



To: Mayor and Councillors
From: Cecilia Achiam, MCIP, BCSLA
General Manager, Community Safety
Date: March 21, 2019
File: 12-8275-06/2019-Vol 01
Re: **Request for Reconsideration of Business Licence Rejection for Lulu Bed and Breakfast - 9371 Beckwith Road**

Council passed the following resolution at the Special Council meeting held on March 11, 2019:

That the application for a business licence for Lulu Bed and Breakfast at 9371 Beckwith Road be deferred to a Special Council meeting scheduled for March 25, 2019 in the Anderson Room at City Hall and that staff provide:

- (1) updated information with regard to the Notice of Articles for 1074193 B.C. Ltd.;*
- (2) corporate records to determine the identity of 1074193 B.C. Ltd.'s shareholder(s) and whether 1074193 B.C. Ltd. Owns any other property; and*
- (3) information on what procedure would be required if Council wished to consider amending the regulations with regard to property ownership for bed and breakfast businesses.*

This memorandum provides an update on the status of the documentation requested by Council and other relevant findings. Item (3) is addressed by Law in a separate confidential memorandum.

Since the Special Council meeting on March 11, 2019, staff have completed a new title search, a company search and requested the corporate records of 1074193 B.C. Ltd. The company search from March 19, 2019 indicates Li, Zhi Chao (Mr. Li) as the sole director and the registered office and record office to be 9371 Beckwith Road (Attachment 1). The shareholder registry from the minute books of 1074193 B.C. Ltd., submitted by the applicant, showing the past and present holders of any and all classes of shares in the company, lists Mr. Li as the owner of all the shares of 1074193 B.C. Ltd. (Attachment 2).

A title search at the Land Title and Survey Authority of British Columbia revealed that Mr. Li is also the owner of a residential property located in Vancouver with the owner's address listed as 3941 West 24th Avenue (Attachment 3).

Mr. Li has confirmed that he owns both 9371 Beckwith Road in Richmond and 3941 West 24th Avenue in Vancouver. He indicated that he lives at 9371 Beckwith Road and the Vancouver property is an investment (Attachment 4).

Cecilia Achiam, MCIP, BCSLA
General Manager, Community Safety
(4122)

pc: Carli Williams, Manager, Community Bylaws and Licencing



BC Registry
Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For
1074193 B.C. LTD.

Date and Time of Search: March 19, 2019 08:28 AM Pacific Time
Currency Date: January 18, 2019

ACTIVE

Incorporation Number: BC1074193
Name of Company: 1074193 B.C. LTD.
Recognition Date and Time: Incorporated on May 03, 2016 09:37 AM Pacific Time **In Liquidation:** No
Last Annual Report Filed: May 03, 2018 **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address:
9371 BECKWITH ROAD
RICHMOND BC V6X 1V8
CANADA

Delivery Address:
9371 BECKWITH ROAD
RICHMOND BC V6X 1V8
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
9371 BECKWITH ROAD
RICHMOND BC V6X 1V8
CANADA

Delivery Address:
9371 BECKWITH ROAD
RICHMOND BC V6X 1V8
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Li, Zhi Chao

Mailing Address:
9371 BECKWITH ROAD
RICHMOND BC V6X 1V8
CANADA

Delivery Address:
9371 BECKWITH ROAD
RICHMOND BC V6X 1V8
CANADA

NO OFFICER INFORMATION FILED AS AT May 03, 2018.

