



To: Richmond City Council
From: Terry Crowe
Manager, Policy Planning (4139)
Date: February 11, 2009
File: CP 08-446388
Re: **School District No. 38 (Richmond) Application to Amend Schedule 2.10D to the Official Community Plan (McLennan South): Childcare Developer Requirements and Public Consultation**

Purpose

School District No. 38 (Richmond) has applied to amend Schedule 2.10D to the Official Community Plan (McLennan South Sub-Area Plan) at 7631, 7651, 7671, 7691, and 7771 Ash Street and 7680 and 7700 Heather Street from "Park" (which permits "active community use" including an elementary school) to "Park" and "Residential" (CP 08-443688).

As per the December 16, 2008 resolution of Council on the subject Official Community Plan (OCP) Amendment Bylaw No. 8465, the purpose of this memorandum is to provide information to Council for consideration at the Public Hearing regarding:

- Finalized developer requirements applicable to the future development of a possible childcare facility to be achieved via a density bonus on the subject site; and
- Public consultation undertaken by the School District and other public input submitted subsequent to the subject bylaw receiving first reading of Council.

Childcare Developer Requirements

Background

The proposed OCP Amendment Bylaw provides for a density bonus of 0.4 floor area ratio (FAR) on the subject site (i.e. an increase from 1.2 to 1.6 FAR net) in the event that a developer constructs a childcare facility to the satisfaction of the City. A covenant registered on the subject site as a condition of the proposed OCP amendment will set out the developer requirements as they relate to the childcare facility. These requirements, a preliminary draft of which was prepared by staff and attached to the staff report presented in December 2008, are to be finalized and agreed to by the School District for consideration by Council at Public Hearing.

Finalized Childcare Facility Developer Requirements (Attachment 1, with changes highlighted)

School District and City staff jointly reviewed the preliminary requirements presented in December 2008, and agreed on minor changes to better:

- Encourage the coordinated design of the childcare's outdoor play space and Paulik Park;
- Encourage sustainable design, construction practices, and finishes; and
- Indicate that parking (drop-off/pick-up) relaxations may be considered through the City's standard rezoning and/or Development Permit processes.

Staff are supportive of the proposed developer requirements, as they are consistent with Richmond's childcare policy and recent developer-built childcare projects elsewhere in the city.

Public Consultation

Background

The City's OCP Bylaw Preparation Consultation Policy No. 5043 requires that consultation with affected parties (e.g., residents, owners) be considered as part of the OCP Amendment process. The School District posted a development application sign on the subject site, but undertook no other public notification or consultation prior to the subject application being considered by Council in December 2008. In light of this, the staff report directed that the:

- School District consult with the local community and report back to City staff in writing at least two weeks in advance of the Public Hearing; and
- Public Hearing should not take place earlier than February 16, 2009, to allow adequate time for the consultation to occur.

Consultation Process

The School District's public consultation process included:

- A public open house (including display boards and a comment sheet requesting input) at Howard Debeck Elementary School on January 20, 2009 (**Attachments 3 & 6**);
- In advance of the open house, advertising in two local English language newspapers and one Chinese language newspaper on two consecutive weekends (**Attachment 4**); and
- Following the open house, posting of the open house display boards on the School District's web site (including a request for feedback until January 30, 2009). (**Attachment 5**)

Results of the School District's consultation (**Attachments 2-6**) were submitted two weeks prior to the February 16th Public Hearing (as required) and indicate the following:

- Open House – This event was attended by representatives of the School District, City staff, and five members of the general public. None of the members of public were residents of McLennan South. Three members represented Golden Prospect Holdings Limited, an organization that made an unsuccessful offer to purchase the subject site in 2008 for the purpose of developing seniors' housing and a wellness facility.
- Comment Sheets - One comment sheet was submitted at the open house and indicated general support for the School District's proposal. (**Attachment 6**) No other written or on-line submissions were received by the School District.

Additional Public Input Received by the City

At the time of writing this staff memorandum, the City had received several telephone inquiries and one letter regarding the proposed OCP amendment, as follows:

- Telephone Inquiries – Several local residents who received Public Hearing Notices from the City contacted staff for information.

Staff Comment: Callers showed interest in the application, but did not indicate clear support or opposition.

- Letter from Larry Traverence, Archer Realty (**Attachment 7**), including a "project concept" for a seniors' housing and wellness complex (**Attachment 8**), submitted on behalf of Golden Prospect Holdings Limited (a developer who made an unsuccessful bid to purchase the subject site from the School District) – The writer opposes the subject OCP amendment on the basis that it:

- Would be unnecessary for Golden Prospect's project;
- Could deny local residents adequate access to "active community uses"; and
- May increase the subject site's value beyond what Golden Prospect can afford.

