



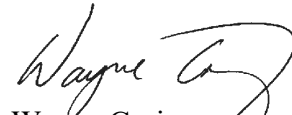
To: Planning Committee
From: Wayne Craig
Director, Development

Date: December 11, 2023
File: ZT 23-027054

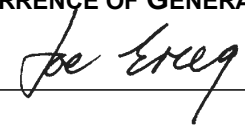
Re: **Application by Landa Global Properties to Discharge Section 219
Covenant Prohibiting Indoor Recreation Facilities from 5766 & 5788 Gilbert Road**

Staff Recommendation

That City Council authorize the discharge of the Section 219 Covenant (CA6309767) prohibiting indoor recreation facilities from 5766 & 5788 Gilbert Road.


Wayne Craig
Director, Development
(604-247-4625)

WC:ac
Att. 3

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law	<input checked="" type="checkbox"/>	

Staff Report

Origin

Landa Global Properties (Landa) (Directors: Kevin Cheung, Guan Wang and Hai Ying Peng) has requested that the City of Richmond discharge a Section 219 Restrictive Covenant restricting indoor recreation businesses from operating on the site at 5677 & 5788 Gilbert Road. The legal agreement was secured as a consideration of Development Permit (DP 15-700007) and was registered on Title in 2017.

Surrounding Development

The subject site is located in the City Centre's Lansdowne Village on the southeast corner of Elmbridge Way and Gilbert Road (Attachment 1). It currently contains a recently completed 15-storey two-tower residential development with ground-oriented commercial retail units along Gilbert Road.

To the North: Across Elmbridge Way, a one-storey retail building with surface parking on a site zoned "Industrial Retail (IR1)".

To the South: Across the City lane, a three-storey medical services building with surface parking on a site with underlying zoning "Office Commercial (ZC46) – Lansdowne Village (City Centre)".

To the East: Abutting the subject site, a one-storey government facility (ICBC) with surface parking on a site zoned "Downtown Commercial (CDT1)".

To the West: Across Gilbert Road, a seven-storey government facility (WorkSafeBC) with surface parking zoned "Downtown Commercial (CDT1)".

Background

Landa obtained a Development Permit (DP15-700007) to permit the construction of two 15-storey mixed-use buildings at 5766 & 5788 Gilbert Road (formally 7100 Elmbridge Way) on September 17, 2017. The development contains 257 market dwelling units, 14 affordable housing units and 1,197 m² (12,884 ft²) of retail space on the ground level. Prior to issuance of the Development Permit, the applicant agreed to register a restrictive covenant prohibiting indoor recreation businesses on Title of the development site. Indoor recreation is a permitted use for the site under the existing Downtown Commercial (CDT1) zoning, and is only prohibited by the restrictive covenant.

In 2015, the Chief Executive Officer (CEO) of the Richmond Olympic Oval requested that the City secure restrictions prohibiting indoor recreation businesses from operating in new developments in close proximity to the Richmond Olympic Oval to protect the City's investment in the Richmond Olympic Oval. The restriction on indoor recreation uses was secured via restriction of a legal agreement if there was no associated rezoning application as was the case with the subject development.

Application to Discharge the Covenant

The ownership subsequently entered into a lease with Rumble Boxing, a boutique boxing studio providing both group classes and one-on-one training sessions. As the proposed business is classified as an indoor recreation facility, the legal agreement prevents the City's ability to issue Building Permits or a Business License for the business.

The property owner is seeking to remove the restriction on recreation uses from the Title of the property as a whole. The owner has provided a letter (Attachment 2) outlining their rationale for discharging the covenant.

Analysis

Following receipt of the application to discharge the restrictive covenant, the City sought input from the Richmond Olympic Oval.

A letter of response was received from the CEO stating that the Richmond Oval Corporation has no concerns with the discharge of the existing Section 219 Restrictive Covenant (Attachment 3). The letter further communicates that the Richmond Oval Corporation is now a well-established business in the neighbourhood and there is no longer a need for the City to pursue restrictions on indoor recreation uses.

