



Planning Committee

Date: Tuesday, April 22, 2008
Place: Anderson Room
Richmond City Hall
Present: Councillor Harold Steves, Chair
Councillor Bill McNulty, Vice-Chair
Councillor Sue Halsey-Brandt
Councillor Rob Howard
Absent: Councillor Linda Barnes
Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

1. It was moved and seconded
That the minutes of the meeting of the Planning Committee held on Tuesday, April 8th, 2008, be adopted as circulated.

CARRIED

NEXT COMMITTEE MEETING DATE

2. The next meeting of the Committee will be held on Tuesday, **May 6th, 2008**, at 4:00 p.m. in the Anderson Room.

DELEGATION

3. Single-Family Home Builders to speak on the Affordable Housing Strategy.
Mr. Raman Kooner, 5680 Colville Road, accompanied by Sal Bhullar, 6660 Sidaway Road, representing over 50 single-family home builders in Richmond, spoke to the Committee regarding problems which these builders were experiencing with respect to the City's Affordable Housing Strategy. A copy of Mr. Kooner's presentation is attached as Schedule A and forms part of these minutes.

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In concluding his presentation, Mr. Kooner indicated his group's support for the City Centre Area Plan and associated increases in development charges. He also voiced concern about the annual target projections which had been included as part of the Affordable Housing Strategy. He noted that 75 affordable housing units were to be constructed by the end of the first year with an additional 25 high-rise units, and he expressed concern that there may not be 75 subdividable lots in Richmond.

Ms. Bhullar also commented on the Affordable Housing Strategy, stating that local residents were not happy about the current use of lanes to access homes. She also suggested that local residents, if they were aware of the impact of the Strategy on their neighbourhoods, would not support this Strategy. She voiced the opinion that given the amount of land which was available for subdivision, that this Strategy would not have much of an impact on the provision of affordable housing. Ms. Bhullar also suggested that perhaps the City should consider requiring anyone who constructs a single-family home to contribute funds to the Strategy as a long term initiative rather than a short term. She commented that no one on the west side of Richmond would like to have their properties subdivided. She also suggested that consideration should be given to examining the major roads, and to collecting \$1 per square foot for single-family developments.

Ms. Bhullar also commented briefly on the adoption of the Strategy by City Council without, she felt, having all the information before them.

The Chair thanked the delegation for their presentation. Reference was then made to a memorandum (dated April 18th, 2008, from the Director, Development Planning and the Affordable Housing Coordinator), which provided an update and recommendation relating to the Affordable Housing Strategy, which had been circulated to Committee members. (A copy of this memorandum is attached as Schedule B and forms part of these minutes.)

Discussion then ensued among Committee members, the delegation and staff on some of the issues raised by the delegation, including:

- whether or not staff had been aware at the time that the Strategy was prepared that financial institutions would not provide financing for the construction of those homes with secondary suites which were to be made available for specific renters at lower rents; and the need to review this issue in greater detail
- whether the Affordable Housing Strategy was intended to legitimize existing secondary suites
- the assumptions and housing projections which had been established at the time of the adoption of the Strategy and the figures which had been achieved to date
- whether 'coach houses' were still being considered as an affordable housing solution

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- density bonusing requirements and how these requirements were determined
- the costs faced by developers when constructing single-family homes, as outlined by the delegation
- whether the Affordable Housing Strategy was working
- the inclusion of secondary suites in new single-family housing construction on arterial and non-arterial roads
- whether the purchasers of new single-family dwellings would accept the requirements which had been put in place as part of the Affordable Housing Strategy.

During the discussion, support was expressed by Committee members for a review to be undertaken of the current Affordable Housing Strategy.

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

It was moved and seconded

That the issues raised by the delegation in their presentation, along with the memorandum (dated April 18th, 2008 from the Director, Development Planning and the Affordable Housing Coordinator), be referred to a future Committee meeting to provide Committee members and staff with revisions to the Affordable Housing Policy with respect to single-family developments.

The question on the motion was not called, as a brief discussion ensued regarding the need for an interim strategy. As a result, it was agreed that the following would be added to the main motion:

“That the following policies apply to in-stream single-family rezoning applications received after July 1, 2007, until a revised Richmond Affordable Housing Strategy related to single-family rezoning applications is approved:

- (a) *To help meet the City’s Affordable Housing Targets, a density bonusing approach be taken for all single-family rezoning applications received after July 1, 2007, namely:*
 - (i) *In order to help meet the City’s targets for affordable subsidized rental housing, a density bonusing approach involving the provision of a cash contribution be used. Where a cash contribution for affordable housing is received under this density bonusing approach, it be based on \$1 per square foot of building area for single-family developments;*

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- (ii) *In order to help meet the City's targets for rental housing, a density bonusing approach involving the provision of a secondary suite be used. Where the density bonusing approach is taken in exchange for a higher density, all lots that are being rezoned but not subdivided and at least 50% of any lots that are being rezoned and subdivided are to include a secondary suite.*

Prior to the question on the motion, as amended, being called, staff were asked to review (i) the list of expenses outlined in the presentation from the delegation; and (ii) the cost attributed to the length of time taken to deal with rezoning applications which had been submitted to the City.

The question on the motion, as amended as follows,

- “(1) That the issues raised by the delegation in their presentation, along with the memorandum (dated April 18th, 2008 from the Director, Development Planning and the Affordable Housing Coordinator), be referred to a future Committee meeting to provide Committee members and staff with revisions to the Affordable Housing Policy with respect to single-family developments.*
- (2) *That the following policies apply to in-stream single-family rezoning applications received after July 1, 2007, until a revised Richmond Affordable Housing Strategy related to single-family rezoning applications is approved:*
 - (a) *To help meet the City's Affordable Housing Targets, a density bonusing approach be taken for all single-family rezoning applications received after July 1, 2007, namely:*
 - (i) *In order to help meet the City's targets for affordable subsidized rental housing, a density bonusing approach involving the provision of a cash contribution be used. Where a cash contribution for affordable housing is received under this density bonusing approach, it be based on \$1 per square foot of building area for single-family developments;*
 - (ii) *In order to help meet the City's targets for rental housing, a density bonusing approach involving the provision of a secondary suite be used. Where the density bonusing approach is taken in exchange for a higher density, all lots that are being rezoned but not subdivided and at least 50% of any lots that are being rezoned and subdivided are to include a secondary suite,*

was then called, and it was **CARRIED**.