CENTRAL SECURITIES REGISTER												
Common												
As of: September 5, 2018												
Name of Company: 1074193 B.C. LTD.												
Date Became a Member	Date Ceased to be Member	Full Name and Address	Representative Capacity	No. of Shares	Class and Kind of Share	Par Value	Acquired by Allotments Conversions Transfer Exchange or Other	If Transferred From Whom	Cert No.	Consideration Paid to Company		
										Agreed Per Share	Cash	Other Than Cash
										Amt	Ptcs	
May 3, 2016	Sept. 5, 2018	Alan Hong-Ling Wong 81-71 Claybrook Road Richmond, B.C. V7C 2L4		10,000	Common	NPV	Allotment		1	\$1.00	\$1.00	
May 3, 2016		Zhi Chao Li 9371 Beckwith Road Richmond, B.C. V6X 1V8		10,000	Common	NPV	Allotment		2	\$1.00	\$1.00	
Sept. 5, 2018		Zhi Chao Li 9371 Beckwith Road Richmond, B.C. V6X 1V8		10,000	Common	NPV	Transfer	Alan Hong Ling Wong (cert. 1)	3			

CNE - 4
(Special)

TITLE SEARCH PRINT

2019-03-19, 08:59:49

File Reference:

Requestor: Parmel Sandhu

Declared Value \$1893000

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Land Title District	VANCOUVER
Land Title Office	VANCOUVER
Title Number	CA4288096
From Title Number	CA3528393
Application Received	2015-03-18
Application Entered	2015-03-20
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	ZHI CHAO LI, SELF-EMPLOYED 3941 WEST 24TH AVENUE VANCOUVER, BC V6S 1M1
Taxation Authority	Vancouver, City of
Description of Land	
Parcel Identifier:	011-496-819
Legal Description:	LOT 17 OF LOT 2 BLOCK 40 DISTRICT LOT 139 PLAN 4554
Legal Notations	NONE
Charges, Liens and Interests	
Nature:	MORTGAGE
Registration Number:	CA4288097
Registration Date and Time:	2015-03-18 12:11
Registered Owner:	CANADIAN IMPERIAL BANK OF COMMERCE
Duplicate Indefeasible Title	NONE OUTSTANDING
Transfers	NONE
Pending Applications	NONE

Achiam,Cecilia

From: Williams,Carli
Sent: Friday, 22 March 2019 00:13
To: Achiam,Cecilia; Capuccinello Iraci,Tony; Hayes, Jennifer
Subject: Fwd: 答复: Request for information for 9371 Beckwith
Attachments: share.pdf; ATT00001.htm

Is this what we're looking for?

Sent from my iPhone

Begin forwarded message:

From: LI Lucas <lucas_lee@hotmail.ca>
Date: March 21, 2019 at 11:59:01 PM PDT
To: "Williams,Carli" <CWilliams@richmond.ca>
Subject: Re: 答复: Request for information for 9371 Beckwith

Hi carli
Is it this one?

Thanks

Lucas

获取 [Outlook for iOS](#)

发件人: Williams,Carli <CWilliams@richmond.ca>
发送时间: 星期三, 三月 20, 2019 20:51
收件人: LI Lucas
主题: Re: 答复: Request for information for 9371 Beckwith

Thanks Lucas but what about a copy of the up to date shareholder registry for 1074193<<tel:1074193>> B.C. Ltd., showing any and all classes of shares in the company. Can you please provide this for us?

Sent from my iPhone

On Mar 20, 2019, at 8:25 PM, LI Lucas <lucas_lee@hotmail.ca<mailto:lucas_lee@hotmail.ca>> wrote:

Hello Carli,

I have already updated the cooperate address. Please see the document attached to this email. As shown, I am the only director of 1074193 B.C. Ltd.. Both my own address and the cooperate address is at 9371 Beckwith Rd. 9371 Beckwith Rd. is my primary resident and 3941 24th Ave. is an investment property. These are the only two homes I own.

Thank you,

Lucas

发件人: Williams, Carli <CWilliams@richmond.ca<mailto:CWilliams@richmond.ca>>

发送时间: 2019年3月20日 17:05

收件人: 'LI Lucas' [lucas_lee@hotmail.ca<mailto:lucas_lee@hotmail.ca>]

抄送: Hayes, Jennifer; Capuccinello Iraci, Tony

主题: Request for information for 9371 Beckwith

Hi Lucas, We have been working on answering Council's questions following up from the business licence appeal hearing that you had on the 11th. Since that time, we have run a title search and a company search. We note that the company search lists you as a director at the Beckwith address but the title search still list an address on Claybrook as the address for the company. Do you plan to update the address of the company as listed on title?

