

# City of Richmond

# Report to Council

To:

Richmond City Council

Date:

June 5, 2003

From:

Councillor Harold Steves

File:

1000-14-098

Chair, Parks, Recreation, & Cultural Services

Committee

Re:

**PUBLIC AMENITY SPACE AT ABERDEEN CENTRE** 

The Parks, Recreation & Cultural Services Committee, at its meeting held on June 4th, 2003, considered the attached report, and recommends as follows:

### Committee Recommendation

#### That:

- the ground floor location for the proposed community space in Fairchild Developments Limited's proposed hotel at Aberdeen Centre as outlined in the rezoning application, be endorsed; and,
- 2. staff examine the proposed community space and report to Council as soon as possible on potential uses and budgetary implications both Capital and Operating.

Councillor Harold Steves, Chair Parks, Recreation & Cultural Services Committee

Attach.

### VARIANCE

Please note that staff recommended the following:

## That:

- the ground floor location for the proposed community space in Fairchild Developments Limited's proposed hotel at Aberdeen Centre as outlined in the rezoning application, be endorsed; and,
- **(2)** staff prepare a business plan and funding opportunities for its use as an arts space and report back to Council in time for inclusion in the 2004 capital and additional level budget submissions.

## **Staff Report**

# Origin

In December, 2002, Council approved the rezoning of 8060 Cambie Road to permit Fairchild Developments Ltd. to construct a hotel in association with their previously approved expansion of Aberdeen Centre shopping mall. (Attachment 1) As a condition of Fairchild's hotel project, it was agreed that the developer would provide the City with "public amenity" space in the form of a multi-purpose community facility, together with access to adequate parking for the facility's staff and patrons. (Attachment 2) The purpose of this report is to update Council on the development and to recommend that staff investigate operational and financial aspects of its use as an arts programming space.

# **Findings of Fact**

Through rezoning of its site at 8060 Cambie Road, Fairchild Developments Ltd. is committed to providing the City with:

- A 5,580 ft<sup>2</sup> community space on the ground floor of their hotel for 65 years for a lease payment of \$1 per year;
- Mechanical and electrical service, sprinklers, plumbing roughed in, and drywall walls ready for painting, together with an additional \$180,000 towards further finishing of the space;
- Three designated parking spaces within Aberdeen Centre's multi-storey parkade, together with common use of the parkade by the facility's visitors; and
- Cleaning of common areas, mall security, garbage/recycling services, and maintenance of the base building's electrical, mechanical, and plumbing equipment at no cost to Richmond.

Aberdeen Centre is scheduled to open in late 2003, with the hotel following in the spring of 2004. In light of the prominence of the proposed community space along Cambie Road and its proximity to Fairchild's hotel, it would be preferable to open the City facility in the spring of 2004 also.

# **Analysis**

# **Development Concept**

At the time of adoption of its rezoning at 8060 Cambie Road, Fairchild provided preliminary plans for its hotel and the City's proposed community space. (Attachment 3) It was on this basis that Fairchild committed to providing the City with a partially finished, 5,580 ft², ground floor space with high visibility on Cambie Road and convenient drop-off and parking. Discussions at that time also included the possibility that, with the future approval of Fairchild, the City may have access to an adjacent outdoor plaza for programming and special events.

Fairchild is currently preparing to submit a Development Permit (DP) application for its hotel (including the community space). As a result of Fairchild's continued work on the design of its hotel, the building's footprint has changed and the outdoor space no longer exists. Fairchild is also in the process of refining its hotel concept and is interested in having the hotel occupy most or all of the building's ground floor. Staff's review of Fairchild's proposal indicates that it

would reduce visibility and access to the community space and limit the range of uses that it could accommodate. On this basis, staff recommend that the community space remain on the ground floor as originally agreed.

# <u>Proposed Uses</u>

As the opportunity to secure the proposed community space arose through the developer rather than a City initiative, the use of the space was not predetermined. The offer of the space was welcomed, as the City currently has no community facilities in the north end of the City Centre. As was outlined in the original rezoning report (RZ 02-215553 Attachment 4) there is a need for community programmable space in this area.

