



Planning Committee

Date: Tuesday, April 2, 2019

Place: Anderson Room
Richmond City Hall

Present: Councillor Linda McPhail, Chair
Councillor Bill McNulty
Councillor Carol Day
Councillor Alexa Loo
Councillor Harold Steves

Also Present: Councillor Michael Wolfe

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

MINUTES

It was moved and seconded
That the minutes of the meeting of the Planning Committee held on March 19, 2019, be adopted as circulated.

CARRIED

NEXT COMMITTEE MEETING DATE

April 16, 2019, (tentative date) at 4:00 p.m. in the Anderson Room

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PLANNING AND DEVELOPMENT DIVISION

1. **APPLICATION BY MARYEM AHBIB FOR REZONING AT 11640 WILLIAMS ROAD FROM THE “SINGLE DETACHED (RS1/E)” ZONE TO THE “COMPACT SINGLE DETACHED (RC2)” ZONE**
(File Ref. No. 12-8060-20-0010007; RZ 18-841000) (REDMS No. 6126528 v. 2; 2243859; 6127512)

Staff reviewed the application, noting that the proposed development will include a secondary suite on each new lot and that the application complies with the City’s Affordable Housing Strategy.

It was moved and seconded

That Richmond Zoning Bylaw 8500, Amendment Bylaw 10007, for the rezoning of 11640 Williams Road from the “Single Detached (RS1/E)” to the “Compact Single Detached (RC2)”, be introduced and given First Reading.

CARRIED

2. **AGRICULTURAL LAND RESERVE NON-FARM USE APPLICATION BY THE CITY OF RICHMOND TO HOST THE FARM FEST AT THE GARDEN CITY LANDS ON AUGUST 10, 2019, LOCATED AT 5555 NO. 4 ROAD**
(File Ref. No. AG 19-855989) (REDMS No. 6146187 v. 14)

Discussion ensued with regard to the Event Committee’s review of the 2019 Farm Fest event and the site’s legal address. Staff noted that a Garden City Road address can be assigned to the site.

It was moved and seconded

That the Agricultural Land Reserve Non-Farm Use application by the City of Richmond to host the Farm Fest at the Garden City Lands on Saturday, August 10, 2019, located at 5555 No. 4 Road, be endorsed and forwarded to the Agricultural Land Commission for approval.

CARRIED

Opposed: Cllr. McNulty

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3. **MARKET RENTAL HOUSING POLICY AND APPROACHES FOR RESIDENTIAL RENTAL TENURE ZONING**

(File Ref. No. 08-4057-08; 12-8060-20-010014) (REDMS No. 6106126 v. 11; 6059335; 6150120)

Staff reviewed the proposed Market Rental Housing Policy and approaches for residential rental tenure zoning, highlighting key elements of the Market Rental Housing Policy such as the 1:1 replacement policy for existing rental housing, tenant relocation plan, and a 40% minimum allocation for family-friendly units in the development unit mix. Also, staff briefed Committee on the proposed three steps to implement residential rental tenure zoning, which includes (i) rezoning existing purpose-built rental housing, (ii) establishing a mandatory market rental requirement in all existing high-density apartment rental zones, and (iii) undertaking further analysis and consultation with the public and stakeholders on the feasibility of a mandatory requirement.

Discussion ensued with regard to (i) options to incentivize the development of market rental units, (ii) options to increase the portion of a development's unit mix allocated to family units, (iii) opportunities to conduct stakeholder consultation, (iv) a review of market rental policies in other cities such as Seattle, (v) options to apply the 1:1 rental replacement policy on all residential developments, and (vi) development of market rental units near schools with low enrolment.

In reply to queries from Committee, staff noted that (i) 2016 Census data along with public consultation was used to develop the Market Rental Housing Policy, (ii) the proposed approaches for residential rental tenure zoning will not affect stratified units, (iii) the City has received a number of inquiries and two applications to develop market rental projects, and (iv) the proposed bylaw is designed to protect the existing purpose-built rental units.

