



CITY OF RICHMOND
**Interim Housing
Needs Report**
2024





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Executive Summary

Introduction: The City of Richmond continues to assess changes in the housing market to ensure the delivery of housing options that are suited to addressing diverse local needs. This *Interim Housing Needs Report* updates Richmond's 2021 *Housing Needs Report*. The scope of this work has been partly limited to satisfying the legislative requirements implemented by the Province in late 2023. Information prescribed by the Province is complemented with data from the 2021 Census and other data sources as referenced throughout this Report. By broadening the scope of this *Interim Housing Needs Report*, the City is able to provide greater insights into the trends that may be influencing housing needs.

New Data and Methodology: The Province has created a standardize approach to identifying housing needs, referred to as the "HNR Method". All local governments in BC must utilize the HNR Method in preparing an Interim Housing Needs Report. The HNR Method captures six components of housing need some of which extend beyond those recognized in preparing the 2021 *Housing Needs Report*. As a result, the housing needs forecast using the HNR Method are higher than those previously reported. The six components of housing need are examined throughout this report. Appendix B describes the new methodology.

Roles and Responsibilities: The Federal Government through the Canada Mortgage and Housing Corporation (CMHC) and the Province through BC Housing, have a shared responsibility and are primary partners in the delivery of housing, in particular non-market housing. The City is active in working with senior levels of government to build housing that may not be delivered by the private market. Partnerships with local non-profit organizations (NPO) have been especially important in building and supporting the long-term operation of housing that targets some of the most vulnerable members of the community.

The City of Richmond has contributed resources towards the construction of affordable housing, providing City-owned lands and funding from its Affordable Housing Reserve. The City has also implemented land use policy and regulation to incent the delivery of below-market rental and market rental housing, leveraging the investments made by homebuilders. This has resulted in the delivery of thousands of housing units for low and moderate-income households. As an approval body, the City is continuously seeking ways to lessen red tape and streamline processes that will allow more homes to be brought to Richmond residents, sooner.

Programs and Initiatives: Since Richmond's previous *Housing Needs Report* was released in 2021, several initiatives have been completed to facilitate the addition of different types of housing, including market rental, below-market rental, supportive housing, and housing in proximity to transit. A number of initiatives are ongoing to expedite review and approval processes and ultimately accelerate the provision of more housing units.

Population Growth and Demographic Trends Influencing Housing

Demand: Population and household growth, combined with smaller households and an aging population, is leading to a strong demand for more units, particularly amongst smaller households. The following points summarize some of the key observations identified in the preparation of this Report:

- Population forecasts from the Metro Vancouver Regional Growth Strategy and BC Stats, suggest that Richmond's 2041 population will fall between 280,900 and 305,700 persons, respectively;
- Overall, household growth forecasts using the HNR Method anticipate the need for 37,551 households over the next twenty years to accommodate "anticipated growth" only, amounting to approximately 1,878 annually;
- The average household size has been gradually declining and this trend is expected to continue meaning more homes will be required to serve the same number of people;
- Data from the 2011 and 2021 Census illustrates steady growth in the number of one-person and two-person households, increasing by 43% and 32%, respectively. By contrast, growth in the number of households with three or more persons has remained relatively limited. This trend is expected to continue to 2041, driving the demand for smaller dwelling units;
- Over the period of 2006 to 2021, the number of residents aged 65 and over increased by 88%, creating opportunities for housing that will allow residents to age-in-place;
- Growth in the number of persons aged 25 to 39, increasing by 34% between 2006 and 2021, may be the result of the continued inward migration of those seeking academic and employment opportunities in Richmond. Residents in this age group may also capture adults seeking family-friendly housing with two or more bedrooms; and
- Through a customized calculation using the Housing Assessment Resource Tool (HART), it is suggested that half of all new housing units should be studio and one-bedroom units, 25% two-bedroom units, and the remaining 25% three or more bedrooms units.

Key Observations Pertaining to Housing Type, Tenure, and Affordability:

Single detached houses are the most common structural dwelling type in Richmond but the growth of the housing stock has been largely due to completions of apartments mainly in the City Centre, Hamilton and in part, Steveston. Constraints in the supply of housing suited to evolving needs is resulting in higher housing costs and a growing latent demand for new housing options. The *Interim Housing Needs Report* recognizes the following trends as they relate to housing costs, tenure and the form of construction sought by Richmond residents:

- Greater Vancouver Realtors reports a 36% increase in the benchmark price of housing in Richmond over the past five years. Census data similarly shows an increase in the median value of homes rising from \$752,395 in 2016 to \$990,000 in 2021, or an increase of 32%;
- Household income growth has not kept pace with increases in household prices driving would-be homeowners to explore opportunities in the rental market;
- Over the past decade, 72% of homes completed have been apartments, accommodating a growing proportion of renter households; a full 70% of overall growth in the City is occurring in the City Centre;
- A higher demand for rental housing is evidenced in declining rates of rental vacancy. In 2023, rental vacancy was 0.2%, being substantially lower than what is considered a "healthy" rate of rental vacancy at 3% to 5%;

- Increasing rental demand and low rates of vacancy are resulting in rising rents. Over the past five years, the CMHC average market rent has increased by 39%; and
- Statistics Canada provides that where a household is spending 30% or less of the gross household income on shelter costs, the living condition is considered affordable. The 2021 Census provides that 28,155 or 35% of all Richmond households are spending more than 30% on shelter costs, living in unaffordable housing.

Unmet Housing Need: The HNR Method recognizes components of existing unmet housing need. These include the need for housing in response to instances of Extreme Core Housing Need (ECHN), suppressed household formation, and homelessness. Key observations include:

- Renter households represent roughly 40% of the total number of households in ECHN while owner households with a mortgage represent nearly 50% of the total. Per the HNR Method, 5,981 homes are required over the next 20 years to address instances of ECHN, being approximately 300 units annually;
- The suppressed demand for housing can present itself in cases where, for example, a young professional is living with their parents while saving to purchase a home or where a group of unrelated people are living together to share in the payment of housing costs. Using the HNR Method, it is estimated that 847 homes are needed over the next twenty years, or roughly 42 homes per year, to address the suppressed demand for housing; and
- The HNR Method estimates the need for housing for those who are experiencing homelessness based on the proportion of the City's population relative to that of the Greater Vancouver region. That proportion, being 7.99% for Richmond, is then multiplied by the estimated number of people experiencing homelessness in the region, being 11,392 per the Province's Integrated Data Project (IDP). Using the HNR Method, Richmond needs approximately 911 units over the next 20 years for those who are experiencing homeless. This approach assumes the number of people experiencing homelessness in any given community is proportional to the gross population of that community. The 2023 Point in Time (PiT) Count, carried out over a 24-hour period, provided that roughly 50% of those identified as experiencing homelessness were recognized in the City of Vancouver, which represents approximately 25% of the regional population.

Overall Housing Need: The Province's HNR Method takes into account anticipated household growth in addition to other components of housing need, outlined in Table 1. Using the HNR Method, it is estimated that 15,527 housing units are needed over the next 5 years and 51,981 units are needed over a 20-year horizon. The 20-year average supply of housing needed is 2,600 units annually. The 2021 HNR provided that 1,800 housing units are needed annually to 2026. Housing unit completions over the past decade have averaged approximately 1,980 per year satisfying the forecasted need outlined in the 2021 HNR. However, the findings of the *Interim Housing Needs Report* provide that there will be a shortfall of 620 units annually, beyond historic averages, pending some adjustment in the delivery of more housing.

Table 1: Summary of Housing Needs over the Next Five- and 20-year Periods

Component of Housing Need	Description of Component	5-Year Need (2021–2026)	20-Year Need (2021–2041)
A. Extreme Core Housing Need	Households in Extreme Core Housing Need are those that do not meet one of three indicator thresholds (adequacy, suitability and affordability) and where the household would need to pay >50% of income on the median market rent.	1,495	5,981
B. Persons Experiencing Homelessness	Persons experiencing homelessness are defined in this context as those receiving income assistance and having no fixed address for three consecutive months, or those who stayed in a BC Housing-affiliated shelter for a least one night, or both.	455	911
C. Suppressed Household Formation	The suppressed demand for housing captures those with the ability to live independently but due to limited supply, lack of affordability, and other factors live with family, friends or other persons.	212	847
D. Anticipated Growth	The anticipated need for housing driven by population growth.	11,692	37,551
E. Rental Vacancy Rate Adjustment	Housing units needed to reach a healthy vacancy rate of 3.0%, being reflective of a market where there is some degree of housing choice.	115	461
F. Demand Buffer	A buffer applied to the combined housing needs captured by Components A through E, providing for improved housing choice.	1,558	6,230
Total New Units		15,527	51,981

The ability to deliver housing in excess of that completed over the past decade is dependent on the presence of economic conditions that are conducive to advancing residential development and the related motivation, initiative and investment of private developers. Furthermore, additional capacity to deliver housing suited to the diverse needs of residents relies on the involvement of senior levels of government, particularly as it relates to delivering housing for those who are experiencing homelessness or in need of housing supports as well as those requiring deep levels of housing subsidy. The City of Richmond will continue to leverage its relationship with BC Housing and CMHC to build non-market housing while working with non-profit housing operators and developers to deliver affordable, below-market, housing. The City will also continue to use local planning tools to proactively plan for the development of a sustainable community, where housing choices are provided in proximity to transit and a mix of complementary uses allow residents to realize enhanced livability, mobility, and housing affordability.

1.0 Introduction

Housing is a Shared Responsibility

Housing is essential to the physical, economic and social well-being of individuals and families. Addressing the need for a variety of housing, across a housing continuum (Table 2), requires the involvement of multiple parties. Funding from Provincial and Federal governments is necessary to help cover the capital and operating costs associated with providing non-market housing. Rent subsidies are needed from senior levels of government to offset the rising cost of market rental housing, which is falling out of reach of low and moderate-income households.

The City of Richmond's role, per the *Local Government Act*, is to enable the supply of housing through growth management, land use policy, regulation (pre-zoning), and infrastructure investments that support housing delivery over the long term. Developers are fundamental in addressing the demand for market ownership and rental housing, contributing the equity and expertise to build homes. The ability to secure low-cost financing from the Province or Federal Government has the potential to boost the construction of much-needed market rental housing, lessening constraints in the market and creating competition, which may lead to reduced rents.

Non-profit organizations (NPO) and those who contribute to these organizations are also essential partners in the delivery and management of non-market and affordable market housing. NPOs deliver financial, capital, and social resources to build and operate housing for some of the community's most vulnerable. This work allows Richmond residents to gain access to local supports that can provide housing stability and improve one's overall quality of life.



Table 2: Richmond's Housing Continuum

Housing Continuum								
Shelters and Transitional Housing			Rental Housing				Ownership Housing	
Emergency Weather Shelters	Shelters	Transitional Housing	Supportive Housing	Non-Market Housing	Low-End Market Rental	Market Rental Housing	Affordable Home Ownership	Market Home Ownership
Temporary shelters opened when an Extreme Weather Alert is issued.	Short-stay shelters with varying levels of supports to individuals.	Short- to medium-term housing that includes the provision of support services (on- or off-site) to help people move towards self-sufficiency.	Short- and long-term housing in which a range of supports are provided to residents.	Housing funded by senior levels of government and managed by BC Housing, Metro Vancouver, a non-profit housing organization, or cooperative housing provider.	Below market rental units, including units secured through the City's Low End Market Rental program.	Units rented at market rates, including "primary" purpose-built units (e.g. rental apartments); and "secondary" units (e.g. rented condos, secondary suites and single-family houses).	Units at below market value for purchase by moderate income households.	Units purchased at market value.

*Adapted from the 2017 Affordable Housing Strategy

Provincial Requirements

The initial legislative requirement for Housing Needs Reports (HNR) came into effect in 2019. At this time, the Province mandated that local authorities gather information, examine growth patterns, and report the present and expected demand for housing in the community. In 2023, the *Local Government Act* was amended by *Bill 44 – Housing Statutes (Residential Development) Amendment Act*. The amendments implemented by the Province standardize the practice of forecasting housing needs using a prescribed approach referred to as the Housing Needs Report Method (HNR Method).

