



## Planning Committee

Council Chambers, City Hall  
6911 No. 3 Road

Thursday, December 9, 2021  
4:00 p.m.

Pg. #      ITEM

### MINUTES

*Motion to adopt the minutes of the meeting of the Planning Committee held on November 30, 2021. (Will be distributed separately)*



### NEXT COMMITTEE MEETING DATE

January 6, 2022, (tentative date) at 4:00 p.m. in the Council Chambers

### PLANNING AND DEVELOPMENT DIVISION

1. **RESPONSE TO METRO VANCOUVER'S REFERRALS ABOUT AMENDMENTS TO THE METRO 2040 REGIONAL GROWTH STRATEGY PROPOSED BY THE CITY OF SURREY STAFF**  
(File Ref. No. 01-0157-30-RGST1) (REDMS No. 6785424)

PLN-3

[See Page PLN-3 for full report](#)

*Designated Speaker: John Hopkins and Peter Whitelaw*

STAFF RECOMMENDATION

*That staff be directed to convey to the Metro Vancouver Regional District Board the City of Richmond's comments on the three Metro 2040 amendments proposed by the City of Surrey, as described in the Metro Vancouver requests of November 10, 2021, specifically that the City of Richmond:*

- (a) *Has no objections to the proposal to amend the land use designation of 5510 – 180 Street from “Industrial” to “Mixed Employment” to accommodate a new Cloverdale Hospital;*
- (b) *Has no objections to the proposal to amend the land use designation of 228 – 175A Street from “Mixed Employment” to “General Urban” to accommodate a mixed use development; and*
- (c) *Objects to the proposed amendments for the area corresponding to the Revised Stage 1 South Campbell Heights Land Use Plan, in particular the extension of the Urban Containment Boundary.*



2. **HOUSING NEEDS REPORT 2021**

(File Ref. No. 08-4375-03) (REDMS No. 6729983)

PLN-40

See Page PLN-40 for full report

*Designated Speaker: John Hopkins and Kim Somerville*

STAFF RECOMMENDATION

- (1) *That the staff report titled “Housing Needs Report 2021” dated October 15, 2021 from the Director, Policy Planning and Director, Community Social Development be received for information;*
- (2) *That staff be directed to publish the Housing Needs Report on the City of Richmond website, as required by the British Columbia Local Government Act; and*
- (3) *That staff be directed to share the Housing Needs Report with key stakeholders.*



3. **MANAGER'S REPORT**

ADJOURNMENT





# City of Richmond

## Report to Committee

**To:** Planning Committee **Date:** November 22, 2021  
**From:** John Hopkins  
Director, Policy Planning **File:** 01-0157-30-  
RGST1/2021-Vol 01  
**Re:** **Response to Metro Vancouver's Referrals about Amendments to the Metro  
2040 Regional Growth Strategy Proposed by the City of Surrey**

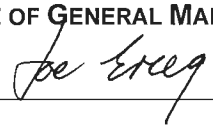


### Staff Recommendations

That staff be directed to convey to the Metro Vancouver Regional District Board the City of Richmond's comments on the three *Metro 2040* amendments proposed by the City of Surrey, as described in the Metro Vancouver requests of November 10, 2021, specifically that the City of Richmond:

- a) Has no objections to the proposal to amend the land use designation of 5510 – 180 Street from "Industrial" to "Mixed Employment" to accommodate a new Cloverdale Hospital;
- b) Has no objections to the proposal to amend the land use designation of 228 – 175A Street from "Mixed Employment" to "General Urban" to accommodate a mixed use development; and
- c) Objects to the proposed amendments for the area corresponding to the Revised Stage 1 South Campbell Heights Land Use Plan, in particular the extension of the Urban Containment Boundary.

John Hopkins, MCIP, RPP  
Director, Policy Planning  
(604-276-4279)

Att. 3

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
SENIOR STAFF REPORT REVIEW	INITIALS: 
APPROVED BY CAO 	

## Staff Report

### Origin

As requested by the City of Surrey, the Metro Vancouver Regional District Board has initiated the process to amend the Regional Growth Strategy (Metro Vancouver 2040: Shaping our Future, *Metro 2040*) for three sites:

- 1) 5510 – 180 Street, to accommodate a new Cloverdale Hospital;
- 2) 228 – 175A Street, to accommodate a mixed use development; and
- 3) The area corresponding to the Revised Stage 1 South Campbell Heights Land Use Plan, which proposes “Business Employment,” “Cemetery,” and “Conservation” land use designations in Surrey’s Official Community Plan.

As a member municipality, the City of Richmond has been invited to provide written comments on the proposed amendments to the Regional Growth Strategy (Attachment 1). In each case, comments are required by January 7, 2022, in time to be incorporated into a staff report for the January 28, 2022 Metro Vancouver Regional District Board meeting.

This report supports Council’s Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

*5.4 Work cooperatively and respectfully with all levels of government and stakeholders while advocating for the best interests of Richmond.*

### Findings of Fact

All of the proposed amendments are Type 3 minor amendments to *Metro 2040*, which require that an amendment bylaw be passed by the MVRD Board by a 50%+1 weighted vote. For more information on regional growth strategy amendment procedures, please refer to Sections 6.3 and 6.4 in *Metro 2040*.

Richmond’s interests in relation to these amendment requests are to:

1. Pursue City goals;
2. Enable efficient delivery of services, through City efforts and regional cooperation; and
3. Support shared regional goals.

### Analysis

#### 5510 – 180 Street – to accommodate a new Cloverdale Hospital

This 9 ha site is located just south of Highway 10, close to the historic centre of Cloverdale and midway between Newton and Langley City. It is next to Kwantlen Polytechnic University’s Tech Campus. The site is within Metro Vancouver’s Urban Containment Boundary but just outside the Cloverdale Municipal Town Centre. The proposed amendment would change the designation of part of the site from “Industrial” to “Mixed Employment” to accommodate a new Cloverdale Hospital and Cancer Centre.

The proposed hospital is an important regional facility, supports employment intensity similar to or higher than industrial uses, and fits with neighbouring industrial and institutional uses. Overall, this amendment enables Fraser Health to meet the needs of the region's residents, is a reasonable location for a hospital and will not otherwise affect Richmond.

No concerns were identified in relation to Richmond's regional planning interests: the proposed land use amendment does not affect Richmond's goals nor our ability to deliver services efficiently, and it enables the provision of essential regional services.

#### 228 – 175A Street – to accommodate a mixed-use development

This 2.5 ha site is located just north of the US border, on the west side of Highway 15 next to a residential area. It is flanked by a strip mall on the north and border-related retail to the south. It is currently within the Urban Containment Boundary and is designated "Mixed Employment" in *Metro 2040*. To accommodate residential uses and an assisted living facility as part of a proposed mixed use development, the City of Surrey is requesting that the *Metro 2040* land use designation be changed to "General Urban".

The proposed mixed use development maintains employment functions and intensifies commercial use within the Urban Containment Boundary, compared to neighbouring sites designated Mixed Employment. Overall, this small amendment intensifies land use within the Urban Containment Boundary, will have little impact on the regional commercial land market and transportation patterns, and is not likely to prompt similar amendment requests that could cumulatively have more significant impacts.

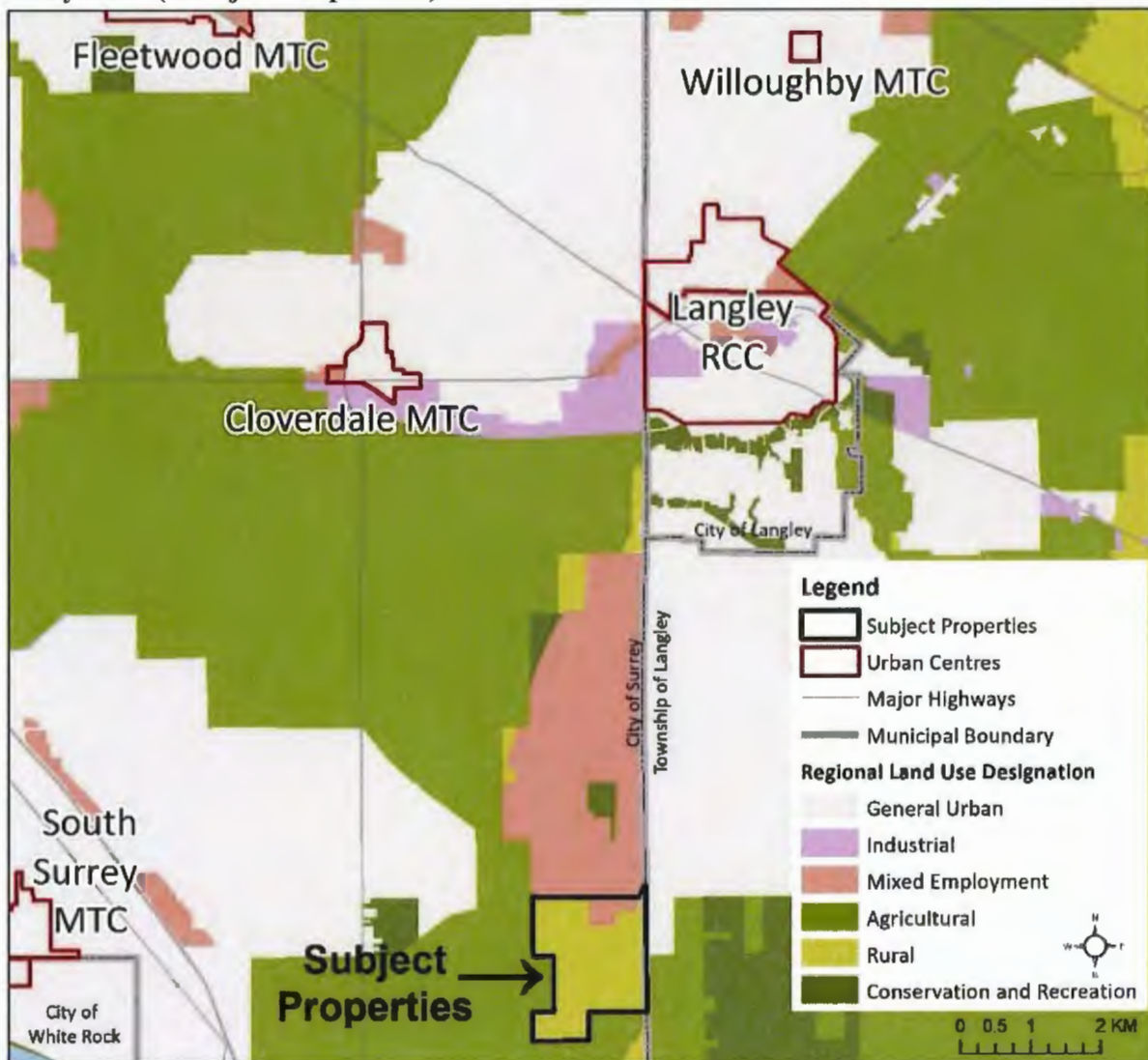
No concerns were identified in relation to Richmond's regional planning interests: the proposed land use amendment does not affect Richmond's goals nor our ability to deliver services efficiently, and it supports regional goals at least as well as the current designation.

#### South Campbell Heights – to accommodate industrial development

The City of Surrey is proposing Regional Growth Strategy amendments to accommodate their South Campbell Heights Land Use Plan, for a 235 ha predominantly rural area on the Surrey-Langley border (Figure 1). Before the 2011 Regional Growth Strategy was adopted, the City of Surrey expressed their intent to change land use and possibly the location of the Urban Containment Boundary in the area, so it was designated as a Special Study Area in the Regional Growth Strategy at that time. The Special Study Area designation does not imply acceptance by Metro Vancouver of whatever changes are proposed.

In 2014, Surrey began to plan for the area and in 2018, the City requested an amendment to the Regional Growth Strategy to accommodate a residential neighbourhood with a commercial core. That request was referred back by the Metro Vancouver Board because the proposed uses were inconsistent with *Metro 2040*. The request now under consideration is a revision prepared by Surrey following discussions with Metro Vancouver and "employment land stakeholders in Surrey".

**Figure 1: Regional Land Use Designations, Urban Containment Boundary and Special Study Area (“Subject Properties”)**



Source: Metro Vancouver Planning Department

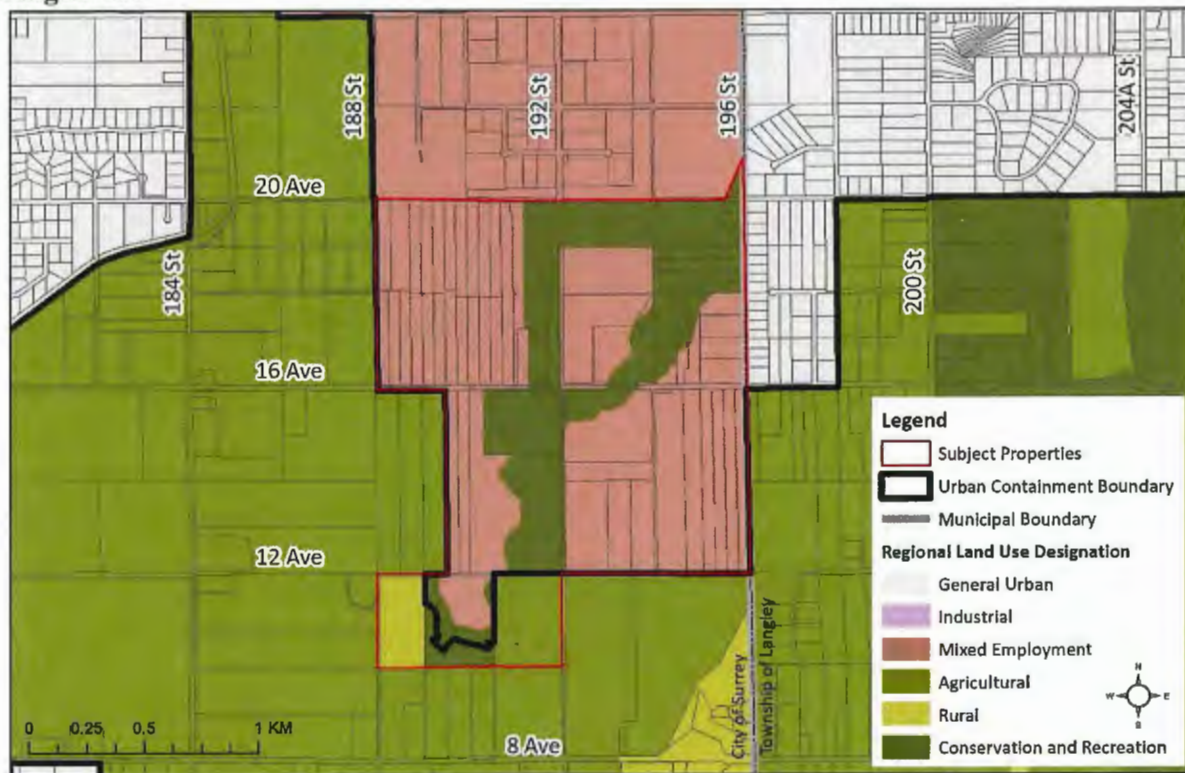
The Regional Growth Strategy amendment proposes:

- Extending the Urban Containment Boundary by 224 hectares; and
- Redesignating:
  - 161 ha of land from Rural to Mixed Employment;
  - 56 ha of land from Rural to Conservation and Recreation;
  - 12 ha from Rural to Agricultural; and
  - 13 ha of land from Mixed Employment to Conservation and Recreation.

The net effect of these changes is shown in Figure 2. The changes proposed by the plan create a large area for employment, protect the ecological corridor adjacent to the Little Campbell River, and protect the existing agricultural area at the southern tip of the Special Study Area (“Subject Properties” in Figure 2), which has also been added to the Agricultural Land Reserve.



**Figure 2: Proposed Regional Land Use Designations and Urban Containment Boundary Alignment**



Source: Metro Vancouver Planning Department

The City of Surrey's rationale to expand the Urban Containment Boundary and provide employment land is that there is a demonstrated need for industrial land in the region. The City is proposing that much of the subject area be designated in the Regional Growth Strategy as "Mixed Employment" which allows for a wide range of employment based land uses.

Overall, significant concerns were identified in relation to Richmond's regional planning interests.

1. **Richmond goals.** The proposed land use amendment is a significant expansion of the Urban Containment Boundary that will allow the additional land to be used for industrial as well as office development. The first concern is the choice to expand the Urban Containment Boundary rather than focus on intensification of existing industrial land through new construction, infill and redevelopment. This choice undermines the efforts being made by Richmond and others to intensify industrial activities. Alternatives should be considered to accommodate industrial expansion through intensification rather than expanding the Urban Containment Boundary. The second concern is that the proposed "Mixed Employment" designation is too flexible, allowing offices and similar uses that are better directed to "compact, complete" centres.

2. **Efficient delivery of services.** Expansion of the Urban Containment Boundary and employment lands may require new regional sewer and water infrastructure, and will require new transit service. Given the relatively low-density use proposed, this does not permit cost-efficient service provision.
3. **Shared regional goals.** Metro Vancouver's staff report (contained in Attachment 3) provides more detail about the background and analyses the proposal vis-à-vis regional goals. Implications not already noted above include protection of ecologically valuable land; loss of rural land; a need for road network expansion; and anticipated impacts on the fragile local aquifer.

Staff note that it is challenging for the region to support intense industrial uses in locations employees can get to easily, while also providing cost-competitive, efficient sites with good access for goods movement. According to Metro Vancouver's Regional Industrial Lands Strategy (2020), a key issue is financial feasibility of intense industrial development as compared with competing regions elsewhere in North America that have sprawling industrial lands. Deeper regional collaboration on industrial intensification and on land use and transportation patterns that support an internationally-competitive economy are both urgent and critical.

### **Financial Impact**

None.

### **Conclusion**

To support Council's response to the referrals from the Metro Vancouver Regional District about three Type 3 Regional Growth Strategy amendment requests from the City of Surrey, staff have reviewed the amendment requests in consideration of the City of Richmond's interests. The results of the analysis are:

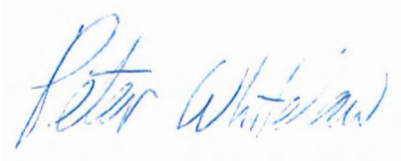
- No concerns were identified in relation to the amendment requests for 228 – 175A Street and 5510 – 180 Street.
- In relation to the South Campbell Heights area, Richmond's primary concern is the extension of the Urban Containment Boundary, which undermines efforts to accommodate and intensify industrial land in existing urban areas. A lack of clear emphasis on intensification of industrial land and the proposed designation as "Mixed Employment" rather than "Industrial" are important related concerns. Greater effort from Metro Vancouver is required to work with member municipalities such as Surrey to find alternatives and examine ways to better utilize existing employment and industrial lands within the Urban Containment Boundary.



November 22, 2021

- 7 -

It is recommended that Council convey these conclusions to the Metro Vancouver Regional District before the January 7, 2022 deadline for comment.



Peter Whitelaw, MCIP, RPP  
Planner 3  
(604-204-8639)

PW:cas

- Att. 1: Letter from Metro Vancouver dated November 10, 2021 and related Metro Vancouver staff report re. RGS amendment for 5510 – 180 Street in Surrey
- Att. 2: Letter from Metro Vancouver dated November 10, 2021 and related Metro Vancouver staff report re. RGS amendment for 228 – 175A Street in Surrey
- Att. 3: Letter from Metro Vancouver dated November 10, 2021 and related Metro Vancouver staff report re. RGS amendment for South Campbell Heights Land Use Plan area in Surrey

NOV 10 2021

Office of the Chair  
Tel. 604 432-6215 or via Email  
CAOAdministration@metrovanancouver.org

File: CR-12-01  
Ref: RD 2021 Oct 29

Mayor Malcolm Brodie and Council  
City of Richmond  
6911 No. 3 Road  
Richmond, BC V6Y 2C1  
**VIA EMAIL: MBrodie@richmond.ca; mayorandcouncillors@richmond.ca**

Dear Mayor Brodie and Council:

***Metro Vancouver 2040: Shaping our Future Land Use Designation Amendment  
Request from the City of Surrey – Cloverdale Hospital Site***

On July 30, 2021, the City of Surrey submitted a request to Metro Vancouver to amend *Metro 2040: Shaping our Future (Metro 2040)*, the regional growth strategy, for an approximately 9-hectare site located at 5510 – 180 Street, Surrey, to change the regional land use designation from “Industrial” to “Mixed Employment” to allow for the development of the new Cloverdale Hospital and Cancer Centre.

At its October 29, 2021 regular meeting, the Board of Directors of Metro Vancouver Regional District (Metro Vancouver) adopted the following resolution:

*That the MVRD Board:*

- a) initiate the regional growth strategy amendment process for the City of Surrey’s requested regional land use designation amendment for the Cloverdale Hospital Site located at 5510 180 Street, amending approximately 9 hectares of land designated ‘Industrial’ to ‘Mixed Employment’;*
- b) give first, second, and third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1327, 2021”; and*
- c) direct staff to notify affected local governments as per section 6.4.2 of Metro Vancouver 2040: Shaping our Future.*

As required by both the *Local Government Act* and *Metro 2040*, the regional growth strategy amendment process requires a minimum 30-day notification period to allow all affected local governments and members of the public to provide comment on the proposed amendment. Following the comment period, the MVRD Board will review all comments received, and consider adoption of the amendment bylaw.

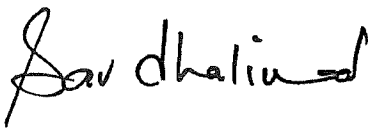
48826165

The proposed amendment is a Type 3 minor amendment to *Metro 2040*, which requires that an amendment bylaw be passed by the MVRD Board by a 50%+1 weighted vote. For more information on regional growth strategy amendment procedures, please refer to Sections 6.3 and 6.4 in *Metro 2040*. A Metro Vancouver staff report providing background information and an assessment of the proposed amendment, regarding its consistency with *Metro 2040*, is enclosed.

You are invited to provide written comments on the proposed amendment. Please provide your comments **by January 7, 2022**.

If you have any questions with respect to the proposed amendment, please contact Sean Galloway, Director, Regional Planning and Electoral Area Services, by phone at 604-451-6616 or by email at [Sean.Galloway@metrovancover.org](mailto:Sean.Galloway@metrovancover.org).

Yours sincerely,



Sav Dhaliwal  
Chair, Metro Vancouver Board

SD/JWD/hm

cc: Jerry W. Dobrovolsky, Commissioner/Chief Administrative Officer, Metro Vancouver  
Neal Carley, General Manager, Parks and Environment, Metro Vancouver  
Heather McNell, General Manager, Regional Planning and Housing Services, Metro Vancouver  
George Duncan, Chief Administrative Officer, City of Richmond  
John Hopkins, Director of Policy Planning, City of Richmond

Encl: Report dated September 17, 2021, titled "*Metro Vancouver 2040: Shaping our Future Land Use Designation Amendment Request from the City of Surrey – Cloverdale Hospital Site*" (Doc# 47471242)

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To: Regional Planning Committee

From: Eric Aderneck, Senior Planner, Regional Planning and Housing Services

Date: September 17, 2021 Meeting Date: October 8, 2021

Subject: ***Metro Vancouver 2040: Shaping our Future* Land Use Designation Amendment Request from the City of Surrey – Cloverdale Hospital Site**

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### **RECOMMENDATION**

That the MVRD Board:

- a) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendment for the Cloverdale Hospital Site located at 5510 180 Street, amending approximately 9 hectares of land designated 'Industrial' to 'Mixed Employment';
  - b) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1327, 2021"; and
  - c) direct staff to notify affected local governments as per section 6.4.2 of *Metro Vancouver 2040: Shaping our Future*.
- 

### **EXECUTIVE SUMMARY**

The City of Surrey is requesting a Type 3 minor amendment to *Metro 2040*, the regional growth strategy, for an approximately 9-hectare site at 5510 180 Street. The proposed amendment would redesignate the regional land use designation on a portion of the site from 'Industrial' to 'Mixed Employment' to allow for the proposed Cloverdale Hospital and Cancer Centre, immediately south of the existing Kwantlen Polytechnic University Cloverdale Campus. The proposed amendment has been considered in relation to *Metro 2040's* goals, strategies, and policies. The analysis demonstrates that on balance, this proposed amendment is supportable and aligned with many of *Metro 2040's* goals and strategies. Overall, the proposed amendment allows the hospital use, which is consistent with the surrounding neighbourhood context and ensures employment generating uses in close proximity to a Municipal Town Centre and future enhanced transit service area.