The Richmond Community Needs Assessment 2001 indicates that needs are changing along with societal trends. There is a desire to make arts a higher priority and to market it to a broader audience. The City currently operates the Arts Centre, located on the second floor of the Cultural Centre. The Arts Centre has reached capacity in terms of its arts programming and he use of the specialized studios by User Groups and Clubs and there is a growing demand in the area of the arts with little opportunity for expansion in the current location. The addition of this community space would provide an opportunity to expand programming reaching a broader and more diverse audience.

# **Financial Impact**

None at this time. Opportunities for use of the proposed community space as an extension of the activities at the Richmond's Arts Centre will be investigated by staff, together with a business plan, operating options and funding opportunities, for future consideration by Council.

### Conclusion

Fairchild Development Ltd. has rezoned its site at 8060 Cambie Road to permit the development of a hotel and community space in association with the expansion of Aberdeen Centre. Staff recommend that the community space be located at grade with frontage along Cambie Road and convenient drop-off and parking access as agreed through the rezoning process. Staff further recommend that use of the space as an extension of Richmond's Arts Centre be investigated to provide opportunities in a location not previously served, allow visiting tourists to see some of the cultural activities of Richmond and introduce Aberdeen Centre customers to new arts experiences.

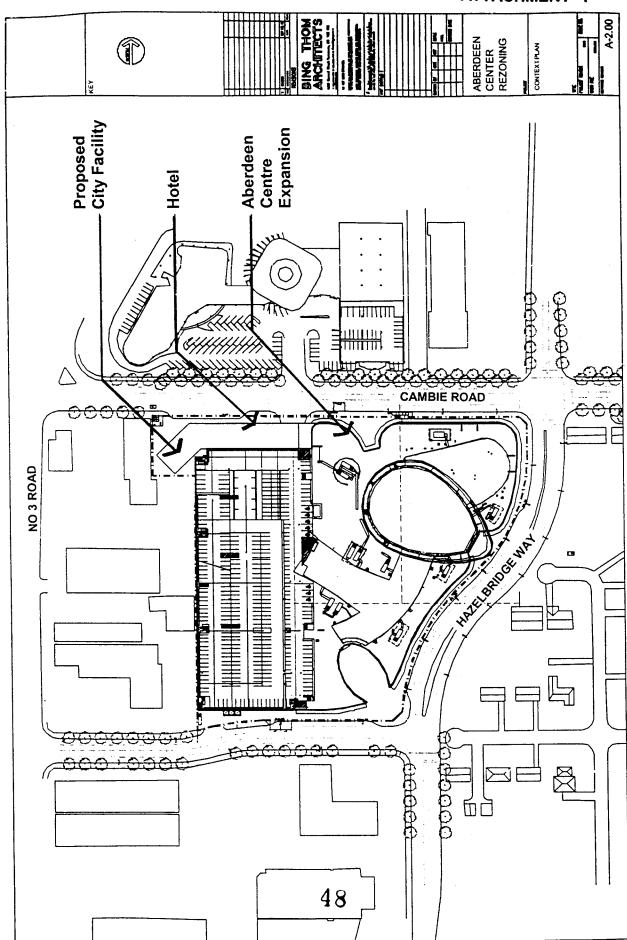
Suzanne Carter-Huffman Senior Planner/Urban Design

Snewetthell re.

Suzanne Greening Arts Coordinator

SPC:spc

# **ATTACHMENT 1**





KZO2-015553

**ATTACHMENT 2** 

FAIRCHILD DEVELOPMENTS LTD.

December 5, 2002

Joe Erceg
Manager – Development Applications
City of Richmond
6911 No. 3 Road
Richmond, B.C.
V6Y 2C1

Re: Memorandum of Understanding between the City of Richmond and Fairchild Developments LTD. for the Provision of a Community Space on the Aberdeen Centre Site.