By January 1, 2025, local governments and regional districts are to have completed an *Interim Housing Needs Report* using the HNR Method. The HNR Method draws data from Statistics Canada, BC Stats, BC's Integrated Data Project and the Canada Mortgage and Housing Corporation (CMHC), to identify housing needs as they relate to the following six components:

Table 3: Six Components of Housing Need

Component of Housing Need
A. Supply of units to reduce extreme core housing need
B. Supply of units for people experiencing homelessness
C. Supply of units to address suppressed household formation
D. Supply of units to meet household growth over the next five and 20 years
E. Supply of units needed to meet at least a 3% vacancy rate
F. Supply of units needed to meet local demand ("demand buffer")

Generally, the Province's HNR Method appears to overestimate Richmond's forecasted housing need. Where appropriate, shortcomings in the HNR Method are recognized and may be communicated to the Province for further refinement of the standardized approach. Ultimately, it is recognized that additional data collection, review and analyses are necessary to paint a more complete picture of Richmond-specific housing needs. Maintaining an on-going dialogue with the community is also of particular importance.

Use of this Interim Housing Needs Report

The City of Richmond's most recent, comprehensive, Housing Needs Report was adopted in 2021, preceding the release of the 2021 Census. The legislative amendments implemented by the Province through Bill 44 provide that local governments are to prepare a comprehensive Housing Needs Report by December 31, 2028, allowing municipalities to draw data from the 2026 census.

This *Interim Housing Needs Report* has been scoped to address the immediate requirements of the Province while complementing the requisite materials with information from the 2021 Census and other data sources as referenced throughout. Key components of this *Interim HNR* include:

- A summary of the number of housing units required over the next five- and 20-years to address forecasted housing needs, calculated using the HNR Method;
- A statement about the need for housing in close proximity to transportation infrastructure in order to support walking, bicycling, the use of public transit and other non-automobile modes of transportation; and
- A description of the actions taken by the local government to reduce housing needs since completing the most recent, comprehensive, Housing Needs Report.

The forecasted five- and 20-year housing needs presented in this *Interim HNR* will be considered in the preparation of updates and amendments to the City's Official Community Plan (OCP). Further, the City will utilize the findings of this Interim HNR to evaluate opportunities to address housing need and to prepare a new Affordable Housing Strategy. From this Strategy, the City will continue to implement actions that will help address the community's short- and long-term housing needs.



2.0 Programs and Initiatives

The City of Richmond has been successful in implementing comprehensive land use plans and policies that have facilitated organized and sustainable growth, and the delivery of a variety of housing options suited to the diverse needs of Richmond residents.

The *City Centre Area Plan (CCAP)*, adopted in 2009, provides for focused growth around Canada Line stations and the introduction of a mix of uses that reduce the public's reliance on private automobile use. The Plan uses a capacity-based, transit-village planning framework to support inclusive and sustainable communities. Approximately 70% of growth is occurring in the City Centre, which is recognized as one of the finest examples of Transit-Oriented Development within the Lower Mainland.

The City's *Official Community Plan (OCP)*, updated in 2012, builds upon the successes of the CCAP and sets out a policy framework to guide growth over a 30-year planning horizon. The OCP recognizes the importance of actions that target issues including housing affordability, climate change, food insecurity and a loss of prime agricultural land, environmental and energy sustainability, and an aging population. The Plan recognizes the importance of providing housing for varying components of the population, including a growing senior's population, young families and newcomers to Canada.

Importance of Housing in Proximity to Transit

The City of Richmond recognizes the importance of planning for more intensive land use around transportation infrastructure, allowing residents to place less reliance on private automobile use and take advantage of alternative forms of transportation including walking, cycling, and public transit.

Research from Metro Vancouver¹ has shown that transportation costs are the second largest expense for Richmond households behind housing costs. Working owner households with mortgages in Richmond were found to be spending approximately 45% of the median income on housing and transportation costs. Working renter households happen to be spending approximately 50% of the median income on housing and transportation costs. Unsurprisingly, the cost of taking transit was found to be significantly lower than owning a vehicle and living close to frequent transit was found to help households absorb high housing costs.

Transit, particularly rapid transit such as the Canada Line that services the City Centre, has the capacity to service the mobility needs of a much larger population compared to automobiles. Growth and an increase in housing supply will place increased demands on the City's transportation infrastructure. As such, in order to ensure that additional housing is provided in a sustainable manner and that mobility needs within the City continue to be met, it is important for housing to be located in areas that are well-served by transit and facilities that accommodate other sustainable modes. By encouraging more people to live close to public transit, Transit Oriented Development (TOD) helps to reduce greenhouse gas emissions and improve air quality. Access to transit can also promote social and economic inclusion for households with lower

¹ [The Metro Vancouver Housing and Transportation Cost Burden Study \(2015\)](#)

incomes, as residents may rely more heavily on transit to sustain employment, access services and participate in community activities. These are examples of how housing in close proximity to transit can enhance environmental and social sustainability.

Since 1999, the City has supported residential densification along its arterial roads. The policy has been updated several times to provide clarity on housing types and is now embedded in the Official Community Plan as the Arterial Road Land Use Policy. The purpose of the Arterial Road Land Use Policy is to locate denser housing developments on arterial road properties in close proximity to commercial services, public amenities, schools, and transit service. Staff estimate that the Arterial Road Land Use Policy may enable approximately 1,600 arterial road properties to accommodate approximately 6,100 new dwelling units and approximately 17,600 residents in a variety of ground orientated housing forms. The policy is further supported by Richmond's City Centre Area Plan and the Cycling Network Plan, which include goals to improve walking and cycling infrastructure within the City Centre to improve mobility and connectivity to and around transit stations.

Completed Programs and Initiatives

Market Rental Housing Policy and Parking Reductions

Richmond's Market Rental Housing Policy was adopted in 2018. The Policy sets out a voluntary density bonus approach for the provision of market rental housing above and beyond the maximum allowable density prescribed in the OCP. The Policy applies to 100% rental and below-market rental applications. The Policy was updated in 2022 to incorporate mandatory components that apply City-wide, for (i) the construction of market rental units for developments with 60 or more units; and (ii) cash-in-lieu options for smaller developments. The Policy also includes lower parking rates for market rental and affordable housing.^{2,3}

Rental Tenure & Density Increases – Spires Road Area Pilot Program

In July 2022, Council adopted amendments to the CCAP for the Spires Road area. These amendments created new requirements for the provision of rental housing in the Spires Road area above the requirements of the City's Affordable Housing Strategy and Market Rental Housing Policy. The success of this program is being evaluated for replication elsewhere in Richmond.

Alderbridge Supportive Housing

Alderbridge Supportive Housing (Alderbridge) was opened in May 2019 and provides 40 safe and secure rental homes for those previously experiencing homelessness. Alderbridge was developed with capital funding from BC Housing. BC Housing also provides ongoing operating funding to the non-profit housing organization RainCity Housing, which manages a number of other supportive housing sites throughout the region. In addition to providing land for the temporary supportive housing, the City also contributed funds from its Affordable Housing Reserve to help cover development cost charges, permit fees and servicing costs.

² [City of Richmond, Market Rental Housing Policy \(2018\)](#)

³ [City of Richmond, OCP Market Rental Housing Policy Update](#)

Aster Place Supportive Housing

In September 2022, the City, in partnership with BC Housing and non-profit housing operator Community Builders, opened Aster Place Supportive Housing (Aster Place). Aster Place provides 40 units and was built to ensure those who were temporarily residing at the Emergency Response Centre during the COVID-19 pandemic did not immediately return to being unsheltered. BC Housing provided capital and operating funding to develop Aster Place on City-owned lands. Similar to the development of Alderbridge, the City contributed funds from its Affordable Housing Reserve to help cover development cost charges, permit fees and servicing costs.

Small-Scale Multi-Unit Housing Changes

On June 24, 2024, Council amended the zoning of almost 27,000 single-family and duplex lots throughout the City to permit small-scale multi-unit housing in response to *Bill 44 – Housing Statutes (Residential Development) Amendment Act*. Small-scale multi-unit housing (SSMUH) provides for housing that is compatible, ground-oriented in scale and form with that found in established single-family neighbourhoods. These changes permit up to three, four or six units in eligible areas with the sixth unit secured as built affordable housing or cash-in-lieu thereof. The amendments also included reduced parking rates for SSMUH development.

Transit-Oriented Areas (TOA)

On June 24, 2024, Council adopted a *Transit-Oriented Areas (TOA) Designation Bylaw* to identify TOAs in the City and amend residential parking requirements within TOAs as required by *Bill 47 – Housing Statutes (Transit-Oriented Areas) Amendment Act*. There are three tiers or catchment areas defined around each designated TOA. Within each tier, the Province has prescribed minimum allowable height and minimum allowable density thresholds. The intent of these changes is to allow for additional housing in proximity to transit stations, lessening one's reliance on the use of a private automobile.

Ongoing Programs and Initiatives

OCP Market Rental Policy

The OCP Market Rental Housing Policy requires that developers provide market rental housing or cash-in-lieu of a built contribution. For rezoning applications that include more than 60 units, 15% of the total habitable residential floor area, excluding any area secured as affordable housing, is to be provided as market rental housing. For developments with less than 60 units, cash-in-lieu is received and deposited into the City's Affordable Housing Reserve.

Low-End Market Rental Program

Richmond continues to implement the Low-End Market Rental (LEMR) Program, which uses a density bonusing framework to secure built housing units for low and moderate-income households. For rezoning applications that include more than 60 units inside the City Centre, 15% of the total habitable residential floor area must be provided as built LEMR housing. For rezoning applications outside the City Centre, 10% of the total residential floor area must be built as LEMR housing. For developments with less than 60 units, cash-in-lieu is received and deposited into the City's Affordable Housing Reserve. Since the launch

of the LEMR program in 2007, a total of 546 LEMR units have been built and 895 LEMR units have been secured through conditional approvals or are under construction (to September 2024).

Pathways Clubhouse Building at 5491 No. 2 Road

The City of Richmond, Pathways Clubhouse, and BC Housing have partnered to build 80 units of affordable housing on City-owned property at 5491 No. 2 Road. The project has received funding through BC Housing's Community Housing Fund (CHF) to cover the capital costs of construction and long term operating costs. The project will provide three tiers of housing affordability including 16 Deep Subsidy Units, 40 Rent-Geared-to-Income Units and 24 Affordable Market Units. The project is expected to be completed in 2026.

Enhanced Fast Track Program

Development applications presenting 100% residential rental development and projects that include below-market housing are given priority in an effort fast track the introduction of such housing into the market. Additional staffing resources are being dedicated to support this initiative with funding received through CMHC's Housing Accelerator Fund (HAF).

Housing Priorities Grant Program

The City of Richmond is launching a three-year grant program in 2025 to help address financial barriers that limit the delivery of affordable rental housing. The \$10 million program is enabled by the HAF. The program will support a range of affordable housing projects, particularly projects led by non-profit housing organizations and cooperatives.

Affordable Housing Non-Profit Partnership Program

Richmond is exploring ways to cultivate partnerships with non-profit housing providers, homebuilders and senior levels of government to support the construction of below market and non-market housing. This Program is intended to build the capacity of the City, and community partners, to promptly engage with one another when funding opportunities arise. Building relationships and open lines of communication will also allow the City to recognize the assets held by local non-profit organizations, housing cooperatives, and other entities who may be interested in pursuing the development of affordable housing.

Permitting Optimization Project

This project is aimed at reducing approval times by optimizing and digitizing the permitting process. New technology can be leveraged to improve the customer experience and support end-to-end modernization including digital submission via an online portal, review/approval, and permit issuance. The Permitting Optimization Project will lead to streamlined building permits and development applications, improving overall efficiency and effectiveness.

Automated Plan Review Project

There is an ongoing initiative to leverage artificial intelligence (AI) and intelligent software to accelerate approvals. Software that integrates AI and Building Information Modelling (BIM) systems will be deployed to enable automated plan review.