### **PURPOSE**

To provide the Regional Planning Committee and the MVRD Board with the opportunity to consider the City of Surrey's request to amend *Metro Vancouver 2040: Shaping our Future (Metro 2040)* to accommodate the development of the new Cloverdale Hospital and Cancer Centre.

### **BACKGROUND**

*Metro 2040* includes provisions for member jurisdictions to request amendments to regional land use designations. On July 12, 2021, City of Surrey Council gave 1<sup>st</sup> and 2<sup>nd</sup> reading of *Official Community Plan Amendment Bylaw, 2013, No. 18020, Amendment Bylaw, 2021, No. 20417*. The amendment is to allow for the development of the new Cloverdale Hospital and Cancer Centre on the site. A

municipal public hearing was held on July 26, 2021, and at the same meeting City Council gave the Official Community Plan Amendment (OCP) Bylaw 3<sup>rd</sup> reading, and passed the following resolution:

*That Council authorize staff to refer the application to Metro Vancouver for consideration of the following upon the application receiving Third Reading: to amend the Metro Vancouver Regional Growth Strategy (RGS) designation for a portion of the site from Industrial to Mixed Employment.*

The City of Surrey Council's consideration of the final adoption of the OCP bylaw can be scheduled following the MVRD Board's decision on the requested *Metro 2040* amendment.

On July 30, 2021, Metro Vancouver received the written request from the City to consider a *Metro 2040* amendment for the Cloverdale Hospital site (Attachment 1 and Reference 1). The proposed amendment seeks to redesignate an approximately 9-hectare site within the Urban Containment Boundary (UCB) from an 'Industrial' regional land use designation to 'Mixed Employment'. This constitutes a Type 3 minor amendment requiring an amendment bylaw that receives an affirmative 50%+1 weighted vote of the MVRD Board at each reading; there is no requirement for a regional public hearing.

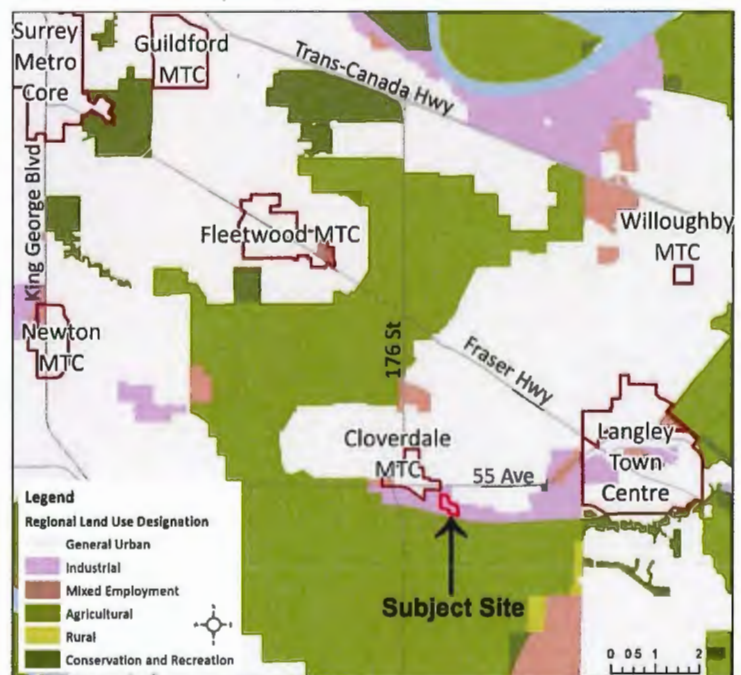
#### **SITE CONTEXT AND SURROUNDING USE**

The subject site is located at 5510 180 Street, and consists of 9 hectares of the southern, vacant part of the Kwantlen Polytechnic University (KPU) Cloverdale Campus property (Figure 1). The site is currently owned by KPU, which is in the process of subdividing the larger property to sell the southern portion to the Fraser Health Authority as the site for the new hospital complex. The northern portion of the lot will continue to be owned and occupied by KPU, and no change in land use designation is proposed for that portion of the lands.

As surrounding context, lands to the west are developed as industrial uses, to the east are currently vacant (designated Industrial), and to the north-east have older single detached houses (designated General Urban).

The site is located immediately south of the KPU campus and north of existing BC Rail and CP Rail lines, on the east side of 180 Ave. These lands are within the City of Surrey's Cloverdale Area Plan, however are not within the boundaries of the regional growth strategy's identified Cloverdale Municipal Town Centre.

**Figure 1 - Context for Proposed Amendment**

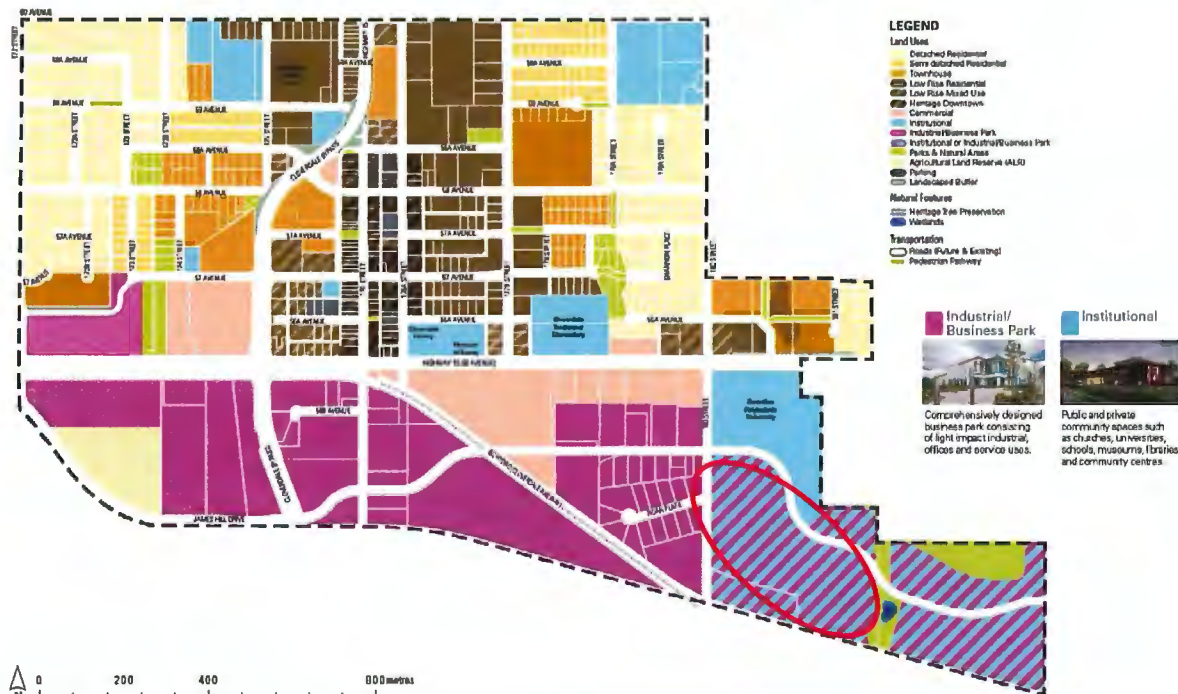




As stated in the Cloverdale Town Centre Plan, completed in 2019, Cloverdale is the historical centre of Surrey (Figure 2). The plan area is centred on the crossroads of Highway 10 (56 Avenue) and Highway 15 (176 Street), and multiple railway lines, and includes a mix of commercial, industrial, and residential uses surrounding the downtown core. The Cloverdale Town Centre Plan encompasses 297 hectares and includes an estimated 5,126 residents, 2,250 housing units, and 3,573 jobs. The Cloverdale Centre is becoming increasingly urban through redevelopment, with many vacant and underutilized sites being redeveloped with mixed-use apartments and townhouses. The plan supports future growth, including new housing, commercial, and amenity spaces.

The City of Surrey's OCP change seeks to redesignate the site from 'Industrial' to 'Mixed Employment'. In the Cloverdale Town Centre Plan, the site is currently designated as 'Industrial / Business Park or Institutional', which will be maintained.<sup>1</sup>

**Figure 2 - Cloverdale Town Centre Plan (the subject site is circled in red)**



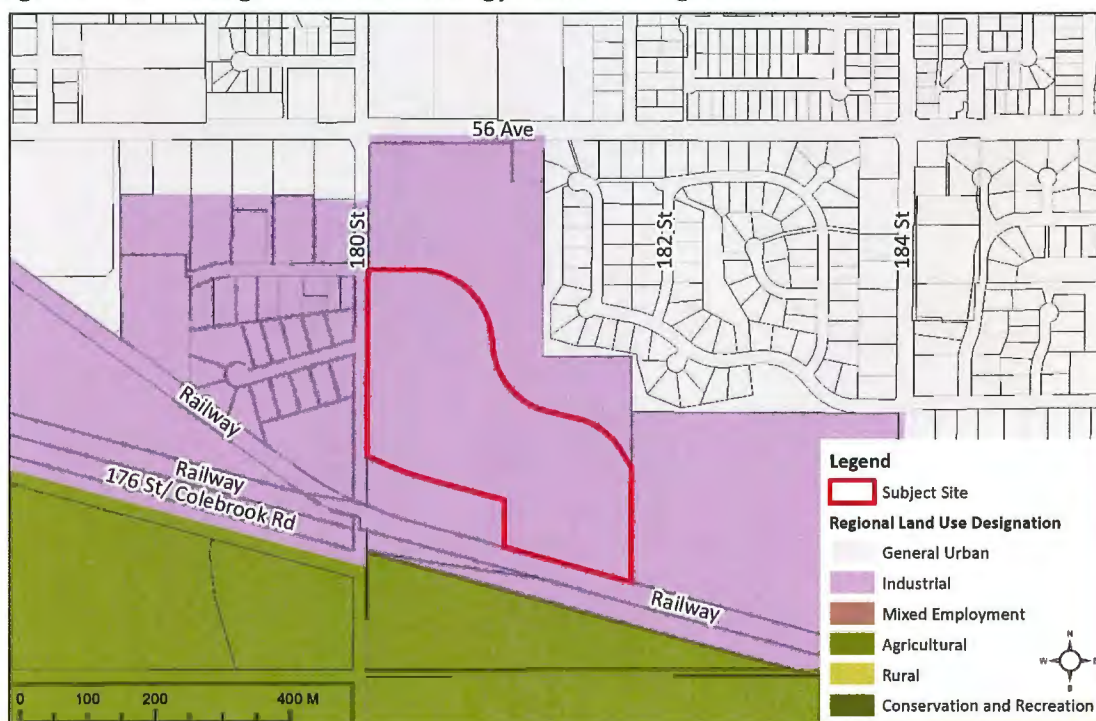
## PROPOSED REGIONAL LAND USE DESIGNATION AMENDMENT

The new Surrey Hospital and Cancer Centre facility will comprise approximately 71,000 square metres of floor space, provide 168 beds, an emergency centre, a cancer centre, and a child care centre, and employ over 1,900 people.

<sup>1</sup> Separately, KPU has applied to the City of Surrey to subdivide the larger property into two parcels in order to allow for the sale of the southern part to Fraser Health Authority. That application includes providing a road dedication through the centre of the site to make the existing private driveway a public road (55 Ave / James Hill Drive), plus other statutory rights-of-way.

The current regional growth strategy designation of 'Industrial' is intended for heavy and light industrial activities, and appropriate accessory uses (Figure 3). The proposed hospital use is not consistent with the current designation and an amendment to the regional growth strategy is required. The site and surrounding lands are within the Urban Containment Boundary.

**Figure 3 - Current Regional Growth Strategy Land Use Designations**



## REGIONAL PLANNING ANALYSIS

The City of Surrey's proposed amendment has been assessed in relation to the applicable *Metro 2040* goals and policies, noting that the regional growth strategy is currently being reviewed for an update. The intent of the assessment is not to duplicate that of the municipal planning process, but rather to identify any potential regional planning implications and the regional significance of the proposed land use changes in consideration of the regional growth strategy.

### Goal 1: Create a Compact Urban Area

Metro Vancouver and its member jurisdictions have committed to focusing growth within the UCB and more specifically within Urban Centres. The City is encouraged to use edge planning and other land use and design policies to denote that further urban development is not intended south of Clearbrook Road and the railway lines beyond the UCB.

The site is within the Surrey Cloverdale Town Centre Plan, but not within the Regional Cloverdale Municipal Town Centre's boundary in *Metro 2040*. Co-locating the new hospital and associated facilities with the existing KPU post-secondary institution and in the Cloverdale Municipal Town Centre would be consistent with the growth management principles of *Metro 2040*, helping to create

a compact urban area with a mix of uses and employment opportunities and support regional transportation objectives. To better align these plans, a separate and subsequent process should be considered by the City of Surrey to adjust the boundary of the regional Municipal Town Centre to include the KPU and hospital site; this change could be reflected in the next update of its Regional Context Statement. The adjustment would also allow the site to be better aligned with TransLink's transit service, which uses the locations of Urban Centres and Frequent Transit Development Areas as inputs into service planning decisions. This alignment would allow for the growth of the Urban Centre to better support local planning objectives and regional growth targets. The significance of the proposed hospital development also raises the possibility of other inter-municipal corridor and area planning efforts along Highway 10 (56 Avenue), between two Urban Centres (i.e. Cloverdale Municipal Town Centre and Langley Regional City Centre).

### **Goal 2: Support a Sustainable Regional Economy**

*Metro 2040* commits to protecting the region's supply of Industrial land. This strategy contains two regional land use designations ('Industrial' and 'Mixed Employment'), which are both intended to support employment-generating uses to ensure the needs of the regional economy are met. Neither land use designation permits residential uses.

The City of Surrey's 2014 Regional Context Statement includes the following statement about industrial land protection:

*2.2.4(b)(i) INDUSTRIAL PROTECTION As populations increase within all areas of the Lower Mainland, pressures increase to accommodate residential construction on lands designated for commercial or industrial purposes. Surrey has a significant portion of the Region's available industrial base and in order to ensure land exists in the future for well-paying employment opportunities, existing industrial land needs to be retained for future industrial development. Policies within Surrey's OCP supporting the protection of industrial land include: E1.1, E1.2 and E1.11.*

While a hospital is not an Industrial land use, it is a major employer, accommodating a significant number of jobs and providing medical services to both the City of Surrey and the wider region, and with associated trip generating implications. A redesignation of the site to 'Mixed Employment' would allow the hospital use given that 'Mixed Employment' allows for "industrial, commercial, and other employment-related uses." This project is a unique major institutional use and the land use designation change does not support nor imply other possible additional amendments to adjacent Industrial lands.

The amendment to a 'Mixed Employment' regional land use designation supports the proposed hospital use and allows various forms of employment uses, which further maintains the character of larger scaled building forms in the area.

### **Goal 5: Support Sustainable Transportation Choices**

The strategies under this goal encourage the coordination of land use and transportation to encourage transit, multiple-occupancy vehicles, cycling and walking, and support the safe and efficient movement of vehicles for passengers, goods and services. Land use changes can and often

significantly influence travel patterns. As identified in the proposal, these transportation matters are to be addressed by the City through the development plan at a future stage of design. The review of the development by the City should consider transportation-demand management strategies, including such things as: investing in and enhancing the surrounding transportation network; encouraging transit usage by employees and visitors; facilitating goods movement access to the site and surrounding area; adding bicycle infrastructure and facilities on site; enhancing pedestrian infrastructure and connections; right-sizing the amount of on-site parking; and the pricing of parking.

In addition, the development of the hospital site and changes to the associated road network should be done in a manner that does not restrict truck access or goods movement potential to the surrounding industrial land and existing KPU Campus and the possible future development of the lands to the east. Furthermore, the design of the interface between existing surrounding industrial and rail activities, and the proposed future hospital should reduce possible conflicts.

#### **REGIONAL GROWTH STRATEGY AMENDMENT PROCESS AND NEXT STEPS**

As per the *Regional Growth Strategy Procedures Bylaw No. 1148, 2011*, Metro Vancouver staff prepared a report to the Regional Planning Advisory Committee (RPAC) for information and comment at its meeting of September 17, 2021. No comments were provided by RPAC members at that meeting.

If the amendment bylaw (Attachment 2) receives 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> readings by the MVRD Board, it will be referred to affected local governments and other agencies, as well as posted on the Metro Vancouver website for a minimum of 30 days for the opportunity to provide comment. Any comments received would be summarized and included in the report advancing the bylaw to the MVRD Board for consideration of final adoption. Should the initial readings of the amendment bylaw be given, staff will report back to the MVRD Board at a meeting in early 2022 with a summary of any comments received on the proposed amendment, and the amendment bylaw for consideration of final reading. The City's updated Regional Context Statement will also be provided to the Board for consideration of acceptance at the same time as final adoption of the proposed amendment.

#### **ALTERNATIVES**

1. That the MVRD Board:
  - a) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendment for the Cloverdale Hospital Site located at 5510 180 Street, amending approximately 9 hectares of land designated 'Industrial' to 'Mixed Employment';
  - b) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1327, 2021"; and
  - c) direct staff to notify affected local governments as per section 6.4.2 of *Metro Vancouver 2040: Shaping our Future*.
2. That the MVRD Board decline the proposed amendment for the Cloverdale Hospital Site and notify the City of Surrey of the decision.



### **FINANCIAL IMPLICATIONS**

If the MVRD Board chooses Alternative 1, notification will be given to all affected local governments as laid out in the *Local Government Act* and *Regional Growth Strategy Implementation Guideline #2: Amendments to the Regional Growth Strategy*.

If the MVRD Board chooses Alternative 2, the City of Surrey will be notified of the Board's decision. A dispute resolution process may take place as described in the *Local Government Act*. The cost of this dispute resolution is prescribed based on the proportion of assessed land values. Metro Vancouver would be responsible for most of the associated costs.

### **SUMMARY / CONCLUSION**

The City of Surrey has requested that the MVRD Board consider a Type 3 minor amendment to *Metro 2040* for the approximately 9-hectare Cloverdale Hospital Site, located immediately south of Kwantlen Polytechnic University Cloverdale Campus. The amendment proposes to change the regional land use designation of the site from 'Industrial' to 'Mixed Employment' in order to allow the development of the new Cloverdale Hospital and Cancer Centre by the Fraser Health Authority.

Staff note that if the development of the hospital site proceeds, changes to the associated road network should be done in a manner that does not restrict truck access or goods movement potential to the surrounding industrial land and existing KPU Campus, and the possible future development of the lands to the east.

Overall, the proposed amendment allows the hospital use, which is consistent with the surrounding neighbourhood context and ensures employment generating uses in close proximity to a Municipal Town Centre and future enhanced transit service area. Based on this, staff recommend Alternative 1, to initiate the proposed amendment to *Metro 2040* for the City of Surrey Cloverdale Hospital Site.

### **Attachments**

1. Correspondence, dated July 30 2021, from City of Surrey, to Metro Vancouver Board re: City of Surrey Regional Growth Strategy Amendment Application (48005060)
2. Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1327, 2021

### **Reference**

[City of Surrey Report \(No. 7921-0139-00\), dated July 12, 2021](#)

47471242





Office of the Chair  
Tel. 604 432-6215 or via Email  
CAOAdministration@metrovancover.org

NOV 10 2021

File: CR-12-01  
Ref: RD 2021 Oct 29

Mayor Malcolm Brodie and Council  
City of Richmond  
6911 No. 3 Road  
Richmond, BC V6Y 2C1  
VIA EMAIL: MBrodie@richmond.ca; mayorandcouncillors@richmond.ca

Dear Mayor Brodie and Council:

***Metro Vancouver 2040: Shaping our Future Land Use Designation Amendment  
Request from the City of Surrey – 228 175A Street***

On July 30, 2021, the City of Surrey submitted a request to Metro Vancouver to amend *Metro 2040: Shaping our Future (Metro 2040)*, the regional growth strategy, for an approximately 2.5 hectare site located at 228 175A Street in the Douglas area of south Surrey. The amendment would redesignate the site from the current regional land use designation of “Mixed Employment” to “General Urban” to allow for proposed medium-density residential and commercial uses and an assisted living facility.

At its October 29, 2021 regular meeting, the Board of Directors of the Metro Vancouver Regional District (Metro Vancouver) adopted the following resolutions:

*That the MVRD Board:*

- a) *initiate the regional growth strategy amendment process for the City of Surrey’s requested regional land use designation amendment from Mixed Employment to General Urban for the lands located at 228 175A Street;*
- b) *give first, second, and third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1326, 2021”; and*
- c) *direct staff to notify affected local governments as per section 6.4.2 of Metro Vancouver 2040: Shaping our Future.*

As required by both the *Local Government Act* and *Metro 2040*, the regional growth strategy amendment process requires a minimum 30-day notification period to allow all affected local governments and members of the public to provide comment on the proposed amendment. Following the comment period, the MVRD Board will review all comments received, and consider adoption of the amendment bylaw.

48827225

The proposed amendment is a Type 3 minor amendment to *Metro 2040*, which requires that an amendment bylaw be passed by the MVRD Board by a 50%+1 weighted vote. No regional public hearing is required. For more information on regional growth strategy amendment procedures, please refer to Sections 6.3 and 6.4 in *Metro 2040*. A Metro Vancouver staff report providing background information and an assessment of the proposed amendment, regarding its consistency with *Metro 2040*, is enclosed.

You are invited to provide written comments on the proposed amendment. Please provide your comments **by January 7, 2022**.

If you have any questions with respect to the proposed amendment, please contact Sean Galloway, Director, Regional Planning and Electoral Area Services, by phone at 604-451-6616 or by email at [Sean.Galloway@metrovanancouver.org](mailto:Sean.Galloway@metrovanancouver.org).

Yours sincerely,



Sav Dhaliwal  
Chair, Metro Vancouver Board

SD/JWD/hm

cc: Jerry W. Dobrovolsky, Commissioner/Chief Administrative Officer, Metro Vancouver  
Neal Carley, General Manager, Parks and Environment, Metro Vancouver  
Heather McNell, General Manager, Regional Planning and Housing Services, Metro Vancouver  
George Duncan, Chief Administrative Officer, City of Richmond  
John Hopkins, Director of Policy Planning, City of Richmond

Encl: Report dated September 27, 2021, titled "*Metro Vancouver 2040: Shaping our Future Land Use Designation Amendment Request from the City of Surrey – 228 175A Street*" (Doc# 47816118)

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To: Regional Planning Committee

From: Mark Seinen, Senior Planner, Regional Planning and Housing Services

Date: September 27, 2021 Meeting Date: October 8, 2021

Subject: ***Metro Vancouver 2040: Shaping our Future* Land Use Designation Amendment Request from the City of Surrey – 228 175A Street**

---

**RECOMMENDATION**

That the MVRD Board:

- a) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendment from Mixed Employment to General Urban for the lands located at 228 175A Street;
  - b) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1326, 2021"; and
  - c) direct staff to notify affected local governments as per section 6.4.2 of *Metro Vancouver 2040: Shaping our Future*.
- 

**EXECUTIVE SUMMARY**

The City of Surrey is requesting a Type 3 minor amendment to *Metro 2040*, the regional growth strategy, for an approximately 2.5 hectare site located at 228 175A Street in the Douglas area of south Surrey. The amendment would redesignate the site from the current regional land use designation of Mixed Employment to General Urban to allow for proposed medium-density residential and commercial uses and an assisted living facility.

The proposed amendment supports *Metro 2040* in several respects and provides needed jobs and housing. It is not anticipated to lead to further applications, as the site is surrounded by General Urban lands. Should the proposed amendment be approved by the MVRD Board, the City of Surrey is requested to mitigate transportation impacts through strategies such as noise reduction, continued active transportation investment, and Transportation Demand Management (TDM) programs.

**PURPOSE**

To provide the Regional Planning Committee and the MVRD Board with the opportunity to consider the City of Surrey's request to amend *Metro Vancouver 2040: Shaping our Future (Metro 2040)* to accommodate the development of a mixed-use project consisting of 39 townhouse units, 77 apartment units, and a care facility.