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PLANNING & DEVELOPMENT DEPARTMENT

4. **APPLICATION BY GOERTZEN CONTRACTING LTD. FOR REZONING AT 6340 FRANCIS ROAD AND 6351 MARTYNIUK PLACE FROM SINGLE-FAMILY HOUSING DISTRICT, SUBDIVISION AREA E (R1/E) TO SINGLE-FAMILY HOUSING DISTRICT, SUBDIVISION AREA C (R1/C) AND SINGLE-FAMILY HOUSING DISTRICT, SUBDIVISION AREA B (R1/B)**
(RZ 06-334710 - Report: April 2, 2008, File No.: 12-8060-20-8275/) (REDMS No. 2334531, 1729489, 2014261, 2306920, 2237473, 2246755)

The Director of Development, Brian Jackson, briefly reviewed the report with the Committee.

Planner Kevin Eng, in response to questions, advised that:

- only a few telephone calls had been received in response to the mail notification of the rezoning application, as well as one piece of correspondence in support of the application
- with the adoption of the proposed amendment to the existing Single-Family Lot Size Policy, (which affects properties on the south side of Francis Road), two properties fronting onto Martyniuk Place could be subdivided
- the current rezoning application did not propose any changes to the lots fronting Francis Road, however a rezoning application for a property a few houses away has been received for a future amendment which would affect properties on Francis Road.

Discussion then ensued among Committee members and staff regarding the proposal, with a comment being made that the application now being considered was an immense improvement over the previous application. Reference was made to the proposal to use a shared driveway to provide access to the subject property, and information was provided that this form of access was becoming more and more common, especially in cul-de-sacs.

Shawn Lawson, 6463 Dyke Road, representing the applicant, provided detailed material to Committee members to explain the proposed development of the subject property. A copy of this material is on file in the City Clerk's Office. Mr. Lawson used the material to highlight the differences between the original application and the application now being considered, including:

- the proposed use of a shared driveway
- the setback of the proposed homes further from the front property line to gain maximum lot space and to provide a better design of the homes on the subject property

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- the two homes in the cul-de-sac had been completely redesigned and the design of those homes which shared the driveway had been ‘flipped’
- a professional landscape plan had been prepared
- building elevations would now match the elevations of the existing homes in the area
- the subject property would provide more green space than most of the homes in the cul-de-sac.

In response to questions, advice was given that each of the properties would be 6,000 square feet in size; that the frontages of 6351 and 6320 would be similar to the frontages proposed for the cul-de-sac, and that because of the distance between the property lines and the City property line, the properties in question would have a large front yard.

Reference was made to the public walkway located south of the subject property, and advice was given that extension of the walkway could only take place with the development of the Magnolia Drive properties. Further advice was given that City staff would endeavour to acquire the property to allow extension of the walkway in the future, however, it was not possible at this time to create a functional walkway.

It was moved and seconded

(1) *That the following recommendation be forwarded to Public Hearing:*

That Single-Family Lot Size Policy 5428 for the properties contained in Section 30-4-6, be amended to permit the southerly 36.24 m (118.9 ft.) of 6340 Francis Road to subdivide in accordance with Single-Family Housing District, Subdivision Area B (R1/B).

(2) *That Bylaw No. 8275 for the rezoning of 6340 Francis Road and 6351 Martyniuk Place from “Single-Family Housing District, Subdivision Area E (R1/E)” to “Single-Family Housing District, Subdivision Area C (R1/C)” and “Single-Family Housing District, Subdivision Area B (R1/B)”, be referred to Public Hearing.*

CARRIED

5. **APPLICATION BY MATTHEW CHENG ARCHITECT INC. FOR REZONING AT 8091 GILBERT RD AND 6800 & 6760 BLUNDELL ROAD FROM SINGLE-FAMILY HOUSING DISTRICT, SUBDIVISION AREA E (R1/E) TO COMPREHENSIVE DEVELOPMENT DISTRICT (CD)**

(RZ 07-361150 - Report: April 7, 2008, File No.:) (REDMS No. 2358604, 1664954, 2433378)

Mr. Jackson briefly reviewed the report with the Committee, during which he advised that the residents of Mirabel Court supported the revised rezoning application. He noted that the staff report contained an alternate recommendation if Committee chose to proceed with the application rather than denying it.

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Discussion then took place among Committee members and staff regarding the rationale for submitting a revised application with a negative recommendation. Information was provided during the discussion that in the event that Committee adopted a recommendation to proceed with the application, City staff would be required to consult the wider group (homeowners on Gilbert Road) regarding the application. It was also noted that while the original application for seven properties and eighteen townhouses was denied two years ago, Council had indicated that it would consider an application for six properties. It was noted that the residents of Mirabel Court were now in favour of this proposal. Additional comments were made about the need to clean up the property at the corner of Blundell Road and Gilbert Road.

Donald Cheng, representing the owners, accompanied by Randy Cheng, the applicant, advised that the original application did not have sufficient neighbourhood support for subdivision into seven lots. He stated that even though the application had been denied, discussions continued with the neighbourhood residents and public meetings held to arrive at a suitable compromise. Mr. Cheng advised that a majority of the neighbourhood now supported a 'CD' zoning with no direct access to Mirabel Court, and that they had a strong desire to address situation with the corner property. In response to questions, advice was given that the developers had not included the Gilbert Road property owners in the most recent discussions.

Bob Williamson, 8166 Mirabel Court, accompanied by Al Reynolds, 8280 Mirabel Court, and Clare Ash, 8171 Mirabel Court, reviewed the history of the subject property with the Committee, and indicated that the three gentlemen were at the meeting to show their support for the application now being considered. Mr. Williamson then circulated photographs of two properties on Gilbert Road and one on Blundell Road which showed the current condition of the three homes in question. He advised that Mirabel Court residents overwhelmingly supported the six lot proposal and that the delegation was prepared to do whatever they could to have the unsightly corner property addressed.

