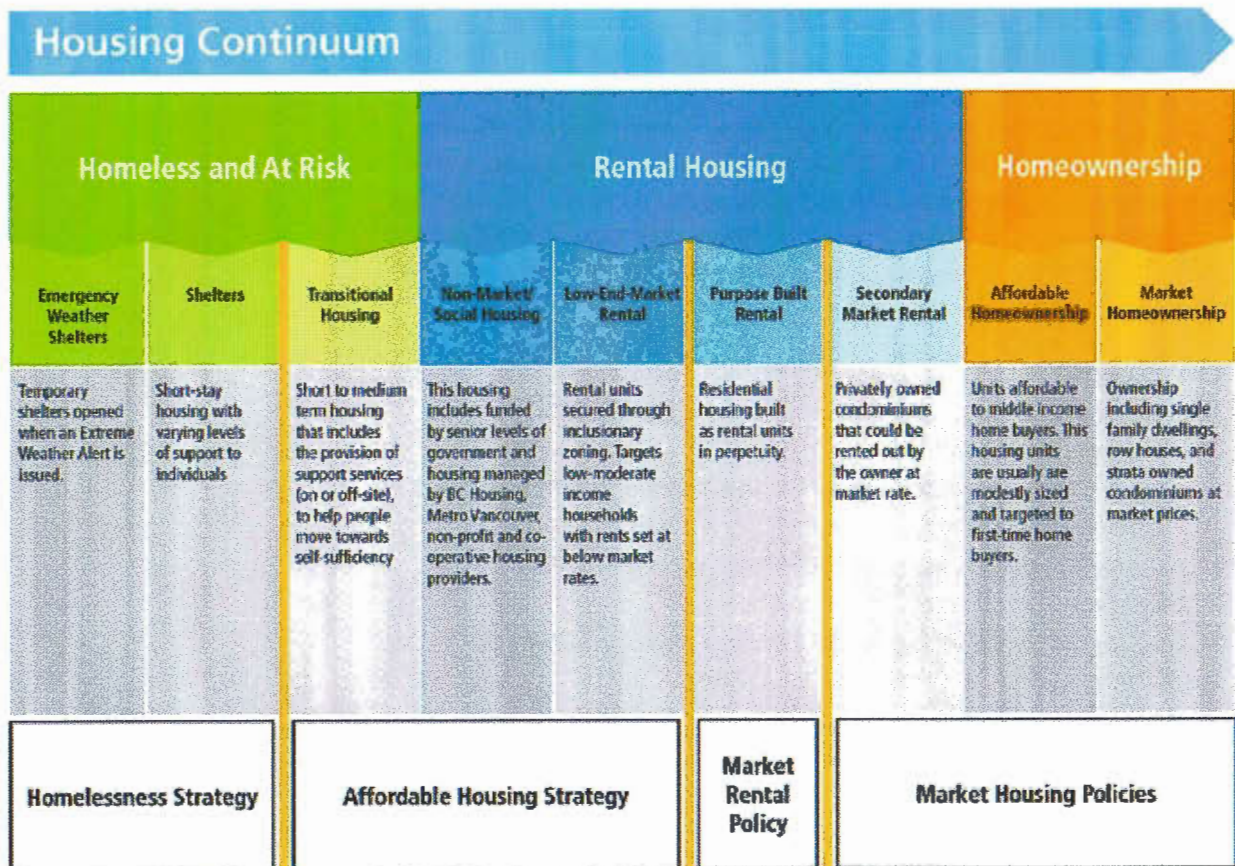
- i. its housing does not meet one or more of the adequacy, suitability or affordability standards, and
- ii. it would have to spend 30% or more of its before-tax income to access acceptable local housing.
 - Acceptable housing is adequate in condition, suitable in size, and affordable.
 - Adequate housing does not require any major repairs, according to residents.
 - Suitable housing has enough bedrooms for the size and makeup of resident households, according to National Occupancy Standard (NOS) requirements.
 - Affordable housing costs less than 30% of before-tax household income

Benefits of Affordable Housing

Affordable housing benefits the entire community by creating:

- Support for economic growth by providing local workers and residents with local affordable housing options;
- Opportunities for households to live and work in Richmond, which may lead to reduced pressure on urban sprawl and traffic congestion;
- Sustainable, resilient, and well-integrated neighbourhoods;
- Social diversity and inclusion by allowing low and moderate income households to find adequate housing within their communities; and
- A healthy environment for families with children to live and thrive in the community.





Housing Continuum

Every household should have access to housing that is affordable, adequate, and suitable for their incomes, household size, and specific needs. The Housing Continuum highlighted in Figure 2 provides a useful framework that identifies the spectrum of options from emergency shelters to market homeownership.

The strategic directions, policies, and actions in the implementation framework specifically focus on the transitional and supportive housing, non-market rental housing, and LEMR sections of the housing continuum, targeted to the priority groups in need.

Alignment with City Policies

The Affordable Housing Strategy aligns with the goals of Richmond's Official Community Plan 2041 — "Moving Towards Sustainability," such as:

- Encourage a variety of housing types, mixes and densities to accommodate the diverse needs of residents;
- Continue to implement the 2007 Richmond Affordable Housing Strategy and update it periodically;
- Support development of a range of housing types (e.g. secondary suites, coach houses, granny flats, live-work, row housing, and affordable housing);

- Encourage partnerships with government and non-governmental agencies to support the creation of affordable, rental, and special needs housing; and
- Support the location of affordable housing choices close to transit, shops and services.

The Affordable Housing Strategy also supports the Social Development Strategy (2013–2022), specifically Strategic Direction #1: Expand Housing Choices.

Figure 3: Key Actors in Community Housing Development



The Role of Government and Key Partners

Federal and Provincial Governments

Historically, the federal government has played a major role in providing subsidized social housing since the 1930s. The federal government drastically cut back funding for social housing and co-operatives in 1993. Currently, the federal government primarily targets funding to urgent priorities, most recently towards homelessness. In April 2017, Canada Mortgage & Housing Corporation (CMHC) committed to spending \$11.2 billion over the next 11 years towards the creation of affordable housing across the country. The first step of the financial commitment is to provide \$2.5 billion over five years in loans and financing for new rental housing construction across Canada. More details are expected to come as the CMHC releases the National Housing Strategy in late 2017.

After the federal funding cuts in the mid-1990s, the provincial government increased its funding for affordable housing, with BC Housing playing the lead role. The development of thousands of shelter beds, as well as transitional and new non-profit housing for seniors, families, and people with special needs has been facilitated across the province through financing, along with rent supplements for seniors and working families with low incomes for use in the private rental market. More recently, the government committed to develop 114,000 affordable housing units over the next 10 years.





Metro Vancouver Regional District

Metro Vancouver maintains the Regional Growth Strategy and the Regional Affordable Housing Strategy to guide growth in the region and encourage affordable development. Metro Vancouver also owns and operates affordable housing units through the Metro Vancouver Housing Corporation.

The Regional Growth Strategy is a consensus-based document in which all municipalities agree to be guided by the same set of principles. The Regional Growth Strategy does not directly provide tools or strategies to provide affordable housing, but it does require municipalities to respond to the goal areas in their Official Community Plans called Regional Context Statements.

The Regional Growth Strategy plots out population trends until the year 2040, and the corresponding number of housing units needing to be built in each municipality to house 1 million additional people in the region between 2011 and 2040.

Metro Vancouver continues to be one of the most dynamic urban areas in Canada with a growth rate of approximately 5% between 2011 and 2016, which is similar to Richmond. In terms of projected population increases, Richmond's 2016 population was 213,891 and is estimated to grow to approximately 280,000 by 2041.

This population growth translates into increased demand for housing. The Regional Affordable Housing Strategy provides estimates for municipal housing demand for the next 10 years. These estimates provide guidance to municipalities in their long range planning. The Regional Affordable Housing Strategy also provides a vision, goals, strategies and recommended actions for key housing stakeholders. While recognizing a range of rental and homeownership options in a variety of forms, sizes and price points are important to support economic growth and the development of complete communities, the Regional Affordable Housing Strategy focuses primarily on:

- Rental housing (both market and non-market);
- Transit oriented affordable housing developments; and
- The housing needs of very low and low income households (e.g. households earning approximately \$30,000 annually, and between \$30,000 and \$50,000 annually).

Municipalities

Shifting federal and provincial government roles have continued to place considerable pressure on municipalities to become more active in providing and facilitating affordable housing. These additional roles include:

- Various fiscal measures, such as the use of municipal land, direct funding, and relief from various fees and charges (e.g. development cost charges, community amenity charges);
- Regulatory policies to mandate affordable housing, such as the Inclusionary Housing Policy;
- Education and advocacy to help raise community awareness of local affordability issues, and to encourage an increased role and greater support by senior governments to address affordability challenges; and
- Direct provision of affordable housing either through a civic department or agency, such as a municipal housing authority;

The City of Richmond has long acknowledged that providing a range of affordable and diverse housing types for all residents is an important part of creating a liveable community and has made considerable financial and land contributions to affordable housing development since 2007. See the Richmond's Response section (p.x) for more detailed information.

