



City of Richmond

Report to Committee

To: Planning Committee **Date:** January 16, 2015
From: Cathryn Volkering Carlile **File:** 08-4057-01/2015
General Manager, Community Services
Re: **Interim Single Family Subdivision Rezoning Policy – Affordable Housing Considerations and Proposed Amendments**

Staff Recommendation

1. That, as per the report dated January 16, 2015 from the General Manager of Community Services titled “Interim Single Family Subdivision Rezoning Policy – Affordable Housing Considerations and Proposed Amendments”, the City’s secondary suite policy for single family rezoning applications, where the density bonusing approach is taken in exchange for a higher density, all the lots that are being rezoned, be amended to require developers to either:
 - a) Build a suite on 100% of the single family lots subdivided through rezoning applications; or
 - b) Provide a built unit on 50% of the single family lots subdivided through rezoning applications and a cash-in-lieu contribution of \$2 per square foot per total buildable area from the remaining lot; or
 - c) Provide a 100% cash-in-lieu contribution of \$2.00 per square foot per total buildable area on lots subdivided through rezoning applications that cannot accommodate the provision of built secondary suites.
2. That the \$2.00 per square foot interim contribution rate be implemented and is subject to final adoption when the contribution rates for all development types identified in the report “Richmond Affordable Housing Contribution Rate and Reserve Fund Analysis” be adopted.

Cathryn Volkering Carlile
General Manager, Community Services
(604-276-4068)

Att. 3

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

Staff Report

Origin

The purpose of this report is to respond to the November 18, 2014, Planning Committee referral, reiterated at the November 24, 2014 Council meeting, for staff to examine the:

1. Affordable Housing Strategy requirements for single family developments to identify other areas in the city where affordable housing units should be provided and report back.

This report supports Council's Term Goal #2 Community Social Services:

2.6. Development of a clearer definition of affordable housing priorities and subsequent utilization of affordable housing funding.

This report supports Council's Term Goal #7 Managing Growth & Development:

7.3. Review the adequacy of developers' contributions towards affordable housing, public art and public amenities.

The community benefit that this report addresses is having a full range of housing, including affordable housing that play an important role in attracting and retaining employees and business, or to accommodate population growth and new investment.

Analysis

Current Policy

The City's Official Community Plan encourages the development of diverse densities, styles, types and tenures of housing, as well as exploring incentives and mechanisms to retain existing housing stock in established single family neighbourhoods.

Secondary suites are considered market rental housing, which falls outside of the City's Affordable Housing Strategy. Secondary suite development is encouraged by the City through various approaches, including: Single family rezoning applications, new development, conversion and legalization of suites.

The City adopted a density bonusing approach for all single-family residential rezoning applications received after July 1, 2007, which required that:

- All single family lots being rezoned in order to facilitate a subdivision are required to ensure at least half (50%) of the new lots being created through the subdivision will include a single family dwelling with a secondary suite or coach house unit; or
- A cash-in-lieu contribution of \$1 per total buildable square foot on all new houses to be constructed is to be provided towards the Affordable Housing Reserves.

In 2007, the City adopted amendments to the Zoning By-law to allow a single secondary suite in single family dwellings. The units can be part of a newly constructed house, part of a new renovation to an existing house, or be legalized as an approved suite. To be legal, a secondary suite must be inspected and upgraded as required to ensure code compliance.

With regards to parking, there is an existing bylaw (Zoning Bylaw 8500, section 5.4.1.j) which states *“where a secondary suite is on a lot fronting an arterial road ... one additional on-site parking space must be provided for the exclusive use of the secondary suite, and the required on-site parking spaces for the single detached housing may be provided in a tandem arrangement with one parking space located behind the other”*.

Policy Outcomes and Considerations

Single family developers and owners are not required to enter into a Housing Agreement, because secondary suites and coach houses are not secured as affordable housing units or administered with rent controls. Although secondary suites are not necessarily affordable, the construction of units increase the supply of rental housing which, in turn, may indirectly contribute to reducing pressures on rent and availability of secured affordable housing stock.

As of July 1, 2007 to December 31, 2014, Council has approved 175 single family rezoning applications through 3rd reading at its Public Hearing. Of these applications, 126 applications or 72% indicate built secondary suites at time of rezoning adoption; whereas, 49 applications or 28% reflect a cash-in-lieu contribution.