Mr. Reynolds expressed his appreciation for the support of City staff in dealing with the revised application.

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

It was moved and seconded

- (1) *That authorization be given for staff to examine the amendment of Single-Family Lot Size Policy 5442 for the properties contained in Sections 19-4-6 & 20-4-6 (Attachment 1 to the report dated April 7th, 2008, from the Director of Development) to permit the rezoning of 6800 & 6760 Blundell Road and 8091 Gilbert Road from Single-Family Housing District, Subdivision Area E (R1/E) to Comprehensive Development District (CD) for a 6-lot subdivision accessed by a lane not connected to Mirabel Court; and*

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- (2) *That staff conduct a public process with property owners and occupants within the study area, and that the findings be reported to Council through the Planning Committee.*

CARRIED

6. **APPLICATION BY MASHUKUR KAMIL, SAKHINA RHAMAN, ALEJANDRO CUSTODIO AND EDNA CUSTODIO FOR A STRATA TITLE CONVERSION AT 7391/7411 NO. 2 ROAD**

(SC 07-363226 - Report: March 25, 2008, File No.: 08-4105-03-01) (REDMS No. 2361874, 1467889, 280115)

It was moved and seconded

- (1) *That the application for a strata title conversion by Mashukur Kamil, Sakhina Rhaman, Alejandro Custodio and Edna Custodio for the property located at 7391/7411 No. 2 Road be approved on fulfilment of the following conditions:*

- (a) *Payment of all City utility charges and property taxes up to and including the year 2008;*
- (b) *Registration of a Restrictive Covenant on title that would require the existing two (2) driveways to be consolidated into a single 6 m wide and 6 m deep driveway to be located in the middle of the No. 2 Road frontage should the site be redeveloped with a new building. The driveway letdowns must be built as per City engineering specifications and the driveway design approved by the Transportation Department;*
- (c) *Registration of a flood indemnity covenant on title; and*
- (d) *Submission of appropriate plans and documents for execution by the Mayor and City Clerk within 180 days of the date of this resolution.*

CARRIED

7. **BUILDING HEIGHT AND HALF-STOREY BUILDING AREA**

(Report: April 8, 2008, File No.: 12-8060-20-8204, 12-8060-20-5300) (REDMS No. 2308151, 2435660, 2435750, 2435962)

Mr. Jackson briefly reviewed the history of the report with the Committee, during which he noted that the issue had arisen as a result of builders who had been constructing three and four storey dwellings with rooflines which were higher than those of the adjacent dwellings. He explained that the proposed amendments to building height, when adopted, would no longer allow the additional half storey to look like the fourth storey to a dwelling.

Mr. Jackson added that the comments of the single-family home builders not included within the Greater Vancouver Home Builders Association or the Urban Development Institute would also be taken into consideration by City staff.

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It was moved and seconded

That:

- (1) *the Staff Report dated April 8, 2008, from the Director of Development regarding Building Height and Half-Storey Building Area, be referred to the Greater Vancouver Home Builders Association (GVHBA) and the Urban Development Institute (UDI) for comment and discussion; and*
- (2) *staff bring forth final recommendations on amendments to the Zoning Bylaw related to Building Height and Half-Storey Building Area, based on input from the GVHBA and UDI.*

CARRIED

8. CITY CENTRE AREA PLAN (CCAP) IMPLEMENTATION STRATEGY HIGHLIGHTS

(Report: April 16, 2008, File No.: 08-4045-20-10) (REDMS No. 2307402v9)

Development Coordinator Holger Burke introduced Fraser Smith, representing Urban Systems Ltd.. At the request of the Chair, he then provided to the Committee an overview of the proposed City Centre Area Plan and the proposed amendments to the Development Cost Charges Bylaw. He also spoke about those items which could not be funded through Development Cost Charges (DCC), such as the use of density bonusing to provide child care facilities, and the cost per square foot to the developer to achieve affordable housing.

Mr. Burke noted during his review that City staff hoped to hold a public meeting in May regarding the proposed revised DCC rates, which could increase by as much as 30%.

Mr. Burke advised that City staff had consulted with the Greater Vancouver Home Builders Association and the Urban Development Institute (UDI) on the implementation of the City Centre Area Plan and the proposed increase in DCC rates. He noted that correspondence had been received from UDI which indicated support for the proposed plan however expressed concern about the proposed DCC rates, the funding of community facilities, and some green building requirements. Mr. Burke then listed a number of other organizations which had provided their support for the proposed strategy. He added that the small builders had been made aware of the report now being considered, and he expressed the belief that they were supportive of the implementation strategy for the City Centre.

Reference was made to the lack of information in the report now being considered about the possible location of City Centre parks, and the cost per acre to acquire the properties in question. Advice was given that this information was the subject of a separate report which would be provided to Council.

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Discussion then ensued among Committee members and staff on the proposed City Centre Area Plan implementation strategy, and in particular, on:

- the proposed increase in DCC rates and how this increase would be offset by savings in parking reductions; the need for a periodic review of current DCC rates; the impact of the proposed increase of DCC rates on local businesses
- the rationale for not including community centre facilities in the proposed DCC rates
- under what circumstances would it be possible to use density bonusing to develop community facility space rather than child care; who would determine the criteria for making the decision on whether a child care facility would not be appropriate for a particular development
- whether it would be possible to achieve density bonusing because of restrictions imposed by the Vancouver Local Airport Authority relating to building height within the City Centre.

During the discussion, questions were raised about the intent of the recommendations contained in the staff report now being considered. In response, advice was given that it was staff's intent to present the proposed amendments to the Development Cost Charges bylaw to Committee in May of this year, along with the City Centre Area plan. Further advice was given that approval of these recommendations would not prejudice or limit Committee/Council in any way.

Discussion then took place on the overall City Center Area Plan implementation strategy, the introduction of density bonusing and the different scenarios which could be considered. During the discussion the opinion was expressed about the need to review the proposed Area Plan and DCC rates in greater detail to address such issues as 'liveability' in the downtown core; the impact of this plan on light service industry in the City Centre; the expected increase in development within the City Centre, and the provision of green space. The suggestion was made during the discussion that a work shop should be held to allow staff to review the area plan and the proposed DCC rates with Council in greater detail.