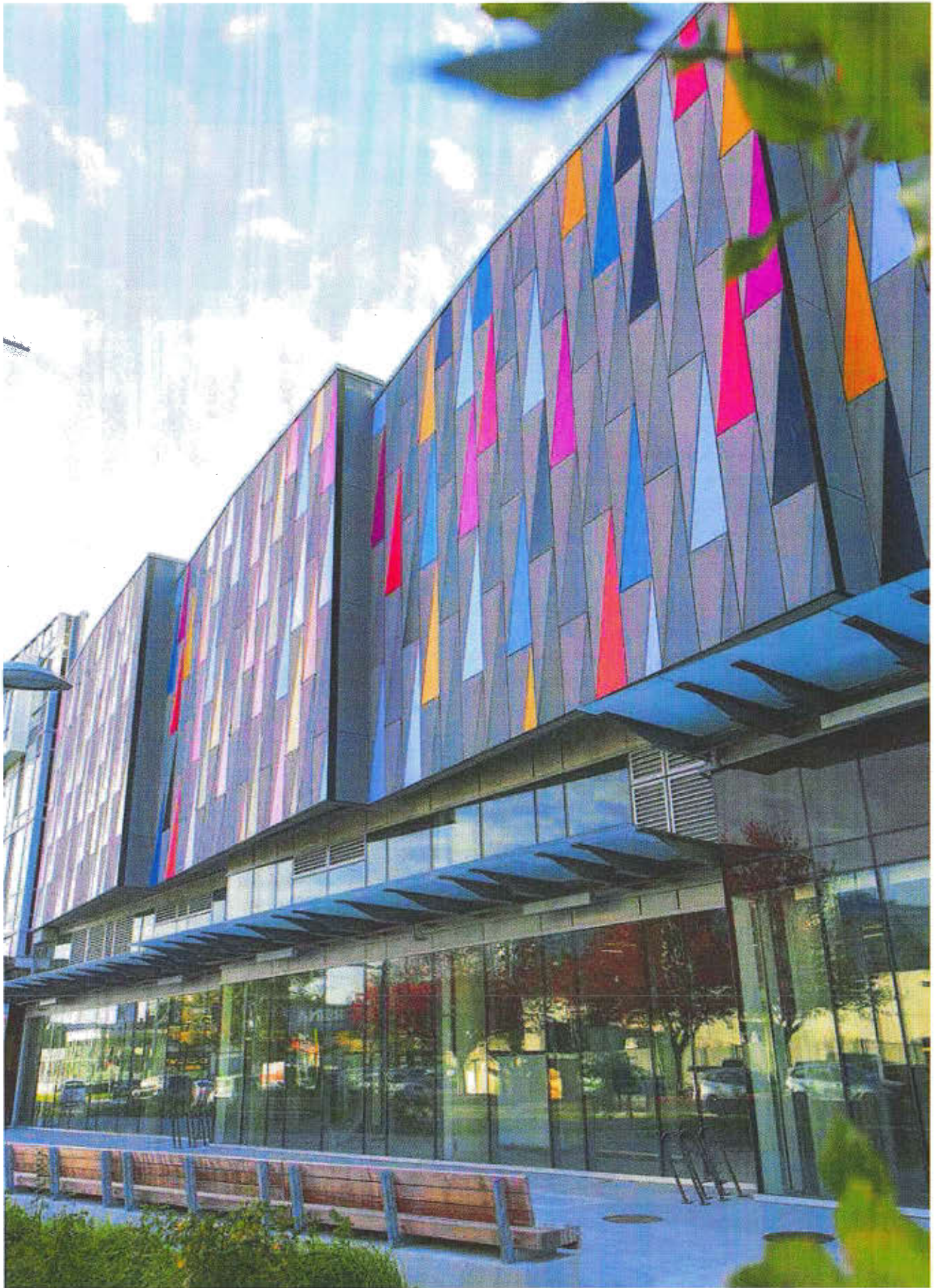
Private Sector

This sector includes landowners, developers and builders, investors, and landlords, and is responsible for the development, construction, and management of a range of housing forms and tenures, including ownership and rental. The private sector works closely with local governments to provide a range of housing choices aimed at addressing short and longer term local housing needs and demand. Since other levels of government have stepped away from providing housing directly, the private sector has been increasingly involved in providing the majority of rental units across Canada. **Secondary suites** are one significant example of private rental housing.

Non-Profit Sector

The non-profit housing sector creates and manages housing units that rent at low-end of market and below market rates and may include support services (e.g. life skills, employment training). The sector includes community-based non-profit organizations that typically receive some form of financial assistance from other levels of government to enable them to offer affordable rents. Currently, this financial assistance is in the form of **reduced-rate mortgages** and capital grants, but does not involve ongoing operating subsidies.





Richmond’s Response

Among Metro Vancouver municipalities, Richmond is known as a leader in addressing affordable housing issues. After being the first municipality in the region to establish an Affordable Housing Reserve Fund in the mid-1990s, the City has consistently used its local government authority to facilitate the development of affordable housing. Appendix B provides a comparison of Richmond’s affordable housing initiatives and selected municipalities in Metro Vancouver.

The City acknowledges that it cannot solve housing affordability issues on its own; however, the City can play a key role within its authority in partnership with other levels of government, and the private and non-profit sectors to response to local affordability challenges. Key elements in the City’s response continue to include:

- Affordable housing policy development;
- Strategic review and planning on specific projects and issues;
- Utilizing the Affordable Housing Reserve Fund to provide funding to specific affordable housing projects;
- Strategic land acquisition and below market rate leasing of City-owned land for non-profit managed affordable housing; and
- Providing capital funding and facilitating the development of innovative affordable housing projects.

The City continues to monitor housing issues and trends and examine best practice affordable housing policies, programs, and regulations used in other municipalities and their potential application to Richmond.

Highlights

Since the City’s first comprehensive Affordable Housing Strategy was adopted in 2007, the City, in partnership with other stakeholders, has been instrumental in supporting the creation of more than 1,500 new affordable homes for residents. Figure 4 highlights this investment in affordable housing.

Figure 4:

Year to date summary of projects approved through development	
Subsidized Rental/Non-Market Housing	477
Affordable Rental (LEMR)—Secured with Housing Agreement	429
Market Rental	411
Entry Level Home Ownership	19
Secondary Suite/Coach House	229
Annual Total of Units Resulting from AHS	1,565



Figure 5 highlights a timelines of major achievements in affordable housing development from 2007–present.

Figure 5

2007	Affordable Housing Strategy Adopted
2007	Richmond Formalizes Inclusionary Zoning / Density Bonusing approach to secure affordable Housing
2008	Richmond Secures first Low-End Market Rental Units at 6888 Cooney Rd
2009	Richmond Secures the 100th LEMR Unit
2010	Richmond Secures the 250th LEMR Unit
2011	Storeys Partnership formed to develop 129 units for low income residents
2012	Council approves financial & policy considerations for Kiwanis Towers seniors' housing development
2013	Partnership for Cadence units featuring affordable housing and daycare formed
2014	Richmond Secures the 400th LEMR Unit
2015	Kiwanis Seniors Housing is approved for occupancy
2016	Council approves development cost charge waiver grant towards the Habitat for Humanity project for 12 affordable housing units
2017	Cadence housing development for female-led, lone-parents families with adjacent child care is approved for occupancy
2017	Storeys affordable housing project for vulnerable residents is approved for occupancy
2017	Updated Affordable Housing policy recommendations adopted by Council

As shown in Figure 5, the City has facilitated and approved over 1,500 affordable housing units since adoption of the Affordable Housing Strategy in 2007. Appendix D shows a map of the over 400 Low-End Market rental units that are approved or in the process of being approved as of 2017.

Case Studies: Kiwanis Towers, Cadence, and Storeys

The City implemented tools outlined in the 2007 Affordable Housing Strategy to facilitate partnerships and support the development of three innovative affordable housing projects for low-income and vulnerable households. These projects include Kiwanis Towers, Cadence and the Storeys projects. The success and lessons learned from these projects have been integrated into the new Affordable Housing Strategy.

Below are brief summaries for each project, with full descriptions provided in Appendix C.

Kiwanis Towers	
Project Goal	Replacement of aging seniors' housing development and redevelop an underutilized site to meet the needs of a growing seniors population
Stakeholders Involved	City of Richmond, BC Housing, CMHC, Kiwanis Senior Citizens Housing Society, Polygon Homes Ltd
City Policies & Strategies Used	<ul style="list-style-type: none"> ▪ Affordable Housing Value Transfers (AHVT) ▪ Affordable Housing Reserve Fund
City Contribution	\$24.1 million
Unit Types	296 units (all 1BR units)
Groups Served	Low-income senior households
Completion Date	Summer 2015



Storeys	
Project Goal	Use City-owned site to provide non-market/ subsidized housing opportunities for some of Richmond's most vulnerable residents
Stakeholders Involved	City of Richmond, BC Housing, CMHC, Service Canada, and a non-profit consortium: consisting Coast Mental Health, Tikva Housing, S.U.C.C.E.S.S, Turning Point Housing Society and Pathways Clubhouse Society of Richmond
City Policies & Strategies Used	<ul style="list-style-type: none"> ▪ Use of City-owned land ▪ Significant City contribution towards capital construction costs, development cost charges, permit fees and servicing costs ▪ Affordable Housing Reserve Fund ▪ Affordable Housing Value Transfers (AHVT)
City Contribution	\$19.8 million and the long-term lease of City-owned land
Unit Types	129 units (including studio, 1BR, 2BR and 3BR)
Groups Served	Low-income families, female-led families, individuals at-risk of homelessness, individuals with mental health and/or addictions challenges, low-income seniors
Completion Date	Fall 2017



Cadence	
Project Goal	Use of inclusionary housing policy and targeting units for female-led lone-parent families at non-market rental level
Stakeholders Involved	City of Richmond, Atira Women's Resource Society, Cressey Developments
City Policies & Strategies Used	<ul style="list-style-type: none"> ▪ Inclusionary Housing & Density Bonusing ▪ Affordable Housing Special Development ▪ Partnership with non-profit agency and private sector
City Contribution	In exchange for an increase in density, the development was permitted to cluster the affordable housing built contribution on site, which provided an opportunity for a non-profit to manage the units and provide housing and additional supports to a priority group in need
Unit Types	15 units (1 studio, 14 2BR)
Groups Served	Female-led lone-parent families
Completion Date	Summer 2017





Regent
Place
11131 NO.1 ROAD

Consultation and Research

The strategic directions, policies, and actions outlined in the Affordable Housing Strategy are built upon the successes of the 2007 Affordable Housing Strategy. Considering there are many facets to housing affordability with numerous stakeholders involved, the update to the 2007 Affordable Housing Strategy started with a consultation process with Richmond residents, the private sector, non-profit housing and service providers, and representatives from other levels of government to determine current housing needs and trends.

Consultation

Consultation began in May 2016 and included “pop-up” events throughout Richmond, stakeholder workshops and meetings, and a public open house. In June 2017, targeted consultation took place with key stakeholders, including workshops with for-profit housing developers, and non-profit housing organizations. One-on-one meetings were held with senior government and quasi-government representatives. The City also received written feedback through an online survey and comment forms at the “pop-up” events and open house.