In order to discharge the restrictive Covenant from Title, authorization from City Council is required. The subject development is the only development where a restrictive covenant was secured as a consideration of development. Should City Council authorize the discharge, the City will not pursue registration of any similar legal agreements on future developments.

Conclusion

The purpose of this application is to seek City Council authorization to discharge the Section 219 Covenant prohibiting indoor recreation facilities from 5766 & 5788 Gilbert Road.

Staff recommended that the Section 219 Covenant (CA6309767) prohibiting indoor recreation facilities be discharged from 5766 & 5788 Gilbert Road.



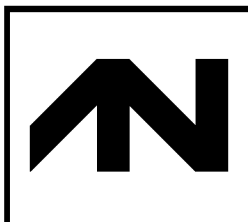
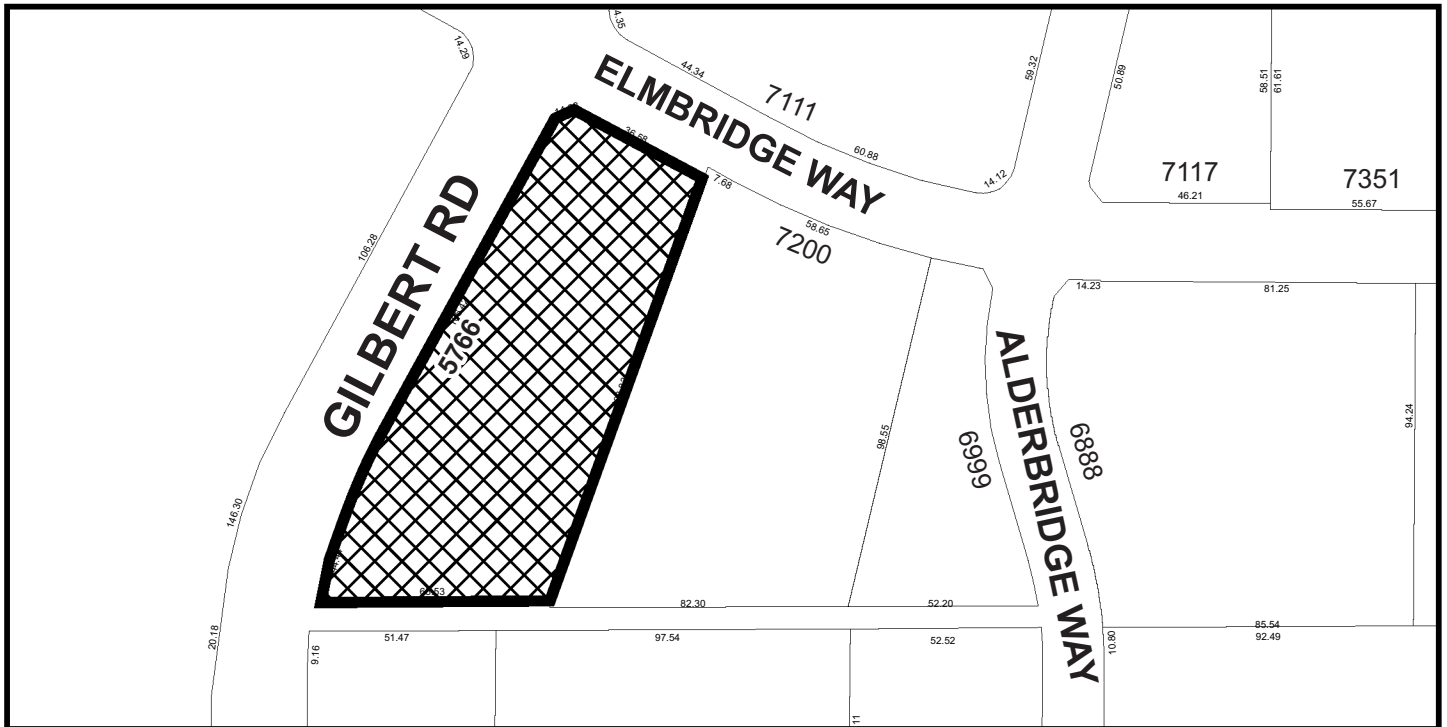
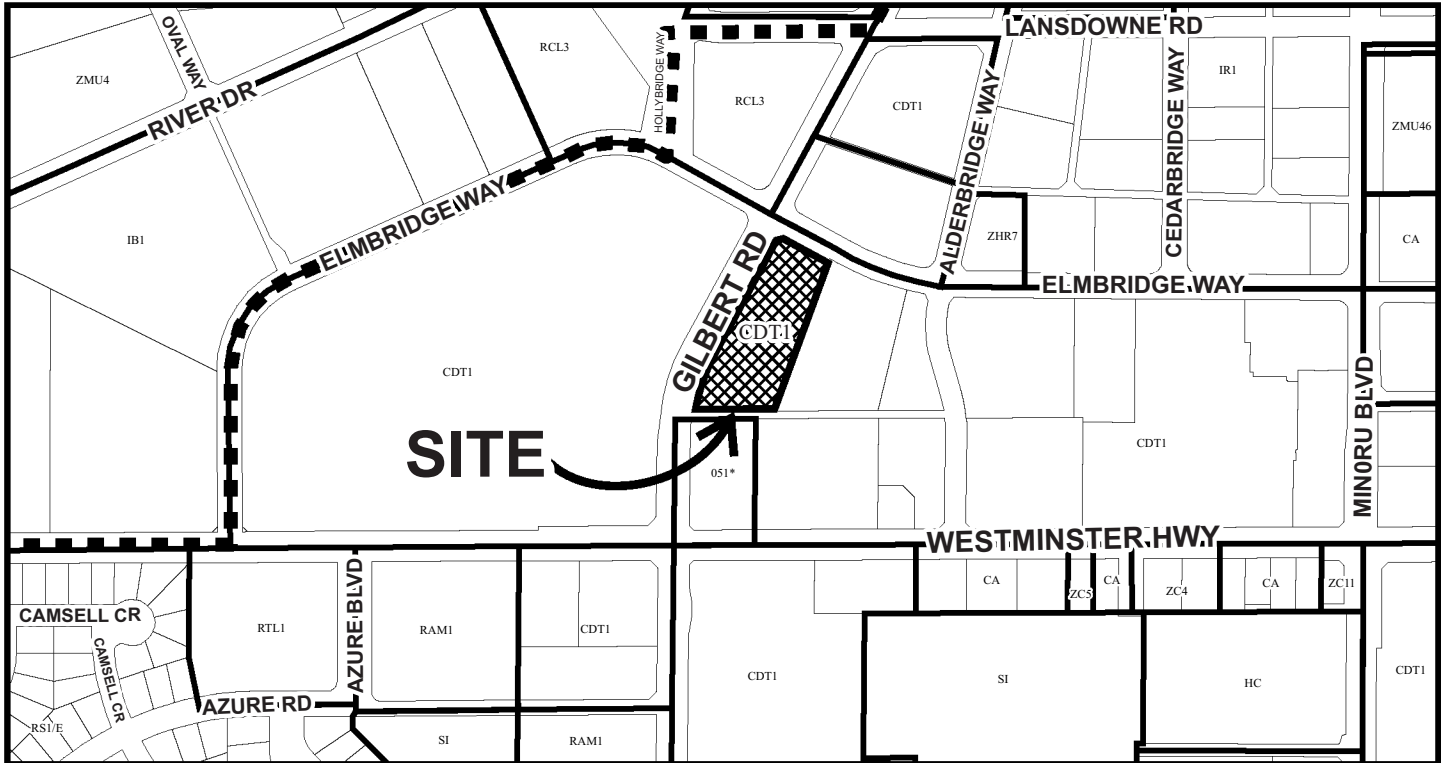
Alexander Costin
Planning Technician – Design
(604-276-4200)