We are also going to need for you to provide us with a copy of the up to date shareholder registry for 1074193 B.C. Ltd., showing any and all classes of shares in the company. How soon can you provide that?

We undertook a search of other properties you own and found your name listed as the owner of a property in Vancouver. Are there any other properties that you or the company own?

Please get back to me as soon as you can with this information so that we can inform Council.

Thank You.

Carli Williams
Manager, Community Bylaws and Licencing
<465 2.pdf>



**Special Council
Monday, March 11, 2019**

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie
Councillor Chak Au
Councillor Carol Day
Councillor Kelly Greene
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves
Councillor Michael Wolfe (entered at 4:06 p.m.)

Corporate Officer – David Weber

Call to Order: Mayor Brodie called the meeting to order at 4:02 p.m.

RES NO. ITEM

In accordance with Section 100 of the *Community Charter*, Councillor Carol Day declared a conflict of interest as her husband owns a licenced bed and breakfast and left the meeting (4:03 p.m.).

COMMUNITY SAFETY DIVISION

- 1. APPEAL OF BUSINESS LICENCE REJECTION FOR LULU BED AND BREAKFAST – 9371 BECKWITH ROAD**

(File Ref. No.: 12-8275-09) (REDMS No. 6119487)



Special Council
Monday, March 11, 2019

RES NO. ITEM

Carli Williams, Manager, Chief Licence Inspector, provided background information regarding the bed and breakfast business licence application for 9371 Beckwith Road, noting that the Applicant's initial application was rejected due to building deficiencies, and the Applicant's subsequent application was denied as the property is owned by a corporation and not an individual person.

Councillor Wolfe entered the meeting (4:06 p.m.).

In reply to queries from Council, Ms. Williams advised that the property is now in compliance with the City's Building Regulation Bylaw No. 7320 and, in accordance with the City's Zoning Bylaw, a bed and breakfast use is permitted only where the operator is the individual registered owner of the dwelling.

Lucas Li, Applicant and owner of 9371 Beckwith Road, stated that when he first applied for a business licence for a bed and breakfast, he was advised that he had to submit a BC Company Summary as the property was registered under his company. Following an inspection by the City's Licence Inspector, he spent approximately two to three months addressing building deficiencies in an effort to comply with the City's Building Regulation Bylaw. Mr. Li then remarked that upon his second application, he was advised that a business licence cannot be issued for a bed and breakfast as the property is owned by a corporation.

Mr. Li then advised that he is now the sole shareholder of the company listed as the registered owner of 9371 Beckwith Road and provided an updated Notice of Articles for 1074193 B.C. Ltd. (copy on file, City Clerk's Office).

In reply to queries from Council, Mr. Li provided the following information:

- he resides at 9371 Beckwith Road;
- he is the sole owner and director for 1074193 B.C. Ltd.;
- he was not aware that a business licence cannot be issued for a bed and breakfast for a property that is owned by a corporation;
- it would be costly to transfer the property title to his personal name; and
- he has invested approximately \$20,000 in renovations in an effort to address building deficiencies.

2.



Special Council
Monday, March 11, 2019

RES NO. ITEM

Ms. Williams then advised that a business licence is issued to an individual, and regular business licence renewal protocol often discover any changes in business ownership.

In reply to queries from Council, Anthony Capuccinello Iraci, City Solicitor, advised that, should Council wish to issue a business licence to the Applicant, a bylaw amendment would be required.

Discussion took place and Council commented on the need to have updated information with regard to the Notice of Articles for 1074193 B.C. Ltd prior to consideration of the business licence appeal. The Chair directed staff to provide an updated corporate search and to examine corporate records to determine the identity of the company's (1074193 B.C. Ltd.) shareholder(s). Also, it was noted that it would be valuable to know if other properties are owned by 1074193 B.C. Ltd. and if Council wished to consider amending the regulations with regard to property ownership for bed and breakfast businesses, what procedure would be required.