Other activities used to develop the Affordable Housing Strategy included:

- Development of a Housing Affordability Profile (endorsed by Council in November 2016), which identified key housing gaps and priority groups in need of housing;
- Examining the City’s existing policy tools and a best practice assessment of additional policy options;
- Undertaking economic analysis by two external land economists that reviewed recommended policy actions (final policy recommendations approved by Council in July 2017); and
- • Reviewing strategic directions and preparing a supporting implementation framework, to be addressed in the next section of the Affordable Housing Strategy.

Research

In addition to the consultation process, a review of key statistics and data was conducted to identify groups in need and housing gaps in the community. The information was compiled in a Housing Affordability Profile (endorsed by Council in November 2016), providing an overall picture of the community need and gaps in Richmond.

A key indicator of housing need is the percentage of households that are spending 30% and 50% or more of their income on housing costs. The table below shows that Richmond renters were more likely to be spending greater than 30% of their income on housing than owner households, meaning that their current housing situation is not affordable. The data also showed that a higher proportion of renters were spending 50% or greater of their household



income on housing.

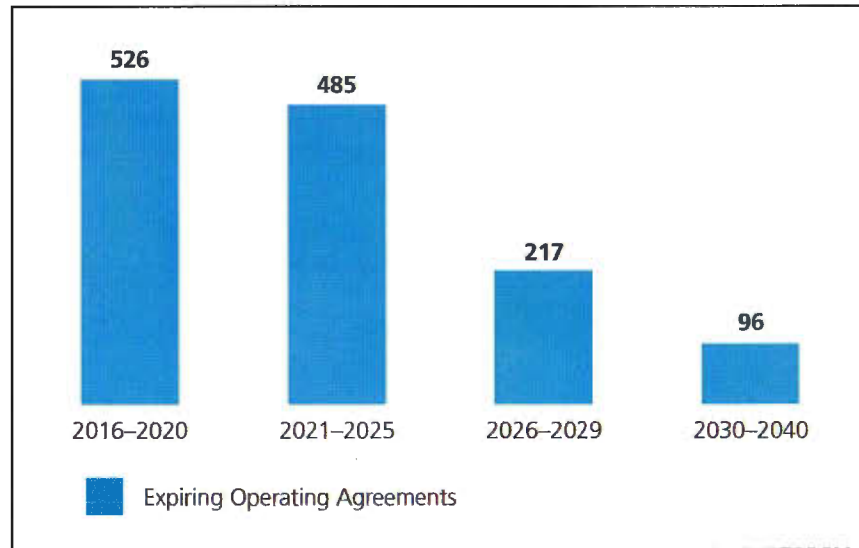
Table 1: Households Spending 30% or More on Housing Costs (2011 Census Data)

Richmond Residents	Spending 30% or more on Housing Costs			Spending 50% or more on Housing Costs		
	Total # Housholds	# of housholds in Core Need	% of housholds in Core Need	Total # Housholds	# of housholds spending 50%	% of housholds
Renters	13,455	4,485	33.3%	13,455	1,805	13.4%
Owners	47,885	7,440	15.5%	47,885	3,515	7.3%

Source: Metro Vancouver Housing Data Book, July 2017

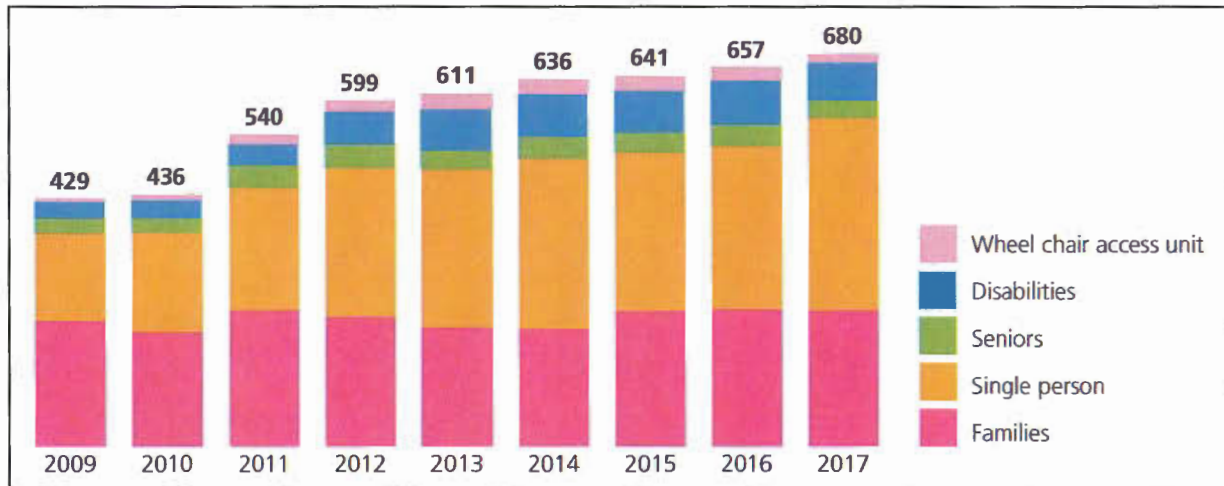
Another critical issue impacting housing affordability is the expiry of **operating agreements** for 1,276 non-market/social housing units in the city, with a majority of units expiring between 2016 and 2020. Additionally, the waitlist for households in need of this type of housing has grown annually with 680 persons on the BC Housing Registry (as of 2017). The waitlist includes a high proportion of families and persons with disabilities, pointing to a need for affordable family-friendly and accessible housing in the community.

Figure 5: Units Impacted by Expiry of Operating Agreements by Expiry Year



Source: Metro Vancouver, 2017, Housing Data Book.

Figure 6: Richmond Households on Social Housing Waitlists by Household Type



Source: Metro Vancouver, 2017, Housing Data Book.

Persistently low vacancy rates, far below what is considered to be a ‘healthy’ rental market (3%) and a growing gap between increasing rents and stagnant incomes have led to a critical situation for all renter households in Richmond.

Based on Metro Vancouver Regional Affordable Housing Strategy housing demand estimates, 10,800 ownership homes and 3,200 rental homes will be needed in Richmond by 2026 to meet the projected population growth.

Table 2: Housing Demand Estimates by Tenure and Household Income Levels

Housing Type	Demand Estimates (2016–2026)	Annual Estimated Demand	Corresponding Annual Household Incomes
Rental — Very low income	1,300	130	<\$30,000
Rental — Low income	700	70	\$30,000–\$50,000
Rental — Moderate income	600	60	\$50,000–\$75,000
Rental — Above average income	300	30	\$75,000–\$100,000
Rental — High Income	300	30	>\$100,000
Homeownership	10,800	1,080	*varies

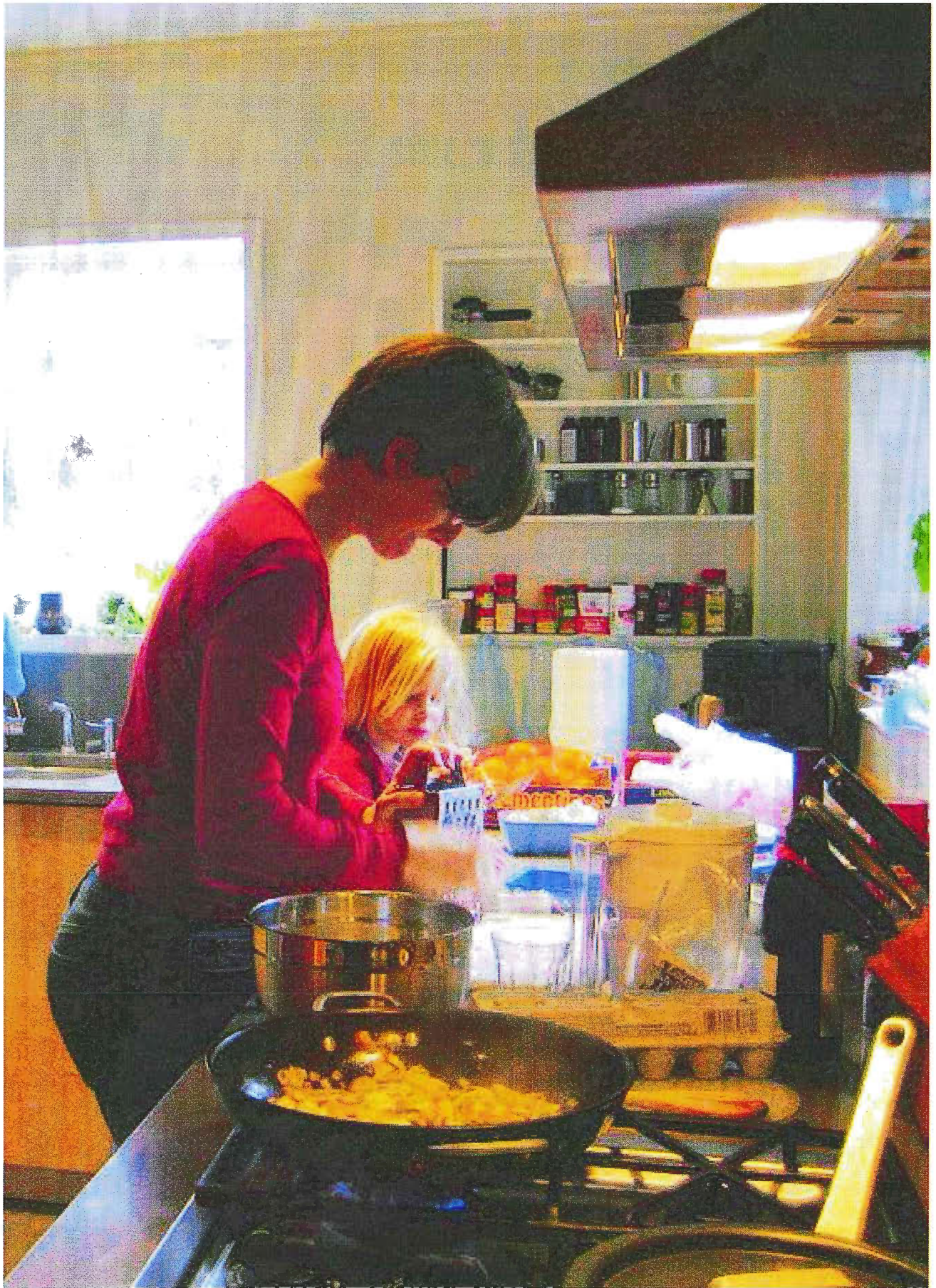
*Metro Vancouver anticipates that many households of all income ranges will continue to make necessary trade-offs in order to purchase a home.