Staff Comment: Staff disagree with the writer's comments, as follows:

- The subject OCP amendment permits seniors' housing and accessory wellness uses;
- Golden Prospect has not provided staff with adequate information to determine if its project is consistent with the Sub-Area Plan or would be supported by local residents;
- McLennan South residents are well-served by local schools and the subject OCP amendment proposes additional "active community uses" in the form of City-owned park, affordable housing, and a possible childcare (via a density bonus); and
- Staff have concerns regarding the viability of Golden Prospect's project and do not support its request (as per the "project concept") that the City:
 - i. Waive developer costs (e.g., off-site works, Development Cost Charges); and
 - ii. Reduce property taxes.

Summary

The School District's public consultation process attracted little public interest. To date, the only opposition to the proposed OCP amendment has come from a developer interested in securing the subject site for seniors' housing and wellness uses. Staff understand the developer's concerns, but:

- Believe the proposed mix of housing, park, affordable housing, and a possible childcare will enhance the livability of McLennan South and help to meet the local needs of seniors, families, and others; and
- Have concerns regarding the feasibility of the developer's proposed project on the subject site, regardless of any potential increase in land value.

Conclusion

In December 2008, the School District was directed to finalize childcare facility developer requirements and undertake public consultation prior to the subject application being considered at Public Hearing. Both items have been completed to the satisfaction of staff. On this basis, staff recommend that the subject OCP Amendment Bylaw No. 8465 warrants favourable consideration.



Terry Crowe
Manager, Policy Planning (4139)

TTC:spc

- Attachment 1: Finalized Childcare Facility Developer Requirements (with changes in **BOLD**)
- Attachments 2 – 6: Submission from the School District, February 2, 2009
Note: Included here is a letter, open house display boards, advertising, home page screen, and comment sheet. Duplicate items and items already on file, such as the staff report, are excluded.
- Attachment 7: Submission from Larry Traverence, Archer Realty, January 13, 2009 (13 pages)
Note: All the attachments to this submission are included with this memo, except "Seniors' Housing Market Survey: British Columbia", a 19-page Canada Housing and Mortgage document that was released in 2008 and provides a description and analysis of the seniors' housing market in British Columbia, including vacancy rates, rents, and universe data.
- Attachment 8: Golden Prospect Holdings Limited "Project Concept" (2 pages)
Note: This item was submitted with Attachment 7.

Finalized Childcare Facility Developer Requirements (with changes in **BOLD**)

OCP Amendment Considerations – Supplemental Information “Finalized Childcare Developer Requirements”

**7631, 7651, 7671, 7691, and 7771 Ash Street and 7680 and 7700 Heather Street
CP 08-446388**

Prior to final adoption of Official Community Plan (OCP) Amendment Bylaw No. 8465, the developer is required to complete the OCP Amendment Considerations, as per the December 16, 2008 resolution of Council, and agrees to the following supplemental information:

Finalized Childcare Developer Requirements

Intent

The childcare facility must

1. Be capable of accommodating a minimum of 37 children between the ages of birth and 6 years (Note that the age range may be narrowed as determined through consultation with the City and operator through the development design and review processes.);
2. Have a total minimum indoor floor area of 315 m² (3,390 ft²);
3. Satisfy Richmond Childcare Design Guidelines (or the applicable City policy in effect at the time the facility is to be developed);
4. Be capable of being licensed by Coastal Health Authority's Community Care Facilities Licensing Staff and/or other relevant licensing policies and/or bodies at the time of the facility's construction and in accordance with applicable Provincial Childcare Regulations;
5. On an ongoing basis, be both functioning, affordable, and fully operational, to the satisfaction of the City (see "Performance" under Development Processes/Considerations); and
6. Be designed, developed, priced, and operated within the spirit of the City's Childcare Development Policy (#4017) which states that:
 - The City of Richmond acknowledges that quality and affordable childcare is an essential service in the community for residents, employers, and employees.
 - To address childcare needs, the City will plan, partner and, as resources and budgets become available, support a range of quality, affordable childcare facilities, spaces, programming, equipment, and support resources.
 - To develop City childcare policies and guidelines, and use Council's powers and negotiations in the development approval process, to achieve childcare targets and objectives

In addition, the childcare facility should embody best practices in sustainable design and construction practices. LEED or equivalent standards for construction and interior finishes will be encouraged.

Development Processes/Considerations

1. Operator involvement –
 - The indoor floor plan and the outside play area for the childcare facility should be developed in collaboration with the operator or its representative, as determined by the City.
 - An operator should be secured prior to the start of the childcare facility design process.
 - To ensure the facility is satisfactory for childcare programming and related purposes and will be a viable operation, the operator should have input into:
 - i. space needs and design;
 - ii. operation and functioning of the facility;
 - iii. maintenance;
 - iv. fittings and finishes;
 - v. equipment; and
 - vi. related considerations.

