



General Purposes Committee

Anderson Room, City Hall
6911 No. 3 Road

Monday, December 16, 2024
4:00 p.m.

Pg. # ITEM

MINUTES

GP-4 *Motion to adopt the **minutes** of the meeting of the General Purposes Committee held on December 2, 2024.*



DELEGATION

1. Nancy Small, CEO, and Ceri Chong, Director of Destination Development, Tourism Richmond, to provide an update on Fishers Walk, An Interpretive Walking Experience.

LAW AND COMMUNITY SAFETY DIVISION

2. **BUSINESS REGULATION BYLAW NO. 7538, AMENDMENT BYLAW NO.10620 – 4151 HAZEL BRIDGE WAY UNIT 1350**
(File Ref. No. 12-8060-00) (REDMS No. 7845144)

GP-7

See Page GP-7 for full report

Designated Speaker: Mark Corrado

STAFF RECOMMENDATION

That the staff report titled “Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10620 – 4151 Hazelbridge Way Unit 1350” dated November 12, 2024 from the Director, Community Bylaws and Licencing, which amends Schedule A of Bylaw No. 7538 to add the address of 4151 Hazelbridge Way Unit 1350 among the sites that permit an Amusement Centre to operate, be given first, second and third readings.



DEPUTY CAO’S OFFICE

3. **INTERIM HOUSING NEEDS REPORT 2024**

(File Ref. No. 08-4057-05) (REDMS No. 7841389)

GP-12

See Page GP-12 for full report

Designated Speaker: Greg Newman

STAFF RECOMMENDATIONS

- (1) *That the Interim Housing Needs Report provided as Attachment 3 to the staff report titled “Interim Housing Needs Report 2024” dated December 3, 2024 from the Director, Housing Office be received for information and published on the City of Richmond’s website, as required by the British Columbia Local Government Act; and*
- (2) *That a letter be sent to the Minister of Housing and Municipal Affairs from the Mayor identifying issues in the Province’s standardized Housing Needs Report Method (HNR Method), as outlined in Attachment 1, and the potential implications of an overestimate of housing need as it relates to planning for community amenities and growth-related infrastructure.*



4. **ESTABLISHING A HOUSING AUTHORITY - REFERRAL RESPONSE**

(File Ref. No. 08-4057-05) (REDMS No. 7876551)

GP-75

See Page GP-75 for full report

Designated Speaker: Peter Russell

Pg. # ITEM

STAFF RECOMMENDATION

That the staff report titled ‘Establishing a Housing Authority – Referral Response’ from the Director, Housing Office, be received for information.

5. **MAJOR PROJECTS OVERSIGHT - REFERRAL RESPONSE**

(File Ref. No. 10-6000-01) (REDMS No. 7845033)

GP-102

See Page GP-102 for full report

Designated Speaker: Martin Younis

STAFF RECOMMENDATION

That the report titled, “Major Projects Oversight - Referral Response,” dated November 15, 2024, from the Director, Facilities and Project Development, be received for information.

ADJOURNMENT



General Purposes Committee

Date: Monday, December 2, 2024

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Carol Day (by teleconference)
Councillor Laura Gillanders (by teleconference)
Councillor Kash Heed
Councillor Andy Hobbs
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Michael Wolfe

Call to Order: The Chair called the meeting to order at 4:00 p.m.

It was moved and seconded
That Councillor Day and Councillor Gillanders be permitted to join the meeting electronically.

CARRIED

MINUTES

It was moved and seconded
That the minutes of the meeting of the General Purposes Committee held on November 18, 2024, be adopted as circulated.

CARRIED

LAW AND COMMUNITY SAFETY DIVISION

1. PHASING OPTIONS FOR THE PUBLIC SAFETY CAMERA SYSTEM

(File Ref. No. 10-6450-07-07) (REDMS No. 7862940)

It was moved and seconded

That:

- (1) *Option 1 to implement the RCMP proposed Phase 1 for the Public Safety Camera System as outlined in the staff report “Phasing Options for the Public Safety Camera System”, dated November 18, 2024, from the General Manager, Law and Community Safety be endorsed; and*
- (2) *A capital submission for Option 1 to implement the RCMP proposed Phase 1 for the Public Safety Camera System, with an estimated value of \$2,493,794 and operating budget impact of \$181,600 be submitted for Council’s consideration as part of the 2025 budget process.*

The question on the motion was not called as discussion ensued with respect to signage, implementation costs and timeline.

In response to queries from Committee, staff noted (i) signage will be the same as current at all major intersections in the city which depict video recording is established at these intersections, (ii) the cost was revised based on manufacturer’s expert opinions and assessment based on software modelling noting that a minimum of four cameras per intersection, and approximately six cameras will be required for a more complex intersection, (iii) the angles will be set pointing in the direction of the road with the main objective to capture license plates and nearby pedestrians, (iv) Vancouver Airport Authority have their own security monitoring system, (v) Phase 1 will take approximately 12-18 months implementation time from procurement to operational phase, which is in addition to initial field testing, and (vi) East Richmond has been recommended by the Richmond RCMP under Phase 2; there will be 3 intersections covered under Phase 2.

The question on the motion was then called and it was **CARRIED** with Councillors Gillanders and Wolfe opposed.

ADJOURNMENT

It was moved and seconded
That the meeting adjourn (4:17 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the General Purposes Committee of the Council of the City of Richmond held on Monday, December 2, 2024.

Mayor Malcolm D. Brodie
Chair

Lorraine Anderson
Legislative Services Associate



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** November 12, 2024
From: Mark Corrado **File:** 12-8060-00/Vol 02
 Director, Community Bylaws and Licencing
Re: **Business Regulation Bylaw No. 7538, Amendment Bylaw No.10620 - 4151 Hazelbridge Way Unit 1350**

Staff Recommendation

That the staff report titled “Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10620 – 4151 Hazelbridge Way Unit 1350” dated November 12, 2024 from the Director, Community Bylaws and Licencing, which amends Schedule A of Bylaw No. 7538 to add the address of 4151 Hazelbridge Way Unit 1350 among the sites that permit an Amusement Centre to operate, be given first, second and third readings.

Mark Corrado
 Director, Community Bylaws and Licencing
 (604-204-8673)

Att. 1

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

Staff Report

Origin

One of the categories of regulated businesses in Richmond is Amusement Centre, which contains Amusement Machines, defined in the Business Regulation Bylaw No. 7538 (Business Regulation Bylaw).

An Amusement centre is defined in the Zoning Bylaw No. 8500 as:

*means any **building**, room or area having five or more table games, electronic games, or computers played by patrons for entertainment, but does not include internet cafes, **casinos** and other gaming establishments.*

The Business Regulation Bylaw requires additional regulations for businesses that have four or more amusement machines. Of note, the locations/addresses of the latter businesses must also be listed in Schedule A of the Business Regulation Bylaw. Any new Business Licence applications or changes to existing licences requesting four or more amusements machines will require a bylaw amendment to Schedule A of the Business Regulation Bylaw. This report deals with an application received from Jarvenus Entertainment Ltd., doing business as “Playtime Paradise”, to operate 30 amusement machines at 4151 Hazelbridge Way Unit 1350.

Jarvenus Entertainment Ltd is a new business with no history in Richmond. This business is looking to cater to family entertainment, to provide family oriented experience to those parents and children who are searching for high quality and high technology indoor activities.

This report supports Council’s Strategic Plan 2022-2026 Focus Area #2 Strategic and Sustainable Community Growth:

Strategic and sustainable growth that supports long-term community needs and a well-planned and prosperous city.

Analysis

Amusement Centre regulations and definitions cover different types of amusement machines such as 3D virtual reality computerized games, console gaming, computer games in the Internet Café and traditional arcades. Amusement Centres do not include gambling machines which are only permitted within a casino. Amusement Centres are a regulated business because of their potential to impact the community, including their historic role of attracting problematic activities. The City has imposed regulations to minimize this risk including restricted operating hours, prohibition on children under 15 to be present during school hours and regulations prohibiting gambling, fighting and the consumption of alcohol. These businesses may be inspected to ensure compliance of the regulations.

The applicant’s proposed location is zoned Residential Mixed Use Commercial (ZMU9) – Aberdeen Village (City Centre), which permits Amusement Centres. The unit is situated on the ground floor of a 3 level commercial building, which provides for medium density, transit-supportive, mixed use development in an area affected by aircraft noise. There are currently 150

Licensed commercial businesses operating on this property under permitted uses. This property is situated on Hazelbridge Way, South of Cambie Road (Attachment 1).

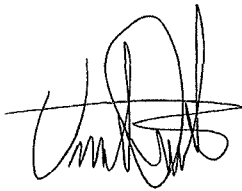
In addition to the bylaw amendment, the applicant will be required to ensure that the premises meets all building regulations before a Business Licence would be issued. Richmond RCMP have conducted a due diligence check and have no issues with this business and its operator.

Financial Impact

None.

Conclusion

Amusement Centres are regulated under the City's Business Regulation Bylaw No. 7538 and staff are recommending that the applicant's request for 4151 Hazelbridge Way Unit 1350, be added to Schedule A of the bylaw to allow more than four amusement machines to be operated.



Victor M. Duarte
Supervisor, Business Licences
(604-276-4389)

VMD:vmd

Att. 1: Aerial View Map



Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10620

The Council of the City of Richmond enacts as follows:

- That Business Regulation Bylaw No. 7538, as amended, is further amended by adding the following in numerical order, and renumbering the rest of the remaining items in Schedule A in numerical order:

	Civic Address	Civic Number	Original Bylaw Reference
6.	Hazelbridge Way	4151 Unit 1350	10620

- This Bylaw is cited as **“Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10620”**.

FIRST READING

SECOND READING

THIRD READING

LEGAL REQUIREMENTS SATISFIED

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor
BRB

MAYOR

CORPORATE OFFICER



City of Richmond

Report to Committee

To: General Purposes Committee

Date: December 3, 2024

From: Peter Russell
Director, Housing Office

File: 08-4057-05/2024-Vol 01

Re: Interim Housing Needs Report 2024

Staff Recommendations

1. That the Interim Housing Needs Report provided as Attachment 3 to the staff report titled "Interim Housing Needs Report 2024" dated December 3, 2024 from the Director, Housing Office be received for information and published on the City of Richmond's website, as required by the British Columbia *Local Government Act*; and
2. That a letter be sent to the Minister of Housing and Municipal Affairs from the Mayor identifying issues in the Province's standardized Housing Needs Report Method (HNR Method), as outlined in Attachment 1, and the potential implications of an overestimate of housing need as it relates to planning for community amenities and growth-related infrastructure.

Peter Russell
Director, Housing Office
(604-516-9873)

Att. 3

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF DEPUTY CAO
Law	<input checked="" type="checkbox"/>	
Community Social Development	<input checked="" type="checkbox"/>	
Building Approvals	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
Policy Planning	<input checked="" type="checkbox"/>	
Transportation	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

In 2023, the *Local Government Act* was amended by *Bill 44 – Housing Statutes (Residential Development) Amendment Act*. The Act now requires municipalities to complete and publish an Interim Housing Needs Report (IHNR). This IHNR must be prepared in accordance with a methodology prescribed by the Province and must be completed by January 1, 2025. Council must receive the IHNR in an open meeting and consider the short and long-term housing needs outlined in the Report when updating or amending the City’s Official Community Plan (OCP). Further, the City must pre-zone lands to permit the use and density of housing necessary to accommodate, at minimum, the 20-year supply of housing identified within the IHNR.

Staff have prepared the IHNR as prescribed by the Province, see Attachment 3.

This report supports Council’s Strategic Plan 2022-2026 Focus Area #2 Strategic and Sustainable Community Growth:

Strategic and sustainable growth that supports long-term community needs and a well-planned and prosperous city.

2.1 Ensure that Richmond’s targeted OCP update shapes the direction and character of the city.

2.2 Develop and implement innovative and proactive solutions that encourage a range of housing options and prioritize affordability.

2.3 Ensure that both built and natural infrastructure supports sustainable development throughout the city.

This City has long supported the delivery of affordable housing, summarized in Attachment 2.

Background

In 2019, the Province established the first set of legislative requirements for the completion of Housing Needs Reports (HNR). The requirements were largely scoped to summarizing key data from the four census periods preceding the creation of the HNR, in addition to rental market data where available. The most recent HNR was completed by the City of Richmond in 2021.

The 2021 HNR recognizes the housing supply required to address growth-related demands in addition to providing housing that addresses unmet housing needs, such as subsidized housing for very low-income households and housing for those who are experiencing homelessness. The 2021 HNR was largely based on regional growth projections provided by Metro Vancouver and was complemented by information gathered through community consultation. Overall, the 2021 HNR provides that 1,800 housing units are required annually to address anticipated demand to 2026.

Analysis

As part of the housing legislative amendments enacted in 2023, the Province introduced a series of calculations to be used in forecasting local housing need. These calculations, carried out through what is referred to as the “HNR Method”, estimate the housing supply that is presumably needed to meet growth-driven demand in addition to housing supply that targets latent demand. The Province’s new HNR Method has introduced several components of housing need that were not explicitly prescribed in the legislation introduced in 2019. Changes include housing units to address suppressed household formation, rental vacancy, and a demand buffer. The INHR identifies housing needs over the next 5 and 20-year periods, starting in 2021 and ending in 2026 and 2041, respectively. Table 1 summarizes the components of housing need that must be recognized in the IHNR and the associated number of units to be delivered annually over the next 20 years.

Table 1: Housing Supply Needed Annually over the next 20 Years as Defined by the Province

Component of Housing Need and Description		Units / Year
A. Extreme Core Housing Need	Households in Extreme Core Housing Need are those that do not meet one of three indicator thresholds (adequacy, suitability and affordability) and where the household would need to pay >50% of its gross household income on the median market rent.	299
B. Persons Experiencing Homelessness	Persons experiencing homelessness are defined in this context as those receiving income assistance and having no fixed address for three consecutive months, or those who stayed in a BC Housing-affiliated shelter for a least one night, or both.	46
C. Suppressed Household Formation	The suppressed demand for housing captures those with the ability to live independently but due to limited supply, lack of affordability, and other factors live with family, friends or other persons.	42
D. Anticipated Growth	The need for housing driven by population growth.	1,878
E. Rental Vacancy Rate Adjustment	Housing units needed to reach a healthy vacancy rate of 3.0%, where there is some degree of housing choice.	23
F. Demand Buffer	A buffer applied to the estimated housing needs tied to Components A, B, C, and E, intended to provide for improved housing choice.	312
Total New Units		2,600

Applying the HNR Method results in the anticipated need for 2,600 homes annually to satisfy housing demand to 2041. Housing completions data for Richmond, published by the Canada Mortgage and Housing Corporation (CMHC), provide that over the past ten years, 1,980 housing units have been completed per year on average. The housing completions reported by CMHC exceed the demand forecast in the 2021 HNR but differ from the needs now forecast using the Province’s HNR Method. Staff believe the HNR Method overestimates the housing needs tied to several of the components of need listed. Attachment 1 outlines where staff believe there are issues in the HNR Method.

In November 2024, Metro Vancouver presented updated dwelling unit projections for the region and for member municipalities. The updated projections include data from the 2021 Census, while also accounting for stronger population growth influenced by higher levels of immigration; the projections do not capture the introduction of housing units that may be prompted by recent Provincial housing legislation. Housing growth projections are used as a source for estimating the future demand for land, utilities and infrastructure as well as community amenities, including recreation facilities, parks and open spaces.

Metro Vancouver's 2024 dwelling unit projections provide a low, medium and high growth scenario and forecast household growth in Richmond at 1,478 units per year (low), 1,641 units per year (medium) and 1,764 units per year (high), averaged over the period of 2021 to 2040. Metro Vancouver's updated projections are substantially lower than the 2,600 units per year projected using the Province's HNR Method and align more closely with growth forecasts presented in the City's 2021 HNR and housing completions experienced over the past decade.

The complete IHNR is provided as Attachment 3. The IHNR acknowledges the housing units needed over the short and long term, as defined using the HNR Method. The IHNR also includes data from Statistics Canada's Census of Population as well as information from CMHC, BC Stats, and Metro Vancouver. This information is intended to provide greater context to the trends expected to influence the housing needs of Richmond residents.

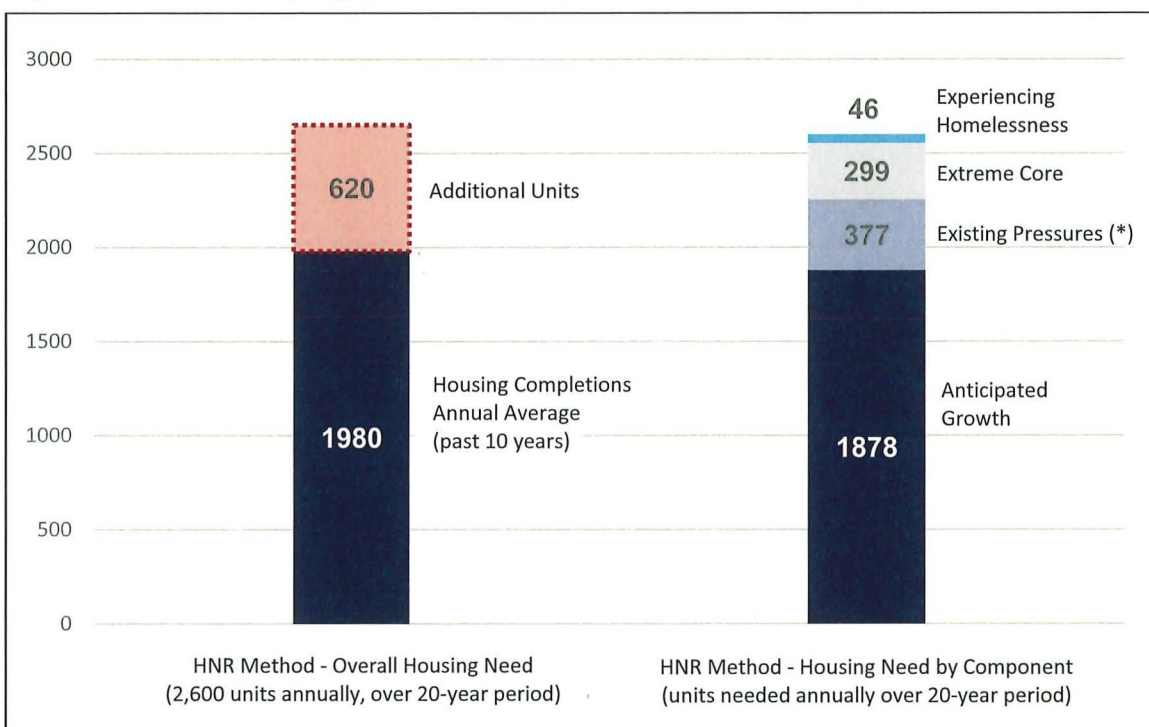
The Province's HNR Method has introduced several components of housing need that were not requisite components of this work when the City prepared the 2021 HNR. These components include units to address Extreme Core Housing Need, people experiencing homelessness, and suppressed household formation, as well as units to achieve a rental vacancy rate of 3%. The HNR Method also applies a "demand buffer" intended to provide housing choice. Technical guidelines prepared by the Province note that the demand buffer is designed to better account for the number of units required to meet "healthy" market demand where, for example, there is housing readily available for growing families and seniors looking to downsize.

The largest component of housing demand is defined by anticipated growth. The 2021 HNR relied on household growth projections prepared by Metro Vancouver in 2020. These projections drew data from BC Stats, in addition to customized, area-specific data collected by Statistics Canada. By contrast, the HNR Method blends local BC Stats' household growth projections with those that are specific to the region. This approach assumes Richmond will grow at rates consistent with regional growth rates, which continue to be higher than that of Richmond, despite area-specific conditions. These conditions include, for example, height constraints around Vancouver International Airport, limited land use permissions within the Agricultural Land Reserve, and the general absence of greenfield or undeveloped lands.

Figure 1 illustrates the average annual number of households completed over the past decade in addition to the units reportedly required annually to satisfy the 2,600 units identified in the IHNR. The Figure recognizes the different components of housing need defined using the Province's HNR Method. This breakdown is offered recognizing that the delivery of housing options is a shared responsibility. The City has been successful in enabling the development of housing required to

address anticipated growth. The City has implemented policy and regulatory changes to help ease existing pressures, including market rental housing needed to address low levels of rental vacancy. The pre-zoning of almost 27,000 single-family and duplex lots to permit small-scale multi-unit housing (SSMUH), as directed by Bill 44, roughly doubled the total capacity of those lands from approximately 54,000 units, with two units per lot, to 108,000 units, which assumes four units per lot. Further, the implementation of Transit-Oriented Areas (TOA) as defined by Bill 47 has increased development capacity by roughly 30,000 units within 800 metres of Richmond’s Canada Line stations, as compared to the current City Centre Area Plan (CCAP).

Figure 1: Annual Housing Supply Forecasted using the HNR Method by Components of Future Need



* Existing Pressures capture components of pent up or latent demand and include suppressed household formation, a return to a healthy rate of rental vacancy, and the demand buffer, the latter providing housing choice.

The realization of the housing need estimated by the Province is largely dependent on the capacity and motivation of the private sector to deliver below-market rental, market rental and ownership housing. At the time of writing this report there were roughly 1,900 units tied to development proposals that have received conditional planning approvals and approximately 1,800 units tied to projects for which a development permit (DP) has been issued but for which a building permit application has yet to be received. The advancement of these projects will help respond to existing and forecasted housing need.

The delivery of housing for very-low income households and housing with supports for some of the most vulnerable members of the community requires the involvement of senior levels of government. The ability to develop non-market housing, including housing for those in Extreme Core Housing Need and housing for those who are experiencing homelessness, is largely reliant on the ability to secure capital and operating funding, housing subsidies, low cost financing, and other

supports from the Provincial and Federal Governments. In short, the additional units identified using the Provincial HNR Method will require the participation of all levels of government. Building the capacity of not-for-profit housing operators and other organizations is similarly important in ensuring housing is made available across the entire housing continuum.

Implications of Overestimating Housing Need

The requirement to accommodate housing delivery, as prescribed by the Province, will influence long range planning activities including the scoping of amenity cost charges (ACC) and development cost charges (DCC). ACCs and DCCs are used to ensure the costs of building community amenities and infrastructure, arising from development, do not generate a cost burden on existing residents. Overestimating housing needs, however, has the potential to increase the charges applicable to development potentially furthering financial constraints to advancing residential development. A more realistic estimate of housing need, informed by regional growth studies and local land use considerations, will ensure efforts to secure cost recovery are appropriately scoped to the needs of existing and future Richmond residents.

Richmond's Efforts to Support Housing Delivery

The City's Housing Office has been explicitly created to lead initiatives to deliver more housing. This work will complement the many other initiatives implemented by the City to enable and incent the development of housing tailored to varying areas of need. Since the completion of the 2021 HNR the City has implemented, or is in the process of implementing, several programs and initiatives to boost the supply of housing (Attachment 2). This work includes the creation of policies to require market rental and LEMR housing, reduced parking supply requirements for affordable housing, and the introduction of broad permissions to enable SSMUH. Section 2.0 of the IHNR provides greater detail around the work of the City to boost housing supply.

With the receipt of \$36M in funding through CMHC's Housing Accelerator Fund (HAF), the City is advancing work on a one-time housing grant program to build the capacity of non-profit organizations (NPO) and Cooperatives to deliver more affordable housing for low and moderate-income households. The grant will also make available funding to offset the DCCs incurred by for-profit homebuilders, allowing more affordable homes to be brought to market sooner. The DCC offset will only be used for those projects that deliver beyond the required amount of affordable housing and only those extra affordable housing units will be eligible for any offset. HAF funds are also bringing resources to help fast-track market rental and affordable rental housing, and to implement new technologies that will simplify the process of receiving and reviewing approving development applications.

The City has been successful in working with the Province, Federal Government and NPOs to deliver non-market housing, which serves some of the most vulnerable members of the community. Contributions from the City include City-owned lands and funds from the Affordable Housing Reserve, the latter being used to cover City-related development costs such as planning application fees, DCCs, building permit fees, and limited site servicing costs. The City's Affordable Housing Strategy recognizes that it will take the collaboration of senior levels of government, the motivation of for-profit developers, and the continued capacity of NPOs to deliver the additional units identified by the Province through the application of the HNR Method.

Future Work / Next Steps:

Changes to the *Local Government Act* require the preparation, receipt and release of an IHNR by January 1, 2025. Council's approval of Recommendation 1 in this report will satisfy this new requirement. Subsequently, the City is required to implement targeted updates to the land use designations and policies of the OCP and pre-zone lands to permit the 20-year supply and types of housing identified in the IHNR using the HNR Method; this work must be completed by December 31, 2025.

The City has satisfied the Province's recent requirement to implement SSMUH regulations, enabling considerable residential development in neighbourhoods formerly limited to single and two-unit dwellings. Ongoing updates to the OCP will further ensure that lands are designated to accommodate anticipated growth, including increased development opportunities in TOA. As it relates to TOA, inclusionary zoning will be used to require the delivery of affordable, below-market, housing in larger-scaled developments. Outside TOA, the City will continue to use density bonusing to this same end.

The City's new Housing Office, within the Deputy CAO's Office, is leading additional measures to support the delivery of more housing. This work includes the advancement of affordable housing development on City-owned lands, the implementation of partnerships and financial incentives to build the capacity of NPOs to own and operate below-market and non-market housing, and measures to offset the costs borne by the for-profit homebuilders who are invested in residential development. The availability of Federal funding, through HAF, is furthering the ability of the City to add resources and leverage emerging technology to streamline the review and advancement of residential development applications.

Financial Impact

None.

Conclusion

An Interim Housing Needs Report has been completed in accordance with the Province's prescribed HNR Method. Council's receipt of this IHNR and its publication on the City's website will satisfy the immediate requirements of the *Local Government Act*. The findings of the IHNR suggest additional measures must be implemented to boost the supply of housing over the next 20 years. The City is doing its part to enable the delivery of housing although the ability to provide housing for some of the most vulnerable members of the community requires the involvement of all three levels of government.



Greg Newman,
Manager of Affordable Housing
(604-204-8648)



Rene Tardif,
Planner 2, Affordable Housing
(604-247-4648)

PR:

- Att. 1: Comments on the Province’s HNR Method
- Att. 2: Summary of City of Richmond Affordable Housing Accomplishments
- Att. 3: City of Richmond 2024 Interim Housing Needs Report

Comments on the Province's HNR Method

The information below highlights where it is believed the HNR Method is overestimating the housing units necessary to address several components of housing need, as follows:

a. Extreme Core Housing Need (ECHN):

This component is tied to households with a mortgage, and renter households that would need to spend more than 50% of their gross income to pay the median rent for alternative acceptable housing, and where the household falls below one of three indicator thresholds including: adequacy, affordability, and suitability. Adequacy captures the need for major repairs and may not reflect the actual need for new housing. The HNR Method assumes all households in ECHN require new housing which may not be the case.

b. Persons experiencing homelessness:

The HNR Method relies on data collected through the Province's Integrated Data Project (IDP) to estimate the need for housing for those who are experiencing homelessness. The IDP identifies an individual as experiencing homelessness if they have received income assistance and did not have a fixed address for three consecutive months, or those who stayed at a BC Housing-affiliated shelter for at least one night, or both. The IDP reports a count of those experiencing homelessness for the Greater Vancouver region overall. The 2021 count in Greater Vancouver was estimated to be 11,392 persons.