The General Manager, Planning & Development, Joe Erceg, voiced support for a workshop. He indicated that the purpose of today's meeting was to determine whether Committee members had a desire to increase the DCC rates by 30% or to fund affordable housing through this mechanism. He further indicated that the questions now being raised would form part of a report which would be presented to Committee in May. Mr. Erceg added that Committee might wish to have the workshop when the entire package was available, or alternatively, to hold a special meeting with this issue being the only matter on the agenda.

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Mr. Erceg then spoke briefly about the use of density bonusing within the City Centre, especially around the Canada Line stations, and with respect to what the City would be likely to fund, such as community facilities, fire halls, etc.

The Chair then commented on the impact which adoption of the proposed City Centre Area Plan could have on the City centre, and on the type of industry which could be forced out of this area. He voiced concern that industry jobs could be lost to lower paying service jobs which could result in a shift in the City's industry base, and he asked that this matter be dealt with at the proposed workshop. Cllr. Steves also commented that the funds generated from the City Centre DCCs should be used to develop all parks in the City as it was his opinion that residents within the City centre would have to go outside of the downtown core for their recreational enjoyment. He also expressed the belief that the small builders would have to bear the brunt of the proposed increase in DCC rates and stated that this should not be the case. He added that development in the downtown core should support all of the development in the City Centre.

Ms. Jennifer Larsen, 8680 Foster Road, questioned whether community amenities and community facilities were one and the same, and whether expansions of the CHIMO facility and the Richmond Youth Services facility would be included.

In response, information was then provided by staff on the categories of amenities which could be included for funding from the DCC rates and those which would be funded through the affordable housing strategy. Also addressed was how the funding received through the affordable housing strategy was dealt with, i.e. deposited into a statutory reserve fund for distribution as required and approved by Council.

Discussion continued on this issue, with reference being made to previous comments about the need for 'liveability' within the City centre and the need for services would be available to all the residents. Reference was made to a concept which had been introduced during the initial stages of the City Center Area Plan review to establish 'urban villages'. In response, staff provided information on the status of this proposal.

Lawrence Lin, 7580 Lombard Road, spoke about the current height restrictions in the downtown core, suggesting that the City should hold discussions with YVR to determine if it would be possible to increase building height elevations within those areas of the City centre which were not located under aircraft flight paths. He also spoke about the difficulties which could be encountered in meeting proposed Floor Area Ratio (FAR) requirements, and proposed reductions in parking requirements and suggested that additional bonusing would provide an incentive to developers to provide such amenities as child care, etc.

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Mr. Lin also commented on the loss of light industry services in the City, noting that industrial land prices were increasing significantly. He suggested that a density bonusing system should be developed for industrial development, similar to the density bonusing concept being introduced through the Affordable Housing Strategy, by offering a lower leasing rate. Mr. Lin suggested that consideration should be given to allowing the construction of high rise buildings which could contain industry services on the first floor and residential uses on the remaining floors.

Discussion then took place briefly among Committee members and staff on the feasibility of allowing such a proposal.

Mr. Lin concluded his presentation by providing information on multi-level services which were allowed in Singapore, China, which he felt should be considered for the City Centre. He also spoke further on the matter of density bonusing.

It was moved and seconded

- (1) *That Council consider the City Centre Area Plan (CCAP) Bylaw (which would include the final CCAP Implementation Strategy);*
- (2) *That Council consider amendments to the Development Cost Charge (DCC) Bylaw; and*
- (3) *That Council consider amendments to the Off-Street Parking and Loading provisions of the Zoning & Development Bylaw.*

The question on the main motion was not called, as the following **amendment** was introduced:

It was moved and seconded

That the main motion be amended by adding the following as Part 4, "That a workshop be undertaken prior to the submission of any bylaws to Committee."

CARRIED

The question on the main motion, as amended, was then called and it was **CARRIED**.

9. **PRIVATE DEVELOPMENTS AND LEED WITHIN THE CITY CENTRE AREA PLAN AND GREEN ROOFS THROUGHOUT THE CITY**

(Report: April 16, 2008, File No.: 08-4045-20-10/2008-Vol 01) (REDMS No. 2436865)

It was moved and seconded

That the report (dated April 16th, 2008, from the General Manager, Planning & Development and the General Manager, Engineering & Public Works), regarding Private Developments And LEED Within The City Centre Area Plan and Green Roofs Throughout The City, be referred to the proposed workshop.

CARRIED

12.

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10. MANAGER'S REPORT

(1) *City Centre Area Plan (CCAP)*

No report was given.

(2) *Steveston Study*

No report was given.

(3) *Official Community Plan (OCP)*

No report was given.

(4) *Liveable Region Strategic Plan Review (LRSP)*

No report was given.

(5) *No. 5 Road / No. 6 Road at Steveston Highway*

The Manager, Policy Planning, Terry Crowe referred to direction given at the previous Planning Committee meeting held on April 8th, 2008, to report to this meeting on the Steveston Highway overpass and whether an area plan would be forthcoming for the No. 5 Road / No. 6 Road / Steveston Highway area.

The Director, Transportation, Victor Wei, came forward, and reported to Committee on the current plan for the Steveston Highway overpass. He advised that:

- the Provincial Ministry of Transportation (MOT) had engaged the services of a traffic safety consultant to examine the Highway 99 corridor, including the George Massey Tunnel and the Blundell Road overpass
- the consultant would identify those areas along Highway 99 which required attention as it related to traffic safety control, which could result in a compromise proposed by MOT to improve Highway 99, however it was unlikely that any improvements proposed would include the twinning of the Steveston Highway overpass
- the possible twinning of the Steveston Highway overpass had been proposed by a potential developer of property on No. 6 Road, however, staff were not considering any development in this area at this time
- no plans had been received from MOT to upgrade the Steveston Highway overpass.

