



City of Richmond

Report to Committee

To: Planning Committee

Date: March 25, 2019

From: Barry Konkin
Manager, Policy Planning

File: 08-4057-08/2019-Vol 01

Re: **Market Rental Housing Policy and Approaches for Residential Rental Tenure Zoning**

Staff Recommendations:

1. That Richmond Zoning Bylaw 8500, Amendment Bylaw 10014 (Residential Rental Tenure) to amend the zoning for 60 parcels with purpose-built rental housing, as the first step to implement residential rental tenure zoning, be introduced and given first reading.
2. That staff be directed to conduct further analysis and stakeholder and public consultation on Council's preferred option for implementing residential rental tenure zoning for new multi-family apartment residential development and report back to Council with the findings and any necessary bylaw amendments.

Barry Konkin
Manager, Policy Planning

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Att. 3

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

Staff Report

Origin

At the September 4, 2018 Council meeting, staff presented the report titled, “Market Rental Housing Policy”, which proposed eight policy directions that, working in combination, would potentially:

- protect the stock of existing market rental housing;
- support tenants of market rental housing who may be displaced by redevelopment; and
- incentivize the construction of new market rental housing.

Council endorsed the report, adopted the policy recommendations and made the following referral:

That staff examine and report back within six months on the following:

- (i) the potential to increase incentives for market rental supply;*
- (ii) areas in Richmond that are affected and in need of Market Rental Housing;*
- (iii) ratio of 1:1 replacement of low-end market rental (LEMR) units;*
- (iv) where the City may have land and funding to incorporate co-op housing; and*
- (v) the additional items noted as “future work” in the staff report.*

The future work identified in the staff report included:

- reviewing the potential application of residential rental tenure zoning (recently enabled through amendments to the *Local Government Act*) and consider if revisions to relevant City plans, bylaws or strategies are required;
- undertaking a study on the implications of potentially waiving or reducing Development Cost Charges (DCCs) for market rental housing; and
- undertaking a study on the implications of potential property tax reductions or exemptions for market rental housing.

This report responds to the referral, and focusses largely on the potential application of residential rental tenure zoning, enabled through amendments to the *Local Government Act* which were given Royal Assent on May 31, 2018.

Background

Existing Rental Housing Supply and Demand in Richmond

Richmond’s supply of purpose-built rental housing generally falls into the following categories:

1. Market rental housing units (e.g. units rented at prevailing market rents);

2. Low-End Market Rental (LEMR) housing units secured by the City through the Affordable Housing Strategy;
3. Cooperative housing units (co-ops); and
4. Non-market housing units (e.g., units owned and operated by Metro Vancouver and other organizations);

The rental housing stock also consists of rented condominiums, single family houses, secondary suites and coach houses.

Table 1 provides a summary of the various categories of purpose-built rental housing units in Richmond.

Table 1: Estimate of Purpose-Built Rental Housing in Richmond

Estimate of Purpose-Built Rental Housing in Richmond	
Rental Housing	Number of Units ¹
Market Rental Housing Non-strata: 2,172 units; Strata: 1,314	3,486 ²
Low-End Market Rental (LEMR) Housing (257 units built/occupied to date)	799 ³
Cooperative Housing (co-ops)	989 ⁴
Non-Market Housing	2,022 ⁵
Total:	7,296
Notes/Sources: 1. All numbers are estimates based on best data available. 2. City of Richmond and Canada Mortgage and Housing Corporation. 3. City of Richmond. 4. Metro Vancouver Housing Data Book, updated to 2018. 5. City of Richmond. Includes housing units owned/managed by BC Housing, Metro Vancouver Housing Corporation and other non-profit housing providers.	

Metro Vancouver’s “Regional Affordable Housing Strategy” (2016) identified a potential demand for an additional 3,200 rental units across all incomes in Richmond between 2016 and 2026. Of this, 2,000 rental units are required over ten years to meet the needs of households with very low to low incomes and 1,200 rental units are required for households with moderate, above-moderate and high incomes. To meet this estimated demand, approximately 320 new rental units per year would need to be constructed – broken out as **200 LEMR or lower (e.g. subsidized) units per year**, and **120 market rental units per year**. Implementation of the new residential rental tenure zoning powers is a new tool that Council can utilize to secure rental housing.

It is important to note that staff have received a number of inquiries and are currently processing rezoning and development permit applications for new purpose-built market rental housing. The combined results of a potential new policy on mandatory market rental housing in addition to on-

going securement of LEMR units and the development of 100 per cent rental projects will together begin to address the need for rental housing across the City.

Current Policy Framework

Through the Official Community Plan (OCP) and other Council-adopted policies, the City encourages a diverse range of housing types and tenures to meet the needs of Richmond households.

The City's OCP has long included policies to encourage rental housing. Since 2007, the OCP has sought to limit the demolition or strata conversion of existing rental units. This policy requires the 1:1 replacement of existing rental housing units in multi-family and mixed use developments. Replacement rental units must be secured as affordable housing (LEMR units), in keeping with the City's current standards on rental rates and income levels for LEMR units.

The City of Richmond adopted a Market Rental Housing Policy (MRHP) on September 4, 2018 through amendments to the OCP and the Zoning Bylaw. The MRHP is intended to protect the supply of market rental housing units, support tenants who may be displaced through redevelopment of existing market rental sites, and incentivize the development of new market rental housing. Incentives for new market rental housing include modest density bonuses, reduced parking rates for market rental housing and the elimination of some fees. The bonus density available is modest in order to achieve the built form and neighbourhood character envisioned in the Official Community Plan and the City Centre Area Plan. The MRHP strengthened the 1:1 policy by requiring that replacement units have the same built form and number of bedrooms as the existing market rental units. (Unit sizes may be varied from the original provided on site.)

Council adopted updates to the Affordable Housing Strategy (AHS) on March 5, 2018, to address the supply of affordable housing in the city over the next ten years. The AHS defines affordable housing as housing that a single person or household can afford to rent without spending more than 30 per cent of their before-tax income. The AHS addresses a broad housing continuum, focusing on transitional, non-market and social housing, and Low-End-Market-Rental (LEMR) housing.

The 702 Single Family Lot Size Policy (Lot Size Policy) was established in 1989, and provides guidance on the development of smaller single-family lot sizes in established neighbourhoods. Staff will be reporting back on Council referrals related to the Lot Size Policy in the second quarter of 2019, which may identify opportunities to consider a range of housing options in neighbourhoods, including rental housing.

Analysis

Residential Rental Tenure Zoning - Background

Residential Rental Tenure Zoning Powers Granted Through Bill 23

On May 31, 2018, the Provincial government amended the *Local Government Act* with the Royal Assent of Bill 23, which granted local government new authority to zone for rental tenure (residential rental tenure zoning). The intent of this new legislation is to give local governments a greater ability to preserve existing areas of rental housing, and increase the supply of rental housing in their communities.

Local governments now have the power to restrict the form of tenure for multi-family residential housing units to rental only, and to require that a certain number of units, a percentage of units or a portion of a building be rental. The authority applies to any location where multi-family residential use is currently permitted, for example, within:

- locations zoned for multi-family residential;
- comprehensive development zones that permit multi-family residential; or
- other zones, such as mixed-use zones, that permit multi-family residential use in tandem with other uses.

In accordance with the enabling provincial legislation:

- residential rental tenure zoning may not be varied by Development Permits, Development Variance Permits, Heritage Alteration Permits or by the Board of Variance; and
- if a bylaw to amend tenure to rental is adopted for a property, any existing non-rental residential tenure is permitted to continue. A change in ownership or a change of tenants would not affect the non-conforming tenure. However, redevelopment of an existing multi-family site, strata wind-up or the addition of units in a building would require conformance to the rental tenure zoning adopted for the subject property.

Local Government Precedents

A review of rental housing policies in other municipalities was undertaken to demonstrate how other municipalities are using or are planning to use the power to zone for rental tenure as per Bill 23. Twelve municipalities were surveyed and nine were found to be actively considering how to use this new tool. Attachment 1 provides a summary table of municipal approaches to residential rental tenure zoning.

While several municipalities are exploring use of the tool, Burnaby and Port Moody have prepared new rental zones and are considering how to apply these going forward. New Westminster has rezoned six privately owned and 12 City-owned sites for residential rental tenure.

The following section of this report outlines a proposed three-step process to implement residential rental tenure zoning.

Proposed Step 1: Rezone Existing Purpose-Built Rental Housing

Rental tenure zoning is a powerful tool Council can utilize to protect and secure rental housing. The tool offers a number of advantages to Richmond's current approaches to protect and increase the supply of rental housing. These advantages include:

- the ability to secure rental units without the need for a Housing Agreement or other legal agreements;
- a high degree of transparency as the requirement for rental units for specific properties would be clearly established in Richmond Zoning Bylaw 8500 (as amended from time to time); and

- the ability to complement both long-standing and new OCP policy approaches related to rental housing.

Staff recommend that Council consider the following approach to implementing residential rental tenure zoning in Richmond:

1. Rezone a number of existing purpose-built rental housing sites to limit the form of tenure to residential rental tenure if such sites are redeveloped. This step is intended to address the following forms of rental housing:
 - market rental housing that is not strata-titled;
 - non-market housing; and
 - cooperative housing.

Staff recommend that the City pursue preserving residential rental tenure on these properties through Richmond Zoning Bylaw 8500, Amendment Bylaw 10014. This action would reflect the importance of rental housing in the City's overall housing stock. Rezoning for rental tenure, together with the OCP's 1:1 replacement policy, will make it abundantly clear that the City's expectation is for these market rental, non-market rental and cooperative housing sites to be maintained for the long term.