AC:js

Att. 1: Location Map
2: Letter from Applicant
3: Letter from Richmond Oval Corporation



City of Richmond

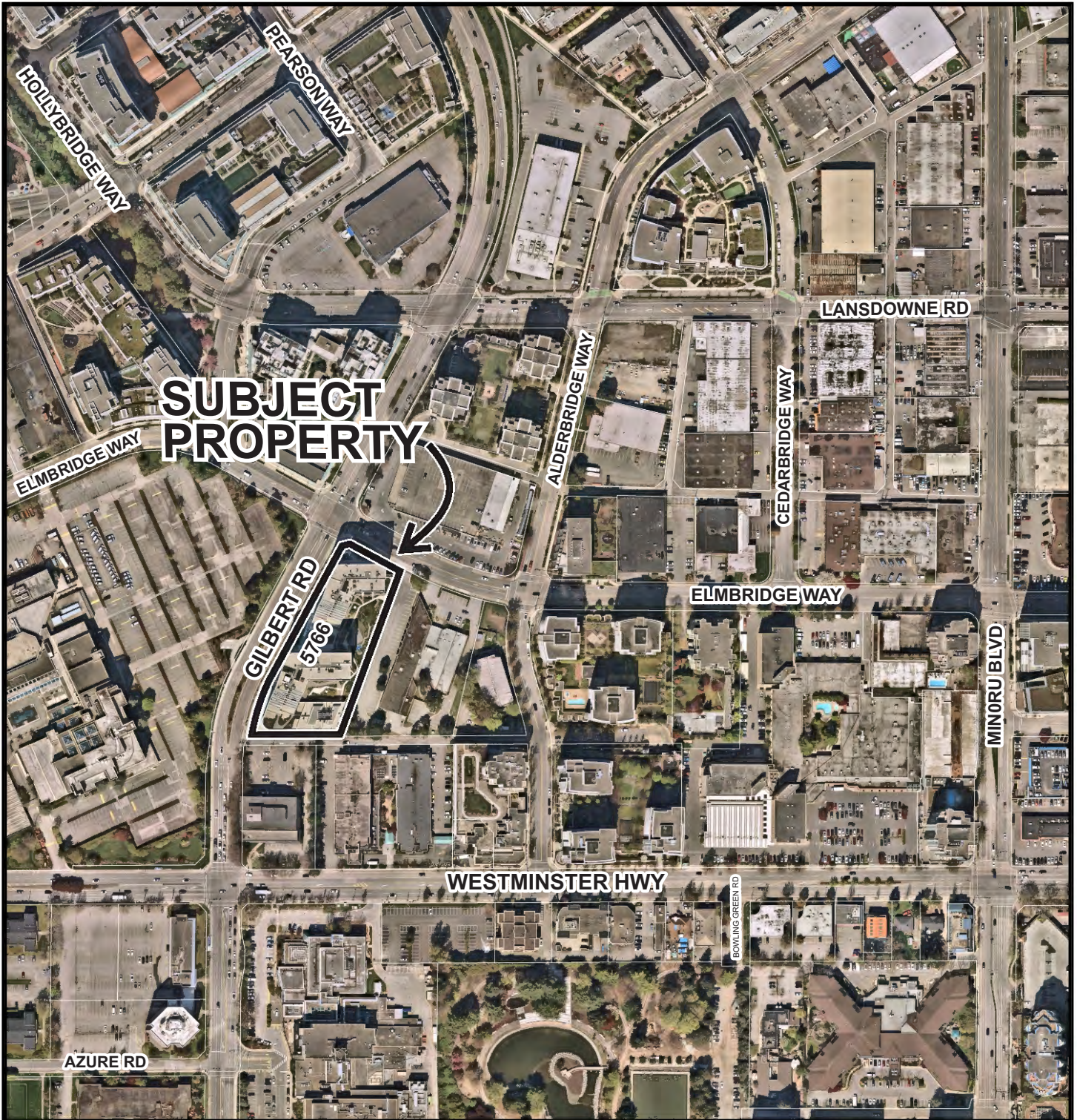


ZT 23-027054
Unit 100
PLN - 10

Original Date: 09/12/23
 Revision Date:
 Note: Dimensions are in METRES



City of
Richmond



ZT 23-027054

PLN - 11

Original Date: 09/12/23

Revision Date: 12/14/23

Note: Dimensions are in METRES



Landa Global Properties Ltd.

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landaglobal.com

T 604 256 5888
E info@landaglobal.com

August 10, 2023

City of Richmond
691 No. 3 Road
Richmond, BC V6Y 2C1

Attn: Wayne Craig, Director of Development

Re. Section 219 Covenant Discharge for 5766 & 5788 Gilbert Road (Cascade City)

Landa Global Properties (Landa), the owner of the commercial retail units (CRUs) at 5766 & 5788 Gilbert Road (site), has been approached by Rumble Boxing (Rumble) to lease CRU #100, 105, 110 (CRU 100-110) for the operation of a boxing gym. Rumble is currently being prevented from locating here due to the Section 219 covenant registered on title.

Section 219 Covenant

A Section 219 covenant is registered on title that is in the favour of the City of Richmond and restricts "Indoor Recreation Uses" to be located on sites in the vicinity of the Richmond Olympic Oval (Oval):

- D. *The Lands are in the vicinity of the Richmond Olympic Oval, which provides various indoor recreational programs to the public; and*
- E. *Pursuant to Development Permit No. 15-700007, the Owner is required to grant to the City a Section 219 Covenant for the purposes of restricting the operation on the Lands certain "indoor recreation" activities as more particularly set out in this Agreement.*

A copy of the covenant is attached as Appendix A.

Rumble Operations & Proposal