**BACKGROUND**

*Metro 2040* includes provisions for member jurisdictions to request amendments to regional land use designations. On July 30, 2021, Metro Vancouver received a written request from the City of Surrey to consider a *Metro 2040* amendment for the subject site (Attachment 1). The proposed amendment constitutes a Type 3 minor amendment requiring an amendment bylaw to *Metro 2040* that receives an affirmative 50%+1 weighted vote of the MVRD Board at each reading; there is no requirement for a regional public hearing. A Council decision on the final adoption of the Official Community Plan

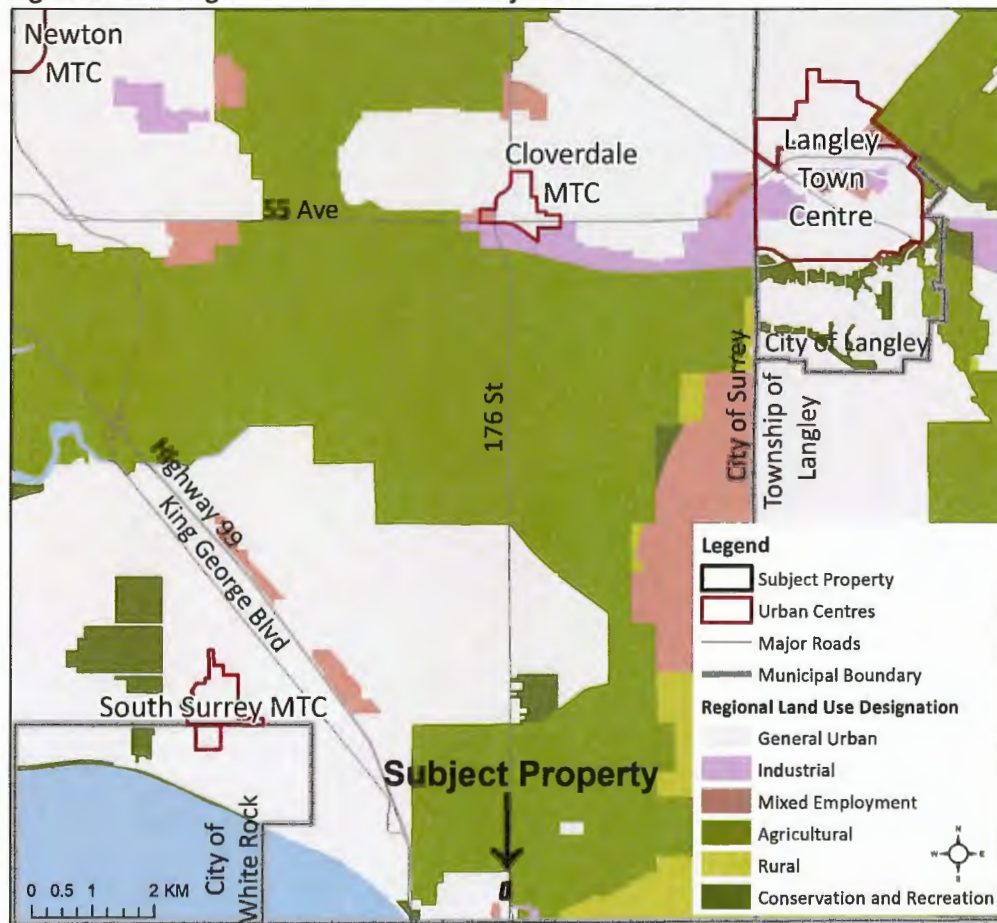
(OCP) Bylaw will be scheduled following a MVRD Board decision on the proposed *Metro 2040* amendment.

#### SITE CONTEXT

The City of Surrey is processing a development application (Reference 1) in the Douglas neighbourhood of south Surrey to permit the development of a mixed-use project consisting of 39 townhouse units, 77 apartment units, and a care facility comprised of 86 senior assisted living units and 96 care rooms, with a commercial (office/retail) building.

The subject site, 2.5 hectares in size, is located approximately five kilometres southeast of Semiahmoo Municipal Town Centre (Figure 1). Located on Highway 15, the site is approximately 400 metres north of the Pacific Highway Border Crossing.

Figure 1 - Sub-Regional Context for the Subject Site



#### PROPOSED AMENDMENT

The site is within the Urban Containment Boundary and is currently designated Mixed Employment by *Metro 2040* (Figure 2). The proposed regional land use designation is General Urban (Figure 3). In Surrey's Official Community Plan, the current designation is Mixed Employment and the proposed designations are Multiple Residential and Commercial. The amendment constitutes a Type 3 minor amendment as per section 6.3.4(b) of *Metro 2040* (i.e. for sites within the Urban Containment



Boundary, and proposed amendments from Mixed Employment to any other regional land use designation).

**Figure 2 - Current Regional Growth Strategy Land Use Designations**



**Figure 3 - Proposed Regional Growth Strategy Land Use Designations**





## **REGIONAL PLANNING ANALYSIS**

The City of Surrey's proposed amendment has been assessed in relation to the applicable *Metro 2040* goals and policies, noting that the regional growth strategy is currently being reviewed for an update. The intent of the assessment is not to duplicate that of the municipal planning process, but rather to identify any potential regional planning implications and the regional significance of the proposed land use changes in consideration of the regional growth strategy.

### **Goal 1: Create a Compact Urban Area**

Metro Vancouver and its member jurisdictions have committed to focusing growth within the Urban Containment Boundary (UCB), and more specifically, within Urban Centres. The site at 228 175A street is located within the UCB, but is about five km from the nearest Urban Centre. However, the application is not expected to result in further nearby applications, as the surrounding lands are designated as General Urban.

### **Goal 2: Support a Sustainable Regional Economy**

*Metro 2040* commits to promoting land development patterns that support a diverse regional economy and protecting the region's supply of Industrial land. The proposed regional land use designation amendment for 228 175A Street supports jobs creation through the seniors' care facility and commercial building. Although it represents the loss of Mixed Employment lands located in a strategic trade location (near the US border crossing and along a significant truck route), the proposed development nonetheless creates significant job space. Moreover, considering the significant addition of Mixed Employment lands through other concurrent proposed amendments proximate to this site, the subject site is relatively small.

### **Goal 4: Develop Complete Communities**

*Metro 2040* strives to provide diverse and affordable housing choices in communities that are complete with a range of services and amenities. The proposal expands the housing supply through a variety of compact development forms (i.e. townhouse and apartment). However, since all the housing units will be strata tenure, the project will make only minor contributions to regional housing affordability objectives.

### **Goal 5: Support Sustainable Transportation Choices**

The strategies under this goal encourage the coordination of land use and transportation to encourage transit, multiple-occupancy vehicles, cycling and walking, and support the safe and efficient movement of vehicles for passengers, goods and services.

The proposed development is not served by public transit and is not well-connected to regional walking and cycling networks. The majority of trips to and from this location will be made by motor vehicle. The site is located on a truck route and provincial highway, so residents and workers may experience excessive noise, vibration, and air quality impacts. These impacts may be particularly acute for the more sensitive seniors' centre uses, located closest to Highway 15.

Should the proposed regional land use designation amendment be advanced by the MVRD Board, the City of Surrey is encouraged to take steps to mitigate noise, vibration, and air quality impacts from the adjacent highway on the residential units; integrate active transportation options to and from the site and the adjacent neighbourhoods; and work with the applicant to develop Transportation Demand Management programs (e.g. vanpools, secure bicycle parking) for the future residents.

### **Regional Planning Advisory Committee Comments**

As required by *Regional Growth Strategy Procedures Bylaw No. 1148, 2011*, Metro Vancouver staff prepared a report to the Regional Planning Advisory Committee (RPAC) for information at its meeting of September 27, 2021. The following questions were asked by RPAC members at that meeting:

- *What would be the employment capacity of the subject site under its current Mixed Employment designation?* City of Surrey confirmed that, at 22 jobs per acre, the subject site would actually provide a higher job density than comparable Mixed Employment sites in the area.
- *What is the difference between the loss of Mixed Employment land in this proposal versus the proposed addition of Mixed Employment land in South Campbell Heights?* Surrey staff noted that, in terms of scale, this site is relatively small, so it is less regionally-significant than South Campbell Heights and is more constrained in terms of the types of employment uses that could be accommodated. This site will involve the conversion of some 2.5 hectares of Mixed Employment land, while the South Campbell Heights proposal represents a net gain of approximately 147 hectares.
- *What noise and air quality interventions are proposed?* The City of Surrey requires that any development next to an arterial roadway perform an acoustic analysis and submit a report.

### **AMENDING METRO 2040 AND NEXT STEPS**

*Metro 2040* is the region's collective vision for how to manage regional growth in a way that reflects the federation's values. It includes regional land use designations which are a key tool for protecting and enhancing the region's supply of Conservation and Recreation, Mixed Employment, Agricultural, and Industrial lands. In accordance with Subsections 6.3.4(c) of *Metro 2040*, for sites within the Urban Containment Boundary, land use designation amendments are a Type 3 Minor Amendment. Adoption of a Type 3 amendment requires an affirmative 50%+1 weighted vote of the MVRD Board, and does not require a regional Public Hearing.

If the amendment bylaw (Attachment 2) receives 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> readings by the MVRD Board, it will be referred to affected local governments and other agencies, as well as posted on the Metro Vancouver website for a minimum of 30 days for the opportunity to provide comment. Any comments received would be summarized and included in the report advancing the bylaw to the MVRD Board for consideration of final adoption. Should the initial readings of the amendment bylaw be given, staff will report back to the MVRD Board at a meeting in early 2022 with a summary of any comments received on the proposed amendment, and the amendment bylaw for consideration of final reading. The City's updated Regional Context Statement will also be provided to the Board for consideration of acceptance at the same time as final adoption of the proposed amendment.

### **ALTERNATIVES**

1. That the MVRD Board:
  - a) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendment from Mixed Employment to General Urban for the lands located at 228 175A Street;
  - b) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1326, 2021"; and
  - c) direct staff to notify affected local governments as per section 6.4.2 of *Metro Vancouver 2040: Shaping our Future*.

2. That the MVRD Board decline the proposed amendment for 228 175A Street and notify the City of Surrey of the decision.

### **FINANCIAL IMPLICATIONS**

If the MVRD Board chooses Alternative 1, notification will be given to all affected local governments as laid out in the *Local Government Act* and *Regional Growth Strategy Implementation Guideline #2: Amendments to the Regional Growth Strategy* (Reference 2).

If the MVRD Board chooses Alternative 2, the City of Surrey will be notified of the Board's decision. A dispute resolution process may take place as described in the *Local Government Act*. The cost of this dispute resolution is prescribed based on the proportion of assessed land values. Metro Vancouver would be responsible for most of the associated costs.

### **CONCLUSION**

The City of Surrey has submitted a request for a *Metro 2040* amendment for the site located at 228 175A Street. The request proposes changing the regional land use designation of approximately 2.5 hectares of land from Mixed Employment to General Urban, to facilitate the development of residential units, a commercial building, and an assisted living facility for seniors.

The proposed amendment supports *Metro 2040* in several respects, and provides needed jobs and housing. The proposal is not anticipated to lead to further applications, as it is surrounded by General Urban lands. Should the proposed amendment be approved by the MVRD Board, the City of Surrey is requested to mitigate the transportation impacts through strategies such as noise reduction, continued active transportation investment, and Transportation Demand Management programs. Staff recommend Alternative 1.

### **Attachments** (47816117)

1. Correspondence, dated July 30 2021, from City of Surrey, to Metro Vancouver Board re: City of Surrey Regional Growth Strategy Amendment Application
2. Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1326, 2021

### **References**

1. [City of Surrey Planning Report, dated June 28, 2021 \(Application No.: 7916-0679-00\)](#)
2. [Regional Growth Strategy Implementation Guideline #2: Amendments to the Regional Growth Strategy](#)

47816118

Office of the Chair  
Tel. 604 432-6215 or via Email  
CAOAdministration@metrovanancouver.org

NOV 10 2021

File: CR-12-01  
Ref: RD 2021 Oct 29

Mayor Malcolm Brodie and Council  
City of Richmond  
6911 No. 3 Road  
Richmond, BC V6Y 2C1  
**VIA EMAIL: MBrodie@richmond.ca; mayorandcouncillors@richmond.ca**

Dear Mayor Brodie and Council:

***Metro Vancouver 2040: Shaping Our Future Land Use Designation Amendment  
Request from the City of Surrey – South Campbell Heights***

On July 30, 2021, the City of Surrey submitted a request to Metro Vancouver to amend *Metro 2040: Shaping our Future (Metro 2040)*, the regional growth strategy, for the area corresponding with the Revised Stage 1 South Campbell Heights Land Use Plan. The requested amendment includes: the redesignation of regionally designated “Rural” lands (within a Special Study Area) to “Mixed Employment” (160.8 ha), “Conservation and Recreation” (55.5 ha) and “Agricultural” (12.1 ha); extension of the Urban Containment Boundary by 223.7 hectares; and redesignation of “Mixed Employment” lands within the Urban Containment Boundary to “Conservation and Recreation” (13.4 ha).

At its October 29, 2021 regular meeting, the Board of Directors of Metro Vancouver Regional District (Metro Vancouver) adopted the following resolution:

*That the MVRD Board:*

- a) initiate the regional growth strategy amendment process for the City of Surrey’s requested regional land use designation amendments for the South Campbell Heights area, including extension of the Urban Containment Boundary and removal of the Special Study Area overlay;*
- b) give first, second, and third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1328, 2021”;*
- c) direct staff to notify and seek comment from affected local governments as per section 6.4.2 of Metro Vancouver 2040: Shaping our Future; and*
- d) direct staff to notify and seek comment from local First Nations on the proposed Metro 2040 amendment.*

48827428

As required by both the *Local Government Act* and *Metro 2040*, the regional growth strategy amendment process requires a minimum 30-day notification period to allow all affected local governments and members of the public to provide comment on the proposed amendment. Following the comment period, the MVRD Board will review all comments received, and consider adoption of the amendment bylaw.

The proposed amendment is a Type 3 minor amendment to *Metro 2040*, which requires that an amendment bylaw be passed by the MVRD Board by a 50%+1 weighted vote. For more information on regional growth strategy amendment procedures, please refer to Sections 6.3 and 6.4 in *Metro 2040*. A Metro Vancouver staff report providing background information and an assessment of the proposed amendment, regarding its consistency with *Metro 2040*, is enclosed.

You are invited to provide written comments on the proposed amendment. Please provide your comments by **January 7, 2022**.

If you have any questions with respect to the proposed amendment, please contact Sean Galloway, Director, Regional Planning and Electoral Area Services, by phone at 604-451-6616 or by email at [Sean.Galloway@metrovancover.org](mailto:Sean.Galloway@metrovancover.org).

Yours sincerely,



Sav Dhaliwal  
Chair, Metro Vancouver Board

SD/JWD/hm

cc: Jerry W. Dobrovolny, Commissioner/Chief Administrative Officer, Metro Vancouver  
Neal Carley, General Manager, Parks and Environment, Metro Vancouver  
Heather McNell, General Manager, Regional Planning and Housing Services, Metro Vancouver  
George Duncan, Chief Administrative Officer, City of Richmond  
John Hopkins, Director of Policy Planning, City of Richmond

Encl: Report dated October 8, 2021, titled "*Metro Vancouver 2040: Shaping Our Future Land Use Designation Amendment Request from the City of Surrey – South Campbell Heights*" (Doc# 47807222)

48827428



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To: MVRD Board of Directors

From: Regional Planning Committee

Date: October 8, 2021 Meeting Date: October 29, 2021

Subject: ***Metro Vancouver 2040: Shaping Our Future Land Use Designation Amendment Request from the City of Surrey – South Campbell Heights***

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**REGIONAL PLANNING COMMITTEE RECOMMENDATION**

That the MVRD Board:

- a) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendments for the South Campbell Heights area, including extension of the Urban Containment Boundary and removal of the Special Study Area overlay;
- b) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1328, 2021";
- c) direct staff to notify and seek comment from affected local governments as per section 6.4.2 of *Metro Vancouver 2040: Shaping our Future*; and
- d) direct staff to notify and seek comment from local First Nations on the proposed *Metro 2040* amendment.

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At its October 8, 2021 meeting, the Regional Planning Committee considered the attached report titled "*Metro Vancouver 2040: Shaping Our Future Land Use Designation Amendment Request from the City of Surrey – South Campbell Heights*", dated September 20, 2021. The Committee subsequently amended the recommendation as presented above in underline style.

The Committee members expressed support for increasing employment lands, given the shortage in the region as well as the site's location in relation to the goods movement network and the existing Campbell Heights development. In addition, Committee members recognized the Special Study Area overlay for the lands, which indicates contemplated land use change after additional municipal planning work. The Committee members recognized the additional protection of nearly 70 hectares of land adjacent to the Little Campbell River by designating them Conservation / Recreation in *Metro 2040*.

However, four areas of concern were discussed:

- Concern was expressed about the lack of environmental work undertaken to date. Most environmental work is being planned for Phase II of the local planning process, but the proposed land use change is being advanced now without better understanding about how environmental values will be protected, particularly impacts on infiltration and groundwater;
- Concern was expressed that local First Nations, and particularly the Semiahmoo First Nation, had not been engaged regarding the proposal to date;
- Concern was expressed about the broad nature of the Mixed Employment designation and the potential commercial job sprawl and climate impacts this would enable. It was noted that if the intent is to create industrial jobs, that the regional designation proposed should be Industrial, not Mixed Employment; and

- Concern was expressed about the proposal's extension south of 16 Avenue, despite the 2018 MVRD Board response seeking to limit extension of the Urban Containment Boundary to 16 Avenue.

This matter is now before the Board for its consideration.

**Attachment**

"Metro Vancouver 2040: Shaping Our Future Land Use Designation Amendment Request from the City of Surrey – South Campbell Heights", dated September 20, 2021

47807222 FINAL



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To: Regional Planning Committee

From: James Stiver, Division Manager Growth Management and Transportation and  
Mark Seinen, Senior Planner, Regional Planning and Housing Services

Date: September 20, 2021 Meeting Date: October 8, 2021

Subject: ***Metro Vancouver 2040: Shaping Our Future Land Use Designation Amendment Request from the City of Surrey – South Campbell Heights***

---

### **RECOMMENDATION**

That the MVRD Board:

- e) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendments for the South Campbell Heights area, including extension of the Urban Containment Boundary and removal of the Special Study Area overlay;
  - f) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1328, 2021"; and
  - g) direct staff to notify affected local governments as per section 6.4.2 of *Metro Vancouver 2040: Shaping our Future*.
- 

### **EXECUTIVE SUMMARY**

The City of Surrey is requesting a *Metro 2040* amendment corresponding with the Revised Stage 1 South Campbell Heights Land Use Plan. This is an update to a proposed amendment for the area considered by the MVRD Board in 2018 that was referred back to the City of Surrey for further refinement of the of the proposal. The requested amendment includes: the redesignation of Rural designated lands (within a Special Study Area) to Mixed Employment (160.8 ha), Conservation and Recreation (55.5 ha) and Agricultural (12.1 ha); extension of the Urban Containment Boundary by 223.7 hectares; and redesignation of some Mixed Employment lands within the Urban Containment Boundary to Conservation and Recreation (13.4 ha).

Consideration of requested regional land use amendments is often about evaluating the trade-offs among regional growth strategy objectives. The implications of introducing much needed job lands must be considered against the expansion of the Urban Containment Boundary in terms of regional servicing and transit costs, and impacts to the natural environment and climate action. These lands have long been contemplated for land use change, and their Special Study Area overlay highlights that fact. On balance, the requested amendment for South Campbell Heights is supportable based on the evaluation against *Metro 2040's* policy framework.

### **PURPOSE**

This report provides the Regional Planning Committee with the opportunity to review and comment on the City of Surrey's request to amend *Metro Vancouver 2040: Shaping our Future (Metro 2040)*, the regional growth strategy, for the South Campbell Heights area.

### **BACKGROUND**

*Metro 2040* includes provisions for member jurisdictions to request amendments to the regional growth strategy. The proposed amendments are intended to enable approval of the Revised Stage 1

South Campbell Heights Land Use Plan (Reference 1), which was given 3<sup>rd</sup> reading by Surrey City Council on July 26, 2021. On July 12, 2021, City of Surrey Council initiated *Surrey Official Community Plan Amendment Bylaw, 2013, No. 18020, Amendment Bylaw, 2021, No. 20393* by undertaking 1<sup>st</sup> and 2<sup>nd</sup> readings. A municipal public hearing was held on July 26, 2021 and subsequently, at the same meeting, City Council at 3<sup>rd</sup> reading of *Bylaw No. 20393* passed the following resolution:

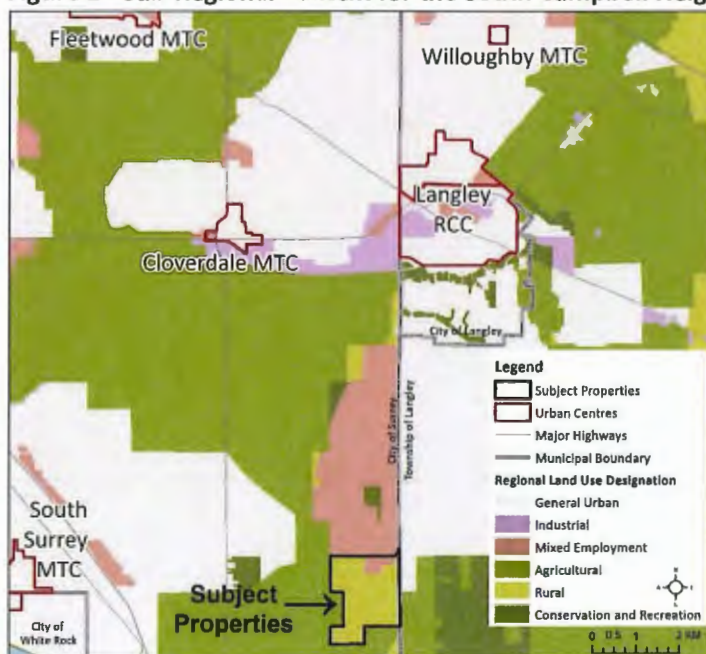
*Subject to Council granting third reading to Amendment Bylaw No. 20393, authorize staff to submit a Type 3, Minor Regional Growth Strategy amendment and Regional Context Statement amendment application to the Metro Vancouver Board for approval of the Regional Growth Strategy Regional Land Use Designation amendments as shown in Appendix "IV" and Appendix "V".*

On July 30, 2021, Metro Vancouver received a written request (Attachment 1) from the City of Surrey to consider an amendment to *Metro 2040* for the subject area in South Campbell Heights. The requested amendment constitutes a Type 3 minor amendment; this requires adoption of the amending through an affirmative 50%+1 weighted vote of the MVRD Board. Additionally, there is no requirement for a regional public hearing. A Council decision on the final adoption of the Official Community Plan (OCP) Bylaw will be scheduled following the decision of the MVRD Board on the requested.

## SITE CONTEXT

The South Campbell Heights area is located in the southeast area of the City of Surrey adjacent to the municipal boundary with the Township of Langley (Figure 1). The area is characterized by rural development and forested natural areas. The Little Campbell River and its tributaries run diagonally through the area, and large-lot rural residences exist alongside pastures and other small-scale uses such as a kennel and a cemetery. One property is currently being used for agricultural production.

**Figure 1 - Sub-Regional Context for the South Campbell Heights Area**



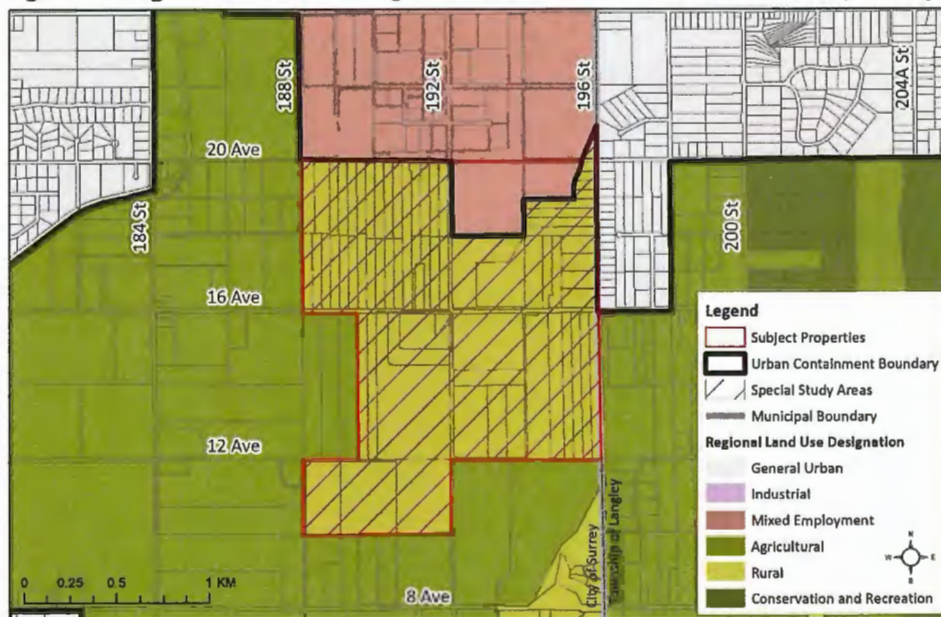


### Existing Regional Land Use Designations and Special Study Area

The subject area includes lands currently identified in *Metro 2040* as a Special Study Area. This overlay was established in *Metro 2040* to reflect where, prior to its adoption in 2011, a municipality had expressed intent for future land use changes following further municipal planning work. The Special Study Area overlay does not alter the underlying regional land use designations. All lands in the South Campbell Heights Special Study Area (228.29 ha) are designated Rural in *Metro 2040*, and are located outside the Urban Containment Boundary.