It should be noted that Richmond has a number of market rental buildings that were strata-titled at the time they were built. Many of these buildings are long-term rental sites that contribute to the rental housing supply in the city. Current OCP policy sets the expectation that rental units in these buildings be replaced at the time of redevelopment. These sites are not recommended for rental tenure zoning given their current strata-titled tenure, the challenge of monitoring the sale of individual units and the potential for occupancy by owners. This could, however, be an area for further exploration.

It is also recommended that rental units secured through Housing Agreements or other legal mechanisms not be subject to rental tenure zoning. This would include Low-End Market Rental (LEMR) units that have been secured through the City's Affordable Housing Strategy and some existing market rental units. Other more recent non-market housing buildings that have similarly been secured through Housing Agreements and/or other arrangements (e.g. Kiwanis and Storeys) are also proposed to not be candidates for rental tenure zoning.

Congregate housing and care facilities are also not proposed to be included. These types of housing often involve regulation under the *Community Care and Assisted Living Act* (e.g. the *Residential Tenancy Act* may not apply), or shared living arrangements with supportive services.

Table 2 identifies the number of parcels and units that are recommended for residential rental tenure zoning. Zoning Bylaw 8500, Amendment Bylaw 10014 would rezone the 60 affected parcels to preserve rental tenure currently on site.

**Table 2:
Number of Parcels and Units Recommended for Residential Rental Tenure Zoning**

Number of Parcels and Units Recommended for Residential Rental Tenure Zoning		
Rental Housing	Number of Parcels ¹	Number of Units ¹
Market Rental Housing (non-strata only)	21	1,711 ²
Non-Market Housing (non-LEMR, non-Kiwanis/Storeys)	22	1,425 ³
Cooperative Housing (co-ops)	17	989 ⁴
Total	60	4,125
Notes/Sources: 1. All numbers are estimates based on best data available. 2. City of Richmond and CMHC. 3. City of Richmond. Includes housing units owned/managed by BC Housing, Metro Vancouver Housing Corporation and other non-profit housing providers. Does not include Low -End Market Rental (LEMR) units or similar housing secured through Housing Agreements (e.g. Kiwanis or Storeys). 4. Metro Vancouver Housing Data Book, updated to 2018.		

A map showing the locations of the 60 potential parcels for residential rental zoning is shown on Attachment 2. These parcels are currently primarily or exclusively used for rental housing.

Bylaw 10014, if adopted by Council, would amend Richmond Zoning Bylaw 8500 to:

1. define “residential rental tenure zoning” with reference to the specific forms of rental housing included (e.g. market rental, non-market and cooperative housing); and
2. amend the zones for all of the recommended parcels to indicate that residential rental tenure only is permitted on the site.

The proposed definitions, as presented in Bylaw 10014, are shown below.

- “**Residential rental tenure**” means, in relation to a **dwelling unit** in a multi-family residential **building**,
- a) occupancy of a **dwelling unit**, including a **market rental unit** or **non-market housing unit**, governed by a tenancy agreement that is subject to the *Residential Tenancy Act* (BC), as may be amended or replaced from time to time;

- b) occupancy of a **non-market housing unit** governed by a tenancy agreement which may or may not be subject to the *Residential Tenancy Act* (BC), as may be amended or replaced from time to time, and where the landlord is B.C. Housing Management Commission or a non-profit society incorporated under the *Society Act* (BC), as may be amended or replaced from time to time, where the society's objectives include the provision of rental housing; and
- c) occupancy of a **cooperative housing unit**.

“Cooperative housing unit” means a **dwelling unit** in a multi-family residential development owned and operated by a housing cooperative association incorporated under the *Cooperative Association Act*, as may be amended or replaced from time to time.

“Non-market housing unit” means a **dwelling unit** that

- a) has received upfront (capital) and/or ongoing (operating) direct government funding,
- b) has a rental rate at or below average rent in the City of Richmond as defined by the Canada Mortgage and Housing Corporation, or such other national governmental housing agency as may replace the Canada Mortgage and Housing Corporation, and
- c) is targeted for occupancy by households who earn less than median income.

A definition of “market rental unit” was inserted into Richmond Zoning Bylaw 8500 when the Market Rental Housing Policy was adopted in September 2018. No amendment to the existing definition is required:

“Market rental unit” means a **dwelling unit** that is rented at prevailing rates and is subject to a **market rental agreement**.

The 16 zones which currently include the three forms of rental housing proposed for rental tenure are listed below:

- Low Density Townhouses (RTL1, RTL2, RTL3, RTL4);
- Low Density Low Rise Apartments (RAL1, RAL2);
- Medium Density Low Rise Apartments (RAM1, RAM2, RAM3);
- Steveston Commercial (CS2, CS3);

- Residential/Limited Commercial (RCL1, RCL2, RCL3, RCL4, RCL5);
- Town Housing (ZT28) – Odlinwood (West Cambie);
- Town Housing (ZT38) – Williams Road (Shellmont);
- Town Housing (ZT75) – Rosewood (Blundell);
- Town Housing (ZT76) – Steveston;
- Town Housing (ZT78) – Thompson and Steveston;
- Low Rise Apartment (ZLR33) – Brighthouse Village (City Centre);
- Low Rise Apartment (ZLR34) – Brighthouse Village (City Centre);
- Low Rise Apartment (ZLR35) – St. Albans Sub Area (City Centre);
- Low Rise Apartment (ZLR36) – Brighthouse Village (City Centre);
- Commercial Mixed Use (ZMU18) – The Gardens (Shellmont); and
- Non-Profit Residential (ZR3) – Williams Road (Seafair).

These zones will be amended to identify that residential rental tenure zoning is permitted anywhere in the zone and only on the sites mentioned.

Richmond Zoning Amendment Bylaw 10014, included in this report, would create the required definitions and the proposed zone amendments which indicate residential rental tenure by property address and parcel identifier (PID). If Council endorses this step, affected property owners and other interested parties will have the opportunity to discuss the proposed bylaw at the Public Hearing. A specific letter advising property owners and tenants of the proposed bylaw amendment will be mailed out after first reading of the bylaw. There will also be the standard Public Hearing notice in the local newspaper, in accordance with the notification requirements set out in the *Local Government Act*.

Proposed Step 2: Establish a Mandatory Market Rental Requirement in all Existing High-Density Apartment Residential Zones

This step proposes using the new residential rental tenure zoning power to require market rental housing units in existing high-density zones where there is multi-family apartment redevelopment potential without the need for rezoning. This action could be particularly effective for a number of properties which were pre-zoned in the 1980s in an attempt to encourage redevelopment within the City Centre. These are properties that can redevelop without a Zoning Bylaw amendment, and would only require consideration and issuance of a Development Permit.

The following points characterize this step **PLN - 49**

- This is a form of “future proofing” for specific zones that currently permit multi-family housing at higher densities and may not require rezoning to redevelop;
- Richmond Zoning Bylaw 8500 would be amended to insert a mandatory requirement for market rental housing in the following zones:
 - Medium Density Low Rise apartments (RAM1, RAM2, RAM3);
 - High Density Low Rise Apartments (RAH1, RAH2);
 - Residential/Limited Commercial (RCL1, RCL2, RCL3, RCL4, RCL5); and
 - Downtown Commercial (CDT1, CTD2, CDT3).
- Residential rental tenure zoning would not affect existing uses or tenure, but would come into effect at the time of redevelopment;
- A minimum percentage of residential floor area or units (e.g. 10%) could be secured as market rental units, as a zoning requirement. The amount of the mandatory requirement would be established to help achieve Richmond’s rental demand estimates;
- It is recommended that a mandatory requirement apply to apartment projects that provide more than 60 apartment dwelling units; and
- This could be considered a “claw back” of some of the development rights on these properties, but is within the municipality’s authority to implement.

Staff note that few properties currently zoned for apartment residential would be suitable for redevelopment without a rezoning application approved by Council, but there is potential for these properties to redevelop under existing zoning entitlements.

This step is proposed for implementation after the completion of step 1 (Rezoning of Existing Purpose-Built Rental Housing). If endorsed by Council, staff will consult with property owners and refine the proposed zoning amendments, confirm implementation details and report back to Council.

Proposed Step 3: Undertake further analysis and stakeholder and public consultation to assess the feasibility of a mandatory requirement for market rental units in all future apartment multi-family developments

This step proposes that further analysis and consultation be undertaken to consider how residential rental tenure zoning could be used through the development process to increase the supply of market rental apartment housing in Richmond. Three options are presented for consideration:

- Option 1: Mandatory Market Rental Requirement Through Rezoning, with Incentives (**Staff Preference**)

- Option 2: Mandatory Market Rental Requirement Through Rezoning, with no Incentives; and
- Option 3: Voluntary Provision of Market Rental Units with Current Incentives

Apartment residential has been the fastest growing sector of the housing market for the past five years. It also represents the highest total number of housing unit types in Richmond. Focusing on apartment residential has the greatest potential to generate new rental housing units and, by clustering more rental units within a single project, the efficiency of rental management can be improved.

In Options 1 and 2, a potential 10 per cent market rental requirement in all future apartment residential development is suggested. This is considered a reasonable target that would achieve a significant portion of Richmond's demand estimate of 120 new market rental units per year.

Use of the residential rental tenure tool would allow the City to secure new market rental units without the need to utilize a Housing Agreement. This would result in a streamlined process as there would be no Housing Agreement Bylaw and/or related legal agreements, and no associated staff reports for Council consideration.