Rumble is a Vancouver-based boutique boxing studio, with two locations in Yaletown and Mount Pleasant, looking to expand their services to Richmond. Rumble provides both group classes and one-on-one training sessions catering for members between the ages of 25-45, and young professionals living in the vicinity (2-5km of the studio).

Rumble is proposing to lease CRU 100-110 (total area of approximately 211 square metres (2,271 square feet)) and undertake tenant improvements to accommodate a new boxing studio; however, no external building modifications will be undertaken.

Rumble's operation letter is attached as Appendix B.

Covenant Discharge Rationale

Provided below is our rationale for the discharge of the Section 219 covenant from the site to permit Rumble to locate here.

Use Compatibility

The site is located within the City Centre neighbourhood and zoned Downtown Commercial (CDT1), which permits "Indoor Recreation Uses", including boxing studios. The site is located within a high-density, urban neighbourhood that includes a mix of uses including residential, employment, and existing recreational facilities such as a badminton centre, lawn bowling club, and gyms.

According to the City Centre Area Plan (CCAP), one of the vision mandates for the neighbourhood is to build economic vitality and maximize the appeal of City Centre through "the provision of high-quality recreation and cultural facilities, thus attracting business to locate here, and tourists to visit." The CCAP encourages mixed-use developments, which provides residents with access to a range of shops, services, and amenities, including fitness options. A need for recreational facilities including gyms and fitness studios within the City Centre is also identified.

Locating Rumble at Cascade City is compatible with the CDT1 zone, will complement the fitness offerings in the area and provide more choice and variety for people to stay active, and will help City Centre become a complete community.