Since the Zoning Bylaw was amended in July 2007, an additional 812 secondary suites and coach house suites have been approved for conversion (legalization) or development in existing single family lots/houses (not through rezoning). This is a combined total of 938 secondary suite units and coach house units that have been issued building permits or have been approved through development applications processes from July 1, 2007 to December 31, 2014.

G.P. Rollo, Land Economists were retained by the City to review single family development in Richmond and the market impact of providing secondary suites. They revealed through their analysis that, in general, Richmond purchasers are paying the same amount per square foot for new construction single family homes regardless of whether the home has a secondary suite or not. That being said, Rollo advised that the costs to produce a secondary suite are not substantially higher over and above the cost of construction for the primary dwelling space. A concurrent report titled “Richmond Affordable Housing Contribution Rate and Reserve Fund Analysis”, also appearing on this Planning Committee agenda, provides a detailed economic analysis of the affordable housing contribution rates and built unit requirements. Secondary suite cash-in-lieu rates are further explored in this report.

Each year, Canada Mortgage Housing Corporation (CMHC) generates housing and rental market reports about housing starts, market rental availability and vacancy rates for new home construction, private apartment and townhouses in Metro Vancouver. In Spring 2014, CMHC reports that new home construction in Metro Vancouver will continue at a steady pace during the next eighteen months, with an increase in single-detached homes. Also, rental vacancy rates are anticipated to remain stable. This supports a strong rental demand, due to a growing population

and rental housing being relatively more affordable than ownership housing. In Fall 2013, CMHC estimated Richmond's private rental apartment vacancy rate was 2.7%.

As part of its Regional Growth Strategy, Metro Vancouver issued a 10 year Regional Estimated Housing Demand indicates that 10.5% of the total housing need in Richmond is for moderate to above income Richmond households with combined incomes of \$57,026 or above; whereas, 23.5% of the overall demand is for low to moderate income households with combined earnings of \$34,000 to \$57,000.

The Demand Estimates support a greater need for rental housing for low to moderate income households than moderate to high income households. The City's Affordable Housing Strategy focuses on meeting the rental housing needs of households with incomes of \$34,000 or less to \$57,000 through capital financial support, partnership and policy advancement.

In summary, a continued demand for rental housing construction and supply in Richmond remains steady across all points of the housing continuum through various forms, including: purpose-built market rental housing, market rental secondary suites and coach houses, and secured affordable housing that is rent controlled.

Policy Recommendations

In an effort to meet local market rental housing and purpose-built affordable housing demand, the following options are being provided for Council's consideration with respect to the City's Single Family rezoning policy where the density bonusing approach is taken in exchange for a higher density.

Option 1- 100% Built Contribution – Not Recommended

Through a density bonusing approach in exchange for a higher density, developer will provide built secondary suites on 100% of the single family lots subdivided through rezoning applications.

If approved, this recommendation would require that both single family lots created through subdivision build a secondary suite. No cash-in-lieu contribution would be required if the developer builds a unit on both subdivided lots.

The land economic analysis provides evidence that the marketability and costs of generating secondary suites on both lots through subdivision would have minimal impact to developers and buyers. However, there may be design, transportation, fire safety, and engineering related considerations that would require further review; i.e., landscaping, parking, access, emergency response planning and increased servicing impacts.

Option 2- 50% Built and 50% Cash Contribution – Not Recommended

Through a density bonusing approach in exchange for a higher density, developer will provide secondary suites on 50% of single family lots subdivided through rezoning applications and collect a cash-in-lieu affordable housing cash contribution of \$2 per square foot per total buildable area from the remaining lot.

The recommended affordable housing contribution rate is outlined in further detail in an accompanying “Richmond Affordable Housing Contribution Rate and Reserve Fund Analysis” report that has been placed on the same agenda for consideration.

If approved, Option 2 would require all single family subdivision rezoning applications to build a secondary suite and provide a cash-in-lieu contribution towards its Affordable Housing Reserve Funds. The approach would increase market rental supply, while generating Affordable Housing Reserve funds by the City to be utilized first and primarily for subsidized rental housing development to serve households with incomes of \$34,000 and below.