The HNR Method applies a proportional allocation of the IDP-reported count to Richmond, being equivalent to the proportion that Richmond's population represents in the region overall (8%). It is understood that, for example, through the 2023 Point in Time (PiT) Count nearly 50% of those experiencing homelessness across Greater Vancouver were identified in the City of Vancouver. The City of Vancouver represents roughly 25% of the regional population. During that same Count, 3.3% of those identified were in Richmond despite the City representing 8% of the regional population. By drawing from the IDP, the HNR Method is meant to capture people experiencing homelessness at any point during the year. By contrast, the PiT Count captures those who participated in the survey and were actively experiencing homelessness in a single 24-hour period. While the approaches differ, the HNR Method is likely resulting in an overestimate of housing need.

c. Anticipated Growth

The HNR Method blends growth forecasts specific to Richmond with regional growth forecasts, which are higher. The approach assumes that Richmond has the capacity to grow consistent with other municipalities in the region, which may not be the case recognizing height restrictions around the Vancouver International Airport and ALR lands.

d. Demand Buffer

The HNR Method combines the unmet housing needs tied to ECHN, homelessness, suppressed household formation, and rental vacancy and then multiplies those components

by a demand factor determined by the Minister; the factor is calculated using BC Assessment housing price data relative to housing density. The buffer is meant to account for additional housing units to allow households to access housing that addresses required or preferred characteristics, such as being closer to work or transportation options. This buffer seems to extend beyond addressing base housing needs and further exaggerates forecasted needs tied to other components as defined by the Province.

The City has implemented measures to address areas of unmet housing need. These include the creation of rental housing policies to incent the delivery of both market rental and affordable rental housing, which may support increased rental vacancy. The City has also established policies to secure more family-friendly housing, providing improved housing choice, which may alleviate instances of suppressed household formation. Finally, the City has created a framework that allows cash contributions to be made into the Affordable Housing Reserve, which are being directed towards projects that serve those experiencing homelessness. Collectively, these measures and others undertaken by the City will reduce components of housing need that are used to define the housing buffer, having a compounding effect on the overall number of units forecast using the HNR Method.

Summary of City of Richmond Affordable Housing Accomplishments

The City has been an active leader in supporting the direct delivery of housing across the full housing continuum. The City has been a contributor to delivering 665 built units to date through providing access to City-owned land and / or through financial support. These projects include:

- 296 units for seniors at 7378/7388 Gollner Ave, owned and operated by Kiwanis Richmond;
- 129 units of below-market rental housing at 8080 Anderson Road (“Storeys”), operated by a consortium of non-profit organizations;
- 80 units of supportive housing at two sites providing housing for people who are at risk of experiencing homelessness and who require supports to maintain housing stability. One of the sites is operated by RainCity Housing and the other by Community Builders. In early 2024, BC Housing made applications to build 90 units of supportive housing, which is intended to allow for the relocation of those living at the two existing sites. In August 2024, the Minister of Housing announced the postponement of the project and staff are now awaiting further direction from BC Housing regarding the status of the proposal;
- 80 units of non-market and affordable market rental housing at 5491 No. 2 Road, to be operated by Pathways Clubhouse Society of Richmond (construction underway); and,
- 25 units of affordable rental housing for women and women with children at 4731 Steveston Hwy, to be operated by Turning Point Housing Society (nearing completion).

In addition, 2,446 affordable rental housing units have been delivered or are underway including the following built and secured units:

- 546 built and 895 secured Low-End Market Rental (LEMR) units;
- 14 secured modest income market rental units in the West Cambie area; and,
- 246 secured moderate market rental units.

In smaller-scaled developments, cash contributions may be made in lieu of built LEMR units. The contributions are deposited into the City’s Affordable Housing Reserve and used to support the construction of non-market and below-market affordable housing. Over the past five years, the City has secured approximately \$5M in developer contributions, which have been used to help cover the cost of City-related fees tied to the 80-unit Pathways development at 5491 No. 2 Road and the 25-unit affordable housing development at 4831 Steveston Highway.

While not directly involved with the City, there are 989 units across 17 different cooperative housing buildings (COOPs) offering varying levels of affordable home ownership. A forthcoming report will seek Council endorsement for a partnership program with NPOs and COOPs that aims to build their capacity to advance affordable housing across the community.



CITY OF RICHMOND
**Interim Housing
Needs Report**
2024





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Executive Summary

Introduction: The City of Richmond continues to assess changes in the housing market to ensure the delivery of housing options that are suited to addressing diverse local needs. This *Interim Housing Needs Report* updates Richmond's *2021 Housing Needs Report*. The scope of this work has been partly limited to satisfying the legislative requirements implemented by the Province in late 2023. Information prescribed by the Province is complemented with data from the 2021 Census and other data sources as referenced throughout this Report. By broadening the scope of this *Interim Housing Needs Report*, the City is able to provide greater insights into the trends that may be influencing housing needs.

New Data and Methodology: The Province has created a standardized approach to identifying housing needs, referred to as the "HNR Method". All local governments in BC must utilize the HNR Method in preparing an Interim Housing Needs Report. The HNR Method captures six components of housing need some of which extend beyond those recognized in preparing the *2021 Housing Needs Report*. As a result, the housing needs forecast using the HNR Method are higher than those previously reported. The six components of housing need are examined throughout this report. Appendix B describes the new methodology.

Roles and Responsibilities: The Federal Government through the Canada Mortgage and Housing Corporation (CMHC) and the Province through BC Housing, have a shared responsibility and are primary partners in the delivery of housing, in particular non-market housing. The City is active in working with senior levels of government to build housing that may not be delivered by the private market. Partnerships with local non-profit organizations (NPO) have been especially important in building and supporting the long-term operation of housing that targets some of the most vulnerable members of the community.

The City of Richmond has contributed resources towards the construction of affordable housing, providing City-owned lands and funding from its Affordable Housing Reserve. The City has also implemented land use policy and regulation to incent the delivery of below-market rental and market rental housing, leveraging the investments made by homebuilders. This has resulted in the delivery of thousands of housing units for low and moderate-income households. As an approval body, the City is continuously seeking ways to lessen red tape and streamline processes that will allow more homes to be brought to Richmond residents, sooner.

Programs and Initiatives: Since Richmond's previous *Housing Needs Report* was released in 2021, several initiatives have been completed to facilitate the addition of different types of housing, including market rental, below-market rental, supportive housing, and housing in proximity to transit. A number of initiatives are ongoing to expedite review and approval processes and ultimately accelerate the provision of more housing units.

Population Growth and Demographic Trends Influencing Housing

Demand: Population and household growth, combined with smaller households and an aging population, is leading to a strong demand for more units, particularly amongst smaller households. The following points summarize some of the key observations identified in the preparation of this Report:

- Population forecasts from the Metro Vancouver Regional Growth Strategy and BC Stats, suggest that Richmond's 2041 population will fall between 280,900 and 305,700 persons, respectively;
- Overall, household growth forecasts using the HNR Method anticipate the need for 37,551 households over the next twenty years to accommodate "anticipated growth" only, amounting to approximately 1,878 annually;
- The average household size has been gradually declining and this trend is expected to continue meaning more homes will be required to serve the same number of people;
- Data from the 2011 and 2021 Census illustrates steady growth in the number of one-person and two-person households, increasing by 43% and 32%, respectively. By contrast, growth in the number of households with three or more persons has remained relatively limited. This trend is expected to continue to 2041, driving the demand for smaller dwelling units;
- Over the period of 2006 to 2021, the number of residents aged 65 and over increased by 88%, creating opportunities for housing that will allow residents to age-in-place;
- Growth in the number of persons aged 25 to 39, increasing by 34% between 2006 and 2021, may be the result of the continued inward migration of those seeking academic and employment opportunities in Richmond. Residents in this age group may also capture adults seeking family-friendly housing with two or more bedrooms; and
- Through a customized calculation using the Housing Assessment Resource Tool (HART), it is suggested that half of all new housing units should be studio and one-bedroom units, 25% two-bedroom units, and the remaining 25% three or more bedrooms units.

Key Observations Pertaining to Housing Type, Tenure, and Affordability:

Single detached houses are the most common structural dwelling type in Richmond but the growth of the housing stock has been largely due to completions of apartments mainly in the City Centre, Hamilton and in part, Steveston. Constraints in the supply of housing suited to evolving needs is resulting in higher housing costs and a growing latent demand for new housing options. The *Interim Housing Needs Report* recognizes the following trends as they relate to housing costs, tenure and the form of construction sought by Richmond residents:

- Greater Vancouver Realtors reports a 36% increase in the benchmark price of housing in Richmond over the past five years. Census data similarly shows an increase in the median value of homes rising from \$752,395 in 2016 to \$990,000 in 2021, or an increase of 32%;
- Household income growth has not kept pace with increases in household prices driving would-be homeowners to explore opportunities in the rental market;
- Over the past decade, 72% of homes completed have been apartments, accommodating a growing proportion of renter households; a full 70% of overall growth in the City is occurring in the City Centre;
- A higher demand for rental housing is evidenced in declining rates of rental vacancy. In 2023, rental vacancy was 0.2%, being substantially lower than what is considered a "healthy" rate of rental vacancy at 3% to 5%;

- Increasing rental demand and low rates of vacancy are resulting in rising rents. Over the past five years, the CMHC average market rent has increased by 39%; and
- Statistics Canada provides that where a household is spending 30% or less of the gross household income on shelter costs, the living condition is considered affordable. The 2021 Census provides that 28,155 or 35% of all Richmond households are spending more than 30% on shelter costs, living in unaffordable housing.

Unmet Housing Need: The HNR Method recognizes components of existing unmet housing need. These include the need for housing in response to instances of Extreme Core Housing Need (ECHN), suppressed household formation, and homelessness. Key observations include:

- Renter households represent roughly 40% of the total number of households in ECHN while owner households with a mortgage represent nearly 50% of the total. Per the HNR Method, 5,981 homes are required over the next 20 years to address instances of ECHN, being approximately 300 units annually;
- The suppressed demand for housing can present itself in cases where, for example, a young professional is living with their parents while saving to purchase a home or where a group of unrelated people are living together to share in the payment of housing costs. Using the HNR Method, it is estimated that 847 homes are needed over the next twenty years, or roughly 42 homes per year, to address the suppressed demand for housing; and
- The HNR Method estimates the need for housing for those who are experiencing homelessness based on the proportion of the City's population relative to that of the Greater Vancouver region. That proportion, being 7.99% for Richmond, is then multiplied by the estimated number of people experiencing homelessness in the region, being 11,392 per the Province's Integrated Data Project (IDP). Using the HNR Method, Richmond needs approximately 911 units over the next 20 years for those who are experiencing homeless. This approach assumes the number of people experiencing homelessness in any given community is proportional to the gross population of that community. The 2023 Point in Time (PiT) Count, carried out over a 24-hour period, provided that roughly 50% of those identified as experiencing homelessness were recognized in the City of Vancouver, which represents approximately 25% of the regional population.

Overall Housing Need: The Province's HNR Method takes into account anticipated household growth in addition to other components of housing need, outlined in Table 1. Using the HNR Method, it is estimated that 15,527 housing units are needed over the next 5 years and 51,981 units are needed over a 20-year horizon. The 20-year average supply of housing needed is 2,600 units annually. The 2021 HNR provided that 1,800 housing units are needed annually to 2026. Housing unit completions over the past decade have averaged approximately 1,980 per year satisfying the forecasted need outlined in the 2021 HNR. However, the findings of the *Interim Housing Needs Report* provide that there will be a shortfall of 620 units annually, beyond historic averages, pending some adjustment in the delivery of more housing.

Table 1: Summary of Housing Needs over the Next Five- and 20-year Periods

Component of Housing Need	Description of Component	5-Year Need (2021–2026)	20-Year Need (2021–2041)
A. Extreme Core Housing Need	Households in Extreme Core Housing Need are those that do not meet one of three indicator thresholds (adequacy, suitability and affordability) and where the household would need to pay >50% of income on the median market rent.	1,495	5,981
B. Persons Experiencing Homelessness	Persons experiencing homelessness are defined in this context as those receiving income assistance and having no fixed address for three consecutive months, or those who stayed in a BC Housing-affiliated shelter for a least one night, or both.	455	911
C. Suppressed Household Formation	The suppressed demand for housing captures those with the ability to live independently but due to limited supply, lack of affordability, and other factors live with family, friends or other persons.	212	847
D. Anticipated Growth	The anticipated need for housing driven by population growth.	11,692	37,551
E. Rental Vacancy Rate Adjustment	Housing units needed to reach a healthy vacancy rate of 3.0%, being reflective of a market where there is some degree of housing choice.	115	461
F. Demand Buffer	A buffer applied to the combined housing needs captured by Components A through E, providing for improved housing choice.	1,558	6,230
Total New Units		15,527	51,981

The ability to deliver housing in excess of that completed over the past decade is dependent on the presence of economic conditions that are conducive to advancing residential development and the related motivation, initiative and investment of private developers. Furthermore, additional capacity to deliver housing suited to the diverse needs of residents relies on the involvement of senior levels of government, particularly as it relates to delivering housing for those who are experiencing homelessness or in need of housing supports as well as those requiring deep levels of housing subsidy. The City of Richmond will continue to leverage its relationship with BC Housing and CMHC to build non-market housing while working with non-profit housing operators and developers to deliver affordable, below-market, housing. The City will also continue to use local planning tools to proactively plan for the development of a sustainable community, where housing choices are provided in proximity to transit and a mix of complementary uses allow residents to realize enhanced livability, mobility, and housing affordability.

1.0 Introduction

Housing is a Shared Responsibility

Housing is essential to the physical, economic and social well-being of individuals and families. Addressing the need for a variety of housing, across a housing continuum (Table 2), requires the involvement of multiple parties. Funding from Provincial and Federal governments is necessary to help cover the capital and operating costs associated with providing non-market housing. Rent subsidies are needed from senior levels of government to offset the rising cost of market rental housing, which is falling out of reach of low and moderate-income households.

The City of Richmond's role, per the *Local Government Act*, is to enable the supply of housing through growth management, land use policy, regulation (pre-zoning), and infrastructure investments that support housing delivery over the long term. Developers are fundamental in addressing the demand for market ownership and rental housing, contributing the equity and expertise to build homes. The ability to secure low-cost financing from the Province or Federal Government has the potential to boost the construction of much-needed market rental housing, lessening constraints in the market and creating competition, which may lead to reduced rents.

Non-profit organizations (NPO) and those who contribute to these organizations are also essential partners in the delivery and management of non-market and affordable market housing. NPOs deliver financial, capital, and social resources to build and operate housing for some of the community's most vulnerable. This work allows Richmond residents to gain access to local supports that can provide housing stability and improve one's overall quality of life.



Table 2: Richmond’s Housing Continuum

Housing Continuum								
Shelters and Transitional Housing			Rental Housing				Ownership Housing	
Emergency Weather Shelters	Shelters	Transitional Housing	Supportive Housing	Non-Market Housing	Low-End Market Rental	Market Rental Housing	Affordable Home Ownership	Market Home Ownership
Temporary shelters opened when an Extreme Weather Alert is issued.	Short-stay shelters with varying levels of supports to individuals.	Short- to medium-term housing that includes the provision of support services (on- or off-site) to help people move towards self-sufficiency.	Short- and long-term housing in which a range of supports are provided to residents.	Housing funded by senior levels of government and managed by BC Housing, Metro Vancouver, a non-profit housing organization, or cooperative housing provider.	Below market rental units, including units secured through the City’s Low End Market Rental program.	Units rented at market rates, including “primary” purpose-built units (e.g. rental apartments); and “secondary” units (e.g. rented condos, secondary suites and single-family houses).	Units at below market value for purchase by moderate income households.	Units purchased at market value.

*Adapted from the 2017 Affordable Housing Strategy

Provincial Requirements

The initial legislative requirement for Housing Needs Reports (HNR) came into effect in 2019. At this time, the Province mandated that local authorities gather information, examine growth patterns, and report the present and expected demand for housing in the community. In 2023, the *Local Government Act* was amended by *Bill 44 – Housing Statutes (Residential Development) Amendment Act*. The amendments implemented by the Province standardize the practice of forecasting housing needs using a prescribed approach referred to as the Housing Needs Report Method (HNR Method).

By January 1, 2025, local governments and regional districts are to have completed an *Interim Housing Needs Report* using the HNR Method. The HNR Method draws data from Statistics Canada, BC Stats, BC’s Integrated Data Project and the Canada Mortgage and Housing Corporation (CMHC), to identify housing needs as they relate to the following six components:

Table 3: Six Components of Housing Need

Component of Housing Need
A. Supply of units to reduce extreme core housing need
B. Supply of units for people experiencing homelessness
C. Supply of units to address suppressed household formation
D. Supply of units to meet household growth over the next five and 20 years
E. Supply of units needed to meet at least a 3% vacancy rate
F. Supply of units needed to meet local demand (“demand buffer”)

Generally, the Province's HNR Method appears to overestimate Richmond's forecasted housing need. Where appropriate, shortcomings in the HNR Method are recognized and may be communicated to the Province for further refinement of the standardized approach. Ultimately, it is recognized that additional data collection, review and analyses are necessary to paint a more complete picture of Richmond-specific housing needs. Maintaining an on-going dialogue with the community is also of particular importance.

Use of this Interim Housing Needs Report

The City of Richmond's most recent, comprehensive, Housing Needs Report was adopted in 2021, preceding the release of the 2021 Census. The legislative amendments implemented by the Province through Bill 44 provide that local governments are to prepare a comprehensive Housing Needs Report by December 31, 2028, allowing municipalities to draw data from the 2026 census.

This *Interim Housing Needs Report* has been scoped to address the immediate requirements of the Province while complementing the requisite materials with information from the 2021 Census and other data sources as referenced throughout. Key components of this *Interim HNR* include:

- A summary of the number of housing units required over the next five- and 20-years to address forecasted housing needs, calculated using the HNR Method;
- A statement about the need for housing in close proximity to transportation infrastructure in order to support walking, bicycling, the use of public transit and other non-automobile modes of transportation; and
- A description of the actions taken by the local government to reduce housing needs since completing the most recent, comprehensive, Housing Needs Report.

The forecasted five- and 20-year housing needs presented in this *Interim HNR* will be considered in the preparation of updates and amendments to the City's Official Community Plan (OCP). Further, the City will utilize the findings of this Interim HNR to evaluate opportunities to address housing need and to prepare a new Affordable Housing Strategy. From this Strategy, the City will continue to implement actions that will help address the community's short- and long-term housing needs.



2.0 Programs and Initiatives

The City of Richmond has been successful in implementing comprehensive land use plans and policies that have facilitated organized and sustainable growth, and the delivery of a variety of housing options suited to the diverse needs of Richmond residents.

The *City Centre Area Plan (CCAP)*, adopted in 2009, provides for focused growth around Canada Line stations and the introduction of a mix of uses that reduce the public's reliance on private automobile use. The Plan uses a capacity-based, transit-village planning framework to support inclusive and sustainable communities. Approximately 70% of growth is occurring in the City Centre, which is recognized as one of the finest examples of Transit-Oriented Development within the Lower Mainland.

The City's *Official Community Plan (OCP)*, updated in 2012, builds upon the successes of the CCAP and sets out a policy framework to guide growth over a 30-year planning horizon. The OCP recognizes the importance of actions that target issues including housing affordability, climate change, food insecurity and a loss of prime agricultural land, environmental and energy sustainability, and an aging population. The Plan recognizes the importance of providing housing for varying components of the population, including a growing senior's population, young families and newcomers to Canada.

Importance of Housing in Proximity to Transit

The City of Richmond recognizes the importance of planning for more intensive land use around transportation infrastructure, allowing residents to place less reliance on private automobile use and take advantage of alternative forms of transportation including walking, cycling, and public transit.

Research from Metro Vancouver¹ has shown that transportation costs are the second largest expense for Richmond households behind housing costs. Working owner households with mortgages in Richmond were found to be spending approximately 45% of the median income on housing and transportation costs. Working renter households happen to be spending approximately 50% of the median income on housing and transportation costs. Unsurprisingly, the cost of taking transit was found to be significantly lower than owning a vehicle and living close to frequent transit was found to help households absorb high housing costs.

Transit, particularly rapid transit such as the Canada Line that services the City Centre, has the capacity to service the mobility needs of a much larger population compared to automobiles. Growth and an increase in housing supply will place increased demands on the City's transportation infrastructure. As such, in order to ensure that additional housing is provided in a sustainable manner and that mobility needs within the City continue to be met, it is important for housing to be located in areas that are well-served by transit and facilities that accommodate other sustainable modes. By encouraging more people to live close to public transit, Transit Oriented Development (TOD) helps to reduce greenhouse gas emissions and improve air quality. Access to transit can also promote social and economic inclusion for households with lower

¹ [The Metro Vancouver Housing and Transportation Cost Burden Study \(2015\)](#) **GP - 37**

incomes, as residents may rely more heavily on transit to sustain employment, access services and participate in community activities. These are examples of how housing in close proximity to transit can enhance environmental and social sustainability.

Since 1999, the City has supported residential densification along its arterial roads. The policy has been updated several times to provide clarity on housing types and is now embedded in the Official Community Plan as the Arterial Road Land Use Policy. The purpose of the Arterial Road Land Use Policy is to locate denser housing developments on arterial road properties in close proximity to commercial services, public amenities, schools, and transit service. Staff estimate that the Arterial Road Land Use Policy may enable approximately 1,600 arterial road properties to accommodate approximately 6,100 new dwelling units and approximately 17,600 residents in a variety of ground orientated housing forms. The policy is further supported by Richmond's City Centre Area Plan and the Cycling Network Plan, which include goals to improve walking and cycling infrastructure within the City Centre to improve mobility and connectivity to and around transit stations.

Completed Programs and Initiatives

Market Rental Housing Policy and Parking Reductions

Richmond's Market Rental Housing Policy was adopted in 2018. The Policy sets out a voluntary density bonus approach for the provision of market rental housing above and beyond the maximum allowable density prescribed in the OCP. The Policy applies to 100% rental and below-market rental applications. The Policy was updated in 2022 to incorporate mandatory components that apply City-wide, for (i) the construction of market rental units for developments with 60 or more units; and (ii) cash-in-lieu options for smaller developments. The Policy also includes lower parking rates for market rental and affordable housing.^{2,3}

Rental Tenure & Density Increases – Spires Road Area Pilot Program

In July 2022, Council adopted amendments to the CCAP for the Spires Road area. These amendments created new requirements for the provision of rental housing in the Spires Road area above the requirements of the City's Affordable Housing Strategy and Market Rental Housing Policy. The success of this program is being evaluated for replication elsewhere in Richmond.

Alderbridge Supportive Housing

Alderbridge Supportive Housing (Alderbridge) was opened in May 2019 and provides 40 safe and secure rental homes for those previously experiencing homelessness. Alderbridge was developed with capital funding from BC Housing. BC Housing also provides ongoing operating funding to the non-profit housing organization RainCity Housing, which manages a number of other supportive housing sites throughout the region. In addition to providing land for the temporary supportive housing, the City also contributed funds from its Affordable Housing Reserve to help cover development cost charges, permit fees and servicing costs.

² [City of Richmond, Market Rental Housing Policy \(2018\)](#)

³ [City of Richmond, OCP Market Rental Housing Policy Update](#)

Aster Place Supportive Housing

In September 2022, the City, in partnership with BC Housing and non-profit housing operator Community Builders, opened Aster Place Supportive Housing (Aster Place). Aster Place provides 40 units and was built to ensure those who were temporarily residing at the Emergency Response Centre during the COVID-19 pandemic did not immediately return to being unsheltered. BC Housing provided capital and operating funding to develop Aster Place on City-owned lands. Similar to the development of Alderbridge, the City contributed funds from its Affordable Housing Reserve to help cover development cost charges, permit fees and servicing costs.

Small-Scale Multi-Unit Housing Changes

On June 24, 2024, Council amended the zoning of almost 27,000 single-family and duplex lots throughout the City to permit small-scale multi-unit housing in response to *Bill 44 – Housing Statutes (Residential Development) Amendment Act*. Small-scale multi-unit housing (SSMUH) provides for housing that is compatible, ground-oriented in scale and form with that found in established single-family neighbourhoods. These changes permit up to three, four or six units in eligible areas with the sixth unit secured as built affordable housing or cash-in-lieu thereof. The amendments also included reduced parking rates for SSMUH development.

Transit-Oriented Areas (TOA)

On June 24, 2024, Council adopted a *Transit-Oriented Areas (TOA) Designation Bylaw* to identify TOAs in the City and amend residential parking requirements within TOAs as required by *Bill 47 – Housing Statutes (Transit-Oriented Areas) Amendment Act*. There are three tiers or catchment areas defined around each designated TOA. Within each tier, the Province has prescribed minimum allowable height and minimum allowable density thresholds. The intent of these changes is to allow for additional housing in proximity to transit stations, lessening one's reliance on the use of a private automobile.

Ongoing Programs and Initiatives

OCP Market Rental Policy

The OCP Market Rental Housing Policy requires that developers provide market rental housing or cash-in-lieu of a built contribution. For rezoning applications that include more than 60 units, 15% of the total habitable residential floor area, excluding any area secured as affordable housing, is to be provided as market rental housing. For developments with less than 60 units, cash-in-lieu is received and deposited into the City's Affordable Housing Reserve.

Low-End Market Rental Program

Richmond continues to implement the Low-End Market Rental (LEMR) Program, which uses a density bonusing framework to secure built housing units for low and moderate-income households. For rezoning applications that include more than 60 units inside the City Centre, 15% of the total habitable residential floor area must be provided as built LEMR housing. For rezoning applications outside the City Centre, 10% of the total residential floor area must be built as LEMR housing. For developments with less than 60 units, cash-in-lieu is received and deposited into the City's Affordable Housing Reserve. Since the launch

of the LEMR program in 2007, a total of 546 LEMR units have been built and 895 LEMR units have been secured through conditional approvals or are under construction (to September 2024).

Pathways Clubhouse Building at 5491 No. 2 Road

The City of Richmond, Pathways Clubhouse, and BC Housing have partnered to build 80 units of affordable housing on City-owned property at 5491 No. 2 Road. The project has received funding through BC Housing's Community Housing Fund (CHF) to cover the capital costs of construction and long term operating costs. The project will provide three tiers of housing affordability including 16 Deep Subsidy Units, 40 Rent-Geared-to-Income Units and 24 Affordable Market Units. The project is expected to be completed in 2026.

Enhanced Fast Track Program

Development applications presenting 100% residential rental development and projects that include below-market housing are given priority in an effort fast track the introduction of such housing into the market. Additional staffing resources are being dedicated to support this initiative with funding received through CMHC's Housing Accelerator Fund (HAF).

Housing Priorities Grant Program

The City of Richmond is launching a three-year grant program in 2025 to help address financial barriers that limit the delivery of affordable rental housing. The \$10 million program is enabled by the HAF. The program will support a range of affordable housing projects, particularly projects led by non-profit housing organizations and cooperatives.

Affordable Housing Non-Profit Partnership Program

Richmond is exploring ways to cultivate partnerships with non-profit housing providers, homebuilders and senior levels of government to support the construction of below market and non-market housing. This Program is intended to build the capacity of the City, and community partners, to promptly engage with one another when funding opportunities arise. Building relationships and open lines of communication will also allow the City to recognize the assets held by local non-profit organizations, housing cooperatives, and other entities who may be interested in pursuing the development of affordable housing.

Permitting Optimization Project

This project is aimed at reducing approval times by optimizing and digitizing the permitting process. New technology can be leveraged to improve the customer experience and support end-to-end modernization including digital submission via an online portal, review/approval, and permit issuance. The Permitting Optimization Project will lead to streamlined building permits and development applications, improving overall efficiency and effectiveness.

Automated Plan Review Project

There is an ongoing initiative to leverage artificial intelligence (AI) and intelligent software to accelerate approvals. Software that integrates AI and Building Information Modelling (BIM) systems will be deployed to enable automated plan review.