The proposed amendment also includes 13.38 ha of Mixed Employment lands within the Urban Containment Boundary that does not form part of the Special Study Area (Figure 2).

**Figure 2 - Regional Land Use Designations, Urban Containment Boundary and Special Study Area**



### PROPOSED AMENDMENT

The proposed amendment is an update to the City of Surrey's 2018 application that was previously considered by the MVRD Board for the same lands (Reference 2). That application was referred back to the City of Surrey, citing that the extension of the Urban Containment Boundary and redesignation of Rural lands to General Urban (for urban residential development), particularly south of 16 Avenue, were inconsistent with the policy framework in *Metro 2040*.

The updated proposal encompasses 72 properties, as depicted below in Figure 3. The amendment seeks to:

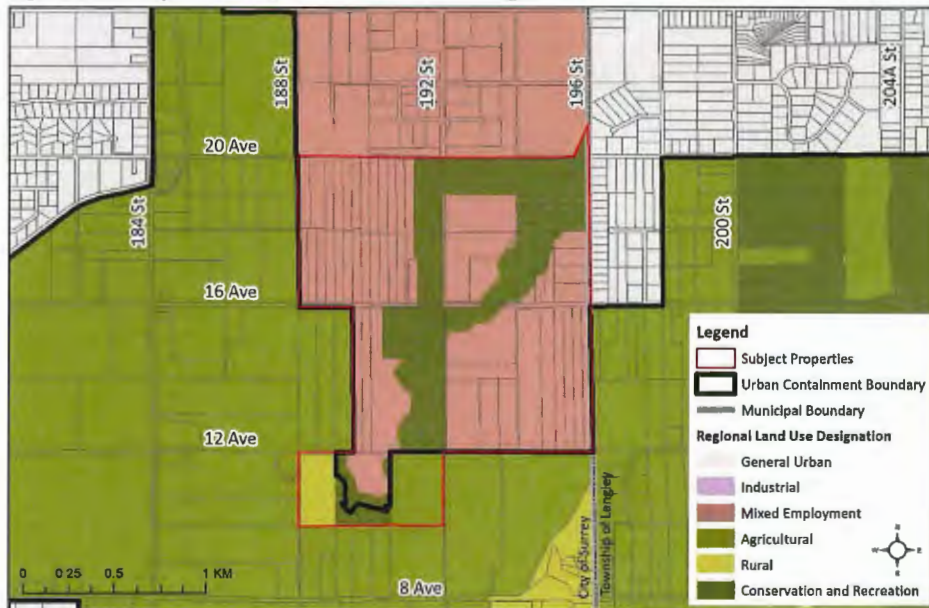
- redesignate 13.4 ha from Mixed Employment to Conservation and Recreation within the Urban Containment Boundary;<sup>1</sup>
- redesignate a total of 228.4 hectares outside the Urban Containment Boundary and within the Special Study Area from:

<sup>1</sup> There is an adjacent 7.91 ha Mixed Employment parcel within the subject area that is proposed to remain designated as Mixed Employment. No regional land use designation amendment is required.



- i. Rural to Mixed Employment (160.8 ha)
- ii. Rural to Conservation and Recreation (55.5 ha)
- iii. Rural to Agricultural (12.1 ha);
- c) extend the Urban Containment Boundary to include an additional 223.7 hectares; and
- d) remove the Special Study Area designation from the entire South Campbell Heights area.

**Figure 3 - Proposed Regional Land Use Designations and Urban Containment Boundary Alignment**



The proposed amendment is a Type 3 minor amendment as per sections 6.3.4(b) and (g) of *Metro 2040*. Type 3 minor amendments require an amendment bylaw that receives a 50%+1 weighted vote of the Board at each reading, with no regional public hearing.

### REGIONAL PLANNING ANALYSIS

The proposed amendment has been assessed in relation to the applicable *Metro 2040* goals and policies, noting that the regional growth strategy is currently being updated. The assessment focuses on potential regional planning implications and the regional significance of the proposed land use changes in consideration of the regional growth strategy.

The current proposal updates Surrey's 2018 regional growth strategy amendment request (Reference 1). The 2018 proposed amendment was assessed for alignment with the goals, strategies and objectives of *Metro 2040*. The policy framework, supported amending the Rural lands north of 16 Avenue to Mixed Employment, and protecting ecologically important lands by amending the designation on such lands to Conservation and Recreation. As a result, this report does not re-evaluate those aspects of the proposed amendment.

The main difference between the two applications is that the 2018 application requested that 143 ha be redesignated from a regional land use designation of Rural to General Urban to facilitate urban residential development. The 2021 application seeks instead to redesignate from Rural to Mixed Employment, thereby eliminating the residential component, and focusing on responding to the

region's strong need for industrial and job lands. As a result, the updated request from the City addresses many of the concerns previously noted with respect to introducing new urban residential development in this area. However, the proposed Mixed Employment land uses introduces some additional regional planning issues that have been examined through the *Metro 2040* policy framework below.

**GOAL 1: Create a Compact Urban Area - Implications of Expanding the Urban Containment Boundary**

Metro Vancouver's analysis of Surrey's 2018 application noted that residential development would increase pressure on nearby Rural lands by signaling potential availability for urban development; there is some risk that Mixed Employment development in the same area could generate similar outcomes. However, given market dynamics of residential comparative to employment development, this pressure will likely be less intensive.

The Urban Containment Boundary (UCB) is intended to be a long term, stable boundary for urban growth in Metro Vancouver. Regional Planning projections and analysis demonstrates that there is sufficient land within it to accommodate future growth in the region over the coming decades. As such, the current policy framework does not generally support its expansion.

However, the subject lands are identified as a Special Study Area in *Metro 2040*. This overlay does not alter the underlying regional land use designation(s), however it does reflect a municipality's intent to seek future land use change following more detailed local planning work. Reflecting this potential for change, the Special Study Area overlay reduces the MVRD Board's voting threshold needed for a proposed amendment to *Metro 2040* on lands outside the UCB and designated Rural, from a 2/3 weighted vote of the Board to a 50%+1 vote; additionally, it also removes the requirement for a regional public hearing.

The UCB is also an essential tool for supporting the efficient provision of urban infrastructure across the region. Regional sewerage and water services and transit expansions are necessitated by realigning the UCB, ultimately requiring increased service levels and costs. If the proposed amendment is adopted, the City of Surrey will need to seek an amendment to the Fraser Sewerage Area (FSA) from the GVS&DD Board; the review of this amendment would be predicated on the technical and financial feasibility and capacity of services. Staff note that the existing Metro Vancouver sewerage infrastructure required to service these lands may not be sufficient; further analysis will need to be undertaken in this regard.

**GOAL 2: Protect the Supply of Industrial Land: Regional Need for Employment Lands**

The proposed amendment proposes four times as much Mixed Employment designated lands than 2018 application. The City's planning report (Reference 1) cites the constrained supply of industrial lands as a rationale for redevelopment of the South Campbell Heights area. The report specifically addresses the demand for, and availability of, alternative employment lands within the Urban Containment Boundary, estimating that the existing North Campbell Heights employment area will reach its development capacity within seven to nine years. The recently-completed Regional Industrial Lands Strategy documented the extremely limited supply of industrial lands in the region, the consistently strong demand for industrial space, and the few opportunities to add more lands to

the regional market. In many areas, existing industrial lands are also being threatened by conversion to other uses.

The proposal for South Campbell Heights is for a Mixed Employment, not Industrial, regional land use designation, which is an important distinction. While the Mixed Employment designation permits industrial uses, it also permits commercial and other employment-related uses. Staff appreciate the flexibility Surrey would like to retain for land uses in the South Campbell Heights area, and that residential use is not intended. However, an extension of the UCB and use of these lands for Mixed Employment uses does have the potential to attract employment uses away from the City's existing Urban Centres and transit-rich locations. If the amendment is supported, it will be incumbent on the City of Surrey to ensure that the land uses in this area support industry and do not compete with major trip-generating uses that are more appropriately located in Urban Centres, in an effort to reduce auto-oriented "job sprawl." The existing North Campbell Heights business park area is designated Mixed Employment in *Metro 2040*, and primarily supports light industrial uses, with some commercial and other employment uses.

### **GOAL 3: Protect the Environment and Respond to Climate Change Impacts**

A significant land use change for 160 ha of rural lands to more urban forms of development will have ecological impacts. The City has identified ecologically-sensitive locations which it has indicated will be protected through the South Campbell Heights Land Use Plan, providing for a continuous biodiversity hub along the Little Campbell River riparian corridor. As a result of this work, The City is proposing to redesignate 55.52 ha from Rural to Conservation and Recreation to support the protection of this ecological corridor. These lands are being introduced, in part, to provide a buffer function, with stream setbacks that exceed the requirements of The City of Surrey's Zoning Bylaw and riparian area regulations. The proposed Conservation and Recreation designation component totals 86 ha, or 35 percent of the subject area.

Beyond the conservation plans for the Little Campbell River corridor itself, questions remain about broader aquifer protection and potential infiltration into neighbouring communities. The City of Surrey has committed to additional study and monitoring of groundwater impacts through subsequent phases of the South Campbell Heights Land Use Plan.

The City of Surrey's comprehensive Climate Adaptation Strategy sets out progressive policies and initiatives and will help the City anticipate and respond to a changing climate. Any expansion of the UCB will have impacts on the area's resilience to climate change and will contribute to increased greenhouse gas emissions. If the proposed amendment is adopted, the City's future local planning work will need to ensure that the policies of the Strategy are applied to the development of the South Campbell Heights lands; this will support our collective actions in meeting our shared climate targets.

### **GOAL 5: Support Sustainable Transportation Choices**

The 2018 Metro Vancouver report noted that "as the location of the proposed redesignation is adjacent to the existing Campbell Heights industrial area and a major transportation route, it is an appropriate and regionally-strategic location for industrial related development." While the area is accessible by two truck routes and the Major Road Network, most roads in the area are two-lane roads, with a rural cross-section, that have the potential of not accommodating the additional

commercial vehicles/traffic; in addition, the road network south of 16 Avenue is incomplete and fragmented. Future road upgrades by the City will likely be necessary to accommodate the increases in commercial truck traffic.

If the regional land use designation amendment is adopted, pressure will increase to expand transit service beyond what is contemplated in the current TransLink Investment Plan for the area. This creates challenges from a transit service design and fare recovery perspective, particularly due to South Campbell Heights' outlying location and limited street connectivity.

The area is strategically located from a goods movement and jobs perspective. South Campbell Heights is proximate to the United States border and adjacent to an existing Mixed Employment area; it connects with the regional truck route network and Major Road Network; and it would serve job markets in both South Surrey and Langley.

#### **Regional Planning Advisory Committee Comments**

As required by *Regional Growth Strategy Procedures Bylaw No. 1148, 2011*, Metro Vancouver staff prepared a report to the Regional Planning Advisory Committee (RPAC) for its meeting of September 27, 2021. The City of Surrey presented the application, and RPAC members were able to ask questions and discuss. RPAC received the report for information.

#### **AMENDING METRO 2040 AND NEXT STEPS**

*Metro 2040* is the region's collective vision for how to manage regional growth in a way that reflects the federation's values. It includes regional land use designations, which are a key tool for protecting and enhancing the region's supply of Conservation and Recreation, Mixed Employment, Agricultural, and Industrial lands.

In accordance with Subsections 6.3.4(c) of *Metro 2040*, for sites within a Special Study Area or within the Urban Containment Boundary, land use designation amendments are a Type 3 Minor Amendment. Adoption of a Type 3 amendment requires an affirmative 50%+1 weighted vote of the MVRD Board, and does not require a regional Public Hearing.

If the amendment bylaw (Attachment 2) receives 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> readings by the MVRD Board, it will be referred to affected local governments and other agencies, as well as posted on the Metro Vancouver website for a minimum of 30 days for the opportunity to provide comment. Any comments received would be summarized and included in the report advancing the bylaw to the MVRD Board for consideration of final adoption. Should the initial readings of the amendment bylaw be given, staff will report back to the MVRD Board at a meeting in early 2022 with a summary of any comments received on the proposed amendment, and the amendment bylaw for consideration of final reading. The City's updated Regional Context Statement will also be provided for consideration of acceptance at the same time as final adoption of the proposed amendment.

#### **ALTERNATIVES**

1. That the MVRD Board:
  - a) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendments for the South Campbell Heights area, including extension of the Urban Containment Boundary and removal of the Special Study Area overlay;

- b) give first, second, and third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1328, 2021”; and
  - c) direct staff to notify affected local governments as per section 6.4.2 of *Metro Vancouver 2040: Shaping our Future*.
2. That the MVRD Board decline the proposed amendments for South Campbell Heights and notify the City of Surrey of the decision.

#### **FINANCIAL IMPLICATIONS**

If the MVRD Board chooses Alternative 1, notification will be given to all affected local governments as laid out in the *Local Government Act* and *Regional Growth Strategy Implementation Guideline #2: Amendments to the Regional Growth Strategy* (Reference 3).

If the MVRD Board chooses Alternative 2, the City of Surrey will be notified of the Board’s decision. A dispute resolution process may take place as described in the *Local Government Act*. The cost of this dispute resolution is prescribed based on the proportion of assessed land values. Metro Vancouver would be responsible for most of the associated costs.

#### **CONCLUSION**

The City of Surrey has submitted a request for a *Metro 2040* amendment corresponding with the Revised Stage 1 South Campbell Heights Land Use Plan (Reference 1). The plan includes the redesignation of 228.39 hectares of Rural designated lands outside the Urban Containment Boundary (within a Special Study Area) to Mixed Employment (160.77 ha), Conservation and Recreation (55.52 ha) and Agricultural (12.1 ha). It also includes the redesignation of 13.38 ha of Mixed Employment lands, within the Urban Containment Boundary, to Conservation and Recreation.

The proposed amendment aligns with the *Metro 2040* policy framework in the following ways:

- The extension of the Urban Containment Boundary can be supported by a demonstrated land need as there are few alternative employment lands available within the UCB;
- The subject area will provide jobs and expand the supply of much-needed employment-generating lands in the region;
- Given planned land use change in this area, environmental impacts have been largely addressed through the designation of Conservation and Recreation lands including buffer areas around the Little Campbell River and its tributaries; and
- The area is strategically located from a goods movement and trade perspective.

It should be noted that passenger transportation will be a challenge, particularly given the current lack of transit service, bikeways and pedestrian facilities. Further work will need to be undertaken in an effort to resolve these issues. This is also a significant addition to the Urban Containment Boundary, which has significant servicing impacts. These will not be as substantial as if the land use contemplated was residential, however the City of Surrey will need to apply to the GVS&DD for inclusion in the Fraser Sewerage Area, and there remains uncertainty as to the capacity of the current sewerage infrastructure to accommodate this planned use. And, there are significant environmental impacts when this scale of land use change is occurring, despite mitigating efforts.



Consideration of proposed regional land use amendments is often about evaluating the trade-offs among regional growth strategy objectives. The implications of introducing much-needed job lands must be considered against the expansion of the Urban Containment Boundary in terms of regional servicing and transit costs, impacts to the natural environment and climate action. On balance, the requested amendment for South Campbell Heights is supportable based on the above analysis of *Metro 2040's* policy framework. Staff recommend Alternative 1.

**Attachments** (47807423)

1. Correspondence, dated July 30 2021, from City of Surrey, to Metro Vancouver Board re: City of Surrey Regional Growth Strategy Amendment Application.
2. Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1328, 2021

**References**

1. [City of Surrey Corporate Report, dated July 8, 2021 \(No. R147\): Revised South Campbell Heights Land Use Plan](#)
2. [Metro Vancouver 2040: Shaping our Future Land Use Designation Amendment Request from the City of Surrey – South Campbell Heights](#). MVRD Board Regular Meeting, May 25, 2018
3. [Regional Growth Strategy Implementation Guideline #2: Amendments to the Regional Growth Strategy](#)

47807222



# City of Richmond

## Report to Committee

**To:** Planning Committee  
**From:** John Hopkins  
Director, Policy Planning

**Date:** November 2, 2021  
**File:** 08-4375-03/2021-Vol  
01

Kim Somerville  
Director, Community Social Development

**Re:** Housing Needs Report 2021

### Staff Recommendations

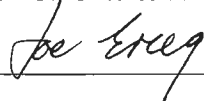

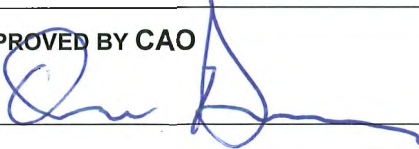
1. That the staff report titled "Housing Needs Report 2021" dated October 15, 2021 from the Director, Policy Planning and Director, Community Social Development be received for information;
2. That staff be directed to publish the Housing Needs Report on the City of Richmond website, as required by the British Columbia Local Government Act; and
3. That staff be directed to share the Housing Needs Report with key stakeholders.

John Hopkins  
Director, Policy Planning  
(604-276-4279)

Kim Somerville  
Director, Community Social Development  
(604-276-4671)

JH:pw

Att. 1

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
SENIOR STAFF REPORT REVIEW	INITIALS: 
APPROVED BY CAO 	

## Staff Report

### Origin

The *Local Government Act* was amended in April 2019 to require all local governments in British Columbia to complete and publish a Housing Needs Report by April 2022. The intent of the new requirement is to help local governments and the BC government better understand and respond to housing needs. A Housing Needs Report summarizes factors influencing housing demand, characteristics of the current housing stock, and current and anticipated housing needs.

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

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

### Findings of Fact

The Province of BC has introduced legislative requirements that require municipalities across the province to complete Housing Needs Reports. The first report must be completed and published by April 2022, after which an update is required every five years. The reports must consider more than 50 sets of data specified by the Province. Legislation requires Council to receive the report at an open meeting, publish it on a freely accessible public website, and consider it whenever updated Official Community Plan housing policy is developed. Housing Needs Reports must include:

- The number of housing units required to meet current and anticipated housing needs for at least the next five years, by housing type;
- The number and percentage of households in core housing need and extreme core housing need;
- Statements about key areas of local need, including: affordable housing; rental housing; special needs housing; housing for seniors; housing for families; and shelters for individuals experiencing homelessness and housing for individuals at risk of homelessness; and
- A standardized summary form.

Housing is a shared responsibility. While the City has achieved significant success in increasing housing options for Richmond residents, housing supply and housing affordability are complex issues that cannot be solved by one level of government alone. In particular, the federal and provincial governments have a key role in advancing critically important measures, including dedicated, sustained sources of funding for affordable housing developments and policy changes to stabilize and re-balance the housing market. Non-profit housing providers and private sector developers are also important partners in increasing housing supply.

Richmond is a recognized leader in the region. The City has a strong housing policy and program framework that enables the provision of diverse housing options for Richmond residents. Key objectives and policies in the Official Community Plan (OCP) include:

- Accommodate anticipated residential growth;
- Support housing densification in appropriate areas such as arterial roads, neighbourhood service centres and the city centre;
- Support a diverse range of housing types, tenure and affordability;
- Protect and helping create market rental housing; and
- Encourage family-friendly and accessible housing units.

Key direction for affordable housing is provided in the City's Affordable Housing Strategy (2017-2027) and Homelessness Strategy (2019-2029). These strategies are supported by the Low End Market Rental program and standalone affordable housing developments secured in partnership with the federal and provincial governments. The City also continues to advocate to other levels of government for increased levels of affordable housing in Richmond.

Extensive consultation has informed all City housing policy and action, paired with technical analysis. Consultation has included on-line surveys and discussion forums, "pop-up" events, open houses, stakeholder workshops, steering and advisory committees, and meetings with housing service providers and development industry representatives. In addition to consulting during drafting of the OCP and housing strategies over the last few years, the City maintains on-going communications with housing service providers and the development industry.

## Analysis

The primary purpose of a Housing Needs Report is to capture housing data and communicate key housing needs, in order to inform subsequent policy development. The report will be used to inform the upcoming OCP update as well as other housing policy development. As appropriate, it may also be used to inform housing-related prioritization, progress monitoring and target-setting.

The Richmond Housing Needs Report meets all Provincial requirements. It is based on a combination of statistical data, including demographic and housing demand projections prepared by Metro Vancouver, and consultation with housing service providers and agencies. The process of preparing the Housing Need Report involved:

1. **Data collection:** Metro Vancouver collected and shared standard datasets for each member municipality. These were supplemented with Richmond-specific information from various sources, including internal databases, CMHC, the BC Ministry of Municipal Affairs, BC Stats, local market data providers, and others.
2. **Analysis:** Data was carefully selected, combined and reviewed in order to identify areas of need, describe trends, and establish the scale of need. Needs were estimated for the current population and projected for future years. Methods were consistent with industry practice and aligned with those used by Metro Vancouver.
3. **Consultation:** Representatives of local non-profit housing providers and government agencies active in Richmond were interviewed to validate data-based findings and provide context and qualitative information to complement the data analysis.
4. **Reporting:** The Housing Needs Report was prepared, drawing on data and interviews with agencies and non-profit housing providers to create a clear picture of housing needs in Richmond.

The Housing Needs Report shows that strong housing demand is expected to continue, and that housing affordability is a critical issue and will likely remain one for some time. The key findings are:

- **Housing demand is growing**, from about 1,200 occupied units/year from 2006-2016 to about 1,800/year from 2016-2026.
- **Housing affordability has become critical.** For example:
  - From 2006 to 2016, the median shelter costs for renters increased 4.5 times faster than their median household income. Similarly, the cost to buy a home rose 77% from 2006-2016, while Richmond household incomes were virtually unchanged.
  - About one third of renters are experiencing housing affordability issues. In particular, a disproportionate number of low-income households are experiencing significant challenges in accessing private market housing that meets their financial needs. While many of these households may qualify for affordable housing, there can be lengthy wait times before applicants receive a unit.
  - Home prices are so expensive that if Richmond households were buying for the first time, almost half of them couldn't afford an apartment of any size, and 95% couldn't afford a typical house based on reported income.
- **Substantial non-market and low-end market rental housing is needed.** To meet the needs of households making less than \$70,000, a total of about 7,000 units of affordable housing (subsidized non-market and LEMR) are needed from 2016 to 2026.
- **There is strong demand for market rental:** While it is hard to estimate market rental demand, at least 2,000 units will be needed from 2016-2026. If home ownership remains out of reach for most households, driving interest in rental, the demand could be higher.
- **The need for housing for seniors is growing rapidly.** Seniors (65+) were the fastest growing age group in Richmond from 2006 to 2016, growing by 57% (from 21,000 to 33,000). They are expected to grow a further 16,000 to 2026, by which time they will make up 20% of the population. While many seniors will age-in-place at home or move to a private-market seniors building, other seniors will require access to an affordable housing unit to maintain housing stability.
- **There are many other specific needs in the community for affordable housing,** including:
  - Low-income singles and seniors, typically non-market studio and one-bedroom homes;
  - Low-income lone-parent families, typically non-market homes with at least two bedrooms;
  - Moderate-income families, typically rental homes with at least two bedrooms;
  - People with mental health challenges and/or substance use problems;
  - Recent immigrants; and
  - People with disabilities, especially if they are reliant on government financial assistance.
- **The number of households that are either experiencing homelessness or at risk of being homeless is increasing.** This trend is likely to drive continued growth in the need for housing with supports for people experiencing or at risk of homelessness, helping them transition to long-term housing stability.



The housing needs identified by this Housing Needs Report are consistent with the priority groups identified in the Affordable Housing Strategy (2017-2027).