Fairchild Developments Ltd. (FDL) will be providing to the City of Richmond a finished 5,580 sq.ft. space on the Aberdeen Centre site to function as a Community Amenity Space. The space will be located at the base of the new hotel.

The following are the terms of this memorandum of understanding:

### 1. Ownership:

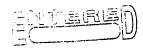
FDL will provide this space to the City of Richmond for a lease payment of \$1/year. Whether the hotel property is strata fitted or held as one property, the owner will indemnify to the City a 65-year lease.

### 2. Insurance

The City of Richmond is responsible for content and liability insurance within the premises they have taken usage for. The building owner must have insurance for the base building and common areas.

# 3. Maintenance fees outside of the space

No common area costs will be charged back to the Community Space. The mall management will provide: cleaning of common areas, mall security to overview the Community Space, allow access to the garbage and recycling facilities, provide adequate lighting for the front of the Community Space and its back entry, and maintain the base building's electrical, mechanical and plumbing equipment.



#### 4. Interior Maintenance

Once the space becomes the working property of the City of Richmond, the tenant will be responsible for:

- Cleaning the interior
- Abiding by sign criteria on the front of the space
- Ensuring the safety of those using the space

### 5. Finishing of the Community Space

FDL will provide in the space the following:

- a. A mechanical system including the heat pump
- b. A 100-amp service complete with electrical panel
- c. A sprinkler system
- d. The plumbing rough in, and
- e. Gypsum walls ready for paint finish.

FDL will work with the City on locating the sprinklers, plumbing and heat pump in the locations shown on the drawings submitted by the City to FDL. In addition, FDL will commit to \$180,000 to the City for the finishing of the space.

#### 6 Deficiencies

FDL will rectify deficiencies, if any, within the first year.

### 7. Parking

FDL will provide 3 designated parking spaces for the use of City staff. All visitors will have common use of the parkade, with the understanding of the terms and conditions listed in the owner's Parking Guidelines, throughout the lease term.

### 8. Exterior Space

Exterior space will be for general public usage. The users of the Community Amenity Space are welcome to use this space as well. However, the control and maintenance of the space will be at the sole discretion of the owner.

We trust that the above points form the basis of the memorandum of understanding that will fulfill the conditions of the rezoning application regarding the Community Space.

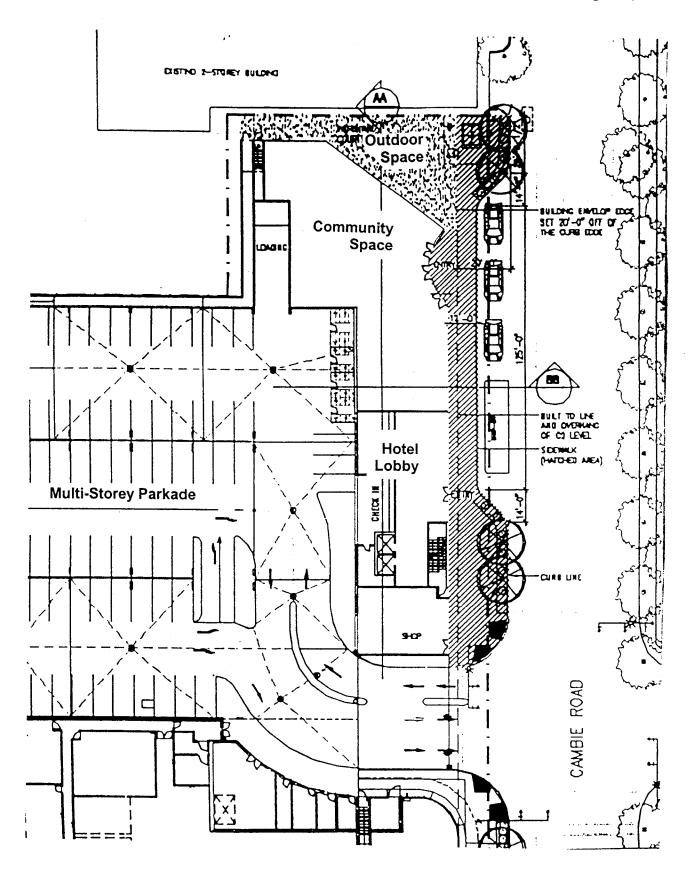
Yours truly,

Danny Leung

VP & General Manager, Fairchild Developments Ltd.