No Direct Competition with the Richmond Oval (Oval)

According to the Oval's website, activities and programs provided by Oval include:

- High performance programs and camps such as basketball, volleyball, climbing, speed skating, hockey, table tennis, and strength and condition training;
- Yoga studio classes provided by third party company YYOGA; and
- Olympic experience through interactive challenges, simulators, and exhibits that features sports including short put, sport climbing, archery, basketball, balance beam, race car, surfing, kayak, sit-ski, and bobsleigh.

Boxing is not on the abovementioned list.

Rumble is a boxing studio offering:

- Group fitness classes led by one instructor with individual heavy bag station; and
- One-on-one personal training that is appointment based and offered by one trainer to one client.

Based on the descriptions of services provided by Oval and Rumble, it is evident that the proposed non-contact boxing training is not currently offered at the Oval. Therefore, the proposal will not be in direct competition with the activities and classes offered by the Oval.

Sufficient Parking Supply

The Cascade City development has a total of 377 parking spaces, of which 55 parking stalls are designated for residential visitors and commercial patrons. The existing tenants of the CRUs include a presentation centre and two medical clinics. Two of the CRUs are vacant and three of them are the subject CRUs for the proposed boxing studio.

We undertook a preliminary parking calculation based on the Matson Peck & Topliss' survey plan (attached as Appendix C) and the project data sheet prepared by Arno Matis Architecture (attached as Appendix D) and determined that the site provides enough parking to accommodate a gym use. A total of 55 commercial parking spaces are provided on-site. Based on the existing CRU uses and accounting for the proposed gym use, a total of 26 spaces is required, which means the site has an excess of 29 commercial spaces if the gym leases CRU 100-110.

Commercial Parking Calculations

Uses (area in sqm)	Required* *Based on the City of Richmond's on-site parking requirements – Zoning Bylaw 8500, Section 7	Total number of parking required	Current Provision
1. Landa Sales Presentation Centre (507.8 sqm)	5 spaces (0.02 space/sqm)	26 spaces	55 spaces
2. Medical Clinics (371.2 sqm)	12 spaces (0.03 space/sqm)		
3. Proposed Boxing Gym (229 sqm)	5 spaces (0.02 space/sqm)		
4. Remaining CRU (79.2 sqm)	4 spaces (0.052 space/sqm)*		

As such, we are applying to discharge the Section 219 Covenant that is currently registered on title, to allow Rumble to locate at Cascade City.



Landa Global Properties Ltd.

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T 604 256 5888
E info@landaglobal.com

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, consisting of a stylized, cursive script that appears to read "Wayne Pai".

Wayne Pai, Vice President
Landa Global Properties

Appendix A - Covenant
Appendix B - Rumble's Operation Letter
Appendix C - Cascade City Survey Plan
Appendix D – Cascade City Project Data Sheet



October 12, 2023

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

Attention: Wayne Craig, Director, Development

Dear Mr. Craig,

Re: Reply to your letter of October 4, 2023 regarding a request from Landa Global Properties (Landa) for the City to Discharge Section 219 Covenant Prohibiting Indoor Recreation Facilities from 5766 & 5788 Gilbert Road

Thank you for providing the opportunity for the Oval Corporation to offer input on this matter.

The restrictions which Landa Global Properties has requested be discharged were put in place during the early stages of business operations at the Richmond Olympic Oval (ROO) and were thought to be needed at the time to protect the city's investment in this unique and expansive facility.

Presently there are a number of sport/fitness/recreation related facilities (approximately four or five) that operate within the designated boundaries that are associated with the Covenant and in close proximity to the Oval. Our observations suggest that this has occurred without imposing any apparent negative impact on the Oval, as most of these operators offer complimentary programs and services.

As a result, and in recognizing that the Oval is now a well-established brand in the local community we do not intend to express any concerns or objections if the City Council choose to give consideration to the request that the restrictive covenant be discharged.

Please don't hesitate to contact me if you wish to discuss this matter further.

Yours truly,

A handwritten signature in black ink, appearing to read "George Duncan".

George Duncan
Chief Executive Officer
Richmond Olympic Oval Corporation