



City of Richmond

Report to Committee

To: Planning Committee

Date: May 31, 2021

From: Kim Somerville
Director, Community Social Development

File: 08-4057-05/2021-Vol 01

Re: Low End Market Rental Unit Placement

Staff Recommendation

That the City continues the practice of permitting clustering of Low End Market Rental (LEMR) units when a partnership with a non-profit housing provider is established, as described in the report titled "Low End Market Rental Unit Placement" dated May 31, 2021 from the Director, Community Social Development.

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

Att. 2

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

Staff Report

Origin

On January 6, 2021, Planning Committee initiated a staff referral regarding the placement of Low End Market Rental units within developments.

The referral directed the following actions to be completed and report back:

1. That staff review the City's affordable housing integration policy;
2. That staff conduct an anonymous livability survey of affordable housing residents; and
3. That the Richmond Community Services Advisory Committee (RCSAC) be consulted on the affordable housing integration policy.

The purpose of this report is to provide a summary of engagement activities with the RCSAC and Low End Market Rental (LEMR) tenants.

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

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

This report is also consistent with the Richmond Affordable Housing Strategy 2017–2027:

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

Analysis

Introduced in 2007, Richmond's LEMR program has achieved significant success by securing more than 900 affordable housing units in private-market condominium developments. While the majority of LEMR units are dispersed amongst market units, the Affordable Housing Strategy (2017–2027) directs the City to consider clustering LEMR units in standalone buildings on the condition that a non-profit organization is secured to manage the units.

In 2018, the City's Affordable Housing Strategy was updated to allow clustered units in response to feedback from non-profit housing providers. Non-profits stated that clustered units provided several benefits including management efficiencies as well as the possibility for dedicated amenity space with exclusive programming for affordable housing residents. Further, non-profit organizations often prefer to purchase clustered LEMR units, particularly when located in standalone buildings, as this allows non-profits to achieve management efficiencies, reduce maintenance fees and increase control of common spaces.

The City ensures non-profit management of clustered LEMR units by including a term in the Housing Agreement or Housing Covenant that requires the developer to secure a non-profit operator. Developments such as Richmond Centre and Thind also include an additional term in their respective Housing Covenants that require the developer to enter into a memorandum of understanding with a specific non-profit operator as a condition of development permit issuance.

As of May 2021, the City has permitted clustering of 312 LEMR units spread across seven developments (Table 1). Consistent with the Affordable Housing Strategy, six of these seven developments will have a non-profit operator or owner secured, with the exception of the Grand development, where the LEMR units were secured prior to the City's non-profit requirement.

Table 1: Developments with Clustered LEMR Units

Application Number	Development Name	Development Address	Development Status	Non-Profit Organization	# of LEMR Units
RZ 14-665416	Rivermark Apartments	6900 Pearson Way	Building occupied	Catalyst Community Development Society	31
RZ 12-602449	Cadence	5688 Hollybridge Way	Building occupied	Atira Women's Resource Society	15
DP 12-600815	The Grand	5599 Cooney Road	Building occupied	None	7
RZ 17-779229	One Park	8071 and 8091 Park Road	Building under construction	TBD	21
CP 16-752923	Richmond Centre (Phase 1)	6551 No. 3 Road	Building under construction	Richmond Kiwanis Senior Citizens Housing Society	79
CP 16-752923	Richmond Centre (Phase 2)*	6551 No. 3 Road	Development Permit has not been applied to for Phase 2 at this time	TBD	62
RZ 15-694855	Times Square	6560, 6600, 6640 and 6700 No. 3 Road	Rezoning at 3 rd reading	TBD	9
RZ 18-807640	Thind	5740, 5760 and 5800 Minoru Boulevard	Rezoning at 3 rd reading	S.U.C.C.E.S.S.	88

*The Development Permit for Richmond Centre (Phase 2) has not been applied for at this time. Through Phase 1 of the Development Permit application, it was identified that Phase 2 would include 62 LEMR units.

Engagement Activities

As part of the January 6 Planning Committee referral, staff were directed to seek input regarding the City's current unit placement practices. As a result the following engagement activities took place:

- City staff met with the Richmond Community Services Advisory Committee (RCSAC) to seek the perspective of non-profit organizations and housing providers; and
- A City letter and online survey were distributed to all 364 occupied LEMR units (Attachment 1). Tenants were asked to identify any experiences of discrimination and to provide feedback on their interactions with other residents, their property manager and strata manager.

