



Official Community Plan Market Rental Housing Policy Update

No.: PLANNING-06

Date: 2022-07-08

Rev: 2023-01-27

Purpose:

The purpose of this bulletin is to inform applicants of amendments to the Official Community Plan (OCP) Market Rental Housing Policy. The requirements listed below are in effect as of June 20, 2022.

[Character Area 1 \(Mixed Use Employment-Residential\)](#) in the West Cambie Area Plan has pre-existing market rental housing requirements, which can be found online at www.richmond.ca/__shared/assets/westcambie570.pdf. All other areas of the city are subject to the policies listed below.

Background:

In response to findings in the [Housing Needs Report](#), which can be found online at www.richmond.ca/__shared/assets/housingneeds59652.pdf, there is a significant need to increase the supply of all forms of rental housing, including market rental housing.

Requirements:

The following requirements are in effect as of June 20, 2022 for new rezoning applications and certain Development Permit applications without an associated rezoning application.

Larger Apartment Development Applications

For rezoning applications that include more than 60 apartment units, 15% of the total habitable residential floor area, excluding floor area secured as affordable housing, is to be secured as market rental units.

For Development Permit applications that do not include rezoning, the following zoning districts require new apartment development that includes more than 60 units to secure 15% of the habitable residential floor area as market rental housing:

- Low Density Low Rise Apartments (RAL1, RAL2);
- 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, CDT2, CDT3).

The zoning districts also include provisions for smaller developments as outlined below.

Implementation:

- A density bonus (0.1 FAR) is applied to development that is required to construct market rental units.
- When new development is required to comply with both the Low End Market Rental (LEMR) Program and the OCP Market Rental Housing Policy, the LEMR construction requirement is calculated first. The market rental construction requirement excludes residential floor area that is secured as affordable housing (i.e. LEMR units).

See over →

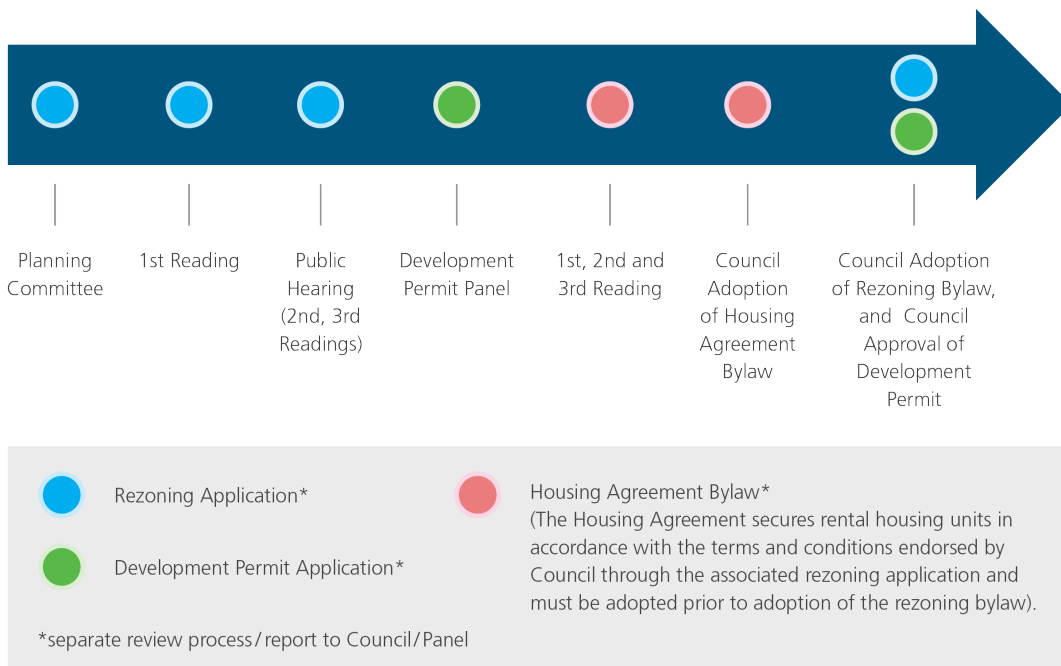
Smaller Apartment and Townhouse Development Applications