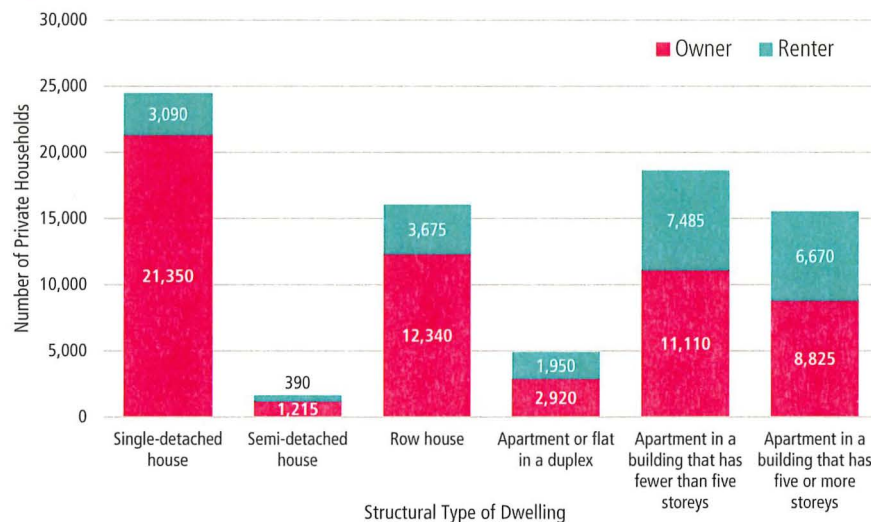
3.0 Current Housing Stock

The City is in a transition, changing from a majority of households living in single-detached dwellings to mixed use, higher density neighbourhoods offering greater housing diversity overall. Over the past decade, 70% of new homes brought to market have been apartments accommodating a growing proportion of renter households in the City Centre alone. A higher demand for rental apartments, evidenced in declining rates of rental vacancy, is reflective of the increased cost of owning a home. The shift from ownership housing to rental housing may also reflect the limited supply of lands suited for lower-profile housing and the introduction of policy incentives to build higher-density housing close to frequent transit networks. This section of the Report provides a snapshot of the City’s current housing stock and some of the trends that indicate areas of housing need.

Rise in Renter Households and an Increase in Apartment Construction

Statistics Canada’s 2021 Census reports a total of 81,080 private dwellings in Richmond, including 57,800 owner households and 23,280 renter households. The most common form of housing is single-detached homes making up 30% of all households. Figure 1 presents the number of private households by tenure and type. Within lower-density forms of housing, including single-detached homes, semi-detached homes, and row houses, most of the units are ownership households. By contrast, in higher-density forms of housing there is a higher proportion of renter households.

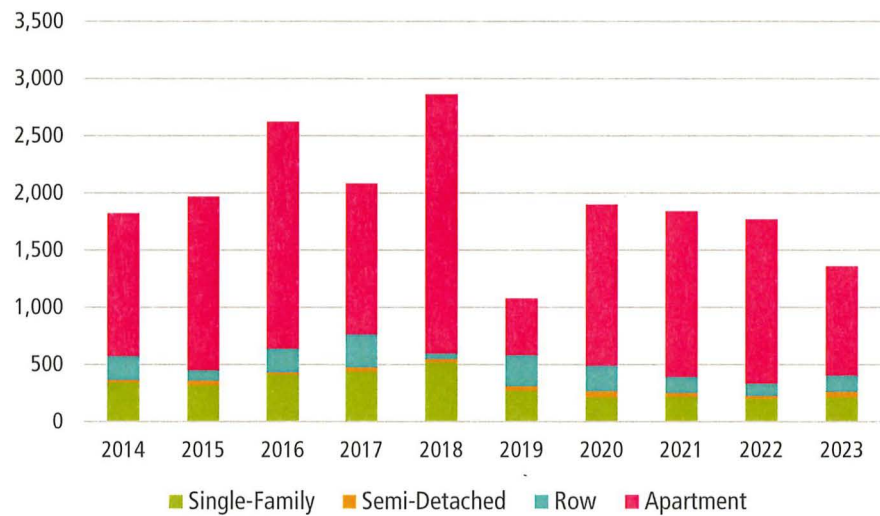
Figure 1: Structural Type and Tenure of Private Dwellings, Richmond, 2021



Source: Statistics Canada, 2021 Census of Population. Note: A small number of movable dwellings and other single-attached houses have been excluded.

Census data between 2006 and 2021 reports a greater rise in the proportion of renter households when compared against changes in the proportion of ownership households. This shift may be the result of additional apartment construction as evidenced in housing unit completions data collected by CMHC. As shown in Figure 2, the majority of units completed between 2014 and 2023, were apartments.

Figure 2: Historical Completions by Dwelling Type, 2014–2023, Richmond



Source: CMHC Starts and Completions Survey

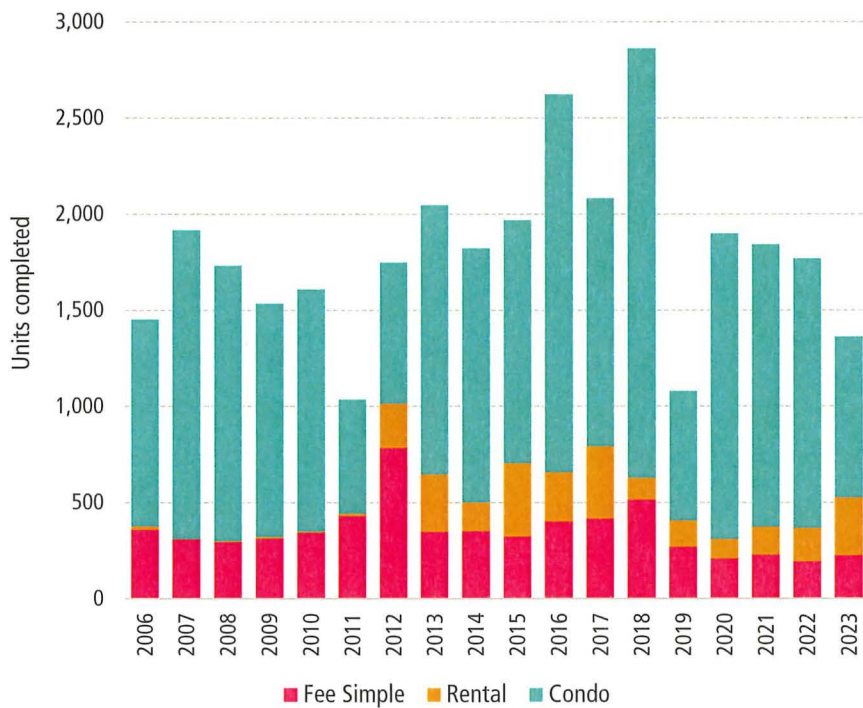
Housing Completions

CMHC reports housing starts and completions monthly, quarterly and annually in the Starts and Completions Survey. The Survey is done by using site visits to determine units that have reached different stages in construction. CMHC uses building permits to determine where construction is taking place. Data specific to the City of Richmond provides that over the past ten years, approximately 1,980 housing units have been completed annually. Since 2012, the City has seen a modest increase in the completion of purpose-built rental units, however, the majority of new housing continues to be delivered as strata, or fee simple, housing (Figure 3).

The 2021 Census reports a total of 23,275 private renter households and 57,800 private owner households. CMHC’s 2021 Market Survey⁴ reports a total of 3,443 purpose-built rental units which suggests that the remaining, majority of rental units (86% of the total), may be accommodated within the secondary market. This supply could take the form of suites in a single-detached house, coach homes, or rental units provided within a strata building.

⁴ CMHC’s Market Rental Survey is conducted annually in October. The survey targets privately-initiated rental buildings with at least three rental units that have been on the market for at least three months.

Figure 3: Total Units Completed 2006–2023 by Tenure



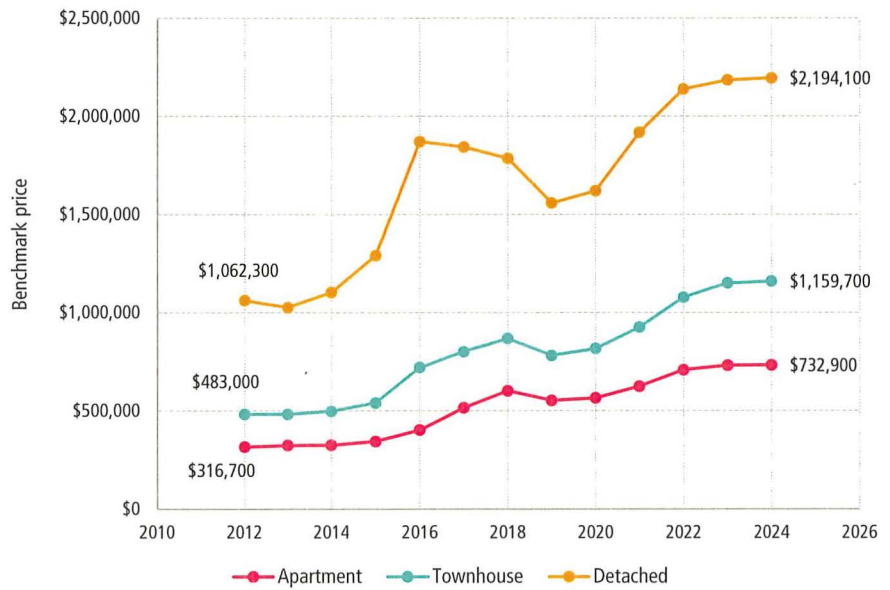
Source: CMHC Starts and Completions Survey

The Rising Cost of Ownership Housing

Throughout the Lower Mainland, the cost of housing has seen steady growth over the past decade. The Greater Vancouver Realtors (GVR), formerly known as the Real Estate Board of Greater Vancouver, is a member-based professional association of 15,000 realtors. GVR publishes a monthly Home Price Index (HPI), which identifies a benchmark home price in addition to the change in this price over varying periods of time. Figure 4 illustrates the change in benchmark home prices since 2012. Over the past five years, the benchmark price of all housing in Richmond, as reported by GVR, has increased by approximately 36%.

Data from Statistics Canada’s 2016 and 2021 Census reports an increase in the median value of homes in Richmond, rising from \$752,395 in 2016 to \$990,000 in 2021, or 32%. The median gross household income reported in the same two datasets highlights a lower percentage increase rising from \$65,241 in 2016 to \$79,000 in 2021, or 21%. As the price of housing increases faster than the gross income of a household, the ability to purchase a home may be lessened and may result in would-be homebuyers pursuing options in the rental market; this is particularly pronounced in low to moderate-income households, being those earning less than approximately \$65,000 and \$95,000, respectively.

Figure 4: Richmond Benchmark Prices by Structure Type, 2011–2023

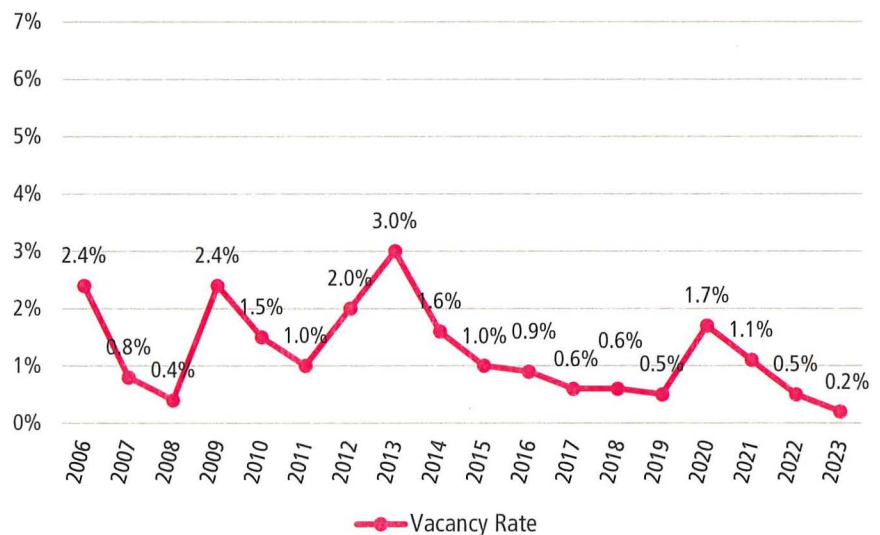


Source: Greater Vancouver Realtors

Rental Vacancy

A growing demand for rental housing is placing strain on the rental market resulting in declining rates of rental vacancy. Figure 5 presents rental vacancy rates published by CMHC in their annual Rental Market Survey. Since 2020, rental vacancy rates have fallen from 1.7% to 0.2%, the latter being the lowest level of rental vacancy in at least the past 20 years. A vacancy rate of between 3.0% and 5.0% is considered desirable for a balanced or healthy rental market where renter households have sufficient choice in housing types and price points. Since 2006, there has only been one year where the rental vacancy rate in Richmond reached 3.0%, the lower limit of a healthy range.

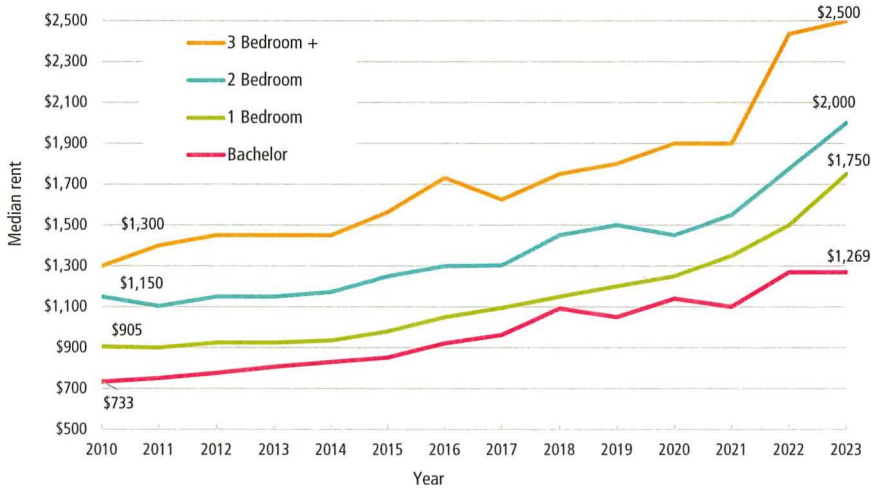
Figure 5: Rental Vacancy Rate, 2006–2023



Source: CMHC Rental Market Survey

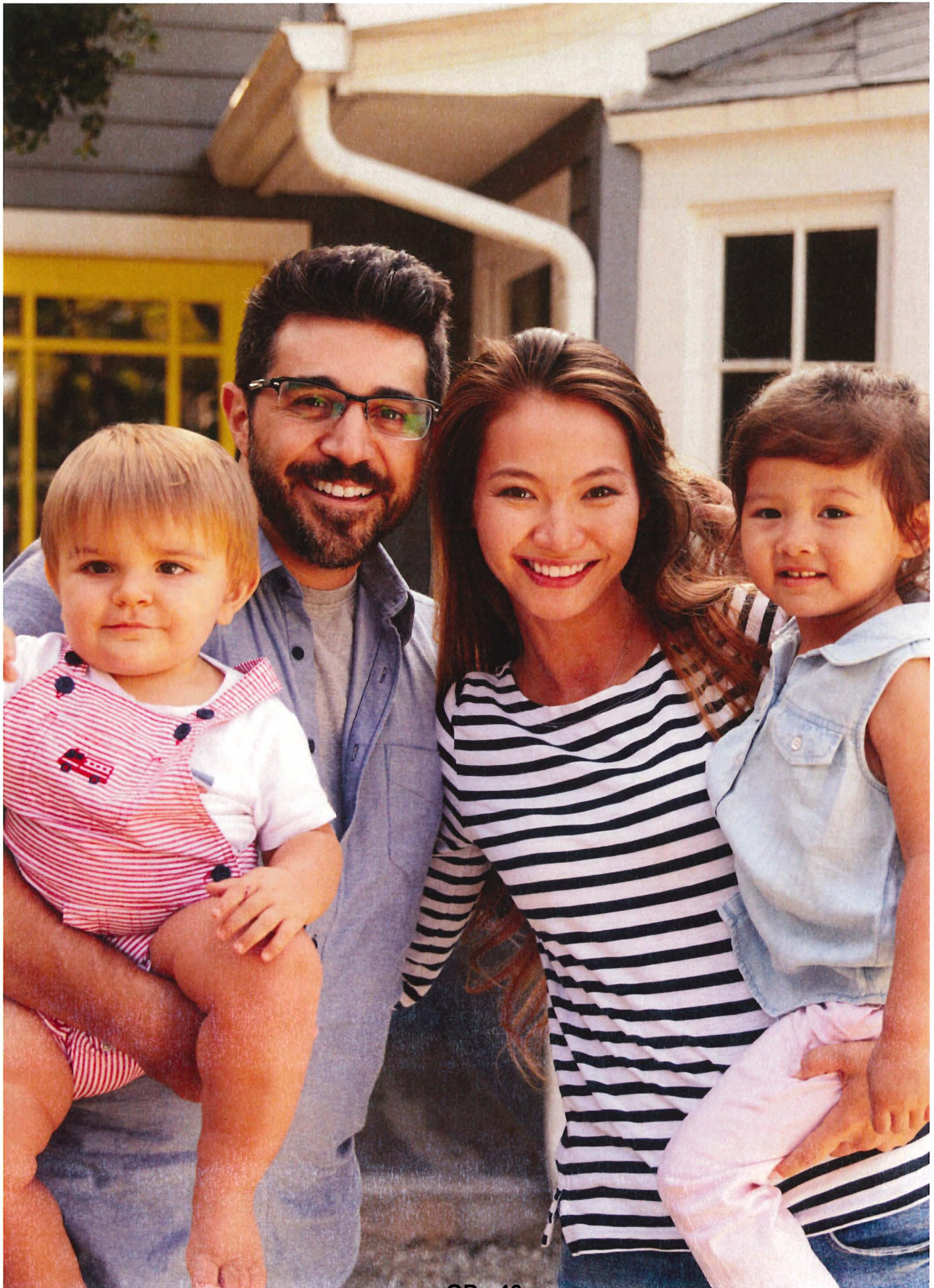
As the demand for rental housing increases and the supply of such housing remains constrained, the cost of rent will go up. Over the past five years (2018–2023), the median market rent for all purpose-built rental units, as reported by CMHC, has increased from \$1,345 to \$1,870, or 39%. A return to a healthier rate of rental vacancy, realized through an increase in rental housing construction, has the potential to slow the rate of any rent rate increase.

Figure 6: Primary Rental Market Median Rent, 2010–2023



Source: CMHC, Market Rental Report





4.0 Factors Influencing Housing Need

Many factors influence the type of housing needed to provide long-term housing stability. The rate of population growth and an understanding of associated changes in local demographics are valuable when forecasting housing needs. The need for housing is largely influenced by household income and the ability to afford housing made available in the private market.

Population Growth Projections

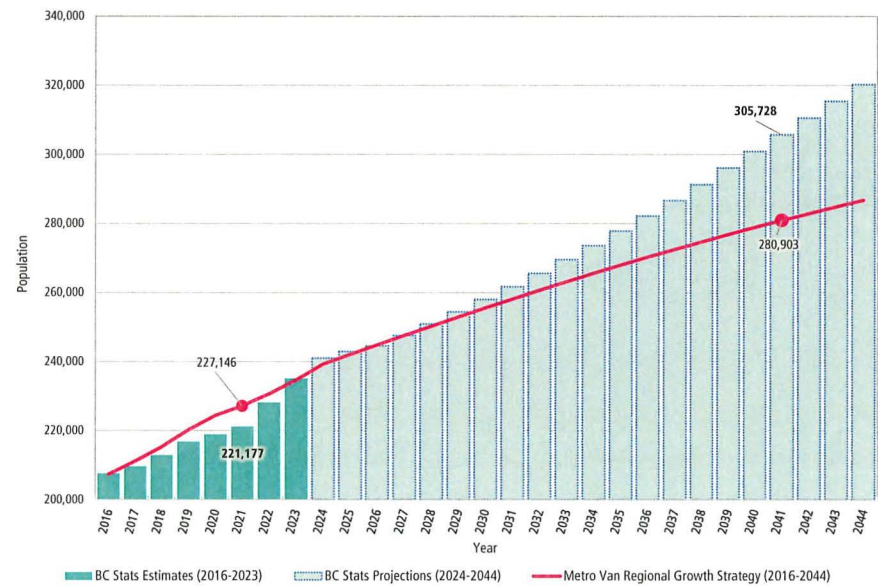
When preparing the 2021 Housing Needs Report, population and household growth projections were taken from the Metro Vancouver Regional Growth Strategy (MVRGS). The Strategy draws data from BC Stats⁵ in addition to customized, area-specific, data using information collected by Statistics Canada.

BC Stats population estimates for Richmond provide that the 2041 population will be 305,728. The Census population of Richmond in 2021 was 211,178 people. Comparing this figure against the population growth estimated by BC Stats, the population of the City of Richmond is estimated to grow by 84,596 people over the next 20 years, or 4,230 people annually. The MVRGS forecast identifies a lower overall amount of growth arriving at a total population of 280,903 in 2041. This amounts to an average annual growth rate of 2,986 persons per year. Figure 7 compares BC Stats population estimates against projections presented in the Metro Vancouver Regional Growth Strategy (MVRGS). While the five-year outlooks to the year 2026 are similar, BC Stats' 20-year projection is 22% higher than the previous MVRGS projection. Updated population projections provided by Metro Vancouver, under a medium growth scenario, forecast a population of 288,530 persons in 2040, or an annual average of 4,071 people.

The discrepancy between BC Stats' projections and those generated by Metro Vancouver may be the result of assumptions tied to increased levels of inward migration, reflective of rates more recently experienced across the Country. With emerging announcements identifying reductions in the number of permitted newcomers to Canada, it may be that the forecasted increase in population lessens. The practice of population projections requires ongoing review of policy changes and demographic trends, which subsequently inform adjustments to the projection.

⁵ BC Stats is a Provincial statistics office that provides population and housing projections to local and regional governments and conducts economic analyses and social research to inform planning and decision-making.

Figure 7: Comparison of Population Estimates and Projections, Richmond, 2016–2044



Source: Metro Vancouver Regional Growth Strategy projections and BC Stats Household Estimates and Projections.

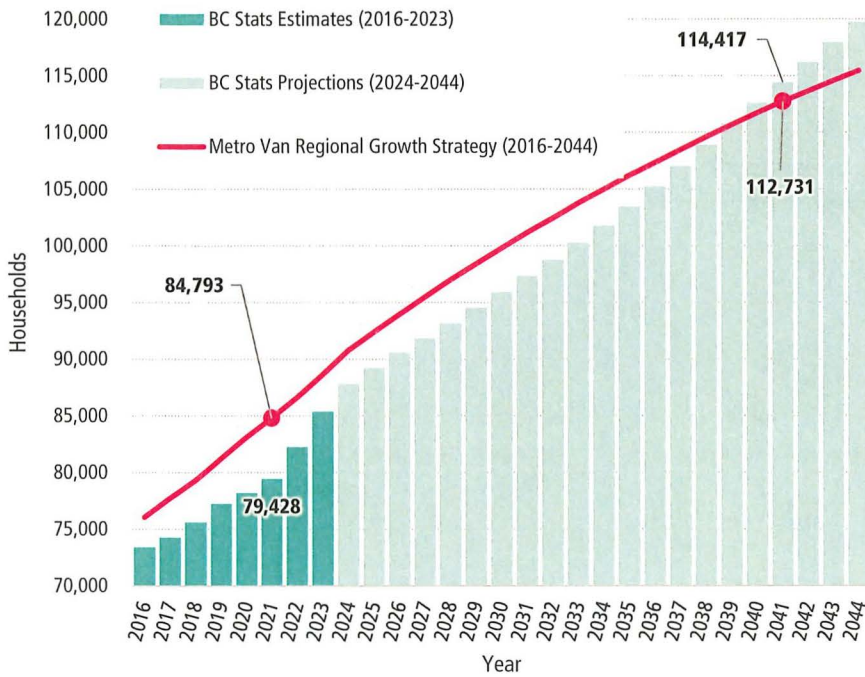
In November, 2024, Metro Vancouver presented updated dwelling unit projections for the region overall and for member municipalities. The updated projections include data from the 2021 Census, while also accounting for stronger population growth influenced by higher levels of immigration. The projections provide a low, medium and high growth scenario and forecast household growth in Richmond at 1,478 units per year under the low scenario, 1,641 units per year under the medium scenario and 1,764 units per year under the high growth scenario, averaged over the period of 2021 to 2040. Metro Vancouver’s updated projections are substantially lower than the 2,600 units per year projected using the Province’s HNR Method and align more closely with growth forecasts presented in the City’s 2021 HNR and housing completions experienced over the past decade.

Household Growth Projections

Similar to the noted population projections, the City’s 2021 *Housing Needs Report* drew household projections from the *Metro Vancouver Regional Growth Strategy*.

Figure 8 illustrates the projected number of households reported within the MVRGS and those generated by BC Stats. The Province’s HNR Method blends BC Stats’ projected regional rates of household growth with those specific to the municipality. The result is a slightly higher number of projected households in 2041. As Richmond’s geographic context is unique within the region (airport height restrictions and soil quality), it is problematic to apply a regional growth rate to future household growth. The number of housing units needed to accommodate anticipated growth over the next 20 years, per the HNR Method, is 37,551 or approximately 1,880 households annually.

Figure 8: Comparison of Household Estimates and Projections, Richmond, 2016–2044

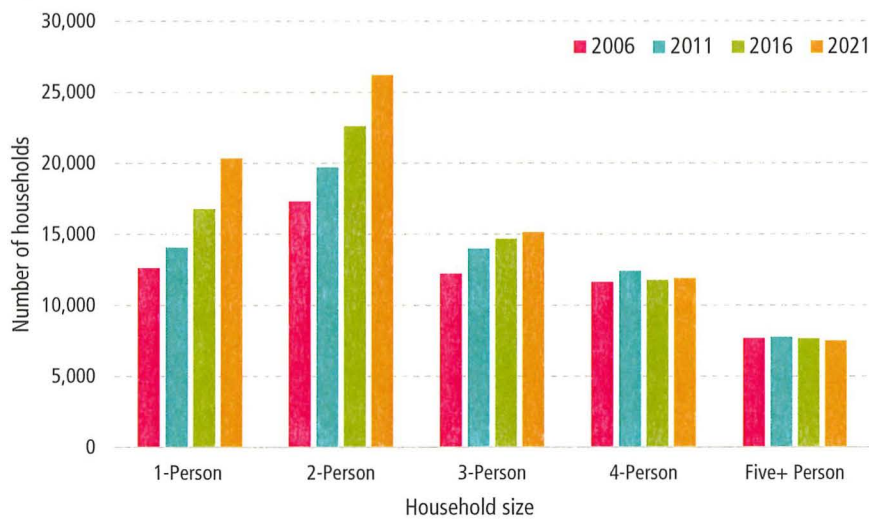


Source: Metro Vancouver Regional Growth Strategy projections and BC Stats Household Estimates and Projections.

Household Composition

The composition of a household commonly influences the size of housing being sought. Between 2006 and 2021, the number of one and two person households saw the greatest amount of growth while there was a modest increase in the number of three person households; households with four or more persons remained largely unchanged (Figure 9). This household growth translates into a growing demand for studio and 1-bedroom units, along with continuing need to provide 2-bedroom and 3-bedroom units as shown in the anticipated housing growth by unit-type in Table 5.

Figure 9: Change in Number of Households by Household Size



Source: CMHC, adapted from Statistics Canada (Census of Canada and National Household Survey)

Metro Vancouver Growth Projections foresee that the average household size in Richmond will continue to trend downward, from 2.7 persons per household in 2020, to 2.6 people in 2030, and 2.5 people in 2040 and beyond. A gradual reduction in household size suggests more homes will be needed to satisfy the same amount of housing demand than that required previously. For example, 370 homes in 2020 would have accommodated 1,000 people, while in 2040 it would take 400 homes to accommodate this same population with the noted household size reduction.

Table 4 presents the estimated number and overall proportion of housing needed, by unit type, over the next five and 20 years. These figures were generated using data from the 2021 Census and the housing supply forecast produced using the HNR Method. The proportion of housing units needed, by size, is largely aligned with the targeted unit mix outlined in the City of Richmond’s *Affordable Housing Strategy, 2017–2027*, being 10% studios and 30% one, two, and three+ bedroom units.