c.c. David McLellan – Urban Development Administrator Suzanne Carter-Huffman – Senior Planner

ATTACHMENT 3 Preliminary design of community space at time of Rezoning adoption.



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RZ 02-215553

Exert from Report to Council re: application by Fairchild Developments Ltd. for rezoning at 8060 Cambie Road from the Manager. Development Applications dated September 16, 2002.

## Recreation and Cultural Services

The applicant, Fairchild Developments Ltd., has offered to provide a finished, 518.38 m<sup>2</sup> (5,580 ft<sup>2</sup>), multi-purpose, community space along the Cambie Road frontage (e.g. at ground level) of its proposed expansion of Aberdeen Centre, to be transferred to the City for its operation commencing in April 2004. Staff note that there is a recognized need for community-level recreation space in this area of the City Centre and are very supportive of Fairchild's proposed "partnership" as one means to provide it.

There are several key factors contributing to the need for new community-level space in the City Centre, as follows:

- Richmond's Official Community Plan (OCP) is built on the principles of a "complete community" that brings people together by providing opportunities to live, work, and play, which are attractive and accessible to a broad range of ages, incomes, cultures, and lifestyles. The provision of community-level recreation facilities is key to this vision.
- The City Centre Area Plan, adopted in 1995, notes that "community facilities and services catering exclusively to City Centre residents and workers are limited" and that steps should be taken to provide those "facilities and services which [will] help to strengthen and unify the local area".
- Since adoption of the area plan, the population of the City Centre has increased by 20% to 32,207 (e.g. to 20% of the city's total population), making it the most populated area in all of Richmond.
- Over the same period, the number of workers in Richmond has also grown, approximately 85% of which are employed in the City Centre or nearby in the northwest sector of Richmond.
- The only community-level space in the City Centre is Lang Centre, which was created in 1998 next to Lang Neighbourhood Park. This space has proven to be very successful, but being just 279 m² (3,000 ft²) in size, its use is already at capacity. And, given its location south of Westminster Highway, neither it nor the city-level facilities at Minoru Park are appropriately situated to effectively serve the north area of the City Centre.
- The needs assessment, completed by the Recreation and Cultural Services Department in 2001, identified the need for additional recreation space across the city and, not surprisingly, especially in the City Centre. More specifically, the City's experience at Lang Centre and other venues indicates a strong demand for additional multi-purpose space in the downtown designed to accommodate a wide variety of activities, including fitness and dance classes, etc..
- Under the area plan, the population of the City Centre is encouraged to continue growing and is expected to roughly double by 2021.

The proposed community-level facility in Aberdeen Centre - "City Space" - is an unique opportunity to help fulfill the objectives set out in the OCP, the area plan, and the needs assessment, and to construct a much needed public facility through alternative funding which minimizes the use of tax dollars. It provides the City with direct access, for the first time, to Richmond's most dynamic commercial precinct, through a public facility located in what promises to be the area's most significant anchor, and well positions it to promote healthy lifestyles in workers and residents of the north end of the City Centre. In addition, it is well located and of adequate size to accommodate a broad range of activities, including martial arts and fitness classes, "Healthy Baby" clinics, art shows, etc.. Furthermore, Fairchild wants to make Aberdeen Centre a strong community focus and has expressed great interest in working with the City, together with tenants such as Science World, to make this happen.