Through implementation of the Affordable Housing strategy, the Homelessness Strategy (2019-2029), and the Official Community Plan, the City has already made substantial contributions to address identified housing needs within its authority/jurisdiction. It also continues to advocate to the provincial and federal governments to secure increased funding for affordable housing in Richmond, and to work with local partners to address housing needs. Highlights of City and partner contributions include:

- **Enabling housing supply:** 12,993 homes have been built since OCP adoption in 2012.
- **Directing housing to transit-oriented, amenity-rich locations:** half of the homes built since the OCP's adoption are in the City Centre.
- **Supporting diverse housing types:** Since OCP adoption in 2012, 8,263 apartments, 1,776 townhouses and 2,954 single family and duplexes have been built.
- **Securing rental housing:** Since 2007, approximately 1,900 units of Market Rental and Low-End Market Rental (LEMR) units have been approved and, of those, approximately 800 units are occupied and approximately 1,100 units are under construction.
- **Collaborating to create non-market housing:** Since 2007, the City has partnered with non-profit housing providers to secure more than 410 new non-market units.
- **Supporting family-friendly and accessible affordable housing:** Since 2018, 57% of all LEMR units secured have been family-friendly (two or three bedroom) and 94% will be built to Basic Universal Housing standards to increase accessibility for seniors and persons with disabilities.
- **Addressing homelessness:** The City and its partners have built 90 emergency shelter beds and 40 supportive housing units, with an additional 40 supportive housing units soon to be constructed.

Table 1 (next page) shows details of how the City has contributed to the provision of shelter beds and affordable and market rental housing options since the adoption of the first Affordable Housing Strategy in 2007.

Table 1: City of Richmond Rental Housing Initiatives

Housing Type	# of Units (as of November 24, 2021)			Comments
	Built/ Occupied	Approved/ Under Development	Under Review (Estimate)	
SHORT TERM ACCOMMODATION				
<b>Emergency Shelter Spaces</b> Temporary accommodation and services for residents experiencing homelessness (e.g. Richmond House Emergency Shelter).	90 beds	N/A	N/A	The City contributed land for the emergency shelter, developed in partnership with BC Housing and operated by The Salvation Army. The City provided temporary use of a City building to BC Housing for the Emergency Response Centre, operated by Turning Point Recovery Society.
AFFORDABLE RENTAL HOUSING				
<b>Supportive Housing</b> Self-contained units with on-site supports for people who have experienced homelessness (e.g. Alderbridge Supportive Housing, Storeys)	78	40	60	The City contributed land for temporary supportive housing, developed in partnership with BC Housing and operated by RainCity Housing. The City contributed land for a second temporary supportive housing site, which is currently under development, in partnership with BC Housing.
<b>Non-Market Housing</b> Rental units for households with annual incomes less than \$40,000 (e.g. Kiwanis Towers, Storeys).	411	0	250	The City continues to explore opportunities to partner with senior levels of government and non-profit organizations to build new non-market housing. For example, the City is partnering with Pathways and BC Housing to add 80 non-market housing units. There are also two projects that are in the preliminary stages that will add additional non-market housing units.
<b>Modest Market Rental</b> Below market rental units for households with an average income range between \$40,000 to \$60,000 (e.g. West Cambie).	0	15	0	Located along Garden City Road, these units are the result of innovative mixed-use, mixed-income policy in the West Cambie Area Plan.
<b>Low-End Market Rental (LEMR)</b> Below market rental units for households with an average income range between \$40,000 to \$70,000 (e.g. Rivermark Apartments).	363	546	650 (incl. 170 in pre-application)	This made in Richmond program secures LEMR units and cash-in-lieu contributions to the Affordable Housing Reserve Fund from developments throughout the city.
SUB-TOTAL	852	601	960	
MARKET RENTAL HOUSING				
<b>Secondary Suites and Coach Houses</b> Legal self-contained rental units located in a single-detached house or townhome, and separate rental units in the back yard of a single-detached house.	1,321	163	40	The City requires that all new single family rezonings to have a secondary suite or contribute to the Affordable Housing Reserve Fund. Secondary suites are also encouraged in duplexes and townhouses.
<b>Purpose Built Market Rental</b> Units secured in perpetuity as rental units based on market rental rates.	411	568	930 (incl. 240 in pre-application)	Since the adoption of the Market Rental Housing Policy in 2018, there has been a high level of interest in 100% market rental projects. Consideration is being made to have a minimum mandatory market rental requirement in all multi-family residential projects.
SUB-TOTAL	1,732	731	970	

Further information about action by the City and its partners on affordable housing can be found in the annual Affordable Housing Strategy update.

The Housing Needs Report will be used to inform housing components of the OCP update. To support that update, consultation with stakeholders will continue, complemented by engagement with the general public. That consultation will be action-oriented, with a focus on priorities and potential solutions.

### **Financial Impact**

None.

### **Conclusion**

Prepared in keeping with new legislative requirements, the Housing Needs Report provides important insights into Richmond's housing needs, which reflect affordability trends common in the region and across the country, as well as conditions unique to Richmond. Council's receipt of the Housing Needs Report and its publication on the City's website will fulfill remaining legislative requirements. The report and the data collected to support its production will be invaluable as the City explores potential solutions with the public and stakeholders, updates OCP housing policy and housing-related strategies, and works with partners to meet identified housing needs.

Overall, the City remains committed to working through partnerships to increase the supply of market and affordable housing in Richmond. With involvement from all orders of government, non-profit housing providers, and the private sector, all Richmond residents can access housing that meets their specific needs.

It is recommended that this report be received for information and that staff be directed to publish the Housing Needs Report on the City of Richmond website, as required by the British Columbia *Local Government Act*.



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Program Manager, Affordable Housing  
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PW:cas

Attachment 1: City of Richmond Housing Needs Report





CITY OF RICHMOND  
**Housing Needs Report**  
2021

PLN - 47







## Acknowledgements

The City of Richmond would like to thank the following organizations and individuals for their contributions to this report:

- Metro Vancouver, for extensive assistance in collecting datasets meeting the Provincial data collection requirements.
- Representatives of agencies and non-profit housing providers, for additional insights into local conditions and needs:
  - Avneek Sanghera, Program Manager of Cadence Second Stage Housing
  - Tabitha Geraghty, Executive Director, Chimo Community Services
  - Cindy Chan, President, Kiwanis Senior Citizens Housing Society
  - Dave MacDonald, Executive Director, Pathways Clubhouse Society of Richmond
  - Emma McGarry, Assistant Manager, Alderbridge Housing
  - Melissa Irving, Director of Supported Living, Richmond Society for Community Living
  - Ahmed Omran, Director of Community Real Estate and Asset Management, SUCCESS
  - Brenda Plant, Executive Director, Turning Point Housing Society
  - Jerod Killick, Operations Manager, Vancouver Coastal Health
- Canada Mortgage and Housing Corporation, UBC Housing Research Centre, Statistics Canada, and BC Housing for assistance in locating and obtaining valuable housing data.



## Executive Summary

The 2021 Housing Needs Report describes current and projected housing needs in Richmond through analysis of key demographic and housing statistics and consultation with housing service providers. The Province of BC requires all local governments to complete their first Housing Needs Report by April 2022 and update it every five years. The purpose of the Housing Needs Report is to provide robust information as a foundation for development of City housing strategies, policies and action.

**A Shared Responsibility:** Housing is widely recognized as a critical issue across Canada. The crux of the issue is that the housing supply has not met the needs of all residents, leaving many unable to afford a suitable, adequate home. Success in solving this complex problem will require the combined efforts of the City, non-profit housing providers and the private sector, as well as funding to increase the supply of affordable housing and policy changes to stabilize and re-balance the housing market on the part of Provincial and Federal governments.

**A City Priority:** In Richmond, affordable housing has become a key priority for the City as rising housing costs have outpaced increases in income. The Official Community Plan (2012), Affordable Housing Strategy (2017–2027) and Homelessness Strategy (2019–2029) describe how Richmond aims to work with its partners to address housing needs.

**Key Findings from Analysis and Consultation:** The Housing Needs Report considers the full spectrum of housing needs, from emergency shelters through different kinds of affordable, rental and ownership housing. It estimates needs of existing Richmond households from the most recent Census (2016) and related data, and future needs on the basis of past trends and projected growth, complemented by consultation with local housing providers. The following are the key findings from the analysis and consultation:

- **Housing demand is growing**, from about 1,200 occupied units/year from 2006–2016 to about 1,800/year from 2016–2026.
- **Affordability has become critical.** For example:
  - From 2006 to 2016, the median shelter costs for renters increased 4.5 times faster than their median household income. The cost to buy a home rose 77% from 2006–2016, while Richmond household incomes were virtually unchanged.
  - About one third of renters are experiencing housing affordability issues. In particular, a disproportionate number of low-income households are experiencing significant challenges in accessing private market housing that meets their financial needs. While many of these households may qualify for affordable housing, there can be lengthy wait times before applicants receive a unit.
  - Home prices are so expensive that if Richmond households were buying for the first time, almost half of them couldn't afford an apartment of any size, and 95% couldn't afford a typical house.
- **Substantial non-market and low-end market rental housing is needed.** To meet the needs of households making less than \$70,000, a total of about 7,000 units of affordable housing are needed from 2016 to 2026.

- **There is strong demand for market rental:** While it is hard to estimate market rental demand, at least 2,000 units will be needed from 2016–2026. If home ownership remains out of reach for most households, driving interest in rental, the demand could be higher.
- **The need for housing for seniors is growing rapidly.** Seniors (65+ years) were the fastest growing age group in Richmond from 2006 to 2016, growing by 57% (from 21,000 to 33,000). This demographic is expected to grow a further 16,000 to 2026, by which time seniors (65+ years) will make up 20% of the population. While many seniors will age-in-place at home or move to a private-market seniors building, other seniors will require access to an affordable housing unit to maintain housing stability.
- **There are many specific needs in the community for affordable housing,** including:
  - Low-income singles and seniors, typically non-market studio and one-bedroom homes;
  - Low-income lone-parent families, typically non-market 2+ bedroom homes;
  - Moderate-income families, typically 2+ bedroom rental homes;
  - People with mental health challenges and/or substance use problems;
  - Recent immigrants; and
  - People with disabilities, especially if they are reliant on government financial assistance.
- **The number of individuals that are either experiencing homelessness or at risk of experiencing homelessness is increasing.** This trend is likely to drive continued growth in the need for housing with supports for individuals experiencing or at risk of homelessness, helping them transition to long-term housing stability.

**Informing Policy and Joint Action:** These findings will inform consultation on and development of updated housing policy and strategies, and support action by the City and its partners.



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## Introduction

Housing is widely recognized as a critical issue across Canada. In Richmond, it has become a key priority for the City as rising housing costs have outpaced increases in income, and income disparities have increased. Responding to this growing crisis, considerable housing policy has been adopted in the last 20 years through the updated Official Community Plan (OCP) in 2012, an Affordable Housing Strategy originally developed in 2007 and substantially updated in 2017, and a Homelessness Strategy developed in 2002 and updated in 2019. Specific policies, procedures and regulations have implemented these strategies.

The crux of the housing issue is that the housing supply has not met the needs of all residents, leaving many unable to afford suitable, adequate housing. This issue is a product of a complex system encompassing social, macroeconomic, technological, regulatory, taxation and other interrelated factors. As a result, both supply- and demand-side action is required for effective change, and success can only be achieved through the combined efforts of the City and its partners: other orders of government, non-profit housing providers, and the private sector.

## Housing Needs Report Requirements

A shared understanding of the situation is an essential foundation for aligning the efforts of public, private and non-profit sectors. In 2019, the Province adopted requirements that local governments prepare and publish Housing Needs Reports to better understand their current and future housing needs, and help identify existing and projected gaps in housing supply. The first Housing Needs Report must be published no later than April 2022.

Reflecting the value of a strong understanding of housing needs to guide effective action, Housing Needs Reports must be:

- Based on collection of 50+ specified sets of data;
- Received by Council at a meeting open to the public;
- Published on-line on a public and freely accessible site;
- Considered when developing an Official Community Plan (OCP) and when amending OCP housing policies; and
- Updated every 5 years.

## Purpose and Use

Flowing from the Provincial requirements, the purpose of this report is to communicate the City's understanding of current and anticipated future needs, based on a combination of data analysis and input from knowledgeable people and organizations active in the field. The report will inform Richmond's housing policy priorities and specific housing policies. The production of the first Housing Needs Report may also:

- Support progress measurement and target-setting in relation to the OCP, Affordable Housing Strategy, and Homelessness Strategy;
- Identify needs for qualitative information to fully understand how to address housing gaps;
- Make it possible to identify gaps in City policies and programs across the housing continuum; and
- Support efficient production of subsequent Housing Needs Reports.



## Housing Continuum

Every household should have access to housing that is affordable, adequate, and suitable for their incomes, household size, and specific needs. The Housing Continuum (below) provides a useful framework that identifies the spectrum of housing options from emergency shelters to market homeownership, and illustrates housing types for all income levels.

Table 1: Richmond's Housing Continuum

Housing Continuum						
Short-Term Accommodation		Affordable Housing			Market Housing	
Emergency Shelters	Housing with Supports	Non-Market/ Social Housing	Low-End Market Rental Housing	Affordable Home Ownership	Market-Rate Rental	Market Home Ownership
Shelters for individuals temporarily needing accommodation.	Short- and long-term housing with on-site supports for individuals who are homeless or at risk of homelessness.	Rental units managed by BC Housing, Metro Vancouver Housing, or another non-profit made available at low rental rates.	Below market rental units, including units secured through the City's Low End Market Rental program.	Units at below market value for purchase by moderate income households.	Units rented at market rates, including "primary" purpose-built units (e.g. rental apartments); and "secondary" units (e.g. rented condos & secondary suites).	Units purchased at market value.
<b>Target Groups:</b> Individuals experiencing homelessness or at risk of homelessness.		<b>Target groups:</b> Very low to moderate income households.			<b>Target groups:</b> Moderate to high income households.	

\* Adapted from the 2017 Affordable Housing Strategy

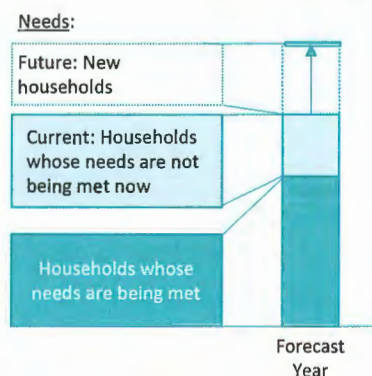
See *Appendix A: Glossary* for definitions of housing categories and other key terms in this report.

## Estimating Housing Needs

This report estimates current and growth-related housing needs for Richmond in terms of the number of units, their size, affordability, and associated design features and service supports (Figure 1). Generally, "current" needs are based on information from 2016, the most recent year for which Census data is available. This report provides a 10-year projection of needs from 2016, equivalent to a 5-year projection from the date of this report. All projections are based on historical trends. There is considerable uncertainty in any projections. For example, Metro Vancouver provides +/- 15% estimates for base population projections.

Data sources include the 2006, 2011 and 2016 Censuses, including the 2011 National Household Survey and the short and long form Census data; housing market data from CMHC and the Greater Vancouver Real Estate Board; Metro

Figure 1: Understanding Housing Needs.



Source: City of Richmond

Vancouver housing projections<sup>1</sup> and other similar sources. Findings are limited by the availability and quality of each data source. The data analysis and estimates are supplemented with qualitative knowledge of housing experts and other stakeholders.

## A Brief History of Housing in Richmond

Richmond has been an important part of the Musqueam territory for thousands of years, providing sites for villages and sources of food in the rich estuary. In 1879, the City was incorporated as a municipality. Early days saw diverse residents, with notable settlements of Japanese in Steveston and Finns along the South arm of the Fraser. People were drawn to Richmond for relatively inexpensive land with easy access to the region's centre via the interurban tram from Steveston to downtown Vancouver. In 1949, the First Comprehensive Town Plan was created, dividing Richmond into districts and establishing residential, commercial, industrial and rural land use regulations.

In 1950, Richmond was still a small agricultural community, but auto-oriented suburban development began in the 1950s and drove a rapid transformation from small town to medium-sized city. Central Richmond was dominated by shopping malls and large business and industrial areas.

Beginning in the 1990s, the City saw a rapid increase in cultural diversity that has enriched the community today and made Richmond an exciting and unique place in the region. In the 21st century, Richmond has seen another dramatic shift, with the rapid emergence of an urban centre along the Canada Line, which opened in 2009.



<sup>1</sup> These projections are the latest available for Richmond at the time of publication of this report.







## Partners and Roles

Figure 2: Partners in Housing Provision



Source: City of Richmond Affordable Housing Strategy (2017–2027)

Local governments like the City of Richmond are one of five partners that work together to shape housing supply and demand (Figure 2).

**Federal Government:** The Federal Government plays critical roles. On the demand side these include mortgage finance regulations, tax exemptions and homeowner incentives as well as regulation of tax evasion, fraud and money-laundering. On the supply side, these include the construction, financing and operation of social housing. In 1993, funding for social and co-operative housing was drastically cut back, however funding for housing was expanded starting in 2017 and a partnership-based National Housing Strategy was adopted in 2019.

**Provincial Government:** Like the Federal Government, the Province has substantial influence on housing and has adopted a recent strategy: the 30-Point Plan for Housing Affordability. Its role includes taxation such as the property transfer, speculation and foreign buyers' taxes; property tax deferrals; regulation of short-term rentals; and grants like the homeowners' grant. On the supply side, the Province has committed funding for new social housing which BC Housing develops, manages and administers.

**Local Government:** Both regional and local governments play active roles in housing.

- **Metro Vancouver:** Metro Vancouver maintains the Regional Growth Strategy and the Regional Affordable Housing Strategy and it provides affordable housing through the Metro Vancouver Housing Corporation.
- **The City of Richmond:** Key roles are land use planning and regulation, and infrastructure and amenity provision. Its role has grown and now includes the use of municipal land, affordable housing requirements and incentives, policy, education and advocacy.

**The private sector:** This sector includes landowners, developers and builders, investors, and landlords, including operators of private seniors' homes and private providers of support services. The sector is responsible for the supply of housing and related services.

**Non-profit housing providers:** These organizations create and manage housing units that rent at low-end of market and below market rates and may also provide support services.



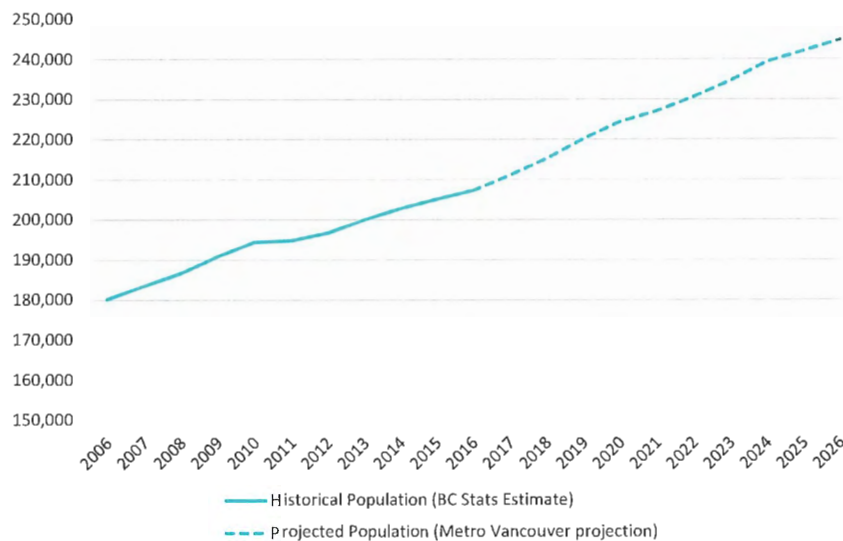


# Factors Shaping Housing Demand

A number of key factors have shaped Richmond’s mix of households. In particular, the population is continuing to grow, and households are aging, getting smaller and becoming less equitable.

Richmond will continue to grow over the next decade, with another 37,000 (+/- 5,600) residents moving here between 2016 and 2026 (Figure 3). The population is also aging, with the proportion of seniors (over 65 years) projected to grow to 1 in 5 residents by 2026. As seniors downsize and need supports, this shift will affect housing needs.

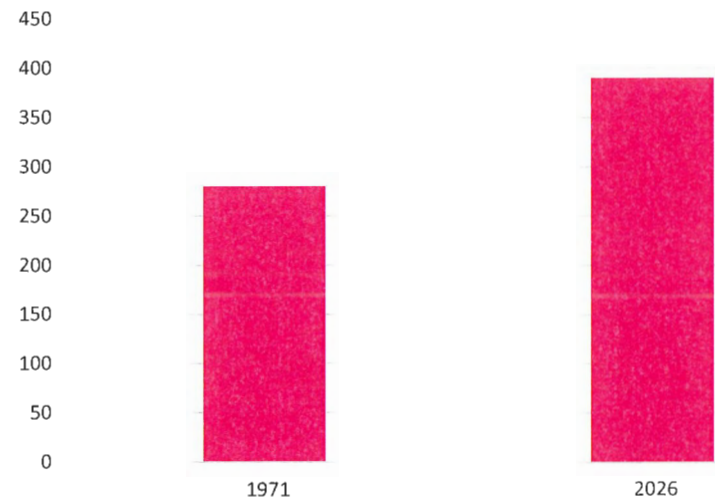
Figure 3: Population Growth, 2006–2026



Source: BC Stats, Metro Vancouver population projection for Richmond, December 2020

Households are getting smaller, shifting from 3.6 people per home in 1971 to a projected 2.6 in 2026 (Figure 4). This shift means that more homes are needed to accommodate the same number of people. For example, 280 homes in 1971 would have accommodated 1,000 people, but in 2026, it will take 390 homes to accommodate them. This trend means that the number of households will grow more quickly than the population in the coming years.

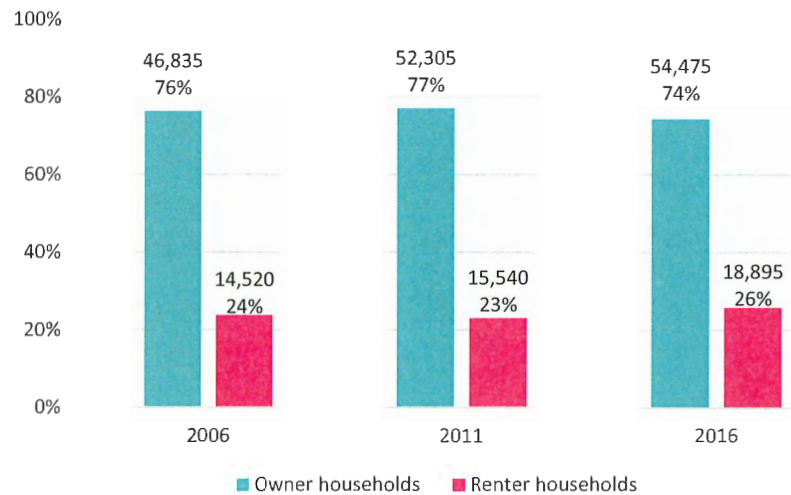
Figure 4: Number of Homes to House 1,000 People, 1971 and 2026



Source: Census, 1971 and Metro Vancouver population and household projections, December 2020

From 2006 to 2016, the number of renter households grew by 30% (14,520 to 18,895), about twice as fast as owners 46,835 to 54,475, 15% (Figure 5). Richmond had 26% renter households in 2016 and is slowly approaching Metro Vancouver's distribution (36%).

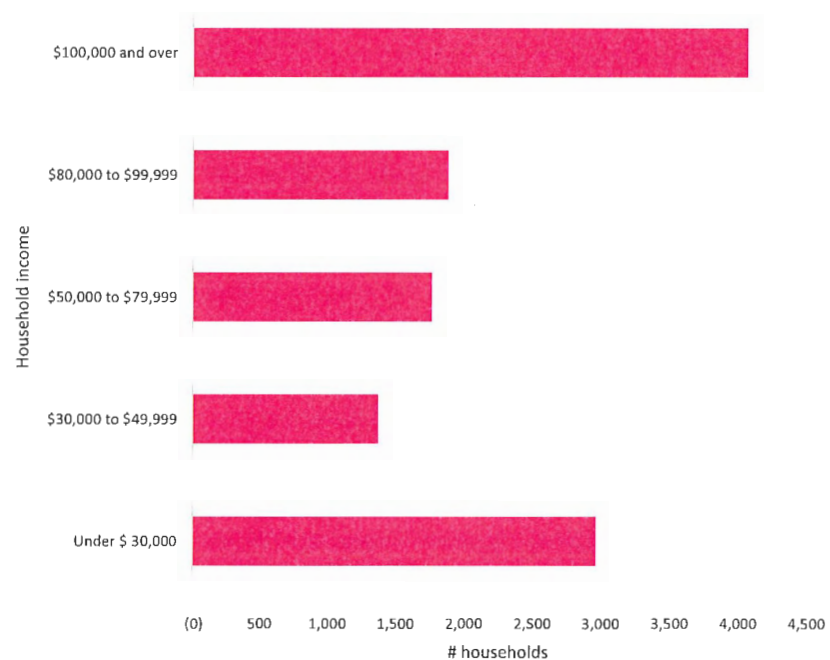
Figure 5: Households by Tenure, 2006–2016



Source: Statistics Canada, Census 2006–2016

A combination of high-paying professional and low-paying service jobs are dominating employment growth. As a result, incomes are diverging, with relatively fewer middle-income households (Figure 6). This implies a trend in demand towards more high-end homes and affordable housing units.