Consultation with RCSAC

On January 14, 2021, City staff met with the RCSAC for feedback regarding the placement of LEMR units in new developments. During this meeting, RCSAC members expressed their support for both the clustered and dispersed models of LEMR unit placement and provided the following comments:

- Members support clustered LEMR units to facilitate non-profit management, particularly when wrap-around supports, dedicated programming or peer support services are offered;
- RCSAC members noted that LEMR non-profit operators help to ensure that LEMR units are occupied by eligible tenants;
- Members supported dispersed LEMR units when residents are not in need of additional supports; and
- RCSAC members noted that discrimination against low-income tenants can occur in both models, and that the attitude of a building's property manager is key in providing a respectful and equitable approach.

During the meeting, RCSAC members expressed interest in learning about upcoming developments with LEMR units as well as the process for selecting non-profit operators to manage LEMR units. RCSAC has since formed a working group and has requested that the City include qualified RCSAC members on the list of non-profit operators suitable to manage LEMR units. In May 2021, RCSAC members were asked to complete an online survey if they were interested in managing LEMR units. Qualified organizations that complete the survey will be added to the list of operators provided to developers when a non-profit housing provider is required for a development.

Anonymous LEMR Tenant Survey

In March 2021, staff distributed a letter and online survey to all 364 occupied LEMR units (Attachment 1). Tenants were asked to identify any experiences of discrimination and to provide feedback on their interactions with other residents, their property manager and strata manager.

Staff mailed 364 surveys, including 311 to tenants living in dispersed LEMR units and 53 to tenants living in clustered LEMR units. Overall, staff received 71 responses out of the 364 surveys distributed, equivalent to a response rate of 20 per cent. Of these 71 responses, 60 were from tenants living in dispersed LEMR units and 11 were from tenants living in clustered LEMR units.

Results

Based on survey results, experiences of stigma or discrimination amongst tenants were very rare, with only three out of 71 tenants (4 per cent) reporting stigma or discrimination related to living in an affordable housing unit. Two of these tenants lived in dispersed LEMR units and one lived in a clustered LEMR unit. Of these three tenants, two described negative experiences relating to their interactions with a property manager or rental agent. The third LEMR tenant who reported experiencing stigma and who lives in a dispersed unit described negative experiences with another resident related to the LEMR tenant's religion.

Overall, the majority of tenants in both clustered and dispersed units reported positive interactions with the other residents of their building. Residents of both clustered and dispersed LEMR units often described other residents with words such as “polite,” “courteous,” and “friendly.” Of those that reported negative interactions, many of these were attributed to other residents’ disrespect of common spaces. Only three people out of 71 respondents (4 per cent) described being treated negatively by other residents.

The majority of tenants who reported negative experiences either with other residents or with their property manager described issues common to tenants living in any rental unit, regardless of its affordability, with the most commonly reported issues relating to unresponsive property management and other residents’ disrespect of common areas. Attachment 2 provides detailed survey results.

Staff Recommendation

As described above, staff found that RCSAC members expressed support for clustered units and that LEMR tenants overall reported very low rates of discrimination. These findings were consistent with the previous feedback provided by non-profits in 2017 in conjunction with engagement activities completed for updating the Affordable Housing Strategy. Accordingly, staff recommend maintaining the current direction in the Affordable Housing Strategy regarding LEMR unit placement and continuing to permit clustering of LEMR units when a partnership with a non-profit housing provider is established.

Financial Impact

None.

Conclusion

The public engagement completed for this report indicated that there was limited evidence to suggest that LEMR tenants experienced discrimination or stigmatization in their buildings. In addition, LEMR unit placement (clustered or dispersed) did not play a significant role in tenants’ experiences of discrimination.

Given the lack of evidence to indicate that LEMR tenants face discrimination based on LEMR unit location, staff recommend continuing the practice of permitting clustering of LEMR units when a non-profit operator is secured. This practice is consistent with comments provided by RCSAC, previous feedback provided by various non-profit housing providers and the current direction outlined in the City’s Affordable Housing Strategy (2017–2027).