Table 4: Anticipated Housing Growth by Unit Type, 2021–2041

	Studio/1 Bedroom	2 Bedroom	3+ Bedroom	Total
2021 to 2026	5,530	3,004	3,157	11,691
2026 to 2041	12,232	6,644	6,984	25,860
Total	17,763 (47%)	9,648 (26%)	10,141 (27%)	37,551

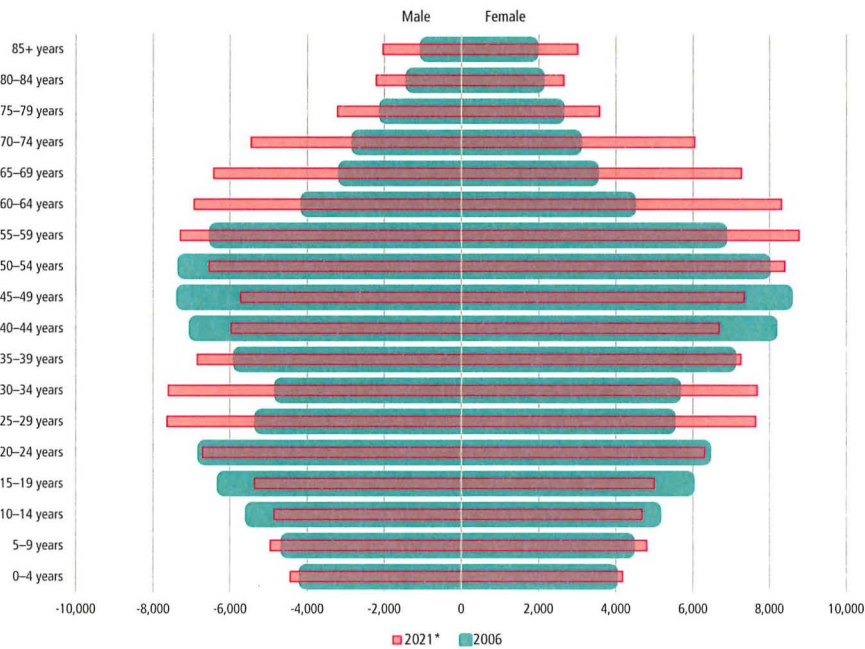
Note: City of Richmond Custom Calculation using 2021 Census and BC Stats

Population Aging

Statistics Canada’s Census data provides that in the 15-year period between 2006 and 2021, the number of people in Richmond aged 65 and over increased by 88%. During the same period, the number of children and young people aged 0 to 19 declined by 1.9%, and adults aged 20 to 64 increased by 15%. Figure 10 illustrates the number of males and females within each age cohort as reported by the 2006 and 2021 Census. As the population in each age cohort ages, it is assumed that a coinciding number of persons move up the pyramid. Deviations from the anticipated trends in population aging may represent instances of inward or outward migration, with people moving to or out of Richmond, respectively. The source of continued population growth will influence the demographic composition of Richmond residents.

Monitoring the changing numbers of persons in each age cohort allows for the proactive planning of housing that will serve changing housing needs. For example, the increase in those aged 65 and older may suggest a growing need for accessible and adaptable housing units. The larger number of adults in the 25 to 39 age range also suggests a need for more family-friendly housing units, being those with two or more bedrooms.

Figure 10: Richmond Population by Age Category, 2006 and 2021



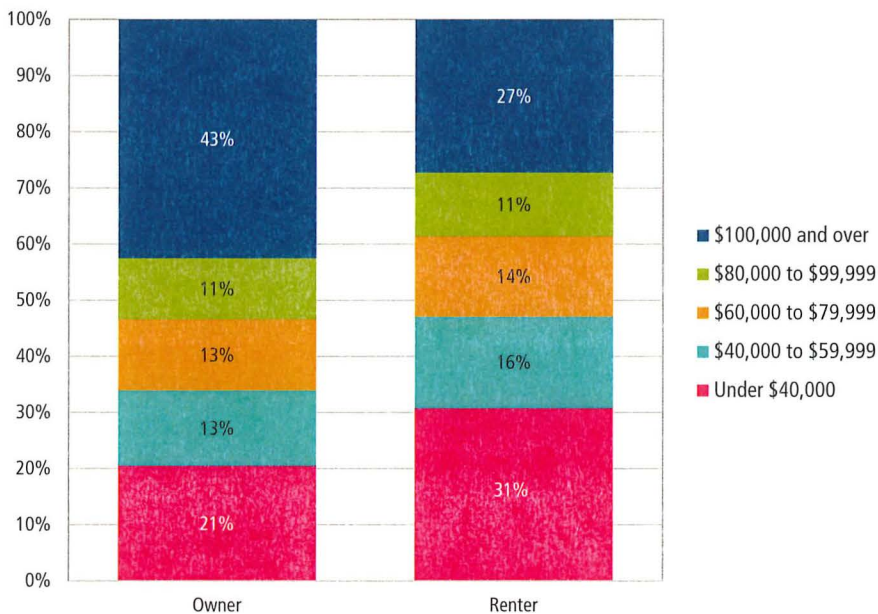
Source: Census of Canada, 2006 and 2021

*2021 Census data provides counts for man+ and woman+. The term "man+" includes men (and/or boys), as well as some non-binary persons, and the term "woman+" includes women (and/or girls), as well as some non-binary persons.

Household Income

The ability to afford housing in the private market is largely dependent on the income of a household. Figure 11 illustrates the proportion of households within varying household income ranges. The data shows that as income rises, there is a higher proportion of owner households with the inverse being reflected amongst renter households.

Figure 11: Percentage of Owner and Renter Households by Income Group, Richmond, 2021



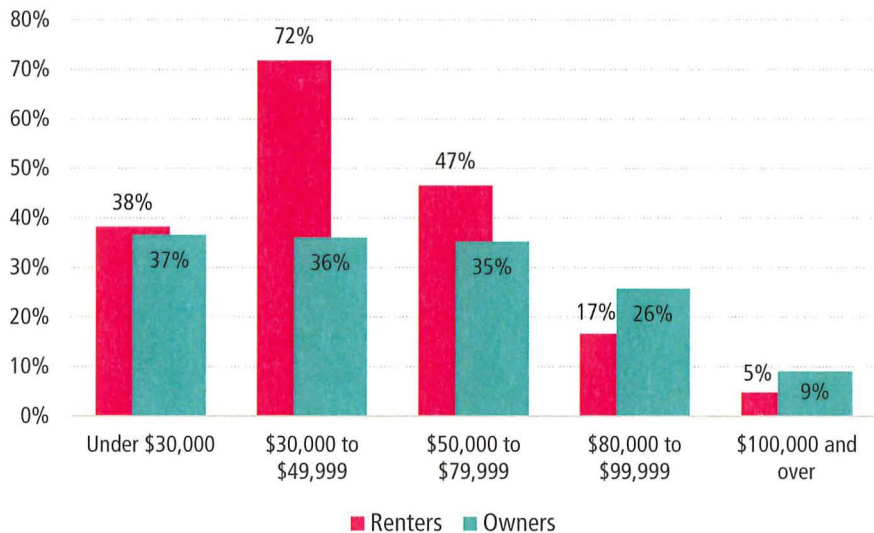
Source: Census of Canada 2021.

Shelter-Cost-to-Income Ratio

Statistics Canada uses a shelter-cost-to-income ratio to gauge housing affordability. Where households spend 30% or less of the gross household income on shelter costs, the living condition is considered affordable. The 2021 Census provides that 28,155 homes, or 35% of all households, are spending more than 30% of gross income on shelter costs being unaffordable.

Figure 12 illustrates the varying proportions of renter and owner households spending between 30% and 100% of their gross income on shelter costs. As shown, there are a higher proportion of renter households and in particular those earning between \$30,000 and \$79,999, in an unaffordable living situation. It is assumed that renter households earning less than \$30,000 are those that receive financial supports from senior levels of government or those within some form of subsidized or supportive housing arrangement.

Figure 12: Shares of Households by Tenure and Income Group Spending 30% to <100% Income on Shelter, 2021



Source: 2021 Census (Custom Data Table).

Gross household income data from the Census is based on reported, regular and recurring income, which includes employment income from wages, salaries, commissions and net income from self-employment, as well as income from government sources such as child support payments, social assistance, and Canada Pension Plan benefits. When using income-based data from the Census to determine levels of housing need, it is important to note that there are limitations. For example, Census income data does not reflect income that is irregular, such as withdrawals from a tax-free savings account, capital gains, and voluntary inter-household transfers. It also doesn't consider a household's total net worth (including assets and savings). As a result, there may be a discrepancy between household wealth and reported income potentially leading to an overestimate of households in unaffordable living conditions.

Another limitation is that the Census is reported every five years, and may not reflect current need. For example, income data from the 2021 Canada Census included a short-term income boost from COVID-19 benefits, such as the Canadian Emergency Response Benefit (CERB). This meant that household incomes were temporarily higher, but since COVID-19 benefits have been

discontinued, the income boost provided to some lower socioeconomic households has now ended.

Household Income Groups

Statistics Canada defines household income groups relative to a median gross household income. In Richmond, the 2021 Census reported a median gross household income of \$79,000 across all households. More specific to tenure, the median income of a renter householder was \$64,000 and the median income of owner households was \$86,000. Table 5 summarizes the income thresholds tied to each household income group.

Table 5: Household Income Group by Income Threshold

Household Income Group	Defining Threshold	Income Threshold
Very Low Income	Less than 50% of median income	< \$39,500
Low Income	50% to 80% of median income	\$39,500–\$63,200
Moderate Income	80% to 120% of median income	\$63,200–\$94,800
Above Moderate Income	120% to 150% of median income	\$94,800–\$118,500
High Income	More than 150% of median income	> \$118,500

Source: Statistics Canada, 2021 Census of Population.

The high presence of low and moderate-income renter households in Richmond suggests the need for incentives that will support the introduction of below-market rental units. The City's Low-End of Market Rental (LEMR) Program has been successful in securing affordable housing since 2007; however, the program is not designed to provide housing for those at the lowest end of the income spectrum. Changing economic conditions and the high cost of construction may be compromising, however, the ability of the private sector to deliver LEMR housing.

Core Housing Need

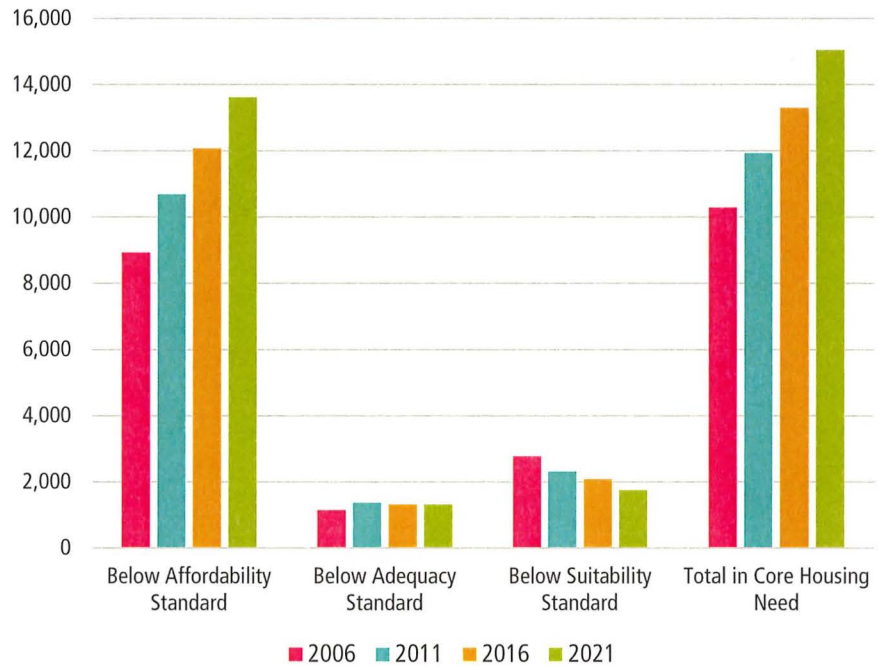
Statistics Canada's Census reports the number of households in "core housing need". Core Housing Need (CHN) captures situations where the conditions of the household fall below one of three indicator thresholds and where the household would need to spend 30% or more of its gross income to pay the median rent of alternative housing that is acceptable; in 2023 CMHC's reported median rent rate across all unit types was \$1,870. The three indicator thresholds that together define housing acceptability include:

- **Adequacy:** Housing reported by residents that does not require major repairs including defective plumbing or electrical wiring, or structural repairs to walls, floors or ceilings.
- **Suitability:** Housing that has enough bedrooms for the size and make-up of residents in the household, according to National Occupancy Standard (NOS) requirements. Generally, suitability is a measure of whether or not the household is considered overcrowded.
- **Affordability:** Housing where shelter costs amount to less than 30% of the gross income of the household. Shelter costs for renters include, as applicable, rent and payments for electricity, fuel, water and other

municipal services. For owners, shelter costs include, as applicable, mortgage payments (principal and interest), property taxes, condominium fees, and payments for electricity, fuel, water and other municipal services.

There has been a steady increase in the number of Richmond households in CHN since 2006. As shown in Figure 13, affordability is the most commonly reported unmet indicator threshold.

Figure 13: Number of Households in Core Housing Need, 2006–2021



Source: CMHC, adapted from Statistics Canada (Census of Canada and National Household Survey)

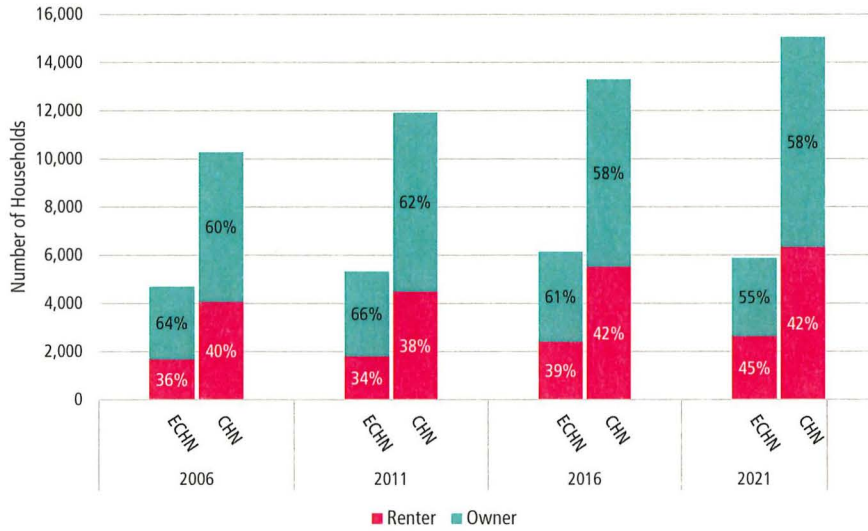
Extreme Core Housing Need

A household is considered to be in Extreme Core Housing Need (ECHN) when one of three indicator thresholds, being housing suitability, adequacy, and affordability, are unmet, and where the household would need to spend more than 50% of its gross income to pay the median rent of alternative housing in the market. In 2021, there were 6,525 households in ECHN. Renter households represent roughly 40% of the total number of households in ECHN while owner households with a mortgage represent nearly 50% of the total. The remaining 10% are not, generally, considered to be in ECHN as it is assumed the equity in home ownership provides the opportunity to secure more affordable housing made available in the market.

As shown in Figure 14, there has been a growing number of households in ECHN since 2006, with renter households experiencing the greatest increase. From 2016 to 2021, there was a slight decrease in the number of households in ECHN, likely resulting from the issuance of financial supports by the Federal Government during the COVID pandemic. As the cost of housing continues to rise faster than household income, it is anticipated that the number of households in ECHN will continue to increase.

The ability to address the needs of those in ECHN requires intervention from senior levels of government, most likely in the form of rent subsidies.

Figure 14: Households in Extreme Core Housing Need and Core Housing Need by Tenure, 2006–2021



Source: Canada Census 2006, 2011, 2016 and 2021

Rent Subsidies and Subsidized Housing

BC Housing provides rent subsidies through its Shelter Aid for Elderly Seniors (SAFER), Rental Assistance Program (RAP), and the Canada-BC Housing Benefit (CBCHB) Program. These Programs target lower income seniors, families and people living alone. The continued availability, and expansion, of financial supports from senior levels of government is needed to deliver housing that will address the short and long-term needs of these growing segments of the community. Current levels of subsidy available through these programs is not adequate to address the needs of the growing number of vulnerable households in the community.

Subsidized housing refers to housing, which is in some way subsidized, most often through government financial support or rent assistance. BC Housing provides permanent subsidized housing for residents of BC where rental fees are calculated as rent geared to income and set at 30% of total gross household income. Applicants must have low income and meet certain eligibility requirements and are able to apply for subsidized housing through the BC Housing Registry.

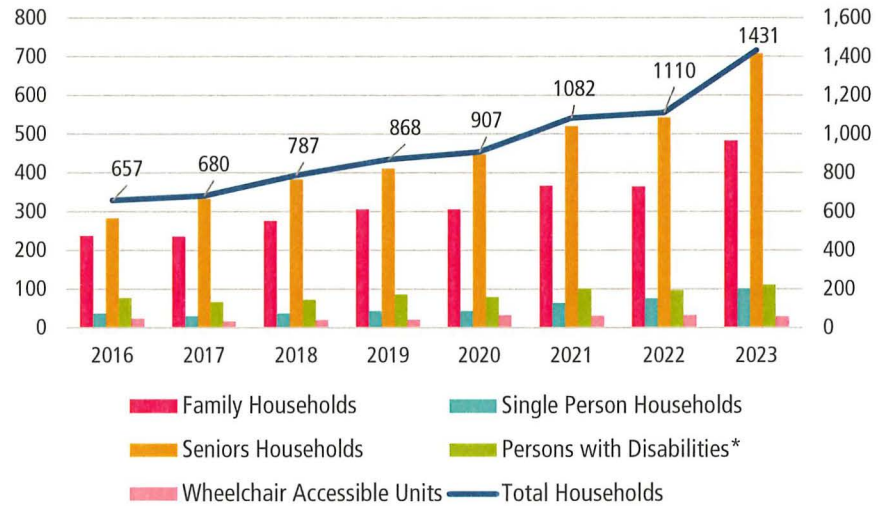
The BC Housing Registry is a centralized database that makes it possible for applicants to apply to different housing providers with one application. Since the completion of the 2021 Housing Needs Report, the BC Housing Registry for Richmond has grown by 32%, from 1,082 households to 1,431 households in 2023. Between 2018 and 2023, Richmond had one of the fastest growth rates in Metro Vancouver in terms of new households added to the Registry, with an 81.8% increase.⁶ The groups experiencing the largest increase over this timeframe have been Seniors and Families (see Figure 15).

The BC Subsidized Housing Registry is not a waitlist; when someone applies to the registry, they are offered housing based on need rather than solely based on the amount of time since registering. A number of considerations can affect the

⁶ Metro Vancouver Housing Data Book 2023, pg. 171.

amount of time an applicant is on the Registry. The sharp uptick in the number of new registrations between 2022 and 2023 points to the demand for housing at below-market rental rates.

Figure 15: Number of Households Waiting for Housing on the BC Housing Registry by Applicant Category for Richmond, 2016 to September 2023



Source: BC Housing

* In this context, Persons with Disabilities describes a household applicant category type that includes a person who can live independently and qualify for a disability pension or are eligible for a disability tax credit and have applied to the Registry.

Since 2016, there has been an increase in the number of Richmond households on the BC Housing Registry. As of December 2023, 1,556 Richmond households were waiting for affordable housing units managed by BC Housing, an increase of 27% compared to December 2022. Of the households on the Registry, almost half were seniors, a third were families with children and the remaining households consisted of single individuals, people with disabilities and households in need of wheelchair-accessible units (see Table 6).

Table 6: Number of Richmond Households on the BC Housing Registry

Applicant Category	Number of Households 2022	Number of Households 2023	2022–2023 Change (#)	2022–2023 Change (%)
Person with Disabilities*	95	113	18	19%
Family	414	516	102	25%
Senior	610	745	135	22%
Single	73	147	74	101%
Wheelchair Accessible	30	35	5	17%
Grand Total	1,222	1,556	334	27%

Source: BC Housing

* In this context, Persons with Disabilities describes a household applicant category that includes a person who can live independently and qualify for a disability pension or are eligible for a disability tax credit and have applied to the Registry.

Over the past decade, the number of households on the Registry has grown by nearly 170%. As housing costs rise and the population ages, it is anticipated that the number of households on the BC Housing Registry will continue to escalate. The rising cost of housing also lessens the ability of a household to afford other necessities. The City has seen, for example, a growing number of residents using the Food Bank in Richmond, particularly over the past four

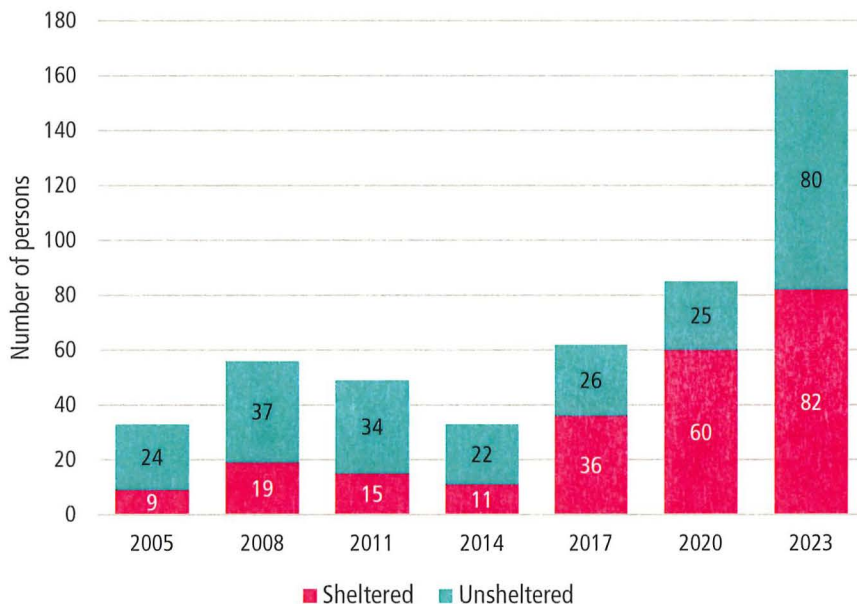
years. In 2023, the Richmond Food Bank Society was able to serve 4,770 unique households, a 41% increase over 2022 when they served 3,387 unique households. Since before the pandemic, the Food Bank has seen use grow from 1,622 unique households in 2019, to 4,770 in 2023, a growth of 194%.⁷

Easing Current Pressures

Homelessness

People who are experiencing homelessness are a population not normally captured in data sources such as the Census. Data from dedicated surveys such as the Homeless Count, also known as the Point-in-Time Count, or PiT Count, which has taken place in Greater Vancouver every three years since 2005, indicates that there is an increasing trend of people experiencing homelessness in Richmond, as is the case in other municipalities in Greater Vancouver. Since the completion of the 2021 Housing Needs Report, the number of individuals experiencing homelessness in Richmond who were counted during the PiT Count has nearly doubled, increasing from 85 individuals in 2020, to 162 in 2023 (Figure 16). It is important to note that the PiT Count represents only those people who participated in this specific survey and were actively experiencing homelessness in a single 24-hour period. The PiT Count data is not fully reflective of the number of individuals who may be experiencing homelessness in a community over time. The PiT Count is frequently understood to be an undercount of the overall representation of homelessness in a community as individuals who do not wish to participate but are unsheltered are not counted, as well as those who are not contacted during the time of the count. Individuals including seniors, youth, racialized persons and the 2SLGBTQIA+ community are known to be underrepresented in PiT Counts.

Figure 16: Number of Sheltered and Unsheltered Individuals Experiencing Homelessness Identified through the PiT Count in Richmond, 2005–2023



Source: BC Non-Profit Housing Association, 2023 Homeless Count in Metro Vancouver

Note: "Sheltered" includes shelters (extreme weather response shelters, and other shelter programs), safe houses, transition houses, jails, and hospitals.

⁷ [Richmond Food Bank Society Annual Reports 2019, 2022 and 2023.](#)

Housing units to address the needs of people experiencing homelessness are a component of housing need in the HNR Method. Data used in the HNR Method is drawn from the Province's Integrated Data Project, and identifies an individual as experiencing homelessness if they have received income assistance and did not have a fixed address for three consecutive months, or who stayed at a BC Housing-affiliated shelter for at least one night, or both. The data is meant to capture people experiencing homelessness at any point during the year, in contrast to the one-day, PiT Count. This data does not include people who are experiencing homelessness and not collecting income assistance, or those who are experiencing homelessness but using an address where they do not actually reside to collect the "shelter" portion of the income assistance benefit. As with the PiT Count, the methodology is also imperfect and results can be misleading.

Data provided by the Province using the HNR Method estimates that Richmond will need 911 new units by 2041 in order to house people identified through their methodology as experiencing homelessness. The new units needed to address the needs of people experiencing homelessness are based on the assumption that Richmond's share of the population experiencing homelessness is the same as the share of Richmond's total population within the Greater Vancouver region. In 2021, Richmond's total population comprised 7.99% of the regional population, and so the HNR Method applies 7.99% to the regional population of persons experiencing homeless (PEH) to arrive at a "proportional local PEH" of 910.63.

This approach significantly overestimates the number of individuals likely to be experiencing homelessness in Richmond. In actuality, the population of people experiencing homelessness is not spread evenly across the region in proportion to overall population. Notably, Vancouver was the location for 50% of persons experiencing homelessness across Greater Vancouver (2,420 out of 4,821) based on the 2023 PiT Count, while the 162 Richmond individuals experiencing homelessness represented only 3.3% of the regional total. In addition, there is a distinction between having "no fixed address" for Provincial income assistance purposes and actively experiencing homelessness. Individuals with "no fixed address" could still be sheltered and living indoors, and conversely not all people with an address on file for income assistance purposes necessarily have homes. The HNR method also does not take into account the efforts that all three levels of government have initiated to prevent and reduce homelessness, including the introduction of any new programs or funding.

Suppressed Household Formation

The suppressed demand for housing may take the shape of a young adult living with their parents while saving to purchase a home, or a group of unrelated people living together to share in the payment of shelter costs. The HNR Method estimates the magnitude of suppressed household formation with reference to the year 2006, which is considered a time when housing supply was less constrained; for reference rental vacancy at this time was 2.4% in Richmond

Table 7 presents 2021 suppressed household data estimated using the HNR Method. Where the total number of suppressed households exceeds zero, the housing needs of the associated age of the household maintainer are considered unmet. The Table illustrates the unmet housing needs of those 35 to 64 years of age, and those over 75 years old. This data may help inform policy that encourages or incents housing delivery suited to the type and size of household needed to address latent housing demand. For example, the data suggests there may be a need for more family-friendly housing and housing for aging seniors.

Table 7: Suppressed Household Needs by Age of Household Maintainer

Age of Household Maintainer(s)	2021 Potential Households		2021 Households		2021 Suppressed Households		
	Owner	Renter	Owner	Renter	Owner	Renter	Total
15–24 years	460	610	510	1,585	-50	-975	0
25–34 years	6,206	3,343	5,755	5,155	451	-1,812	0
35–44 years	9,099	3,691	8,125	4,395	974	-704	269
45–54 years	11,862	3,388	10,980	3,950	882	-562	320
55–64 years	14,872	2,643	13,560	3,855	1,312	-1,212	100
65–74 years	11,151	2,300	11,470	2,540	-319	-240	0
75 + years	7,311	2,046	7,405	1,795	-94	251	157
Total New Units							847

Demand Buffer

Housing markets are continually in flux. Adding a “demand buffer” beyond the minimum number of units required to address current and anticipated housing demands allows for some level of flexibility in housing choice. For instance, some households may seek housing with particular characteristics such as on-site amenities, proximity to public transit, and easy access to places of employment. A greater availability of housing beyond a minimum can help reduce pressure in the housing system as households look to meet their specific needs and preferences.



5.0 Overall Housing Need

This *Interim Housing Needs Report* presents the requisite housing supply forecasts as prescribed by the Province, generated using the HNR Method.