Option 3- Hybrid Contribution – Recommended

Through a density bonusing approach in exchange for a higher density, developer will provide to either:

- a) provide a built secondary suite on 100% of the single family lots subdivided through rezoning applications, or
- b) provide a built secondary suite on 50% of the single family lots subdivided through rezoning applications and a cash-in-lieu contribution of \$2 per square foot per total buildable area (double the amount of the existing policy) on the remaining lot, or
- c) provide a 100% cash-in-lieu contribution of \$2.00 per square foot per total buildable area on lots subdivided through rezoning applications that cannot accommodate the provision of built secondary suites.

If approved, the developers choice to pursue either a, b or c would be made by the developer prior to advancing a rezoning application to Council for consideration. Council would have final approval and authority on what the developer is required to provide.

Option 3 would provide built units in both choices as well as opportunity to collect Affordable Housing Reserve funds by the City to be utilized towards affordable housing from development applications opting to build one suite. This option would be applied to all neighbourhoods in the city. This option would also support development where only one secondary suite may be feasibly built: smaller lot sizes or lot locations that have challenges with parking, traffic, access or servicing impacts.

Staff recommends Option 3 as a balanced policy approach for the following reasons:

- Requiring built units on subdivided lots creates indirect benefit to affordable housing by increasing market rental unit supply, decreasing pressure on rent prices, and increasing unit availability and choice, and
- Collecting affordable housing contributions from the remaining lot generates direct community benefit to affordable housing through Affordable Housing Reserve funds collected by the City and utilized to financially support other affordable housing development opportunities; such as, subsidized rental housing development for low income households.

Staff acknowledge feedback received from developers that not all lots can accommodate the delivery of built secondary suites, due to a variety of factors, such as: lot size, location, access to parking, and servicing requirements. Therefore, Staff recommend that applicants be afforded option of providing a 100% cash-in-lieu contribution in these cases.

The prospect of securing the secondary suites as affordable housing through a City Housing Agreement would be onerous and cost prohibitive to current available municipal resources. Further analysis and modeling is recommended if Council prefers this as part of the requirements for its approved option. Secured Housing Agreements on Single Family lots may also create potential issues for homeowners with respect to financing and future sale of their properties.

A review of contribution rates for all developments is outlined in the report titled “Richmond Affordable Housing Contribution Rate and Reserve Fund Analysis”, also appearing on this agenda. The interim rates will be presented to stakeholders for consultation, with the results of the consultations and recommendations for adoption of the rates being presented in a subsequent report to Council. Staff recommend that the \$2 per square foot rate be implemented when all rates are adopted.

Policy Implementation

Staff recommends that:

- The interim Single Family affordable housing contribution rates are effective subject to Council adoption of the approved recommendations outlined in this report (i.e. interim rates will be included in the Final Affordable Housing Contribution Rate recommendations for all housing types that is anticipated after stakeholder consultation to be advanced to Council for final adoption in Spring 2015),
- The policy not be applied to rezoning applications that are currently under staff review provided that they are presented to Council within 1 year of the effective date of the revised policy, and
- Any new single family rezoning application received after the effective date of the revised policy will be subject to the new policy.

Richmond Home Builder and UDI Discussions

In preparing this report, representatives of Richmond Home Builders sector and the Urban Design Institute-Richmond Liaison Committee were consulted about the proposed changes to the policy (Attachments 1, 2 and 3). Some of the feedback included:

- The need for further consultation (i.e. Greater Vancouver Home Builders' Association, Richmond homeowners and other key stakeholders)
- Lot size, geographic location and house size will have impacts on the desirability of providing secondary suites

- The challenges for compact lots to accommodate secondary suites
- A minimum lot size needs to be identified to require secondary suites
- Neighbourhood opposition
- Geographical considerations
- The need for a 100% cash-in-lieu option for sites where a built unit is not viable (note: this point has been acknowledged in Option 3 Staff recommendations)
- Further understanding of the impacts to homeowners and their property values is needed
- The need for a comprehensive policy (i.e. consideration of other forms of development to increase affordability, density bonus incentives, standard rezoning processes, capturing rebuild potential)

Internal Department Discussions

The focus of this report is on affordable housing policy considerations with respect to density bonusing provisions and affordable housing cash-in-lieu contribution rates for single family development. With this in mind, internal discussions within City departments identified that there may be a variety of site specific technical reasons and/or local area resident concerns that may potentially pose a legitimate challenge to requiring a secondary suites as part of all single family rezoning applications.