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- Att. 1: Low End Market Rental (LEMUR) Tenant Survey
- 2: 2021 LEMR Tenant Survey Results

10. **During the COVID-19 pandemic, my interactions with other residents, my unit's property manager and/or building's strata manager have changed in the following ways** (select all that apply):

- Fewer interactions with other residents
- Fewer interactions with my property manager
- Fewer interactions with my building's strata manager
- No change
- I moved into my unit during the COVID-19 pandemic
- Other (please specify): _____

11. **Optional: In addition to the above, I would like to share the following experiences I've had living in a Low End Market Rental unit:**

OPTIONAL: Demographic questions

The following questions about your age, number of people in your household, gender, marital status, education level, employment status and ethnic origin are all optional. The responses to these questions will be anonymous and will be used to better understand the demographic makeup of individuals living in LEMR units.

12. **My age is between the following** (please select one):

- 15–19 years
- 20–34 years
- 35–54 years
- 55+ years

13. **The best description of my household is** (please select one):

- One person household
- Couple without children
- Couple with child/children
- Lone-parent with child/children
- Live with roommates
- Live with relatives
- Other (please specify): _____

14. **I identify as** (e.g. woman/man/non-binary etc.): _____

15. **My marital status is** (please select one):

- Married or common law
- Never married
- Separated
- Divorced
- Widowed

16. My highest education level achieved is (please select one):

- | | |
|--|---|
| <input type="checkbox"/> No diploma or degree | <input type="checkbox"/> College or trades certificate, diploma or degree |
| <input type="checkbox"/> High school diploma or equivalent | <input type="checkbox"/> University certificate, diploma or degree |

17. My current employment status is (please select one):

- | | |
|---|---|
| <input type="checkbox"/> Unemployed | <input type="checkbox"/> Retired |
| <input type="checkbox"/> Employed full-time | <input type="checkbox"/> In school/studying |
| <input type="checkbox"/> Employed part-time | |

18. My ethnic origin is (select all that apply):

- | | |
|--------------------------------------|--|
| <input type="checkbox"/> Chinese | <input type="checkbox"/> Filipino |
| <input type="checkbox"/> East Indian | <input type="checkbox"/> Other (please specify): _____ |
| <input type="checkbox"/> European | |

19. The language(s) I speak most commonly at home is/are (select all that apply):

- | | |
|------------------------------------|--|
| <input type="checkbox"/> English | <input type="checkbox"/> Punjabi |
| <input type="checkbox"/> Cantonese | <input type="checkbox"/> Tagalog |
| <input type="checkbox"/> Mandarin | <input type="checkbox"/> Other (please specify): _____ |

Thank you for taking the time to complete this survey.
All responses will be anonymous.

2021 LEMR Tenant Survey Results

In March 2021, staff distributed a letter, as well as a paper and online survey to all LEMR tenants to evaluate the experience of living in a LEMR unit. The primary focus of the survey was to assess the quality of interactions that LEMR tenants have had with other people in their building, including neighbours and property managers. Tenants were also asked to report any occurrences of discrimination or stigmatization.

Overall, survey results indicated that experiences of stigma or discrimination amongst tenants were very rare, with only three out of 71 tenants (4 per cent) reporting stigma or discrimination related to living in an affordable housing unit. Tenants also generally reported positive interactions with neighbours and property managers. The sections below summarize the survey results.

Number of Completed Surveys Received

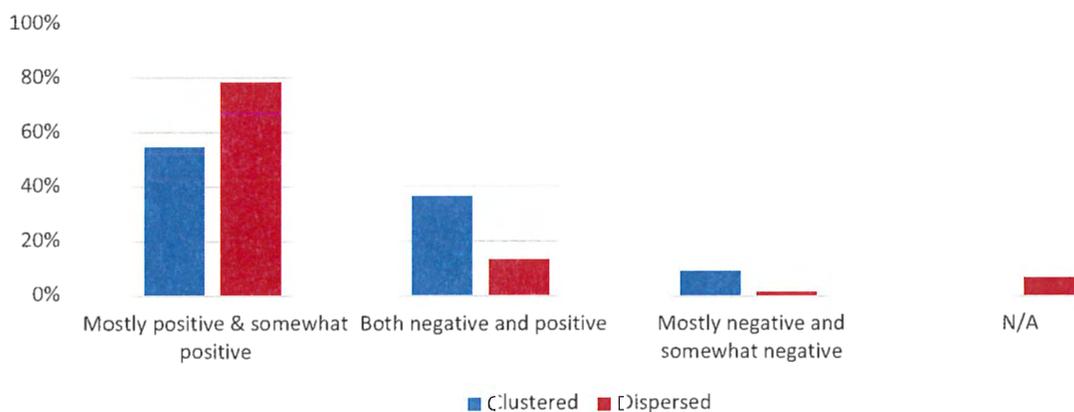
In total, the survey was mailed to 364 LEMR units. The survey had an overall response rate of 20 per cent or 71 responses. 60 responses received were from tenants living in a LEMR unit that was dispersed amongst market units, while 11 responses received were from tenants living in a clustered unit.