Table 8: Housing Supply Needed over the next Five- and 20-Year Periods

Component of Housing Need	Description of Component	5-Year Need (2021–2026)	20-Year Need (2021–2041)
A. Extreme Core Housing Need	Households in Extreme Core Housing Need are those that do not meet one of three indicator thresholds (adequacy, suitability and affordability) and where the household would need to pay >50% of income on the median market rent.	1,495	5,981
B. Persons Experiencing Homelessness	Persons experiencing homelessness are defined in this context as those receiving income assistance and having no fixed address for three consecutive months, or those who stayed in a BC Housing-affiliated shelter for a least one night, or both.	455	911
C. Suppressed Household Formation	The suppressed demand for housing captures those with the ability to live independently but due to limited supply, lack of affordability, and other factors live with family, friends or other persons.	212	847
D. Anticipated Growth	The anticipated need for housing driven by population growth.	11,692	37,551
E. Rental Vacancy Rate Adjustment	Housing units needed to reach a healthy vacancy rate of 3.0%, being reflective of a market where there is some degree of housing choice.	115	461
F. Demand Buffer	A buffer applied to the combined housing needs captured by Components A, B, C, and E, providing for improved housing choice.	1,558	6,230
Total New Units		15,527	51,981

Housing Completions Relative to Housing Need

The City's *2021 Housing Needs Report* recognized a need for 1,800 housing units annually between 2016 and 2026. Housing completions data for Richmond provide that over the past ten years, 1,980 housing units have been completed per year, meeting the demand forecast in 2021. The Province's HNR Method forecasts housing needs tied to the above listed components, some of which capture areas of unmet or latent housing demand. Overall, the HNR Method provides that a total of 51,981 homes are needed over the

next 20 years, or an annual average of 2,600 homes. It should be noted that the 2021 HNR relied on household growth projections prepared by Metro Vancouver in 2020. These projections drew data from BC Stats, in addition to customized, area-specific data collected by Statistics Canada. By contrast, the HNR Method includes several new components and blends local BC Stats' household growth projections, being more current and reflective of recent growth trends, with those specific to the region. These differences account for the major differences and increase in projections found in this report.

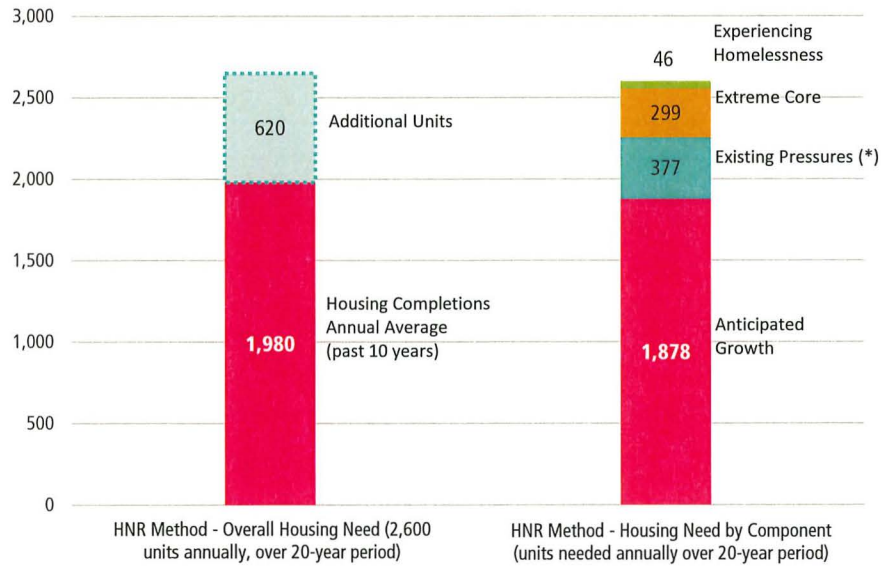
Satisfying Housing Demand

The City of Richmond has managed population growth and related housing demand through long-range community planning. This practice provides for the concentration of residential uses in areas that are well served by public transit and located in proximity to community amenities and employment opportunities. Good land use planning has allowed the City of Richmond to avoid pushing development into environmentally sensitive areas and prime agricultural lands. Master plans, including the *City Center Area Plan*, have been instrumental in enabling higher-density development along the Canada Line of the SkyTrain network, complementing the supply of lower profile housing outside the City Centre. Emerging opportunities for small-scaled multi-unit housing (SSMUH) in neighbourhoods predominantly comprised of single-family dwellings will further opportunities for housing choice in the City.

The creation of land use plans and housing policies has allowed the City to facilitate the development of ownership and market rental housing while also securing affordable housing for low and moderate-income households. The ability to provide housing with greater depths of affordability and housing supports relies on the involvement of all three levels of government. The City has contributed City-owned lands and funds from its Affordable Housing Reserve to build non-market housing, working in partnership with Provincial and Federal Governments as well as local non-profit housing providers.

Using the HNR Method, there is a forecasted need for 2,600 units annually. Figure 17 presents the forecasted amount of units set against the average number of housing units completed annually.

Figure 17: Annual Housing Supply Forecasted using the HNR Method by Components of Future Need



*Existing Pressures capture components of pent up or latent demand and include suppressed household formation, a return to a healthy rate of rental vacancy, and the demand buffer, the latter providing housing choice.

The right side of the Figure illustrates specific components of future need. It is recognized that the City of Richmond has the ability to enable, through land use planning, policy incentives and regulations, the delivery of housing needed to satisfy anticipated growth and, to an extent, to ease existing pressures tied to rental vacancy and suppressed household demand. Through City-led measures and, to a large extent developer motivation and capacity, the City may also be able to realize the “demand buffer” identified by the Province.

The Delivery of Housing is a Shared Responsibility

The ability to provide housing for those who are experiencing homelessness and those in Extreme Core Housing Need requires the involvement of senior levels of government, particularly as it relates to the allocation of capital and operating funding, housing subsidies, low cost financing, and other measures. Although the City has been a key contributor in the delivery of non-market housing, the extent to which the City can be relied upon to secure housing with much-needed supports and deep levels of affordability is limited. The creation of a new Housing Office and additional resourcing will provide increase opportunities to leverage new funding opportunities and implement new housing incentives that broaden the capability of the City to deliver more housing for Richmond residents.



6.0 Conclusion

This *Interim Housing Needs Report* has been completed in accordance with the Province's prescribed HNR Method and is complemented with other data to provide a more robust overview of local housing needs. The HNR Method applies a considerable buffer to estimated housing needs. Overall, the HNR Method is believed to over-estimate housing needs by applying regional rates of growth to those experienced locally in addition to building in overlapping buffers. Household growth forecasts prepared in 2024 by Metro Vancouver, and specific to the City of Richmond, suggest that the annual volume of units needed over the next 20 years will continue to align with the number of housing completions realized over the past decade.





Appendix A: Glossary of Terms

Term	Definition
Affordable Housing	Housing units that are prioritized for households that earn less than median income and cannot afford rental rates within the private market so that these households pay no more than 30% of their income on housing. Generally secured through regulatory approaches, such as inclusionary zoning, or with capital or operating funding from federal, provincial or local governments.
BC Housing Registry	A centralized database used to manage applications for social housing.
BC Stats	BC Stats is the provincial government's statistical office. It provides statistics, economic research, information and analysis.
Canada Mortgage and Housing Corporation (CMHC)	CMHC is a federal Crown corporation responsible for administering the National Housing Act and has a mandate to assist in the building of affordable housing in Canada. CMHC also administers housing programs and acts as a mortgage insurer.
Core Housing Need	A household is in core housing need if its housing does not meet one or more of the adequacy, suitability or affordability standards and 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.
Extreme Core Housing Need	Has the same meaning as core housing need except that the household has shelter costs for housing that are more than 50% of total before-tax household income.
Household	A Household refers to a person or a group of persons who occupy the same dwelling.
Housing Needs Report (HNR)	Housing Needs Reports (HNR) are required by the Local Government Act and describe the current and future housing needs.
Low End Market Rental (LEMR) Housing	Rental housing units secured through the City's Low End Market Rental Program. These units are offered at below market rental rates and are intended for low to moderate income households
Market Rental Housing	Rental housing 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 units. These units are offered at market rental rates and are typically affordable to households with moderate to high incomes
Movable Dwelling	Includes mobile homes and other dwellings such as houseboats and railroad cars.
Row House	One of three or more dwellings joined side by side (or occasionally side to back), such as a townhouse or garden home, but not having any other dwellings either above or below. Townhouses attached to a high-rise building are also classified as row houses.
Shelter-to-Income Ratio (STIR)	Shelter-cost-to-income ratio refers to the proportion of average total income of household, which is spent on shelter costs.
Supportive Housing	Supportive housing is subsidized housing with on-site supports for single adults, seniors and people with disabilities at risk of or experiencing homelessness. These supports help people find and maintain stable housing.
Tenure	Housing tenure is identified according to whether a principal residence is owned, with or without a mortgage, or rented.
The HNR Method	The HNR Method is the methodology that the Province requires local governments to use to calculate the total number of housing units their community will need over the next five and 20 years.
Transit-Oriented Areas (TOA)	Areas within Provincially-prescribed distances of a rapid transit station. In these areas municipalities are required to ensure minimum density levels and remove restrictive parking minimums.



Appendix B: HNR Methodology and Data Tables

Calculating 20-year housing need

The following tables calculate 20-year and 5-year housing need according to provincial guidelines. Each table follows these guidelines exactly with the intention that the tables can be directly included in the required interim housing needs report (or included as an addendum to an existing housing needs report).

HART has produced this calculator to support communities in British Columbia satisfy a provincial requirement for interim housing needs reports. Methodologies for housing needs reports can vary widely, and while HART supports the standardization of methodologies for the purpose of provincial or national reporting, we did not have a role in developing the methodology, nor do we unequivocally endorse it. You can learn more about the HART methodology and what it can tell you about your community on our [Housing Needs Assessment Tool page](#).

A note on terminology: we use the term RDA, where the province uses the term Electoral Area. For all intents and purposes, these are interchangeable in the calculator.

A note on rounding: per provincial guidelines, the figures in Components A-F are not rounded and are shown to two decimal places. Total housing need is rounded in Table 13 to the nearest whole number, per guidelines.

Component A: Extreme core housing need calculation

The following tables calculate the new homes required to meet existing Extreme Core Housing Need (ECHN) according to provincial guidelines.

Table 1a

The following table shows total owner and renter households in the four previous census years (Step 1).

EXPORT

Richmond CY (CSD, BC)				
Total Households	2006	2011	2016	2021
Owners	46,885	52,420	54,545	57,800
Renters	14,545	15,560	18,910	23,280

Table 1b

The following table shows the total number and proportion of owners with a mortgage and renter households in ECHN in the four previous census years, to arrive at an average ECHN rate (Step 2).

Please note that data for owners with a mortgage is only available for 2021.

EXPORT

Richmond CY (CSD, BC)									
Extreme Core Housing Need	2006		2011		2016		2021		Average ECHN Rate
	#	% of total	#	% of total	#	% of total	#	% of total	
Owners with a mortgage	n/a		n/a		n/a		3,235	5.60%	5.60%
Renters	1,675	11.52%	1,805	11.60%	2,410	12.74%	2,635	11.32%	11.79%

Table 2

The following table shows the estimated total of owners with a mortgage and renter households in ECHN in 2021 (Steps 3 and 4).

EXPORT

Richmond CY (CSD, BC)			
Total Households	2021 Households	Average ECHN Rate	Households In ECHN
Owners	57,800	n/a	n/a
Owners with a mortgage		5.60%	3,235.00
Renters	23,280	11.79%	2,745.85
Total New Units to Meet ECHN - 20 years			5,980.85

Component B: Housing units and homelessness

The following table calculates the number of new homes required to meet the needs of the existing population of people experiencing homelessness (PEH), according to provincial guidelines.

Table 3

The following table shows the estimated number of homes required to meet the need of existing PEH households as a proportion of the regional need (Steps 1-3).

EXPORT

Richmond CY (CSD, BC)				
Regional Population	Local Population		Regional PEH	Proportional Local PEH
	#	% of region		
2,607,015	208,395	7.99%	11,392	910.63
Total New Units to Homelessness Needs - 20 years				910.63

Component C: Housing units and suppressed household formation

The following tables calculate the number of new homes required to meet the demand from households unable to form due to a constrained housing environment, since 2006, according to provincial guidelines.

Table 4a

The following table shows the number of owner and renter households in 2006 by age of the primary household maintainer (Step 1).

EXPORT

Richmond CY (CSD, BC)		
Age - Primary Household Maintainer 2006 Categories	2006 Households	
	Owner	Renter
Under 25 years	490	650
25 to 34 years	4,195	2,260
35 to 44 years	9,405	3,815
45 to 54 years	12,935	3,695
55 to 64 years	10,155	1,805
65 to 74 years	5,310	1,095
75 years and over	4,395	1,230

Table 4b

The following table shows the number of owner and renter households in 2021 by age of the primary household maintainer (Step 1, cont'd).

EXPORT

Richmond CY (CSD, BC)		
Age - Primary Household Maintainer 2021 Categories	2021 Households	
	Owner	Renter
15 to 24 years	510	1,585
25 to 34 years	5,755	5,155
35 to 44 years	8,125	4,395
45 to 54 years	10,980	3,950
55 to 64 years	13,560	3,855
65 to 74 years	11,470	2,540
75 to 84 years	5,300	1,215
85 years and over	2,105	580

Table 5

The following table shows the population by age category in 2006 and 2021 (Step 2).

EXPORT

Richmond CY (CSD, BC)					
		2006		2021	
Age Categories – Household Maintainers	Age Categories – Population	All Categories	Summed Categories	All Categories	Summed Categories
15 to 24 years	15 to 19 years	12,035	24,990	10,575	23,465
	20 to 24 years	12,955		12,890	
25 to 34 years	25 to 29 years	10,485	20,650	15,195	30,550
	30 to 34 years	10,165		15,355	
35 to 44 years	35 to 39 years	12,595	27,475	14,075	26,580
	40 to 44 years	14,880		12,505	
45 to 54 years	45 to 49 years	15,585	30,555	13,075	28,020
	50 to 54 years	14,970		14,945	
55 to 64 years	55 to 59 years	12,990	21,260	16,090	31,135
	60 to 64 years	8,270		15,045	
65 to 74 years	65 to 69 years	6,310	11,890	13,645	24,970
	70 to 74 years	5,580		11,325	
75 years and over	75 to 79 years	4,020	9,480	6,490	15,770
	80 to 84 years	3,310		4,870	
	85 years and over	2,150		4,410	

Table 6

The following table shows the 2006 headship rate of each age category for both renters and owners (Step 3).

EXPORT

Richmond CY (CSD, BC)					
Age Categories – Household Maintainers	2006 Households		2006 Population	2006 Headship Rate	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	490	650	24,990	1.96%	2.60%
25 to 34 years	4,195	2,260	20,650	20.31%	10.94%
35 to 44 years	9,405	3,815	27,475	34.23%	13.89%
45 to 54 years	12,935	3,695	30,555	42.33%	12.09%
55 to 64 years	10,155	1,805	21,260	47.77%	8.49%
65 to 74 years	5,310	1,095	11,890	44.66%	9.21%
75 years and over	4,395	1,230	9,480	46.36%	12.97%

Table 7

The following table shows the potential 2021 headship rate of each age category for both renters and owners if the headship rate from 2006 remained constant (Step 4).

EXPORT

Richmond CY (CSD, BC)					
Age Categories – Household Maintainers	2006 Headship Rate		2021 Population	2021 Potential Households	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	1.96%	2.60%	23,465	460.10	610.33
25 to 34 years	20.31%	10.94%	30,550	6,206.16	3,343.49
35 to 44 years	34.23%	13.89%	26,580	9,098.63	3,690.73
45 to 54 years	42.33%	12.09%	28,020	11,861.85	3,388.44
55 to 64 years	47.77%	8.49%	31,135	14,871.87	2,643.40
65 to 74 years	44.66%	9.21%	24,970	11,151.45	2,299.59
75 years and over	46.36%	12.97%	15,770	7,311.09	2,046.11

Table 8

The following table calculates the number of suppressed households by subtracting actual households in 2021 from potential households in 2021 by age category, according to provincial guidelines (Steps 5 and 6).

EXPORT

Richmond CY (CSD, BC)							
Age Categories – Household Maintainers	2021 Potential Households		2021 Households		2021 Suppressed Households		
	Owner	Renter	Owner	Renter	Owner	Renter	Total
15 to 24 years	460.10	610.33	510	1,585	-49.90	-974.67	0.00
25 to 34 years	6,206.16	3,343.49	5,755	5,155	451.16	-1,811.51	0.00
35 to 44 years	9,098.63	3,690.73	8,125	4,395	973.63	-704.27	269.36
45 to 54 years	11,861.85	3,388.44	10,980	3,950	881.85	-561.56	320.29
55 to 64 years	14,871.87	2,643.40	13,560	3,855	1,311.87	-1,211.60	100.27
65 to 74 years	11,151.45	2,299.59	11,470	2,540	-318.55	-240.41	0.00
75 years and over	7,311.09	2,046.11	7,405	1,795	-93.91	251.11	157.20
Total New Units to Meet Suppressed Housing Need – 20 years							847.11

Component D: Housing units and anticipated household growth

The following tables calculates the number of new homes required to accommodate an increasing population over 20 years according to provincial guidelines.

Table 9

The following table shows the 20-year population projection and growth rate for your regional district (Step 1).

EXPORT

Richmond CY (CSD, BC)			
Regional District Projections	2021	2041	Regional Growth Rate
Households	1,043,315	1,580,744	51.51%

Table 10

The following table shows the calculated number of new homes needed in the next 20 years according to the provincial guidelines, calculated with the average of the municipal and regional growth projections (Steps 2-5).

EXPORT

Richmond CY (CSD, BC)				
Growth Scenarios	Regional Growth Rate	Households		New Units
		2021	2041	
Local Household Growth	n/a	81,080	114,417.00	33,337.00
Regionally Based Household Growth	51.51%	81,080	122,845.66	41,765.66
Scenario Average				37,551.33
Total New Units to Meet Household Growth Needs – 20 years				37,551.33

Component E: Housing units and rental vacancy rate

The following table calculates the number of new homes required to restore local vacancy rates to 3% according to provincial guidelines. Please note that in jurisdictions without vacancy rate data, the calculator will default to the provincial vacancy rate, following provincial guidance.

Table 11

The following table shows the difference between the existing total number of rental homes and the total number of rental homes required for a 3% vacancy rate (Steps 1-4).

EXPORT

Richmond CY (CSD, BC)				
	Vacancy Rate	Occupied Rate	Renter Households	Estimated Number of Units
Target Vacancy Rate	3.00%	97.00%	23,280	24,000.00
Local Vacancy Rate	1.10%	98.90%		23,538.93
Total New Units to Achieve 3% Vacancy Rate – 20 years				461.07

Component F: Housing units and demand (the “demand buffer”)

The demand factor is a multiplier used to calculate additional local housing demand (or “demand buffer”), determined by the province.

Table 12

The following table calculates additional demand for new housing by applying your demand factor to the total of the other relevant components, according to provincial guidelines (Steps 1 and 2).

EXPORT

Richmond CY (CSD, BC)	
Component	Result
A. Extreme Core Housing Need	5,980.85
B. Persons Experiencing Homelessness	910.63
C. Suppressed Household Formation	847.11
E. Rental Vacancy Rate Adjustment	461.07
Total	8,199.67
Demand Factor	0.76
Total New Units to Address Demand Buffer – 20 years	6,230.34

Total 5-year and 20-year housing need

Table 13

The following table sums Components A-F and rounds the totals to the nearest whole number to determine the total number of new homes needed in the next 20 years, according to provincial guidelines. It also displays 5-year housing need estimates using the multipliers provided in the provincial guidelines and BC Stats household projections from 2021 to 2026.

EXPORT

Richmond CY (CSD, BC)		
Component	5 Year Need	20 Year Need
A. Extreme Core Housing Need	1,495.21	5,980.85
B. Persons Experiencing Homelessness	455.32	910.63
C. Suppressed Household Formation	211.78	847.12
D. Anticipated Growth	11,691.65	37,551.33
E. Rental Vacancy Rate Adjustment	115.27	461.07
F. Additional Local Demand	1,557.58	6,230.34
Total New Units – 5 years	15,527	
Total New Units – 20 years		51,981

The HNA Calculator was created by the Housing Assessment Resource Tools (HART) project in collaboration with Licker Geospatial Consulting.



**Housing Assessment
Resource Tools
(HART)**



**Licker
Geospatial
Consulting**



City of Richmond

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City of Richmond

Report to Committee

To: General Purposes Committee

Date: December 2, 2024

From: Peter Russell
Director, Housing Office

File: 08-4057-05/2024-Vol 01

Re: Establishing a Housing Authority - Referral Response

Staff Recommendation

That the staff report titled 'Establishing a Housing Authority - Referral Response', dated December 2, 2024 from the Director, Housing Office, be received for information.

Peter Russell
Director, Housing Office
(604-276-4130)

Att. 6

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF DEPUTY CAO
Law	<input checked="" type="checkbox"/>	
Finance	<input checked="" type="checkbox"/>	
Policy Planning	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS:	APPROVED BY CAO

Staff Report

Origin

This report responds to the October 7, 2024 Council referral:

That staff investigate the propriety of establishing a Richmond Housing Authority and report back with an initial report within three months.

This report supports Council's Strategic Plan 2022-2026 Focus Area #2 Strategic and Sustainable Community Growth:

Strategic and sustainable growth that supports long-term community needs and a well-planned and prosperous city.

2.2 Develop and implement innovative and proactive solutions that encourage a range of housing options and prioritize affordability.

The City has been an active leader in supporting the direct delivery of housing across the full housing continuum, including the delivery of 665 built affordable housing units in partnership with senior governments to date. In addition, 2,637 affordable housing rental units have been delivered, secured or are under application, in partnership with private sector developers and their non-profit operators (NPOs). See Attachment 1 for more information.

This report was informed by a number of case studies developed to better understand the key drivers that led other local governments to establish housing authorities, or other similar entities. Summary information for each includes: an overview of the organization; mandate and organizational goals; operating model and functions; governance structure; resourcing; core services; and, key achievements and lessons learned (Attachment 2).

Analysis

While there is no definitive definition, a municipal housing authority in BC is typically a stand-alone municipal corporation, governed by a Board of Directors. Such corporations typically take on the role of designing, building, financing, maintaining, operating and/or tenanting affordable housing developments, directly or through partnership. Typically a local government will first decide on large financial and asset commitments to building or purchasing affordable housing, and then determine from several options whether a housing authority is the best method for delivering on that commitment. The creation of a housing authority in and of itself does not create any fundamentally new or different options for responding to housing needs.

The City has long maintained an in-house function to achieve affordable housing outcomes. City permitting processes support the efficient review for all housing types where 100% rental and affordable housing applications are treated as priorities. The City has successfully relied primarily on policy measures to date, such as the Affordable Housing Strategy, the Low End Market Rental (LEMR) program, and partnerships with senior levels of government to deliver built affordable housing projects. Attachment 3 includes a summary of senior government housing programs, some of which the City has benefitted from. In Q2 2024, to further bolster Council's affordable housing goals, a Housing Office was established as a new in-house department, reallocating staff from an existing

department and adding new staff using grant funding, to grow the scope and scale of affordable housing opportunities across the community.

Maintaining an in-house function is noted for being more inherently flexible and avoids legal aspects of forming a stand-alone corporation. The *'Launching and Maintaining a Local Government Corporation - A Guide for Local Officials'* (Provincial Guidebook) guide notes that while an in-house function is governed directly by Council, advisory roles can be established to augment Council's awareness through an advisory committee or a technical advisory group. These considerations led the City of Vancouver to develop a new centralized in-house department to manage and grow their considerable portfolio of city-owned housing assets. The Provincial Guidebook notes that in-house teams inherently have more direct access to City funding, financing, grants and public land while retaining an ability to quickly adjust to Council and community priorities. Operating an in-house department does not preclude the establishment of a housing authority.

Other options are available to local governments. Beyond maintaining an in-house function, cities can also: enter into a partnering agreement; launch and maintain a local government corporation as outlined below; establish a society; invest in an existing corporation; utilize or establish holding companies and trusts; and, establish a cooperative. Attachment 4 has information for each.

Establishing a Housing Authority

Municipalities can establish a municipal corporation pursuant to the *Community Charter* to achieve desired public benefits under specific terms of reference. The City's wholly owned Lulu Island Energy Company Ltd. (LIEC) and the Richmond Olympic Oval Corporation (Oval) are such entities. LIEC was incorporated in 2013 to provide district energy services on behalf of the City, and the Oval in 2008 to provide facilities, programs and services for recreation and high-performance training and competition. The establishment of a housing authority would have similar but unique considerations as outlined below and fully detailed in Attachment 5, that are needed for a successful approval:

1. **Refine Objectives and Level of Control of Council:** Identify the municipal objectives that the incorporation will help achieve, the degree of control that council will exercise over the corporation, and the financial exposure of the municipal shareholder.
2. **Consultation:** Other parties in the housing ecosystem include senior levels of government, private builders providing rental and LEMR units with NPO partners, and local advocacy groups are important to engage.
3. **Governance:** A board of directors may be composed of elected officials, staff, members of the public, external experts or any combination of the above. Board appointment decisions should be focused on gaining the knowledge, resources and connections the municipal corporation requires to be successful.
4. **Business Name:** The City will be required to select a name for the corporation that reflects both the public nature of the enterprise and its business purpose.
5. **Prepare Articles of Incorporation:** Corporate articles that govern the conduct of the corporation and its shareholders, directors and officers must be created.
6. **Partnering Agreement:** A partnering agreement is a form of contract between the City and a party that agrees to provide a service on behalf of the City.

- 7. Inspector of Municipalities Approval:** The approval process requires a formal request that includes a Council resolution, copies of background reports such as a business plan or feasibility studies, and draft articles.

A comparison of key differences between an in-house department and a housing authority are outlined in Table 1.

Table 1: Comparing In-house Department vs a Housing Authority

	In-house Department	Housing Authority
Delivering of housing	Currently undertaken through partnerships with senior government or developers. Staff are assessing other means to increase the delivery of affordable housing	Undertaken through partnerships or directly
Access to grants	Direct access to grants for planning or process improvement grants (e.g. Housing Accelerator Fund). Indirect access to federal and provincial capital grants in that City-owned land and other costs covered by the City are used to support new projects when the applicant is an NPO/BC Housing	Direct access to federal and provincial capital grants (e.g. Community Housing Fund)
Governance	Directly by Council	Board of Directors; Council appoints Directors and a Council Liaison; Board holds an annual general meeting
Access to City Funding	Direct access; funding generated through cash in-lieu and other sources such as grants	Access to City financing via a Partnership Agreement
Access to financing	Not needed under current approach	Access to City funding via a Partnership Agreement; access to private lending
Control over tenancy	Not needed currently. All roles, responsibilities and risks assumed by NPOs or BC Housing to manage tenancy	Direct involvement or through operating partner
Risk allocation	All risks are transferred to NPOs, developers and senior government partners for all activities, including financial risk	All risks borne by the authority unless transferred through an agreement with NPOs, BC Housing or otherwise
Administrative complexity	Operated as a department, reports directly to Council on all matters, operates directly under City policies and procedures	Operated as a corporation, reports to Board, operates under corporate and/or City policies and procedures, reports financial performance to Council
Access to revenue	Direct access to funding generated through cash in-lieu and other sources. Staff are assessing lease revenue opportunities	Access to rental revenue and land leasing revenue, when applicable. Revenues would need to cover expenditures; City lands can be leased for additional revenue but may be limited to maintain affordability

Financial Considerations

From the case studies examples (Attachment 2), financial considerations include:

- **Access to Capital, Land, and/or Operating Funding and Financing:**
 - The Burnaby Housing Authority notes \$2M annual operating costs for 2024 to 2028; a contribution of \$475,000 in 2024 for capital expenditures; and, access to \$100M in financing from 2024 to 2028.
 - The Metro Vancouver Housing Corporation collects tenant fees to cover costs such as staffing and building maintenance. Their 10-year plan commits to \$190M from their

Housing Reserve Funding and other sources for renewal, redevelopment and supporting partnerships.