Source: Metro Vancouver, Regional Affordable Housing Strategy

The Regional Affordable Housing Strategy acknowledges that meeting estimated demand for very low-income and low-income households will require funding from the federal and provincial governments. The City can play a key role in securing units for low-to-moderate income households, however this will in part depend on the number of development applications received.

The implications of not meeting housing demand for different household types and income levels in Richmond have greater community impacts, such as the recent trend of decreasing enrolment in public schools and the growing number of individuals experiencing homelessness in the city. The trends indicate a need for more opportunities for families and other low-income/vulnerable households to find suitable, affordable housing in Richmond.





Housing Action Plan Priorities

Using demographic data and feedback from community consultation, priority groups in need of housing and associated housing gaps were identified. Understanding the priority groups and housing gaps in Richmond have helped create and enhance the policies presented in the Housing Action Plan to better respond to the housing need in the community.

Table 3: Priority Groups and Housing Gaps

Priority Groups	Identified Housing Gaps*
Families, including lone-parent families, families with children, and multigenerational families.	<ul style="list-style-type: none"> ▪ Family-friendly 2-3 bedroom units ▪ Low-end of market rental housing ▪ Purpose built rental housing
Low and moderate income earners, including seniors, families, singles, couples, students, and persons with disabilities.	<ul style="list-style-type: none"> ▪ Low-end of market rental housing ▪ Purpose built rental housing
Persons with disabilities.	<ul style="list-style-type: none"> ▪ Accessible, Adaptable, and VISIBLE Housing ▪ Low-end of market rental housing
Low- and moderate-income seniors.	<ul style="list-style-type: none"> ▪ Low-end of market rental housing
Vulnerable populations, including households on fixed incomes, persons experiencing homelessness, women and children experiencing family violence, individuals with mental health/addiction issues, and indigenous people	<ul style="list-style-type: none"> ▪ Low-barrier housing* ▪ No-barrier housing* ▪ Non-market housing for singles, couples, & families

*Endorsed by Richmond City Council in November 2016 as part of the Richmond Housing Affordability Profile





Strategic Framework

The Affordable Housing Strategy sets out specific strategic directions that the City will take to address housing affordability that respond to the identified housing priority groups in housing need. The framework supports the City of Richmond's overall balanced approach to securing cash contributions to support the creation of non-market rental units and securing built **low-end market rental (LEMR)** units through development. The strategic directions will include corresponding policies and actions for implementation.

Vision

Ensure that Richmond remains a liveable, sustainable community and that the City continues to take an active role to maintain, create, and facilitate diverse and affordable housing choices for current and future residents.

Strategic Direction 1: Use Regulatory Tools to Encourage a Diverse Mix of Housing Types and Tenures

The City's most effective tool within its legislative authority to address housing affordability is long-term land use planning and the review of development applications to ensure that a diverse mix of housing types and tenures are available. In addition, the City can require developers to make a contribution towards affordable housing in exchange for additional density beyond what is permitted in the Zoning Bylaw.

Policies:

1.1: Low End of Market Rental (LEMR) Contribution (Priority)

LEMR units are secured as affordable in perpetuity through legal agreement on title, which restricts the maximum rents and tenant eligibility by income. This policy is intended to ensure the development of mixed income communities and provide rental homes for low-moderate income households.

1.2: Cash-in-Lieu Contribution (Priority)

Developers provide a cash-in-lieu contribution when the threshold for built LEMR units is not met. These contributions are collected in the Affordable Housing Reserve Fund. The Fund is intended to support the development of innovative affordable housing projects, such as the Kiwanis Towers and Storeys project.

1.3: Family-Friendly Housing

Family-friendly housing meets the needs of families, including but not limited to the appropriate number of bedrooms. This policy is intended to ensure that housing appropriate for families continues to be available in Richmond so that households can remain within their community as they grow.



1.4: Secondary Suites

Secondary suites are self-contained units within single-family houses and townhouses that may be rented at market rates. This policy is intended to ensure densification in single-family neighbourhoods and to provide more rental options for low and moderate income households.

1.5: Market Rental Housing

Market rental housing is purpose-built rental housing in the private market. The City is undertaking a separate but complementary process aimed at increasing the supply of purpose-built market rental. The Official Community Plan encourages a 1:1 replacement when existing rental housing in multi-unit developments are converted to strata or where existing sites are rezoned for redevelopment. The goal of this policy is to create more rental options for moderate income households in Richmond who may not qualify for non-market/low-end market rental units, while protecting the existing rental stock. The policy will also propose mechanisms to protect tenants who may be displaced during redevelopment/renovation of existing rental housing.

1.6: Basic Universal Housing

Basic universal housing includes accessibility features, such as wider doorways and accessible windows and outlets/switches for individuals in a wheelchair. Currently, the City provides a floor area exemption for residential units that incorporate basic universal housing features in new developments. This policy is intended to help increase the availability of accessible and affordable units for persons with mobility challenges.

1.7: Micro-Unit Rental Housing (Compact Living Rental Units)

Micro-units are self-contained units that are smaller in size than typical units. The goal of this policy is to increase the diversity of unit types that are available in Richmond, and provide an affordable option in the private or rental market.

1.8: Transit-Oriented Affordable Housing Development

The Regional Affordable Housing Strategy promotes the development of affordable rental housing units in close proximity to transit, as the location may provide better access to community benefits and cost-savings to low and moderate income renter households. The goal of this policy is to increase the amount of affordable units located in close proximity to the Canada Line and along Frequent Transit Routes on major arterial roads.

Strategic Direction 2: Maximize Use of City Resources and Financial Tools

The City can make use of its resources, including land and cash contributions gained through development, to best address the needs of Richmond's residents. To maximize the use of funds generated in the Affordable Housing Reserve Fund, the City can direct its resources towards innovative affordable housing partnership projects. In addition, the City can utilize financial tools within municipal jurisdiction to mitigate costs associated with the development of affordable housing, such as waiving permit fees and development charges.

Polices:

2.1: Use City Land for Affordable Housing (Priority)

Federal and provincial investment in affordable housing is primarily directed towards partnership projects and municipalities are increasingly encouraged to provide municipally-owned land to support these projects. The goal of this policy is to ensure that the City continues to acquire land for the purposes of affordable housing and is made available to capitalize on potential partnership opportunities for the development of new affordable housing projects. Affordable housing units can include a variety of rents including non-market rate rents, rents at income-assistance levels, low-end market rents, or a mix to encourage cross-subsidization within a development.

2.2: Affordable Housing Reserve Fund (Priority)

As part of the current cash-in-lieu contribution policy, cash contributions towards affordable housing are collected through rezoning applications involving townhouses, single-family and apartment developments with 60 units or less. The contributions are held in the Affordable Housing Reserve Fund, and the policy sets out spending priorities of the fund to ensure that cash contributions are used to create affordable housing units or purchase land for affordable housing projects.

2.3: Financial Incentives (Priority)

Under municipal jurisdiction, the City can waive development cost charges and municipal planning and permit fees for affordable housing developments. Some municipalities offer property tax exemptions of non-market/social housing developments. The goal of this policy is to minimize the costs associated with affordable housing development for non-profit housing providers.

2.4: Affordable Housing Special Development Circumstances and Value Transfer

The Special Development Circumstance allows developers to transfer the value of their built LEMR requirement to an offsite, stand-alone affordable housing development. The goal of this policy is to ensure sufficient financial support for stand-alone affordable housing developments and to increase the number of non-profit driven projects in Richmond.



2.5: Rent Bank Initiative

A rent bank allows municipalities to work with community non-profit organizations to provide one-time loans/grants to low-income households who are not able to make their rent due to financial hardship or other factors. The goal of this program is to ensure households are able to remain in their home if they are experiencing a temporary financial crisis or shortage of funds.

Strategic Direction 3: Build Capacity with Non-Profit Housing and Service Providers

Non-profit organizations play a critical role in meeting the needs of groups or households that may experience barriers to housing or are considered vulnerable. Non-profit housing providers have expertise in tenant qualification and selection as well as ongoing occupancy management. Further, wraparound services such as employment training, education, addictions recovery, and immigration services can be integrated into housing projects. This strategic direction ensures that City will continue to empower non-profit housing and social service providers, as they have the mandate and capacity to support tenants in achieving successful housing outcomes.

Policies:

3.1: Non-Profit Housing Development (Priority)

Non-profit housing and service providers continue to express interest in becoming more active in housing provision in Richmond, specifically with partnership projects and the potential ownership and management of affordable housing units secured through development. The purpose of this policy is to facilitate the creation of non-market and non-profit driven housing developments and to increase the opportunities for non-profit housing providers to own or manage affordable housing units in Richmond.

3.2: Facilitating Stakeholder Partnerships

The City can play an active role in facilitating relationships between developers and non-profit housing providers when LEMR units are secured through development. Non-profit housing providers have the mandate to provide affordable housing to households in need, and have the capacity and expertise to select/screen tenants and provide management services that support tenants to achieve housing stability. The goal of this policy is to increase the non-profit ownership and management of LEMR units secured in residential developments to ensure the occupancy management practices are aligned with the values and intent of the LEMR policy.

3.3: Re-new Non-Profit Housing Stock

Many non-profit and social housing buildings are aging and approaching the end of their operating agreements with the federal government. In these cases, the federal or provincial governments are providing operating funding so the non-profits can subsidize the rents for households in need. Upon expiry, many developments may face significant costs associated with major repairs/upgrades and ongoing costs necessary to subsidize rents. In some cases, the costs may be too high and the developments may consider redevelopment of their housing stock to generate additional revenue. The purpose of this policy is to support organizations to renew ageing non-market housing buildings and to ensure that this supply of affordable housing is maintained in the community.