While the City has little previous experience with this type of situation and the proposed facility will bring with it operational and minor capital costs starting in 2004, staff see it as a worthwhile challenge and one that should be pursued for a variety of reasons, including:

- With dwindling dollars available for public recreation and a growing population and demands for facilities and services, the City must be prepared to investigate innovative delivery options if it is to keep pace.
- The City Centre with its more concentrated population, larger developments, and more urban life-styles makes it a prime location for investigating new types of delivery models.
- The proposed facility's very central location in the north City Centre area could make it a desirable site for not just recreation/wellness uses, but a range of satellite City services as well (i.e. information, tax payments, etc.).
- The facility presents the opportunity for Recreation and Cultural Services to work in partnership with other City departments, the Health Department, and interested groups that may want to access this area for program purposes.
- Fairchild is an enthusiastic backer of the proposal and is willing to work with the City to seek out potential partnerships/sponsorships to help support and/or enhance the facility's
- The City's experience with this proposal will provide valuable information towards the identification of new models for the downtown and Richmond as a whole.

Fairchild has agreed to construct and finish the proposed facility to meet the City's needs at no cost to Richmond (excluding furnishings), and to locate it with direct access to a small, streetfront plaza that will allow activities to extend outdoors. Furthermore, staff will work with Fairchild and its architect to ensure that the facility will be attractive, flexible, easy to convert from one use to another, cost-effective to maintain, and well served by convenient parking. As such, the space will not only be suitable to meet the City's anticipated needs, but will also be attractive for lease to a private operator(s) if this is determined to be the preferred operational model for some period.

As this proposal was not anticipated and the building is scheduled to open in April 2004, there are no funds set aside for the facility's operation. Furthermore, staff recognize that Richmond may not be able to recover the cost of operating the facility (i.e. security, supervision, cleaning, equipment, and utilities) if it was only to be used to host City programs and services. To address this situation, staff recommend that initially, at least, the facility be made available for rent or programming for a variety of recreational, social and cultural opportunities, on a cost recovery basis. And, that the City negotiate security of the space with Fairchild (as it will already be providing 24-hour security to its shopping centre and hotel). Under this approach, staff believe it is reasonable that Recreation and Cultural Services staff already allocated to the City Centre area will be able to administer the facility (excluding any on-site operational staff). The details of implementing this approach, together with alternative operational models, will be reviewed over the coming months in order that budget implications may be thoroughly considered and the City may avoid inappropriate expenditures.

### **Analysis**

#### Area Plan Amendment

The subject development, like the previously approved shopping centre, is consistent with the land use and transportation objectives set out in the City Centre Area Plan. In addition, the subject development proposes to provide Richmond with a finished, multi-purpose community space, which is consistent with City Centre objectives for public/private partnerships in the provision of community facilities and the establishment of a variety of conveniently located arts, cultural, and recreation spaces. The proposed area plan amendment is limited to rescinding the site-specific Development Permit (DP) guidelines that were adopted for the "renovation" of the Aberdeen Centre shopping centre site. Those guidelines were rendered largely obsolete by a dramatic change in Fairchild's original concept that saw the old shopping centre demolished in its entirety and reconstructed in a manner that closely follows Richmond's standard DP guidelines for its downtown (e.g. street/pedestrian-oriented retail units, weather protection, highquality finishes, etc.). The subject project, which is intended to be a seamless extension of the approved shopping centre, similarly will conform to Richmond's standard guidelines and will not benefit from the site-specific guidelines previously adopted for the shopping centre's "renovation". On this basis, staff recommend that those site-specific DP guidelines be removed form the area plan.

# Amendment to Comprehensive Development District (CD/86)

CD/86 was created for Fairchild's now approved redevelopment of Aberdeen Centre. Prior to that, the Aberdeen Centre site, like the subject site and many properties in the No. 3 Road/Hazelbridge Way corridor, was zoned Automobile-Oriented Commercial District (C6) and was permitted to be developed with a wide range of commercial uses, including hotel. At the time of rezoning the shopping centre site to CD/86, Fairchild had no interest in developing a hotel so it was not included among the district's permitted uses. The development of a hotel in this location is, however, consistent with the area plan and with neighbouring developments including President Plaza.