Option 1: Mandatory Market Rental Requirement Through Rezoning, with Incentives (Staff Preference)

Residential rental tenure zoning could be implemented at time of rezoning to secure a mandatory number or proportion of market rental units within all new apartment residential developments, with a modest density bonus provided. The following points characterize Option 1:

- A minimum percentage of residential floor area or units (e.g. 10%) could be secured as market rental units, as a zoning requirement;
- To reduce any associated financial impact to developers, a density bonus and other incentives (e.g. similar to those identified in the Market Rental Housing Policy) could be provided;
 - It is important to note that in certain areas of the city that are subject to existing flight path height restrictions (e.g. YVR Airport Zoning Regulations), it can be problematic to achieve existing density entitlements, let alone any additional density for rental housing;
- A higher density bonus could be considered for developments that provide more than the Council-prescribed minimum amount of market rental units;
 - Areas outside the City Centre, such as Neighbourhood Service Centres or other areas along Frequent Transit Networks, could be suitable for additional density bonus, subject to further review;
 - Other sites which could be considered for additional density include those in proximity to specific amenities (e.g. transit, school and park sites), subject to further review.

Option 2: Mandatory Market Rental Requirement Through Rezoning, with no Incentives
 Similar to Option 1 above, market rental units could be secured at the time of rezoning as a mandatory requirement, but with no density bonus provided. 10 per cent of the residential floor area or total number of units could be secured as market rental housing.

Between 2011 and 2017, 5,171 multi-family units were issued building permits in Richmond (average of 738 units per year). Had a policy been in place to secure 10 per cent of multi-family units as market rental housing, over the six-year time period the City could have secured over 70 market rental units per year, or approximately 60 per cent of the estimated annual market rental demand.

Option 3: Voluntary Provision of Market Rental Units with Current Incentives
 Residential rental tenure zoning could be implemented at time of rezoning to reflect the number of market rental units that were voluntarily provided within new apartments or negotiated through the development process. While no mandatory requirements would apply, the zoning put into place at the time of approval would reflect the number of market rental units voluntarily provided or negotiated and secured as rental tenure units. This option is similar to the incentives-based approach of the existing OCP Market Rental Housing Policy.

Staff Recommendation on Step 3

Of the three options presented in this report, staff are of the opinion that ***Option 1: Mandatory Market Rental Requirement Through Rezoning, with Incentives*** is an appropriate way to implement residential rental tenure zoning. This option has particular merit in meeting Richmond's housing objectives and rental housing demand estimates going forward.

Option 1 would require additional study to review and confirm:

- the amount of the mandatory requirement (e.g. 10 per cent of residential floor area or units has been initially suggested as it reflects current approaches and would achieve a significant portion of annual market rental annual);
- the nature and amount of any proposed incentives (e.g. a density bonus);
- how the option would align with the City's Affordable Housing Strategy and the current density bonus approach to securing Low-End Market Rental Units; and
- the anticipated take up by the development community of a mandatory requirement with incentives.

Should the City adopt a mandatory requirement that includes incentives, this would represent a departure from the incentives-based approach recently adopted in the Market Rental Housing Policy. While an amendment to OCP policy would thus be required, it is expected that several elements of the Market Rental Housing Policy – such as requirements for Tenant Relocation Plans and like-for-like replacement of existing units – would continue. The OCP would also continue to require that all multi-family developments provide a minimum of 40 per cent of the units with two or more bedrooms that are suitable for families with children.

It is recommended that Council consider endorsing Option 1 and that staff be authorized to undertake further analysis and stakeholder and public consultation on Council's preferred option for implementing residential rental tenure zoning.

Six Month Referral on Market Rental Housing

This section provides a response to the first four items in the September 4, 2018 Council referral.

Incentives

Staff have examined a variety of potential incentives, including a number that were discussed during the public consultation process for the Market Rental Housing Policy (MRHP). Specific incentives examined to date include:

- *Parking* – Reduced parking rates for market rental housing were adopted as part of the MRHP in 2018. More recently, staff identified the potential for additional parking reductions with the provision of enhanced Traffic Demand Management (TDM) measures. At this time, staff do not recommend a further reduction of parking for market rental housing as the parking framework appears adequate and was based on a comprehensive assessment of market rental sites in Richmond. Staff, however, will continue to encourage enhanced TDM measures on a site-specific basis. Provision and approval of such measures could result in additional parking reductions for new market rental developments. Staff will monitor parking utilization for purpose-built market rental developments as they are completed, and will re-visit parking requirements as needed.
- *Property Tax Exemptions / DCC Waivers* – Staff have retained Coriolis Consulting Corporation to assess the impact of potential property tax exemptions and DCC waivers on the financial performance of new market rental development. They also analyzed the impact of these possible financial incentives on municipal finances. A Revitalization Tax Exemption agreement and bylaw would allow municipal property tax exemptions for a period of up to ten years. The estimated benefit of a tax exemption is approximately \$8,100 to \$8,500 per unit. The estimated benefit of a DCC waiver is approximately \$17,000 to \$22,000 per unit.

While both property tax exemptions and DCC waivers would enhance the profit potential for a market rental housing project, the impacts would be small, and would not offset the high land costs that impact the profit margin for a project. Even with both incentives, market rental development would still be significantly less profitable than strata development and a large increase in supply would not be expected.

The intent of DCCs is to ensure that new development pays for the infrastructure needed to support growth. Therefore exempting or reducing DCCs for market rental housing would mean that the infrastructure required to support that growth would need to be funded by an alternative source (e.g. higher DCC rates for other forms of development or a larger tax base). Additionally, pursuant to the *Local Government Act*, not all rental housing projects would qualify as eligible developments for DCC waivers. Eligible developments with respect to rental housing are limited to not-for-profit rental housing and for-profit affordable rental housing, as specified in a Council-approved DCC waiver bylaw required by the *Local Government Act*.

The estimated combined impact of DCC waivers and a ten year tax exemption for a modest amount of market rental housing development – along the order of 120 units per year – would be an increase on the residential tax rate of approximately 2.3%. In the consultant’s opinion, the most effective incentive that can be provided in support of market rental housing is additional density.

Attachment 3 provides a summary of the consultant’s preliminary findings.

- *Density Bonus*: Increasing the density bonus structure could help off-set some of the development costs associated with a rental project. Within the City Centre, constraints imposed on development in the City Centre by the YVR flight path make it difficult to achieve the current density entitlements of the City Centre Area Plan. Adding additional bonus density for rental housing would be additionally challenging to incorporate into development, without significant impacts on urban design and built form, resulting in inferior projects with negative streetscape impacts.

However, there are locations in other areas of the City where the YVR flight path would not impact the potential to capitalize on additional density, but these locations would require updates to Area Plans and /or the Official Community Plan to allow new development in these areas. Such updates would require detailed analysis of potential locations where built form could functionally accommodate higher density.

Neighbourhoods in Need of Market Rental Housing

With a vacancy rate of less than 1 per cent, more market rental housing is needed in all areas of the Richmond. The results of the 2016 Census indicate that some neighbourhoods (e.g. East Cambie, Blundell, City Centre and parts of Broadmoor) have higher proportions of renter households. While these areas also tend to be better supplied with rental housing, other neighbourhoods (e.g. Terra Nova and Seafair) have little rental housing available.

The Market Rental Housing Policy established locational guidelines where a modest density bonus was considered appropriate. These locations – City Centre, within 400 m of the Frequent Transit Network and within the OCP’s eight Neighbourhood Service Centres – continue to have merit. Through future Neighbourhood Service Centres planning and future updates to the OCP and Area Plans, there will be an opportunity to re-visit land use and the potential for more market rental housing in these and other locations.

1:1 Replacement Ratio

The September 4, 2018 Council referral identified a desire to re-visit the current 1:1 replacement ratio, as required by the OCP for all types of rental housing, including market rental. This policy was first introduced into the OCP in 2007 and requires that replacement units comply with the City’s established Low-End Market Rental rates and tenant income thresholds.

The 1:1 replacement policy was modified in 2018 to reflect the desire for “like-for-like” replacement for market rental units (e.g. same number of bedrooms and ground orientation). OCP policy was also amended at the time to grant existing tenants the right-of-first refusal to return to one of the replacement units at LEMR rates and without having to meet the specified

income thresholds. New and future tenants, however, would be required to meet income thresholds.

There have been very few development applications for lands occupied by existing rental housing. This may indicate that the current “no net loss” rental policy has been successful in preserving existing rental units in Richmond. Given the above, staff believe it is premature to revisit the 1:1 replacement ratio at this time. In addition, if Council were to direct staff to implement a mandatory requirement for market rental units in all development projects (e.g. Option 1 of Proposed Step 3), this would, in tandem with the existing 1:1 replacement ratio have the potential to substantially address city-wide rental housing needs.

Future Cooperative Housing Opportunities

There are 17 non-profit housing co-operatives located in the city of Richmond. Many of these offer both market as well as subsidized rental units, and have unit types to accommodate a wide range of housing needs.

Of these 17 cooperatives, 16 have operating agreements that will expire between 2020 and 2024. Operating agreements in BC were generally secured between the 1970s and early 1990s and provided co-ops with subsidies from senior government to support their financial viability, including supporting subsidized rents for low-income tenants. In 2017, the federal government, as part of the National Housing Strategy, committed funding to extend the operating agreements of housing co-ops to 2028.

The Provincial and Federal governments have recently committed significant funding to support affordable housing development, including co-ops. These funding sources include the Building BC: Community Housing Fund and the National Housing Co-Investment Fund: Housing Construction Stream. The Building BC: Community Housing Fund has committed to providing \$1.9 billion over 10 years to deliver 14,350 affordable, rental homes through partnerships with municipalities, non-profits, housing cooperatives, and indigenous organizations. The National Housing Co-Investment Fund: Housing Construction Stream has committed \$5.19 billion available through low-cost repayable loans over 10 years and \$2.26 billion available through capital contributions over 10 years.