Strategic Direction 4: Facilitate and Strengthen Partnership Opportunities

As a leader, the City is well-positioned to facilitate partnerships among key stakeholders to encourage the development of affordable housing. This strategic direction guides the City to capitalize on partnership opportunities ensuring that additional affordable housing options for priority groups in need are available, in addition to units secured through development contributions.

Policies:

4.1: Co-Location of Non Profit and Community Facilities

The co-location of community facilities with affordable housing on one site may provide tenants with improved access to important community amenities, such as child-care, health and wellness services, education, recreation and training services. The goal of this policy is to increase the access to important services for the priority groups in need in affordable housing developments. This policy can also have positive impacts on creating community and increased social interaction between building and neighbourhood residents.

4.2: Community Land Trust

A community land trust is one method of ensuring the long-term affordability of land for non-profit housing providers through ground-leases. The trust acts as a community-based organization that acquires land and removes it from the private rental market, and leases it to non-profit housing providers for affordable housing projects. The intention of this policy is to explore options to maintain affordability in Richmond and explore opportunities to work with community land trusts in Richmond. This policy would not involve City-owned land.



Strategic Direction 5: Increase Advocacy, Awareness and Education Roles

As local governments are increasingly involved in addressing housing affordability, the City is in a position to communicate and advocate on behalf of its residents and key stakeholders to address Richmond's housing affordability needs. As the federal and provincial governments continue to have the primary responsibility for providing affordable housing, this strategic direction ensures that City plays an active role in bringing awareness to the housing issues faced by residents and stakeholders in the community, and is able to advocate for increased resources and funding.

Policies:

5.1: Building Awareness and Information Sharing

Regular reporting to Council and the public on housing achievements keeps the City accountable to meeting its targets. The purpose of this policy is to monitor the progress of affordable housing development in Richmond and to provide information on the changing housing affordability needs in the community.

5.2: Position Papers

Position papers provide background information on housing affordability needs and innovative municipal policies and projects. The goal of this policy is to inform other stakeholders, municipalities, and the provincial and federal governments of best practice policies and projects originating in Richmond.



Actions for Implementation

The Affordable Housing Strategy provides a foundation for work that can be implemented over the next 10 years. The Implementation Framework sets out more than 60 specific actions in a work-plan to meet the intent of strategic directions over the 2017–2027 timeframe. Bi-annual progress reports will be presented to Council and shared with key stakeholders to report out on what has been accomplished.

Dedicated resources, including City staff time and financial contributions will be required to meet the demands of implementing the plan. Overall, a partnership approach, requiring federal and provincial governments, Richmond residents, non-profit organizations, and the private sector is needed to address the complexity of housing affordability.

While the Affordable Housing Strategy recognizes other aspects of the Housing Continuum, the strategic directions, policies, and actions in the Implementation Framework specifically focus on transitional and supportive housing, non-market rental housing, and LEMR targeted to the priority groups in need. Within this context, the Implementation Framework is presented with a suggested timeline for each policy action.



Strategic Direction 1: Use Regulatory Tools to Encourage a Diverse Mix of Housing Types and Tenures

1.1 Low End of Market Rental (LEMR) unit contribution

Actions:

1-3 years

- Amend the LEMR policy to include: increase the built affordable contribution from 5% to 10% of total residential floor area, decrease in the threshold from 80 units to 60 units, flexibility to cluster or disperse LEMR units, and set minimum unit size targets so the LEMR units are not smaller than the average size of a comparable market unit in the development
 - Update Housing Agreements to set maximum household income thresholds and rents at 10% below BC Housing Income Limits for LEMR units
- Set a target of securing 80-100 LEMR units per year
- Review best practices for occupancy management of units secured through development, and work with other municipalities in Metro Vancouver to explore a coordinated approach

Ongoing

- Review the LEMR program, including maximum household income thresholds and rents bi-annually
- Review the overall built LEMR contribution and threshold requirement and assess with changing market conditions bi-annually
- Review occupancy management challenges and opportunities as they arise, and review policies regularly to ensure issues are addressed

1.2 Cash-in-Lieu Contribution

Actions:

1–3 years

- Increase the cash-in-lieu contributions from \$2 square feet (ft²) to \$4 ft² for detached homes, from 4 ft² to \$8.5 ft² for townhouses, and from \$6 ft² to \$10 ft² for wood frame multi-family developments, and from \$6 ft² to \$14 ft² for concrete multi-family development

Ongoing

- Continue to accept cash contributions for all townhouse developments and multi-family developments below the 60 unit threshold
- Review and examine cash-in lieu contributions and assess with changing market conditions bi-annually
- Work collaboratively to help ensure other levels of government funding is directed towards non-market housing development, lowering the rents of LEMR units, or creating additional units above the 10% City requirement

1.3 Family-friendly Housing

Actions:

1–3 years

- Adopt policy to require a minimum of 15% two bedrooms and 5% three plus bedrooms for all units secured through development to accommodate low-to-moderate income families
- Consider implementing the following targets in developments providing 30+ LEMR units:
 - 10% studio
 - 30% one-bedroom
 - 30% two-bedrooms
 - 30% three plus bedrooms

4–6 Years

- Monitor the success of the policy and consider applying the same percentages of family-friendly units in all market developments

Ongoing

- Review family-friendly policy for LEMR units secured through development and assess with changing market conditions bi-annually



1.4 Secondary Suites

Actions: 1–3 years

- For single-family rezonings, continue to review development applications and secure one of the following: (a) secondary suites on 100% of new lots developed, (b) secondary suites on 50% of new lots developed and a cash contribution on the remaining 50% of new lots created, or (c) a cash contribution on 100% of the new lots developed
- As part of the forthcoming Market Rental Policy, consider implementing a policy to facilitate “lock-off suites,” or secondary suites, in townhouse developments

1.5 Market Rental Housing

Actions: 1–3 years

- As per the forthcoming Market Rental Policy, continue to require replacement of existing market rental housing lost through redevelopment or stratification as LEMR units
- As per the forthcoming Market Rental Policy, consider policy options to protect existing market rental housing stock and tenants from displacement due to renovation/redevelopment
- As per the forthcoming Market Rental Policy, consider policy options to increase the supply of market rental units in Richmond

1.6 Basic Universal Housing

Actions: 1–3 years

- Set a target of securing 85% of all LEMR and non-market units as Basic Universal Housing

Ongoing

- Continue to secure LEMR and non-market units with Basic Universal Housing features
- Continue to encourage market developments be built with Basic Universal Housing features
- Facilitate potential partnerships with non-profit housing providers and developers in the pre-application/rezoning stage of development to ensure that some LEMR units are designed with adaptable features to support the priority groups in need (i.e. persons with disabilities)

1.7 Micro-Unit Rental Housing (Compact Living Rental Units)

Actions:

1–3 years

- Develop policy to determine appropriate locations, livability regulations and any other requirements for micro-units in Richmond
- Look at best practices where micro-units have been implemented successfully in developments in other jurisdictions

4–6 Years

- Explore a potential pilot project involving micro-units if consistent with affordability goals

1.8 Transit-Oriented Affordable Housing Development

Actions:

1–3 years

- Revisit parking requirements for LEMR units located along the Frequent Transit Network

7–10 Years

- Explore opportunities to acquire land along the Frequent Transit Network (e.g. close proximity to the Canada Line) for an affordable housing project

Ongoing

- Continue to encourage diverse forms of housing along the Frequent Transit Network
- Consider further parking relaxations for non-profit owned projects along transit corridors oriented towards persons with special needs or low-income



Strategic Direction 2: Maximize use of City Resources and Financial Tools

2.1 Use of City Land for Affordable Housing

Actions:

1–3 years

- Review affordable housing land acquisition needs during the annual review of the City's Strategic Real Estate Investment Plan

4–6 Years

- Explore opportunities to secure a site for transitional housing project (bridging the gap between the emergency shelter and permanent supportive housing)

7–10 Years

- Explore opportunities to develop an affordable family-friendly housing project on City-owned land
- Explore opportunities to secure a site for a permanent supportive housing project

Ongoing

- Consider to look for opportunities to allocate City-owned land specifically for the use of affordable housing development
- Review practices around use of City-owned land to achieve affordable housing objectives



2.2 Affordable Housing Reserve Fund

Actions:

1–3 years

- Set a target of securing \$1.5 million in developer cash contributions annually in order to support affordable housing projects and leverage partnership opportunities

4–6 Years

- Review Affordable Housing Reserve Fund Policy to determine if criteria still allows the City to meaningfully respond to partnership opportunities and housing needs
 - Review how the funds are split (70% capital and 30% operating)
 - If needed, revise criteria so the funds are targeted towards priority groups in need and addressing housing gaps

7–10 Years

- Utilize cash-in-lieu contributions in the Affordable Housing Reserve Fund for affordable housing land acquisition

Ongoing

- Continue to use the Affordable Housing Reserve Fund for capital contributions towards innovative non-market housing projects that involve partnerships with other levels of government, and includes supportive programming, to meet the requirements of the identified priority groups in need



2.3 Financial Incentives

Actions:

1–3 years

- Consider waiving the development cost charges and municipal permit fees for new affordable housing developments that are owned/operated by a non-profit and where affordability is secured in perpetuity
 - Examine funding sources for the development cost charges and municipal permit fees waiver and create a new development cost charge bylaw, if necessary

4–6 Years

- Undertake a review and best practice analysis of property tax exemptions for non-market housing managed by a non-profit housing provider
- Explore various opportunities for the City to provide capital funding contributions towards standalone non-profit housing developments
- Actions: Special Development Circumstances and Value Transfer

2.4 Special Development Circumstances and Value Transfer

Actions:

Ongoing

- Continue to use the Affordable Housing Reserve Fund for capital contributions when partnership opportunities become available
- Allow flexibility for large scale developments (or combination of developments) to cluster LEMR units in one, stand-alone building if a partnership with a non-profit housing provider is established
- Encourage innovation (i.e. rental structure that allows a variety of subsidized rents) in clustered projects that are 100% rental and non-profit driven
- Facilitate potential partnerships with non-profit housing providers and developers in the pre-application/rezoning stage of development