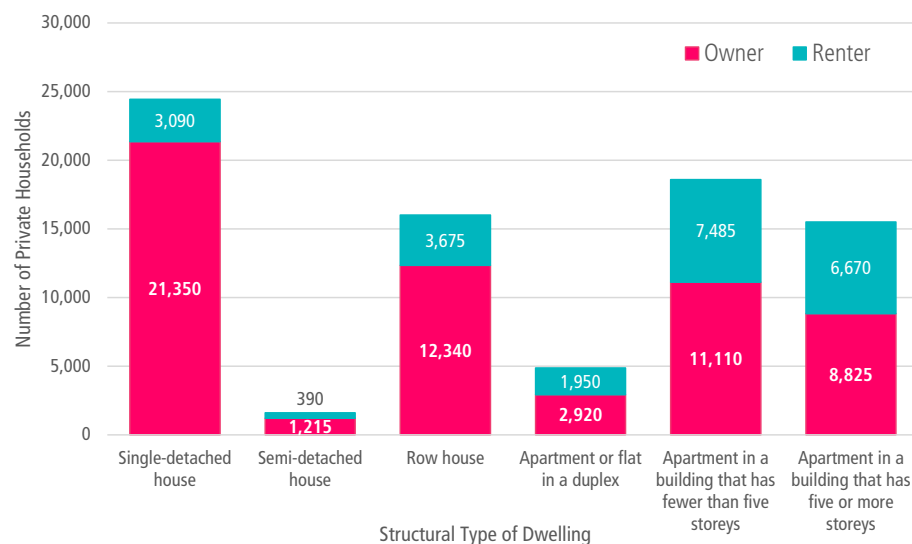
3.0 Current Housing Stock

The City is in a transition, changing from a majority of households living in single-detached dwellings to mixed use, higher density neighbourhoods offering greater housing diversity overall. Over the past decade, 70% of new homes brought to market have been apartments accommodating a growing proportion of renter households in the City Centre alone. A higher demand for rental apartments, evidenced in declining rates of rental vacancy, is reflective of the increased cost of owning a home. The shift from ownership housing to rental housing may also reflect the limited supply of lands suited for lower-profile housing and the introduction of policy incentives to build higher-density housing close to frequent transit networks. This section of the Report provides a snapshot of the City's current housing stock and some of the trends that indicate areas of housing need.

Rise in Renter Households and an Increase in Apartment Construction

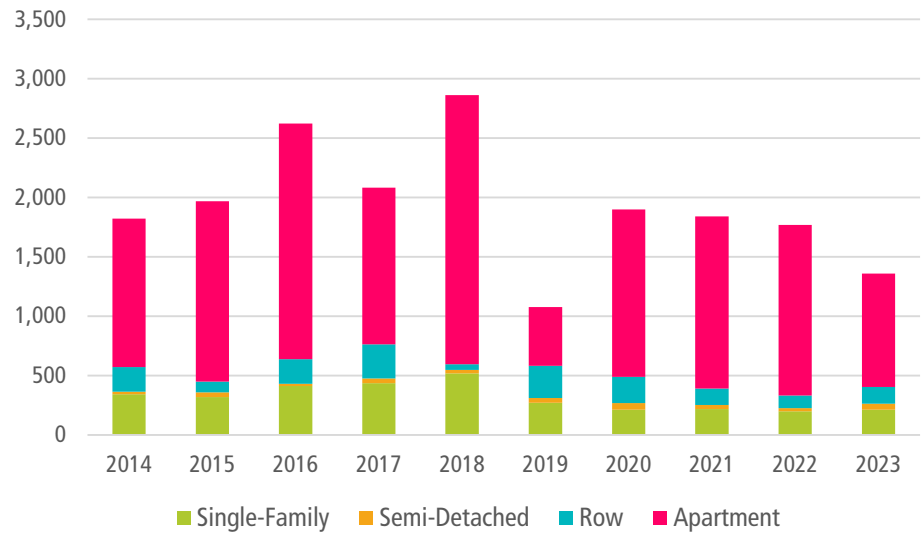
Statistics Canada's 2021 Census reports a total of 81,080 private dwellings in Richmond, including 57,800 owner households and 23,280 renter households. The most common form of housing is single-detached homes making up 30% of all households. Figure 1 presents the number of private households by tenure and type. Within lower-density forms of housing, including single-detached homes, semi-detached homes, and row houses, most of the units are ownership households. By contrast, in higher-density forms of housing there is a higher proportion of renter households.

Figure 1: Structural Type and Tenure of Private Dwellings, Richmond, 2021



Source: Statistics Canada, 2021 Census of Population. Note: A small number of movable dwellings and other single-attached houses have been excluded.

Census data between 2006 and 2021 reports a greater rise in the proportion of renter households when compared against changes in the proportion of ownership households. This shift may be the result of additional apartment construction as evidenced in housing unit completions data collected by CMHC. As shown in Figure 2, the majority of units completed between 2014 and 2023, were apartments.

Figure 2: Historical Completions by Dwelling Type, 2014–2023, Richmond

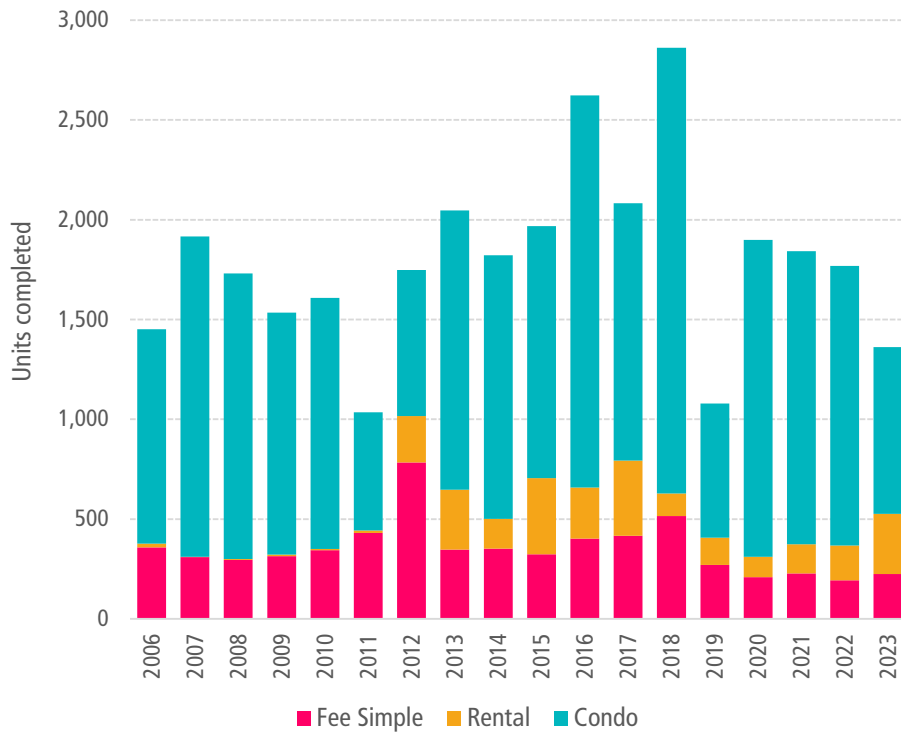
Source: CMHC Starts and Completions Survey

Housing Completions

CMHC reports housing starts and completions monthly, quarterly and annually in the Starts and Completions Survey. The Survey is done by using site visits to determine units that have reached different stages in construction. CMHC uses building permits to determine where construction is taking place. Data specific to the City of Richmond provides that over the past ten years, approximately 1,980 housing units have been completed annually. Since 2012, the City has seen a modest increase in the completion of purpose-built rental units, however, the majority of new housing continues to be delivered as strata, or fee simple, housing (Figure 3).

The 2021 Census reports a total of 23,275 private renter households and 57,800 private owner households. CMHC's 2021 Market Survey⁴ reports a total of 3,443 purpose-built rental units which suggests that the remaining, majority of rental units (86% of the total), may be accommodated within the secondary market. This supply could take the form of suites in a single-detached house, coach homes, or rental units provided within a strata building.

⁴ CMHC's Market Rental Survey is conducted annually in October. The survey targets privately-initiated rental buildings with at least three rental units that have been on the market for at least three months.

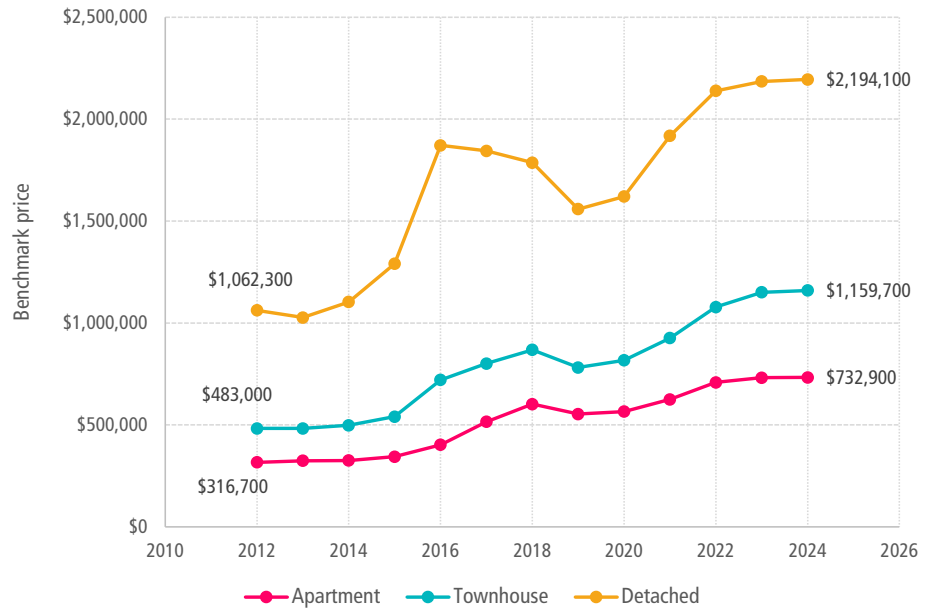
Figure 3: Total Units Completed 2006–2023 by Tenure

Source: CMHC Starts and Completions Survey

The Rising Cost of Ownership Housing

Throughout the Lower Mainland, the cost of housing has seen steady growth over the past decade. The Greater Vancouver Realtors (GVR), formerly known as the Real Estate Board of Greater Vancouver, is a member-based professional association of 15,000 realtors. GVR publishes a monthly Home Price Index (HPI), which identifies a benchmark home price in addition to the change in this price over varying periods of time. Figure 4 illustrates the change in benchmark home prices since 2012. Over the past five years, the benchmark price of all housing in Richmond, as reported by GVR, has increased by approximately 36%.

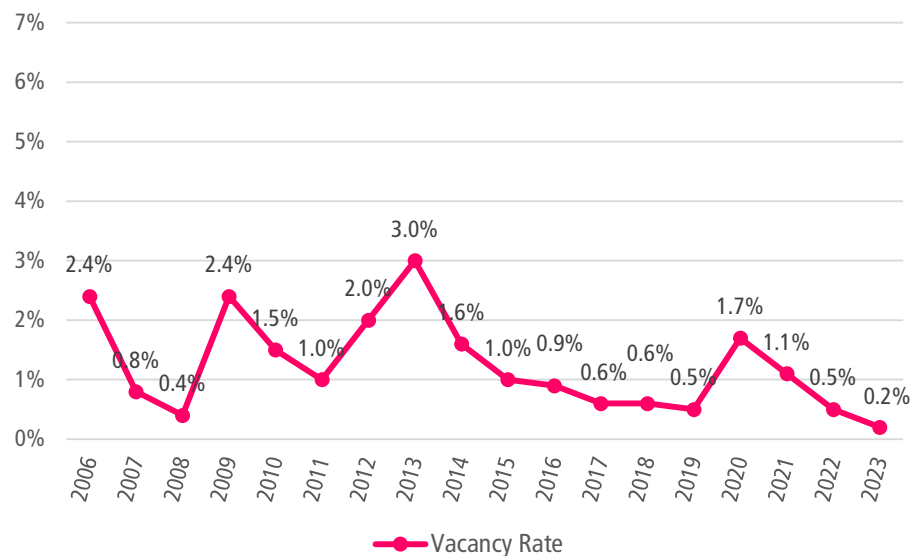
Data from Statistics Canada's 2016 and 2021 Census reports an increase in the median value of homes in Richmond, rising from \$752,395 in 2016 to \$990,000 in 2021, or 32%. The median gross household income reported in the same two datasets highlights a lower percentage increase rising from \$65,241 in 2016 to \$79,000 in 2021, or 21%. As the price of housing increases faster than the gross income of a household, the ability to purchase a home may be lessened and may result in would-be homebuyers pursuing options in the rental market; this is particularly pronounced in low to moderate-income households, being those earning less than approximately \$65,000 and \$95,000, respectively.