- **Board of Directors:** External board members are often provided compensation.
- **Partnering Agreement with the City:** A Partnering Agreement between the City and a new municipal corporation is required for incorporation; the City can provide assistance under the agreement including use of land, and administrative and staffing costs.

Current Commitments and Initiatives Addressing Housing Affordability

Staff are currently focused on a number of initiatives that are expected to address specific issues related to the supply, operations and approvals of all forms of housing. Seeing the below activities through to completion is important due to regulatory or contractual deadlines but does not preclude the City from establishing a housing authority now or at a later date:

- **Effectiveness of In-house Departments:** The City's approach to delivering on affordable housing through partnering with senior governments and leveraging the building expertise of private developers and their non-profit operating partners has delivered meaningful outcomes to date with the least amount of resources to do so. The Housing Office and additional staff resources in Development Applications to review rental-only housing development applications bring an expansion of resources to support the delivery of affordable housing options. Attachment 1 includes a list of current initiatives that are underway. Staff are also currently assessing:
 - Opportunities to better maximize City lands to deliver on housing outcomes, including assessing cost recovery options;
 - Access to federal and/or provincial lands for hosting affordable housing;
 - Partnerships opportunities with other entities, including the private sector, to bring capital funding to scale up the delivery of housing; and,
 - New staff resources in the 2025 budget will be applied to assessing land inventories to address housing needs using GIS tools in time for the affordable housing strategy in 2026.
- **Implementing the Housing Bills on Time:** Staff are currently implementing legislative changes per Bills 44, 46, 47, and 16, initiated to deliver a broader range of housing options. The changes introduced by the Housing Bills affect many aspects of City planning and financing of growth related activities and have statutory timelines for their implementation
- **Implementing the Housing Accelerator Fund Initiatives on Time:** The City was awarded \$35.9M in funding from the Canada Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund. The first instalment was of \$8.93 was received in March 2024 with the three remaining installments to be received on March 31st in 2025, 2026, and 2027, subject to the City delivering on its commitments in the contribution agreement and senior government funding. A forthcoming annual report to the CMHC, will summarize achievements to date. Delivering these initiatives on time is critical for receiving the next instalment of funding. Attachment 6 summarizes current HAF initiatives in the agreement.
- **Developing the Capacity of NPOs:** New affordable LEMR units are being delivered through partnerships between developers and NPOs. Through this, the LEMR program is supporting a new and growing service sector at no cost to the City. Some developers are also establishing separately governed NPOs for managing LEMR units. This model has the

potential for NPOs to include such activities as securing financing, purchasing or leasing LEMR units and/or land and developing purpose built affordable housing. One of the oft cited examples is in Vienna, Austria, where the co-operative housing sector is functioning as co-op developers and operators, providing both market and ownership opportunities. The forthcoming HAF supported Non-Profit Affordable Housing Partnership Program aims to provide structure, connections and skills development opportunities for participants. A report to Council will be presented in 2025 that will describe the goals of the program.

A housing authority could have merit if Council's objectives are to design, build, finance and operate affordable housing projects, directly or through partnership. Completing an analysis of this option would require an assessment of City's financial capacity and opportunity costs, a review of land costs and availability and considerations noted in Attachment 5.

As further affordable housing strategies, policies and actions are developed for Council consideration, staff will continue to monitor the use of housing authorities in other jurisdictions and identify opportunities for further consideration and benefits of this governance model.

Financial Impact

None.

Conclusion

The newly established Housing Office in tandem with other departments continue to provide a strong focus on housing needs in the community. Implementing the new Housing Bills coupled with the requirements to implement HAF related commitments will transform the City's processes and procedures to be more effective and responsive to meeting housing demand. A housing authority, or any such similar arms-length entity, remains an important tool that the City may pursue to achieve its objectives.



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- Att. 1: Current and Ongoing Initiatives
- 2: Municipal Case Studies
- 3: The Role of Senior Governments in the Provision of Housing
- 4: Alternative Organizations for Delivering Affordable Housing
- 5: Establishing a Municipal Corporation
- 6: Summary of CMHC Housing Accelerator Fund Initiatives

Achievements and Ongoing Initiatives

Achievements

The City has been an active leader in supporting the direct delivery of housing across the full housing continuum. The City has been a contributor to delivering a total of 665 built units to date, as follows, through providing access to land and/or through financial support:

- 296 units for seniors at 7378/7388 Gollner Ave, owned and operated by Kiwanis Richmond;
- 129 units of below-market rental housing at 8080 Anderson Road (“Storeys”), operated by a consortium of non-profit organizations;
- 80 units of supportive housing on two sites providing housing for people who are at risk of experiencing homelessness, operated by RainCity Housing and Community Builders; a 90 unit building to replace existing buildings was postponed in August 2024. Staff are awaiting further direction from BC Housing on this project;
- 80 units of non-market and affordable market rental housing at 5491 No. 2 Road, to be operated by Pathways Clubhouse Society of Richmond (underway);
- 25 units of affordable rental housing for women and women with children at 4731 Steveston Hwy, to be operated by Turning Point Housing Society (nearing completion);
- 55 shelter beds at 12040 Horseshoe Way, operated by The Salvation Army; and,
- For the 2024/2025 winter season, a total of 35 temporary shelter spaces are available at two locations, 20 at the South Arm Outdoor Pool Building and 15 at the Brighthouse Pavilion.

In addition, 2,637 affordable housing rental units have been delivered, secured or under application, in partnership with private sector developers and their non-profit operators (NPOs), including the following built, secured or in-stream units:

- 546 built, 895 secured, and 845 in-stream units under the Low-End Market Rental (LEMR) program;
- 14 secured modest income market rental units in the West Cambie area; and,
- 246 secured, 393 in-stream moderate income market rental units.

In smaller-scale developments, cash-in-lieu of built LEMR units has amounted to \$7.2 million in revenue since 2020, with \$6.3 million currently allocated to support the delivery of the Pathways and 4731 Steveston Hwy projects.

While not directly involved with the City, there are 989 units across 17 different cooperative housing buildings (COOPs) offering varying levels of affordable home ownership. A forthcoming report will seek Council endorsement for a partnership program with NPOs and COOPs that aims to build their capacity to advance affordable housing across the community.

Ongoing Initiatives Addressing Local Housing Needs

Current initiatives are summarized below including how the Housing Accelerator Fund (HAF) initiatives are aligned with housing outcomes:

- **Housing Office:** The 2024 establishment of the Housing Office as a dedicated department brings additional resources to grow the scope and scale of affordable housing in the community. This new role and team are complementing existing departments also delivering the supply of residential developments for all tenure types throughout the community;
- **Housing Accelerator Funding:** The Government of Canada through the Canada Mortgage and Housing Corporation (CMHC) announced that \$35.9 million was awarded to the City as part of the HAF program. HAF projects include housing grants, technology solutions to expedite the processing of permits, enhanced opportunities to establish working partnerships with non-profit housing operators, housing cooperatives and other agencies;
- **Forthcoming Completion of Built Affordable Housing Projects:** Three built affordable projects totaling up to 195 units, noted above, are underway. Of these, a 90 unit building to replace existing temporary supportive housing units was postponed in August 2024. Staff are awaiting further direction from BC Housing on this project
- **LEMR Rate Review:** Rate changes were recently approved by Council to ensure the viability of delivering affordable housing units, delivered in partnership with private developers;
- **LEMR Management:** An assessment of options for managing LEMR unit access via a registry, or otherwise, is ongoing;
- **Statutory Declarations:** A Statutory Declaration process with current tenants living in LEMR units is concluding. A report will be presented to Council in 2025.
- **Small-scale Housing:** The recent rezoning of approximately 27,000 lots throughout the community to permit small-scale multi-unit housing (SSMUH) per Bill 44;
- **Transit-Oriented Areas (TOAs):** The designation of TOAs in the Official Community Plan to recognize minimum allowable height and density permissions and to waive parking requirements within prescribed distances;
- **Interim Housing Needs Report (IHNR):** The housing needs forecasts, per provincial requirements and per the prescribed methodology, highlights varying housing need components over the next 5 and 20 years;
- **Official Community Plan (OCP) Update:** Related to housing, targeted updates to land use designations and policy to support housing needs is underway;
- **Inclusionary Zoning (IZ) & Density Bonusing (DB):** Creation of an IZ framework to mandate the supply of affordable housing within TOAs, in addition to the creation of a DB framework that could allow for additional density in exchange for affordable housing is

underway. The work would include consultation, a financial feasibility assessment, alignment with long range planning, and reporting as required;

- **Amenity Cost Charge (ACC) Bylaw and Development Cost Charge (DCC) Bylaw:** The City is exploring the implementation of new and updated financing tools to support the delivery of community amenities and infrastructure prompted by population growth arising from development. Assessment of needs and cost forecasts are ongoing to allow the use of the tools;
- **Tenant Protection Bylaw:** The exploration of opportunities to develop a tenant protection bylaw to require a developer to provide additional support for tenants facing displacement as a result of redevelopment is underway; and,
- **Ongoing Advocacy:** The City has been consistent with its messaging to senior levels of government that more funding is needed for affordable housing. Staff have also approached senior levels of government for the use of crown lands for affordable housing projects.

Summary of Municipal Case Studies

Table 5: Summary of Municipal Case Studies

Housing Organization	Organization Type	Established in	Housing Units
Senior Government Housing Organizations			
Canada Mortgage and Housing Corporation (CMHC)	Crown corporation	1946	Funding and financing programs
BC Housing	Crown corporation	1967	Funding and financing programs
Municipal Housing Organizations			
Burnaby Housing Authority	Municipal corporation	2024	0 units
Calgary Housing Company	Municipal corporation	1978	2,700 units
Metro Vancouver Housing Corporation	Municipal corporation	1974	3,400+ units
Whistler Housing Authority	Municipal Corporation	1997	2,400 units
Vancouver Affordable Housing Endowment Fund (VAHEF)	City department	2021 ¹	13,000+ units
Squamish Community Housing Society	Non-profit society	2021	48 units
Kamloops Community Land Trust Foundation	Non-profit society	2023	0 units

¹ The City of Vancouver's housing entities date back to the 1970s. In 2021, VAHEF was established to consolidate its non-market housing properties and initiatives across the organization, including transfers from the Vancouver Affordable Housing Agency and Vancouver Public Housing Corporation (wholly owned not-for-profit subsidiaries of the City).

Burnaby Housing Authority

City of Burnaby

The Burnaby Housing Authority aims to increase the supply of non-market housing options by:

- Acting like a private housing developer, while delivering non-market housing for public benefit,
- Helping fill gaps in Burnaby's housing supply strategically,
- Contributing to the larger housing ecosystem through collaboration, not competition.

Core Services	Operating Model
Create secure, purpose-built housing including: non-market rental units, non-market ownership units (including co-operative housing), market rental units (to support non-market housing through cross-subsidization)	<ul style="list-style-type: none"> • Acquisition: Acquire lands or units to maximize the development potential of its land portfolio while targeting sites in neighbourhoods currently lacking non-market housing • Development: Develop new housing units, with dedicated staff hired or partners as development managers to oversee design, approvals and construction • Operations: Partner with NPOs, government agencies and other qualified entities to operate non-market housing units • Administration: Oversee portfolio, for confirming ongoing compliance with agreements with operating partners and for reporting as required under agreements with its funding, operating, and development partners.

Governance & Staffing	Resourcing
<p>10 Board of Directors as follows:</p> <ul style="list-style-type: none"> • Burnaby Council Member (3) • Burnaby Senior Exempt Staff (1) • Individuals with expertise and experience in the development or operations of private or non-profit housing (4) • Individual with expertise or experience in the financial sector (1) • Individual with expertise or experience in the legal sector (1) <p>Staffing Model: Chief Executive Officer; Chief Operating Officer; Director, Development; Office Manager; Legal, Human Resources and Communications and Services; and Project Specific Consulting Services</p>	<p>\$2M annual operating costs for 2024 to 2028; a contribution of \$475,000 in 2024 for capital expenditures; and, access to \$100M in City financing from 2024 to 2028.</p>

Calgary Housing Company

City of Calgary

The Calgary Housing Company adopted an 8-year strategic plan in 2023, taking it to 2030. The goals of the strategy are listed below, with a few important sub-goals highlighted:

- Empower applicant and resident success, including engaging in partnerships that (1) connect applicants and residents to services that best meet their needs, and (2) to prevent and mitigate the impacts of social isolation and poverty);
- Enhance asset and financial performance, including transitioning portfolios to mixed income to result in financially sustainable operating models; and,
- Become a center of excellence within the affordable housing sector, including working with government partners to advance the delivery of affordable housing.

Core Services	Operating Model
<p>Calgary Housing Company programs cover the following parts of the housing spectrum:</p> <ul style="list-style-type: none"> • Community housing • Affordable rental housing • Market rental housing • Affordable home ownership 	<p>CHC operates 7,100 units of subsidized rentals, including 2,700 Provincially-owned social housing units and 4,100 "mixed income" units. CHC also administers the Provincial rental assistance program. CHC delivers services through funding and operating agreements with the City of Calgary and the Province of Alberta.</p> <ul style="list-style-type: none"> • Social Housing: CHC manages 102 properties owned by the Province, totaling 2,700 units. Rents are tied to income. Income must be at no more than 30% of eligible income and must be below housing income limits (HILs); income is verified annually. The Province funds operating deficits. • Mixed Income: Housing with income limits and rental rates tied to market rates. Affordable housing is rented at 30% below average market rates. It is available to households with incomes below HILs, either via waitlists or advertised to the market. Near-market rentals are rented at 10% below average market rates. Units are available to households with incomes below Maximum Income Limits specific to the program, and are advertised to the market. <p>CHC manages five distinct portfolios of housing in this category, distinguished by ownership, management and the type of funding/subsidy.</p>
Governance & Staffing	Resourcing
<p>The Board of Directors is made up of 11-13 members as follows:</p> <ul style="list-style-type: none"> • City of Calgary Council (2-3) • City Staff (2) • Community Members at Large (6-8) 	<p>CHC has access to the following funding sources:</p> <ul style="list-style-type: none"> • City: capital to rejuvenate City-owned properties, project-specific • Provincial: capital and operating subsidies for social housing

<p>CHC uses an external recruitment agency and a skills matrix to identify potential community board members, creating a strong, balanced and professional group. Membership shifts with organizational needs, e.g. CHC is bringing on directors with development expertise. Conflict of interest is a key consideration in member selection.</p> <p>The Calgary Housing Company has about 200 staff, including operations and maintenance, property management and application processing. About 60% of CHC's activities are provided through private contracts, e.g., for cost savings, for external expertise or to complement limitations of their predominantly union staff. All CHC employees are employees of the City of Calgary.</p>	<ul style="list-style-type: none"> • Federal: maintenance and renewal funding from CMHC \$15M • Internal: mixed-income model balances the proportion of units within an individual building to ensure that new affordable housing developments are financially sustainable • Financing: CHC can seek private financing, but this is limited by City's limit on debt capacity.
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Metro Vancouver Housing Corporation

Metro Vancouver Regional District

The Metro Vancouver Housing Corporation (MVHC) is a non-profit organization that supports mixed-income communities, primarily for families, seniors, and people with special housing needs. Metro Vancouver Housing Corporation provides safe, affordable rental housing to support healthy, engaged communities across the region. Wholly owned by the Metro Vancouver Regional District (MVRD) MVHC has over 3,400 units to support over 9,400 tenants in 49 sites across the region, including 9 sites in the City of Richmond.

Core Services	Operating Model
<p>MVHC's key operating functions are to develop and redevelop new or existing sites, and manage and operate existing buildings.</p>	<p>The MVHC provides affordable rental housing across its member municipalities for very low to moderate income households who can live independently. Around 30% of housing units are Rent-Geared-to-Income in which the rent is not greater than 30% of the tenants' gross household income; the remaining 70% are Low-End-of-Market, which is approximately 10% to 20% below market rents. There is an income limit for both types of housing to ensure that housing supports those who need it most. MVHC manages all of its own units, including building management, waitlist management, and tenant management.</p>
Governance & Staffing	Resourcing
<p>The Board of Directors has the same membership as the Metro Vancouver Regional District with the Board consists of 41 Directors representing 21 Municipalities, one Electoral Area, one treaty First Nation.</p> <p>The administration and operations of the MVHC is integrated into the staff structure and day-to-day operations of the MVRD, including the Chief Administrative Officer of MVRD and MVHC - Metro Vancouver staff facilitate and complete the work required to deliver services to Metro Vancouver and achieve the goals and objectives set out by the Board of Directors. Staff from multiple</p>	<p>MVHC operations, including staffing and building maintenance, are supported primarily by tenants' rents. The organization operates at no cost to the taxpayer, returning operating surpluses to the Housing Reserve Fund. The Metro Vancouver Housing's 10-Year Plan outlines how it will meet its strategic goals and targets by committing \$190 million as follows:</p> <ul style="list-style-type: none"> • \$90 million in renewing existing housing (from the Housing Reserve Fund) • \$60 million in redevelopment and partnerships to acquire or manage new units (from the Housing Reserve Fund) • \$40 million to develop new affordable housing on lands owned by the region and member jurisdictions (from Regional District contributions) <p>As the majority of the housing stock was developed in the 1980s, many of its mortgages are ending, leading to surplus revenues that can be reinvested back into existing and new housing. This will fund renewal and redevelopment</p>

departments, including the planning and policy team, support both the MVRD and MVHC. Housing operations includes 80 dedicated housing staff.	commitments. Development of new affordable rental housing will require additional contributions from the regional district. Metro Vancouver can access additional funding through BC Housing and CMHC, which could further leverage Metro Vancouver investments to increase the number of new affordable rental units.
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Whistler Housing Authority

Resort Municipality of Whistler

The Whistler Housing Authority (WHA) is an independent corporation and is a wholly owned subsidiary of the Resort Municipality of Whistler (RMOW) created to oversee the development, administration and management of resident restricted housing. In 1997, the local government established the WHA to oversee affordable rental housing and homeownership programs to help address workforce housing affordability. The motivation to pursue a program consisting of both rental and affordable homeownership units was to support a stable resident workforce and foster a vibrant community.

Core Services	Operating Model
<p>The Whistler Housing Authority performs the following core services:</p> <ul style="list-style-type: none"> • Manage Long-term Housing for Whistler’s workforce via the Employee Housing Rental Program and Employee Housing Ownership Program: Manage the WHA Property Portfolio • Monitor Resident-Restricted Properties • Act as an Employee Housing Resource Centre 	<p>Manage Long-term Housing for Whistler’s workforce</p> <ul style="list-style-type: none"> • Employee Housing Rental Program: The WHA manages an inventory of rental properties. Rental units are available to qualified Whistler Employees through the WHA Rental Waitlist on a first-come, first-served basis. The Employee Housing Rental Program allows Whistler’s workforce to be able to live in Whistler in long-term, secure housing. <ul style="list-style-type: none"> ○ WHA’s rental inventory includes 327 long-term Employee rental units for qualified Whistler Employees, including management of a waitlist. ○ All applicants must be qualified full-time employees or qualified retirees as per the RMOW’s Employee Rental Housing Policy. ○ Rental rates are based on 30% of the applicant’s gross household income (with minimum and maximum rental rates for each building), and unit selection is restricted by household size to ensure the inventory is optimized. • Employee Housing Ownership Program: The WHA manages an inventory of home ownership properties that are bought and sold to qualified Whistler employees on the WHA Ownership Waitlist. The Employee Housing Program allows Whistler’s workforce to be able to live in Whistler in long-term, secure housing. <ul style="list-style-type: none"> ○ WHA’s ownership inventory includes 987 Employee Ownership Housing units. ○ All of the Employee Ownership Housing Units have covenants registered on title that require the homes to be occupied by Whistler employees as their primary residence to ensure that the Employee Housing Program inventory is used as intended - for Whistler employees. ○ The employee homes have restrictions on the maximum resale amounts. The current covenants tie the resale value to an appreciation formula based on the Core Consumer Price Index (CCPI).
Governance & Staffing	Resourcing
<p>The WHA is solely owned by the RMOW and governed by a Board of Directors. Council appoints three members of Council, who hold their position on the WHA Board for the Council term. The fourth Municipal designated seat has historically been held by the RMOW’s CAO. The</p>	<p>The RMOW funds employee housing capital projects from a number of sources, including:</p> <ul style="list-style-type: none"> • Hotel Tax spending: Municipal and Regional District Tax (MRDT) and MRDT Online Accommodation Provider (OAP) • Land contribution (RMOW received 300 acres of

<p>three Community Members at Large Directors are recruited through a public and transparent process, in which qualified applicants can respond to an Expression of Interest for evaluation. The preferred candidates are selected by the existing WHA Board and a recommendation is submitted to the RMOW for appointment. WHA Directors do not receive remuneration for serving as WHA Director, and no Director can directly or indirectly receive any profit from a position as a Director of the WHA.</p> <p>The administration and operations: General Manager; Director of Finance; Operations Manager; Capital Projects Manager; Housing Administrator; Housing Program Coordinator; WHA Property Management (assisted by an licensed property management company).</p>	<p>Crown land transferred by the Province as part of the 2010 Olympic Games)</p> <ul style="list-style-type: none"> • Employee Restricted Housing Fund (Resort Municipality of Whistler) • Employee Housing Service Charge Bylaw (Resort Municipality of Whistler) <p>WHA operations, including staff and programming, are self-sustaining and are funded by: rental revenue; waitlist fee revenue; interest revenue; other income.</p> <p>WHA's expanded portfolio and assets enables them to receive low-interest financing from CMHC and BC Housing. WHA pursues new housing projects with land from the land bank, and sometimes acquires units as a result of private sector developers using density bonusing that allocates units as their community amenity contribution.</p>
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City of Vancouver

The Vancouver Affordable Housing Endowment Fund is the City of Vancouver's non-market housing portfolio operating as an internal City department. The City of Vancouver (CoV) had established a number of entities over the years to operate non-market housing, hold assets, and manage City-owned land. In 2021, the CoV consolidated its non-market housing properties across the organization, including transfers from the Vancouver Affordable Housing Agency (VAHA) and the Vancouver Public Housing Corporation (VPHC) under one in house housing entity, the Vancouver Affordable Housing Endowment Fund (VAHEF). VAHEF was set up in early 2021 when the CoV decided to consolidate all City-owned non-market housing assets into a single portfolio with a clear mandate to preserve and grow the City's affordable housing stock in a sustainable way to serve Vancouver citizens over the long-term. Its portfolio has more than 230 City-owned sites in Vancouver with over 13,000 units of non-market housing created in partnership with senior government, non-profit housing societies, and housing co-operatives.

Core Services	Operating Model
<ul style="list-style-type: none"> • Create and maintain homes that are affordable to a diversity of residents earning lower incomes and for those living in poverty or at risk of homelessness. • Invest in new affordable housing in line with the demand. • Health and safety: Manage the portfolio of affordable housing assets through appropriate operation, maintenance, renewal, development, and redevelopment to ensure safe and healthy homes. 	<p>The VAHEF non-market housing development and operations team manages the VAHEF portfolio. Their work includes:</p> <p>Acquisition and development:</p> <ul style="list-style-type: none"> • Acquiring new sites to develop non-market housing in Vancouver • Readying undeveloped and under-utilized sites owned by the City for the construction of new affordable housing (carrying on the work completed by the Vancouver Affordable Housing Agency (VAHA)) <p>Partnerships:</p> <ul style="list-style-type: none"> • Forming partnerships with non-profit housing societies, senior government, and the private sector to finance, build, operate, and maintain non-market housing on sites ready for construction • Selecting housing operators for all developer-built housing buildings, also referred to as "turn-key" buildings, where social housing is built by private developers and ownership is transferred to the City as an in-kind Community Amenity Contribution (CAC) <p>Asset management and operations:</p>

<ul style="list-style-type: none"> • Provide long-term homes that support residents' participation in the community and increase their sense of social inclusion and security. • Maintain the financial sustainability of the endowment to continually contribute to meeting housing needs 	<ul style="list-style-type: none"> • Managing and monitoring new and existing contractual agreements with non-profit housing society and co-op housing partners delivering housing on City sites • Maintaining City-owned buildings to provide safe and affordable housing • Managing tenancies in housing buildings owned by the City that are not leased to a non-profit housing society or co-op <p>Capital grants:</p> <ul style="list-style-type: none"> • Providing capital grants to non-profits developing housing on their own land through Vancouver's Community Housing Incentive Program (CHIP)
Governance & Staffing	Resourcing
<p>All VAHEF in-house staff are employed by the City of Vancouver and operate as a distinct department.</p> <p>The VAHEF staff structure includes a director and 15 staff: 7 on the development side, 4 on the planning side, and 4 on the lease and building management side.</p>	<p>VAHEF's budgets and financial statements are integrated into the CoV's.</p> <p>Separate Council approval is not required for the budgets of the Vancouver Affordable Housing Endowment Fund, as it is composed solely of inter-fund transfers approved by Council in the Operating and Capital budgets and an estimate of interest revenue earned on cash balances.</p> <p>As a business unit of the City, VAHEF's budget consists of operating funding for staffing, while the City retains ownership of all land and building assets. New assets are budgeted and approved through the City's Capital Budget. In 2021, all of the City's non-market housing assets, including those enabled by VAHA, were consolidated into one portfolio forming the Vancouver Affordable Housing Endowment Fund. As this consolidation occurred in 2021, the function and staff of VAHA and associated operating funding were transitioned to the Vancouver Affordable Housing Endowment Fund to continue the delivery of social housing on City land along with other key functions for managing the portfolio.</p>

Squamish Community Housing Society

District of Squamish

The Squamish Community Housing Society (SCHS or Society) was incorporated as a non-profit society by the District of Squamish (District) in 2021. The District started to explore the establishment of a housing corporation in 2017. At the time, the District was conducting a land inventory and feasibility analysis to assess the development potential of new affordable housing buildings on District-owned land. An outcome of this work was a recommendation to Council to explore the establishment of a housing corporation to carry out long-term management and operations. In the years following, the District explored a variety of housing entities, including a municipal housing corporation, non-profit society, or in-house department. After a risk and impact analysis, the District decided to incorporate a non-profit housing society that would be entirely independent of the District and would not impact its financial state nor its borrowing limits.

The Society's mandate is to partner at all levels of government, across all sectors, and with the Squamish Nation to build, acquire, and protect affordable housing in the community. These values are reflected in the Board and governance structure.