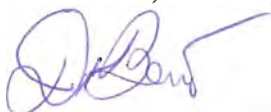
Financial Impact

Option 1, 2 and 3, as provided in this report, generate no significant financial impact to the City. Whereas, if secondary suites are to be secured as affordable housing through a City administered Housing Agreement, requiring rent control provisions and on-going occupancy management would generate significant impact to existing municipal resources.

Conclusion

On a municipal scale, the City can help to shape the responsiveness of the housing supply system in effectively meeting demand. However, affordability is largely influenced by macro-economic conditions and senior government policies; such as, interest rates, inflation levels, tax policies, income, employment conditions, and migration.

Therefore, it remains important for City policies to encourage a diverse supply of attainable market and affordable housing options to meet current and future housing need based on demand. This helps to generate a balanced approach of development at all points of the housing continuum, while supporting housing policy advancement at all levels of government.



Dena Kae Beno
Affordable Housing Coordinator
(604-247-4946)

January 16, 2015

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Att.1: Stakeholder Review and Consultation Notes – UDI

Att. 2: Stakeholder Review and Consultation Notes – Representatives from the Richmond Homebuilder Sector

Att. 3: Correspondence from representatives from the Richmond Homebuilder Sector, January 16, 2015

Stakeholder Review and Consultation – City of Richmond
Secondary Suite Policy Exploration
January 19, 2015

Stakeholders: Representatives from Urban Development Institute (UDI)

1. Comprehensive review of all charges to better understand how affordable housing contributions (AHC) fit into the cost of development to builders.

- Request for consultation re: analysis of Affordable Housing Contribution/Affordable Housing Reserve Fund;
- Housing Action Plan- collectively define local definition and priorities
- Incentives to develop affordable housing (what affordable housing is being developed now, how can we improve on that, and how to encourage developers to meet needs without creating further constraints to development;
- Tweaks to policies to generate a more manageable framework;
- Working together to develop policy advocacy (e.g. Federal tax policies/burden re: rental income; CMHC mortgage for rental housing);
- Municipal tools are confined to fees that are applied, development charges, and amount of time that it takes to process applications (finite tools available to municipalities);

2. Single Family Rezoning Policy requirements

Discussion ensued of project examples where lot sizes were unable to accommodate the provision of secondary suites:

- Modest floor area increase was provided with a suite required;
- Cost of building a suite as smallest permitted suite (\$16,000-17,000 cost) independent of overall cost to build home; It is way cheaper to pay \$1 AHC than to build;
- 2500 ft² (can viably build suite); Houses too small create an unmarketable product; modern standards and expectations are different than the traditionally smaller homes over past generations
- However, in larger homes (net 2,000 ft² house), to make it viable; smaller lots have a scaled method of incentive; smallest .55 to .65 db incentive and then go up gradually the density bonus is scaled down; it automatically limits the floor area ratio (FAR) but provides incentive to build rather than cash-in-lieu contribution.
- Larger homes with suites are viable without floor area density bonus incentive;
- Ability to offer entry level homeowners a mortgage helper would be a great opportunity and provide a market advantage;
- Lot size, geographical location, and house size correlates where the built suites are being provided;
- Richmond small builders (over 3,200 ft²) owners want theatre room rather than a suite.

- Arterial roads may be more uptake for built secondary suite units;
- Single Family (SF) Policy requirements: Zoning Bylaw minimum size (388 ft²) and maximum size (British Columbia Building code); Parking requirements only on Arterial roads (3rd parking stall); No rental requirements; Covenant registered on title as a condition to build suite; No enforcement of occupancy management requirements;
- Florida example (Tax to absentee homeowners presented a challenge to the market and for homeowners)

3. November 18, 2015 Council Referral

- Fast track Affordable Housing Strategy (AHS) review and how it relates to SF requirements;
- Greater Vancouver Home Builders' Association should be consulted;
- In municipalities overall, it seems that the pendulum has swung from mandating no secondary suites to requirement to build; It is important to keep in mind that incentivizing secondary suites is not an either/or solution;
- There is a political issue that needs to be addressed; neighbourhood acceptance about this issue needs to be taken into consideration (e.g. multi-family development and how it may change your neighbourhood- the change is already occurring, it is up to the neighbourhood to help inform the change); Adequate community consultation is required especially with the rate of change that is being observed (parking, traffic, who is living in the suites, and the make-up in the neighbourhood); Outreach to community is required.
- Community consultation should be incorporated into reports to Council

Should smaller lot consideration be included?

