

**TO: MAYOR & EACH
COUNCILLOR
FROM: CITY CLERK'S OFFICE**

Schedule 2 to the Minutes of the
Planning Committee meeting of
Richmond City Council held on
Tuesday, May 4, 2021.

May 3, 2021

Councillor Linda McPhail
Chair, Planning Committee
City of Richmond
6911 No. 3 Road
Richmond BC V6Y 2C1

Dear Ms. McPhail:

RE: Draft Low End Market Rental and Secured Market Rental Policies

LandlordBC is the leading organization representing owners and managers of rental housing in BC. Our mandate is to ensure that British Columbians have access to safe, secure, and sustainable rental housing with an emphasis on private sector solutions. Copies of the City of Richmond's *Options to Secure Market Rental Housing in New Development and Options to Increase Low End Market Rental (LEMR) Contributions* and the *Low End Market Rental Contribution Rate Review* reports were recently shared with us, and we felt compelled to provide some input to support your decision-making process. Our goal is to help ensure that we create an environment that will encourage rental developers, many of whom are members of our organization, to create affordable housing for your residents.

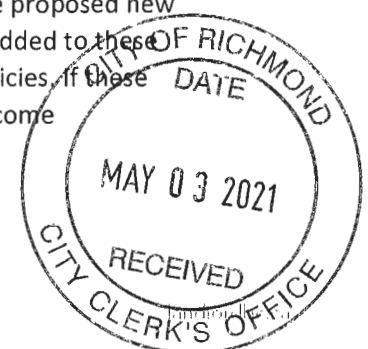
Before we begin, we wish to applaud Council's leadership in addressing the housing crisis and staff's efforts in advancing an approach to deliver more secure rental housing

Density Bonus and Other Incentives

We would like to see greater densities while recognizing that staff did include a 0.1 FAR density bonus for the provision of market rental units. These projects have a life span of 60-100 years. It would be a missed opportunity to not provide higher density bonusing now or consider providing the ability for projects to transfer an enhanced FAR density bonus to other sites where it could be fully utilized. We would also encourage you to consider additional offsets. Parking spaces are a huge cost burden and negatively impact affordable construction of rental housing. It is well-documented that transit use is generally higher for renters.

Need for Certainty

Certainty is critical for rental builders to deliver the homes that the community needs. If the proposed new rental requirements are adopted, it will be important that additional requirements not be added to these projects, after the fact. Sites are acquired based upon stated and approved government policies, if these policies fluctuate it becomes difficult to move forward with projects as initial proformas become



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redundant. This is particularly important for projects already contemplated where grandfathering would be the appropriate course of action, in our view.

Allowing Builders to Combine Mandated Units into Stand-alone PBR Buildings

We have seen this approach in other municipalities with great outcomes and would recommend that the City of Richmond consider allowing builders with several projects to combine and accumulate their obligated market rental and LEMR units under the proposed bylaw, so they can build a stand-alone purpose-built rental (PBR) building. This would allow more efficiencies in managing the rental and LEMR units.

Incentives for Additional PBR Units

We are pleased that staff are proposing to retain incentives for 100% market PBR buildings and encourage the City to consider allowing additional incentives for situations where rental developers are prepared to provide more homes for the community. As noted earlier, these projects are built with a 60-100 time-horizon. We should not miss the opportunity to encourage the construction of more homes today.

We thank you for the opportunity to present these comments and for your serious consideration therein. And again, we applaud your continued efforts to deliver badly needed secure rental housing in the City of Richmond.

Yours truly,



David Hutniak
CEO
LandlordBC