Core Services	Operating Model
<p>SCHS's operating model includes coordinating, collaborating, and partnering with other organizations to bring new affordable housing units.</p>	<ul style="list-style-type: none"> • Service and delivery coordination including services between housing providers, including a coordinated access portal and supporting the District and private developer partners with income, asset, and employment monitoring for residents living in District-enabled Perpetually Affordable Housing units - units that are delivered by the private sector as community amenity contributions. • Strategic housing implementation to ensure that affordable housing in the community continues in perpetuity, including the operation of Perpetually Affordable Housing units and the development of new affordable housing projects. <ul style="list-style-type: none"> ○ In 2024, SCHS started managing and operating its first housing units, including: 8 family-sized units delivered by the private sector as a community amenity contribution and purchased by BC Housing. ○ 40 apartment units purchased in partnership with Hiyám ta Sk̓w̓x wú7mesh Housing Society through the Province's Rental Protection Fund program. • Monitoring and research with a focus on monitoring housing conditions and compiling housing data to ensure that affordable housing services meet the current and future needs of the District. To help guide delivery of the Society's new strategic plan and operations, a community survey was conducted and report published in 2023 which captured the housing needs, challenges, and opportunities in Squamish. • Education and advocacy with a focus on advocating to members of the public, Council and other levels of government on the importance of and need for affordable housing
Governance & Staffing	Resourcing
<p>The SCHS is a non-profit society operating under the <i>Societies Act</i> and is governed by a Board of Directors.</p> <p>The Board of Directors is made up of eleven Directors of which five are voting members as follows:</p> <ul style="list-style-type: none"> • Voting Members: District Council Member (1) Pearl Space (1); Sea to Sky Community Services Society (1); Squamish Helping Hands Society (1); Squamish Senior Living Society (1); Non-Voting Members: Squamish Nation or Hiyám ta Sk̓w̓x wú7mesh Housing Society (1); Affordable Housing Tenant (1); Private Development Sector (2) Support Services or Housing or Legal Sector (1) Community Member at Large (1) <p>Non-voting members are recruited through a public and transparent process. The Squamish Nation or Hiyám ta Sk̓w̓x wú7mesh Housing Society representative who is appointed by the Nation.</p> <p>SCHS Directors are volunteers and do not receive remuneration.</p>	<p>The District provided initial start-up and operating funding with the goal that the Society will become self-sustaining over time, either through rental revenue, grants, or donations. At time of incorporation, in 2021, the District of Squamish approved a three-year funding contribution agreement to provide the Society with \$225,000 annually, funded through taxation.</p> <p>In 2024, the contribution was increased to \$525,000 for the year to cover operating expenses plus \$300,000 in predevelopment funding so that SCHS could explore and apply for senior-level government grants for two new affordable housing projects on District-owned sites. In anticipation of an expiring contribution agreement in 2025, the Society recently requested an additional \$2,325,000 in District funding to be provided over a 5-year term from 2025-2029. The proposed 2025-2029 operating expenses will be funded by the following District sources:</p> <ul style="list-style-type: none"> • District of Squamish taxation (\$450,000) • CMHC Housing Accelerator Fund (\$1,450,000) • Affordable Housing Reserve (\$425,000) <p>The SCHS staff structure is completely separate and has no affiliation with the District. All administration and operations of the SCHS are conducted by the following staff:</p> <ul style="list-style-type: none"> • Executive Director • Society Operations Manager • Housing Manager <p>In addition, professional, technical, and financial services that support the SCHS operations are typically contracted from the private sector.</p>

Kamloops Community Land Trust Foundation

City of Kamloops

In 2023, the City of Kamloops (City) incorporated the Kamloops Community Land Trust Foundation (Kamloops CLT) under the *Societies Act* to increase the supply of housing and to provide and preserve attainable housing opportunities for those with low to moderate incomes, including seniors. The City began exploring the concept of a land trust in 2017 and in 2022 received grant funding from CMHC to support the launch of the trust. The City also considered a business corporation, a dedicated non-profit society (either of which can be defined as a CLT), and an in-house department. The Kamloops CLT is still in its start-up phase: in June 2024 the City appointed the inaugural Board of Directors and in September 2024 the City announced its first transfer of land to the CLT to pursue a new 90-unit development funded under the BC Builds program. Next steps include determining the framework for the CLT's operations, strategic planning, and building the first project.

Operating Model	
<p>The Kamloops Community Land Trust Foundation is a housing entity that aims to provide and protect long-term attainable housing. By securing land at a lower cost, the CLT can reduce the overall cost of developing homes on that land. CLTs remove land and housing from the speculative market and ensure affordability in perpetuity by limiting resale values and controlling rent levels.</p> <p>The Kamloops CLT will be designed to work in harmony with the non-profit housing sector, contributing to the larger ecosystem of housing solutions. It will focus on developing housing options that are not currently pursued by existing organizations in the community, in particular, housing options that are more suitable for low- to moderate-income households including seniors. Targeted housing types to support these households include duplexes, townhouses, fourplexes, and multiplexes.</p> <p>The Kamloops CLT prioritizes community ownership and control as well as long-term affordability. The land held by CLTs is intended to be preserved for community purposes in perpetuity.</p>	
Governance & Staffing	Resourcing
<p>The Board of Directors is made up of nine Directors: Chief Administrative Officer (1); Corporate Services Director (1); Development, Engineering, and Sustainability Director (1); Community Members at Large (6).</p> <p>The recruitment process for the members at large included a broad community call for interested applicants to submit applications. Applications were evaluated against a set of criteria by a panel of City directors and managers.</p> <p>Directors are volunteers and do not receive remuneration. The Kamloops CLT currently has no staff, and likely relies on City staff capacity, including the CAO and Directors who are sitting on the Board of Directors.</p>	<p>All start-up costs to date have been funded by grants. In 2019, the City received a \$95,000 grant from the Real Estate Foundation of BC to create a roadmap to establish a community land trust.</p> <p>The Kamloops CLT is a non-profit society and its financial structure, including borrowing, will be independent from the City. The City's current budgets and financial plan do not show any contributions toward to the Kamloops CLT. Start-up operations will likely rely on government grants and financing, and philanthropic funding.</p> <p>The Kamloops CLT targets self-sufficient cost-recovery over time but is expected to require grant or government assistance until it reaches a sustainable number of units (likely 200-300 units minimum). The Kamloops CLT is a non-profit society and is currently structured to become a charitable organization, which is exempt from property transfer tax and has the ability to issue charitable tax receipts, encouraging philanthropic funding.</p>

The Role of Senior Governments in the Provision of Housing

The CMHC is Canada’s national housing agency and is a Crown corporation governed by a Board and responsible to Parliament through a Minister. CMHC’s mandate, as defined in the *National Housing Act*, is to: “promote housing affordability and choice, to facilitate access to, and competition and efficiency in the provision of, housing finance, to protect the availability of adequate funding for housing at low cost, and generally contribute to the well-being of the housing sector in the national economy.” The CMHC provides funding for new affordable housing projects, grants, including HAF, mortgage insurance and financing, and securitization such as bonds, and carries out important research such as housing market and housing supply assessments. The 25 units of affordable rental housing for women and women with children at 4731 Steveston Hwy received capital funding from the CMHC’s Rapid Housing Initiative. The project has benefitted from BC Housing funding for additional units and operations; funding from the City’s Affordable Housing Reserve covered Development Costs Charges (DCCs).

BC Housing fulfills the provincial government’s commitment to the development, management, and administration of subsidized housing in British Columbia. BC Housing develops, manages, and administers a wide range of subsidized housing units across BC. BC Housing also supports emergency shelters and rent assistance, builder licensing builders, and research and education. Funding is provided through a range of programs including the Community Housing Initiative (CHF) and the Supportive Housing Fund. Built projects in Richmond that are not LEMR units, were all delivered with full or partial funding from BC Housing, with the City providing access to land and funding DCCs via the Affordable Housing Reserve.

Table 2: Federal Programs

Program	Description	Total Funding	Municipality Eligibility	Housing Corporation Eligibility
Affordable Housing Fund	Low-cost repayable loans and forgivable loans(formerly the National Housing Co-Investment Fund) <ul style="list-style-type: none"> ➤ For new affordable housing that covers a broad range of housing needs ➤ To repair existing affordable housing that covers a broad range of housing needs 	\$16B starting in 2017, and another \$1B starting in 2025	Y	Y
Affordable Housing Innovation Fund	Flexible financing options will be considered to encourage new funding models and innovative building techniques to revolutionize the affordable housing sector	Applications closed for now.	Y	Y
Apartment Construction Loan Program (Direct Insured Lending)	Low-cost loans to encourage construction of rental housing across Canada where the need for supply of rental housing is clearly demonstrated (formerly the Rental Construction Financing Initiative) NOTE: up to \$2B of federal funding was allocated to BC in Feb 2024 to match the BC Builds program, which aims to build housing on First Nations-, government-, non-profit-, and community-owned land	Additional \$15B starting in 2025	Y	Y
Canada Greener Affordable Housing Pre-Retrofit Funding	Helps affordable housing providers complete deep energy retrofits on existing multi-unit residential buildings, by providing non-repayable contributions for completing pre-retrofit activities	\$19.5M 2023-2026	Y	Y
Canada Greener Affordable Housing Retrofit Funding	Helps affordable housing providers complete deep energy retrofits on existing multi-unit residential buildings, by providing low-interest repayable loans and forgivable loans to complete deep energy retrofits	Up to \$1.1B 2023-2027	Y	Y

Program	Description	Total Funding	Municipality Eligibility	Housing Corporation Eligibility
Canada Greener Homes Loan	Loan program for Canadian homeowners to finance home energy retrofits			
Community-based tenant initiative	provides contributions to support local organizations whose purpose is to assist people in housing need. The initiative supports tenants having access to information on housing options and better participating in housing decisions that affect them			
Co-op Housing Development Program	Funding to support the construction of new co-op housing projects via forgivable loans and low-interest repayable loans.	\$1.5B		
Federal Community Housing Initiative	Supports federally administered community housing projects reaching the end of their operating agreements from past social and affordable housing programs. Rental assistance and transitional funding are offered.	\$620M to 2028		
Federal lands Initiative	Forgivable loans to support the transfer of surplus federal properties at discounted to no cost for the development of affordable housing	\$317M	Y	Y
Housing Accelerator Fund	Non-repayable contributions to encourage the implementation of initiatives that will speed up housing development approvals and increase supply	\$4.4B to 2027-8	Y	
Rapid Housing Initiative	Capital contributions for the rapid construction of new housing and/or acquisition of existing buildings for rehabilitation or conversion to permanent affordable housing for people and populations who are vulnerable and targeted under the National Housing Strategy (NHS)	\$1B 2020-2021, \$1.5B 2021-22 \$1.5B 2022-2023 now closed	Y	
Seed Funding	Interest-free loans and non-repayable contributions to develop and preserve affordable housing		Y	Y
Other programs	<p>CMHC offers other funding programs that target First Nations. These include:</p> <ul style="list-style-type: none"> • On-reserve non-profit housing program • On-reserve residential rehabilitation assistance program • Proposal development funding for First Nation communities • Shelters initiative for Indigenous women and children • Shelter enhancement program (SEP) – this may be relevant to Richmond, as the program applies to First Nation organizations that operate housing for people fleeing domestic violence that may be off-reserve 			

The CMHC also offers direct funding and financing for projects that are outside the scope of the National Housing Strategy, as follows in Table 3

Table 3: CMHC Funding

Program	Description	Total Funding	Eligibility
Seed Funding	Interest-free loans and/or non-repayable contributions. There are two funding streams: one for new construction/conversions, and one to preserve existing community housing projects.		Community housing providers not-for-profit organizations, Indigenous partners, governments, private businesses
Preservation Funding for Community Housing	Financial assistance to help housing providers (currently under a federally administered operating agreement) complete activities that will allow them to transition to a more viable and sustainable model, as well as prepare them for future funding opportunities		Projects now or previously subject to a federally-administered operating agreement
Prepayment	Allows non-profit and co-op housing providers to prepay their mortgages held with CMHC without penalty. This eliminates the high cost of prepayment. Waiving these penalties allows housing providers to access private market loans at current interest rates. This lowers mortgage expenses and keeps rents affordable.	\$150M	
Shared Equity Mortgage Providers Fund	intended to support existing shared equity mortgage providers, encourage additional housing supply and attract new providers of shared equity mortgages. The program offers repayable loans from two possible funding streams: <ul style="list-style-type: none"> Stream one: funding for eligible preconstruction costs to begin new housing projects in which shared equity mortgages will be provided to first-time homebuyers. Stream two: funding for shared equity mortgages that will be provided by the proponent directly to first-time homebuyers. 	\$100M, 2019-2023	No longer accepting new applications

Table 4: BC Housing Funding Programs

Program	Description	Total Funding	Eligibility
Funding for operation and maintenance			
Replacement Reserves Fund	Funds replacement costs for items on a standardized list. Ongoing maintenance is the responsibility of housing operators.		Non-profit or co-op owner or operator, land owned or under long-term lease
Capital Renewal Fund (CRF)	Provides funding for capital projects that maintain or benefit a building's condition, or improve a building's seismic, fire safety, or energy performance.		Non-profit or co-op owner or operator, land owned or under long-term lease
Women's Transition Housing and Supports Program	Funds the operation of transition houses, safe homes and second-stage housing programs that provide safe shelter and support services to women who are at risk of violence or who have experienced violence		
Building BC Funding Programs			
Community Housing Fund (CHF)	Capital and operating funding for affordable rental homes for people with moderate and low incomes. Projects must have a mix of 30% market rent, 50% rent geared to income, and 20% deep subsidy. Eligible households must meet income limits for all three types of housing. The program is run through an RFP process.	\$4.4B 2018-2032	Non-profit and Indigenous housing providers, First Nations, faith-based groups, housing co-operatives, and municipalities.
Indigenous Housing Fund (IHF)	Capital and operating funding for affordable rental homes for Indigenous families, Elders, individuals, and persons with a disability. Both on- and off-reserve projects are eligible; rents are 100% geared to income, except on-reserve projects may be at fixed rents. Eligible households must meet income limits. The program is run through an RFP process.	\$1.7B 2018- (now closed)	Indigenous non-profit housing providers, First Nations, Indigenous governments, and other organizations as partners
Supportive Housing Fund (SHF)	Operating funding for supportive housing for people who are experiencing homelessness or are at risk of homelessness. The buildings and land will be owned by the Province, with non-profit organizations operating them.	\$1.2B	Municipalities and supportive housing operators
Women's Transition Housing Fund	Operational funding for transition housing, including transition houses, safe homes, second-stage and long-term housing. Original funding aimed to support 1,500 units, as did the 2023 funding.	\$734M 2018-2028, more committed in 2023	Non-profit housing providers
Rapid Response to Homelessness	Funding to build over 2,000 a mix of permanent and temporary modular supportive housing units for people who are homeless or at risk of homelessness.	\$291M	
Project Development Fund	Loans to help partners develop more fully formed and competitive proposals for new affordable housing projects under Building BC programs. Up to \$250k is available to an applicant.		Non-profit societies, housing co-ops, municipal housing providers, and First Nations, and Indigenous governments
BC Builds Funding Program			
BC Builds	This program launched in 2023 as part of the Homes for People action plan by the provincial government. Low-interest repayable loans and grants are available to develop new homes for middle-income working people. Rental homes are the current priority, although affordable home ownership may be included in future. The BC Builds team works directly with government, First Nations, non-profit, and community landowners to identify eligible land and then invites applicants to submit proposals for development and operations.		Non-profit societies, First Nations, private developers and housing operators

Alternative Organizations for Delivering Affordable Housing

Excerpt from Provincial Guide: Launching and Maintaining a Local Government Corporation, pages 5-7

Explore different arrangements

When a municipality is considering the launch of a new initiative, one of the first decisions will be to select the most appropriate form for the enterprise. The choices will affect such things as tax planning, management and liability. While a number of legal arrangements are available, the guide focuses on the options that are relevant to municipalities, providing a brief overview of each.

Establish an in-house function

An enterprise or service can be set up inside a municipal corporation. As for any new activity, a municipality can establish a new department or operating unit with dedicated staff. Or it can simply incorporate the function within its existing organizational structure. This approach provides flexibility, while avoiding some of the legal implications of forming a stand-alone corporation. However, some of the considerations that apply to forming a corporation may also apply to initiating a new in-house function. For example, do any special legislation or regulations apply in this area? Will additional staff be required? How should the function report to council? Although an in-house function will not be governed by its own board, council may establish citizen advisory committees for access to special expertise. For example, an economic development program could work in liaison with a business advisory committee, with or without council representation.

Enter into a partnering agreement

A municipality can also arrange a partnering agreement with a person, public authority or private business. Under the agreement, the latter agrees to provide a service—an activity, work or facility—on behalf of the municipality. The partnering agreement serves to protect both the municipality and the other party or parties to the agreement. Partnering agreements apply to both public-public and public-private partnerships. A public-public partnership allows a municipality to accomplish joint goals with another municipality and/or a regional district. A public-private partnership between a municipality and a private partner allows it to transfer both risk and financial return from the municipality to the private partner. The private partner's success depends on the success of the overall project. A partnering agreement is a legal requirement under the Community Charter in order for a municipality to transfer property or other assets, provide funding to, or borrow on behalf of, a private partner, including a municipal corporation that it incorporated.

Launching and Maintaining a Local Government Corporation

Set up a separate corporation A corporation is a legal entity separate and apart from its owners, the shareholders. Legally, it has all the rights and obligations of an individual. The corporation can enter into contracts, own real property, sue and be sued. A corporation provides limited liability to a municipality as shareholder. The municipality's liability is limited to the value of the shares it purchased in the corporation. The corporation is also taxed independently from shareholders. While shareholders own the corporation, they typically delegate most of the authority and responsibility for operation of the corporation to its board of directors.

Establish a society

A society is a not-for-profit, non-taxable organization that may or may not be incorporated. If it is incorporated, the society is—like a corporation—a separate legal entity. Whether incorporated or not, the society’s assets and income must be used to fulfill its purposes. Like a corporation, a society may have directors, but share capital is prohibited. According to the province’s Society Act, a society may be incorporated for any lawful purpose, including charitable, artistic, educational, social, agricultural or sporting purposes. Purposes for which you may not incorporate a society include, among others, carrying on a business, trade, industry or profession for profit or gain. However, a society may carry on a for-profit business providing it is incidental to, and used to carry out, the society’s stated purposes. If a municipality becomes a member of an existing society, it can support and participate in an initiative that addresses municipal goals without taking on the demands of administering the society.

Invest in an existing corporation

Acquiring shares in an existing corporation may be optimal when a municipality’s interests are closely aligned with those of the corporation and setting up a competing corporation would not be advisable. This approach allows a municipality to support the success of the venture, without having to go through the process of creating the enterprise from the ground up. As a shareholder, the municipality’s financial exposure will be limited to the purchase price of any shares.

Holding companies and trusts

A municipality may use a “holding” company to acquire or hold assets for a temporary purpose, perhaps in a situation that calls for confidentiality regarding ownership. An example would be land holdings destined for future development either by the municipality or in conjunction with a private or public body. A holding company is simply a corporation created for this sort of purpose and it has exactly the same legal status as any other corporation. If a municipality needs to hold assets temporarily, it may quickly create such a corporation using a standard “off-the-shelf” set of articles. In unusual circumstances, a municipality may find trusts useful. This would be the case where the municipality has not yet acquired regulatory approvals and needs to ensure that an independent party controls the assets or business on an interim basis. Trusts may also be used to structure ownership where income tax implications arise, as in the operation of a municipal business outside the geographic boundaries of the municipality.

Establish a cooperative

A cooperative is a form of business association owned by the members who use its services. A not-for-profit or for-profit enterprise can be conducted via a cooperative. This type of association is organized to operate and administer assets for the benefit of its members, rather than to maximize profits for shareholders. A cooperative must be incorporated before it can carry on business. Once incorporated, it becomes a separate legal entity from its members. Cooperatives have a one member/one vote system of governance. A cooperative’s surplus funds can be used for a variety of purposes. A cooperative can be formed provincially in accordance with the B.C. Cooperative Association Act or, if the cooperative will have a place of business in more than one province, federally under the Canada Cooperatives Act. It is unlikely that a municipality would wish to use a cooperative for a municipal business. However, if a municipality is considering a non-profit joint venture, especially with other public or non-profit organizations, it might consider this arrangement

Establishing a Municipal Corporation

Objectives

A key consideration for establishing a housing authority, or otherwise, relates to the most effective methods to deliver on Council objectives. The City's Affordable Housing Strategy 2017-2027 is guided by a vision and strategic directions. Actions in the Affordable Housing Strategy are guided by the following strategic directions, containing sixty actions:

1. Use Regulatory Tools to Encourage a Diverse Mix of Housing Types and Tenures Strategic
2. Maximize Use of City Resources and Financial Tools Strategic
3. Build Capacity with Non-Profit Housing and Service Providers
4. Facilitate and Strengthen Partnership Opportunities
5. Increase Advocacy, Awareness and Education Roles

Other municipalities cited various reasons in assessing whether to establish a housing authority in order to achieve their goals, as follows (see Attachment 2 for more information):

- The Whistler Housing Corporation was established to deliver affordable workforce housing;
- Vancouver assessed all alternatives and landed on establishing an in-house department that consolidated related services into a new one team, that has a mandate to preserve and grow the City's affordable housing stock, including partnering with senior governments to renovate and/or redevelop single-room-only rental units in the Downtown East Side/Chinatown areas;
- The Squamish Community Housing Society, incorporated as a non-profit society, has a mandate to coordinate, collaborate and partner with organizations to deliver affordable housing units;
- The Burnaby Housing Authority was broadly established to create secure, purpose-built housing including: non-market rental units, non-market ownership units, market rental units to support non-market housing through cross-subsidization; and,
- Kamloops recently established the Kamloops Community Land Trust to secure land at a lower cost to reduce the overall cost of developing homes on its land assets.

Considerations of all Options to Achieve Objectives

A best practice is to explore alternative solutions that can meet Council's objectives. The Province's Launching and Maintaining a Local Government Corporation - A Guide for Local Officials (Provincial Guide) identifies a range of options that local governments can pursue to achieve their objectives. See Attachment 4 for excerpts for each taken from the Provincial Guide:

- Establish an in-house function
- Enter into a partnering agreement
- Launch and maintain a local government corporation
- Establish a society
- Invest in an existing corporation
- Holding companies and trusts
- Establish a cooperative

The City has long maintained an in-house function to achieve affordable housing outcomes, as listed above. The City has relied primarily on policy measures, such as the LEMR program, and partnership

arrangements with senior levels of government to deliver affordable housing. In Q2 2024, a Housing Office was established as a new City department in consideration of the above, relocating staff from an existing department and adding new staff. The Provincial Guide notes this approach is inherently flexible and avoids legal aspects of forming a stand-alone corporation. The Provincial Guide also notes that while an in-house function is governed directly by Council, advisory roles can be established to augment Council's awareness through establishing citizen advisory committee(s) or a technical advisory group to access special expertise. These considerations led Vancouver to operate an in-house new department; affordable housing was delivered across a number of areas prior to this change. After extensive review, an in-house team would have access to City funding and retain an ability to adjust as Council and City priorities shift.

Establishing a Housing Authority

Should the consideration of all options lead to a determination that a housing authority is needed to meet Council's objectives, this section discusses important steps and associated tasks to realize that outcome. Section 185 of the Charter provides municipalities with the power to incorporate a corporation, subject to the approval of the Inspector of Municipalities. Municipalities are also encouraged to discuss their plans with Ministry staff before submitting a formal request for approval. Under this model, the City established LIEC and the Oval to perform specific services. Governance and funding models are aligned to meet the needs of each entity.

The establishment of a housing authority would have similar but unique considerations, as outlined below, that are needed for a successful approval:

1. **Refine Objectives and Level of Control of Council:** In order to assist the Inspector of Municipalities in reviewing an application for the incorporation of a municipal corporation, the Inspector of Municipalities recommends that the applicant identify the municipal objectives that the incorporation will help achieve, the degree of control that council will exercise over the corporation, and the financial exposure of the municipal shareholder. The actions and strategies in the Affordable Housing Strategy provide guidance but are broad and would benefit from refinement. The degree of control of Council depends on objectives, risks associated with financial assistance provided by the City and/or the need to involve community interests. Other factors to consider noted in the Provincial Guide include:
 - a. Limiting the legal liability of the City via the corporation
 - b. Using the corporation to limit the City's financial exposure
 - c. Accessing expertise from the board of directors
2. **Consultation:** Community support is key since the initial consultations with the Inspector of Municipalities helps determine if incorporation is viable and meets local needs. Other parties important in the housing ecosystem include senior levels of government, private builders providing rental and LEMR units with NPO partners, and local advocacy groups. Community support can be sought via referendum, public meetings, reporting, advertising, consultation or other means. Consultations with First Nations, neighbouring municipalities and Metro Vancouver can also be considered.
3. **Governance:** A board of directors may be composed of elected officials, staff, members of the public (i.e. external experts) or any combination of the above. LIEC and the Oval both have

unique board member compositions. In addition, both have a councillor liaison, appointed by the Mayor, who attends board meetings but is not a director. Board appointment decisions should be focused on gaining the knowledge, resources and connections the municipal corporation requires to be successful. A policy on the recruitment of new directors, compensation and related issues may also be considered, but is not required.

4. **Choose a business name:** The City will be required to select a name for the corporation that reflects both the public nature of the enterprise and its business purpose. The name will also need to be approved by the B.C. Corporate Registrar.
5. **Prepare Articles of Incorporation:** Corporate articles govern the conduct of the corporation and its shareholders, directors and officers. A Notice of Articles must be drafted as well, which sets out the company's registered and records office addresses, and the initial list of directors. Both the articles and Notice of Articles are public documents. The Inspector of Municipalities typically requires that the articles include a number of special provisions or restrictions, to protect the public interest in the corporation's activities. Other important provisions in articles include:
 - a. That an annual information meeting be held, or a consent resolution will be passed in lieu of such meeting;
 - b. That the corporation will appoint an auditor and have audited financial statements prepared each year;
 - c. The size and composition of the board of directors;
 - d. The appointment process and term for directors;
 - e. Set borrowing powers and limitations; and
 - f. A range of other considerations such as limits to the business activities, company operations, conflicts of interest, limitations on contracts and agreements.
6. **Partnering agreements and elector approval:** A partnering agreement is a form of contract between the City and a party that agrees to provide a service on behalf of the City. Because a partnering agreement involves the provision of a municipal service, the general prohibition of assistance to business in the Charter does not apply to such relationships. Pursuant to a partnering agreement, the City would be able to transfer property or other assets or provide funding to the municipal corporation. If the City enters into a partnering agreement, it must post a public notice in accordance with the provisions of the Charter. In addition, in certain limited circumstances, the City would also be required to seek the approval of electors. These include incurring a long-term liability under agreement, lending under agreement, or guaranteeing repayment of borrowing under agreement.
7. **Inspector of Municipalities Approval:** The approval process requires a formal request that includes a Council resolution, copies of background reports such as a business plan or feasibility studies, and draft articles. Well developed responses to the considerations noted above, at minimum, will inform the Inspector's decision. The Inspector's review may involve additional feasibility analysis, risk assessment, public involvement or changes to the corporate articles.

Summary of CMHC Housing Accelerator Fund Initiatives

Initiative 1 - Enhanced Fast Track Program Rental and Affordable Housing

This initiative establishes an enhanced fast-track program to expedited rezoning and development permit application review ahead of in-stream applications for new development that provides 100% of the residential use at the site as secured rental housing and support the timely advancement of approved non-market housing projects in partnership with senior levels of government and non-profit housing providers on City-owned lands and privately owned lands.

Initiative 2 – Housing Grant Program.

This initiative establishes a one-time City-administered grant to support priority affordable rental projects to be developed.

Initiative 3 – Affordable Housing Non-Profit Partnership Program

This initiative establishes an Affordable Housing Non-Profit Partnership Program with dedicated staff support. This initiative formalizes existing and new practices for partnership projects into an established program.

Initiative 4 – Rental Tenure & Density Increases - Spires Road Area Pilot

Under this initiative, Staff will review updates to the City Centre Area Plan for the Spires Road area. The review will determine how to apply the learnings to other neighborhoods in the City Centre Area Plan and/or through the targeted Official Community Plan (OCP) review.

Initiative 5 – Parking Requirement Reduction

This initiative will review parking requirement changes that support housing development.

Initiative 6 - Targeted OCP Review: Explore Pre-Zoning Options

This initiative explores options for pre-zoning to allow affordable housing projects of a certain scale in all zones as a permitted use and address the “missing middle” through gentle density.

Initiative 7 - Permitting Optimization Project

The Permitting Optimization Project is a multi-phased initiative aimed at digitizing and enabling customer self-service for all 36 types of development applications and building permits. -

Initiative 8 - Automated Plan Review Project

This initiative involves the development of intelligent software that integrates Artificial Intelligence (AI) and Building Information Modelling (BIM) systems to enable automated plan review, accelerating the processing of development applications and issuance of building approvals.



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** November 15, 2024
From: Martin Younis, B. Eng., M. Eng. **File:** 10-6000-01/2024-Vol 01
 Director, Facilities and Project Development
Re: **Major Projects Oversight - Referral Response**

Staff Recommendation

That the report titled, "Major Projects Oversight - Referral Response," dated November 15, 2024, from the Director, Facilities and Project Development, be received for information.