Finalized Childcare Facility Developer Requirements (with changes in **BOLD**)

2. Childcare Licensing Officer involvement – The application of the Provincial Childcare Regulations can vary based on the local Childcare Licensing Officer's interpretation of programs needs; it is therefore essential that the Licensing Officer be involved with the design and development of the facility from the outset.
3. Performance – As a condition of Development Permit, to ensure the facility will, on an ongoing basis, be both functioning and operational to the satisfaction of the City, the developer will be required, in consultation with the City, operator, and other affected parties, to define a standard of performance and the measures necessary to safeguard that those standards will be achievable (e.g., responsibility for maintenance).

Facility Description

1. General Considerations - As noted above (see Intent), the facility must satisfy all City of Richmond, licensing, and other applicable policies, guidelines, and bylaws as they apply at the time of development.
2. Access - Safe, secure, and convenient access for children, staff, and parents is key to the viability of a childcare facility.

As the indoor facility will be integrated within a residential development and situated above existing grade (to satisfy City of Richmond Flood Construction Level bylaw requirements) and the outdoor play space will be on the adjacent Paulik Park site, special attention will be required with regard to how the facility is to be accessed, travel distance (e.g., to parking, drop-off, secured outdoor play space, etc.), convenience, security, and related considerations. Where necessary, the City may require that the facility is equipped with special features designed to address the challenges of locating a childcare facility on the subject site including, but not limited to:

- Over-sized ramps capable of accommodating multi-child strollers and large groups of people;
 - Private/secured entry(s) for the exclusive use of the childcare; and
 - Designated drop-off/pick-up parking spaces convenient to the childcare entry.
3. Outdoor Space - The outdoor play space must be:
 - Fully equipped with play structures and other apparatus that meet the requirements of Licensing authorities and are to the satisfaction of the operator and City of Richmond;
 - Landscaped with a combination of hard and soft play surfaces, together with appropriate fencing and access (taking into account the challenges of locating a facility on a parking structure rooftop) to provide for a wide variety of activities including, but not limited to, the use of wheeled toys, ball play, and gardening;
 - Located where it is protected from excessive noise and good air quality is ensured (e.g., away from vehicle exhaust, ventilation exhausts);
 - Situated and designed to provide for adequate sun exposure and weather protection in order to ensure the space is attractive and can accommodate heavy use and a broad range of activities throughout the year (e.g., quick drying surfaces, winter "sun trap", garden plots, covered play areas);
 - Situated where it is immediately adjacent to and directly accessible (visually and physically) to the indoor childcare space;
 - **Mutually complementary to the design and use of Paulik Park and, if possible,** situated where it can incorporate existing mature trees and/or vegetation within or near the property line of the park;
 - Safe and secure from interference by strangers and others;
 - Situated to avoid unnecessary conflict with or annoyance of nearby uses (e.g., residential); and
 - If multiple age groups of children are to be accommodated within the space, demised with fencing and tailored to meet the various developmental needs of the ages of children being served.
 4. Height Above Grade – The facility is to be located on the building's lowest habitable floor (2.9 m geodetic minimum floor elevation, as per Richmond's Flood Construction Level requirements).

Finalized Childcare Facility Developer Requirements (with changes in **BOLD**)

5. Parking (Including Bicycles) & Loading - As per applicable zoning and related bylaws, **except that relaxations regarding drop-off/pick-up spaces may be considered through Richmond's standard rezoning and/or Development Permit processes.**
6. Natural Light & Ventilation – The facility's indoor spaces (with the exception of washrooms, storage, and service areas) must have operable, exterior windows offering attractive views and reasonable privacy/overlook, as determined through Richmond's standard development review process.

Level of Finish

1. The developer is solely responsible for all costs related to ensuring the childcare is "turnkey" and ready for immediate occupancy upon completion (with the exception of loose furnishings and related items). This includes, but is not limited to, the following:
 - Indoor Areas -
 - i. Finished floors installed (e.g., **resilient flooring**);
 - ii. Walls and ceiling painted;
 - iii. Window coverings installed (e.g., curtains, blinds);
 - iv. Kitchen fully fitted out, including major appliances (e.g., stove/oven, refrigerator, microwave) and cabinets;
 - v. Washrooms fully fitted out, including sink, toilet, and cabinets;
 - vi. Wired for cablevision, internet, phone, and security;
 - vii. Non-movable indoor cabinets installed, including cubbies; and
 - viii. Operable, exterior windows provided.
 - Outdoor Areas (including those situated in Paulik Park) –
 - i. All outdoor landscaping (e.g., hard and soft landscaping, fencing, lighting, water and electrical services) installed;
 - ii. All permanently mounted play equipment, furnishings, and weather protection, together with safe play surfaces and related features, installed;
 - iii. Accommodation made for the future installation by others (e.g., operator) of additional equipment and furnishings (i.e. in addition to that provided by the developer); and
 - iv. Features installed outside the bounds of the childcare space that are required to ensure a safe and attractive interface between the childcare and adjacent park or non-park uses (e.g., additional fencing, screening, lighting, signage, grading, planting).
2. The operator will provide all loose equipment and furnishings necessary to operate the facility (e.g., toys, kitchen ware)