John Roston, 12262 Ewen Avenue, referenced his submission (attached to and forming part of these minutes as Schedule 1), and spoke on protecting existing purpose-built market rental units. He expressed that increasing the rental supply will be required to support future demand and that developers of market rental projects are able to make a profit by not utilizing high-end finishes.

Dana Westermarck, 6168 London Road, spoke against the implementation of the proposed residential tenure zoning, expressing that existing regulations are sufficient to protect existing market rental properties. Also, he expressed that the proposed residential tenure zoning may constrain potential development of new market rental projects and that the City should consult with industry stakeholders prior to consideration of new related policies.

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It was moved and seconded

- (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; and*
- (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.*

The question on the motion was not called as discussion ensued with regard to the City conducting public consultation on the matter including consultation with industry stakeholders such as the Urban Development Institute.

In reply to queries from Committee, staff noted that the proposed residential tenure zoning will protect existing purpose-built rental units and will not restrict future development of new purpose-built rental units.

The question on the motion was then called and it was **DEFEATED** with Cllrs. McPhail, Loo and Steves opposed.

Discussion ensued with regard to conducting public consultation on the matter, and as a result the following **referral motion** was introduced:

It was moved and seconded

- (1) *That the staff report titled "Market Rental Housing Policy and Approaches For Residential Rental Tenure Zoning" from the Manager, Policy Planning, dated March 25, 2019, be referred back for public consultation; and*
- (2) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 10014 (Residential Rental Tenure) to amend the zoning for 60 parcels with purpose-built rental housing be brought back at a future date.*

CARRIED

4. **COMMUNITY INFORMATION SESSIONS ON DEVELOPMENT, AFFORDABLE HOUSING, TRANSPORTATION AND SUSTAINABILITY IN THE CITY**

(File Ref. No. 08-4040-01) (REDMS No. 6119670 v. 2; 6125954; 6125681 v. 2)

Suzanne Smith, Program Coordinator, Development, briefed Committee on the upcoming Community Information Sessions that are scheduled to commence on May 2, 2019, noting that the events will be open to the public and that the presentation materials will be available on the City's website.

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It was moved and seconded

- (1) *That staff be directed to proceed with the implementation of the proposed Community Information Session Program as described in the report titled "Community Information Sessions on Development, Affordable Housing, Transportation and Sustainability in the City" from the Director, Development; and*
- (2) *That staff report back following the last session each year to provide a summary of the events including any feedback received.*

CARRIED

5. **ESTABLISHMENT OF UNDERLYING ZONING FOR PROPERTIES DEVELOPED UNDER LAND USE CONTRACTS 016, 021, 085, 086, 091, 103, 127, AND 139 (EAST OF NO. 4 ROAD)**

(File Ref. No. 08-4430-03-09; 12-8060-20-009987/9988/9989/9990/9991/9992/9993/9994) (REDMS No. 5999278; 6111040; 6111072; 6111079; 6111083; 6111086; 6111151; 6139812; 6111108)

Staff briefed Committee on the establishment of underlying zoning for Land Use Contracts, noting that all Land Use Contracts (LUC) in the city will expire on June 2024. Also, staff noted that the majority of the subject LUCs are in multi-family or commercial/industrial areas and do not face the same redevelopment pressures as LUCs in single family residential areas. Staff added that affected property owners and residents were sent mail notification and that staff have been able to respond to public inquiries on the matter.

There was agreement to deal with Part (7) separately.

It was moved and seconded

- (1) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9987, to establish underlying zoning for the property developed under Land Use Contract 016, be introduced and given first reading;*
- (2) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9988, to establish underlying zoning for the property developed under Land Use Contract 021, be introduced and given first reading;*
- (3) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9989, to establish underlying zoning for the properties developed under Land Use Contract 085, be introduced and given first reading;*
- (4) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9990, to establish underlying zoning for the property developed under Land Use Contract 086, be introduced and given first reading;*
- (5) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9991, to establish underlying zoning for the property developed under Land Use Contract 091, be introduced and given first reading;*

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- (6) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9992, to establish underlying zoning for the properties developed under Land Use Contract 103, be introduced and given first reading; and*
- (8) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9994, to establish underlying zoning for the properties developed under Land Use Contract 139, be introduced and given first reading.*

CARRIED

In accordance with Section 100 of the *Community Charter*, Cllr. McPhail declared to be in a conflict of interest as her husband has property interests in Land Use Contract 127, and Cllr. McPhail left the meeting – 5:06 p.m.

