

**Clarry Enterprises Ltd.**

c/o Mr. Dan Buller

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Suite 100 - 555 Davie Street, Vancouver, B.C. V6B 5B6

Re: Item #2  
~~rec'd May 16~~  
@ 3:20 p.m.

May 16, 2007

Schedule 1 to the Minutes of the  
Development Permit Panel meeting  
held on Wednesday, May 16, 2007.

**Development Permit Panel**

**City of Richmond**

**DP 06-350946** "MingLian Development"

6040 No. 3 Road (PID: 004-243-285, B SEC 9 BLK4N RG6W PL 12673 ) and  
8060 (004-211-081, 5 SEC 9 BLK4N RG6W PL 8649),  
8080 (004-060-644, 4 SEC 9 BLK4N RG6W PL 8649 ) Westminster Highway

in relation to DP 07-363082 "Clarry Development"

6020 No. 3 Road (PID: 004-081-455, A SEC 9 BLK4N RG6W)

Respectfully submitted:

Dear Development Panel,

Clarry Enterprises Ltd. is the present owner of the property at the South East corner of Number 3 Road and Westminster Highway, neighbours on two side to the proposed development by Ming Lian Holdings Ltd DP 06-350946.

Related DP 07-363082 was submitted and intended to be part of this development Panel Meeting as the application was to be presented in tandum with MingLians DP 06-350946 application as the two are logistically affiliated.

To clarify the present situation with the related DP 07-363082, as a result of Canada Lines intended placement and construction on and along private property at 6020 Number 3 Road, Clarry Enterprises Ltd. has its application held in abeyance and may unfortunately abandon its proposed development due to its impacts which have "frustrated" the proposed development. The properties that belong to Clarry Enterprises Ltd and Ming Lian Holdings Ltd. independently, both sit within the two blocks along Number 3 Road where the imminent Canada Line will be constructed and shifts from the roadway and sidewalk onto private property, imposing significant challenges, burdens and resulting hardships.

While Ming Lians project DP 06-350946 has overcome many of their challenges and may infact be permitted to proceed without the corner lot at 6020 Number 3 Road, we do emphasize the importance of preserving the corner properties limited redevelopment potential considerate to what may be constructed as possible future re-development considerations and not just those factored in the presently "frustrated" DP 07-363082. It is our hope that all necessary considerations to accommodate the corner lots future potential and preserve its flexibility, have and will be incorporated into Ming Lians development DP 06-350946 and the City is aware and will assist in overcoming the challenges Clarry's property faces.

Clarry Enterprises has held this property for over 25 years with the foresight to see that this corner remains poised to be a high exposure component to a comprehensive development at this

key intersection in the Downtown core. Clarrys team have tirelessly attempted to mitigate complications through design with limited success and uncovered many aspects too significant to reasonably overcome. It clearly became apparent and an unfortunate reality that both the property and the project in the present redevelopment scheme DP 07-363082 has been compromised. Further, Canada Lines accelerated timetable to construct their line 6 months earlier than initially advised at the site of 6020 Number 3 Road, adding additional complications to sensitive construction timing and the properties optimal preload schedule. Once the Canada Line is constructed, maneuverability complexities and geotechnical challenges for this lone property may make the prospect of any future redevelopment not only challenging, but possibly cost prohibitive and physically impossible.

Clarry had a vision that historically has been shared with the City over the years. This related to have all the lots collectively developed making the overall project an impressive gem to City Center being the last underdevelopment prime exposed corner. The feedback we have received from the City of Richmond over the past 25 years, related to the prospect of the development at this location, would have never foreseen these lots and project being redeveloped in part, and not as a whole, especially not in part that excludes the corner parcel. Throughout the years and specifically in 1997, we had extensive meetings with City of Richmond's City Manager at that time, and the message was loud and clear, "we would like this key corner at this key intersection developed as one fantastic development. With positive yet limited overall success, Clarry relentlessly has tried and pledged their sincere interest in working a mutually beneficial format with our neighbor to cooperatively reduce the Canada Line proximity and feasibility challenges, and our hopes remained that a consolidated project would have the greatest benefit and success overall. We are however extremely appreciative of Ming Lians willingness to assist to accommodate excess parking requirements and, cooperatively, we have come to mutual benefit and agreement on the access to and through the proposed project.

The Canada Line imposed complexities on Clarrys DP 07-363082 including, but are not limited to construction timing, placement, proximity and market related elements, have interfered with Clarrys interests and warrant extensive cost compromising modifications that create further undue hardship and practical challenges for the Development and Property. This undermines the projects feasibility, economically, logistically and practically, and prevents Clarry from achieving a successful return and a fair risk/reward conclusion to the Development and hinders the property to achieve its greatest redevelopment potential. The property may undergo possible rezoning, and unfortunately, there are consequences of not proceeding at this time as the DCC increase takes place July 1 2007. Without the Canada Line imposed hardships, the development could be feasible, would not be compromised and would proceed at this time.

The decision to shift the Canada Line to the East side frontage of private property just prior to Number 3 road at Westminster Highway and continuing along the few blocks, only affect a few land owners, most of whom have successfully redeveloped. Arguably, no other properties along number 3 Road have their potential as compromised as does the foremost corner lot at Number 3 Road and Westminster. The intended expropriation of private property along the entire frontage of Clarrys property combined with the construction of a large concrete pillar at the corner for the overhead guideway which will be constructed in close proximity to any prospective development structure, is what ultimately compromises what could have been a marquee development at the prime Downtown City Center intersection of Number 3 Road and Westminster Highway.

The setbacks, also imposed have greatly reduced the properties footprint and the proximity and placement of the Canada Line itself make the adjustments necessary to mitigate the impacts so significant in many respects that it compromises the project and imposes substantial burdens. Fortunately, Ming Lians development have managed to for the most part overcome the Canada

Line imposed burdens by proposing rental housing their 4th floor with enclosed balconies at the level of the guideway and shifting their residential units and density away from Number 3 Road completely. Having no open market residential units facing Number 3 Road at the guideway level or above, within relatively close proximity affords Ming Lians project fair market returns with limited market risk and value disintegration. Clarrys project has very limited options to mitigate these impacts to the extent of the Ming Lian project and thus the outlook for Clarrys corner development cannot anticipate similar outcome.

It must however be understood that despite the Canada Line imposed complications, Clarry Enterprises Ltd., remains surprised that the City of Richmond has supported a partial development of the South East quadrant of this very high exposure intersection of Richmond. Clarrys understanding for years has been that a partial quadrant development was not possible as the corner property alone faces too many challenges and it is for this reason why many attempts in the passed have been unsuccessful.

We do emphasize and hope that Clarrys interests will not be further impacted by anything relating to Ming Lians development directly or indirectly, considerate to future preloading requirements, and we ask for Ming Lians and the City of Richmonds continued cooperation and support, for any possible future re-development considerations.

Our hopes remain that we can overcome these imposed burdens and complications so the prospect of redevelopment for this last remaining property at this high exposure intersection in Richmond's City Center will become a reality.

That being mentioned, it is our hope that our decision to hold in abeyance Clarrys application DP 07-363082 or alternatively abandon it entirely will not affect the Ming Lian development DP 06-350946 as Clarry Enterprises Ltd. wishes only the best results and extends its complete support for their project with continued and ongoing cooperation to and for Ming Lian Holdings ongoing success.

Yours Truly,



Mr Dan Buller  
604.760.3000 direct  
on behalf of Clarry Enterprises Ltd.

*cc: Mr. Dan Buller to review my proposal*