- Lot size policy is one way to achieve affordability, (Also, include in Housing Action Plan)
- Staff clarified that this policy recommendation would only apply to rezoning applications,
- Ensure the SF Rezoning policy recommendations are not looked at in isolation without understanding of how it relates to broader comprehensive Strategy review, contribution rates and Housing Action Plan development;
- It was suggested to incorporate these recommendations into future affordable housing policy reports
-

Terra Nova, Sunnymede (historical resistance)

- Do you want to incorporate this requirement for City as a whole or certain neighbourhoods? City-wide
- There is a compelling argument that more secondary suites that are being built it increases rental stock and empties out sub-standard housing to provide opportunity to re-develop;
- Staff clarified that requirements will be effective city-wide, but understand that the policy considerations are inter-related;

- Staff recommendation- no housing agreement requirement for unit to be built where appropriate; 100% cash-in-lieu contribution for lots where it is not feasible to build a suite;
- Density bonus, zones, smaller lot sizes may create greater incentive for suite development;
- Tiering approach to contributions: as you go up in house size, your contribution increases if built unit is not chosen due to the fact that you are targeting a certain market;
- The City is foregoing the opportunity to incentivize larger suite development in larger homes (e.g. 2-3 bedroom suites in larger lots);
- Aging in Place (Single family homes with lock-off or caregiver suites); Supporting households with varying ranges of mobility and age along all points of continuum;
- City can help to work with Non-Profit sector to build capacity and facilitate relationships with development sector;
- City needs to work towards permissive rather than proscriptive approach to incentivize affordable housing requirements;
- Work with Public and decision makers about macro level issues and how it relates to affordable housing requirements (creative solutions to affordable housing provision; certain number of units that are affordable home ownership); Affordable home ownership challenge- Stakeholders commented that affordable homeownership units need to be an unending supply (Many models tends to fail with the perpetuity requirement and people are unable to build equity);
- Flexibility with housing policy across the board with all housing forms
- (e.g. Clayton-Surrey area experienced very compact development, which led to huge parking issues; Secondary suite and coach house with primary dwelling; Surrey approach banned units as policy response to challenge)
- Richmond Bylaw is exclusive (Developers must choose to build a suite or laneway house and laneway housing is only allowed in certain areas);
- Parking tends to be a threshold issue, but also may mask public perceptions of built suites in neighbourhoods; the public needs to be aware of what is coming; the perception of the issue is greater than the reality;

4. Policy implementation:

- Staff are tasked to provide Council with recommendations of how to implement; in stream applications will be subject to existing requirements and provided 1 year to reach approval; any new applications received after adoption of new policy would be required to adhere to new policy.
- Does the builder community know that the requirements are being explored and recommendations being brought forward from Council referral? Staff confirmed that representatives from the Richmond Homebuilder sector were consulted
- GVHBA should be consulted;
- It may affect existing Richmond homeowners and they should be made aware that policy requirements are being explored through an active Council referral (e.g. City of Vancouver- Heritage Policy had a fast tracked response that didn't allow for adequate community and stakeholder input and outcome was devaluation of

properties); Potential impacts of the value of the home values under potential scenarios should be considered; Homeowners should be consulted and analysis should be generated).

- Consultation with homeowners is key.
- This does come back to overall realm of costs; homeowners want to gain the largest value for home sale. Homeowners need to be aware that there may be an economic consequence; Requirements to build a secondary suite may be impacting communities through increases in fees and homeowner costs if devalues property; whereas, incentives may provide offsets.

Small Builders conveyed that there needs to be an option where it is a 100% Cash-in-lieu contribution on lots that cannot support the built unit.

- Homeowners should be able to choose if they want a built unit or provide cash (A person's home is their castle);
- Built secondary suite/unit requirements (does it require ability for pre-zoned areas in certain locations to support application processes); Staff clarified that pre-zoning may not be a consideration that will be worked through at this time, due to the fact that the public is provided opportunity to speak up about applications through Rezoning and Public Hearing processes;
- The entire spectrum of choices should be provided for consultation.

Stakeholders expressed that if requirements are either/or (built/AHC)- pre-zoning should be required.