Cllr. McNulty assumed the role of Chair – 5:06 p.m.

It was moved and seconded

- (7) *That Richmond Zoning Bylaw 8500, Amendment Bylaw 9993, to establish underlying zoning for the properties developed under Land Use Contract 127, be introduced and given first reading.*

CARRIED

Cllr. McPhail returned to the meeting and assumed the role of Chair – 5:07 p.m.

6. UPDATE ON SALVAGE OF BUILDING MATERIALS AND STRUCTURAL RELOCATION OF HOUSES

(File Ref. No. 12-8060-20-010013; 12-8360-01) (REDMS No. 6124047 v. 17; 6149353)

James Cooper, Director, Building Approvals, spoke on policies to encourage the salvaging of building materials from demolition sites and relocating of houses, noting that measures to streamline the relocation application process and public awareness of the City's House Move and Salvage Program have been implemented. He added that the proposed bylaw would extend the time for builders to engage in salvage activities on demolition sites.

Discussion ensued with regard to (i) the demolition and relocation application process, (ii) private companies that engage in house relocation, (iii) incentives to encourage the relocation of houses, (iv) options to increase the fees related to demolition permits, and (v) the process to recycle demolition materials.

Members of Committee have expressed visiting a recycling facility for demolition materials.

In reply to queries from Committee, Mr. Cooper noted that transportation costs associated with relocating a house may be high due to potential obstacles such as power lines and trees in the relocation route. He added that fees related to the issuance of demolition permits must be proportional with the level of service that is provided.

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It was moved and seconded

That Richmond Building Regulation Bylaw 7230, Amendment Bylaw No. 10013, which adds Section 5.4.3 and Section 12.1.2, identified in the report titled "Update on Salvage of Building Materials and Structural Relocation of Houses" dated March 19, 2019 from the Director, Building Approvals, be introduced and given first reading.

CARRIED

Discussion ensued with regard to reviewing fees related to the issuance of demolition permits, and as a result, the following **referral motion** was introduced:

It was moved and seconded

That staff explore options to:

- (1) provide incentives to salvage building materials, including opportunities to relocate houses; and*
- (2) discourage disposal of salvageable building material from demolition sites through an increase of fees.*

CARRIED

Opposed: Cllr. Loo

7. MANAGER'S REPORT

Cannabis Regulation

Staff have sent a letter regarding Cannabis Regulation to the Ministry of Agriculture. Staff will update Council once a response is received.

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (5:31 p.m.).

CARRIED

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Certified a true and correct copy of the Minutes of the meeting of the Planning Committee of the Council of the City of Richmond held on Tuesday, April 2, 2019.

Councillor Linda McPhail
Chair

Evangel Biason
Legislative Services Coordinator

If you eliminate the Richmond workers who live in Vancouver and the Vancouver workers who live in Richmond, almost 30,000 of Richmond's workers live elsewhere in the Lower Mainland. [<https://www.richmond.ca/shared/assets/Jobs6260.pdf> City of Richmond Website, Jobs in Richmond Hot Facts, Where do people who live in Richmond work? Where do people who work in Richmond come from?]

The vast majority would rather live in Richmond, but they can't find affordable housing. That likely translates into demand today for 15-20,000 market rental housing units before we add in the demand from increases in the population. This huge demand for market rental housing is ignored in the staff report, but we should be trying to meet it by constructing at least 1,500 market rental housing units per year for the next 10 years.