Discussion then took place on Council's intent with regard to the City's regulation that corporations may not be operators of bed and breakfast businesses. It was noted that there are beneficial financial protections with incorporating a business and Council discussed whether a company that owns a property as a sole proprietorship should be issued a business licence.

As a result of the discussion, the following **motion** was introduced:

SP19/2-1

It was moved and seconded

That the application for a business licence for Lulu Bed and Breakfast at 9371 Beckwith Road be deferred to a Special Council meeting scheduled for March 25, 2019 in the Anderson Room at City Hall and that staff provide:

- (1) *updated information with regard to the Notice of Articles for 1074193 B.C. Ltd;*
- (2) *corporate records to determine the identity of 1074193 B.C. Ltd.'s shareholder(s) and whether 1074193 B.C. Ltd. owns any other property; and*



Special Council
Monday, March 11, 2019

RES NO. ITEM

- (3) *information on what procedure would be required if Council wished to consider amending the regulations with regard to property ownership for bed and breakfast businesses.*

CARRIED

ADJOURNMENT

SP19/2-2

It was moved and seconded
That the meeting adjourn (4:27 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the Special meeting of the Council of the City of Richmond held on Monday, March 11, 2019.

Mayor (Malcolm D. Brodie)

Corporate Officer (David Weber)



City of Richmond

Report to Council

To: Richmond City Council

Date: February 1, 2019

From: Carli Williams, P.Eng.
Manager, Community Bylaws and Licencing

File: 12-8275-09/2019-Vol 01

Re: **Appeal of Business Licence Rejection for Lulu Bed and Breakfast - 9371 Beckwith Road**

Staff Recommendation

That the decision to reject the application for a business licence for Lulu Bed and Breakfast, at 9371 Beckwith Road, be upheld.

Carli Williams, P.Eng.
Manager, Community Bylaws and Licencing
(604-276-4136)

Att. 3

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law	<input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

Lucas (Zhi Chao) Li (the “Applicant”) has applied for a business licence to operate Lulu Bed and Breakfast at 9371 Beckwith Road (the “Property”). The application for a licence was rejected because the Applicant is not the individual owner of the Property. *Zoning Bylaw No. 8500* section 5.5.3A. states that:

“A bed and breakfast use is permitted only in a single detached housing dwelling unit where the operator is the individual registered owner of the dwelling...”

Individual registered owner is further defined as:

means with respect to land, any individual person who is:
a) the registered owner of an estate in fee simple; or
b) the tenant for life under a registered life estate.

The Property is owned by 1074193 B.C. LTD, registered to 8171 Claybrook Road in Richmond (Land Title record shown Attachment 1). The Applicant is one of two directors (company search shown in Attachment 2), neither of which list the Property as their contact address according to the company search.

The Applicant has requested that Council reconsider the decision to refuse the business licence application (Attachment 3). Under the *Community Charter* Section 60 - Business licence authority:

60 (5) If a municipal officer or employee exercises authority to grant, refuse, suspend or cancel a business licence, the applicant or licence holder who is subject to the decision is entitled to have the council reconsider the matter.

Analysis

First Application for a Business Licence

The Applicant originally made an application for a business licence for a bed and breakfast business in October 2018 but was rejected at that time due to building deficiencies and work required to comply with the Building Regulation Bylaw No. 7320. The Applicant subsequently applied for a Plumbing permit and received approval for the work undertaken.

Second Application for a Business Licence

Having complied with some of the building regulations, the Applicant again applied for a business licence. It was at this time that staff reviewed all other requirements and rejected the licence because the Property is owned by a corporation and not an individual person. The corporation and both directors are registered at addresses other than the Property that is the subject of the proposed bed and breakfast operation.