Martin Younis, B. Eng., M. Eng.
 Director, Facilities and Project Development
 (604-204-8501)

Att. 3

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF DEPUTY CAO
Business Advisory Services	<input checked="" type="checkbox"/>	
Finance	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS:	APPROVED BY CAO

Staff Report

Origin

At the July 2, 2024 General Purposes Committee meeting, Council adopted the following resolution:

That the proposed motion regarding the establishment of a Blue-Ribbon Oversight Committee be referred to staff to examine various options for the effective management and execution for publicly funded infrastructure projects exceeding \$50 million dollars and report back.

The purpose of this report is to address the referral by:

- Providing an overview of the City's existing quality assurance and oversight procedures and processes related to capital project management;
- Presenting an overview of other public-sector capital project quality assurance and oversight committees;
- Describing the City's past experience with different types of governance, planning, and performance management related committees; and,
- Outlining a draft terms of reference for a project advisory committee that could complement existing procedures and processes, for Council's consideration.

This report supports Council's Strategic Plan 2022-2026 Focus Area #4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

4.1 Ensure effective financial planning to support a sustainable future for the City.

4.2 Seek improvements and efficiencies in all aspects of City business.

4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.

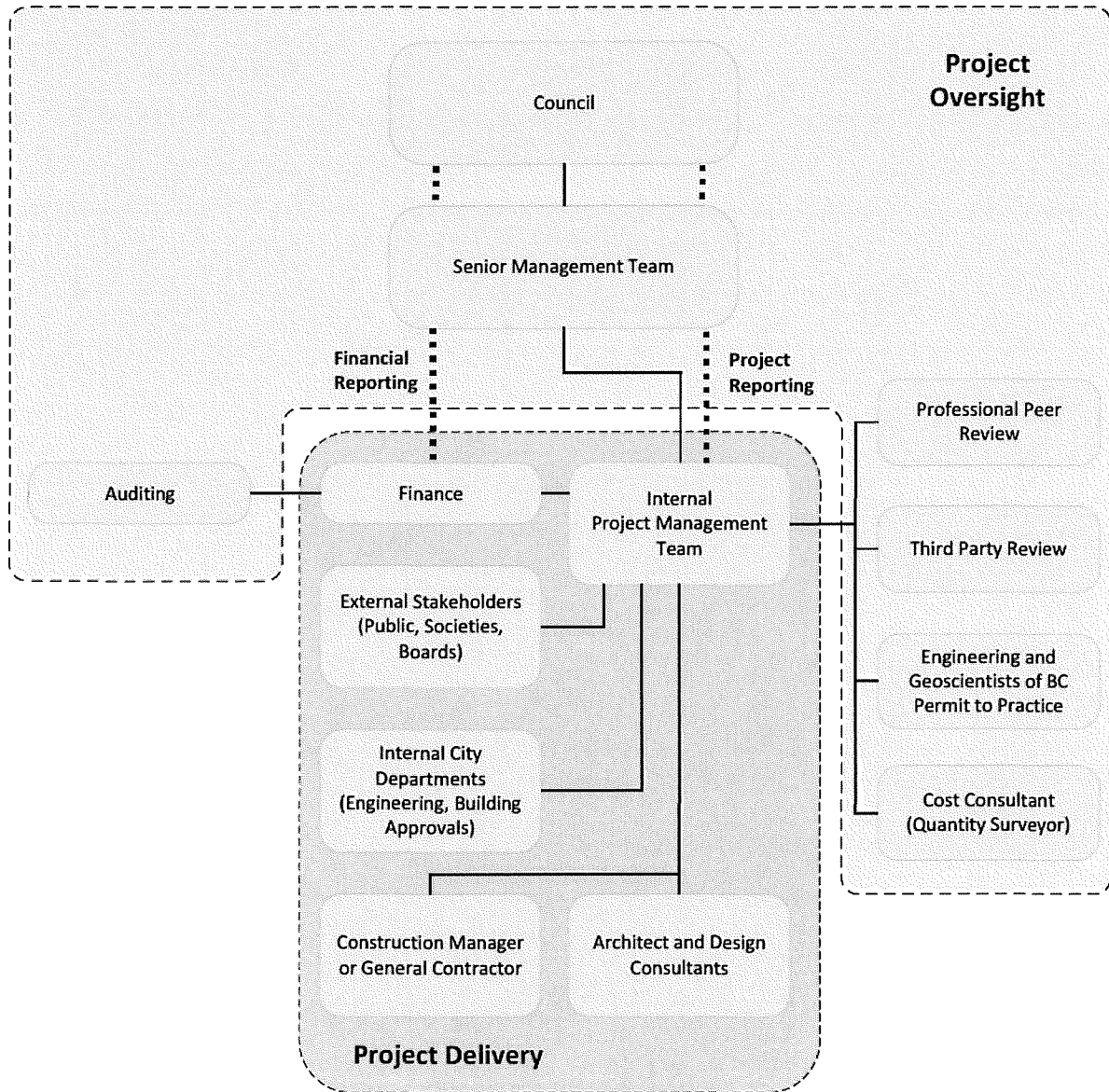
Background

Quality assurance and oversight of capital project management refers to the actions taken to review and monitor public sector projects, plans and programs to ensure:

- Value for money spent;
- Compliance with applicable policies, laws, regulations, and ethical standards; and
- Results are achieved as expected.

The City takes a comprehensive approach to maintaining and constantly improving how projects are managed and delivered. There are multiple layers of accountability and transparency built into the City’s capital management and delivery process that are essential to creating successful outcomes. This is outlined graphically in Figure 1.

Figure 1: City’s Current Capital Project Governance Model



The following outlines some of the oversight and quality assurance practices the City has in place for major infrastructure projects, as well as the outcomes of those actions. At key milestones, Council and the Senior Management Team are provided with updates related to budget, scope, and schedule, before approval is provided to move the project to the next stage. Due diligence, including risk management, takes place before key decisions are made, using the following methods:

- Professional cost estimators and construction managers are engaged to provide estimates and multiple budget validations up to the tender and award of the project;
- Third-party design experts review the plans to ensure they are practical, cost-effective and fulfill project requirements;
- Construction managers review constructability and schedule analysis to identify potential challenges and opportunities;
- Risk management tools, such as a risk matrix, are used to identify, mitigate, and monitor risks that could impact the budget, scope, or schedule; and
- Risks of financial changes are transferred to the contractor by utilizing a fixed price contract.

Additionally, as required by the Provincial Professional Practice Act, the City maintains a Permit to Practice with the Engineers and Geoscientists of British Columbia. The Permit to Practice is renewed annually with the City's Professional Practice Management Plan that extensively covers ethics, quality management and continuing education requirements for the City's registered staff.

Project monitoring and control are essential to completing a project on schedule, on budget, and within scope. Monitoring, control processes, and quality assurance checklists/inspections identify deviations from the project plan, ensuring that performance is seamless, efficient, and on track.

In addition, the City has implemented various administrative processes and procedures to ensure compliance to Council policies, legislation, and other regulations.

- Comprehensive financial tracking and review, including forecasting, to ensure that costs are incurred within the approved project scope and in accordance with Canadian Public Sector Accounting Standards.
- The consolidated financial statements, which include the accounts of the tangible capital assets and capital projects' work-in-progress, are independently audited by an external auditor, appointed by Council, to ensure the financial statements are free from material misstatements.
- The Community Charter and Local Government Act requires local governments to prepare a five-year financial plan each year, which includes the amount of expenditures required for capital purposes.
- The City's procurement processes are consistent with other public sector organizations and are designed to comply with binding trade treaties, the City's procurement policy, and relevant bylaws.

Per Council's Budget Amendments Policy 3001 (Attachment 1), Council approval is required for any of the following:

- a) Funding is not available from the Operating, Utility Budget, or an approved capital project, or;
 - b) Costs for a construction management capital project exceed the original amount that was approved in the City's Capital Budget by more than \$500,000, or;
 - c) Costs for a capital project exceed the original amount that was approved in the City's Capital Budget by more than \$100,000, or;
 - d) Changes to project scope.
- Staff present an Active Capital Projects Financial Update Report to the Finance Committee three times per year: the report provides an overview of the financial performance and key highlights of active capital projects. The report also includes the final financial result for those capital projects closed during the quarter.
 - After every year-end, staff present the audited consolidated financial statements, which include the accounts of the tangible capital assets and capital projects' work-in-progress, to the Finance Committee for approval.

The success of projects is supported by robust quality assurance and oversight practices from the initiation stage through to ongoing monitoring and control. Major capital projects are delivered using a systematic approach and agile methods that allow opportunities for review, input and adjustment at multiple stages throughout the project life cycle.

As of September 30, 2024, 577 capital projects approved by Council, since 2014, have been closed. Out of the \$503 million dollars approved budget related to the closed capital projects, \$456 million dollars were spent and \$47 million dollars were returned to the original funding sources.

British Columbia's construction industry continues to be affected by a skilled labour shortage, associated wage increases, cost escalation, and ongoing public infrastructure spending, leading to a continued increase in construction costs.

In order to maintain this level of high performance related to capital project delivery, the City must continue to be vigilant and invest in continuous improvement opportunities. As part of the close-out process for each project, the City performs post-completion reviews, including identifying lessons-learned, and staff continue to review best practices in capital project management to successfully deliver projects efficiently and effectively.

Analysis

Approaches to Project Oversight Committees

Local governments may consider the following types of committees that can provide additional layers of quality assurance and oversight related to capital project delivery:

- Oversight Committee – assess and advise on the integrity of the processes used throughout a project and recommend improvements, as needed;

- Steering Committee – established for large scale, higher risk and/or higher value capital projects; and
- Technical or Working Committees (e.g. financial, legal, design, and engineering) – serve in either an advisory or an evaluative capacity.

The City researched numerous organizations across Canada from local authorities, other levels of governments, private industries and associations to review project governance processes. Although not referred to as a Blue-Ribbon Committee, the following are similar in intent.

City of Burnaby

Burnaby's Council has voted to establish an advisory panel to review the costs of city infrastructure projects for several community centre redevelopments in response to project delivery challenges. The administration team responsible for capital construction are developing a terms of reference for an advisory committee.

Metro Vancouver

The Solid Waste and Recycling Industry Advisory Committee (IAC) provides advice and oversight on solid waste and recycling services by supporting the management plan update, providing information to industry representatives, and act as a forum for feedback.

The IAC is one of two advisory committees in Metro Vancouver that provide input on the solid waste management plan. The other committee is the Public/Technical Advisory Committee, which is comprised of members from a variety of sectors and interests.

In addition, Metro Vancouver is currently conducting an independent review of cost overruns in the North Shore Wastewater Treatment Plant Program.

BC Hydro – Site C Project Assurance Board

The board has nine members, including an independent chair, independent external advisors, and members of the BC Hydro Board of Directors. The Project Assurance Board makes recommendations to the BC Hydro Board of Directors on matters requiring BC Hydro Board approval and keeps the BC Hydro Board, the Minister of Energy, Mines, and Low Carbon Innovation, and government apprised of development and progress on the project.

City of Calgary

The City of Calgary has created a Corporate Project Management Centre that is responsible for developing, stewarding, and supporting the City of Calgary's Project Management Practices, including the facilitation and chair of a governance committee comprised of appropriate senior staff from each business unit responsible for capital projects and the City Manager's Office. This closely compares to the City's current practice.

This research indicates the use of project oversight committees is relatively rare. Where they are used in the region at the municipal or required level, they are typically comprised of experts and professionals from the local consulting and contracting community. In some cases, these are the same individuals hired directly by the City, in various project delivery and oversight roles under the City's current governance model.

City of Richmond Project-Related Committees

The following are examples of Council-approved committees established for different projects in the City of Richmond. Details of the purpose, objectives, and membership are included in Attachment 2.

Older Adults / Aquatic Centre (Minoru Centre for Active Living)

- Minoru Major Facility Stakeholder Advisory Committee
- Building / Project Technical Advisory Committee

Various Britannia Heritage Site Projects

- Steveston Historic Sites Building Committee

Infrastructure Projects Over \$50 Million Dollars

There are currently two active City infrastructure projects over \$50 million dollars:

- Steveston Community Centre and Library Replacement; and
- Works Yard Replacement.

Steveston Community Centre and Library Replacement

- 60,350 sq. ft. replacement facility in the southeast quadrant of Steveston Park;
- \$95 million dollars budget, anticipated project completion in Q4 2026;
- Currently in the construction implementation stage; and
- The main fixed-price construction contract has been awarded and the risk of financial changes has been transferred to a Construction Manager through a competitive bid process.

Works Yard Replacement Project

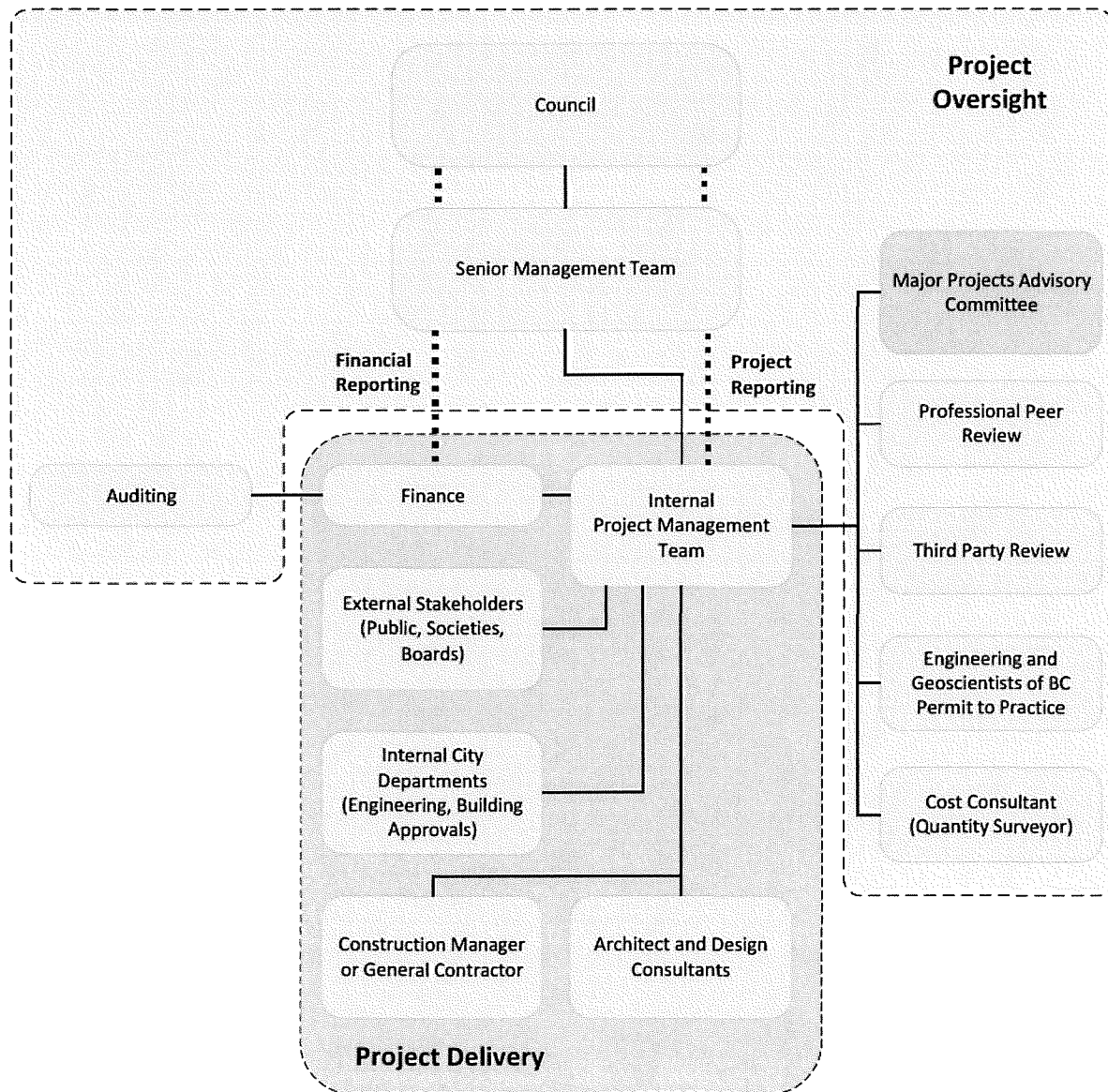
- \$100 million dollars Council-approved funding to date;
- The project is in the advanced planning/program development and enabling works stages, where space requirements, budget, schedule, form and phasing plans, underground utility relocations in the Phase 1 construction zone, site condition investigations and ground improvement works are being determined;
- Will be delivered in multiple phases over 7 to 10 years, during which full operations will be maintained; and
- Monthly Works Yard Replacement Project memos provided to the Mayor and Councillors.

In consideration of current City procedures and its past experiences with different types of capital project related advisory committees, if the City is to proceed with formalizing an advisory committee for capital projects over \$50 million dollars, a terms of reference is required.

Draft terms of reference (Attachment 3) has been developed to ensure that any such committee provides the best value to the City and complements existing procedures related to major project governance and oversight.

Figure 2 depicts the current project governance structure with the addition of the proposed Major Project Advisory Committee.

Figure 2: Example of Capital Project Governance Model with an Advisory Committee



Financial Impact

The City consulted numerous municipalities across Canada, for which only a handful responded and information regarding remuneration rates was not provided. The information regarding costs associated with an Advisory Committee in other organizations is not available.

Some major project oversight committees may provide remuneration for members while others, such as those previously established by the City of Richmond, engage members on a voluntary basis.

Based on the panel member qualifications of the different fields of expertise, staff reviewed the professional fee guides for Architectural Institute of British Columbia (AIBC) and Association of Consulting Engineering Companies British Columbia (ACEC-BC) which recommend billable hourly rates for senior-level professional services ranging from \$240 to \$450 per hour.

Conclusion

This report provides an overview of the City's existing quality assurance and oversight practices related to capital project delivery. Project oversight committees within government agencies exist in different forms and can enhance existing controls. Staff have identified and examined various types of oversight committees (projects exceeding \$50 million dollars) for Council's consideration. The City will continue to apply established, rigorous processes for major capital projects to ensure compliance with the project deliverables, budget, and schedule.



Martin Younis, B. Eng., M. Eng.
Director, Facilities and Project Development
(604-204-8501)

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- Att. 1: City of Richmond - Policy 3001
- Att. 2: Existing City of Richmond Project Committees
- Att. 3: Proposed Draft Terms of Reference - Major Projects Advisory Committee

CITY OF RICHMOND - POLICY 3001:

City of
Richmond

Policy Manual

Page 1 of 3	Budget Amendments	Policy 3001
	Adopted by Council: October 10, 1989 Amended by Council: September 28, 2015	

POLICY 3001:

It is Council policy that budget amendments that increase the City's expenditures are only permitted where funding is from sources other than taxation or utility fees. During the year there may be a need to change how the budget was allocated in order to ensure that City staff have appropriate authority to manage budget resources to ensure programs and services are delivered in an efficient and effective manner:

OPERATING AND UTILITY BUDGET

1. The Financial Officer may approve the following budget changes at the request of a General Manager:
 - (a) Transfer of budget resources within a Division that does not exceed \$100,000 and that does not involve salaries. Requests must clearly identify the allocations that are proposed, the funding source and/or the budget resource that will be transferred. Any changes will be documented and reported at an upcoming Finance Committee, and included in the staff report when the City's 5 Year Financial Plan amendments are presented
2. Council approval is required for any of the following changes:
 - (a) Transfers that involve salaries;
 - (b) Transfer of budget resources between Divisions;
 - (c) Transfers that exceed \$100,000.

CAPITAL BUDGET

Council will approve the budget amount for each project prior to commencement.

1. The CAO and the Financial Officer may approve the following changes to a construction management capital project at the request of a General Manager, provided that surplus funding (based on the restrictions above (OPERATING AND UTILITY BUDGET)) is available from the respective General Manager's Divisions Operating, Utility Budget or an approved capital project:

The lesser of:

- (a) \$500,000, or;
- (b) 5% of the original construction management capital project that was approved in the City's Capital Budget.

Any changes will be documented and reported at an upcoming Finance Committee, and included in the staff report when the City's 5 Year Financial Plan amendments are presented.

2. The Financial Officer may approve the following changes to a capital project at the request of a General Manager, provided that surplus funding (based on the restrictions above (OPERATING AND UTILITY BUDGET)) is available from the respective General Manager's Divisions Operating, Utility Budget or an approved capital project.

The lesser of:

- (a) \$100,000, or;
- (b) 5% of the original capital project that was approved in the City's Capital Budget.

Any changes will be documented and reported at an upcoming Finance Committee, and included in the staff report when the City's 5 Year Financial Plan amendments are presented.

3. Council approval is required for any of the following:
 - (a) Funding is not available from the Operating, Utility Budget, or an approved capital project, or;
 - (b) Costs for a construction management capital project exceed the original amount that was approved in the City's Capital Budget by more than \$500,000, or;
 - (c) Costs for a capital project exceed the original amount that was approved in the City's Capital Budget by more than \$100,000, or;
 - (d) Changes to project scope.

CAPITAL PROJECTS IN PROGRESS

Capital and construction management projects that were previously approved by Council 3 years or earlier, will be closed with funds returned to the original source. Any exceptions will require the Financial Officer's approval and all capital and construction management projects work in progress will be reported annually to the Finance Committee.

City of Richmond Project Committees

The following are examples of Council-approved committees established for different projects in the City of Richmond.

Minoru Major Facility Stakeholder Advisory Committee

- Project specific committee that meets on an ad-hoc basis at the request of the Chief Administrative Officer (CAO) or designate
- Purpose: is to provide advice, input, and feedback from a stakeholder perspective at key milestones during the planning and development process the project.
- Objective: is to support the City's efforts in the development of the functional space program in direct relation to the proposed facility use programming for the Aquatic and Older Adults Replacement Facilities.
- Membership:
 - Four (4) representatives of the public;
 - Two (2) representatives of the Aquatic Services Board;
 - Two (2) representatives of the Minoru Senior's Society; and
 - Two (2) Council liaisons.

Building / Project Technical Advisory Committee

- Project specific committee that meets on an ad-hoc basis at the request of Staff
- Purpose: is to advise City of Richmond staff on the design, construction, scope and schedule for the combined Aquatic Centre, Older Adults Centre and multi-purpose facility and associated urban realm improvements.
- Other major projects may be also be reviewed on an ad-hoc basis upon request.
- Objectives:
 - To provide input, feedback and advice on the design and construction of the Project;
 - To advise on the best use of City resources;
 - To advise on the financial sustainability of the Project and the soundness of business decisions; and
 - Other matters that will contribute to the success of the project.
- Membership:
 - Eight (8) members; and
 - One (1) council liaison.

Steveston Historic Sites Building Committee

- Project specific committee that meets based on the program of work to be undertaken.
- Purpose: Advise and provide input into the development of the program for the Seine Net Loft facility and the stories to be told in the exhibits; and Guide the focus of the development of the program of the restoration and future use of:
 - i. the Japanese Duplex;
 - ii. the First Nations Bunkhouse;
 - iii. the Phoenix Gill Net Loft; and
 - iv. the Interurban Tram.
- Membership: The Building Committee will consist of Four (4) members:
 - Two (2) members of City Council, City of Richmond;
 - One (1) member of the Britannia Heritage Shipyard Society; and
 - One (1) member of the Steveston Historical Society.

Draft Terms of Reference - Proposed Major Projects Advisory Committee

The following Draft Terms of Reference include details of duties and objectives of the proposed Major Projects Advisory Committee (Committee), created for specific projects.

Duties

To consider and provide advice, input, and feedback with regard to the planning, design, and construction of City projects exceeding \$50 million dollars.

The objective of the Committee is to provide independent advice and input at key milestones during the planning and design phases, with focus on the following:

Planning and Design

- Project Scope – ensures the project scope meets the requirements per Needs Assessments and the Council Strategic Plan or Council-approved program.
- Project Schedule – ensures the project schedule aligns with the scope of work and similar local projects, considering current industry trends.

Monitoring and Control

- Project Budget – ensures the project budget is similar to other projects being constructed locally.
- Progress Tracking – compares critical project milestones to the fundamental elements of scope, schedule, and budget to the fixed baseline.

While the Committee may make suggestions or recommendations on projects, the project team will review and consider these impacts to the projects. It is Council that must approve any significant changes to the project scope, schedule, or budget that may ensue from this input.

Committee Members

Council will appoint one liaison member and up to three (3) Subject Matter Experts who have relevant, project-specific experience, and registered membership (in good standing), including retirements, in the following areas:

- Design Consultant: Architectural Institute of British Columbia or Engineers and Geoscientists of British Columbia
- Construction Consulting: Vancouver Regional Construction Association or British Columbia Construction Association
- Professional Estimator (Quantity Surveyor): Quantity Surveyors Society of British Columbia or Canadian Institute of Quantity Surveyors

Additional committee members, with relevant project experience, shall be invited to provide feedback on projects. These additional committee members may change meeting-to-meeting depending on the agenda item and shall not have any involvement in the project that they are reviewing with the Committee.

Term of Office

One year for the Chair, two years for members, with appointments reviewed annually.

Procedures and Meetings

Prescribed intervals (i.e. defined design milestones) or ad-hoc basis at the request of staff.

A meeting agenda and attached reports will be circulated at least one (1) week in advance of each meeting. The reports will outline current projects, providing details for review and input.

Attendance requirement

Three (3) members of the Committee shall constitute quorum. Meetings may be cancelled and rescheduled if one or more member is unable to attend any regularly scheduled meeting.

Membership may be terminated following more than one unplanned and unexpected absence from scheduled meetings. If a member is to miss a meeting, they may speak to the designated staff liaison about an appropriate replacement.

Appointment of the Chair

The Chair shall be elected by the members of the Committee at the first regular meeting in the calendar year.

Duties of the Chair

- Determines the date and time of meetings. Meetings will be scheduled by City staff. Meetings may take place in person or virtually over MS Teams, as determined by the Committee.
- Chairs meetings of the Committee.
- Represents the Committee between meetings.

Staff Liaison

At least one staff representative from the City will attend each meeting as the subject matter expert and to present projects for review and input.

The City will provide the Committee with staff support for the preparation of minutes and agendas.

Duties of the Recording Secretary

- Prepare and circulate agenda and minutes to Committee members within one week of the meeting

Presentations to the Committee

The meetings are conducted by the chair in the following manner:

- For each project listed on the agenda, staff introduces the project to the Committee and summarises the information provided in the report (referring to its location, context, background, scope, schedule, budget, and most recent cost estimate).
- The Committee is given the opportunity to ask questions about any aspects of the project.
- Committee members review the project material and provide comments and observations.
- The Chair summarizes the comments of the Committee for the minutes, then proceeds to the next item on the agenda.

The meetings are not a forum for public comment.

Code of Conduct

Conflict of Interest:

- A conflict of interest exists if a Committee member is a director, member or employee of an organization seeking to benefit from the City or if the Committee member has a direct or indirect pecuniary (financial) interest in the outcome of Committee deliberations.
- Committee members who have a conflict of interest with a topic being discussed shall declare the conflict, describe the nature of the conflict, leave the room prior to any discussions.
- Committee members are not permitted to directly or indirectly benefit from their participation on the Committee during their tenure and for a period of twelve (12) months following their term(s).

Professionalism:

- Committee members are expected to act in accordance with the City's Respectful Workplace Policy (Policy 6800), including being respectful towards other members.
- Committee members must devote the necessary time and effort to prepare for meetings, arrive at meetings on time, and provide feedback consistent with the Committee's mandate. Any Committee member who is absent for three (3) meetings of the Committee, without reason satisfactory to the Committee, may be removed from the Committee.

Reporting and Social Media:

- The Committee members may not represent themselves as having any authority beyond that delegated in the Terms of Reference approved by Council. Items will be presented to the Committee if referred by Council or staff, and the standard process of communication is through staff to Council. Committee members may communicate directly to Council or the media, if the Committee members identify themselves as an individual, and not as representatives of the Committee.
- Any use of social media must, as with all other forms of communication, meet principles of integrity, professionalism, and privacy.

Should a Committee member violate the Code of Conduct or act outside the Terms of Reference, the member may be removed from the Committee.

Committee members serve at the pleasure of Richmond City Council. Council may amend these Terms of Reference at its discretion.