Staff have reviewed City-owned land for potential cooperative and affordable housing developments. Based on the current land inventory, there are limited options available. Staff will continue to work with Real Estate Services to monitor land acquisition opportunities on an ongoing basis. Community Services staff will continue to work with Federal and Provincial agencies, and the cooperative housing sector to identify opportunities to increase the supply of cooperative housing in Richmond.

Moderate Income Rental Housing

There is a growing recognition across Metro Vancouver of the need to provide housing that meets the needs of moderate income residents. Should Council endorse a framework for securing rental units as part of all future apartment residential development, rental tenure zoning could be used to secure units, and additional requirements could be further secured with a Housing Agreement.

Council could consider defining a moderate income range and associated rents at a rate that does not exceed 30 per cent of the moderate income range (median household income in Richmond was \$65,241 in the 2016 Census). As moderate income rental housing is a form of affordable housing under the *Local Government Act*, implementation would be similar to the City's current approach to securing LEMR units:

- OCP policy to guide how and where moderate income housing is secured, including details on how a density bonus would be provided;
- density bonus provisions in the Zoning Bylaw; and
- a standard Housing Agreement for moderate income rental housing to be applied as a condition of the rezoning approval.

As outlined above, securing moderate income rental housing would not affect the City's existing Affordable Housing policy or the policy to secure LEMR units through development.

Should Council direct staff to explore opportunities for moderate income rental housing, staff would include this in the stakeholder and public consultation described below.

Further Analysis

To further assess the implications of establishing residential rental tenure zoning in new developments, staff propose that further analysis be undertaken. This would entail completing a pro-forma based economic analysis to assess the viability of Council's preferred option. This work, which would entail retaining external assistance, would also include a review of recent proposals to amend the BC Building Code which would allow wood-frame construction up to 12 storeys.

Stakeholder and Public Consultation

Staff propose to convene facilitated stakeholder workshops and a public open house to discuss and gather feedback on Council's preferred option for implementing residential rental tenure zoning. The stakeholder workshops and open house are proposed to take place in late May and early June 2019. All meetings would be held at City Hall.

The stakeholders proposed to be consulted at the workshops include:

- members of the development community (e.g., Urban Development Institute, Richmond Home Builders);
- housing, not-for-profit and related sectors (e.g., Community Land Trust, Metro Vancouver, Richmond Centre for Disability, Richmond Poverty Coalition, VanCity);
- rental building owners and managers in Richmond (e.g. including private and public entities such as BC Housing and the Metro Vancouver Housing Corporation); and
- Landlord BC, an industry resource and advocacy group for the rental housing industry across the province.

Let's Talk Richmond.ca and other social media will also be used to encourage discussion from the public on the proposed implementation of residential rental tenure zoning.

At completion of the public consultation period, a report will be forwarded to Council which summarizes the consultation findings and brings forward any additional recommended OCP or Zoning Bylaw amendments to implement the preferred approach to residential rental tenure zoning, anticipated for the third quarter of 2019.

If authorized by Council, staff will continue to refine the consultation approach and update Council of any changes.

Financial Impacts

None.

Conclusion

Under the recently adopted amendments to the *Local Government Act*, BC municipalities now have the power to zone for residential rental tenure. Based on staff review of this new tool, three steps to implementing residential rental tenure zoning are proposed.

1. Proposed Step 1: Rezone Existing Purpose-Built Rental Housing
This proposed rezoning would affect approximately 4,125 market rental, non-market rental and cooperative housing units. It is recommended that Richmond Zoning Bylaw 8500, Amendment Bylaw 10014, to apply residential rental tenure to 60 parcels be introduced and given first reading
2. Proposed Step 2: Establish a Mandatory Market Rental Requirement in all Existing High-Density Apartment Residential Zones
Under this step, residential rental tenure zoning would be used to require market rental housing units in existing high-density zones where there is multi-family redevelopment potential without the need for rezoning. This step is proposed for implementation after the completion of Step 1.
3. Proposed Step 3: Undertake further analysis and stakeholder and public consultation to assess the feasibility of a mandatory requirement for market rental units in all future multi-family developments.

Three options to apply residential rental zoning for future multi-family apartment developments were identified. Option 1: Mandatory Market Rental Requirement Through Rezoning, with Incentives (Staff Preference) appears to have particular merit in achieving the City's desire to encourage a diverse range of housing tenures and affordability to meet the needs of Richmond households.

It is recommended that staff be directed to conduct further analysis and stakeholder and public consultation on Council's preferred option for implementing residential rental tenure zoning for new multi-family apartment residential development and report back to Council with the findings and any necessary bylaw amendments. This consultation would include discussion on Moderate Income Rental Housing.



Jeanette Elmore
Planner 2



Tina Atva
Senior Planning Coordinator

Attachments:

1. Municipal Approaches to Residential Rental Tenure Zoning
2. Maps of Recommended Sites for Residential Rental Tenure Zoning
3. Summary of Financial Analysis for Potential Market Rental Development Incentives – Coriolis Consulting Corp.

JE:TA:cas

**Summary Table of Municipal Approaches to Residential Rental Tenure Zoning
(as of March 2019)**

Municipality	Approach to Rental Tenure Zoning	Details
City of Burnaby	Zoning Bylaw Amendments (Adopted by Council, December 2018)	<ul style="list-style-type: none"> • Framework established for adding new sub-zones to each multi-family zone to allow rental housing at the same density and under the same conditions of the parent zone. • Sub-zones have not yet been applied to any parcels; City staff is exploring policies for applying the rental zoning. • Housing agreements would still be required for secured rental of any kind.
City of Vancouver	Policy Review (Goal: 2019)	<ul style="list-style-type: none"> • Council direction was given to staff to investigate density bonus provisions for rental housing in commercial zones, and to explore the use of rental zoning to meet 10-year market rental housing targets. • City staff is currently reviewing their Rental 100 and rental incentives programs, which may incorporate a review of the rental zoning authority.
City of Surrey	No approach specified	<ul style="list-style-type: none"> • Council endorsed an Affordable Housing Strategy in April 2018 which did not address rental tenure zoning as it predated the new rental zoning authority. • Staff have completed some initial research into rental zoning, but no direction has been provided by Council yet. • The City is in the process of updating its Zoning Bylaw, which may facilitate future amendments to accommodate rental tenure zoning.
City of Port Coquitlam	Policy Review (Goal: 2019) Zoning Bylaw Amendments by Rezoning Application (Third Reading, October 2018)	<ul style="list-style-type: none"> • City staff is currently reviewing rental policies with the goal to bring recommendations forward to the public and Council for consideration some time in 2019. • Rental tenure zoning is being proposed through a current rezoning application for non-market rental housing on a site owned by Metro Vancouver. The proposed Zoning Bylaw amendments include a definition for “residential rental tenure” and restrictions on the tenure for permitted multi-family residential uses within a new comprehensive development zone.
City of New Westminster	Zoning Bylaw amendments (Adopted by Council, January 2019)	<ul style="list-style-type: none"> • Zoning Bylaw amendments have been adopted to secure rental units at 6 existing stratified rental buildings and 12 city-owned properties that may be considered for future housing projects. • The Zoning Bylaw amendments include a “residential rental tenure” definition and regulations within bylaw sections that restrict tenure of housing units on the 18 properties to rental only.
City of North Vancouver	Zoning Bylaw Review (Goal: 2020)	<ul style="list-style-type: none"> • Staff were directed to explore the use of rental-only zoning as part of a comprehensive Zoning Bylaw review. This project is in early phases and anticipated to be completed sometime in 2020.

City of Victoria	Report to Committee of the Whole (December 2018)	<ul style="list-style-type: none"> • Staff explored options for implementing residential rental tenure zoning, and presented a report to Council in December 2018. • Following the recommendations made by City staff, Council directed staff to prepare amendments to the Zoning Bylaw to introduce a new definition for ‘residential rental tenure’, to apply the zoning to zones with secondary or garden suites as accessory uses, and to apply the new zoning to all new applicant-initiated rezoning for rental housing (housing agreements to still be required).
Resort Municipality of Whistler	No approach specified	<ul style="list-style-type: none"> • Staff is in the early stages of exploring options for five proposed, privately developed rental housing projects, which have the potential to incorporate the rental tenure zoning.
City of Coquitlam	No approach specified	<ul style="list-style-type: none"> • Staff have briefed Council on the new rental tenure zoning authority, and have not received any specific Council direction. • As the City has received a high volume of applications for purpose-built rental units as a result of a suite of Affordable Housing Strategy incentives (i.e., density bonus, density transfer and Affordable Housing Reserve Fund), it is anticipated that Council will not direct staff to explore rental-only zoning powers.
City of Port Moody	Zoning Bylaw Amendments by Rezoning Applications (Report to Council, December 2018)	<ul style="list-style-type: none"> • As directed by Council in September 2018, City staff prepared amendments to the Zoning Bylaw to establish a Multi-Residential Rental use that would be applicable to four separate properties. The amendments would involve comprehensive development zones and a new sub-zone to allow rental housing at the same density and under the same conditions of the parent zone. • Two of the four properties have purpose-built rental housing units and the other two sites have development approvals with rental units secured by housing agreements. • Upon receiving the staff report and bylaw amendments, Council directed staff to consult the owners of the four properties prior to further consideration of the proposed amendments.
Town of Ladysmith	<p>Zoning Bylaw Amendments by Rezoning Applications (First and Second Reading granted, January 2019)</p> <p>OCP Amendment (First and Second Reading granted, January 2019)</p>	<ul style="list-style-type: none"> • Rental tenure zoning is being proposed at a single, privately owned site. The proposed Zoning Bylaw amendments include a new “residential rental tenure” definition and a new comprehensive development zone (“Community Housing”) specifying that all residential units must be rental tenure. A Housing Agreement Bylaw is also proposed. • The OCP amendment includes new policies to encourage rental tenure housing in multi-unit developments and to support greater density through the provision of not-for-profit rental tenure housing in a community housing development and where a housing agreement is established.