Regulations for Bed and Breakfast Businesses

Regulations for bed and breakfast businesses were updated in 2017. As part of the updates, Council directed staff to draft regulations such that bed and breakfast businesses would be operated only by property owners who also reside at the property. The regulations also make clear that corporations may not be operators of bed and breakfast businesses. This is clarified in Zoning Bylaw No. 8500, section 5.5.3 and 5.5.3A:

*5.5.3 A bed and breakfast use is permitted only in a **single detached housing dwelling unit** that is the **principal residence** of the **operator**, where the **operator** is an **individual** and not a corporation.*

*5.5.3A. A **bed and breakfast use** is permitted only in a **single detached housing dwelling unit** where the **operator** is the **individual registered owner** of the dwelling or the **individual registered owner's family member**.*

In addition to the regulations specific to bed and breakfast businesses, there are other regulations that apply to all businesses. In this case, there was an inspection of the home proposed to host the business and staff identified several building deficiencies. Staff acknowledge that work is underway to resolve the deficiencies but not all deficiencies were resolved at the time of writing this report.

The Applicant has further indicated that his address as listed on the company summary is out of date and that he now resides at the Property (in compliance with 5.5.3). However, even with the address updated for the Applicant (who is also the operator), the application remains in non-compliance with section 5.5.3A as the Applicant is not the **individual registered owner** as defined in the Zoning Bylaw.

Financial Impact

None.

Conclusion

The application for a business licence for Lulu Bed and Breakfast was rejected because it does not comply with section 5.5.3A of Zoning Bylaw No. 8500. The Applicant has requested that this decision be reconsidered by Council under the authority granted in the *Community Charter*.



Carli Williams, P.Eng.
Manager, Community Bylaws and Licencing
(604-276-4136)

- Att. 1: Land Title Search for 9371 Beckwith Road
- 2: BC Company Summary for 1074193 B.C. LTD.
- 3: Request from Applicant to appeal business licence rejection

TITLE SEARCH PRINT

2019-02-01, 09:50:49

File Reference:

Requestor: Tracy Christopherson

Declared Value \$1581000

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Land Title District	NEW WESTMINSTER
Land Title Office	NEW WESTMINSTER
Title Number	CA5183306
From Title Number	BB1939560
Application Received	2016-05-16
Application Entered	2016-05-18
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	1074193 B.C. LTD., INC.NO. BC1074193 8171 CLAYBROOK ROAD RICHMOND, BC V7C 2L4
Taxation Authority	Richmond, City of
Description of Land	
Parcel Identifier:	009-861-271
Legal Description:	LOT 3 SECTION 22 BLOCK 5 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN 13686
Legal Notations	
	ZONING REGULATION AND PLAN UNDER THE AERONAUTICS ACT (CANADA) FILED 10.2.1981 UNDER NO. T17084 PLAN NO. 61216
Charges, Liens and Interests	
Nature:	UNDERSURFACE RIGHTS
Registration Number:	92839C
Remarks:	INTER ALIA SEE 175823E
Duplicate Indefeasible Title	NONE OUTSTANDING
Transfers	NONE
Pending Applications	NONE



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For
1074193 B.C. LTD.

Date and Time of Search: February 01, 2019 09:53 AM Pacific Time
Currency Date: November 23, 2018

ACTIVE

Incorporation Number: BC1074193
Name of Company: 1074193 B.C. LTD.
Recognition Date and Time: Incorporated on May 03, 2016 09:37 AM Pacific Time
Last Annual Report Filed: May 03, 2018

In Liquidation: No
Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:
8171 CLAYBROOK ROAD
RICHMOND BC V7C 2L4
CANADA

Delivery Address:
8171 CLAYBROOK ROAD
RICHMOND BC V7C 2L4
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
8171 CLAYBROOK ROAD
RICHMOND BC V7C 2L4
CANADA

Delivery Address:
8171 CLAYBROOK ROAD
RICHMOND BC V7C 2L4
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Li, Zhi Chao

Mailing Address:
7508 BRIDGE STREET
RICHMOND BC V6Y 2S7
CANADA

Delivery Address:
7508 BRIDGE STREET
RICHMOND BC V6Y 2S7
CANADA

Last Name, First Name, Middle Name:
Wong, Hong Ling Alan

Mailing Address:
8171 CLAYBROOK ROAD
RICHMOND BC V7C 2L4
CANADA

Delivery Address:
8171 CLAYBROOK ROAD
RICHMOND BC V7C 2L4
CANADA

**CNCL - 16
(Special)**

NO OFFICER INFORMATION FILED AS AT May 03, 2018.