Tenure & Ownership

Tenure: An independent air space parcel that contains the facility (including appropriate associated parking), whereby the City and/or operator are not obligated to assume financial or other responsibilities associated with the ongoing repair, maintenance, or operation of the overall development (i.e. the building within the primary air space parcel and related features on the subject site) with the exception of those services directly related to the childcare facility.

Ownership: Developer to transfer ownership of the independent air space parcel to the City, at no cost to the City

Legal

As a condition of completing rezoning, legal documents will be required to secure the childcare facility contribution, including a "no-development" covenant, an option to purchase, a Letter of Credit, and/or other measures as determined to the satisfaction of the City.

Signed copy on file

Signed (Applicant)

Date



School District No. 38 (Richmond)
7811 Granville Avenue, Richmond, BC V6Y 3E3

Tel: (604) 668-6000 Fax: (604) 668-6161

Office of the Secretary - Treasurer

February 2, 2009

Terry Crowe, Manager Policy Planning
City of Richmond,
6911 No. 3 Road,
Richmond, B.C., V6Y 2C1

Dear Terry:

**OFFICIAL COMMUNITY PLAN AMENDMENT BYLAW 8465: 7631, 7651, 7671, 7691,
7711 ASH STREET AND 7680, 7711 HEATHER STREET**

PUBLIC INFORMATION SESSION

As per the December 16, 2008 resolution of Council on the subject Bylaw 8465, a public information session was held 20 January 2009 at Howard Debeck Elementary School, 8600 Ash Street, from 7:00 – 9:00 pm. The public information session's purpose was to share the OCP Amendment process to date and solicit feedback from the community on the proposed development scenarios for the site, (see attached).

The public was informed of the meeting in a number of ways including:

- Advertising in 2 local English language newspapers and 1 Chinese language newspaper on 2 consecutive weekends prior to the meeting, (see attached for copy, newspaper names, and advertisement dates);
- A prominently displayed message on the front page of the District's website, which included a downloadable copy of the City of Richmond Report to Committee on the subject application, dated December 3, 2008, (see attached copy).

The meeting was attended by five members of the public, Board of Education Trustees, City of Richmond staff, Richmond School District staff and Ramsay Worden Architects staff. Five of the attendants chose to be recorded on the Sign-In Sheet and one member of the public chose to complete the Comment Sheet. Of the members of the public present, none appeared to be residents of the South McLennan neighbourhood.

A number of display boards were presented, describing:

1. The site location in the McLennan South neighbourhood within the context of Richmond City Centre.
2. The Richmond School District's original plan to build an elementary school and subsequent decision to sell the property in order to finance an elementary school more central to the City Centre's growing population or other needed school construction projects.
3. An outline of the benefits the prospective development would offer the community including:

"Our Focus is on the Learner"

Submission from the School District, February 2, 2009 - Letter (2 pages)

- Use of revenue from sale of site for Richmond school funding
 - Land dedication to increase Park area
 - Affordable housing component (5% of project area)
 - Increased housing choice
 - Potential Child Care Facility and community gathering space
 - Social / economic / environmental sustainability goals.
4. An overview of two scenarios allowed within an OCP Amendment, including diagrammatic Site Plans, project statistics, and sketches suggesting form and appearance.
 5. A description of the development process, including an overview of the OCP Amendment and Rezoning processes highlighting opportunities for community input.

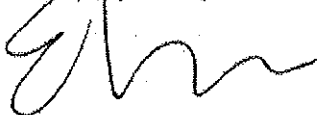
The presentation board graphics are attached for your information.

Three of the members of the public represented a private development company known to the Board that had previously submitted an offer to the Board for the subject lands. The offer was deemed unacceptable and rejected by the Board. The representatives of this company objected to the proposed development scenarios presented, and stated strongly their preference for leaving the existing OCP designation in place, although with the higher allowable density proposed in this re-designation application.

The District continued to monitor and receive comments from the public by way of a prominent link and explanatory note on the home page of the District website. The site was open for comments to be received up to January 30, 2009. However, no comments were received through this medium.

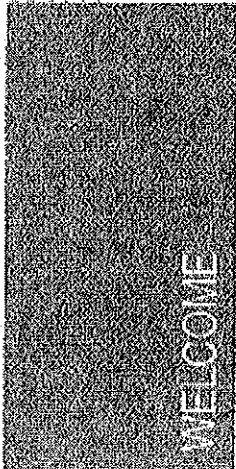
Please do not hesitate to call if further information or clarification on this public information session is needed.