Length of Tenancy

For tenants residing in a dispersed unit, 43 people or 72 per cent of participants stated they had lived in their unit for over one year. For clustered units, only one person had lived in their unit for more than one year. The overall shorter average length of tenancy is likely due to the fact that the majority (58 per cent) of completed, clustered LEMR units received occupancy within the last year.

Interactions with Building Residents

Q3. Quality of Interactions with other Residents



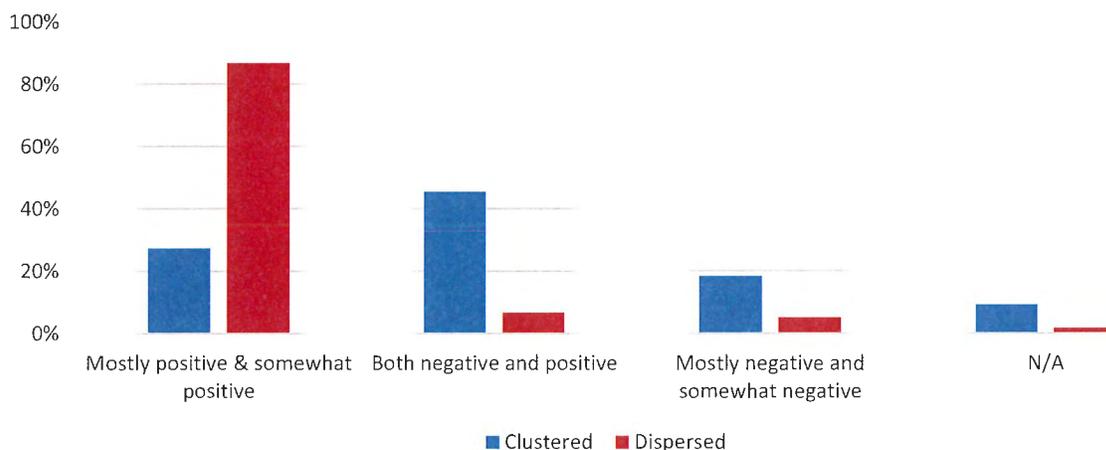
For dispersed units, 47 people or 78 per cent of respondents indicated that their interactions with other residents were either mostly positive (40 people) or somewhat positive (7 people). Those who had positive experiences with other building residents described other residents as “polite,” “courteous,” and “friendly.”

Of people who had negative experiences associated with other building residents, the majority of these experiences were attributed to other residents’ disrespect of common spaces. For example, smoking or allowing pets to urinate in common areas or residents not adhering to the proper recycling/garbage disposal protocols for the building. One person’s comment was related to rude behaviour from another resident after this resident found out the respondent’s religion.

For clustered units, 6 people or 55 per cent of respondents indicated that their interactions with other residents were either mostly positive (3 people) or somewhat positive (3 people). Of the 5 people who had “both negative and positive” interactions (4 people), and “mostly negative” interactions (one person), two comments were related to poor sound-proofing of the units, one comment was related to littering and one comment was related to the rude behaviour of other residents.