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Concern was expressed about the proposal being made by the applicant for the development of property on No. 6 Road that he may help to fund the cost of twinning the Steveston Highway overpass. Discussion then took place among Committee members and staff regarding this development application, with information being provided on the issues surrounding this application with respect to the City's Official Community Plan. Advice was given that staff had advised the applicant that staff did not support the rezoning application and would be recommending to Committee that the application be denied.

(6) Affordable Housing Agreement

The Director of Development, Brian Jackson, commended Committee and Council for its action in taking a bold step to adopt an Affordable Housing Strategy, and stated that good progress was being made even without the availability of Federal and Provincial programs.

The Chair then commended staff for a job well done with regard to the development of the Affordable Housing Strategy.

The efforts of staff were also recognized by the General Manager, Planning & Development, Joe Erceg, regarding the quality of the reports which were on today's Planning Committee agenda.

(7) Richmond Night Market

Questions were raised about the status of a proposal received for a new Night Market, and staff were requested to ensure that the process was completed fully prior to submitting the proposal to Committee to ensure that all questions relating to police requirements, costs to the City, etc., were addressed so that the report would not have to be referred back to staff for further information.

(8) Building Demolitions

Reference was made to a memorandum written by the Director, Building Approvals, John Irving, relating to building demolitions, and advice was given that he hoped to submit a report to the Committee in May, with possible changes to deal with this issue.

ADJOURNMENT

It was moved and seconded
That the meeting adjourn (6:18 p.m.).

CARRIED

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Certified a true and correct copy of the Minutes of the meeting of the Planning Committee of the Council of the City of Richmond held on Tuesday, April 22, 2008.

Councillor Harold Steves
Chair

Fran J. Ashton
Recording Secretary

Mr. Chair, Members of Planning Committee,

*Re: Planning Committee Delegation
April 22, 2008*

My name is Raman Kooner and I live at 5680 Colville Rd Richmond. I am here today representing over 50 single family home builders in Richmond. Currently, we have 20 applications for rezoning to permit single family houses to be built in Richmond that are affected by Richmond's Affordable Housing Strategy.

We are aware that last year City Council put in place a new strategy for affordable housing in Richmond. Now before this strategy/bylaw was passed YOU the Council were told that the "the small builders" were contacted and this had been discussed with them and that they would be ok with the new bylaw, well the people that were contacted that were supposed to be "the small builder" were Charan Sethi, myself, Ajit Thaliwal, Sal Bhullar and Ben Panesar, none of us were representing any small builders in Richmond, at the time we had stumbled upon this meeting by accident so if Sal had not phoned me about it the only participant would have been Charan Sethi.

We did not consider ourselves a fair representation of the small building community in Richmond at that time however we did discuss the affordable housing strategy with Holger Burke and expressed ideas and concerns with the proposal, at that time we left the meeting we were under the assumption that if there was something that would affect us this drastically that it would be discussed again, well we were never contacted again and we clearly stated that we were not ok with how certain things had sounded so if someone told you(the council) that we were completely ok with this and if they told you that a good number of small builders were contacted and that they had no issues then you were misinformed. We have also been told that the Urban Development Institute AKA UDI and Greater Vancouver Home Builders Association were completely behind this strategy and clearly after reading their letters to staff it is clear that they had some serious concerns.

Today I am here in front of you and I can say that I am speaking on behalf of quite a large number of the "small builders" in this community and having met with all of them over the past couple of weeks. We have 20 applications sitting in limbo as of July 2007 waiting for this document. I found that while some of us were aware of the new strategy, until we received the first draft Housing Agreement from Planning staff a couple of weeks ago we did not fully grasp its impact on not just the Builders but the homeowners that will be buying these homes. Even if we were to read the affordable housing strategy dated May 9th 2007 it did not have any specifics as to what this housing agreement was going to contain.

PHOTOCOPIED

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That agreement requires us not only to build a secondary suite in 50% of the units that we build, but also requires that we only rent for set rents to be determined by the city and requires that we only rent to people who qualify for the low rents. All of these detailed terms would be set out in the Housing Agreement and would be on title for future purchasers.

Unlike the bigger developers who sometimes self-finance or have more flexible financing options, we are small builders that rely on bank financing to build housing in Richmond. Our lawyers and lenders have told us that the proposed Housing Agreement would significantly affect our ability to get financing to construct the new housing and would affect the value of that housing in a negative way since there would be a significant legal restriction on title in perpetuity.

I don't know if you have read this document yet but this document is about as close to communism as it gets, first the city is going to tell me as an Owner of my own home that I have purchased with my own money that I have to rent my suite to someone only the city approves off, and if my son daughter mother father sister brother or any other member of my family wants to either rent or I just want them to live there for free that they cannot do that.

I just want to make it clear to that this document has provisions that there will be inspections to check up who is living there, how much they pay, and provide documents to support this, if you do not do this the city will fine you 100 dollars a day, if the city does not think that you are doing a good job the city will go out hire a company that me as a home owner will pay and this company will become the new manager of the suite that is in my home, the home I have paid for. My favorite part of the document is where the city, its elected officials, officers, directors and agents, and their heirs, executors, administrators, personal representatives, and successors indemnify themselves of anything and everything that could possibly go wrong. Also the owner and the city agree that this agreement is not intended to protect the interest of any owner, any tenant, and or any future owner, lessee, occupier or user of the property, the land or the building or any portion thereof, including any affordable housing unit. No Public Law Duty where the city is required or permitted by this agreement to form an opinion, exercise a discretion, express satisfaction, make a determination or give its consent, the owner that the city is under no public law duty of fairness or natural justice in that regard and agrees that the city may do any of those things in the same manner as if it were a private party and not a public body.

Besides that this document is absolutely absurd and there is absolutely no way that not only the small builders of this community are going to accept but as someone buying a residence like this or someone trying to legalize a suite in a older home they too will find this registered on title unacceptable.