- In some projects, there was concern expressed that Council may challenge grandfathering period of policy requirements. Staff clarified that recommendations will be brought forward in the report to Council addressing the grandfathering period.

5. Summary Findings and Next Meeting (UDI Stakeholder Engagement):

- At the next meeting, staff plan to provide overview of the outcomes of Council's decision regarding 1) Single Family Rezoning report and Affordable Housing Contribution and Reserve Fund analysis report, 2) Housing Action Plan- Terms of Reference development
- Next scheduled meeting is for end of February 2015
- Stakeholders expressed that the expedited approach to developing and introducing SF rezoning policy requirements and components of AHS are ineffective, because many of these factors are complex and inter-related with comprehensive planning and development policies, implications, and outcomes.
- For example, UDI worked tirelessly for almost 2 years with the City and consultants to create a workable AHS prior to initial adoption;
- During the AHS development of SF requirements, there was huge push back initially by small builders; stakeholders stated that it would help if there is more balance for single family and smaller builders with respect to cash-in-lieu contributions, and the requirements for 5% built affordable housing units in apartments with more than 80 units (gross vs. net calculation of AH FAR and that

- everyone is calculating that consistently); building the AH units scales with economy/market drivers (you are paying more to do that scales with the market);
- Recommend the Public Art methodology? Stakeholders advised that this may be more equitable than the existing approach.
 - It may be better if there is an incremental increase with scale of development that is reflective of CPI and market factors. This could provide the consistency and predictability that industry needs and wants.
 - Staff stated that substantive changes to SF Policy requires time for consultation and research and will take longer; at this time, Staff are recommending tweaks to current policy with respect to affordable housing contribution rates only

Sign In sheet

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Stakeholder Review and Consultation – City of Richmond

Secondary Suite Policy Exploration

January 14, 2015

Stakeholders: Representatives from the Richmond Homebuilder Sector

1. Are there specific challenges that should be considered?

- Terra Nova, Steveston, & Quilchena, Riverdale/Gibbons
 - Considerations and Impacts: Lot size/limited liveable space/viability of lot to support primary dwelling and suite/neighbourhood opposition
- Current density allowed on lots doesn't always support providing a suite
- Total building of 2700-2800ft² out of which homeowner can have a secondary suite of 550 ft², leaving a marketable primary single family unit/dwelling space of 2150-2250 ft²
- 3600-4000 ft² / home purchased often don't want a secondary suite, they rather have a theatre room
- Challenge is that once a secondary suite is secured and built, later on, Homeowners may convert space to a theatre room/living room
- \$1.5/1.6/1.7 m (home price) – suites are preferred by homebuyers, usually
- \$2 m+ - no suites desired, usually (additional living space/home theatre space, preferred)
- Three important factors to consider for secondary suites are: area sensitivity, price bracket, and lot size (3 areas that require further analysis)
- Example: Broadmoor (Neighbourhood area with limited site build out potential)
 - Suggest: Rental 100-like initiative (City of Vancouver policy)
 - Open more development opportunities/incentives
 - Single Family requirements should link with overall Market Rental provision
- Opportunities on arterial roads
 - Look at lot size; increased density provisions;
 - Public Hearings and public consultation provides community acceptance lens
 - Expand allowable development uses/different types of dwellings/(e.g. duplex dev. – Staff clarified that this is currently an active Council referral)
- No.1/Granville – Multi-Family sensitive area
 - Back to back duplexes (cross/blend of Single Family & Multi-Family uses)
- Absentee Homeownership
 - Is there a study underway? (Active Council referral)
- Taking community sensitivity in mind with policy decisions is required. (Developers invest time and resources into approval process, which needs to be accounted for)
- Will proposed policy provisions transfer cost to end users? (AHC contribution and built units)

- Parking challenges are created w/secondary suites and adding more suites may intensify challenge
- Lot width/overall size of some lots make it impossible to build suite
- (Eg) Density Bonus – build suite on top of garage; which, provides more liveable space in main Single Family dwelling [garage suite not considered as total buildable]
- Main/Arterial Roads – lots/sites manageable
- On Garry St/Steveson – challenging to manage suite access and parking with limited lot size
- 60-65 FAR/4000 ft² : A density bonus of up to 0.60 to 0.65 FAR was suggested which would allow an additional suite for a house that is over 4,000 ft²
- RS-IE/A zone (rental suite) density bonus of 10%
 - Encourage suite (eg. Over Garage)
 - Encourage Affordable Market Rental through developer incentive
- 66ft lots (4 bedroom upstairs; main living areas – 1st floor; den/theatre/guest room-bottom floor)
- \$2-2.5 m want ancillary space rather than suites
- Garage can be dropped to 9ft (eg) height and allow room for suite above.