Interactions with the Property Manager

Q5. Quality of Interactions with LEMR Property Manager



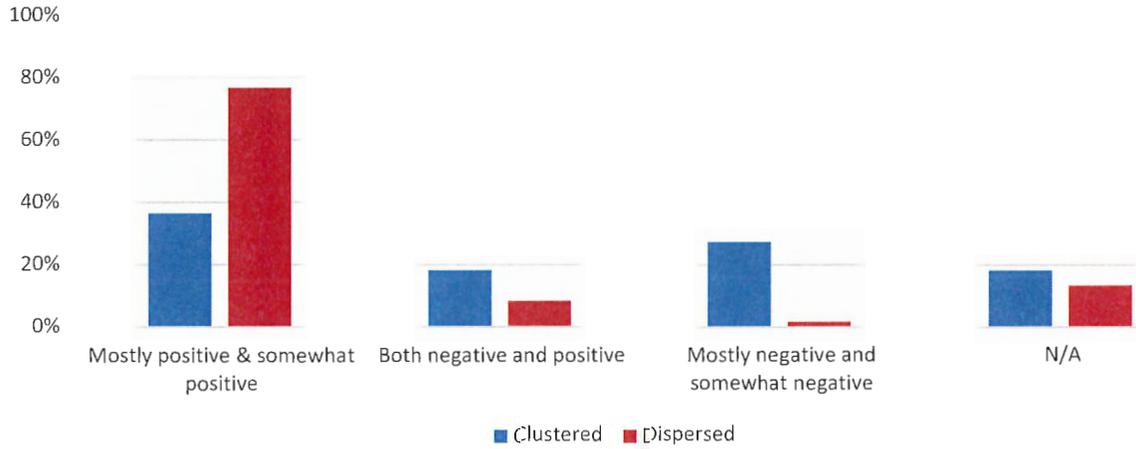
For dispersed units, 52 people or 87 per cent of respondents indicated that their interactions with their property manager were either mostly positive (39 people) or somewhat positive (13 people). Those who had positive experiences with their property manager described their property manager as “professional,” “responsive,” and “helpful.” Of those who had negative experiences, respondents generally described their property manager as slow to respond to requests for assistance.

For clustered units, 3 people or 27 per cent of respondents indicated that their interactions with their property manager were “mostly positive”, 5 people (45 per cent) had “both negative and positive” interactions, and 2 people (18 per cent) had “somewhat negative” interactions with their property manager.

Of the 5 people residing in a clustered unit that provided comments related to their interactions with their property manager, 4 comments were related to an overall lack of responsiveness from the property manager regarding issues with their unit.

Interactions with the Building’s Strata Manager (the individual who provides management services for the entire building)

Q6. Quality of Interactions with Building's Strata Manager

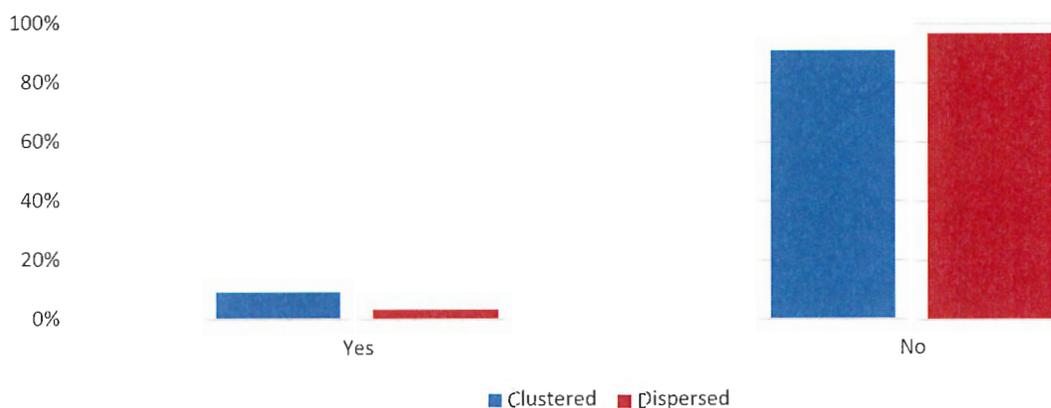


With dispersed units, 46 people or 77 per cent of respondents rated their interactions with their strata manager as either mostly positive (33 people) or somewhat positive (13 people).

With clustered units, 4 people or 36 per cent of respondents rated their interactions with their strata manager as either mostly positive (3 people) or somewhat positive (1 person) with 2 additional people rating their interactions “both negative and positive.”

Experiences of Discrimination

Q8. Do you ever experience stigma or discrimination because you live in an affordable housing unit?



For dispersed units, 58 people or 97 per cent of respondents reported experiencing no discrimination as a result of living in an affordable housing unit. Of the two people who reported discrimination, one person described how their property manager entered their unit without notice while the tenant was not home, and another person described negative interactions with another building resident based on the LEMR tenant's religion.

For clustered units, 10 people or 91 per cent of respondents reported experiencing no discrimination as a result of living in an affordable housing unit. The one person who reported discrimination living in a LEMR unit described poor customer service and unprofessional conduct from the rental agents during the showing of the unit.