Figure 4: Richmond Benchmark Prices by Structure Type, 2011–2023

Source: Greater Vancouver Realtors

Rental Vacancy

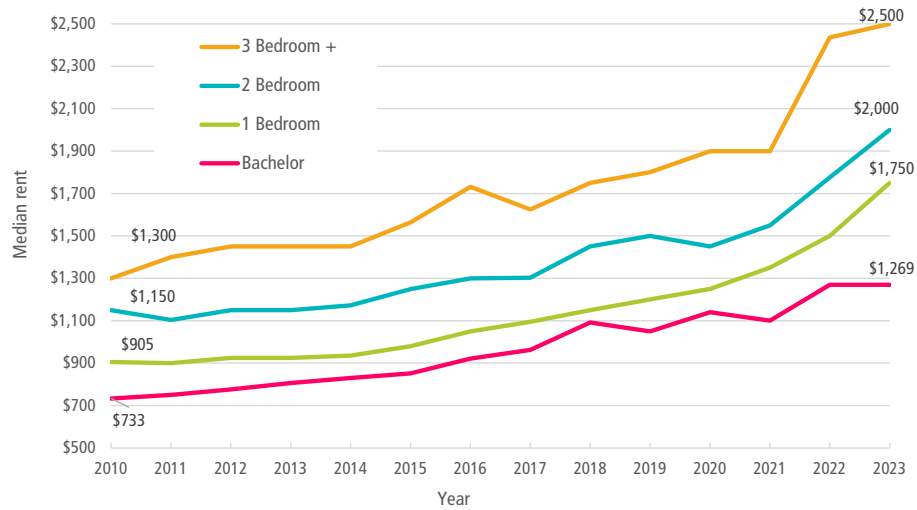
A growing demand for rental housing is placing strain on the rental market resulting in declining rates of rental vacancy. Figure 5 presents rental vacancy rates published by CMHC in their annual Rental Market Survey. Since 2020, rental vacancy rates have fallen from 1.7% to 0.2%, the latter being the lowest level of rental vacancy in at least the past 20 years. A vacancy rate of between 3.0% and 5.0% is considered desirable for a balanced or healthy rental market where renter households have sufficient choice in housing types and price points. Since 2006, there has only been one year where the rental vacancy rate in Richmond reached 3.0%, the lower limit of a healthy range.

Figure 5: Rental Vacancy Rate, 2006–2023

Source: CMHC Rental Market Survey

As the demand for rental housing increases and the supply of such housing remains constrained, the cost of rent will go up. Over the past five years (2018–2023), the median market rent for all purpose-built rental units, as reported by CMHC, has increased from \$1,345 to \$1,870, or 39%. A return to a healthier rate of rental vacancy, realized through an increase in rental housing construction, has the potential to slow the rate of any rent rate increase.

Figure 6: Primary Rental Market Median Rent, 2010–2023



Source: CMHC, Market Rental Report





4.0 Factors Influencing Housing Need

Many factors influence the type of housing needed to provide long-term housing stability. The rate of population growth and an understanding of associated changes in local demographics are valuable when forecasting housing needs. The need for housing is largely influenced by household income and the ability to afford housing made available in the private market.

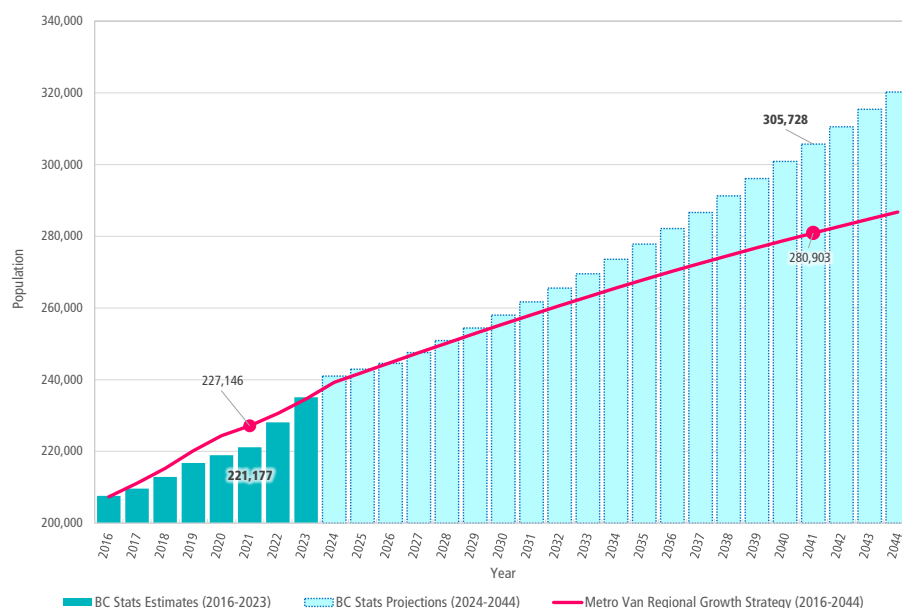
Population Growth Projections

When preparing the 2021 Housing Needs Report, population and household growth projections were taken from the Metro Vancouver Regional Growth Strategy (MVRGS). The Strategy draws data from BC Stats⁵ in addition to customized, area-specific, data using information collected by Statistics Canada.

BC Stats population estimates for Richmond provide that the 2041 population will be 305,728. The Census population of Richmond in 2021 was 211,178 people. Comparing this figure against the population growth estimated by BC Stats, the population of the City of Richmond is estimated to grow by 84,596 people over the next 20 years, or 4,230 people annually. The MVRGS forecast identifies a lower overall amount of growth arriving at a total population of 280,903 in 2041. This amounts to an average annual growth rate of 2,986 persons per year. Figure 7 compares BC Stats population estimates against projections presented in the Metro Vancouver Regional Growth Strategy (MVRGS). While the five-year outlooks to the year 2026 are similar, BC Stats' 20-year projection is 22% higher than the previous MVRGS projection. Updated population projections provided by Metro Vancouver, under a medium growth scenario, forecast a population of 288,530 persons in 2040, or an annual average of 4,071 people.

The discrepancy between BC Stats' projections and those generated by Metro Vancouver may be the result of assumptions tied to increased levels of inward migration, reflective of rates more recently experienced across the Country. With emerging announcements identifying reductions in the number of permitted newcomers to Canada, it may be that the forecasted increase in population lessens. The practice of population projections requires ongoing review of policy changes and demographic trends, which subsequently inform adjustments to the projection.

⁵ BC Stats is a Provincial statistics office that provides population and housing projections to local and regional governments and conducts economic analyses and social research to inform planning and decision-making.

Figure 7: Comparison of Population Estimates and Projections, Richmond, 2016–2044

Source: Metro Vancouver Regional Growth Strategy projections and BC Stats Household Estimates and Projections.

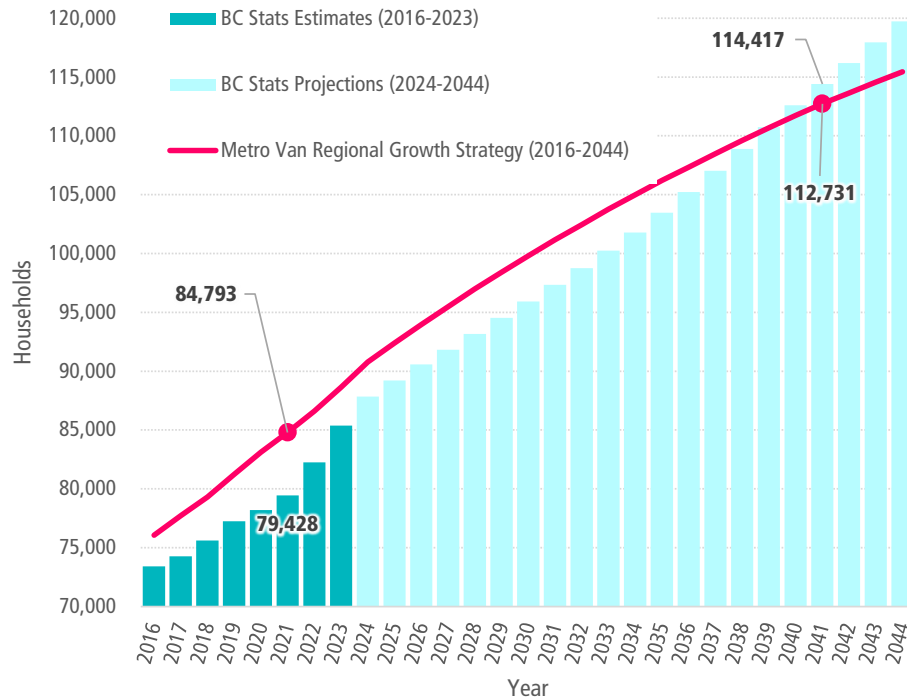
In November, 2024, Metro Vancouver presented updated dwelling unit projections for the region overall and for member municipalities. The updated projections include data from the 2021 Census, while also accounting for stronger population growth influenced by higher levels of immigration. The projections provide a low, medium and high growth scenario and forecast household growth in Richmond at 1,478 units per year under the low scenario, 1,641 units per year under the medium scenario and 1,764 units per year under the high growth scenario, averaged over the period of 2021 to 2040. Metro Vancouver’s updated projections are substantially lower than the 2,600 units per year projected using the Province’s HNR Method and align more closely with growth forecasts presented in the City’s 2021 HNR and housing completions experienced over the past decade.

Household Growth Projections

Similar to the noted population projections, the City’s 2021 *Housing Needs Report* drew household projections from the *Metro Vancouver Regional Growth Strategy*.

Figure 8 illustrates the projected number of households reported within the MVRGS and those generated by BC Stats. The Province’s HNR Method blends BC Stats’ projected regional rates of household growth with those specific to the municipality. The result is a slightly higher number of projected households in 2041. As Richmond’s geographic context is unique within the region (airport height restrictions and soil quality), it is problematic to apply a regional growth rate to future household growth. The number of housing units needed to accommodate anticipated growth over the next 20 years, per the HNR Method, is 37,551 or approximately 1,880 households annually.

Figure 8: Comparison of Household Estimates and Projections, Richmond, 2016–2044

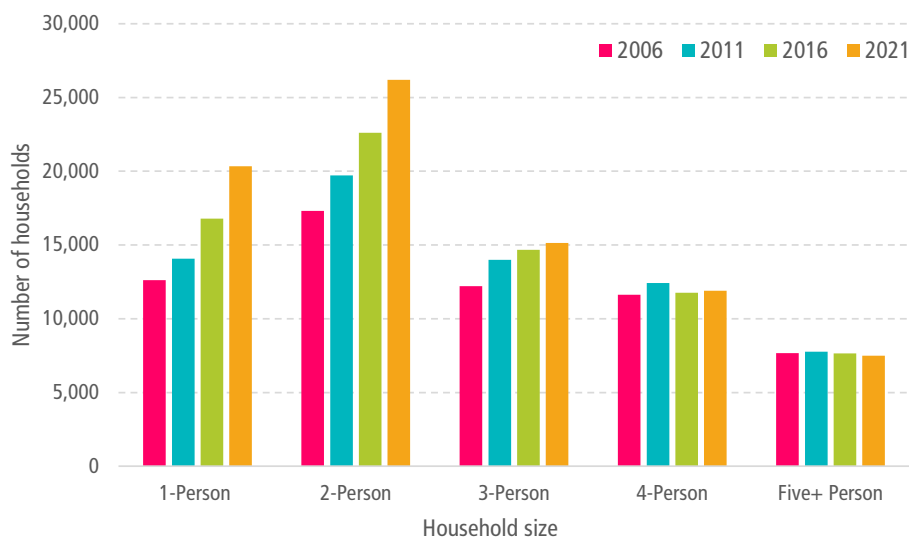


Source: Metro Vancouver Regional Growth Strategy projections and BC Stats Household Estimates and Projections.

Household Composition

The composition of a household commonly influences the size of housing being sought. Between 2006 and 2021, the number of one and two person households saw the greatest amount of growth while there was a modest increase in the number of three person households; households with four or more persons remained largely unchanged (Figure 9). This household growth translates into a growing demand for studio and 1-bedroom units, along with continuing need to provide 2-bedroom and 3-bedroom units as shown in the anticipated housing growth by unit-type in Table 5.

Figure 9: Change in Number of Households by Household Size



Source: CMHC, adapted from Statistics Canada (Census of Canada and National Household Survey)

Metro Vancouver Growth Projections foresee that the average household size in Richmond will continue to trend downward, from 2.7 persons per household in 2020, to 2.6 people in 2030, and 2.5 people in 2040 and beyond. A gradual reduction in household size suggests more homes will be needed to satisfy the same amount of housing demand than that required previously. For example, 370 homes in 2020 would have accommodated 1,000 people, while in 2040 it would take 400 homes to accommodate this same population with the noted household size reduction.

Table 4 presents the estimated number and overall proportion of housing needed, by unit type, over the next five and 20 years. These figures were generated using data from the 2021 Census and the housing supply forecast produced using the HNR Method. The proportion of housing units needed, by size, is largely aligned with the targeted unit mix outlined in the City of Richmond’s *Affordable Housing Strategy, 2017–2027*, being 10% studios and 30% one, two, and three+ bedroom units.