2.5 Rent Bank Initiative

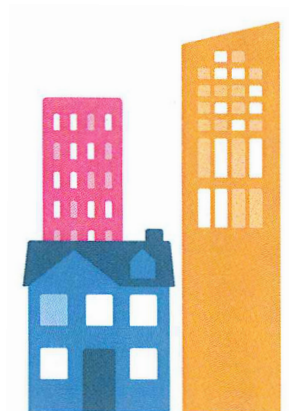
Actions:

1–3 years

- Undertake a review and best practice analysis of opportunities to support local rent bank initiatives
- Connect with local financial institutions to determine how a rent bank initiative could be supported and remain financially sustainable

4–6 Years

- Determine the feasibility of implementing a rent bank initiative



Strategic Direction 3: Build Capacity with Non-Profit Housing and Service Providers

3.1 Non-Profit Housing Development

Actions:

1–3 years

- Adopt criteria for reviewing and fast-tracking City-supported non-profit housing projects (i.e., federal and provincial government funding, partnerships, the ability to offer rents close to the shelter/income assistance rate and programming to support the priority groups in housing need)

4–6 Years

- Review City incentives, such as reduced parking requirements and municipal fees

7–10 Years

- Undertake best practice research on non-profit housing development in other jurisdictions, and determine the municipal role
- Work with non-profit organizations to determine the feasibility of developing an integrated housing model (e.g. a combination of emergency shelter spaces and supportive housing with wraparound services on one site)

Ongoing

- Continue to build relationships with established non-profit housing providers throughout Richmond and Metro Vancouver that have expertise in housing the identified priority groups in need
- Permit greater flexibility for innovative rent structures that support a mix of affordable rental rates

3.2 Facilitating Stakeholder Partnerships

Actions:

1–3 years

- Develop a list of pre-qualified non-profit housing providers for partnering on potential housing projects
- Consider waiving development cost charges for low-end market rental units purchased by a non-profit housing provider to incentivize non-profit ownership
- Work with other municipalities and stakeholders to examine management practices of units secured through development

Ongoing

- Review and update pre-qualified list of non-profit housing providers
- Identify potential opportunities for partnership with private sector to facilitate the development of affordable housing (example: Kiwanis Towers)

3.3 Renew Non-Profit Housing

Actions:

1–3 years

- Track non-profit agencies and co-op organizations that have expiring operating agreements
- Identify options and mechanisms to preserve affordable housing units throughout future redevelopment opportunities
- Review research undertaken by BC Housing and BC Non-Profit Housing Association regarding expiry of operating agreements and identify opportunities to partner

4–6 Years

- Develop a set of guidelines to support faith-based organizations to redevelop lands with a component of affordable housing
- Develop a set of guidelines to support co-op and non-profit organizations considering redevelopment upon expiry of operating agreements

7–10 Years

- At the time of expiry, continue working with organizations to preserve and potentially increase the number of affordable housing units through redevelopment



3.4 Encourage Accessible Housing

Actions: Ongoing

- Continue to build relationships with non-profit organizations to obtain input into housing needs and design for program clients that require accessibility features
- Facilitate potential partnerships with non-profit housing providers and developers in the pre-application/rezoning stage of development to ensure that some LEMR units are designed with adaptable features to accommodate

Strategic Direction 4: Facilitate and Strengthen Partnership Opportunities

4.1 Co-location of Non-Market and Community Assets

Actions: 1–3 years

- Consider the needs of non-profit supportive services (i.e., amenity space for programming) within co-location opportunities to accommodate the priority groups in need

4–6 Years

- Review successful examples of co-location in other jurisdictions and develop a set of guidelines for co-locating affordable housing and community amenities

Ongoing

- Explore project opportunities to co-locate affordable housing with community assets (existing or new) and facilitate potential partnerships with non-profit housing providers

4.2 Community Land Trust

Actions: 1–3 years

- Review best practices of community land trusts in other jurisdictions and determine municipal involvement
- Consider conducting a feasibility study of initiating a Richmond-based community land trust

Ongoing

- Explore opportunities to maintain land affordability and projects involving community land trusts

Strategic Direction 5: Increasing Advocacy, Awareness and Education Roles

5.1 Building Awareness and Information Sharing

Actions: Ongoing

- Advocate to senior levels of government to request funding or resources to meet the housing needs of the community
- Communicate the needs of non-profit housing and service providers to federal and provincial governments, key stakeholders, and Richmond's residents
- Continue participation at regional, provincial and national housing tables and conferences to bring awareness to Richmond's work in affordable housing
- Continue to submit applications for awards to recognize Richmond's continued innovation in addressing housing affordability
- Continue to organize and/or support housing-related events and workshops to encourage information sharing and building awareness



5.2 Monitoring and Reporting

Actions: Ongoing

- Publish an updated annual report (housing report card) on affordable housing targets and track progress achieved to date
- Continue to update City's affordable housing website reporting out on projects and initiatives

5.3 Prepare Position Papers

Actions: Ongoing

- Draft position papers on housing affordability issues to send to senior levels of government, and communicate through forums such as the Federation of Canadian Municipalities (FCM) or Union of BC Municipalities (UBCM).

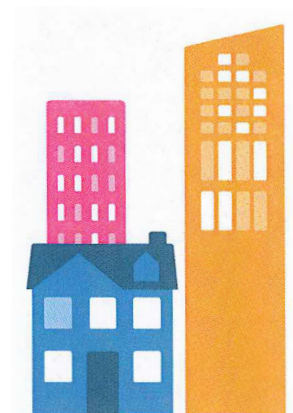
Affordable Housing Strategy Monitoring & Evaluation

The City will continue to review the community context and housing trends, and research new and innovative affordable housing projects to ensure that the City's policies continue to meet the changing housing affordability needs of the community. The City will prepare annual Housing Report Cards to evaluate and report out on the progress of the Affordable Housing Strategy to the public and key stakeholders.

Concluding Comments

Given the high cost of housing, it is important that municipalities are leaders in working towards an appropriate mix of housing for a socially inclusive community. The Affordable Housing Strategy will be the guiding document to further goals for affordable housing in Richmond and provides a foundation for work that can be implemented over the 2017-2027 period to meet the intent of the strategic directions. Given that the City can only act within its legislative authority, the Affordable Housing Strategy is critical in identifying partnership opportunities to work with the federal and provincial governments, and the private and non-profit sectors. Continued partnerships with all stakeholders are needed to address the complexity of housing affordability within the community. Dedicated resources, including City staff time and financial contributions will be required to meet the demands of implementing the Affordable Housing Strategy.

Affordable housing benefits the entire community, offering both social and economic benefits. In addition to creating social diversity, inclusion and well-integrated neighbourhoods, affordable housing ensures that households, families, and local employees can continue to live, thrive and contribute to their community in Richmond. With continued leadership from the City of Richmond, and a commitment from the federal and provincial governments, the development of diverse affordable housing options will continue to ensure that Richmond remains a liveable community.





Appendix A: Glossary

Affordable Housing

A relative term where households pay no more than 30% of their gross income towards housing costs, including rent or mortgage, utilities, maintenance fees, property taxes and insurance.

Affordable Housing Reserve Fund

A municipal fund used to support and facilitate the implementation of affordable housing policies including the development of affordable housing projects, initiatives and research. Revenue generated from applicable rezoning applications is directed to the reserve fund via the City's Cash-in-Lieu Contribution Policy.

Cash-in-Lieu Contributions

Cash contributions are collected in exchange for a density bonus for applicable rezoning applications. Cash-in-lieu contributions apply to rezoning applications such as apartments with fewer than 60 units, townhouse developments and single detached housing. Revenue generated through the cash-in-lieu policy is directed to the City's affordable housing reserve fund.

Coach House

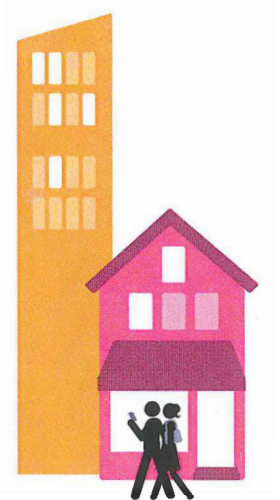
A dwelling unit that is self-contained and is either attached or detached from and accessory to a single detached dwelling unit, except in the Edgemere neighbourhood where the suite must be detached from the principal dwelling unit. Regulatory requirements are outlined in the City's Zoning Bylaw.

Co-operative Housing ('Co-op')

A type of housing tenure where occupants form associations or corporations (typically non-profit) to own and operate a group of housing units including common areas and other amenities. Members own a share in the co-operative, are entitled to occupy a unit, have access to the common areas and amenities, may vote for members of the Board of Directors, have operational and maintenance responsibilities and actively participate in business and day-to-day life of the co-op.

Canada Mortgage and Housing Corporation (CMHC)

The Canada Mortgage and Housing Corporation (CMHC) is Canada's national housing agency that provides housing research, advice to consumers and the housing industry, and reports to Parliament and the public on mortgage loan insurance and financial reports.



Core Housing Need

Housing that does not meet one or more of the adequacy, suitability or affordability standards; and, where households spend 30% or more of their before-tax income to access acceptable local housing. Acceptable housing is adequate in condition, suitable in size, and affordable. Adequate housing does not require any major repairs. Suitable housing has enough bedrooms for the size and makeup of resident households, according to National Occupancy Standard requirements.

Community Land Trust

An organization, either public or non-profit, that acquires and secures land for the future development and preservation of affordable housing. Land secured through the CLT is exclusively provided to non-profit housing societies through ground-leases to build and operate affordable housing projects, and is not available for other types of development.

Family-Friendly Housing

Housing that meets the needs of families including units with enough bedrooms to accommodate all members of a family household. This includes multi-unit development projects with a greater mix of two and three bedroom units. To best serve priority groups, projects with low-end market rental (LEMR) units are encouraged to have a minimum of 15% 2 bedroom units and 5% 3+ bedroom units.

Housing Authority

An arm's length housing management body, which may or may not be incorporated, that manages, operates and administers housing on behalf of owner(s), which can include a local government.

Housing Agreement

An agreement in a form satisfactory to the City that limits the occupancy of the dwelling unit that is subject to the agreement to persons, families and households that qualify for affordable housing based on their household income level, that restricts the occupancy of the dwelling unit to rental tenure, and that prescribes a maximum rental rate and the rate of increase of rental rate for the dwelling unit.