2. Overall lot size or footprint of the house that is pillar consideration to provide a viable suite?

- 1200-1300 ft² (+ garage) creates maximized liveable space + suite
- A lot size of approximately 6700 ft² could provide a 2,000 ft² main floor, plus suite and garage
- Depth of lot matters
- A lot depth of 120 ft or more is preferable when including a suite.
- 2475 ft² (home can support the addition of a suite and create a viable project)
- Marketability of open space may be more desirable than suite in larger homes

- Suite over garage would provide incentive

Grandfathering Apps (InStream)

- Stakeholder group is in favour
- Challenge w/100% built requirement

3. Summary findings

- **Need 3rd option:** contribution of 100% of lots providing an Affordable Housing Contribution (this could be applicable in areas where secondary suites may not be feasible to build due to lot sizes, traffic/parking constraints, or neighbourhoods in opposition)
- Letters, attached to RTC (Feb 3)

Edgemere – Zero Coach Houses have been built, to date

- Time consuming (Development Permit requirements/approval process has been observed to be onerous and takes too long to achieve appropriate approvals.
- Staff are aware of this constraint and are working through the current process
- Municipal Comparison: Delta – lot size limitation; allow basements in homes; and a house size cap is administered.
- 33x120/33x111/ ≥ lot size/project compare
- Stakeholders achieved consensus about their request for Staff to advise CO of 3rd option that was discussed and noted above in “Summary Findings”
- 2010-2012 reflects the majority of secondary suite/coach house development
- Now the majority of areas are built out that have secondary suite potential under the current policy requirements.
- Stakeholders requested clarification about the City’s Affordable Housing Reserve Fund
 - AHRF Policy 5008, Zoning Bylaw 8500 and City’s Affordable Housing Strategy create a Policy Framework for Council to authorize the use of Affordable Housing Reserve Funds for: land acquisition and capital affordable housing development.
 - Project initiative examples, include: Kiwanis Towers, Storeys Development, and a Group Home capital life-safety upgrade.
 - All fund disbursement requires Council authority.
- Stakeholders request confirmation of the upcoming Planning Committee and Council meeting that the Report will go forward to.

Sign In sheet

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16 January 2015

City of Richmond
6911 No. 3 Road
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Attn: Mayor Brodie and City Council

RE: Richmond Single Family Subdivision Rezoning Policy-Affordable
Housing Considerations and Proposed Amendments

We, the undersigned represent 95 per cent of the small builders group of single family homes in Richmond. Drawing on over 80 years of expertise in construction with a broad knowledge of the neighbourhoods, the needs and issues related to construction within this diverse population. We believe we have the capacity and understanding to work collaboratively with the city and community.

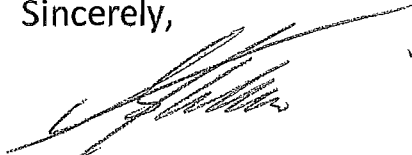
We object strongly to the purposed policy changes put forth and recommend to the council and staff to further consult the public as well as other stakeholders on this matter before proceeding forward to planning committee. We have many concerns that need further constructive, transparent and fact based open dialogue with all residents of Richmond that will be affected. Mandating legal suites in new single family homes is a very bold proposal on the city's part that would ruin the character of our unique neighbourhoods and further overwhelm the public. Council should focus on other opportunities available for affordable housing, while improving the character and quality of an area and the way it functions. With inadequate current

debate on “mega house” situation. However increased building height and living spaces in attics could be an option

- 7) R1/A & R1/K the new zones created in McLennan Area ZS14-lots should be exempt from this policy
- 8) R1/B/C/D/E rezoning of these lots may be possible provided min depth is 37m, with garages in the front.

If you have any questions or want to further discuss how we can give further input for this proposal, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ajit Thaliwal', with a long horizontal stroke extending to the right.

Ajit Thaliwal on behalf

Raman Kooner

Rav Bains

Khalid Hasan

Clive Alladin

M Sian

Rick Sian