Table 4: Anticipated Housing Growth by Unit Type, 2021–2041

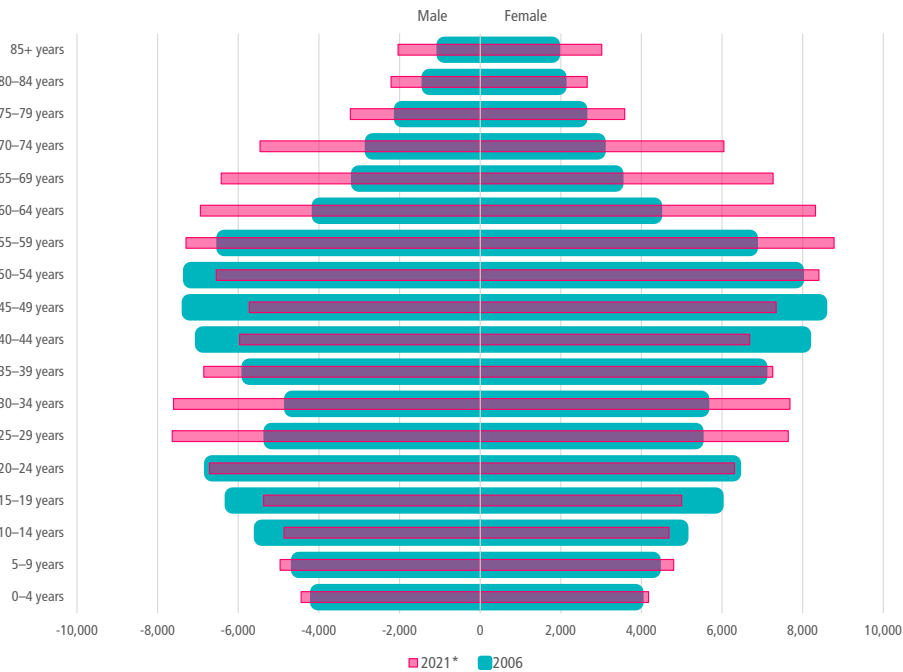
	Studio/1 Bedroom	2 Bedroom	3+ Bedroom	Total
2021 to 2026	5,530	3,004	3,157	11,691
2026 to 2041	12,232	6,644	6,984	25,860
Total	17,763 (47%)	9,648 (26%)	10,141 (27%)	37,551

Note: City of Richmond Custom Calculation using 2021 Census and BC Stats

Population Aging

Statistics Canada’s Census data provides that in the 15-year period between 2006 and 2021, the number of people in Richmond aged 65 and over increased by 88%. During the same period, the number of children and young people aged 0 to 19 declined by 1.9%, and adults aged 20 to 64 increased by 15%. Figure 10 illustrates the number of males and females within each age cohort as reported by the 2006 and 2021 Census. As the population in each age cohort ages, it is assumed that a coinciding number of persons move up the pyramid. Deviations from the anticipated trends in population aging may represent instances of inward or outward migration, with people moving to or out of Richmond, respectively. The source of continued population growth will influence the demographic composition of Richmond residents.

Monitoring the changing numbers of persons in each age cohort allows for the proactive planning of housing that will serve changing housing needs. For example, the increase in those aged 65 and older may suggest a growing need for accessible and adaptable housing units. The larger number of adults in the 25 to 39 age range also suggests a need for more family-friendly housing units, being those with two or more bedrooms.

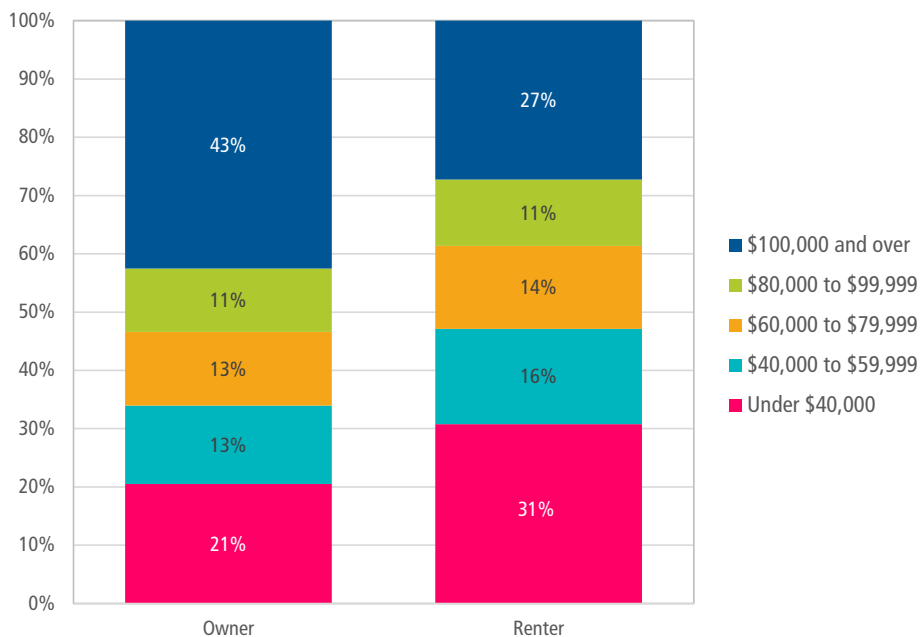
Figure 10: Richmond Population by Age Category, 2006 and 2021

Source: Census of Canada, 2006 and 2021

*2021 Census data provides counts for man+ and woman+. The term "man+" includes men (and/or boys), as well as some non-binary persons, and the term "woman+" includes women (and/or girls), as well as some non-binary persons.

Household Income

The ability to afford housing in the private market is largely dependent on the income of a household. Figure 11 illustrates the proportion of households within varying household income ranges. The data shows that as income rises, there is a higher proportion of owner households with the inverse being reflected amongst renter households.

Figure 11: Percentage of Owner and Renter Households by Income Group, Richmond, 2021

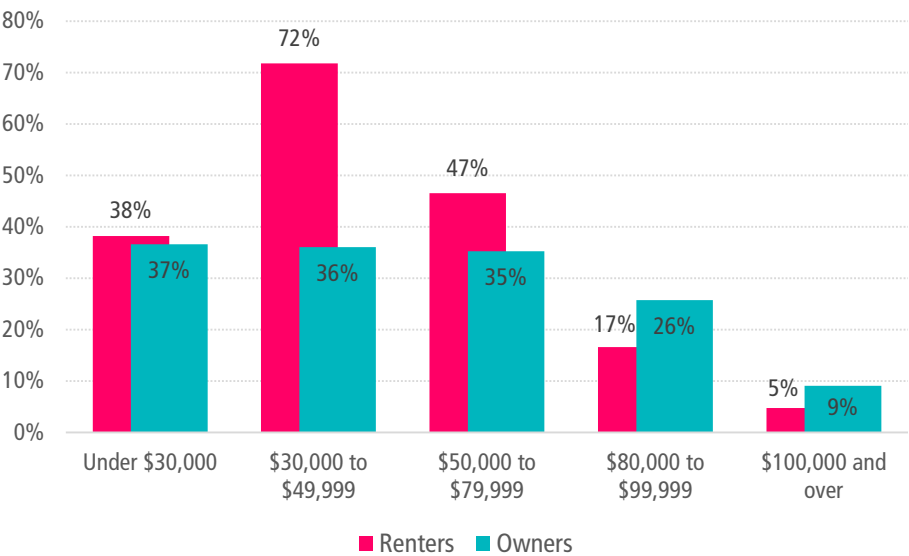
Source: Census of Canada 2021.

Shelter-Cost-to-Income Ratio

Statistics Canada uses a shelter-cost-to-income ratio to gauge housing affordability. Where households spend 30% or less of the gross household income on shelter costs, the living condition is considered affordable. The 2021 Census provides that 28,155 homes, or 35% of all households, are spending more than 30% of gross income on shelter costs being unaffordable.

Figure 12 illustrates the varying proportions of renter and owner households spending between 30% and 100% of their gross income on shelter costs. As shown, there are a higher proportion of renter households and in particular those earning between \$30,000 and \$79,999, in an unaffordable living situation. It is assumed that renter households earning less than \$30,000 are those that receive financial supports from senior levels of government or those within some form of subsidized or supportive housing arrangement.

Figure 12: Shares of Households by Tenure and Income Group Spending 30% to <100% Income on Shelter, 2021



Source: 2021 Census (Custom Data Table).

Gross household income data from the Census is based on reported, regular and reoccurring income, which includes employment income from wages, salaries, commissions and net income from self-employment, as well as income from government sources such as child support payments, social assistance, and Canada Pension Plan benefits. When using income-based data from the Census to determine levels of housing need, it is important to note that there are limitations. For example, Census income data does not reflect income that is irregular, such as withdrawals from a tax-free savings account, capital gains, and voluntary inter-household transfers. It also doesn't consider a household's total net worth (including assets and savings). As a result, there may be a discrepancy between household wealth and reported income potentially leading to an overestimate of households in unaffordable living conditions.

Another limitation is that the Census is reported every five years, and may not reflect current need. For example, income data from the 2021 Canada Census included a short-term income boost from COVID-19 benefits, such as the Canadian Emergency Response Benefit (CERB). This meant that household incomes were temporarily higher, but since COVID-19 benefits have been

discontinued, the income boost provided to some lower socioeconomic households has now ended.

Household Income Groups

Statistics Canada defines household income groups relative to a median gross household income. In Richmond, the 2021 Census reported a median gross household income of \$79,000 across all households. More specific to tenure, the median income of a renter householder was \$64,000 and the median income of owner households was \$86,000. Table 5 summarizes the income thresholds tied to each household income group.

Table 5: Household Income Group by Income Threshold

Household Income Group	Defining Threshold	Income Threshold
Very Low Income	Less than 50% of median income	< \$39,500
Low Income	50% to 80% of median income	\$39,500–\$63,200
Moderate Income	80% to 120% of median income	\$63,200–\$94,800
Above Moderate Income	120% to 150% of median income	\$94,800–\$118,500
High Income	More than 150% of median income	> \$118,500

Source: Statistics Canada, 2021 Census of Population.

The high presence of low and moderate-income renter households in Richmond suggests the need for incentives that will support the introduction of below-market rental units. The City's Low-End of Market Rental (LEMR) Program has been successful in securing affordable housing since 2007; however, the program is not designed to provide housing for those at the lowest end of the income spectrum. Changing economic conditions and the high cost of construction may be compromising, however, the ability of the private sector to deliver LEMR housing.

Core Housing Need

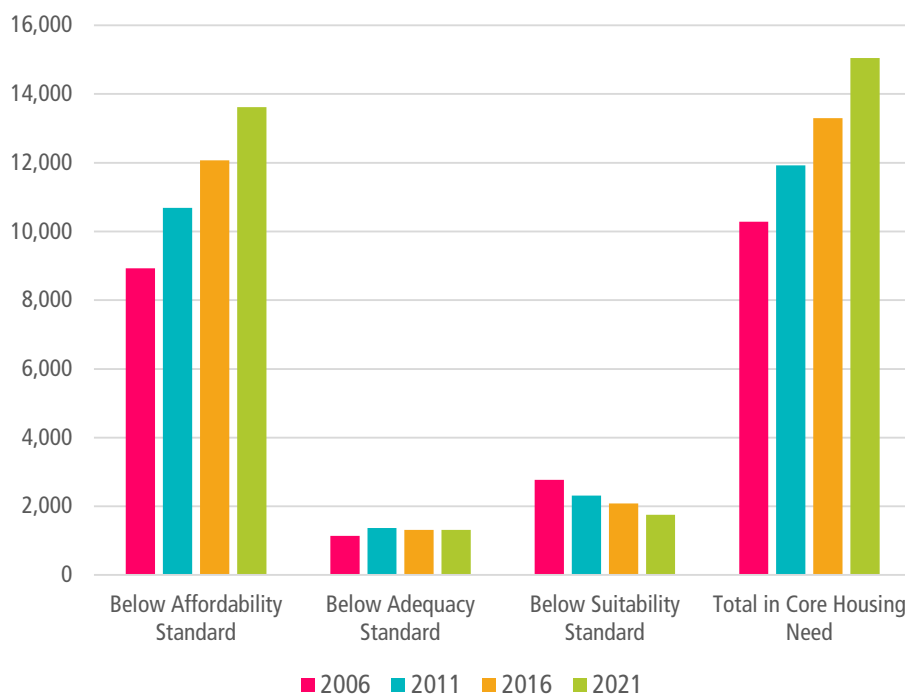
Statistics Canada's Census reports the number of households in "core housing need". Core Housing Need (CHN) captures situations where the conditions of the household fall below one of three indicator thresholds and where the household would need to spend 30% or more of its gross income to pay the median rent of alternative housing that is acceptable; in 2023 CMHC's reported median rent rate across all unit types was \$1,870. The three indicator thresholds that together define housing acceptability include:

- **Adequacy:** Housing reported by residents that does not require major repairs including defective plumbing or electrical wiring, or structural repairs to walls, floors or ceilings.
- **Suitability:** Housing that has enough bedrooms for the size and make-up of residents in the household, according to National Occupancy Standard (NOS) requirements. Generally, suitability is a measure of whether or not the household is considered overcrowded.
- **Affordability:** Housing where shelter costs amount to less than 30% of the gross income of the household. Shelter costs for renters include, as applicable, rent and payments for electricity, fuel, water and other

municipal services. For owners, shelter costs include, as applicable, mortgage payments (principal and interest), property taxes, condominium fees, and payments for electricity, fuel, water and other municipal services.