You are aware that the sales prices of houses in Richmond continue to go up. But the cost to build those houses is going up even faster! Not only in terms of labour and material costs, but the costs that the city has added over the last year or is proposing to add:

- The new development cost charge last year that increased DCCs on single family houses from \$14,000 per unit to \$21,000 and the proposed Development Cost Charge related to the City Centre Area Plan that would see it rise further to \$27,000, another 33% increase.
- The recently adopted School Board Acquisition levy that will increase the levy from \$256 to \$700 per unit, more than doubling the levy!
- The recent City requirement for tree surveys \$1000.00
- The recent City requirement for grading plans \$2000.00
- The City requirement for flood covenant Legal cost of \$500.00
- Increased Water connection fee of 50% in some cases \$5000.00
- Landscape plan from Landscape Architect \$1500.00
- Tree replacement fund \$500.00 per tree
- Huge increases in wait times for applications causes holding cost to go up drastically in one particular case it had cost the builder over \$20,000.00
EXTRA

All in all over the past 18 months we have seen a drastic increase in fees, paperwork and information that needs to be provided to the city for various purposes, we have sat back and watched a regular rezoning and subdivision go from 3 and a half months to 8-10 months now, all the while biting our tongues not saying a word all of this in just the last 18 months is costing a single subdivision of one into two lots an increase of close to 30,000 dollars. We will not sit here and try to pull the wool over your eyes either, the only reason this has even been possible is because the real-estate market has been good over the past few years.

This Housing agreement however is something that will severely affect our business in a negative way, these are the builders that like it or not have built your community, they

are not here for one or two projects and then move on to another city some of the guys in our group have been building Richmond for well over 25 years and you as our council owe it to them to take this back and consider our new proposal.

Now our lawyers advised us to take the affordable housing requirement to Court. But as I said we are a small community of builders and we are here for the long haul doing what we hope the city wants us to do, we want to continue building a more beautiful Richmond and build new housing for Richmond's growing population. Rather than battle this out in Court, we want to find a solution.

Staff invited us to come and talk to them about what our concerns were and to discuss any solutions. Staff were clear that Council passed an affordable housing strategy and that the single family home builders, like ourselves, would have to be part of the solution. Over the past few weeks we have had informal discussions with staff and believe that we've found a solution that we can support.

We believe that the Affordable Housing Strategy should be amended to give single family home builders an option to build a secondary suite in 50% of the suits constructed, without any Housing Agreement tied to specific rents or renters, Or provide a financial contribution to the City's Affordable Housing fund. In some instances, we will build the new rental suites in areas that can support secondary suites (like along arterial roads). In other areas, our builders may opt to pay the financial contributions.

We have examined the Affordable Housing Strategy's financial requirements related to townhouses and multiple family developments (\$2sq.ft or \$4sq.ft. respectively) as well as our other rising costs we believe that an equitable solution would be to pay \$1/ per sq.ft. of buildable house on any houses constructed. Given the increased costs we are facing, we believe that is a **FAIR** contribution.

We know that this would mean a change to Council's recently adopted Affordable Housing Strategy, but like any strategy, its success must be measured by whether the objectives of providing actual affordable housing is achieved, either through the construction of new rental units or by the City initiating the construction of affordable housing. We simply cannot construct new single family housing under the terms of the proposed Housing Agreements.

We support the City's objectives for affordable housing, but want to find a solution that we can afford so we can keep building housing for existing and future residents. We hope that Council would be open to changing its strategy in the face of the reality of the market place and our desire to work with you to provide affordable housing in Richmond.

Sign In Sheet

Meeting with Developers/Builders
on Affordable Secondary Suites

Tuesday April 8, 2008
2:30 PM

Name	Company	Contact No	E-mail
HARSHIEL BAINS	US WEST COAST	604 722 8292	BAINSH@HOTMAIL.COM
RAV BAINS	US WEST COAST	(604) 616 6668	RAVBAINS@REPAIR.NET
CHANDRA PRASAD	PROTECH CONSULTANTS	604 722 8292	
Amrinder Singh	State Corp	604 760 6024	
Ray Sawanda	Capital Dev	604 877 5166	RJAWANDA@SIAMCA
Brian Anderson		604 877 5166	
Khalid Halawa	Wilson Era Builders	786 896 6000	info@Khalidhalawa.com
ASIT THACIWAJ		(604) 727-5166	ajitto@sutton.com
RAMAN KOONER		604-825-9433	Rkooner@Sutton.com
AMESH GUPTA		604 525 8000	reyj@hotm.il.com
NEEL ANILK POON	KENSINGTON HOMES	604 618 5682	info@kensingtonhomes.com

e-mail
✓
✓
L/mos
L/mos
Net
com.
com.

Sign In Sheet

Meeting with Developers/Builders
on Affordable Secondary Suites

Tuesday April 8, 2008
2:30 PM

Name	Company	Contact No	E-mail
MRS. BARBARA D. ATWAL	MIND Development Corp 398 574	604 771 6730	MIND Development Corp
✓ Gurspreet Atwal	Impact Development	604 771 6730	g-atwal80@hotmail.com
✓ Charvi Kumar	Kensington Development	604 880 1861	CHARAVI.KUMAR@STARS
MRS. Parna Dhillon	Wood edge Development Reliance Westcoast	604 880 1861	info.parmdhingal.com
✓ SURENDR KUMAR	MIND Development	604 771 6730	SURENDR.MIND.CA
✓ SATWAL ATWAL	Impact Dev LTD	604 771 6730	SATWAL@IMPACTMIND.CA
✓ ANWER KAMAL	MIND BUILDERS	604 771 6730	ANWER@MINDBUILDERS.COM
✓ HUMAYUN TAJ	Hi. All Builders	604 771 6730	HUMAYUN-TAJ@HUMAYUN.TAJ
✓ Ragu Jotai		604 771 6730	manuless@shaw.ca

Sign In Sheet

Meeting with Developers/Builders
on Affordable Secondary Suites

Tuesday April 8, 2008
2:30 PM

Name	Company	Contact No	E-mail
Ed Conroy	EVAN KRAS	778 896 9700	EVANKRAN@HOTMAIL.COM
L/Ines	CHAM CARL HAY	604 862 9658	
V Cassidy Leung	CK DEVELOPERS	604 270 5000	kookalcat@shaw.ca
X Ken Lee	Jockey Investments	604 272 8711	
X Eric Sze	Bridge Creek Investments	604 657 6163	
L/Ines	William WY	604 272 9797	
L/Ines	Thomas Liu	604 272 8711	(no body answers R.V. com)
L/Ines	MAGNANO BEAU WESTON	604 231 0264	