The staff report does mention the 2016 Metro Vancouver report that predicted demand for 14,000 new housing units over 10 years to accommodate increases in the population. It didn't predict that in 2019, there would be a decreasing demand for ownership housing and an exploding demand for rental housing. It's more likely that there will be demand for 10,000 rental units and 4,000 ownership units rather than the other way around as predicted in the report. That is demand for 1,000 rental units per year for 10 years.

Adding the population increase demand to the working in Richmond but unable to live here demand, we should be constructing at least 2,500 market rental housing units per year for the next 10 years. However, there were only 1,800 residential building permits for all types of housing issued in Richmond in 2018. [BC Government, Building Permits by Community] You see the problem. Even if we build nothing but market rental housing for the next 10 years, it will not meet the demand.

The proposed requirement for market rental housing would only apply to developments with over 60 housing units. We need to maximize the number of market rental units in those developments. My suggestion of 60% is reasonable. The developers will claim that they lose money constructing market rental housing. A report done for CMHC in 2016 on the economics of constructing market rental housing showed that you can make money in Vancouver if you avoid high end finishes and construct the units specifically for the rental market. [CMHC, The Economics of New Purpose-Built Rental Housing Development in Selected Canadian Markets] You will not make as much as you would selling high end units to foreign speculators, but you can make money while providing Richmond with the housing it needs.

From: McPhail,Linda
Sent: Tuesday, 2 April 2019 03:42 PM
To: Mah,Cheryl
Subject: Fwd: April 2 Planning Committee - Market Rental Housing Policy

Linda McPhail
Councillor, City of Richmond

www.richmond.ca

Sent from my Samsung Galaxy smartphone.

----- Original message -----

From: "John Roston, Mr" <john.roston@mcgill.ca>
Date: 2019-04-01 11:59 AM (GMT-08:00)
To: "McPhail,Linda" <LMcPhail@richmond.ca>
Cc: "Brodie, Malcolm" <MBrodie@richmond.ca>, "Steves,Harold" <hsteves@richmond.ca>, "McNulty,Bill" <BMcNulty@richmond.ca>, "Au,Chak" <CAu@richmond.ca>, "Day,Carol" <CDay@richmond.ca>, "Loo,Alexa" <ALoo@richmond.ca>, "Greene,Kelly" <kgreene@richmond.ca>, "Wolfe, Michael" <MWolfe@richmond.ca>, "Konkin,Barry" <BKonkin@richmond.ca>
Subject: April 2 Planning Committee - Market Rental Housing Policy

Dear Councillor McPhail, Mayor & Councillors,

The staff report "Market Rental Housing Policy And Approaches For Residential Rental Tenure Zoning" to be considered at the April 2 meeting of the Planning Committee outlines a sensible plan for preserving existing market rental housing and requiring additional such housing in new developments that provide more than 60 apartment units.

However the repeatedly mentioned recommendation for a 10% market rental requirement is totally inadequate. It is based on an outdated 2016 report that only takes into account the projected increase in population and households and assumes that the vast majority of these new households will want ownership housing rather than rental housing. It does not take into account the current under 1% vacancy rate that has created a rental crisis which can only be solved by a huge increase in market rental units even if there is no increase in population.

The 2016 report also didn't foresee that in 2019 there would be a decreasing demand for ownership housing and an exploding demand for rental housing. It forecasts demand from 2016 to 2026 for 14,000 housing units in Richmond due to the increase in population with 10,800 of those being for ownership and only 3,200 for rental including 1,200 for market rental. City staff have translated that into demand for only 120 market rental units per year, a ridiculously low figure.

I have been pushing for 60% market rental in these large new developments with more than 60 units. Council required 20% in the Richmond Centre redevelopment claiming that was due to no rezoning being required. The staff recommendation for 10% is totally inadequate and that figure should not be used in the proposed plan.

There is also no mention of a multi-bedroom requirement. We know that there is a surplus of studio and one bedroom rental units and a severe shortage of multi-bedroom units. A multi-bedroom requirement must be part of the market rental policy.

John Roston

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John Roston

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