District of Squamish	Report to Committee of the Whole (February 2019)	<ul style="list-style-type: none"> • District Council received a report that set out a number of options for implementing residential rental tenure zoning. • Rental tenure zoning was proposed to be applied to 12 existing purpose built, non-stratified rental buildings with 6 or more units. • Rental tenure zoning would reflect the number of units which currently exist on the site, rather than apply to the entire property. This was intended to support the financial viability of rental redevelopment through incorporating strata market housing. • Any future rezoning applications on the 12 affected properties could be subject to additional density to offset any potential impact from rental tenure restrictions. • District Council received the report and directed staff to prepare a Zoning Bylaw amendment that introduces residential rental tenure zoning.
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Recommended Sites for Residential Rental Tenure Zoning

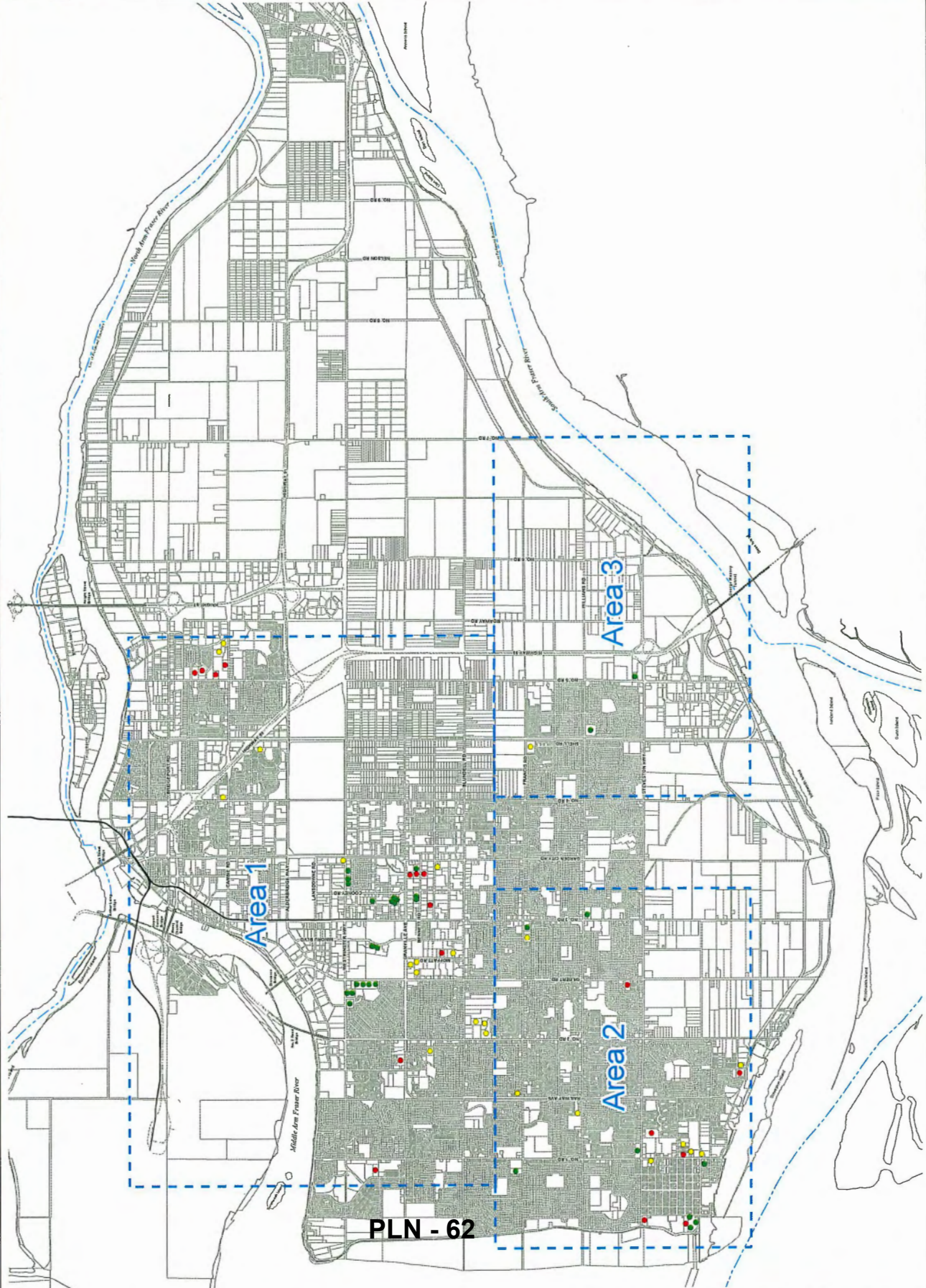
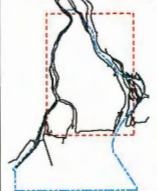


- Legend**
- New Market Rental Housing (Non-Street) (30 Addresses)
 - Non-Market Housing (23 Addresses)
 - Cooperative Housing (17 Addresses)

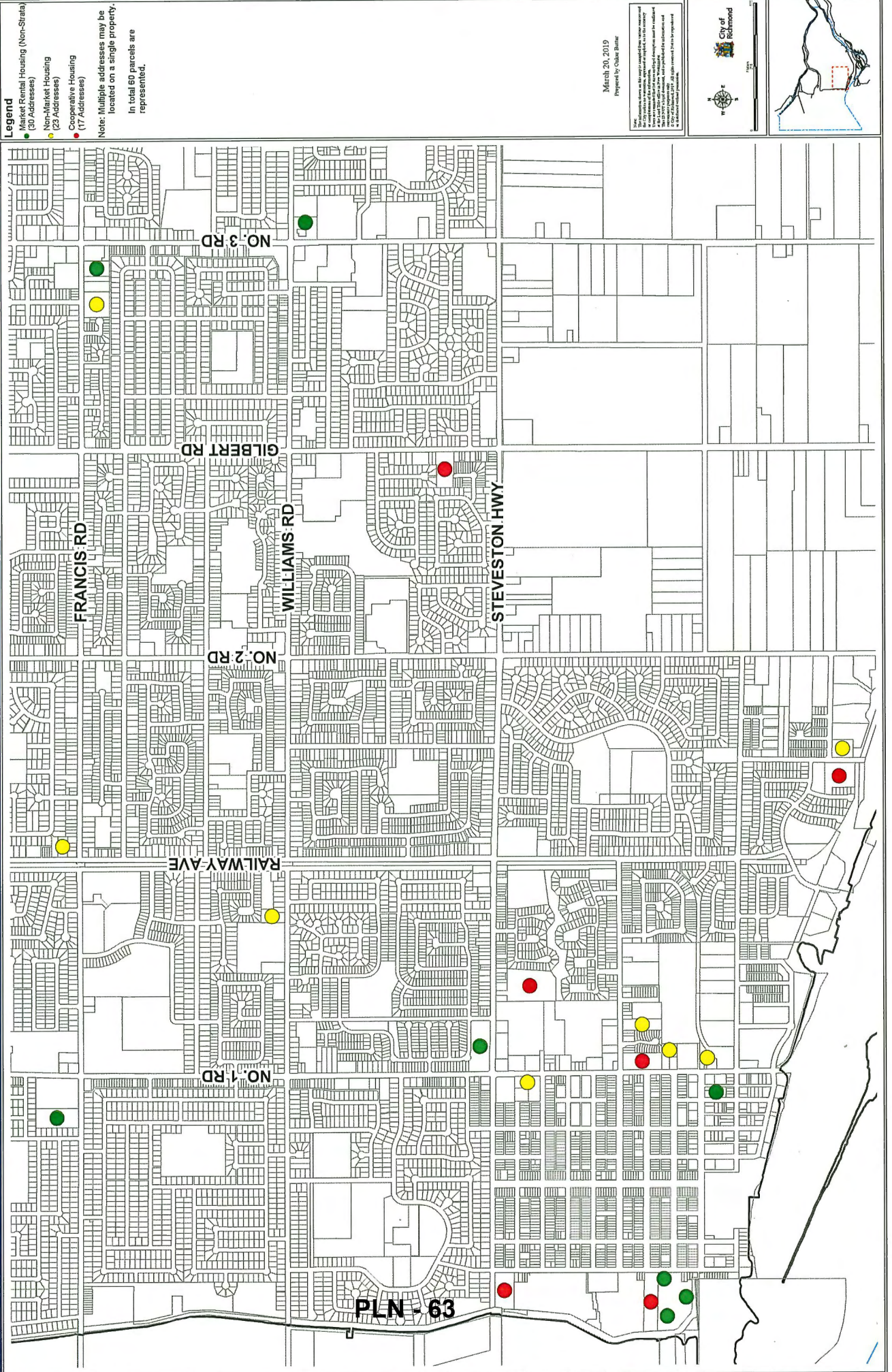
Note: Multiple addresses may be located on a single property. In total 60 parcels are represented.