Figure 6: Change in Richmond Household Income Distribution, 2006–2016, Constant 2015 \$

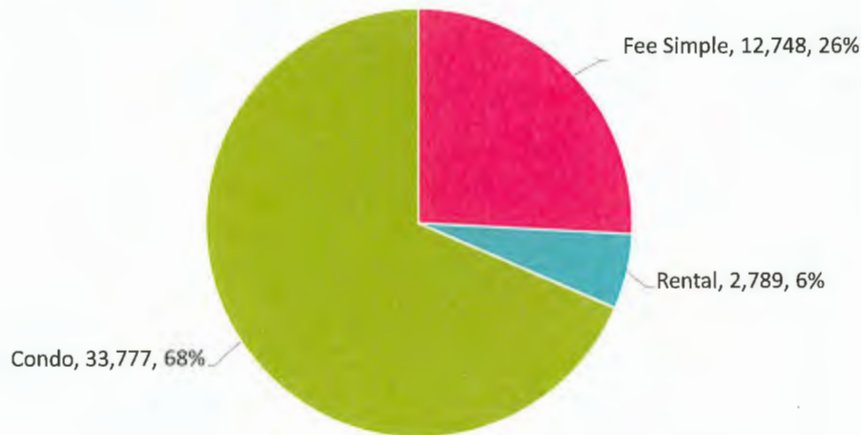


Source: Statistics Canada, Census 2006–2016

# Current Housing Stock

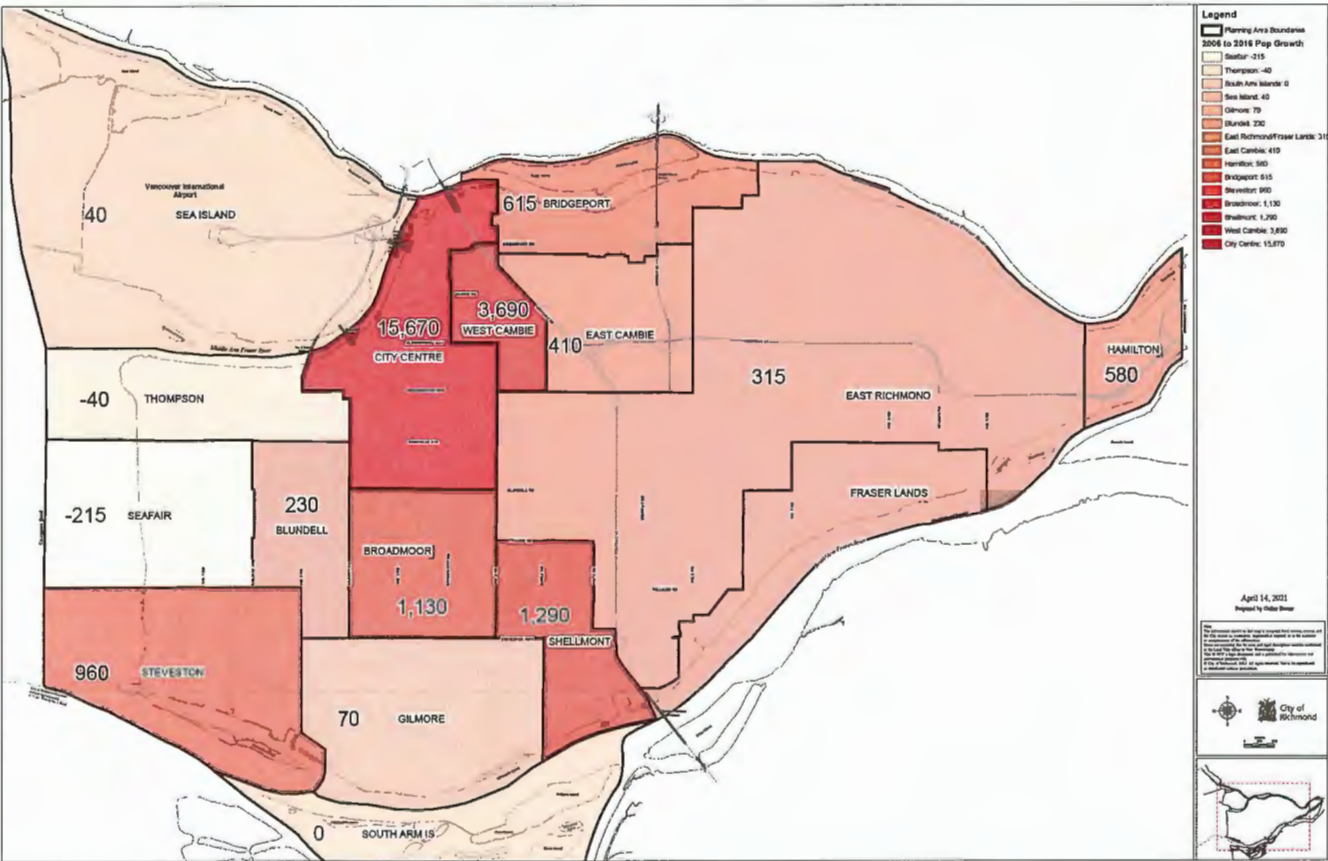
Once dominated by single-family housing, Richmond has changed dramatically in the last 10 to 15 years as most of the growth has been in the form of apartments and townhouses in the city centre (Figures 7 and 8). In keeping with the Official Community Plan (OCP), this growth of less expensive forms of housing located close to rapid transit have enabled residents to lower both housing and transportation costs.

Figure 7: Housing Units Completed, 1990–2020



Source: Statistics Canada, Census 2006–2016

Figure 8: Total Population Growth by Planning Area: 2006 to 2016



Source: Statistics Canada, Census 2006–2016



Construction of about 13,100 new units between 2006 and 2016 kept up with demand as households got smaller. However, only 6% of units built since 1990 has been purpose-built rentals, resulting in persistently low vacancy (Figure 9) and a market dominated by less secure secondary rentals (i.e. secondary suites and condos, of which about 30% are rented<sup>2</sup>), which made up 85% of all rental units in 2016.

Figure 9: Rental Vacancy Rate, 2006–2020

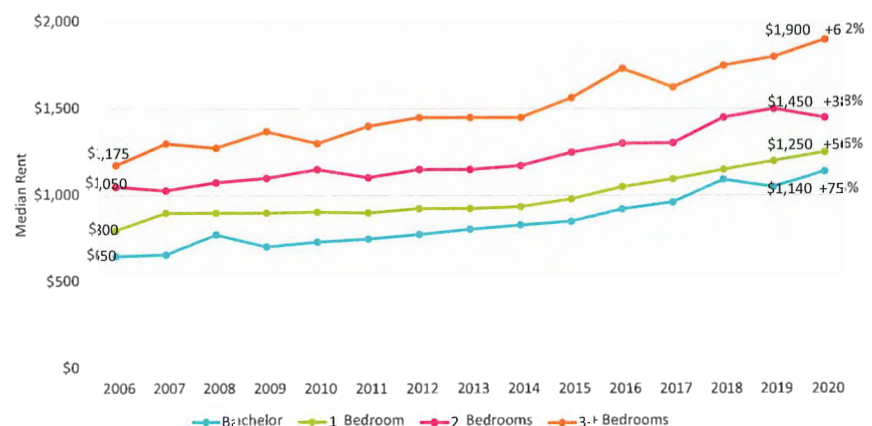


Source: CMHC, 2020 Rental Market Report

Despite increased supply, Richmond has seen a significant increase in housing costs for both renters and owners.

Alongside low rental vacancy rates, average rental rates have increased significantly over the past ten years from \$945 in 2006 to \$1,395 in 2020 (Figure 10). While rental rates for all unit sizes have increased, rates for 2-bedroom units have seen the slowest increase. Newer constructed market rental units also generally charge higher rental rates than older units. For example, rental units constructed between 1960 and 1979 had an average rent of \$1,370 per month in 2020. In contrast, units constructed since the year 2000 have an average rent of \$1,730.

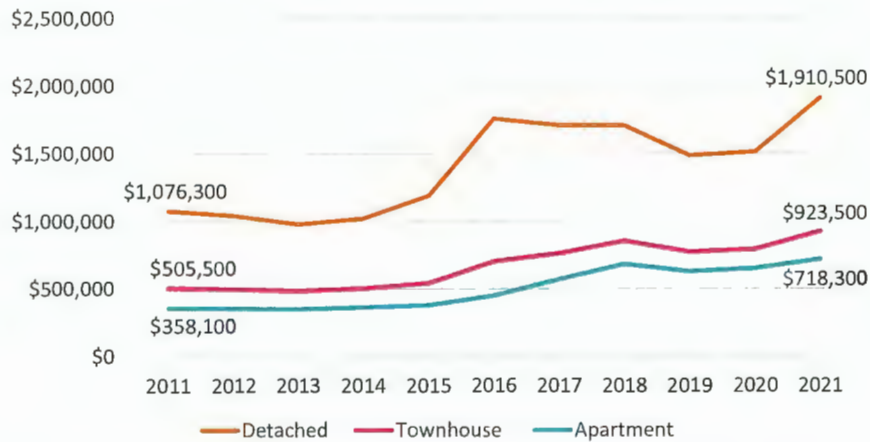
Figure 10: Primary Rental Market Median Rent, 2010–2020



Source: CMHC, 2020 Market Rental Report

Similarly, the cost of buying a home in Richmond rose significantly from 2011 to 2021 (Figure 11). The highest proportional increase occurred in the lowest cost housing type: prices increased most for apartments (100%), growing faster than row homes (83% increase) and single detached homes (78%). Increasing apartment prices have disproportionately affected households with moderate incomes who cannot afford more expensive homes. At the same time, single detached homes saw the highest dollar value increase, putting this type of home even further out of reach.

Figure 11: Richmond Benchmark Prices by Structure Type, 2011–2021



Source: MLSLink, Housing Price Index (HPI)







## Overall Housing Needs

### Affordability-Related Needs

Driven by increasing home prices and rental rates documented in the Current Housing Stock section, affordability worsened considerably from 2006 to 2016, and is now widely considered a crisis. Two common measures of affordability are used to describe the affordability challenge. The first is the Shelter-to-Income Ratio (STIR). Using this measure, the federal government's guideline is that housing costs should not exceed 30% of a household's annual before-tax income. The second is Core Housing Need, which focuses on households that are in housing that is considered unacceptable because it is unaffordable and/or too small and/or in poor repair and cannot afford an alternative acceptable home. Where STIR measure includes all households, Core Housing Need measures only lower income households (see Appendix A for income ranges used in this report).

### Shelter-to-Income Ratio (STIR)

**Current Status:** 19,000 Richmond households were over the 30% STIR threshold in 2016, about 25% of all households (Figure 12). Affordability is primarily a concern for low to moderate income households (below \$80,000 a year before-tax): about 17,000 of these households were over the 30% threshold.

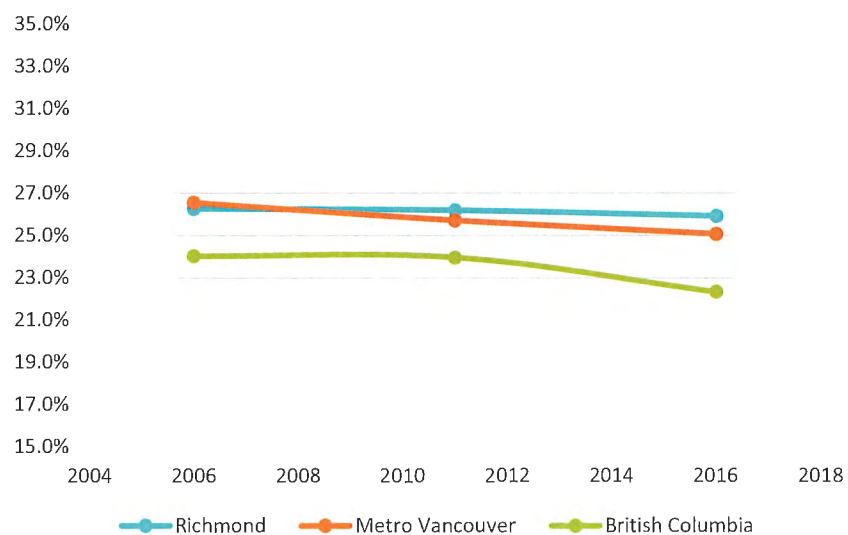
Figure 12: Number of Households Spending 30% to <100% Income on Shelter, 2016



Source: Statistics Canada, Census 2016

**Trends:** As with all of Metro Vancouver, the proportion of households spending more than 30% of before-tax income on housing remained high (about a quarter of all households) in Richmond from 2006 to 2016 (Figure 13).

Figure 13: Percent of Households Spending 30% to &lt;100% Income on Shelter, 2016

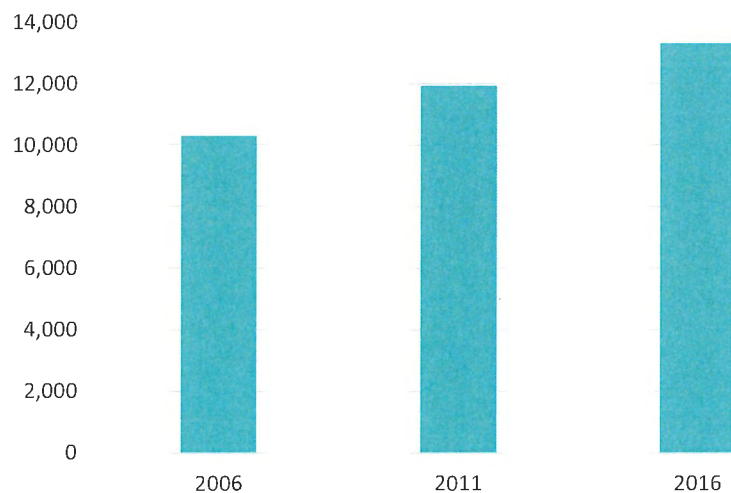


Source: Statistics Canada, Census 2016

### Core Housing Need

Affordability worsened for lower income and renter households from 2006 to 2016, based on Core Housing Need<sup>3</sup> (Figure 14). In 2006, 10,280 households (18% of all Richmond households) were in Core Housing Need; by 2016, the number was 13,290 (20% of all Richmond households), an increase of over 3,000 households in 10 years.

Figure 14: Number of Households in Core Housing Need, 2006–2016



Source: CMHC, Housing Information Portal

<sup>3</sup> Core housing need assesses households living in private residences. It doesn't include farms, reserves or owner- or renter- households with incomes less than \$9,800 and shelter-cost-to-income ratios of 100% or more.



## Renters

**Current Status:** About one third of renters (6,460 households) spent over 30% of their income on rent in 2016; most of these had low or very low incomes (5,225 households) (Figure 15). Stand-out needs include some 1,775 one-person households with incomes below \$30,000, needing studio or 1 bedroom housing units, and 1,050 households (families with children) making \$30,000 to \$50,000 a year, needing 2 bedroom or larger units, depending on the make-up of the family.

Figure 15: Number of Renter Households Spending 30% to <100% Income on Shelter, 2016



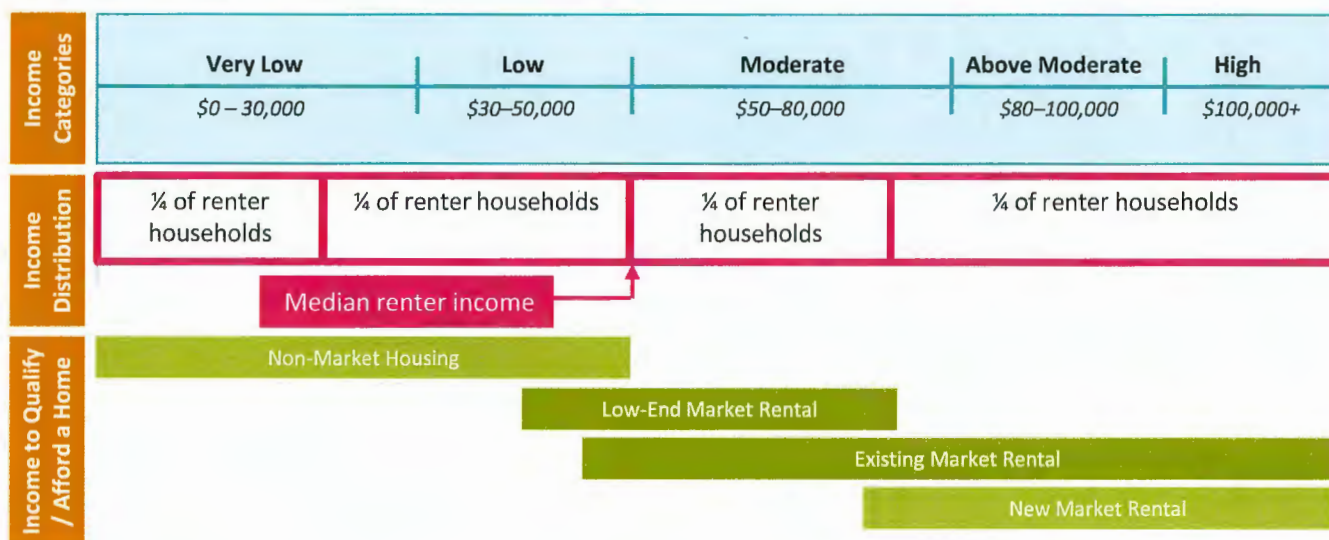
Source: Statistics Canada, Census 2016

Using the 30% STIR threshold, comparing housing costs with incomes makes the scale of Richmond's affordability challenge clear (Figure 16):

- Half of current renters could not afford most market rentals. By 2021, the median renter household could not afford the median priced studio apartment, let alone a larger unit.
- An income of \$72,000 was needed by June 2021 to afford rent for a typical 1-bedroom unit: for the half of Richmond renter households making less than \$49,000 a year, renting a typical 1-bedroom would be difficult.
- If households in market rentals had to move, almost half of them could not afford any rentals advertised on the market in 2021<sup>4</sup>. For comparison, the non-market and low-end market rental (LEMR) housing they could afford make up only 16% of all rentals.

<sup>4</sup> Based on a scan of 1-bedroom units advertised for rent in June 2021, the least expensive 1-bedroom unit was \$1,130/mo, affordable (at 30% before-tax income) to households making at least \$47,500. 45% of renters in market rentals made less than \$50,000 in 2021 (income projected from 2016 based on historical growth in incomes).

Figure 16: Affordability for Renter Households

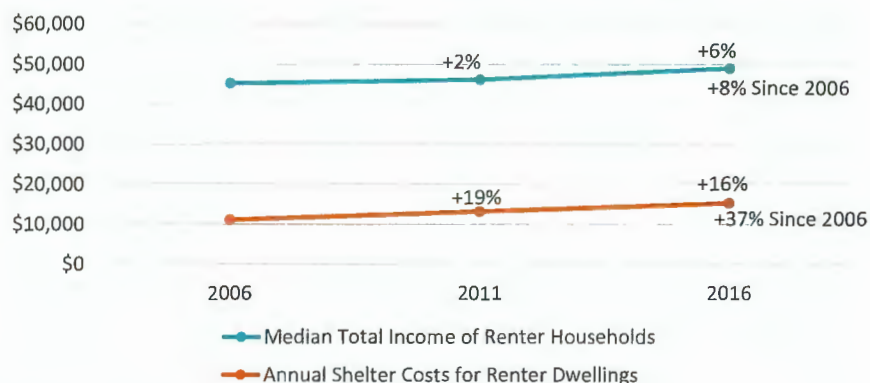


## Data Sources:

- Household income: 2016 Census
- Non-market Rental: 2021 Housing Income Limits (HILs) to Qualify for BC Housing Unit + BC Housing
- Low-end Market Rental (LEMR): 2021 Current LEMR tenant incomes
- Market Rental: CMHC Housing Information Portal, median purpose-built rent, Oct 2020; market rental scan, [rentals.ca](https://rentals.ca), June 2021; Canadian Rental Housing Index shelter costs (data from 2016 Census custom tabulation)

**Trends:** From 2006 to 2016, the median shelter costs for renters increased 4.5 times faster than their median household income (Figure 17). However, rental rates increased more slowly than the price of homes, which may increase demand for rental units as home ownership becomes less affordable.

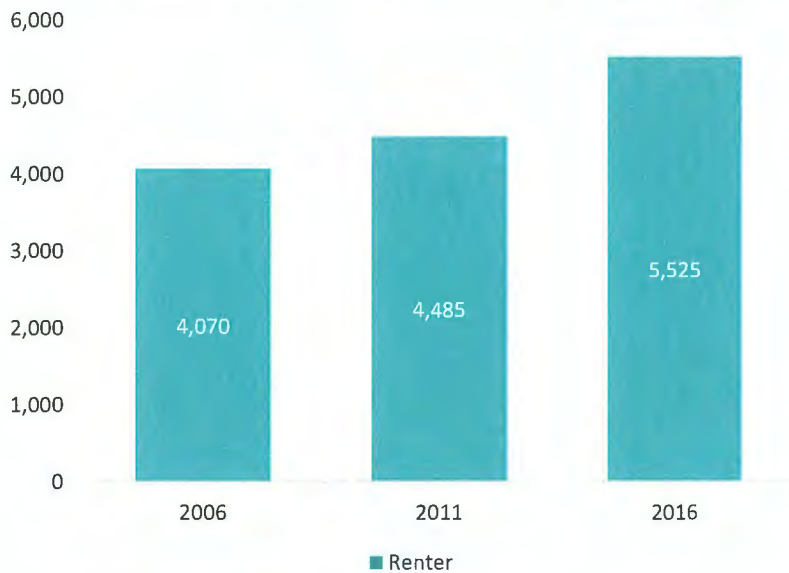
Figure 17: Renter Shelter Costs vs. Renter Household Income, 2006–2016



Source: Statistics Canada, Census 2006–2016

Affordability concerns are growing for lower income households (below \$50,000/year), with an increase of 1,500 renter households in Core Housing Need from 2006 to 2016 (Figure 18). Seniors living alone, women living alone (of any age category), and lone-parent families were the three renter households most likely to be in Core Housing Need in 2016<sup>5</sup>.

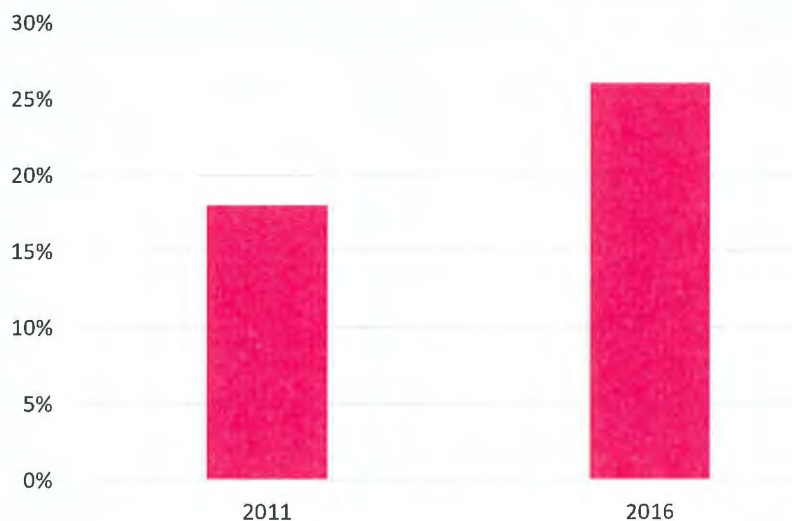
Figure 18: Number of Renter Households in Core Housing Need, 2006–2016



Source: CMHC, Housing Information Portal

Affordability concerns are also moving up the income spectrum: of middle-income renters (with \$50,000-\$80,000 annual income), only 18% spent more than 30% of their income on housing in 2011, but by 2016 that figure grew to 26% (Figure 19). A third of these 1,040 households were families with children who require two bedroom or larger units.