Co.:

Sign In Sheet

Meeting with Developers/Builders
on Affordable Secondary Suites

Tuesday April 8, 2008
2:30 PM

Name	Company	Contact No	E-mail
✓ BEN BANJESAR		604-206-3050	
L1/miss AMAR SAOUDIAN		604-686-6296	
✓ GARETH JAGDE	AWANDA CONSULTANTS	604-551-5563	
✓ SAJID HASSAN	HASSAN CONSULTANTS	781-885-6434	
Subirinder Dhillon	G.K. Consulting	(604) 555-9720	no body answer as voice mail
✓ Kulwinder Gill	Pravee Development (604)	618-3156	

Sign In Sheet

Meeting with Developers/Builders
on Affordable Secondary Suites

Tuesday April 8, 2008
2:30 PM

Name	Company	Contact No	E-mail
✓ SA BHULLAR	TRINE DEVELOPMENT	773-881-4582	STL - bhullar@yahoo.com
✓ BOB KOENIG	ASKALIAN HOLD	604-306-8208	
✓ SPITAK KHACHAN	RESEARCH	604-779-6566	
✓ SUZANNE MANNAT	S.S.M.	779-899-8929	HAIDEN MANNAT @ PLOT.MA
✓ AMARJIT CHATHWA	CONTRACTOR	778-381-1884	
✓ GANESH MISHRA	PTM DEV LTD	604-837-7888	
✓ SIATAM SARGAR	SATAM CONST LTD	604-617-7176	
? ✓ SEAN WILSON	Senior Developments	604-831-6916	



City of Richmond

Memorandum

To: Planning Committee
From: Brian Jackson
Director, Development Planning; and
Joan D'Angola
Affordable Housing Coordinator
Date: April 18, 2008
File: 06-2270-20-01/2008-Vol
01
Re: Affordable Housing Strategy Update and Recommendation

This memo provides an update on the Affordable Housing Strategy and its implementation to date.

Summary of Affordable Housing Strategy

The Strategy establishes three key affordable housing priorities, housing types, and eligible tenant annual income thresholds, which are outlined below.

Priority	Affordable Housing Type	Household Annual Income Threshold
1 st	Subsidized Rental	less than \$20,000
2 nd	Low End Market Rental	between \$20,000 and \$37,700
3 rd	Entry Level Homeownership	less than \$60,000

Priority 1. To address the need for Subsidized housing:

- For townhouse developments and smaller apartment developments, a cash-in-lieu contribution towards the City's Affordable Housing Reserve is required in exchange for increased density. This cash contribution is based on the following amounts:
 - \$2 per square foot from townhouse developments; or
 - \$4 per square foot from apartment and mixed-use developments involving 80 or less residential units.
- The City will utilize these cash-in-lieu contributions to work with senior levels of government and community-based groups to provide affordable subsidized housing units in the City.

Priority 2. To address the need for Low End Market Rental housing:

a. Multi-Family Rezoning Applications

In exchange for bonus density, each multi-family or mixed-use development containing more than 80 residential units are asked to:

- Build at least 5% of the total residential building area with a minimum 4 units, as low end market rental units.
- To ensure that these units are secured for low end market rental purposes a **Housing Agreement** will be registered on title through the rezoning process. The Housing Agreement is used to establish rental rates and eligible tenant income levels by unit type in perpetuity to ensure continued affordability.

b. Single Family Rezoning Applications

- All single family lots being rezoned in order to facilitate a subdivision are required to ensure at least half (50%) of the new lots being created through the subdivision will include a single family dwelling with a secondary suite or a single family dwelling with a coach house unit.
- In order to ensure these secondary suites/coach house units remain affordable for low end market rental purposes, a **Housing Agreement** will be registered on title through the rezoning process. The Housing Agreement is used to establish rental rates and eligible tenant income levels by unit type in perpetuity to ensure continued affordability.

The Affordable Housing Strategy establishes the following requirements for low end market rental units:

Unit Type	Minimum Unit Sizes	Maximum Monthly Rent ¹	Total Household Annual Income ²
Bachelor	37 m ² (400 ft ²)	\$500	\$23,000 or less
One bedroom	50 m ² (535 ft ²)	\$625	\$28,000 or less
Two bedroom	80 m ² (860 ft ²)	\$750	\$33,000 or less
Three bedroom	91 m ² (980 ft ²)	\$943	\$37,700 or less

Notes:
¹ Rents may only be increased annually by the Consumer Price Index
² Household income may be increased annually by the Consumer Price Index
 * Denotes 2007 amounts

Priority 3. To address the need for entry level homeownership:

The Strategy focuses on the first two priorities (rental housing). Policy work has begun in order to address the need for affordable homeownership and will be brought to Council at a later date. In the interim, developers are providing different proposals containing entry level homeownership units which are included in the results referenced below.

How the Strategy is Working

Successes

Richmond’s Strategy can be considered the most innovative and advanced Affordable Housing Strategy in the Lower Mainland, if not in all of Canada. It provides Richmond City Council, staff, and developers with the opportunity to be recognized as leaders in the affordable housing

field and is working well overall. At a recent national housing conference, Richmond was recognized on numerous occasions for the strength and success of its affordable housing initiatives.

The Strategy has provided staff with the opportunity to pursue significant potential collaborations with other levels of government and non-profit societies. Staff are currently exploring a potential Memorandum of Understanding with BC Housing which may lead to the development of new subsidized housing in Richmond, including a women and children emergency shelter. This proposal will be brought to Council for consideration in the coming weeks.

In accordance with the Interim Affordable Housing Strategy (June 29, 2006) and the final Affordable Housing Strategy (May 28, 2007), Council has approved the following contributions through the multi-family and mixed use rezoning process:

- 4,645 m² (50,000 square feet) of affordable subsidized rental housing;
- 39 affordable rental units (reduced rents);
- 135 rental units; and
- 34 entry-level homeownership units.