Housing Covenant

A document registered on title to ensure that units are secured for affordable housing purposes in perpetuity.

Housing Income Limits (HILs)

The income required to pay the average market rent for an appropriately sized unit in the private market, as defined and annually updated by BC Housing.

Inclusionary Housing (Zoning)

Housing policy that requires the provision of an affordable housing contribution as part of new residential development projects in exchange for a density bonus. For apartment developments greater than 60 units, developers are required to construct affordable housing units on-site. A cash-in-lieu contribution is required for apartments with fewer than 60 units, townhouse developments and single detached rezoning applications.

Low-Barrier / Minimal Barrier Housing

Housing or shelter that has few requirements for entry, is physically accessible, includes storage for belongings and is typically pet-friendly.

Low-End Market Rental Units (LEMR)

Rental housing units affordable for low to moderate income households secured through the City's inclusionary housing policy. Maximum rents are based on 10% below BC Housing's Housing Income Limits.

Market Rental Housing

Private rental market units provided by the private market. This includes purpose-built rental housing as well as rental housing delivered through the secondary rental market such as secondary suites, rental condominium units, or other investor-owned houses/units.

Micro Units

Self-contained housing units which are smaller than the average studio unit, between 275 to 350 square feet.

Non-market Housing

Affordable housing that is subsidized by an external party such as the government or a non-profit agency in order to serve specific populations such as those experiencing homelessness, with disabilities, or other challenges.

Operating Agreements

Operating agreements are subsidy agreements provided by senior governments to non-profit and co-operative (co-op) societies to support the financial viability of affordable housing projects. These agreements were secured during the 1960s and 1970s and were usually tied to a mortgage, meaning that when the mortgage expires, non-profits and co-ops will be solely responsible for the housing project's ongoing financial viability.

Reduced-Rate Mortgages

Financing offered by the provincial or federal government with lower interest rates for construction or pre-construction in order to reduce expenses for affordable housing projects. Other financial institutions can offer reduced-rate mortgages as well.



Rent Geared to Income (RGI)

Subsidized rental housing units where rents do not exceed 30% of income earned by tenant. The ongoing operating costs of the units are typically subsidized by the federal or provincial government.

Secondary Suites

Self-contained accessory dwelling units within a single-detached dwelling or townhouse that may be rented out at market rates.

Universal Housing

The design of housing that meets the needs of a wide range of individuals. It addresses the needs of those with mobility or cognitive disabilities as well as the general population by ensuring that housing designs are useful, functional, intuitive, safe and accessible to a wide variety of people.

Accessible Housing

Dwelling units that include features, amenities or products to better meet the needs of people with disabilities.

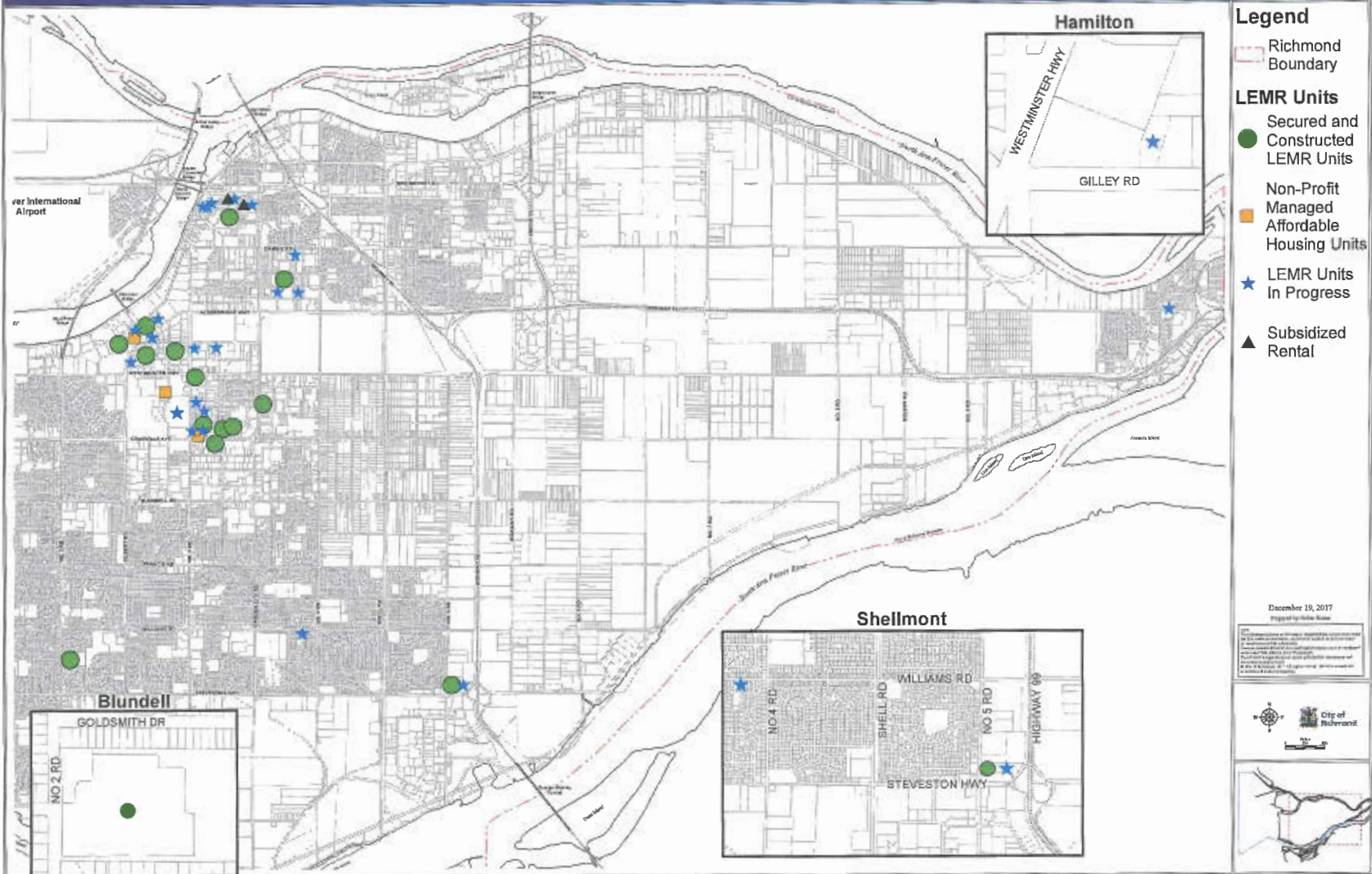
Visitable Housing

Dwelling units that include basic accessibility features allowing most people to visit even if they have limitations such as impaired mobility. Basic features include a level entry, wider doors throughout the entrance level and an accessible washroom on the entrance level.

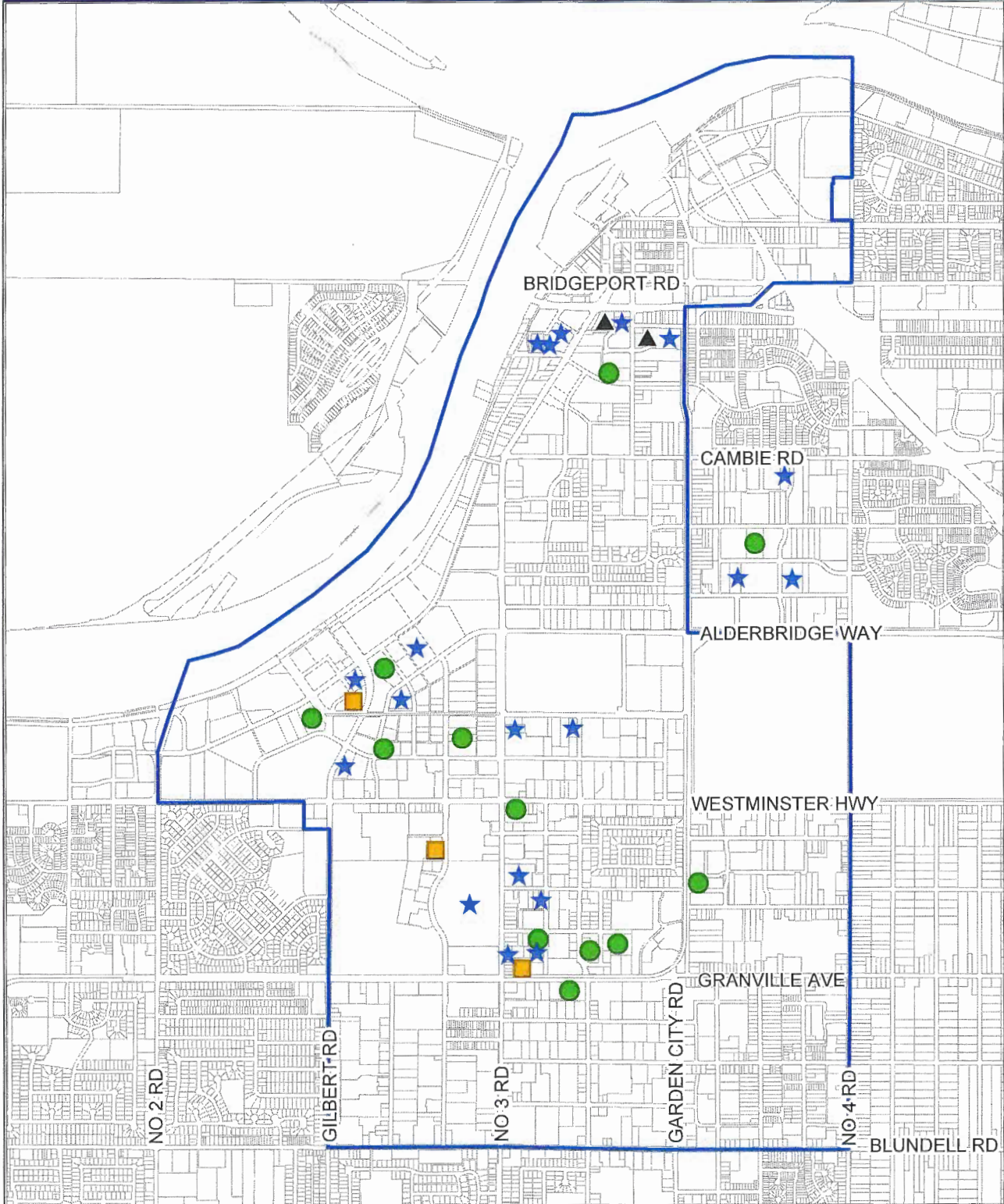
Appendix B: Municipal Initiatives for Affordable Housing

