



Affordable Housing? Balancing Rental Housing Preservation & New Supply in the Market

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Context: Geography



Population:
190,470
(2011)

Projected:
275,000
(2041)

Context: Policy



OCP

- Land
- Systems



SDS

- Community
- Engagement



AHS

- Housing
- Homelessness



Affordability Statistics



- Tenure: 23% rent and 77% own
- Median income: \$60,479 for owners/\$43,115 for renters
- Vacancy rates: 1% for all unit types
- 48% of renters spend >30% of income on rent
- Average rent for 1 bedroom: \$1,083/month
- Average price for a single detached house: \$1.55 million

Rental Housing Statistics

- **2,200 market rental units**
 - 144 units are 3BR+
- **0.4% of Metro Vancouver's rental housing stock**
- **Most units built before 1980**
- **Over 1,100 rental units are at risk of being lost**
- **Approximately 650 Richmond households are on the Housing Registry**



Current Policy



- **No net loss rental policy: 1:1 rental replacement**
- **Strata Conversion Policy:**
 - Can refuse application if vacancy rates are lower than 2%
 - Written proposal for accommodation/relocation of tenants
 - Written views of affected tenants

Rental Redevelopment Example

- **Rezoning in 2008 to redevelop existing market rental site**
 - 128 existing rental units
- **134 rental units secured**
 - 113 market rental
 - 21 affordable seniors' rental
 - Total of 448 new units created
- **Rental located in one tower**
- **Tenants offered first right of refusal**
- **No relocation program**



Market Rental Policy: New Approaches

- **Protect existing rental stock**
- **Incentivize new purpose-built rental stock**
- **Balance between affordable housing and market rental**
- **Emphasis on tenant protection**



Preservation: Challenges & Opportunities

- Limited existing stock
- Developments are older
- Continue with 1:1 rental replacement
- Permit RZ if 100% rental
- Tenant Relocation Policy



Incentivizing: Challenges & Opportunities

- Limited density bonusing
- Height limits and floodplain constraints
- Parking reductions
- Waiving of amenity contributions
- Exploring how to address DCCs
- Preference for 100% purpose-built market rental



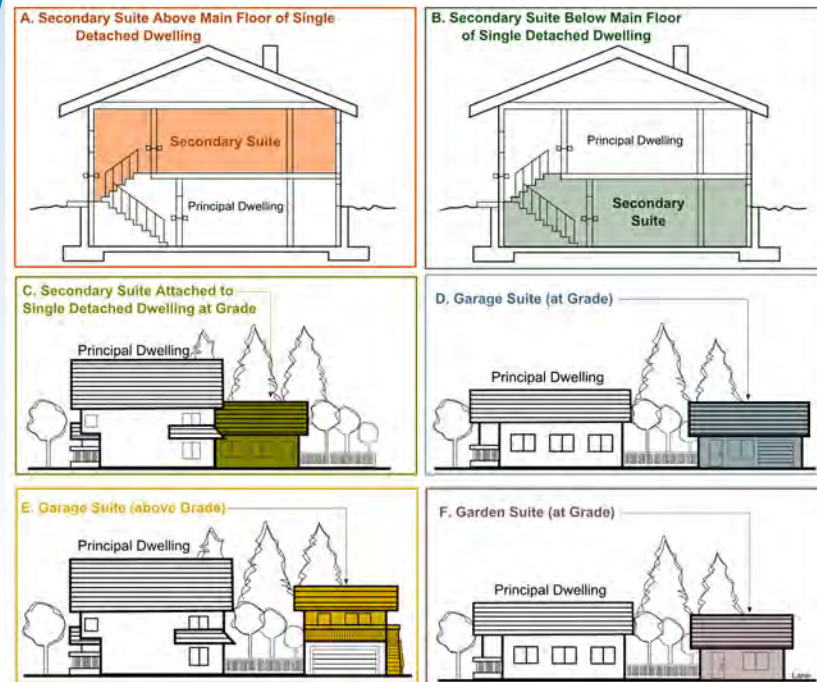
Affordable Rental Redevelopment

- Co-ops
- Non-profit housing
- Define City's objectives
- Retain affordable rental
- Kiwanis example



Inclusionary Approach: Market Rental

- New Council referral: look at securing market rental and/or secondary suites in multi-family developments
- Lock-off and secondary suites in townhouses
- How will this impact the form of development?



Market Rental Policy: Next Steps

- Bring forward draft recommendations
- Stakeholder consultation
- Ongoing legal review
- Final policy for adoption
- Framework for responding to inquiries and proposals





STOREYS

TRAIN
COMMUNITY
PATHWAYS

PATHWAYS
MONT BERNARD
FAMILY

P A T H W A Y S

SUCCESS

SUNSHINE

SUCCESS

Storeys Development

- **Challenges:** Lack of housing for homeless/at-risk individuals; lack on non-market housing options
- **Opportunities:** Brand new housing development through partnerships with Service Canada, BC Housing, City of Richmond, and six non-profit groups
- **Key components:** Land → partnerships → brand new development
- **Anticipated Completion: Summer 2017**

Storeys – Outcomes

- **129 new affordable rental units**
- **Space for non-profit and support services**
- **Social enterprise coffee shop**
- **Central location to community centres, parks, hospital, transit**
- **Rents secured at below-market rates**
- **Two organizations offering shelter rates**

Partnerships = Key



- 5 non-profit organizations to own and manage units, and contribute \$3M capital
- Service Canada = \$2M capital
- BC Housing = \$3M capital and financing
- City = land contribution and \$19.8M capital

Municipal Tools

- **City-owned land**
- **60 year nominal land lease with non-profits**
- **Land already pre-zoned for affordable housing**
- **Utilization of the Affordable Housing Value Transfer (AHVT) mechanism to collect developer contributions to use towards construction**
- **Utilization of Affordable Housing Reserve Fund for grant to cover development cost charges, permit fees and servicing costs**

Lessons Learned

- **Show support for potentially contentious rezoning processes**
- **Procedurally complex – get a good lawyer!**
- **Instead of competing, partner**
- **But...choose the right partners**

Thank you!