March 20, 2019
Prepared by: Chalar Blumler

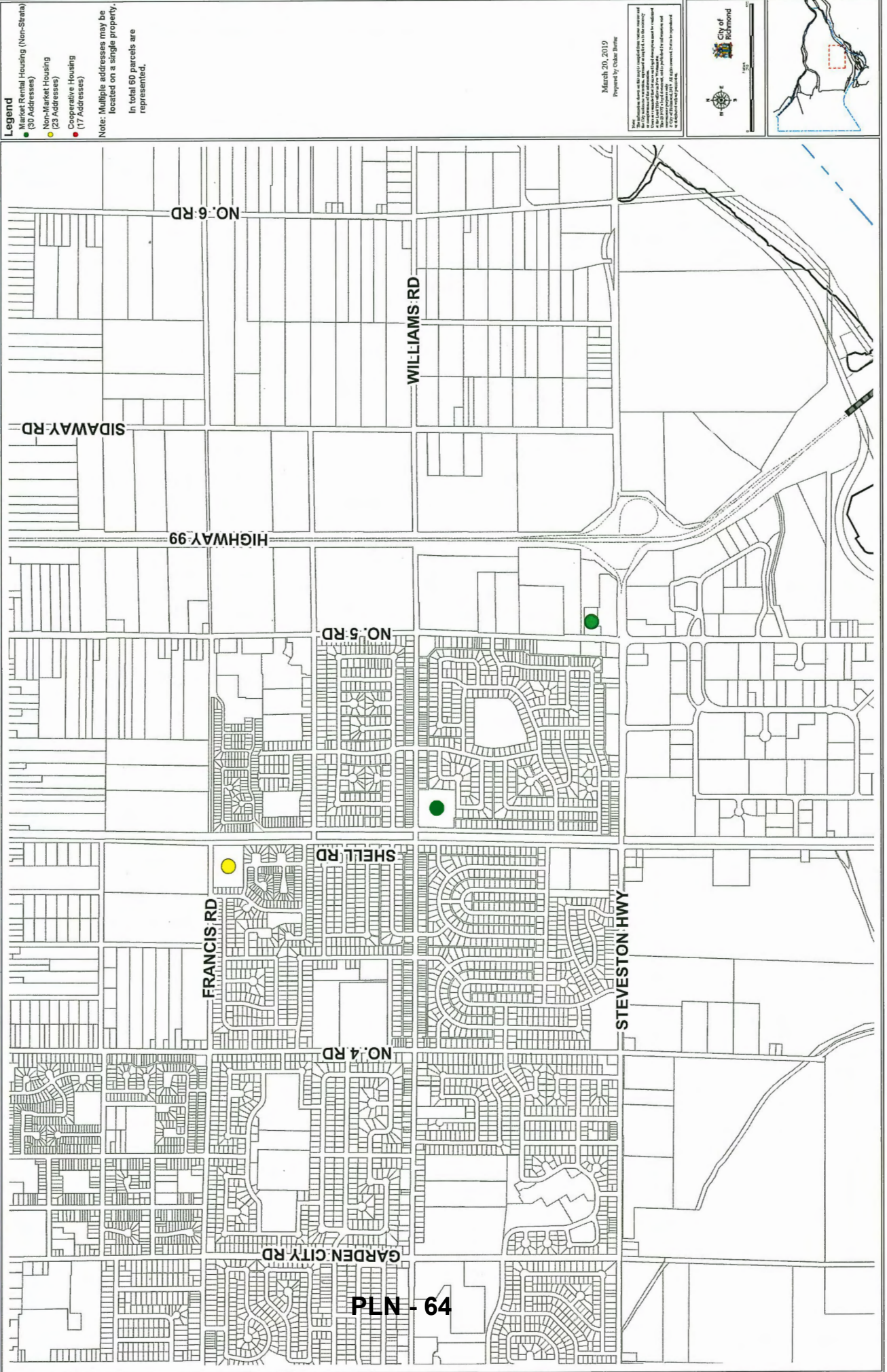
This map was prepared for the City of Richmond and is not intended to be used for any other purpose. The City of Richmond is not responsible for any errors or omissions on this map. All rights reserved. This is a preliminary map and is subject to change without notice.



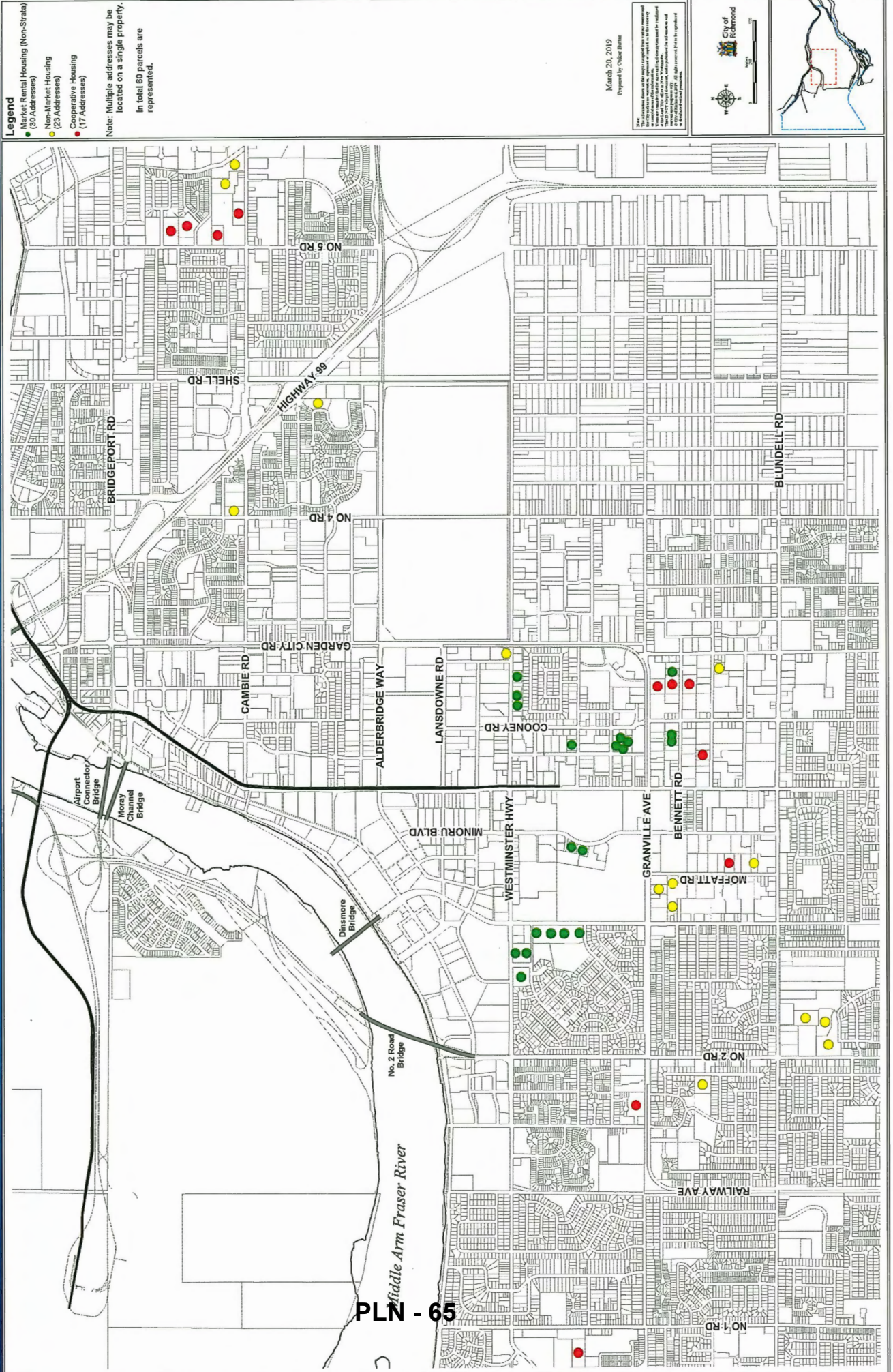
Recommended Sites for Residential Rental Tenure Zoning - Area 2



Recommended Sites for Residential Rental Tenure Zoning - Area 3



Recommended Sites for Residential Rental Tenure Zoning - Area 1



MEMORANDUM



DATE: 15 March 2019

TO: Tina Atva, City of Richmond
Jessica Lee, City of Richmond

FROM: Blair Erb, Coriolis Consulting Corp.

RE: Summary of Financial Analysis for Potential Market Rental Development Incentives

Introduction

The City of Richmond recently updated its Affordable Housing Strategy and adopted a new Market Rental Housing Policy. Both policies aim to encourage new rental housing development by providing financial and other incentives. However, feedback from the development industry suggests that the new incentives contained in these policies are not sufficient to make rental development financially viable. Therefore, the City is considering additional incentives to encourage new market rental development, including Development Cost Charge (DCC) waivers and property tax exemptions.

If effective, these additional incentives could help increase the new supply of market rental housing. However, the City also wants to understand the potential implications of any reductions in revenue on the City's financial position. For example, waiving DCCs may impact the City's ability to deliver on needed road, parks, water, sanitary and drainage works while property tax reductions may transfer the cost of the City's capital and operating costs to other taxpayers.

Therefore, the City retained Coriolis Consulting Corp. to analyze the financial performance of market rental development in Richmond to assist in determining:

- The financial viability of new rental development in Richmond in the absence of additional incentives.
- The impact of DCC waivers and property tax exemptions on the financial performance of new market rental housing development.
- Whether these potential additional incentives are likely to lead to greater rental supply.
- The potential impact of the additional incentives on municipal finances.

Findings

Stand-alone purpose built rental apartment development is not financially attractive under current market conditions with the existing market rental incentives offered by the City, assuming the developer acquires the site at market value (strata apartment land value). Therefore, any new market rental development that does occur in the foreseeable future will likely be focused at sites where the developer has acquired the rental site at significantly less than current market land value.

To help encourage more market rental development, the City could consider DCC waivers and property tax exemptions, through a Revitalization Tax Incentive, which allows property tax exemptions for a period of up to ten years. These incentives are currently offered (either full or partial) to new market rental projects by some BC municipalities. For example, Vancouver offers DCL waivers and Kelowna offers both DCC waivers and property tax exemptions.

