



Richmond Affordable Housing Strategy

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Purpose:

To inform all applicants for Rezoning, Subdivision and Development Permit applications about the City of Richmond Affordable Housing Strategy. The Affordable Housing Strategy can be found online at www.richmond.ca/services/socialplan/housing/strategy.htm.

The West Cambie Alexandra Neighbourhood has a number of its own affordable housing calculations, which are detailed in the Area Plan. The City of Richmond Affordable Housing Strategy otherwise applies. The West Cambie Area Plan can be found online at www.richmond.ca/services/planning/ocp/sched2.htm.

Background:

As with all lower mainland municipalities, the City of Richmond has been experiencing an increasing need for additional affordable housing for its citizens. Richmond’s housing sector has seen significant and continued growth, resulting in the escalation of real estate prices and rental rates alike. These rising costs have proven out of reach for an increasing number of Richmond citizens.

Richmond City Council approved the “Richmond Affordable Housing Strategy” on May 28, 2007. A central focus of this strategy is to ensure that the City is successful in providing a range of housing options for households of different ages, family types and incomes.

The strategy recognizes that the City alone cannot adequately address the affordable housing needs of its citizens and substantial support and cooperation is required from other levels of government, non profit organizations, and the development community in order to comprehensively address these needs.

The Strategy establishes three key affordable housing priorities, housing types, and eligible tenant annual income thresholds, which are outlined below.

Priority	Affordable Housing Type	Household Annual Income Threshold
1st	Subsidized Rental	less than \$33,500
2nd	Low End Market Rental	between \$33,500 or less and \$55,000 or less
3rd	Entry Level Homeownership	less than \$60,000

Affordable is defined as meaning that no more than 30% of the gross income of a household is spent on housing costs (excluding cablevision, telephone, other telecommunications and utility fees).

Affordable Housing Strategy Implementation:

Richmond City Council has adopted the following strategies:

Townhouse & Smaller Apartment Rezoning Applications

- The City has adopted a density bonusing approach for all multi-family rezoning applications received after July 1, 2007. For townhouse developments and smaller apartment developments, a cash-in-lieu contribution towards the City's Affordable Housing Reserve is required in exchange for the increased density proposed as part of a rezoning application. This cash contribution is based on the following amounts:
 - \$2 per square foot from townhouse developments; or
 - \$4 per square foot from apartment and mixed-use developments involving 80 or less residential units.

Larger Apartment Rezoning Applications

- To ensure that affordable low end market rental units are built, the City has adopted a density bonusing approach for all multi-family rezoning applications received after July 1, 2007. To achieve a proposed density envisioned as part of a rezoning application, each multi-family or mixed-use development containing more than 80 residential units are asked to:
 - Build at least 5% of the total residential building area (based on the residential Floor Area Ratio), with a minimum 4 units, as low end market rental units.
 - Affordable housing unit types and location within the proposed development will be determined in consultation with the City's Affordable Housing Coordinator.
 - To ensure that these units are secured for low end market rental purposes a Housing Agreement will be registered on title through the rezoning process.

Single Family Rezoning Applications

- The City has adopted a density bonusing approach for all single-family residential rezoning applications received after July 1, 2007.
 - All single family lots being rezoned in order to facilitate a subdivision are required to ensure at least half (50%) of the new lots being created through the subdivision will include a single family dwelling with a secondary suite or a single family dwelling with a coach house unit; or
 - A cash-in-lieu contribution of \$1.00 per total buildable square foot on all new houses to be constructed is to be provided towards the Affordable Housing Reserves.

How are affordable housing cash-in-lieu contributions used?

- The City will utilize these cash-in-lieu contributions, deposited into the Affordable Housing Reserve Fund, to work with senior levels of government and community-based groups to provide affordable subsidized housing units in the City.

What is a Housing Agreement?

- A Housing Agreement is a contractual agreement between the property owner and the City of Richmond, which is registered on title and serves to ensure that the affordability terms established by the City remain in effect.
- The principal intent of the Housing Agreement is to specify rental rates and occupant income by unit type in perpetuity. It also establishes penalties if the terms of the agreement are breached.
- The terms and conditions of the Housing Agreement must be agreed to by the applicant prior to forwarding the proposed rezoning application to Council. Prior to execution of the Housing Agreement and registration on title, Council must adopt the Housing Agreement through the municipal bylaw process.

Unit Size, Maximum Rent & Eligible Tenant Annual Income

The Affordable Housing Strategy establishes the following requirements for low end market rental units:

Unit Type	Minimum Unit Sizes	Maximum Monthly Rent*	Total Household Annual Income ^{1*}
Bachelor	37 m ² (400 ft ²)	\$837	\$33,500 or less
One bedroom	50 m ² (535 ft ²)	\$925	\$37,000 or less
Two bedroom	80 m ² (860 ft ²)	\$1,137	\$45,500 or less
Three bedroom	91 m ² (980 ft ²)	\$1,375	\$55,000 or less

Notes:

¹ Household income may be increased annually by the Consumer Price Index.

* Denotes 2012 amounts adopted by Council on February 13, 2012.

Affordable Housing Coordinator:

For additional information on the City's Affordable Housing Strategy please contact Dena Kae Beno, Affordable Housing Coordinator, by email at dbeno@richmond.ca or by telephone at 604-247-4946.