Williams, Carli

Subject: FW: 9371 Beckwith Rd. Bed and Breakfast License appeal

From: LI Lucas [mailto:lucas_lee@hotmail.ca]
Sent: Wednesday, 30 January 2019 23:30
To: CityClerk
Subject: Re: 9371 Beckwith Rd. Bed and Breakfast License appeal

Hello Hanieh,

I confirm I have received this email and would be attending the meeting on March 4, 4:00 pm.

Regards,

Lucas
778-885-5186

获取 [Outlook for iOS](#)

发件人: CityClerk <cityclerk@richmond.ca>
发送时间: 星期三, 一月 30, 2019 13:28
收件人: LI Lucas'
主题: RE: 9371 Beckwith Rd. Bed and Breakfast License appeal

Hello Lucas,

This is to acknowledge and thank you for your email. Our office has received your request to appeal the denial of a business licence for a bed and breakfast.

Your appeal has been scheduled for **Monday, March 4, 2019 at 4:00 p.m.** in the Anderson Room at Richmond City Hall (6911 No. 3 Road, Richmond, BC, V6Y 2C1).

Please confirm receipt of this email and your attendance at this meeting. Materials related to your appeal will be mailed to you closer to the date of the hearing.

CNCL - 18
(Special)

Should you have any questions, please feel free to contact me directly.

Regards,

Hanieh

Hanieh Berg | Legislative Services Coordinator

City Clerk's Office | City of Richmond

6911 No. 3 Road, Richmond, BC V6Y 2C1

Direct (604) 276-4163 · Fax (604) 278-5139

发件人: LI Lucas <lucas_lee@hotmail.ca>

发送时间:星期五,一月 18, 2019 23:24

收件人:cityclerk@richmond.ca

主题: 9371 Beckwith Rd. Bed and Breakfast License appeal

Hello City of Richmond,

I am writing to appeal the rejection of my application to apply for a bed and breakfast license for my home at 9371 Beckwith Rd. The original rejection reasoning was because the building contained "building and plumbing deficiencies". I have attached the letter the City sent me in this email. I fixed up the problem with all the necessary adjustments made to the home. I have attached the structural engineer's approval letter and the complete electrical inspection. The plumbing inspection has been passed as well. I have attached a copy of the email I've sent the municipal officer. The Richmond officer, Mr. Brodie Ketelsen, called me a few days later and told me that my application is rejected again, but this time for a different reason. Although I have fixed the building and plumbing deficiencies, the ownership name is in my company name and not my personal name. Even though this is my principal residence, the City would not grant a bed and breakfast under company name. I was completely surprised because before I had submit an application, I consulted the Richmond City Hall front desk lady to make sure having the property under company name would not be a problem for licensing. Also, on the first inspection, Mr. Brodie Ketelsen, listed all the problems and I made sure with him that once the building and plumbing deficiencies were fixed, the license would be granted. Unfortunately, he brought up a new problem when I got the initial problems fixed up. I can't possibly afford the property transfer tax to change the property ownership given that I've already spent over \$30,000 to fix up the building and plumbing deficiencies. I invested my savings to bring the residence up to code confidently because I thought the bed and breakfast license would be granted if I did this. My company, 1074193 BC LTD., is a small business company and I'm the sole director of this company. I hope the City would reconsider.

Thank you,

Lucas

778-885-5186

**CNCL - 19
(Special)**