Our analysis indicates that DCC waivers and 10 year property tax exemptions would significantly improve the financial performance of new market rental projects in Richmond:

- The estimated benefit of the DCC waiver is about \$17,000 to \$22,000 per unit (depending on location).
- The estimated benefit of the tax exemption is about \$8,100 to \$8,500 per unit (depending on location).

These incentives could make it viable for rental developers to pursue projects that would otherwise not have been profitable. However, even with both of these incentives, rental development would still be significantly less profitable than strata development¹, so we would not expect a large increase in the amount of rental development in the short term (without other additional incentives). Any new rental development would likely continue to be focused at sites where the developer acquired the site at less than current market land value.

If these incentives are offered, the City would need to increase the tax rate for other tax paying residential properties in order to off-set the forgone revenue from the DCC and property tax incentives. The impact on the residential tax rate would depend on the number of new rental units that received the incentives each year and the extent of the incentives. For example, we estimate² that the residential tax rate would need to increase by about 0.8% if 40 units received both incentives each year. This would increase to 2.7% if 140 units received both incentives each year. The total tax rate increase would start lower in Year 1 and reach the maximum estimated impact in Year 10.

DCC waivers and Revitalization Tax Exemptions would encourage new purpose-built market rental apartment development in Richmond. However, in determining whether or not to provide these incentives, the City will need to consider:

- The potential impact on tax rates.
- The potential perception that tax payers are subsidizing private development.

Based on our review of practices in other municipalities, most municipalities that offer incentives for market rental development focus on offering significant increases in permitted density (i.e., 1.0 FAR or more), lower parking requirements than strata projects, and fast-tracked approvals processes. DCC waivers and property tax exemptions are less commonly offered. Richmond already offers these incentives, but the market rental density bonus is modest (0.2 FAR to 0.25 FAR).

In order to create increased incentive for market rental development, Richmond may want to consider increased density bonuses for market rental development as well as DCC waivers and/or property tax exemptions.

¹ Our analysis indicates that with both incentives, the maximum profit margin on market rental development would generally be less than about 5%. As a comparison, strata projects typically target profit margins of 15% or so.

² It should be noted that our estimates would over-state the impact on residential tax rates if the DCC waiver was less than 100% of DCC rates or if the tax exemption was less than 100% of municipal taxes (or if it was less than ten years).



**Richmond Zoning Bylaw 8500
Amendment Bylaw 10014
(Residential Rental Tenure)**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 3.4 [Use and Term Definitions] by:

a) adding the following new definition in the correct alphabetical order:

“Cooperative housing unit means a **dwelling unit** in a multi-family residential development owned and operated by a housing cooperative association incorporated under the *Cooperative Association Act*, as may be amended or replaced from time to time.”

b) adding the following new definition in the correct alphabetical order:

“Non-market housing unit means a **dwelling unit** that

- a) has received upfront (capital) and/or ongoing (operating) direct government funding,
- b) has a rental rate at or below average rent in the City of Richmond as defined by the Canada Mortgage and Housing Corporation, or such other national governmental housing agency as may replace the Canada Mortgage and Housing Corporation, and
- c) is targeted for occupancy by households who earn less than median income.”

c) adding the following new definition in the correct alphabetical order:

“Residential rental tenure

means, in relation to a **dwelling unit** in a multi-family residential **building**,

- a) occupancy of a **dwelling unit**, including a **market rental unit** or **non-market housing unit**, governed by a tenancy agreement that is subject to the *Residential Tenancy Act* (BC), as may be amended or replaced from time to time;
- b) occupancy of a **non-market housing unit** governed by a tenancy agreement which may or may not be subject to the *Residential Tenancy Act* (BC), as may be amended or replaced from time to time, and where the landlord is B.C. Housing Management Commission or a non-profit society incorporated under the *Society Act* (BC), as may be amended or replaced from time to time, where the society’s objectives include the provision of rental housing; and
- c) occupancy of a **cooperative housing unit.**”

2) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 8.6 [Low Density Townhouses (RTL1, RTL2, RTL3, RTL4)] by adding a new Section 8.6.11 as follows, and renumbering the remaining sections accordingly:

“8.6.11 Residential Rental Tenure

- 1. **Residential rental tenure** may be located anywhere in this zone.
- 2. Notwithstanding Section 8.6.11.1, any **dwelling units** located at the following **sites** may only be used for **residential rental tenure**:
 - a) 11631 7th Avenue
P.I.D. 000-708-461
Parcel One Sections 3 and 4 Block 3 North Range 7 West New Westminster District Reference Plan 68273
 - b) 10771 Auburn Drive
P.I.D. 003-434-508
Lot 455 Section 26 Block 4 North Range 6 West New Westminster District Plan 64064

- c) 6071 Azure Road
P.I.D. 002-379-953
Lot 592 Section 7 Block 4 North Range 6 West New Westminster
District Plan 25611
- d) 6600 Barnard Drive
P.I.D. 018-683-312
Lot 9 Section 10 Block 4 North Range 7 West New Westminster
District Plan LMP15854
- e) 12060 Bath Road
P.I.D. 004-263-430
Lot 45 Section 30 Block 5 North Range 5 West New Westminster
District Plan 15861
- f) 12211 Cambie Road
P.I.D. 011-302-984
Lot 1 Section 30 Block 5 North Range 5 West New Westminster
District Plan 78015
- g) 12551 Cambie Road
P.I.D. 003-472-175
Lot 153 Section 30 Block 5 North Range 5 West New Westminster
District Plan 64669
- h) 12571 Cambie Road
P.I.D. 003-472-183
Lot 154 Section 30 Block 5 North Range 5 West New Westminster
District Plan 64669
- i) 4080 Garry Street
P.I.D. 012-966-452
Lot 1 Section 2 Block 3 North Range 7 West New Westminster
District Plan 80334
- j) 10771 Gilbert Road
P.I.D. 005-655-382
Parcel "One" Section 31 Block 4 North Range 6 West New
Westminster District Reference Plan 73256
- k) 12055 Greenland Drive
P.I.D. 002-394-120
Lot 258 Section 30 Block 5 North Range 5 West New Westminster
District Plan 66221

- l) 10000 Kilby Drive
P.I.D. 018-199-879
Lot 1 Section 26 Block 5 North Range 6 West New Westminster
District Plan LMP9881
 - m) 7251 Langton Road
P.I.D. 003-460-525
Lot 319 Section 13 Block 4 North Range 7 West New Westminster
District Plan 49467
 - n) 6800 Lynas Lane
P.I.D. 003-657-248
Lot 784 Section 12 Block 4 North Range 7 West New Westminster
District Plan 65642
 - o) 3640 No. 5 Road
P.I.D. 009-408-533
Parcel "One" Section 30 Block 5 North Range 5 West New
Westminster District Reference Plan 76547
 - p) 2960 Steveston Highway
P.I.D. 005-318-378
Parcel "One" Section 33 and 34 Block 4 North Range 7 West and
Section 3 and 4 Block 3 North Range 7 West New Westminster
District Plan 72974
 - q) 12411 Trites Road
P.I.D. 010-542-639
Lot D Section 12 Block 3 North Range 7 West New Westminster
District Plan 77442"
- 3) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 8.10 [Low Density Low Rise Apartments (RAL1, RAL2)] by adding a new Section 8.10.11 as follows, and renumbering the remaining sections accordingly:

"8.10.11 Residential Rental Tenure

- 1. **Residential rental tenure** may be located anywhere in this zone.
- 2. Notwithstanding Section 8.10.11.1, any **dwelling units** located at the following **sites** may only be used for **residential rental tenure**:
 - a) 11671, 11673 and 11675 7th Avenue
P.I.D. 004-866-711
Lot 153 Section 4 Block 3 North Range 7 West New Westminster
District Plan 54197

- b) 3851 Francis Road
P.I.D. 003-474-348
Lot 2 Section 22 Block 4 North Range 7 West New Westminster
District Plan 20670
 - c) 7500 Francis Road
P.I.D. 004-174-887
Parcel "A" (Reference Plan 61175) of Lots 8, 9, 10, 11 and 12
Section 29 Block 4 North Range 6 West New Westminster District
Plan 11272"
- 4) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 8.11 [Medium Density Low Rise Apartments (RAM1, RAM2, RAM3)] by adding a new Section 8.11.11 as follows, and renumbering the remaining sections accordingly:

"8.11.11 Residential Rental Tenure

- 1. **Residential rental tenure** may be located anywhere in this zone.
- 2. Notwithstanding Section 8.11.11.1, any **dwelling units** located at the following **sites** may only be used for **residential rental tenure**:
 - a) 6051 Azure Road and 6800 Westminster Highway
P.I.D. 003-586-162
Lot 591 Section 7 Block 4 North Range 6 West New Westminster
District Plan 25611
 - b) 8631 Bennett Road
P.I.D. 002-070-383
Lot 394 Section 16 Block 4 North Range 6 West New Westminster
District Plan 66963
 - c) 8640 Bennett Road
P.I.D. 010-469-443
Lot D (AB39935) Block C Section 16 Block 4 North Range 6 West
New Westminster District Plan 1262
 - d) 8711 Bennett Road
P.I.D. 000-868-281
Parcel "385" Section 16 Block 4 North Range 6 West New
Westminster District Plan 63504
 - e) 4100 Chatham Street
P.I.D. 002-143-496
Parcel 23 Section 11 Block 3 North Range 7 West New Westminster
District Reference Plan 66733