New apartment development with 60 or less apartment units and townhouse development with five (5) or more units will either:

- Provide a cash in lieu contribution to the Affordable Housing Reserve at the following rates:
 - for townhouse development: \$28.52 per buildable m² (\$2.65 per buildable ft²);
 - for apartment development inside of the City Centre Area Plan: \$56.51 per buildable m² (\$5.25 per buildable ft²); and
 - for apartment development outside of the City Centre Area Plan: \$32.29 per buildable m² (\$3.00 per buildable ft²); OR
- The owner may make use of up to 0.1 FAR above the base density set out in the OCP or Area Plan conditional to the density bonus being used exclusively to secure habitable market rental floor area.

Implementation:

- For development that provides a cash in lieu contribution:
 - Development that contributes a cash in lieu contribution is not eligible for the density bonus (0.1 FAR).
 - Cash in lieu is calculated on the total residential density. If affordable housing is constructed (i.e. LEMR units), the associated floor area is excluded from the total residential density used to calculate the value of the cash in lieu contribution.
- When an owner opts to construct market rental units:
 - If both affordable housing units and market rental units are constructed within the development, the market rental density bonus (0.1 FAR) is used exclusively to secure habitable market rental floor area and is exempt from the calculation of the affordable housing (i.e. LEMR) construction requirement.
 - If a development is eligible to provide cash in lieu of constructed affordable housing units (i.e. LEMR units) and opts to include constructed market rental units, the market rental density bonus (0.1 FAR) is used exclusively for the construction of secured market rental units and this area is excluded from the calculation of the affordable housing cash in lieu contribution.
- For all developments that construct market rental units, the units are to be secured using rental tenure zoning and a Market Rental Agreement, which requires adoption of a bylaw. Associated sequential milestones in the Rezoning, Development Permit and Housing Agreement process are illustrated in the process flow chart.



See over →

Other Requirements

- A minimum of 40% of market rental housing units in a development should include two or more bedrooms.
- Market rental units should incorporate all of the basic universal housing features described in Section 4.6 of the Zoning Bylaw.
- Stratification of individual market rental housing units is prohibited unless otherwise approved by Council.

Provisions for Instream Rezoning Applications

Larger Apartment Development Applications

A rezoning application that proposes to develop more than 60 apartment units and is instream before June 20, 2022, may be exempt from mandatory construction of market rental housing provided the project achieves both of the following milestones:

- First reading no later than June 20, 2023; and
- Final adoption of the rezoning bylaw and issuance of the Development Permit no later than June 20, 2024.

For an instream rezoning application that includes more than 60 apartment units and does not meet the schedule outlined above, the project is required to redesign to include the required market rental housing. If a project has been actively working to advance and achieve final adoption of the rezoning bylaw and issuance of the Development Permit and is unable to complete due to unusual circumstances, a report may be brought forward for consideration by Council to allow additional time for the project to be completed.

Instream Development Permit applications that are affected by the amendments to standard zones may advance without redesigning to include market rental housing provided the Development Permit is issued by June 20, 2023.

Smaller Apartment and Townhouse Development Applications

A rezoning application that proposes to develop 60 or less apartment units or five (5) or more townhouse units is not required to provide a cash in lieu of construction contribution or construct market rental units if the instream application has secured third reading by June 20, 2022.

An instream application that has not yet achieved first reading is exempt from providing a cash in lieu of construction contribution or constructing market rental units if the project reaches first reading no later than June 20, 2023. Instream applications that have not secured first reading by June 20, 2023 and new rezoning applications that are received after June 20, 2023 will provide a cash in lieu of construction contribution or construct market rental housing units.

Should you have any questions concerning this bulletin, please contact the Policy Planning Department at CommunityPlanning@richmond.ca or the Development Applications Department at devapps@richmond.ca.