There has been a steady increase in the number of Richmond households in CHN since 2006. As shown in Figure 13, affordability is the most commonly reported unmet indicator threshold.

Figure 13: Number of Households in Core Housing Need, 2006–2021



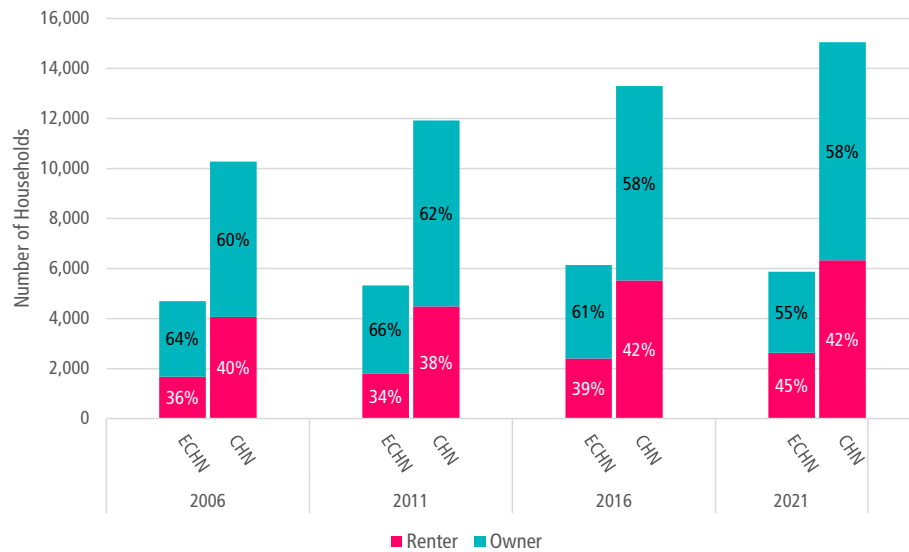
Source: CMHC, adapted from Statistics Canada (Census of Canada and National Household Survey)

Extreme Core Housing Need

A household is considered to be in Extreme Core Housing Need (ECHN) when one of three indicator thresholds, being housing suitability, adequacy, and affordability, are unmet, and where the household would need to spend more than 50% of its gross income to pay the median rent of alternative housing in the market. In 2021, there were 6,525 households in ECHN. Renter households represent roughly 40% of the total number of households in ECHN while owner households with a mortgage represent nearly 50% of the total. The remaining 10% are not, generally, considered to be in ECHN as it is assumed the equity in home ownership provides the opportunity to secure more affordable housing made available in the market.

As shown in Figure 14, there has been a growing number of households in ECHN since 2006, with renter households experiencing the greatest increase. From 2016 to 2021, there was a slight decrease in the number of households in ECHN, likely resulting from the issuance of financial supports by the Federal Government during the COVID pandemic. As the cost of housing continues to rise faster than household income, it is anticipated that the number of households in ECHN will continue to increase.

The ability to address the needs of those in ECHN requires intervention from senior levels of government, most likely in the form of rent subsidies.

Figure 14: Households in Extreme Core Housing Need and Core Housing Need by Tenure, 2006–2021

Source: Canada Census 2006, 2011, 2016 and 2021

Rent Subsidies and Subsidized Housing

BC Housing provides rent subsidies through its Shelter Aid for Elderly Seniors (SAFER), Rental Assistance Program (RAP), and the Canada-BC Housing Benefit (CBCHB) Program. These Programs target lower income seniors, families and people living alone. The continued availability, and expansion, of financial supports from senior levels of government is needed to deliver housing that will address the short and long-term needs of these growing segments of the community. Current levels of subsidy available through these programs is not adequate to address the needs of the growing number of vulnerable households in the community.

Subsidized housing refers to housing, which is in some way subsidized, most often through government financial support or rent assistance. BC Housing provides permanent subsidized housing for residents of BC where rental fees are calculated as rent geared to income and set at 30% of total gross household income. Applicants must have low income and meet certain eligibility requirements and are able to apply for subsidized housing through the BC Housing Registry.

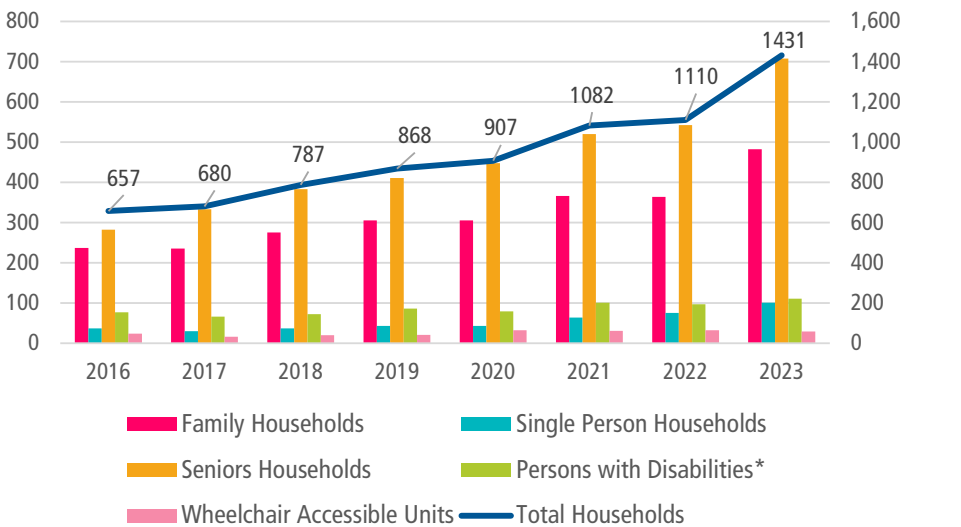
The BC Housing Registry is a centralized database that makes it possible for applicants to apply to different housing providers with one application. Since the completion of the 2021 Housing Needs Report, the BC Housing Registry for Richmond has grown by 32%, from 1,082 households to 1,431 households in 2023. Between 2018 and 2023, Richmond had one of the fastest growth rates in Metro Vancouver in terms of new households added to the Registry, with an 81.8% increase.⁶ The groups experiencing the largest increase over this timeframe have been Seniors and Families (see Figure 15).

The BC Subsidized Housing Registry is not a waitlist; when someone applies to the registry, they are offered housing based on need rather than solely based on the amount of time since registering. A number of considerations can affect the

⁶ [Metro Vancouver Housing Data Book 2023](#), pg. 171.

amount of time an applicant is on the Registry. The sharp uptick in the number of new registrations between 2022 and 2023 points to the demand for housing at below-market rental rates.

Figure 15: Number of Households Waiting for Housing on the BC Housing Registry by Applicant Category for Richmond, 2016 to September 2023



Source: BC Housing

* In this context, Persons with Disabilities describes a household applicant category type that includes a person who can live independently and qualify for a disability pension or are eligible for a disability tax credit and have applied to the Registry.

Since 2016, there has been an increase in the number of Richmond households on the BC Housing Registry. As of December 2023, 1,556 Richmond households were waiting for affordable housing units managed by BC Housing, an increase of 27% compared to December 2022. Of the households on the Registry, almost half were seniors, a third were families with children and the remaining households consisted of single individuals, people with disabilities and households in need of wheelchair-accessible units (see Table 6).

Table 6: Number of Richmond Households on the BC Housing Registry

Applicant Category	Number of Households 2022	Number of Households 2023	2022–2023 Change (#)	2022–2023 Change (%)
Person with Disabilities*	95	113	18	19%
Family	414	516	102	25%
Senior	610	745	135	22%
Single	73	147	74	101%
Wheelchair Accessible	30	35	5	17%
Grand Total	1,222	1,556	334	27%

Source: BC Housing

* In this context, Persons with Disabilities describes a household applicant category that includes a person who can live independently and qualify for a disability pension or are eligible for a disability tax credit and have applied to the Registry.

Over the past decade, the number of households on the Registry has grown by nearly 170%. As housing costs rise and the population ages, it is anticipated that the number of households on the BC Housing Registry will continue to escalate. The rising cost of housing also lessens the ability of a household to afford other necessities. The City has seen, for example, a growing number of residents using the Food Bank in Richmond, particularly over the past four

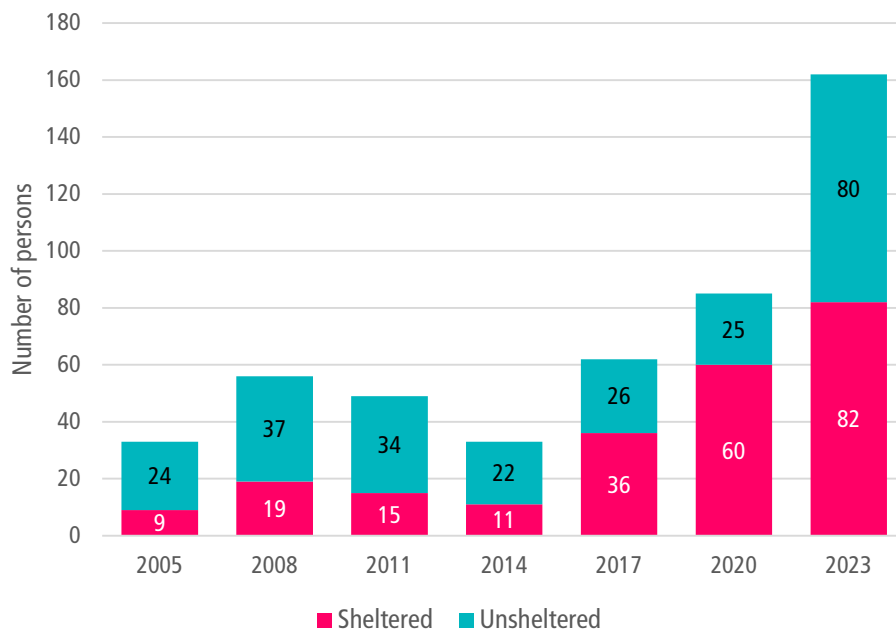
years. In 2023, the Richmond Food Bank Society was able to serve 4,770 unique households, a 41% increase over 2022 when they served 3,387 unique households. Since before the pandemic, the Food Bank has seen use grow from 1,622 unique households in 2019, to 4,770 in 2023, a growth of 194%.⁷

Easing Current Pressures

Homelessness

People who are experiencing homelessness are a population not normally captured in data sources such as the Census. Data from dedicated surveys such as the Homeless Count, also known as the Point-in-Time Count, or PiT Count, which has taken place in Greater Vancouver every three years since 2005, indicates that there is an increasing trend of people experiencing homelessness in Richmond, as is the case in other municipalities in Greater Vancouver. Since the completion of the 2021 Housing Needs Report, the number of individuals experiencing homelessness in Richmond who were counted during the PiT Count has nearly doubled, increasing from 85 individuals in 2020, to 162 in 2023 (Figure 16). It is important to note that the PiT Count represents only those people who participated in this specific survey and were actively experiencing homelessness in a single 24-hour period. The PiT Count data is not fully reflective of the number of individuals who may be experiencing homelessness in a community over time. The PiT Count is frequently understood to be an undercount of the overall representation of homelessness in a community as individuals who do not wish to participate but are unsheltered are not counted, as well as those who are not contacted during the time of the count. Individuals including seniors, youth, racialized persons and the 2SLGBTQIA+ community are known to be underrepresented in PiT Counts.

Figure 16: Number of Sheltered and Unsheltered Individuals Experiencing Homelessness Identified through the PiT Count in Richmond, 2005–2023



Source: BC Non-Profit Housing Association, 2023 Homeless Count in Metro Vancouver

Note: “Sheltered” includes shelters (extreme weather response shelters, and other shelter programs), safe houses, transition houses, jails, and hospitals.