Figure 19: Moderate Income Renter Households with Affordability Challenges, 2011 &amp; 2016



Source: Statistics Canada, Census 2011 and 2016

**Vulnerability:** In Richmond's current rental market, renters are quite vulnerable to losing their home, needing to overspend on housing or having to move to a home that is too small or in poor condition. Most renters live in units rented by individual homeowners (e.g. secondary suites or rented condos), so they may have to move if their landlords decide to occupy their unit or to renovate it and then increase the rent. Low vacancy rates and rising rents mean renters who need to move are likely to face higher costs and competition for a new rental. In 2016, 3,650 renters in market units were spending more than 30% of their

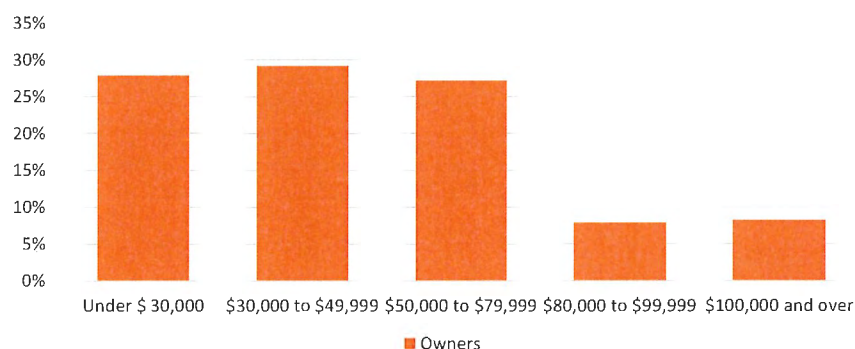
income on housing and had incomes below \$50,000. These households would have a hard time finding alternative housing in the city if they had to move and could be at risk of homelessness or have to move into unsuitable housing or to another community.

## Owners

### Affordability for Households that Already Own a Home:

**Current Status:** Many households already in the market are struggling to afford the homes they are in: about one quarter of owner households, or 12,550 households, are spending 30% or more of their income on shelter costs in 2016 (Figure 20). A large number of these households are singles with very-low and low incomes (2,500 households). Families with children in low- and moderate-income ranges are another important group in need (3,550 households). Owners in Core Housing Need include recent immigrants, lone-parent households, young adults and senior women living alone<sup>6</sup>.

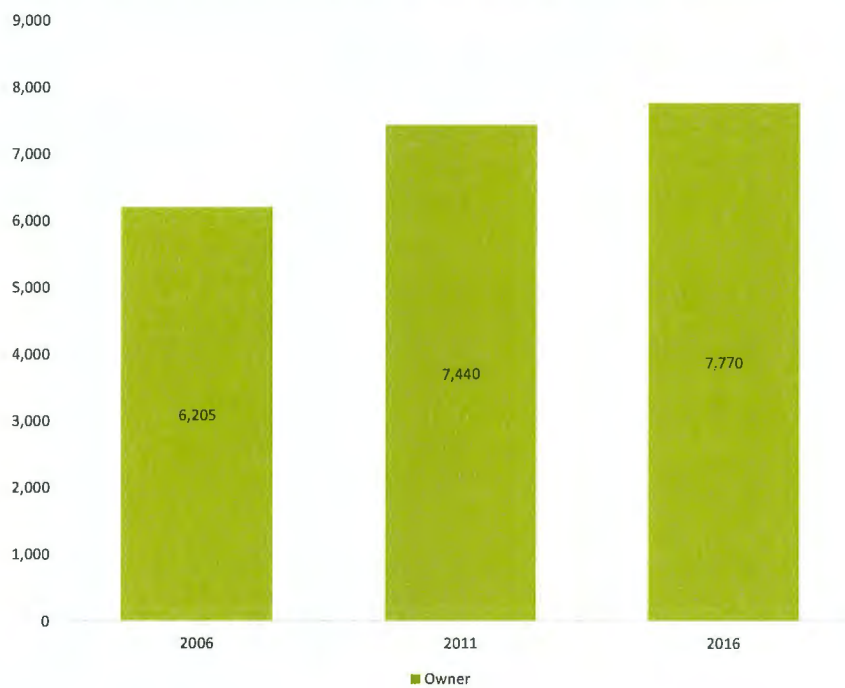
Figure 20: Percent of Owners Spending 30% to <100% Income on Shelter, 2016



Source: Statistics Canada, Census 2016

**Trends:** In 2016, 1,500 more owner households were assessed as being in Core Housing Need than in 2006 (7,770 vs. 6,205), an increase from 14% to 16% of all households (Figure 21). More lower income owner households find it hard to cover mortgage, utilities, maintenance and taxes—either because these costs rose or because their incomes dropped.

Figure 21: Number of Owner Households in Core Housing Need, 2006–2016



Source: CMHC, Housing Information Portal

**Vulnerability:** Owners are generally less vulnerable than renters (see Key Information box). However, if interest rates increase or home prices drop significantly (putting a mortgage “underwater”), owners with mortgages could be forced to sell their homes. In 2016, 5,320 of these homeowners had incomes below \$50,000 and were spending more than 30% of their income on housing.

### Key Information

Compared to renters, owners have additional financial security because they own their home, even when they spend 30% or more of their income on shelter costs. When faced with significant affordability challenges, owners have the choice to sell or reverse mortgage their home and use the proceeds to help pay for housing. This makes common income-based affordability measures less useful for homeowners. Examples of owner households who may be overspending on housing but not be facing affordability challenges include retirees with low fixed income but large savings and young professionals who are entering the housing market for the first time and who expect their income to grow.



### City Contributions

Since the 1990s, City policies have supported townhouse development throughout Richmond's neighbourhoods. As a result, approximately 20% of Richmond's current housing stock is made up of townhouse units, well above 10% for all of Metro Vancouver. This has provided a larger pool of housing units that are about half the cost of single-family houses.

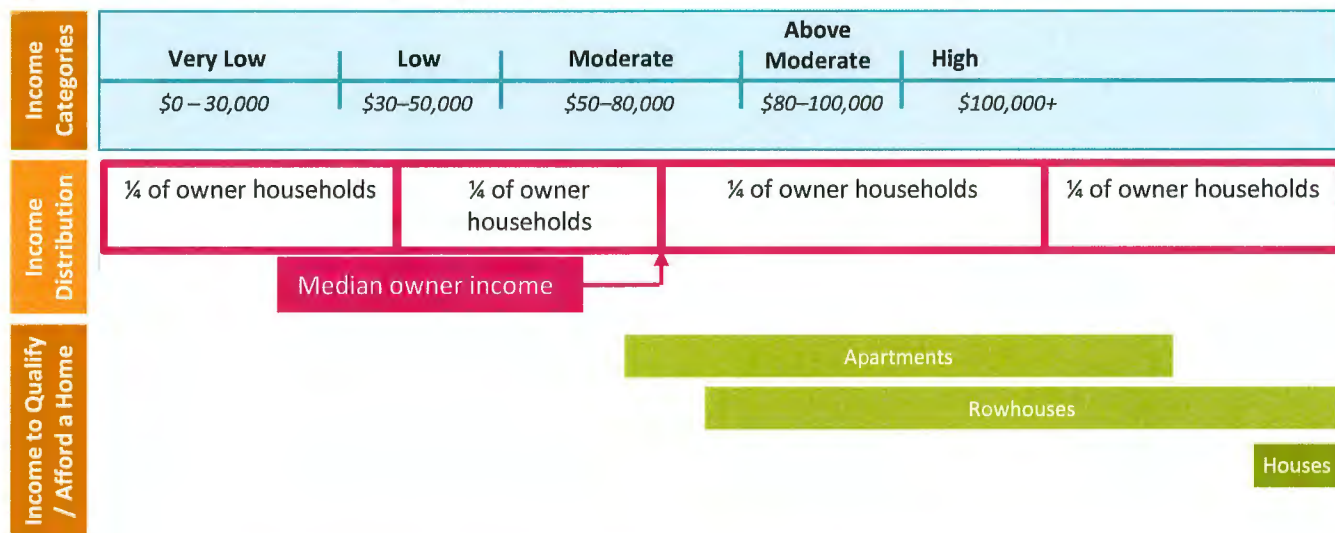
### Affordability for Households Wanting to Buy a Home

**Current Status:** As shown in Figure 22, if current homeowners hadn't already bought a home by 2021, about half of them could not have afforded to buy a studio apartment<sup>7</sup>: homes are too expensive for many first-time buyers. While there is a range of prices in the market, the Real Estate Board's Home Price Index (HPI) describes a typical home, providing a useful benchmark.<sup>8</sup> The 2021 HPI home prices were:

- Apartment: \$720,000, affordable to households making at least \$130,000 and out of reach for more than 80% of Richmond households.
- Rowhouse: \$925,000, affordable to households making at least \$170,000, out of reach for more than 90% of Richmond households.
- Single detached home: \$1,900,000, affordable to households making at least \$290,000, out of reach for more than 95% of Richmond households.

Notably, prices have risen 70% for the typical apartment since 2016, when the benchmark price was \$424,000, affordable on an income of \$79,000.

Figure 22: Affordability for Households Wanting to Buy a Home



**Data Sources:**

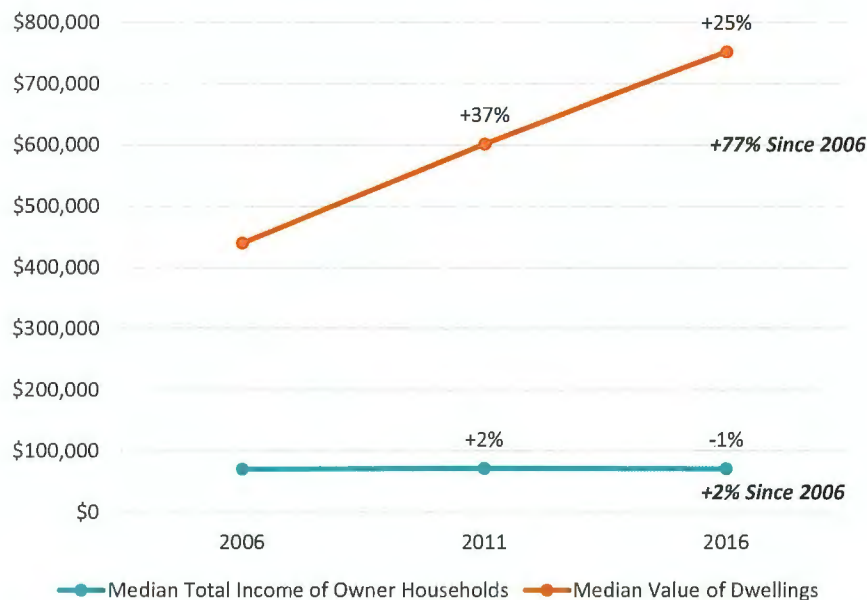
- Household income: 2016 Census. Affordability assumes 30% of income is spent on shelter. Shelter costs include taxes, insurance and utilities.
- Home Prices: MLS Home Price Index benchmark home prices, 2021; [rew.ca](http://rew.ca) market scan June/Aug 2021
- Mortgage Calculation: 20% down payment; 3% interest; 25 year amortization. [Ratehub.ca](http://Ratehub.ca) calculator.

**Trends:** As home prices continue to increase much faster than incomes (77% vs 2% from 2006 to 2016), more and more prospective owners are being priced out of the housing market (Figure 23). The shift in the mix of homes towards less expensive apartments and townhouses is helping to moderate the effect of increased housing prices; however, even these are already too expensive for most.

<sup>7</sup> Based on the lowest priced homes on the market advertised on [www.rew.ca](http://www.rew.ca) in June 2021.

<sup>8</sup> The MLSLink Housing Price Index is used by the Real Estate Board of Greater Vancouver to track home sales in the Metro Vancouver region. It measures benchmark or typical home prices with consistent features. Thus, the HPI measures typical price change, while excluding low and high end homes that may not be representative of the market overall.

Figure 23: Median Housing Prices vs. Median Owner Household Income, 2006–2016



Source: Statistics Canada, Census 2006–2016

## Core and Extreme Core Housing Need

### Key Information

Core Housing Need identifies households that are living in housing that is not in a good state of repair (adequacy), that does not have enough bedrooms (suitability) and/or where the household income is more than 30% of shelter costs (affordability), and where the household cannot afford to move to a median-priced, suitable, adequate home, i.e. the household is stuck in housing that does not meet their needs. Examples include a single parent and child renting an “unsuitable” one bedroom apartment because they are unable to afford a two-bedroom unit, or a family with children who rent a house in disrepair and are not able to afford a similar place in better condition.

While Core Housing Need as a whole measures affordability challenges, it also provides insights into the types of households most likely to be in Core Housing Need and what is driving trends:

- Households choosing a home in poor condition because they cannot afford one in good condition;
- Households choosing a small home because they cannot afford one that is large enough; or
- Households choosing to spend over 30% of their income to secure a suitable home in good condition.

Overspending to secure an acceptable unit drove an increase in the number of households in Core Housing Need from 2006 to 2016. In contrast, there were fewer households living in homes that were too small, and the number living in homes in a poor state of repair increased only slightly (Figure 24).

Figure 24: Number of Households in Core Housing Need, 2006–2016



Source: CMHC, Housing Information Portal

Renters are more likely to be in Core Housing Need than owners, and the proportion of renters in Core Housing Need is increasing (Figure 25).

Figure 25: Proportion of Richmond Households in Core Housing Need by Tenure, 2006–2016

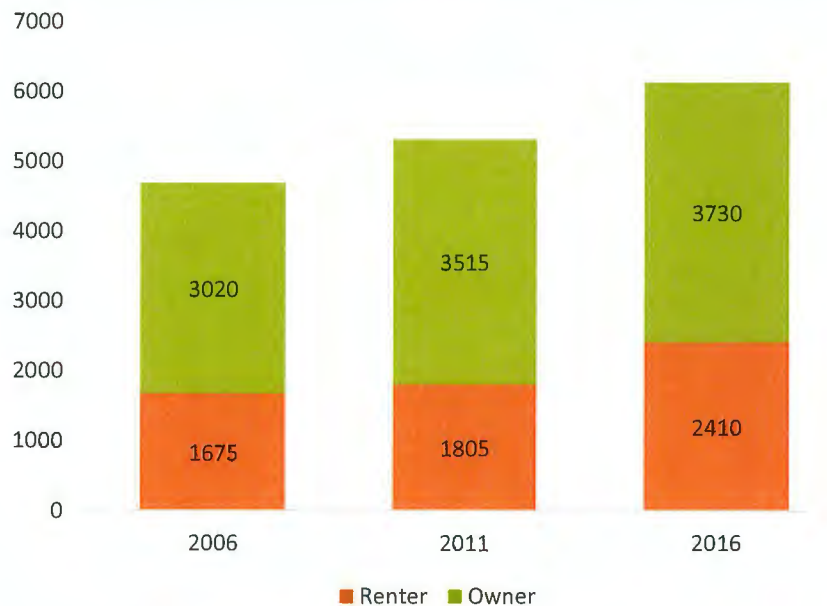


Source: CMHC, Housing Information Portal

### Extreme Core Housing Need

Households in Extreme Core Housing Need spend more than 50% of their income on shelter, making them highly vulnerable to housing instability, i.e. putting them at risk of homelessness. In 2006, there were 4,695 households in extreme Core Housing Need; by 2016, this number had increased by almost 1,500 to 6,140 households, an increase from 8% to 9% of Richmond households (Figure 26).

Figure 26: Number of Households in Extreme Core Housing Need by Tenure, 2006–2016



Source: Ministry of Municipal Affairs – Planning and Land Use Management, Census 2006–2016

## Overall Housing Demand

Metro Vancouver's most recent projection model estimated that Richmond had about 76,100 households in 2016 and would grow to be about 94,000 households by 2026. (Note: All projections are based on assumptions and include a margin of error. These are provided with  $\pm 15\%$  estimates, suggesting that actual demand will fall within that range). Overall housing demand is driven by this growth as well as the needs of the current population.

**Growth-Related Need:** Richmond has grown by 8,700 households to 2021, and another 9,200 are projected by 2026 (Table 2).

Projections indicate an increased pace of demand: 17,000 new households are expected from 2016 to 2026, about 50% more than the growth of 12,000 households Richmond experienced between 2006 and 2016. So far, supply has kept up, with 9,000 units built between 2016 and 2020.

Table 2: Projected Housing Needs, 2016–2026

	Projected Need, 2016–2020		Projected Need, 2021–2026	
	Units	%	Units	%
Total Units	8,700	$\pm 15\%$	9,200	$\pm 15\%$
Studio/1 Bedroom	5,500	63%	5,200	57%
2 Bedroom	1,400	16%	1,800	19%
3+ Bedroom	1,800	20%	2,200	24%

Source: Internal City of Richmond projections; Metro Vancouver population projections, 2021.

Together, current and growth-related projections indicate a need to accelerate housing supply, and to ensure that the supply is affordable.





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## Specific Housing Needs

### Affordable Housing Needs

Affordable housing typically accommodates households making less than \$70,000 a year and refers to non-market (incomes below about \$50,000 a year) or low-end market rental housing (annual incomes from \$40,000 to \$70,000). Some households are also accommodated in market rental housing through rental assistance programs. In 2016, about 4,000 Richmond households lived in non-market housing in Richmond, and another 1,500 households were receiving rental assistance from BC Housing.

**Current Need:** About 4,500 households not in subsidized housing made less than \$70,000 and were spending over 30% of their income on shelter in 2016. Based on household composition, Table 3 estimates the distribution of these units by type and income range.

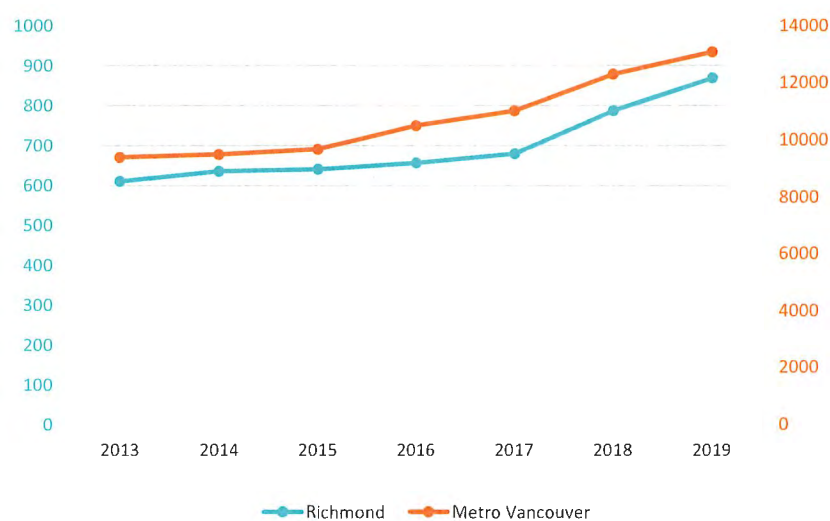
Table 3: Current Affordable Housing Unit Demand

Unit Type	Income \$0–\$40,000	Income \$40,000–\$70,000
Studio/1 Bedroom	1,800	600
2 Bedroom/3 Bedroom	1,100	1,000

Source: Statistics Canada, Census 2016

**Trends and Growth-Related Needs:** Available measures point to a substantial increase in need for affordable housing. One way to estimate future need is based on household growth projections: around 3,200 new renter households with incomes below \$70,000 a year are expected between 2016 and 2026.<sup>9</sup> These households will likely struggle to acquire housing in the private market that meets their financial needs.

Figure 27: Number of Households on the BC Housing Waitlist in Richmond Compared to Metro Vancouver, 2013–2019



Source: BC Housing, July 2013, June 2014, June 2015, June 2016, June 2017, July 2018–2019, June 2020

#### City and Partner Contributions

489 non-market and 363 LEMR units have been built since the adoption of the first Affordable Housing Strategy in 2007 through the combined efforts of the City and its partners.

<sup>9</sup> Ranges is based on Metro Vancouver demographic projections, which provide for a +4–15% upper and lower bound



A complementary measure of affordable housing demand is the trend in the number of renter households in Core Housing Need. This grew by 1,500 from 2006–2016 and could be expected to do much the same from 2016–2026. A third indicator of demand, the waitlist for the BC Housing Registry increased by about 40% from 2013 to 2020, similar to Metro Vancouver (Figure 27).

Together, these indicators suggest that the need for affordable housing will have grown to roughly 7,000 by 2026. The need for more affordable housing, particularly for Richmond's most vulnerable populations, was underlined during engagement with local non-profit housing providers. Consistent with available data and with the priority groups identified in the City's Affordable Housing Strategy (2017–2027), housing for households on social assistance, individuals with disabilities, individuals and couples earning minimum wage, single parent households and seniors were highlighted.

#### City Contributions

The Official Community Plan (OCP) Market Rental Housing Policy was adopted in 2018. As a result, by 2021, 568 market rental units had been secured through zoning and/or housing agreements.

### Market Rental Housing Needs

Market rental housing is an important part of Richmond's housing stock. It accommodates a broad section of the community and may be preferred by households that currently need flexibility, cannot afford to buy or are not interested in owning a home. Only 2,800 purpose-built rental units have been developed since 1990, leaving condominium owners to fill the gap: Richmond's market rental stock is now dominated by the secondary rental market (e.g. rented condos and secondary suites) representing about 85% of the market. Secondary rentals are often considered to be less secure than purpose-built rentals as owners can decide to sell or occupy the unit themselves; on average, secondary rental rates are higher than primary rental rates<sup>10</sup>.

It is difficult to estimate the need for market rental units because it depends on the supply and affordability of competing housing such as below-market rentals and low-end homeownership in Richmond, and housing supply and costs elsewhere in the region. However, the available measures indicate strong and continued demand for rental housing, and also suggest worsening affordability:

- In 2016, Richmond had a much lower proportion of renters than the rest of the region (26% vs. 36%);
- Much like the rest of the region, Richmond has seen consistently low vacancy rates for at least 10 years (1.4% average);
- While the median income of renters in the private market was about \$56,000 a year in 2021,<sup>11</sup> \$72,000 a year was needed to afford an average new 1-bedroom unit; and
- Median purpose-built rents increased by 27% from 2006 to 2016, 4.5 times faster than the increase in renter incomes. By 2020, median purpose-built rents had increased another 16%, and rents in the secondary market were substantially higher.

Using \$70,000 as an approximate minimum income threshold to afford a new market rental unit, at least 2,000 rental units will be needed over the next ten years to meet demand. If home ownership remains out of reach for most households, driving interest in rental, the demand could be much higher. Together with the needs estimated for affordable rental housing, this demand is

<sup>10</sup> CMHC Rental Market Report – Fall 2017 Release

<sup>11</sup> Estimated from 2016 data using the overall 2006–2017 household income trend for Richmond

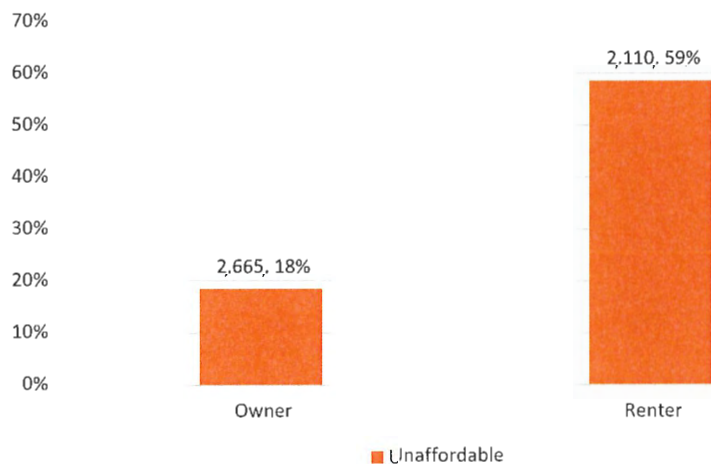
likely to put more pressure on rents, reinforcing the need for rental housing that is affordable to Richmond households across the income spectrum.

## Needs for Housing for Seniors

Seniors (age 65+ years) live in a wide range of housing, from active seniors in their own homes to seniors in independent living facilities and those who need to be housed in facilities with extensive support services. Housing with extra supports (e.g. emergency response, meals, recreation, at-home care aide) in Richmond are provided by the private sector and non-profit organizations, either alone or in partnership with other levels of government and agencies, including semi-independent and assisted living housing options.

**Current Needs:** While some senior households will have housing options in the market, there is substantial need for affordable rental housing for seniors in Richmond. In 2016, renter households made up 20% of senior-led households but were three times more likely than owners to experience housing affordability challenges (Figure 28). Senior-led renter households had a median household income of \$30,136, much lower than the Richmond median household income of \$65,370, and 59% of senior-led renters (2,110 households) spent more than 30% of their income on shelter costs.

Figure 28: Percent of Seniors in Unaffordable Housing by Tenure, 2016



Source: Statistics Canada, Census 2016

Other indicators of current housing need include:

- As mentioned in the Affordable Housing section, there were 448 senior households on the BC Housing Registry waitlist in June 2020 for non-market housing.
- In 2019, the vacancy rate was at or near zero for seniors rental housing (including market and non-market units) in Richmond (Canada Mortgage and Housing Corporation, 2019).