Sincerely,



Eric Thorleifson,
Manager of Facilities

- c. Ken Morris, Secretary Treasurer
Suzanne Huffman-Carter, Senior Planner/Urban Design



Thank you for joining us at this Open House.

The purpose of this open house is to share plans for this proposed development in the McLennan South Neighbourhood.

Tell us what you think!
Please fill out a comment sheet.

Please direct any questions or comments to:

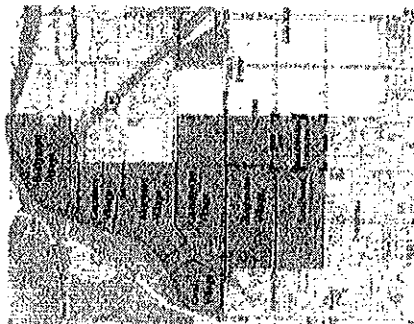
Eric Thacker
Manager of Facilities
School District No. 31 (Richmond)

tel: 804.688.2500
cell: 773.509.6830
fax: 804.688.1161
email: ethacker@richmond.sdsd.net

All of the presentation material from tonight's
Open House will be available on the Richmond School District website:
www.sdsd.net

McLennan South Neighbourhood



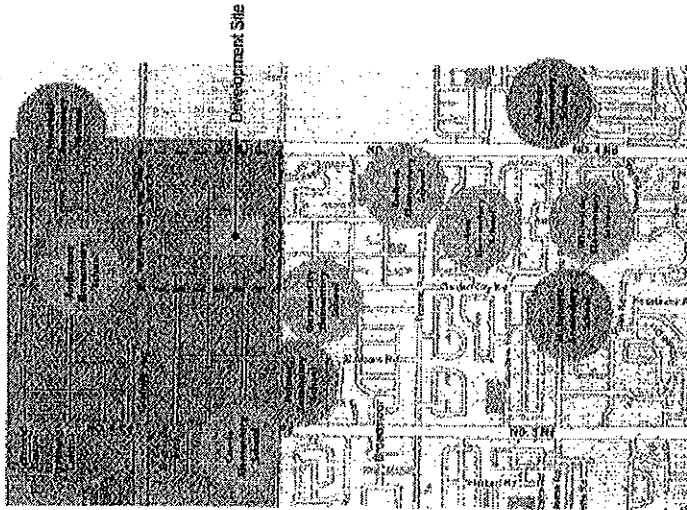


Richmond City Centre

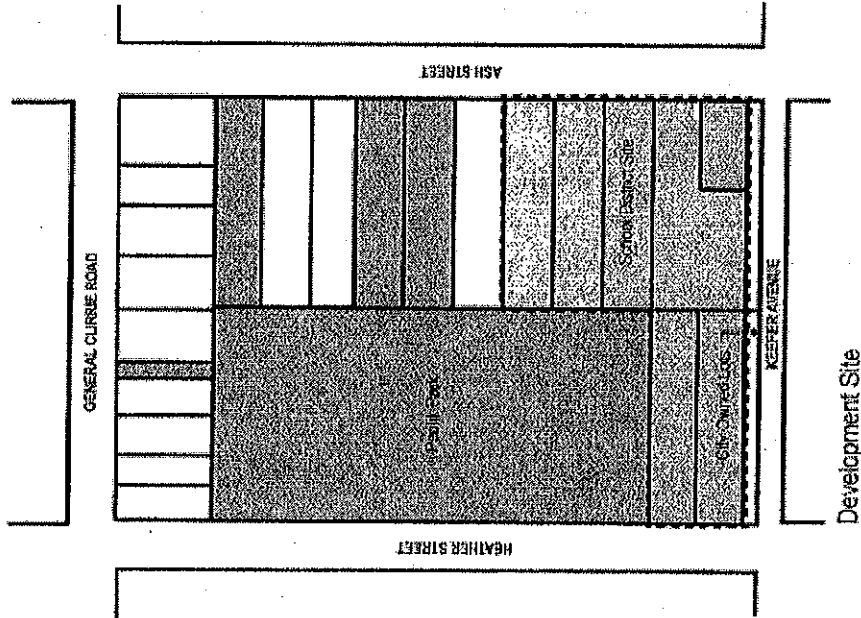
As outlined in the Richmond Official Community Plan:

"The City Centre Area is Richmond's urban focus and has long been a key centre for business, culture, recreation, entertainment, government, shopping, education and housing."