- f) 8251 Cook Road
P.I.D. 004-926-498
Lot 190 Except: Part Subdivided by Plan 57261, Section 9 Block 4
North Range 6 West New Westminster District Plan 56177
- g) 7700 Francis Road
P.I.D. 006-719-368
Lot 179 Section 29 Block 4 North Range 6 West New Westminster
District Plan 43246
- h) 4200 Garry Street
P.I.D. 006-091-466
Parcel One Section 2 Block 3 North Range 7 West New Westminster
District Reference Plan 73640
- i) 8191 General Currie Road
P.I.D. 012-484-369
Parcel "One" Section 16 Block 4 North Range 6 West New
Westminster District Reference Plan 79666
- j) 8700 General Currie Road
P.I.D. 017-346-720
Parcel One Section 16 Block 4 North Range 6 West New
Westminster District Reference Plan LMP445
- k) 6211, 6311, 6411 and 6511 Gilbert Road
P.I.D. 002-514-605
Lot 589 Section 7 Block 4 North Range 6 West New Westminster
District Plan 25611
- l) 7120 Gilbert Road and 7151 Moffatt Road
P.I.D. 002-241-391
Lot 1 Section 17 Block 4 North Range 6 West New Westminster
District Reference Plan 70265
- m) 8520 Granville Avenue
P.I.D. 002-119-951
Lot 393 Section 16 Block 4 North Range 6 West New Westminster
District Plan 66963
- n) 6451 Minoru Boulevard
P.I.D. 004-932-382
Lot 44 Section 8 Block 4 North Range 6 West New Westminster
District Plan 29965

- o) 6551 Minoru Boulevard
P.I.D. 004-134-516
Lot 43 Section 8 Block 4 North Range 6 West New Westminster
District Plan 29965
- p) 7460 Moffatt Road
P.I.D. 008-260-567
Parcel "A" Section 17 Block 4 North Range 6 West New
Westminster District Reference Plan 75487
- q) 7660 Moffatt Road
P.I.D. 000-557-528
Parcel 141 Section 17 Block 4 North Range 6 West New
Westminster District Plan 66982
- r) 11131 No. 1 Road
P.I.D. 019-046-707
Lot 2 Section 3 Block 3 North Range 7 West New Westminster
District Plan LMP19873
- s) 11820 No. 1 Road
P.I.D. 001-431-030
Lot 2 Section 2 Block 3 North Range 7 West New Westminster
District Plan 69234
- t) 10100 No. 3 Road
P.I.D. 014-178-338
Lot 457 Except: Firstly: Part Subdivided by Plan 39227 and
Secondly: Parcel "D" (Bylaw Plan 56046), Section 33 Block 4 North
Range 6 West New Westminster District Plan 37887
- u) 8720 Railway Avenue
P.I.D. 000-596-566
Lot 243 Section 24 Block 4 North Range 7 West New Westminster
District Plan 67942
- v) 12500 Trites Road
P.I.D. 017-612-233
Lot 1 Section 12 Block 3 North Range 7 West New Westminster
District Plan LMP2664
- w) 8500 Westminster Highway
P.I.D. 003-834-638
Lot 194 Section 9 Block 4 North Range 6 West New Westminster
District Plan 58471

- x) 8911 Westminster Highway
P.I.D. 017-240-107
Lot 1 Sections 3 and 4 Block 4 North Range 6 West New Westminster District Plan LMP69”

- 5) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 9.2 [Steveston Commercial (CS2, CS3)] by adding a new Section 9.2.11 as follows, and renumbering the remaining sections accordingly:

“9.2.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.”
2. Notwithstanding Section 9.2.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:
 - a) 12020 1st Avenue
P.I.D. 009-712-178
Parcel A Section 10 Block 3 North Range 7 West New Westminster District Reference Plan 76840”

- 6) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 9.4 [Residential/Limited Commercial (RCL1, RCL2, RCL3, RCL4, RCL5)] by adding a new Section 9.4.11 as follows, and renumbering the remaining sections accordingly:

“9.4.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.”
2. Notwithstanding Section 9.4.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:
 - a) 7260 Granville Avenue
P.I.D. 007-849-346
Parcel “1” Section 17 Block 4 North Range 6 West New Westminster District Reference Plan 74871”

- 7) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 17.28 [Town Housing (ZT28) – Odlinwood (West Cambie)] by adding a new Section 17.28.11 as follows, and renumbering the remaining sections accordingly:

“17.28.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.

2. Notwithstanding Section 17.28.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:

- a) 10711 Shepherd Drive
P.I.D. 024-726-168
Lot B Section 35 Block 5 North Range 6 West New Westminster
District Plan LMP45255”

- 8) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 17.38 [Town Housing (ZT38) – Williams Road (Shellmont)] by adding a new Section 17.38.11 as follows, and renumbering the remaining sections accordingly:

“17.38.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.
2. Notwithstanding Section 17.38.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:

- a) 11020 Williams Road
P.I.D. 024-691-372
Lot A Section 36 Block 4 North Range 6 West New Westminster
District Plan LMP44354”

- 9) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 17.75 [Town Housing (ZT75) – Rosewood (Blundell)] by adding a new Section 17.75.11 as follows, and renumbering the remaining sections accordingly:

“17.75.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.”
2. Notwithstanding Section 17.75.11.1, any **dwelling units** located at the following **sites** may only be used for **residential rental tenure**:

- a) 6220 Blundell Road
P.I.D. 003-549-496
Lot 141 Except: Part Subdivided by Plan 48878, Section 19 Block 4
Range 6 West New Westminster District Plan 48423
- b) 8220 No. 2 Road
P.I.D. 003-549-577
Lot 139 Section 19 Block 4 North Range 6 West New Westminster
District Plan 48423

- c) 8280 No. 2 Road
P.I.D. 003-549-615
Lot 138 Section 19 Block 4 North Range 6 West New Westminster
District Plan 48423”

- 10) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 17.76 [Town Housing (ZT76) – Steveston] by adding a new Section 17.76.11 as follows, and renumbering the remaining sections accordingly:

“17.76.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.”
2. Notwithstanding Section 17.76.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:
 - a) 4340 Steveston Highway
P.I.D. 004-108-094
Lot 390 Section 2 Block 3 North Range 7 West New Westminster
District Plan 46799”

- 11) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 17.78 [Town Housing (ZT78) – Thompson and Steveston] by adding a new Section 17.78.11 as follows, and renumbering the remaining sections accordingly:

“17.78.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.
2. Notwithstanding Section 17.78.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:
 - a) 4160 Bonavista Drive
P.I.D. 003-862-216
Lot 887 Section 35 Block 4 North Range 7 West New Westminster
District Plan 57562”

- 12) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 18.33 [Low Rise Apartment (ZLR33) – Brighthouse Village (City Centre)] by adding a new Section 18.33.11 as follows, and renumbering the remaining sections accordingly:

“18.33.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.

2. Notwithstanding Section 18.33.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:

- a) 6780 and 6880 Buswell Street and 8200 and 8300 Park Road
P.I.D. 003-590-046
Parcel "L" (Reference Plan 49395) Section 9 Block 4 North Range 6
West New Westminster District Plan 302"

- 13) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 18.34 [Low Rise Apartment (ZLR34) – Brighthouse Village (City Centre)] by adding a new Section 18.34.11 as follows, and renumbering the remaining sections accordingly:

"18.34.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.
2. Notwithstanding Section 18.34.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:

- a) 8540 Westminister Highway
P.I.D. 003-605-779
Lot 40 Section 9 Block 4 North Range 6 West New Westminster
District Plan 53874"

- 14) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 18.35 [Low Rise Apartment (ZLR35) – St. Albans Sub Area (City Centre)] by adding a new Section 18.35.11 as follows, and renumbering the remaining sections accordingly:

"18.35.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.
2. Notwithstanding Section 18.35.11.1, any **dwelling units** located at the following **sites** may only be used for **residential rental tenure**:

- a) 8291 Bennett Road
P.I.D. 001-435-388
Lot 373 Section 16 Block 4 North Range 6 West New Westminster
District Plan 55806

- b) 8351 Bennett Road
P.I.D. 000-965-031
Lot 374 Section 16 Block 4 North Range 6 West New Westminster
District Plan 55806"

- 15) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 18.36 [Low Rise Apartment (ZLR36) – Brighthouse Village (City Centre)] by adding a new Section 18.36.11 as follows, and renumbering the remaining sections accordingly:

“18.36.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.
2. Notwithstanding Section 18.36.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:
 - a) 8660 Westminster Highway
P.I.D. 003-680-282
Lot 188 Section 9 Block 4 North Range 6 West New Westminster
District Plan 55677”

- 16) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 20.18 [Commercial Mixed Use (ZMU18) – The Gardens (Shellmont)] by adding a new Section 20.18.11 as follows, and renumbering the remaining sections accordingly:

“20.18.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.
2. Notwithstanding Section 20.18.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:
 - a) 10820 No. 5 Road
P.I.D. 028-631-561
Lot C Section 31 Block 4 North Range 5 West New Westminster
District Plan EPP12978”

- 17) Richmond Zoning Bylaw 8500, as amended, is further amended at Section 21.3 [Non-Profit Residential (ZR3) – Williams Road (Seafair)] by adding a new Section 21.3.11 as follows, and renumbering the remaining sections accordingly:

“21.3.11 Residential Rental Tenure

1. **Residential rental tenure** may be located anywhere in this zone.
2. Notwithstanding Section 21.3.11.1, any **dwelling units** located at the following **site** may only be used for **residential rental tenure**:
 - a) 4771 Williams Road
P.I.D. 024-861-006
Lot B Section 26 Block 4 North Range 7 West New Westminster
District Plan LMP47563”

18) This Bylaw may be cited as **“Richmond Zoning Bylaw 8500, Amendment Bylaw 10014”**.

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
APPROVED by <i>BK</i>
APPROVED by Director or Solicitor <i>AA</i>