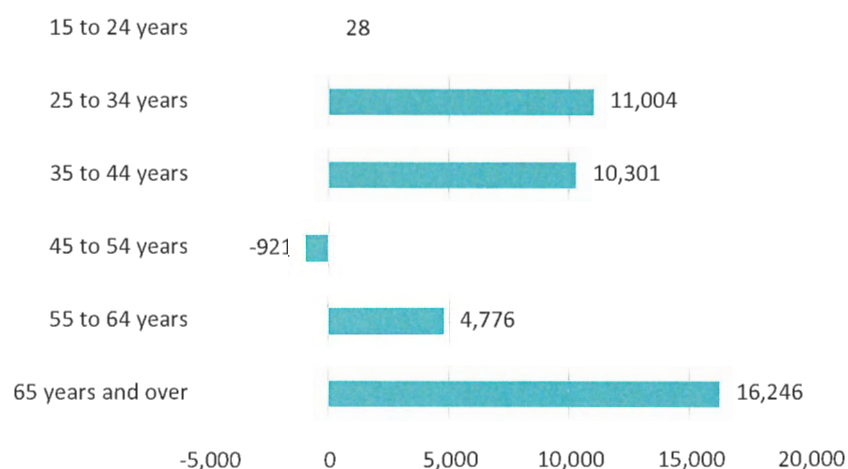
Non-profit housing providers also reported a growing number of precariously housed seniors who struggle to find affordable housing. They shared that vulnerable groups include single seniors living alone, those who are not fluent in English, as well as seniors who lack family supports.



Most of the seniors housing in Richmond is located near the City Centre or in Steveston, and 12 of 21 sites are within 400 m of at least two of the following: frequent transit, retail areas and community centres, providing good car-free access to common destinations.

**Trends and Growth-Related Needs:** Seniors (65+) were the fastest growing age group in Richmond from 2006 to 2016, growing by 57% (from 21,000 to 33,000). They are expected to grow a further 16,000 to 2026, increasing from 17% of Richmond's population to 20% (Figure 29).

Figure 29: Projected Population Growth by Age Groups, 2016–2026



Source: Internal City of Richmond projections; Metro Vancouver population projections, 2021

A key need for seniors is increased supports as they age. Non-profit housing providers reported that some seniors in independent housing require additional supports to enable aging in place. Such supports are also needed for seniors in independent housing who are waiting to be admitted into assisted living or medical facilities. The cost of extra supports can exacerbate affordability challenges for seniors with health conditions: those who overspend on shelter and related supports may have little income left for other necessities.

As seniors are particularly vulnerable to heat, an emerging need is greater protection from climate change-driven extreme heat events<sup>12</sup>. This is most relevant for older units with less insulation and without air conditioning. As older buildings are often more affordable, this impact of climate change will be inequitably experienced by lower income residents.

Available data and information from non-profit housing providers point to strong and growing need for more affordable housing for seniors, including independent housing with supports. While it is difficult to estimate, 500 to 2,000 affordable units may be needed in the near future (based on current waitlists and the number of senior renter households in unaffordable housing), along with a growing need for related supports as seniors age.

## Special Housing Needs

Richmond's housing needs are as diverse as its community. While affordability, household type and age capture most needs, other needs are also important.

<sup>12</sup> BC Housing, 2019. *Special Housing in the New Climate* and BC Housing, 2017. *Climate Adaptation Framework*.

However, reliable data can be hard to obtain. This section provides some detail about people with disabilities, and captures information from local housing service providers about other special housing needs.

## Individuals with Disabilities

An individual with a disability may require a housing unit that is affordable and/or with specific supports. Individuals with disabilities have physical, sensory, or cognitive disabilities that may limit their daily activities<sup>13</sup>. As there is a wide range of abilities and diverse needs among individuals with disabilities, a range of housing options are needed to meet the individual's needs (e.g. housing adaptations, housing accessibility, independent living with supports, group homes). BC Housing provides 220 affordable housing units dedicated to individuals with special housing needs in Richmond as of March 2020.

**Current Needs:** Housing affordability is an important component as individuals with disabilities often have restricted incomes. According to the 2017 Canadian Survey on Disability, more than 6 million Canadians aged 15 years and over have a disability and less than 60 per cent of those aged 25 to 64 years are employed. While Canadians with milder disabilities earn on average 12 per cent less than Canadians without disabilities, Canadians with severe disabilities earn 51 per cent less than Canadians without disabilities. Those whose earning capacity is strictly limited may rely on Provincial disability benefits and associated rental supplements provided by Vancouver Coastal Health, which total up to \$1,750 a month to cover their household's housing, clothing, food, travel and other necessities. This is not enough to afford an independent home: non-profit housing providers serving people with disabilities report that many have to live with roommates, rent housing that is in poor condition, or live with their parents well into adulthood.

For individuals with disabilities seeking affordable independent housing, there are 79 individuals registered on the BC Housing Registry waitlist in Richmond as of June 2020. At that time, there were an additional 32 individuals in Richmond registered for a wheelchair accessible unit<sup>14</sup>.

**Trends and Growth-Related Needs:** Because the prevalence of disability increases with age (Canadian Survey on Disability, 2017), the demand for adaptable housing is expected to grow as Richmond's population continues to age. Richmond is also experiencing an increased demand for services to support individuals with disabilities city-wide.

Overall, there is a growing need for more housing for individuals with disabilities, and this housing needs to be affordable for individuals on lower incomes including those who are reliant on government benefits.

### City Contributions

Richmond policy encourages Low-End of Market Rental apartments secured market rental units to meet Basic Universal Housing standards so that they can be adapted for accessibility. This ensures that new rental units can be used by individuals with accessibility needs with only minor adaptations.

<sup>13</sup> For example, they could experience difficulties carrying out daily activities such as personal self care, meal preparation, daily shopping, mobility inside and outside of the home, use of transportation, and management of finances.

<sup>14</sup> This is likely to be an undercount, as individuals with disabilities may not be on the waitlist because BC Housing does not provide additional supports for people with disabilities, the long waitlist acts as a disincentive, individuals with disabilities often live with their parents well into adulthood, or people with disabilities may be undiagnosed or may not self-report on the BC Housing application.

## Other Special Housing Needs

Non-profit housing providers interviewed for the Housing Needs Report identified the following housing needs:

- Housing and related support services for individuals with mental health concerns, including brain injury, and substance use disorders. Needs include subsidized group homes, as well as housing suited to people who have more significant support service needs because of combined mental health and addiction challenges.
- Housing and related programs for recent immigrants, as well as services to help them access housing programs.

### City Contributions

To support family-friendly housing, City policy requires all market rental housing developments to have a minimum of 40% of units with two or more bedrooms, and encourages this standard for all multi-family developments.

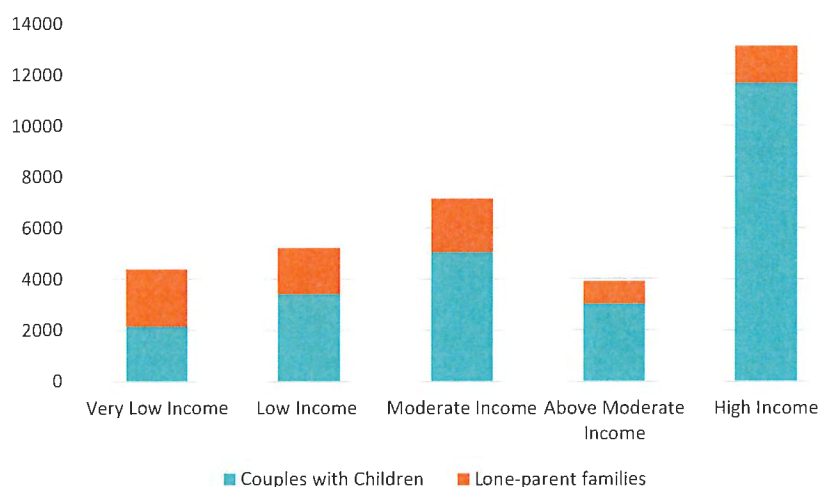
## Needs for Housing for Families

In Richmond in 2016, about 45% of households were families. They are well-represented across the entire income spectrum (Figure 30). About 75% of families were couples with children, with the remainder lone parent families, who have lower incomes on average. Half of families with children lived in single-family homes, a quarter in rowhouses and another quarter in apartments. About 75% of families owned their homes.

**Current Needs:** In 2016, the median income renter couple with children could afford a median 3-bedroom rental, while a lone parent making a median income could not afford to rent the 2-bedroom home needed to give their children a separate room.

Most couples with children have moderate and higher household incomes. This suggests that more family-friendly two and three bedroom units are needed in ownership and market rental housing than in non-market housing.

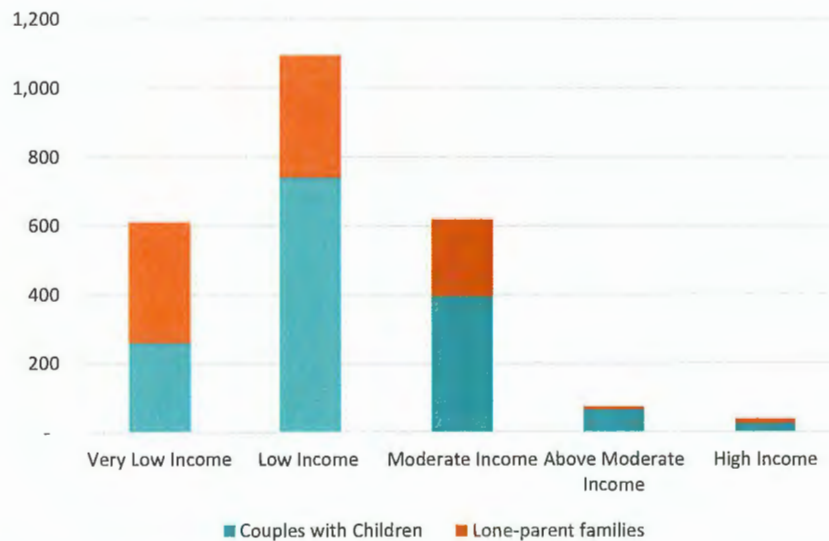
Figure 30: Number of Families by Income Category, 2016



Source: Statistics Canada, Census 2016

Among renter families with children making less than \$50,000, 1,700 (33%) were facing affordability challenges in 2016, including 700 lone-parent families in 2016 (Figure 31).

Figure 31: Number of Renter Families Experiencing Affordability Challenges by Income, 2016



Source: Statistics Canada, Census 2016

**Trends and Growth-Related Needs:** Families are expected to continue to make up about 45% of households, contributing to a projected need for almost 7,000 2+ bedroom units between 2016 and 2026 to accommodate growth. Market development will likely meet this demand; however, with rents and home prices rising to the point where many families cannot currently afford a suitable home, the new supply may not be affordable for many.

## Needs for Individuals Experiencing or at Risk of Homelessness

Homelessness describes the situation of an individual, family or community without stable, safe, and permanent housing or the immediate means and ability of acquiring it. It can result from factors such as a lack of affordable housing, discrimination and other societal barriers. It can also be connected to financial, mental, behavioural or physical challenges. Each experience of homelessness is unique and can include a wide range of living conditions, such as people living on the street, in emergency shelters, or temporarily living with a friend or family.

### Key Information

Homelessness may be divided into four categories:

- **Unsheltered or absolutely homeless:** people living on the streets, parks or in other places not intended for human habitation.
- **Emergency sheltered:** people staying in emergency shelters.
- **Provisionally accommodated:** people whose accommodation is temporary or lacking in security of tenure (i.e. staying with friend or family but without permanent and secure housing).
- **At risk of homelessness:** people who are not homeless, but whose economic or housing situation is precarious or does not meet public health and safety standards.

Source: The Canadian Observatory on Homelessness

### City Contributions

In 2019, the City of Richmond partnered with the Province of BC and RainCity Housing to open the temporary Alderbridge Supportive Housing, which provides 40 units of housing with on-site supports for Richmond residents who have experienced homelessness. Scheduled to open in 2022, the temporary Bridgeport Supportive Housing building will provide an additional 40 units of supportive housing for Richmond residents.



In Richmond, various housing options and supports are available to help people in crisis avoid or transition out of homelessness. These resources include the Alderbridge Supportive Housing, Richmond House Emergency Shelter, additional shelter spaces made available to women and children feeling domestic violence, and a range of programs delivered by local service providers and Vancouver Coastal Health.

**Current Needs:** Because homelessness is so varied, it is difficult to accurately assess the current number of Richmond residents experiencing it. For example, many people become temporarily or episodically homeless over the course of a year and are not counted in a 24-hour homeless count. Other individuals may be experiencing “hidden homelessness” as they are staying with friends or family, but do not have a permanent or secure home.

There are multiple estimates of homelessness in Richmond. For example, the 2020 Homeless Count in Metro Vancouver recorded 85 people in Richmond in a 24 hour period. A complementary measure of homelessness is an estimate by local service providers that at least 193 Richmond residents experienced homelessness between June 2018 and April 2019.

In addition to the ongoing need for individuals experiencing homelessness, Richmond non-profit housing providers identified a significant need for those who are ready to transition to permanent housing. For example, temporary accommodation is available for women fleeing violence at the Richmond House Emergency Shelter and Nova House, but additional affordable housing units are needed for people who are ready to transition to permanent housing. For people with more complex support service needs or who have experienced longer term homelessness, supportive housing can be required to enable a transition to housing stability.

**Trends and Growth-Related Needs:** As with most comparably sized municipalities in Metro Vancouver, Richmond’s homeless population has increased significantly between 2005 and 2020, nearly tripling from 33 to 85 in 15 years (Figure 32). A number of factors, including rising housing costs, persistent low vacancy rates, and limited affordable housing options, are thought to contribute to increases across Metro Vancouver. Opening the Richmond House Emergency Shelter in 2019 has kept pace with this rising demand: at the time of the 2020 Homeless Count, about 7 out of 10 individuals surveyed were sheltered, compared to 6 out of 10 in 2017.

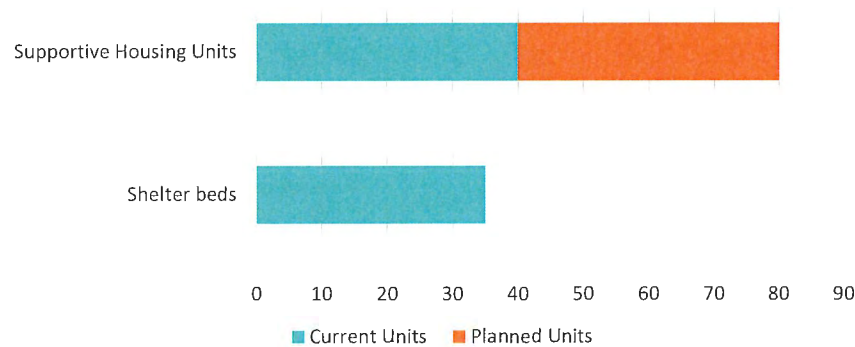
Figure 32: Number of Sheltered and Unsheltered Individuals Experiencing Homelessness in Richmond, 2005–2020



Source: BC Non-Profit Housing Association, 2020 Homeless Count in Metro Vancouver Final Data Report, 2020

The factors driving increases in homelessness are expected to remain into the foreseeable future, so needs for related housing and supports are anticipated to grow at a similar or higher rate than they have over the last five years.

Figure 33: Number of Shelter Beds and Supportive Housing Units for Individuals Experiencing Homelessness in Richmond, 2021



Source: City of Richmond records, 2021



## Summary

The analysis of housing needs in Richmond revealed the following findings:

**Housing demand is growing:** Richmond is growing, and households are getting smaller. Combined, this creates a growing need for housing, with about 1,800 new households/year projected between from 2016–2026 compared with an average of 1,200/year from 2006–2016.

**Affordability has become critical:** One quarter of Richmond's households were in unaffordable housing in 2016, a proportion that remained stubbornly high over the previous ten years. In that decade, the situation worsened for lower income households, with the number of households in Core Housing Need growing by 3,000. Affordability statistics are startling, for example:

- From 2006 to 2016, the median shelter costs for renters increased 4.5 times faster than their median household income. The cost to buy rose 77% in the same period, while incomes were virtually unchanged.
- If renter households had to move, 25% of them could not afford any market rentals in 2021. By comparison, the non-market and low-end market rental (LEMR) housing they could afford make up 16% of all rentals in Richmond.
- Home prices are so expensive that if Richmond households were buying for the first time, almost half of them couldn't afford an apartment, and 95% couldn't afford a typical house.

**Substantial non-market and low-end market rental housing is needed:**

- To meet the needs of households making less than \$70,000, a total of about 7,000 units of affordable housing (non-market and low-end market rental (LEMR)) will need to be provided from 2016 to 2026. At a third to half of the projected total housing demand for the same period, these numbers may seem high, but they are consistent with the fact that this is the only type of housing affordable to the 50% of households making less than the median income.
- Social housing waitlists are growing longer for almost all types of households, including seniors and people with disabilities.

**There is strong demand for market rental:** It is hard to estimate market rental demand, because it depends on competition from non-market and ownership housing in Richmond, as well as housing elsewhere in the lower mainland. At rates affordable to households making \$70,000+ a year, at least 2,000 units will be needed from 2016–2026. If home ownership remains out of reach for most households, driving interest in rental, the demand could be higher.

**There are many specific needs in the community for affordable housing, including:**

- Housing for low-income singles and seniors, typically non-market studio and one-bedroom homes;
- Housing for families:
  - Low-income lone-parent families, typically non-market 2+ bedroom homes;
  - Moderate-income families, typically 2+ bedroom rental homes.



**The need for housing for seniors is growing rapidly.** Seniors (65+ years) were the fastest growing age group in Richmond from 2006 to 2016, growing by 57% (from 21,000 to 33,000). They are expected to grow a further 16,000 to 2026, by which time they will make up 20% of the population. While many seniors will age-in-place, with formal and informal supports at home, 500 to 2,000 units of affordable housing will be needed from 2016 to 2026, especially for single seniors. There is also a need for independent housing with supports, and for supports for seniors transitioning from independent to more supportive housing.

**Individuals with disabilities struggle to afford independent housing,** especially if they are reliant on Disability Assistance and Vancouver Coastal Health rent supplements. These are intended to cover all basic expenses but together total less than rent for a typical 1-bedroom apartment in 2021.

**Other special housing needs include people with mental health disorders and/or substance use problems, and recent immigrants.**

**The number of individuals that are either experiencing homelessness or at risk of homelessness is increasing:** The point-in-time homeless count is increasing, as is the number of households in Extreme Core Housing Need, which grew by 1,500 between 2006 and 2016, to 6,140. This trend is likely to drive continued growth in the need for housing with supports for people experiencing or at risk of homelessness, helping them transition to long-term housing stability.

The housing needs identified by this Housing Needs Report are consistent with the priority groups identified in the Affordable Housing Strategy (2017–2027): families, low- and moderate-income households, low- and moderate-income seniors, persons with disabilities, and vulnerable populations.



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## Next Steps

Housing needs identified in this report will inform the development of new and updated City programs and policies aimed at ensuring a range of housing choices are available in Richmond for individuals and families of all ages, abilities and incomes. It will also support City and partner action to address housing needs.







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## Appendix A: Housing Needs Report Glossary

Term	Definition
<b>Adequate housing</b>	Housing that doesn't need major repairs. Typically assessed on the basis of self-reporting by residents through the Census.
<b>Affordability standard</b>	Based on whether shelter costs are equal to or less than 30% of total before-tax household income, as defined by Statistics Canada.
<b>Affordable housing</b>	Housing units that are prioritized for households that earn less than median income and cannot afford rental rates within the private market. Generally secured through regulatory approaches, such as inclusionary zoning, or with capital or operating funding from federal, provincial or local governments.
<b>BC Housing Registry</b>	A centralized database used to manage applications for social housing.
<b>Core Housing Need</b>	Housing that does not meet one or more standards for housing adequacy (repair), suitability (crowding), or affordability (no more than 30% of income spent on housing) and where the household would have to spend 30 per cent or more of its before-tax income to pay the median rent (including utilities) of appropriately sized alternative local market housing.
<b>Emergency shelters</b>	Year-round shelters for individuals temporarily in need of housing.
<b>Extreme Core Housing Need</b>	Households that meet the same criteria as households in Core Housing Need, except that shelter costs account for more than 50% of total household income.
<b>Family housing</b>	Housing that meets the needs of families including units with enough bedrooms to accommodate all members of a family household.
<b>Household Types</b>	Categories of households defined by their composition.
▪ <b>Census family</b>	A married couple and the children, if any; a couple living common law and the children, if any; or a lone parent of any marital status with at least one child living in the same dwelling.
- Couple with children	A census family that contains a married couple or a couple living common law and at least one child.
- Couple without children	A census family that contains a married couple or a couple living common law with no children.
- Lone-parent households	Families containing only one parent with her or his child(ren).
- Multiple family households	A household in which two or more census families (with or without additional persons) occupy the same private dwelling.
- Other census family	A combined category that includes census families with additional persons, for example, a family who also rents a spare room to a renter, as well as multi-generational families that live in the same household.
- Non-census family	One person living alone or a group of two or more persons who live together but do not constitute a "census family," e.g. roommates.
<b>Income categories</b>	<p>The following five income categories used throughout the report are consistent with the approach used in the Metro Vancouver Regional Affordable Housing Strategy, and are as follows:</p> <ul style="list-style-type: none"> <li>▪ <b>Very low:</b> Household income below \$30,000</li> <li>▪ <b>Low:</b> Household income between \$30,000 and \$50,000</li> <li>▪ <b>Moderate:</b> Household income between \$50,000 and \$80,000</li> <li>▪ <b>Above moderate:</b> Household income between \$80,000 and \$100,000</li> <li>▪ <b>High:</b> Household income over \$100,000</li> </ul>



Term	Definition
<b>Low End Market Rental (LEMR) housing</b>	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.
<b>Market rental housing</b>	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.
<b>National Occupancy Standard</b>	A standard developed by CMHC to determine the appropriate number of bedrooms a household requires based on household size and composition.
<b>Non-market housing</b>	Rental units managed by BC Housing, Metro Vancouver Housing, or another non-profit housing providers. These units typically provide rent geared to income or below market rental housing and are intended for very low to moderate income households. This housing type is also referred to as social housing, community housing and rent geared to income housing.
<b>Rental assistance</b>	Subsidies provided by BC Housing for households (primarily low income seniors and working families) so that they can afford to rent in the private market.
<b>Rental market, primary</b>	Housing units or buildings that specifically serve as permanent rental housing, may also be referred to as purpose built rentals.
<b>Rental market, secondary</b>	All rental units that are not purpose built, including rented condominium apartments, houses, duplexes and townhouses, as well as secondary suites, granny flats and carriage houses.
<b>Social housing</b>	See <i>Non-market housing</i> .
<b>Special needs housing</b>	Housing that meets the needs of individuals with disabilities. An individual with a disability may require a housing unit that is affordable and/or with specific supports.
<b>Suitable housing</b>	Housing that has enough bedrooms for the size and make-up of the household. This is measured according to the National Occupancy Standard (NOS).
<b>Supportive housing</b>	Long-term housing with on-site supports for individuals who are homeless or at risk of homelessness.
<b>Tenure</b>	Refers to whether the household owns or rents their private dwelling. Rental housing includes cooperative housing and housing provided with reduced rents.

## Appendix B: Housing Needs Summary Form

This Appendix contains the Summary Form required by Provincial Legislation to accompany a Housing Needs Report. Consistent with the report, “current” needs are estimated based on 2016 information, the most recent year for which Census data is available. It provides a 10-year projection of needs from 2016, equivalent to a 5-year projection from the date of this report.

## Appendix C: Core and Extreme Core Housing Need

The following table provides details of Core and Extreme Core Housing Need from 2006 to 2016, overall and by tenure.

		2006		2011		2016	
		#	%	#	%	#	%
Core Housing Need	Renter	4,070	31.6%	4,485	33.3%	5,525	33.6%
	Owner	6,205	14.2%	7,440	15.5%	7,770	15.7%
	Total	10,280	18.2%	11,930	19.4%	13,290	20.2%
Extreme Core Housing Need	Renter	1,675	13.0%	1,805	13.4%	2,410	14.7%
	Owner	3,020	6.9%	3,515	7.3%	3,730	7.5%
	Total	4,695	8.3%	5,320	8.7%	6,140	9.3%







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