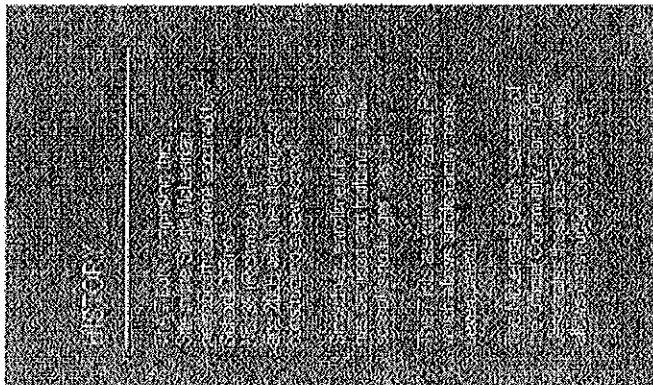
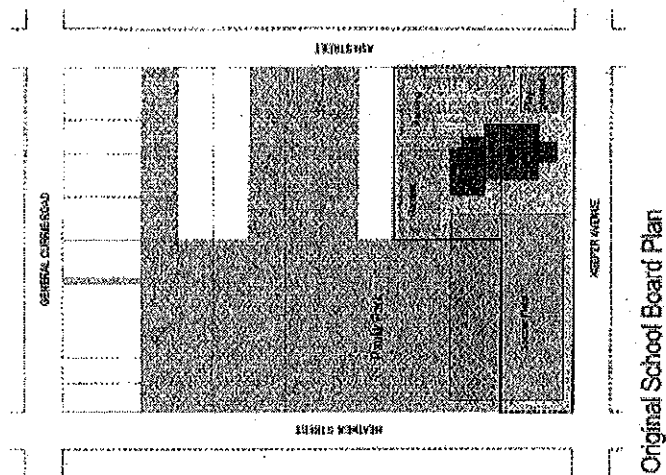
"The City Centre Area Plan ... aims to establish the City Centre as Richmond's downtown, a 'regional town centre', and a 'complete community' that offers a broad range of opportunities to live, work and play in a defined, high-quality urban environment. To help achieve this and protect Richmond's stable single-family neighbourhoods, the OCP directs that 50% of Richmond's residential growth should occur in the City Centre between 1996 and 2024. This will push the City's population to roughly double to 60,000, anticipate that a broad range of housing, recreation, jobs, services, transit and other amenities be developed to keep pace."



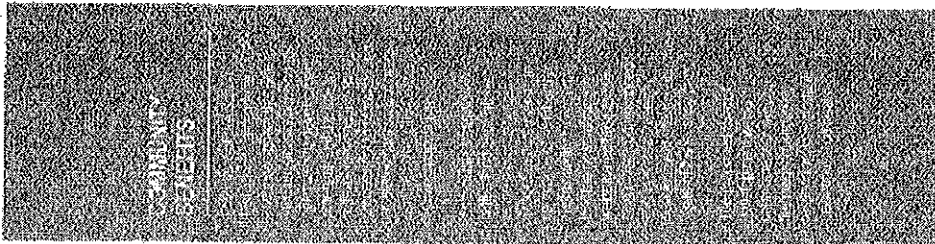
McLennan South Neighbourhood



McLennan South Neighbourhood

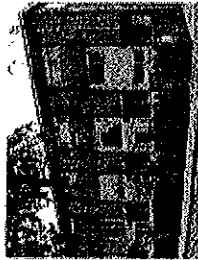


McLennan South Neighbourhood



RICHMOND SCHOOL FUNDING

The majority of the sale of this site will be used to help fund a new elementary school in the neighborhood as an existing elementary school nearby. All proceeds of the sale will remain in Richardson and will be spent on public education in the area.



INCREASED HOUSING CHOICE

Richmond has housing units. The District is one of the few in the area that has no zoning restrictions that would prevent housing choices in the neighborhood. For anyone looking for a new home, the lack of zoning restrictions will be a welcome surprise as it is so close to the City Centre. Apartments, townhomes and houses are all in demand in the area.



AFFORDABLE HOUSING

In addition to the new residential development, the City of Richmond is also working with the City of Dallas and the City of Fort Worth to create a new type of housing, called "affordable housing," which will be a blend of the best of both worlds, providing a mix of housing options in the area.



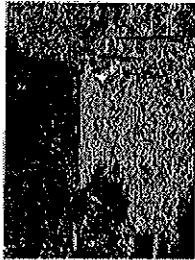
CHILD CARE FACILITY

Richmond has an excellent facility for the education of children. The City of Richmond is also working with the City of Dallas and the City of Fort Worth to create a new type of facility, called "child care facility," which will be a blend of the best of both worlds, providing a mix of child care options in the area.



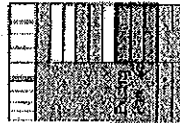
COMMUNITY GATHERING SPACE

A child care facility is included in the new development. The space could be dedicated to be available for existing and new community activities.