⁷ [Richmond Food Bank Society Annual Reports 2019, 2022 and 2023.](#)

Housing units to address the needs of people experiencing homelessness are a component of housing need in the HNR Method. Data used in the HNR Method is drawn from the Province's Integrated Data Project, and identifies an individual as experiencing homelessness if they have received income assistance and did not have a fixed address for three consecutive months, or who stayed at a BC Housing-affiliated shelter for at least one night, or both. The data is meant to capture people experiencing homelessness at any point during the year, in contrast to the one-day, PiT Count. This data does not include people who are experiencing homelessness and not collecting income assistance, or those who are experiencing homelessness but using an address where they do not actually reside to collect the "shelter" portion of the income assistance benefit. As with the PiT Count, the methodology is also imperfect and results can be misleading.

Data provided by the Province using the HNR Method estimates that Richmond will need 911 new units by 2041 in order to house people identified through their methodology as experiencing homelessness. The new units needed to address the needs of people experiencing homelessness are based on the assumption that Richmond's share of the population experiencing homelessness is the same as the share of Richmond's total population within the Greater Vancouver region. In 2021, Richmond's total population comprised 7.99% of the regional population, and so the HNR Method applies 7.99% to the regional population of persons experiencing homeless (PEH) to arrive at a "proportional local PEH" of 910.63.

This approach significantly overestimates the number of individuals likely to be experiencing homelessness in Richmond. In actuality, the population of people experiencing homelessness is not spread evenly across the region in proportion to overall population. Notably, Vancouver was the location for 50% of persons experiencing homelessness across Greater Vancouver (2,420 out of 4,821) based on the 2023 PiT Count, while the 162 Richmond individuals experiencing homelessness represented only 3.3% of the regional total. In addition, there is a distinction between having "no fixed address" for Provincial income assistance purposes and actively experiencing homelessness. Individuals with "no fixed address" could still be sheltered and living indoors, and conversely not all people with an address on file for income assistance purposes necessarily have homes. The HNR method also does not take into account the efforts that all three levels of government have initiated to prevent and reduce homelessness, including the introduction of any new programs or funding.

Suppressed Household Formation

The suppressed demand for housing may take the shape of a young adult living with their parents while saving to purchase a home, or a group of unrelated people living together to share in the payment of shelter costs. The HNR Method estimates the magnitude of suppressed household formation with reference to the year 2006, which is considered a time when housing supply was less constrained; for reference rental vacancy at this time was 2.4% in Richmond

Table 7 presents 2021 suppressed household data estimated using the HNR Method. Where the total number of suppressed households exceeds zero, the housing needs of the associated age of the household maintainer are considered unmet. The Table illustrates the unmet housing needs of those 35 to 64 years of age, and those over 75 years old. This data may help inform policy that encourages or incents housing delivery suited to the type and size of household needed to address latent housing demand. For example, the data suggests there may be a need for more family-friendly housing and housing for aging seniors.

Table 7: Suppressed Household Needs by Age of Household Maintainer

Age of Household Maintainer(s)	2021 Potential Households		2021 Households		2021 Suppressed Households		
	Owner	Renter	Owner	Renter	Owner	Renter	Total
15–24 years	460	610	510	1,585	-50	-975	0
25–34 years	6,206	3,343	5,755	5,155	451	-1,812	0
35–44 years	9,099	3,691	8,125	4,395	974	-704	269
45–54 years	11,862	3,388	10,980	3,950	882	-562	320
55–64 years	14,872	2,643	13,560	3,855	1,312	-1,212	100
65–74 years	11,151	2,300	11,470	2,540	-319	-240	0
75 + years	7,311	2,046	7,405	1,795	-94	251	157
Total New Units							847

Demand Buffer

Housing markets are continually in flux. Adding a “demand buffer” beyond the minimum number of units required to address current and anticipated housing demands allows for some level of flexibility in housing choice. For instance, some households may seek housing with particular characteristics such as on-site amenities, proximity to public transit, and easy access to places of employment. A greater availability of housing beyond a minimum can help reduce pressure in the housing system as households look to meet their specific needs and preferences.



5.0 Overall Housing Need

This *Interim Housing Needs Report* presents the requisite housing supply forecasts as prescribed by the Province, generated using the HNR Method.

Table 8: Housing Supply Needed over the next Five- and 20-Year Periods

Component of Housing Need	Description of Component	5-Year Need (2021–2026)	20-Year Need (2021–2041)
A. Extreme Core Housing Need	Households in Extreme Core Housing Need are those that do not meet one of three indicator thresholds (adequacy, suitability and affordability) and where the household would need to pay >50% of income on the median market rent.	1,495	5,981
B. Persons Experiencing Homelessness	Persons experiencing homelessness are defined in this context as those receiving income assistance and having no fixed address for three consecutive months, or those who stayed in a BC Housing-affiliated shelter for a least one night, or both.	455	911
C. Suppressed Household Formation	The suppressed demand for housing captures those with the ability to live independently but due to limited supply, lack of affordability, and other factors live with family, friends or other persons.	212	847
D. Anticipated Growth	The anticipated need for housing driven by population growth.	11,692	37,551
E. Rental Vacancy Rate Adjustment	Housing units needed to reach a healthy vacancy rate of 3.0%, being reflective of a market where there is some degree of housing choice.	115	461
F. Demand Buffer	A buffer applied to the combined housing needs captured by Components A, B, C, and E, providing for improved housing choice.	1,558	6,230
Total New Units		15,527	51,981

Housing Completions Relative to Housing Need

The City's 2021 *Housing Needs Report* recognized a need for 1,800 housing units annually between 2016 and 2026. Housing completions data for Richmond provide that over the past ten years, 1,980 housing units have been completed per year, meeting the demand forecast in 2021. The Province's HNR Method forecasts housing needs tied to the above listed components, some of which capture areas of unmet or latent housing demand. Overall, the HNR Method provides that a total of 51,981 homes are needed over the

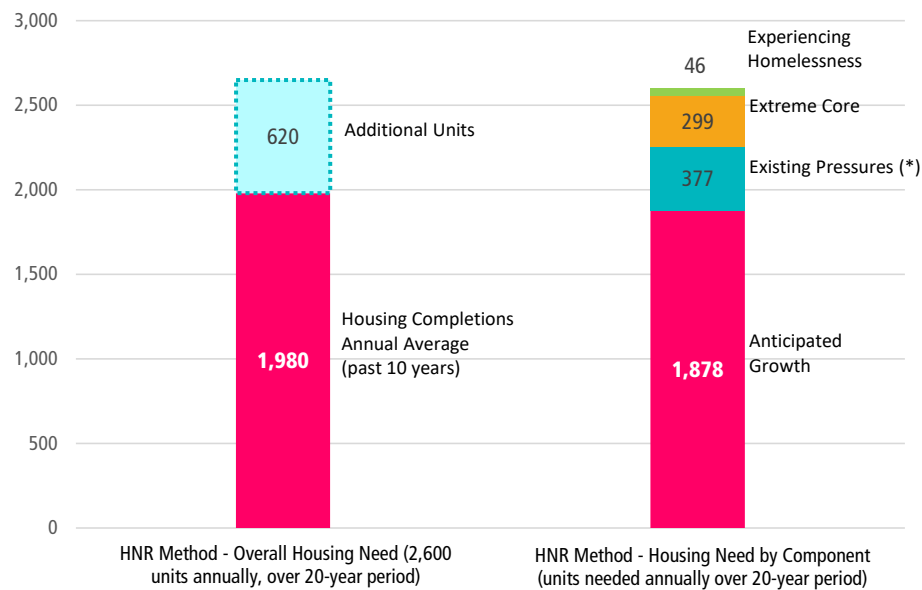
next 20 years, or an annual average of 2,600 homes. It should be noted that the 2021 HNR relied on household growth projections prepared by Metro Vancouver in 2020. These projections drew data from BC Stats, in addition to customized, area-specific data collected by Statistics Canada. By contrast, the HNR Method includes several new components and blends local BC Stats' household growth projections, being more current and reflective of recent growth trends, with those specific to the region. These differences account for the major differences and increase in projections found in this report.

Satisfying Housing Demand

The City of Richmond has managed population growth and related housing demand through long-range community planning. This practice provides for the concentration of residential uses in areas that are well served by public transit and located in proximity to community amenities and employment opportunities. Good land use planning has allowed the City of Richmond to avoid pushing development into environmentally sensitive areas and prime agricultural lands. Master plans, including the *City Center Area Plan*, have been instrumental in enabling higher-density development along the Canada Line of the SkyTrain network, complementing the supply of lower profile housing outside the City Centre. Emerging opportunities for small-scaled multi-unit housing (SSMUH) in neighbourhoods predominantly comprised of single-family dwellings will further opportunities for housing choice in the City.

The creation of land use plans and housing policies has allowed the City to facilitate the development of ownership and market rental housing while also securing affordable housing for low and moderate-income households. The ability to provide housing with greater depths of affordability and housing supports relies on the involvement of all three levels of government. The City has contributed City-owned lands and funds from its Affordable Housing Reserve to build non-market housing, working in partnership with Provincial and Federal Governments as well as local non-profit housing providers.

Using the HNR Method, there is a forecasted need for 2,600 units annually. Figure 17 presents the forecasted amount of units set against the average number of housing units completed annually.

Figure 17: Annual Housing Supply Forecasted using the HNR Method by Components of Future Need

*Existing Pressures capture components of pent up or latent demand and include suppressed household formation, a return to a healthy rate of rental vacancy, and the demand buffer, the latter providing housing choice.

The right side of the Figure illustrates specific components of future need. It is recognized that the City of Richmond has the ability to enable, through land use planning, policy incentives and regulations, the delivery of housing needed to satisfy anticipated growth and, to an extent, to ease existing pressures tied to rental vacancy and suppressed household demand. Through City-led measures and, to a large extent developer motivation and capacity, the City may also be able to realize the “demand buffer” identified by the Province.

The Delivery of Housing is a Shared Responsibility

The ability to provide housing for those who are experiencing homelessness and those in Extreme Core Housing Need requires the involvement of senior levels of government, particularly as it relates to the allocation of capital and operating funding, housing subsidies, low cost financing, and other measures. Although the City has been a key contributor in the delivery of non-market housing, the extent to which the City can be relied upon to secure housing with much-needed supports and deep levels of affordability is limited. The creation of a new Housing Office and additional resourcing will provide increase opportunities to leverage new funding opportunities and implement new housing incentives that broaden the capability of the City to deliver more housing for Richmond residents.



6.0 Conclusion

This *Interim Housing Needs Report* has been completed in accordance with the Province's prescribed HNR Method and is complemented with other data to provide a more robust overview of local housing needs. The HNR Method applies a considerable buffer to estimated housing needs. Overall, the HNR Method is believed to over-estimate housing needs by applying regional rates of growth to those experienced locally in addition to building in overlapping buffers. Household growth forecasts prepared in 2024 by Metro Vancouver, and specific to the City of Richmond, suggest that the annual volume of units needed over the next 20 years will continue to align with the number of housing completions realized over the past decade.





Appendix A: Glossary of Terms

Term	Definition
Affordable Housing	Housing units that are prioritized for households that earn less than median income and cannot afford rental rates within the private market so that these households pay no more than 30% of their income on housing. Generally secured through regulatory approaches, such as inclusionary zoning, or with capital or operating funding from federal, provincial or local governments.
BC Housing Registry	A centralized database used to manage applications for social housing.
BC Stats	BC Stats is the provincial government's statistical office. It provides statistics, economic research, information and analysis.
Canada Mortgage and Housing Corporation (CMHC)	CMHC is a federal Crown corporation responsible for administering the National Housing Act and has a mandate to assist in the building of affordable housing in Canada. CMHC also administers housing programs and acts as a mortgage insurer.
Core Housing Need	A household is in core housing need if its housing does not meet one or more of the adequacy, suitability or affordability standards and it would have to spend 30% or more of its before-tax income to access acceptable local housing. Acceptable housing is adequate in condition, suitable in size, and affordable.
Extreme Core Housing Need	Has the same meaning as core housing need except that the household has shelter costs for housing that are more than 50% of total before-tax household income.
Household	A Household refers to a person or a group of persons who occupy the same dwelling.
Housing Needs Report (HNR)	Housing Needs Reports (HNR) are required by the Local Government Act and describe the current and future housing needs.
Low End Market Rental (LEMR) Housing	Rental housing units secured through the City's Low End Market Rental Program. These units are offered at below market rental rates and are intended for low to moderate income households
Market Rental Housing	Rental housing units provided by the private market. This includes purpose built rental housing as well as rental housing delivered through the secondary rental market such as secondary suites, rental condominium units, or other investor-owned units. These units are offered at market rental rates and are typically affordable to households with moderate to high incomes
Movable Dwelling	Includes mobile homes and other dwellings such as houseboats and railroad cars.
Row House	One of three or more dwellings joined side by side (or occasionally side to back), such as a townhouse or garden home, but not having any other dwellings either above or below. Townhouses attached to a high-rise building are also classified as row houses.
Shelter-to-Income Ratio (STIR)	Shelter-cost-to-income ratio refers to the proportion of average total income of household, which is spent on shelter costs.
Supportive Housing	Supportive housing is subsidized housing with on-site supports for single adults, seniors and people with disabilities at risk of or experiencing homelessness. These supports help people find and maintain stable housing.
Tenure	Housing tenure is identified according to whether a principal residence is owned, with or without a mortgage, or rented.
The HNR Method	The HNR Method is the methodology that the Province requires local governments to use to calculate the total number of housing units their community will need over the next five and 20 years.
Transit-Oriented Areas (TOA)	Areas within Provincially-prescribed distances of a rapid transit station. In these areas municipalities are required to ensure minimum density levels and remove restrictive parking minimums.