The City has a total of \$8,031,108 in the Affordable Housing Reserves and is awaiting additional cash contributions from a number of rezoning applications, which have passed third reading but have not yet satisfied all rezoning conditions.

Staff are currently working with developers on a number of in-stream rezoning and development permit applications for multi-family developments where the City is expecting to secure:

- approximately 135 additional affordable rental units;
- approximately 210 entry level homeownership units; and
- additional funds into the Affordable Housing Reserves as per the Affordable Housing Strategy.

The possible (actual and in-stream) total affordable housing results could be:

Type	Possible Results
Affordable subsidized rental housing	4,645 m ² (50,000 sq. ft)
Affordable rental units	174
Rental units	135
Entry-level homeownership units	244

Relative to the Affordable Housing Strategy annual targets, the following scenario could occur:

Type	Annual Target	Possible	Short/Over Target
Affordable subsidized rental housing	25 – 50 units	4,645 m ² (50,000 sq. ft.)	Over
Affordable rental units	95 units	174 units	Over
Rental units	Not established	135	n/a
Entry-level homeownership units	60	244	Over

The above indicates that:

1. the City's Affordable Housing Strategy is working,
2. senior governments still need to significantly increase their support for affordable housing to meet the existing community demand,
3. flexibility and innovation are required.

Furthermore, staff are currently working on a recommendation for Council's consideration that will allow for a modest density bonus for affordable housing in sites that are currently zoned C-7. If adopted, this tool will likely result in the development of an even greater number of affordable housing units in the City, particularly in the downtown core.

Challenges

Notwithstanding the above successes, staff have received some opposition to the Strategy. The strongest collective opposition has been expressed by the single family development community, which outlined its concerns in a meeting with staff on April 8, 2008. The single family developers have voiced their collective opposition to the current Affordable Housing Strategy requirement of providing a secondary suite with a Housing Agreement, restricting both rents and occupant income. The developers have cited limitations such as the difficulty in getting financing when there is a Housing Agreement on title, the increased costs of developing single family houses, the decreased marketability of the home with a Housing Agreement on title, and the legal and management difficulties associated with the Housing Agreement. At the April 8th meeting, the developers asked staff to be able to provide options for Affordable Housing Contributions.

Since July 1, 2007 when the final Affordable Housing Strategy took effect, we have received 20 single family rezoning applications to facilitate the creation of 48 single family lots. Barring any changes to the Strategy, and were the single family developers willing to fulfil the requirement, we would secure 24 affordable rental secondary suites.

Given that the single family developers are opposed to the current Affordable Housing Strategy requirements, Council may wish to refer this portion of the Strategy back to staff for further review and further consultation with the single family developers as well as with other affordable housing stakeholders.

Should this be Council's decision, Staff recommend:

- 1. That the Policies contained in the Richmond Affordable Housing Strategy related to single family rezoning applications, received after July 1, 2007 be referred back to staff for further review and discussion with stakeholder groups.**
- 2. That staff bring forth policy recommendations on a revised Richmond Affordable Housing Strategy related to single-family rezoning applications.**

Potential Interim Strategy

Staff have recently met with the single family developers several times in order to discuss their concerns related to the existing affordable housing strategy.

Should Council wish to refer the Affordable Housing policies related to single family development back to staff for review, an interim strategy for dealing with in-stream single family rezoning applications should be implemented in order to not unduly delay the processing of single family rezoning applications received since July 1, 2007. Based on discussions between staff and representatives from the single family development community, the following approach could be used in the interim until staff are able to develop a final recommendation based on additional consultation:

- That a density bonus zoning approach be used for all in-stream single family rezoning applications received after July 1, 2007.
- To receive the higher density provided by this density bonusing approach, the following would be required:
 - a cash contribution of \$1.00 per total buildable square foot on all new houses to be constructed be provided towards the Affordable Housing Reserves; **or**
 - The construction of a secondary suite, without a Housing Agreement, on at least 50% of new single family lots created.

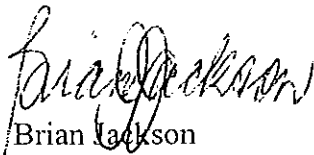
This contribution from the single family development community will allow the City to continue making progress on affordable housing, either by increasing monies in the Affordable Housing Reserve, or by providing additional rental housing stock. Additional rental housing stock provides an opportunity for renters to move from affordable rental housing into market rental housing, thereby potentially increasing availability of affordable rental units for those most in need. Secondary suites also provide increased affordability for first-time homebuyers who may use the suites as “mortgage-helpers”. This movement of first time homebuyers out of the tight rental market could further reduce the pressure on existing market rental and affordable rental housing stock.

Should Council wish to refer the Strategy as it related to the single family developments back to staff, staff recommend:

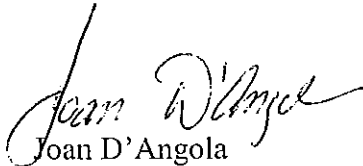
- 1. That the following policies apply to in-stream single-family rezoning applications received after July 1, 2007, until a revised Richmond Affordable Housing Strategy related to single-family rezoning applications is approved:**
 - a. To help meet the City’s Affordable Housing Targets, a density bonusing approach be taken for all single-family rezoning applications received after July 1, 2007, namely:**
 - i. In order to help meet the City’s targets for affordable subsidized rental housing, a density bonusing approach involving the provision of a cash contribution be used. Where a cash contribution for affordable housing**

- is received under this density bonusing approach, it be based on \$1 per square foot of building area for single-family developments;
- ii. In order to help meet the City's targets for rental housing, a density bonusing approach involving the provision of a secondary suite be used. Where the density bonusing approach is taken in exchange for a higher density, all lots that are being rezoned but not subdivided and at least 50% of any lots that are being rezoned and subdivided are to include a secondary suite.

Please do not hesitate to contact the undersigned with any questions or concerns.



Brian Jackson
Director, Development Planning
(604-276-4138)



Joan D'Angola
Affordable Housing Coordinator
(604-247-4946)

pc: Robert Kates, Manager, Real Estate Services
pc: Terry Crowe, Manager, Policy Planning