INCREASED PARK SPACE

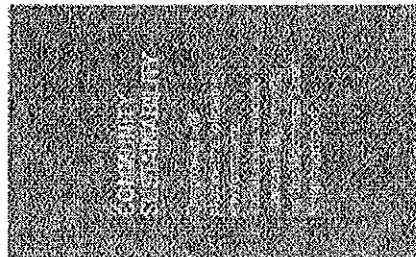
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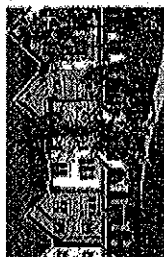
Proposed Addition to Park

McLennan South Neighbourhood

Community Benefits

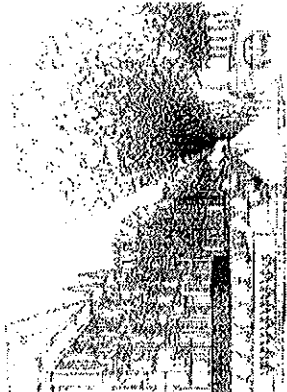
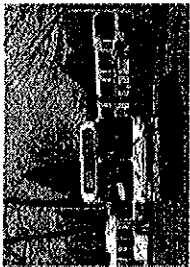


Environment
 A number of green building and energy-efficient models are available to the architect and developer. Architects are encouraged to explore the use of green building practices and to consider the use of green building practices in their designs.



Social
 The school district is committed to providing a safe and secure environment for all students. The school district is committed to providing a safe and secure environment for all students. The school district is committed to providing a safe and secure environment for all students.

Economic
 The school district is committed to providing a safe and secure environment for all students. The school district is committed to providing a safe and secure environment for all students. The school district is committed to providing a safe and secure environment for all students.



McLennan South Neighbourhood

Community Benefits

NEW DEVELOPMENT

New residential development would face Keebler Avenue on a consolidated site consisting of the four south lots plus 0.4 acres of City owned land along Keebler Avenue. The three northern lots facing Ash Street would be dedicated to the City and added to the existing park.

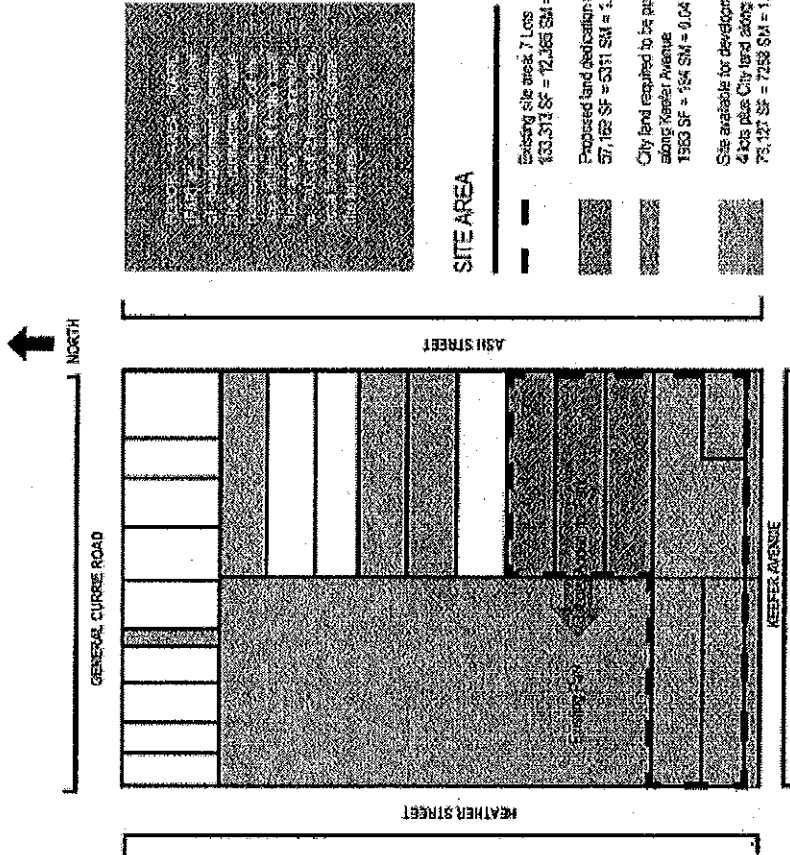
The OCP Amendment would allow either of the following 2 scenarios:

Multi-Family
 3 or 4 Storeys
 FAR on the south lots would be 1.20.
 This is equivalent to FAR 0.55 based on the area of the existing 7 lots.

Multi-Family + Daycare
 Up to 4 Storeys
 Inclusion of a child care facility allows the FAR on the southern lots to be 1.60.
 This is equivalent to FAR 0.57 based on the area of the existing 7 lots.

Possible development scenarios would be 3 or 4 storey wood frame condominium apartments or stacked townhouses over one storey of parking.

