



**Richmond Council Approvals –
Affordable Housing Contribution Rates
& Single Family Secondary Suite Policy**

No.: INFO-28
Date: 2015-09-21
Revised: 2016-03-24

Purpose:

To inform all applicants for Rezoning, Subdivision and Development Permit applications about the City of Richmond’s Council approvals to the amend the Affordable Housing Contribution Rates and the Single Family Secondary Suite policy, **effective September 14, 2015.**

Background:

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

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

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

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

| Priority | Affordable Housing Type | Household Annual Income Threshold |
|----------|---------------------------|---|
| 1st | Subsidized Rental | less than \$34,000 |
| 2nd | Low End Market Rental | between \$34,000 or less and \$57,500 or less |
| 3rd | Entry Level Homeownership | less than \$60,000 |

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

Affordable Housing Strategy Implementation:

Effective September 14, 2015, Richmond City Council has adopted the following strategies:

Rezoning Applications

- The City has adopted a density bonusing approach for all multi-family rezoning applications received after July 1, 2007. All cash-in-lieu contributions, when applicable, towards the City's Affordable Housing Reserve are required in exchange for the increased density proposed as part of a rezoning application. The cash contributions are based on the following amounts:

| Housing Type | New Rate (as of September 14, 2015) | Previous Rate |
|---|--|-----------------------------------|
| Single Family | \$2 per buildable ft ² | \$1 per buildable ft ² |
| Townhouse | \$4 per buildable ft ² | \$2 per buildable ft ² |
| Apartment and mixed-use developments involving 80 or less residential units | \$6 per buildable ft ² | \$4 per buildable ft ² |

Applications received **prior** to the adoption date (September 14, 2015) will be grandfathered under the previous contribution rates per the above table provided the application is presented to Council for consideration within 1 year of the effective date of the revised policy (i.e. September 14, 2016). All applications received **after** September 14, 2015 will be subject to the new rates.

Applications proposing apartments with more than 80 units must still provide built affordable housing units comprising of 5% of the total building area (minimum 4 units).

Single Family Rezoning Applications

- The City has adopted a density bonusing approach for all single family residential rezoning applications received after July 1, 2007. As of September 14, 2015, the options for single family rezoning applications are:
 - All single family lots being rezoned in order to facilitate a subdivision are required to ensure that 100% of the new lots being created through the subdivision will include a single family dwelling with a secondary suite or a single family dwelling with a coach house unit; or
 - 50% of the new lots being created through the subdivision will include a single family dwelling with a secondary suite or coach house and a cash-in-lieu contribution of \$2 per total buildable square foot on the remaining 50% of the lots to be provided towards the Affordable Housing Reserve Fund; or
 - A cash-in-lieu contribution of \$2 per total buildable square foot to the Affordable Housing Reserve Fund for the single family lots that cannot accommodate the provision of built secondary suites.

Applications received **prior** to the adoption date (September 14, 2015) will be grandfathered under the previous single family rezoning policy (i.e. built secondary suite on 50% of the single family lots subdivided through rezoning or a 100% cash in lieu contribution of \$1 per buildable square foot), provided the application is presented to Council for consideration within 1 year of the effective date of the revised policy (i.e. September 14, 2016). All applications received **after** September 14, 2015 will be subject to the new single family rezoning policy.

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

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

Affordable Housing Coordinator:

For additional information on the City's Affordable Housing Strategy please contact the Affordable Housing Coordinator at 604-247-4946.