Comparison of Affordable Housing Initiatives in Select Metro Vancouver Municipalities

	Burnaby	Coquitlam	Maple Ridge	New Westminster	North Van City	Richmond	Surrey	Vancouver
Municipal Measures								
Fiscal Measures								
City owned sites appropriate for affordable housing for lease to non-profits	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Donate City-owned land to facilitate affordable housing		Yes	Yes	Yes	Yes		Yes	Yes
Grants to facilitate affordable housing	Yes	Yes	Yes		Yes	Yes	Yes	Yes
Property tax exemption or forgiveness for supportive affordable housing			Yes	Yes	Yes		No	Yes
Waiving development fees/ DCCS for affordable housing	Yes	Yes	Exploring	Yes		Grants	Yes	Yes
Waiving other fees for affordable housing (ie. Building permit fees)	Yes	Yes	Exploring	Yes	Yes	Grants	Yes	
Land trust for affordable housing			Exploring		Exploring	Exploring	No	Yes
Affordable housing reserve/trust fund	Yes	Yes	Exploring	Yes	Yes	Yes	Yes	Yes
Planning Process or Policies								
Affordable Housing Strategy or Housing Action Plan		Yes	Yes	Yes	Yes	Yes	Pending	Yes
Official Community Plan policies showing commitment to providing a range of housing choices	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Identifying suitable affordable housing sites in neighbourhood and area planning processes	Yes		Yes	Yes		Yes		Yes
Adaptable housing policy			Yes	Yes	Yes	Yes		Yes
Family friendly policy (bedroom diversity requirement)			Support	Yes	Exploring	Yes		Pending



Appendix C: Map of Low-End Market Rental Units



- Legend**
- City Centre Boundary
 - LEMUR Units**
 - Secured and Constructed
 - ★ LEMUR Units In Progress
 - LEMUR Units
 - ▲ Subsidized Rental
 - Non-Profit Managed
 - Affordable Housing Units

Appendix D: Select Case Studies

Cadence: Family Housing

Project Highlights

Target Population	<ul style="list-style-type: none"> Low-income families
Units	<ul style="list-style-type: none"> 15 units total 1 studio unit 14 two-bedroom units
Rental Rates	<ul style="list-style-type: none"> Studio unit: Maximum \$925 per month Two-bedroom units: Maximum \$1,137 per month Currently, all units are being rented at shelter rates (\$375 for an individual and \$575 for a family)
Project Partners And Roles	<ul style="list-style-type: none"> City of Richmond: Local approving authority; facilitation of partnerships; owner of childcare space Cressey Development Group: Project developer Atira Women's Resource Society: affordable units owner/operator; childcare operator; building maintenance
Tools Used	<ul style="list-style-type: none"> Inclusionary zoning and density bonusing Affordable housing value transfers (AHVT) Housing agreement and covenants
Municipal Applications Required	<ul style="list-style-type: none"> Rezoning application and zoning text amendment Development permit
Timeline	<ul style="list-style-type: none"> Rezoning application: November 2012 Updated Rezoning proposal: January 2013 Project completion (affordable units / childcare building): Spring 2017

In late 2012, Cressey Development Group applied to redevelop a former warehouse site in the Oval Village Neighbourhood into a mixed-use development project to feature 245 residential units in three residential buildings, ranging from five to fifteen stories. The City of Richmond's 2007 Affordable Housing Strategy required Cressey to provide a minimum of 5% of units to be affordable as part of their application.

The preliminary proposal planned for five studio and one-bedroom units, and nine two-bedroom units. After review and consideration, Council requested Cressey Development Group and staff to incorporate more two-bedroom units.



The concept redesign consisted of fourteen affordable two-bedroom units and one one-bedroom unit integrated with the childcare space in one, stand-alone building.

The City of Richmond facilitated a partnership between Cressey Development Group and Atira Women's Society (Atira), transferring the responsibility of operating and maintaining the stand-alone affordable housing units and childcare building to Atira. The City transferred childcare space requirements (\$874,000 financial contribution) from another nearby development project to the Cadence site to create a larger childcare space. This flexibility offered by the City resulted in the co-location of family housing units and childcare spaces on one site, rather than scattered through several projects. Due to the co-location and management of both amenities by Atira, tenants are able to access child care services at a subsidized rate.

Unique to this project, the stand-alone affordable housing and childcare building operated by Atira is legally separated as its' own "air space parcel" while remaining on the same strata parcel as the market buildings. Tenants of the affordable housing units have full access to all building amenities.

Kiwanis Towers: Seniors' Housing

Project Highlights

Target Population	Low-income seniors
Units	296 one-bedroom units
Rental Rates	Between \$660 to \$780 per month
Project Partners And Roles	<ul style="list-style-type: none"> ▪ City of Richmond: Local approving authority; funding towards capital costs; grants to offset development cost charges, permit fees and servicing costs ▪ Polygon Homes: Project developer ▪ BC Housing: Construction financing ▪ Kiwanis Seniors Housing Society: Contributed land; project owner / operator
Tools Used	<ul style="list-style-type: none"> ▪ Inclusionary zoning and density bonusing ▪ Affordable housing value transfers (AHVT) utilized towards capital construction costs ▪ Housing agreement and covenants ▪ City grants for development cost charges, permit fees, servicing costs
Municipal Applications Required	<ul style="list-style-type: none"> ▪ OCP amendment ▪ Rezoning application and zoning text amendment ▪ Development permit
Timeline	<ul style="list-style-type: none"> ▪ Redevelopment proposal: February 2011 ▪ Rezoning application: October 2011 ▪ Project completion (first tower): Fall 2015 ▪ Project completion (second tower): Fall 2015

The Kiwanis Seniors Housing Society originally had several low density townhouses onsite developed in the 1960s, located along Minoru Boulevard in Richmond City Centre. The surrounding area has since developed to accommodate growth, including the expansion of rapid transit and high-density transit-oriented mixed-use projects. The townhouses had reached the end of their economic life and were in need of major repair, however the society did not have enough funds to invest in substantial upgrades. The site was also under-utilized and appropriate for densification.

Kiwanis did not have the financial resources to redevelop their aging infrastructure on their own, or maintain affordable rents for their tenants. As such, Kiwanis sold a portion of their land to Polygon Homes to be developed for market housing. The equity generated from the land sale was invested to redevelop the remaining portion of the land into 296 affordable rental units for low-income seniors, of which 122 replaced the existing stock plus an additional 174 units.



The City of Richmond's Affordable Housing Special Development Circumstance policy was utilized in this development project to allow Polygon to transfer their required affordable housing contributions from multiple sites to the Kiwanis Seniors Housing Project. This flexibility offered by the City resulted in a cluster of seniors housing units on one site, rather than scattered through several projects.

The completed Kiwanis Seniors Housing Project provides affordable housing for low-income seniors in Richmond, located within walking distance to health services, grocery stores, shopping, rapid transit, and seniors-friendly amenities including a large park, library, seniors centre and aquatic facility.

Storeys Affordable Housing Project Development

Project Highlights

Target Population	Vulnerable populations / persons experiencing or at-risk of homelessness, low-income families and seniors, persons with mental health and addictions
Units	<ul style="list-style-type: none"> ▪ 129 units total ▪ 85 studio units ▪ 32 one-bedroom units ▪ 4 two-bedroom units ▪ 8 three-bedroom units
Rental Rates	<ul style="list-style-type: none"> ▪ Studios and one-bedroom units: between \$375 to \$850 per month ▪ Two-bedroom units: between \$510 to \$1,375 per month ▪ Three-bedroom units: between \$595 to \$1,375 per month
Project Partners And Roles	<ul style="list-style-type: none"> ▪ City of Richmond: Local approving authority; funding towards capital costs; grants to offset development cost charges, permit fees and servicing costs ▪ BC Housing: Construction financing ▪ Service Canada: Capital funding ▪ CMHC: seed funding to support the development of the project ▪ Coast Foundation Society, Tikva Housing, S.U.C.C.E.S.S Affordable Housing Society, Turning Point Housing Society, Pathways Clubhouse Society of Richmond: Contributed capital for construction; financing; project operator ▪ Integra Architecture: Project designer and applicant ▪ CPA Development: Project consultant and developer



Tools Used	<ul style="list-style-type: none"> ▪ Inclusionary zoning and density bonusing ▪ Affordable housing value transfers (AHVT) utilized towards capital construction costs ▪ Affordable housing reserve fund ▪ Housing agreement and covenants ▪ City grant towards development cost charges, municipal permit fees, servicing costs
Municipal Applications Required	Development permit
Timeline	<ul style="list-style-type: none"> ▪ Request for proposal: March 2011 ▪ Development permit application: 2012 ▪ Development permit approval: February 2014 ▪ Project completion: Fall 2017

The City of Richmond acquired land along No.3 Road in Richmond City Centre in anticipation of developing it into below market rental housing for vulnerable populations. In partnership with BC Housing, the City issued an Expression of Interest to develop the site. The successful applicant was Integra Architecture on behalf of a non-profit consortium consisting of Coast Mental Health, S.U.C.C.E.S.S Affordable Housing Society, Tikva Housing Society, Turning Point Housing Society and the Canadian Mental Health Association for their Pathways Clubhouse.

The City supported this project by providing financial contributions to pay for development cost charges and \$17 million for construction costs. The City's Affordable Housing Special Development Circumstance policy was utilized in this development project which compiled required developer contributions from several sites to be transferred to the Storeys project. The financial contributions and policy flexibility made the Storeys project attractive to other project partners, including BC Housing.

The final project contains a total of 129 affordable rental housing units for vulnerable populations including persons experiencing or at-risk of homelessness. The five non-profit housing providers own and manage the units, offering safe and secure housing to clients including low-income families and seniors, as well as persons with mental health issues and addictions. The project also includes social purpose retail space and onsite support services.



City of Richmond

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