Appendix B: HNR Methodology and Data Tables

Calculating 20-year housing need

The following tables calculate 20-year and 5-year housing need according to provincial guidelines. Each table follows these guidelines exactly with the intention that the tables can be directly included in the required interim housing needs report (or included as an addendum to an existing housing needs report).

HART has produced this calculator to support communities in British Columbia satisfy a provincial requirement for interim housing needs reports. Methodologies for housing needs reports can vary widely, and while HART supports the standardization of methodologies for the purpose of provincial or national reporting, we did not have a role in developing the methodology, nor do we unequivocally endorse it. You can learn more about the HART methodology and what it can tell you about your community on our [Housing Needs Assessment Tool page](#).

A note on terminology: we use the term RDA, where the province uses the term Electoral Area. For all intents and purposes, these are interchangeable in the calculator.

A note on rounding: per provincial guidelines, the figures in Components A-F are not rounded and are shown to two decimal places. Total housing need is rounded in Table 13 to the nearest whole number, per guidelines.

Component A: Extreme core housing need calculation

The following tables calculate the new homes required to meet existing Extreme Core Housing Need (ECHN) according to provincial guidelines.

Table 1a

The following table shows total owner and renter households in the four previous census years (Step 1).

EXPORT

Richmond CY (CSD, BC)				
Total Households	2006	2011	2016	2021
Owners	46,885	52,420	54,545	57,800
Renters	14,545	15,560	18,910	23,280

Table 1b

The following table shows the total number and proportion of owners with a mortgage and renter households in ECHN in the four previous census years, to arrive at an average ECHN rate (Step 2).

Please note that data for owners with a mortgage is only available for 2021.

EXPORT

Richmond CY (CSD, BC)									
	2006		2011		2016		2021		
Extreme Core Housing Need	#	% of total	#	% of total	#	% of total	#	% of total	Average ECHN Rate
Owners with a mortgage	n/a		n/a		n/a		3,235	5.60%	5.60%
Renters	1,675	11.52%	1,805	11.60%	2,410	12.74%	2,635	11.32%	11.79%

Table 2

The following table shows the estimated total of owners with a mortgage and renter households in ECHN in 2021 (Steps 3 and 4).

EXPORT

Richmond CY (CSD, BC)			
Total Households	2021 Households	Average ECHN Rate	Households in ECHN
Owners	57,800	n/a	n/a
Owners with a mortgage		5.60%	3,235.00
Renters	23,280	11.79%	2,745.85
Total New Units to Meet ECHN - 20 years			5,980.85

Component B: Housing units and homelessness

The following table calculates the number of new homes required to meet the needs of the existing population of people experiencing homelessness (PEH), according to provincial guidelines.

Table 3

The following table shows the estimated number of homes required to meet the need of existing PEH households as a proportion of the regional need (Steps 1-3).

EXPORT

Richmond CY (CSD, BC)				
Regional Population	Local Population		Regional PEH	Proportional Local PEH
	#	% of region		
2,607,015	208,395	7.99%	11,392	910.63
Total New Units to Homelessness Needs - 20 years				910.63

Component C: Housing units and suppressed household formation

The following tables calculate the number of new homes required to meet the demand from households unable to form due to a constrained housing environment, since 2006, according to provincial guidelines.

Table 4a

The following table shows the number of owner and renter households in 2006 by age of the primary household maintainer (Step 1).

EXPORT

Richmond CY (CSD, BC)		
Age – Primary Household Maintainer 2006 Categories	2006 Households	
	Owner	Renter
Under 25 years	490	650
25 to 34 years	4,195	2,260
35 to 44 years	9,405	3,815
45 to 54 years	12,935	3,695
55 to 64 years	10,155	1,805
65 to 74 years	5,310	1,095
75 years and over	4,395	1,230

Table 4b

The following table shows the number of owner and renter households in 2021 by age of the primary household maintainer (Step 1, cont'd).

EXPORT

Richmond CY (CSD, BC)		
Age – Primary Household Maintainer 2021 Categories	2021 Households	
	Owner	Renter
15 to 24 years	510	1,585
25 to 34 years	5,755	5,155
35 to 44 years	8,125	4,395
45 to 54 years	10,980	3,950
55 to 64 years	13,560	3,855
65 to 74 years	11,470	2,540
75 to 84 years	5,300	1,215
85 years and over	2,105	580

Table 5

The following table shows the population by age category in 2006 and 2021 (Step 2).

EXPORT

Richmond CY (CSD, BC)					
		2006		2021	
Age Categories – Household Maintainers	Age Categories – Population	All Categories	Summed Categories	All Categories	Summed Categories
15 to 24 years	15 to 19 years	12,035	24,990	10,575	23,465
	20 to 24 years	12,955		12,890	
25 to 34 years	25 to 29 years	10,485	20,650	15,195	30,550
	30 to 34 years	10,165		15,355	
35 to 44 years	35 to 39 years	12,595	27,475	14,075	26,580
	40 to 44 years	14,880		12,505	
45 to 54 years	45 to 49 years	15,585	30,555	13,075	28,020
	50 to 54 years	14,970		14,945	
55 to 64 years	55 to 59 years	12,990	21,260	16,090	31,135
	60 to 64 years	8,270		15,045	
65 to 74 years	65 to 69 years	6,310	11,890	13,645	24,970
	70 to 74 years	5,580		11,325	
75 years and over	75 to 79 years	4,020	9,480	6,490	15,770
	80 to 84 years	3,310		4,870	
	85 years and over	2,150		4,410	

Table 6

The following table shows the 2006 headship rate of each age category for both renters and owners (Step 3).

EXPORT

Richmond CY (CSD, BC)					
Age Categories – Household Maintainers	2006 Households		2006 Population	2006 Headship Rate	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	490	650	24,990	1.96%	2.60%
25 to 34 years	4,195	2,260	20,650	20.31%	10.94%
35 to 44 years	9,405	3,815	27,475	34.23%	13.89%
45 to 54 years	12,935	3,695	30,555	42.33%	12.09%
55 to 64 years	10,155	1,805	21,260	47.77%	8.49%
65 to 74 years	5,310	1,095	11,890	44.66%	9.21%
75 years and over	4,395	1,230	9,480	46.36%	12.97%

Table 7

The following table shows the potential 2021 headship rate of each age category for both renters and owners if the headship rate from 2006 remained constant (Step 4).

EXPORT

Richmond CY (CSD, BC)					
Age Categories – Household Maintainers	2006 Headship Rate		2021 Population	2021 Potential Households	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	1.96%	2.60%	23,465	460.10	610.33
25 to 34 years	20.31%	10.94%	30,550	6,206.16	3,343.49
35 to 44 years	34.23%	13.89%	26,580	9,098.63	3,690.73
45 to 54 years	42.33%	12.09%	28,020	11,861.85	3,388.44
55 to 64 years	47.77%	8.49%	31,135	14,871.87	2,643.40
65 to 74 years	44.66%	9.21%	24,970	11,151.45	2,299.59
75 years and over	46.36%	12.97%	15,770	7,311.09	2,046.11

Table 8

The following table calculates the number of suppressed households by subtracting actual households in 2021 from potential households in 2021 by age category, according to provincial guidelines (Steps 5 and 6).

EXPORT

Richmond CY (CSD, BC)							
	2021 Potential Households		2021 Households		2021 Suppressed Households		
Age Categories – Household Maintainers	Owner	Renter	Owner	Renter	Owner	Renter	Total
15 to 24 years	460.10	610.33	510	1,585	-49.90	-974.67	0.00
25 to 34 years	6,206.16	3,343.49	5,755	5,155	451.16	-1,811.51	0.00
35 to 44 years	9,098.63	3,690.73	8,125	4,395	973.63	-704.27	269.36
45 to 54 years	11,861.85	3,388.44	10,980	3,950	881.85	-561.56	320.29
55 to 64 years	14,871.87	2,643.40	13,560	3,855	1,311.87	-1,211.60	100.27
65 to 74 years	11,151.45	2,299.59	11,470	2,540	-318.55	-240.41	0.00
75 years and over	7,311.09	2,046.11	7,405	1,795	-93.91	251.11	157.20
Total New Units to Meet Suppressed Housing Need – 20 years							847.11

Component D: Housing units and anticipated household growth

The following tables calculates the number of new homes required to accommodate an increasing population over 20 years according to provincial guidelines.

Table 9

The following table shows the 20-year population projection and growth rate for your regional district (Step 1).

EXPORT

Richmond CY (CSD, BC)			
Regional District Projections	2021	2041	Regional Growth Rate
Households	1,043,315	1,580,744	51.51%

Table 10

The following table shows the calculated number of new homes needed in the next 20 years according to the provincial guidelines, calculated with the average of the municipal and regional growth projections (Steps 2-5).

EXPORT

Richmond CY (CSD, BC)				
Growth Scenarios	Regional Growth Rate	Households		New Units
		2021	2041	
Local Household Growth	n/a	81,080	114,417.00	33,337.00
Regionally Based Household Growth	51.51%	81,080	122,845.66	41,765.66
Scenario Average				37,551.33
Total New Units to Meet Household Growth Needs – 20 years				37,551.33

Component E: Housing units and rental vacancy rate

The following table calculates the number of new homes required to restore local vacancy rates to 3% according to provincial guidelines. Please note that in jurisdictions without vacancy rate data, the calculator will default to the provincial vacancy rate, following provincial guidance.

Table 11

The following table shows the difference between the existing total number of rental homes and the total number of rental homes required for a 3% vacancy rate (Steps 1-4).

EXPORT

Richmond CY (CSD, BC)				
	Vacancy Rate	Occupied Rate	Renter Households	Estimated Number of Units
Target Vacancy Rate	3.00%	97.00%	23,280	24,000.00
Local Vacancy Rate	1.10%	98.90%		23,538.93
Total New Units to Achieve 3% Vacancy Rate - 20 years				461.07

Component F: Housing units and demand (the “demand buffer”)

The demand factor is a multiplier used to calculate additional local housing demand (or “demand buffer”), determined by the province.

Table 12

The following table calculates additional demand for new housing by applying your demand factor to the total of the other relevant components, according to provincial guidelines (Steps 1 and 2).

EXPORT

Richmond CY (CSD, BC)	
Component	Result
A. Extreme Core Housing Need	5,980.85
B. Persons Experiencing Homelessness	910.63
C. Suppressed Household Formation	847.11
E. Rental Vacancy Rate Adjustment	461.07
Total	8,199.67
Demand Factor	0.76
Total New Units to Address Demand Buffer – 20 years	6,230.34

Total 5-year and 20-year housing need

Table 13

The following table sums Components A-F and rounds the totals to the nearest whole number to determine the total number of new homes needed in the next 20 years, according to provincial guidelines. It also displays 5-year housing need estimates using the multipliers provided in the provincial guidelines and BC Stats household projections from 2021 to 2026.

EXPORT

Richmond CY (CSD, BC)		
Component	5 Year Need	20 Year Need
A. Extreme Core Housing Need	1,495.21	5,980.85
B. Persons Experiencing Homelessness	455.32	910.63
C. Suppressed Household Formation	211.78	847.12
D. Anticipated Growth	11,691.65	37,551.33
E. Rental Vacancy Rate Adjustment	115.27	461.07
F. Additional Local Demand	1,557.58	6,230.34
Total New Units – 5 years	15,527	
Total New Units – 20 years		51,981

The HNA Calculator was created by the Housing Assessment Resource Tools (HART) project in collaboration with Licker Geospatial Consulting.



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