Relaxation of the parking standards would be proposed to increase housing affordability and sustainability, and to reduce the development footprint.

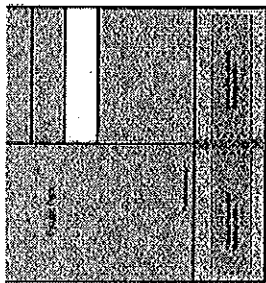


SITE AREA

- Existing site area 7 Lots
133,311 SF = 12,365 SM = 3.06 acres
- Proposed land dedication for part 3 Lots
57,162 SF = 5,311 SM = 1.37 acres
- City land required to be purchased along Keebler Avenue
1963 SF = 184 SM = 0.04 acres
- Site available for development
4 lots plus City land along Keebler Avenue
73,127 SF = 7,259 SM = 1.79 acres

McCannan South Neighbourhood

Project Overview



This scenario shows an example of 3 stories buildings with parking
 a street building with a residential unit, would also be possible.
 Approximately 15 dwelling units would be possible.
 including a affordable rental unit.

Approved by the Planning Commission on 2/11/09.

Site Area

70,000 sq ft / 1,200 sq ft

Residential RA-1

1: 20 feet to 100 feet based on original 7 lots

Plot Area

51,750 sq ft / 870 sq ft

Industry 15-20 units / 100 sq ft / 1,200 sq ft

Maximum Lot Coverage: 50%

Maximum Height: 4 stories

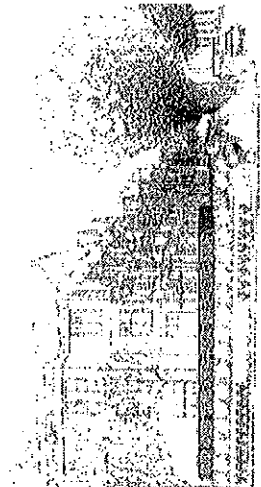
ASPC: 15 ft

Front, Side and Rear Minimum Setback

25 ft / 5 ft / 5 ft



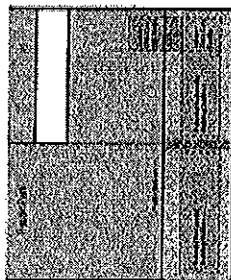
Bird's Eye View



View along Keefer Avenue

McLennan South Neighbourhood

Multi-Family Scenario



The scenario shows a three-story building over parking. It includes a 17 child Daycare on the ground floor of the east building with an adjacent outdoor play area extending into the school Park area. The Daycare would have a separate entry from 4th Street. Approximately 125 parking units would be provided, including 4 wheelchair spaces.

Access to the Park is provided between the 2 buildings.

Site Area
78,177 Sq Ft ± 122k Sft

RMS
1.54 FPM (4.05 FPM maximum original 1.44F)

Room Area
125,000 Sq Ft ± 11,500 Sft

Including 24 wheelchair spaces @ 300 Sq Ft = 84,000

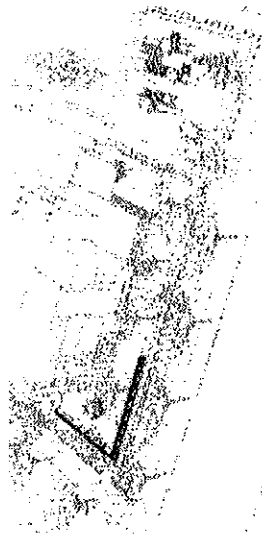
Child Care Facility
Interior area for 17 children = 726,000 Sft ± 205,000 Sft
240 for associated modules in EOC

Maximum Lot Coverage: 55%

Maximum Height: 4 Stories

40% ± 15 ft

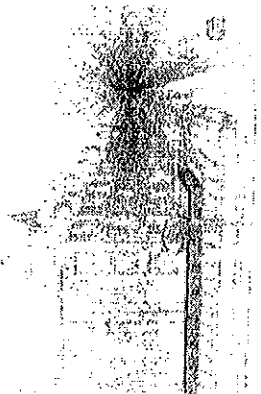
Phone, 944 and Rose Witham Contact
224 ± 50 ft



View of Daycare



Bird's Eye View



View along Keefer Avenue

McLennan South Neighborhood

Multi-Family + Daycare Scenario

REZONING & DEVELOPMENT PROCESS

Following the OCP Amendment and an agreement to sell the Site, a developer will make a Rezoning application based on the rezoning.

In the stage of rezoning design will be submitted and there will be an opportunity for further public consultation.

The Richmond School District intends to participate with the developer throughout the rezoning process to ensure neighborhood sustainability goals are implemented.

The Rezoning Process normally takes approximately one year.

If a developer decided to propose a different scenario, the OCP would require another amendment.

OUR AMBITION

The City Planning Department, in consultation with the School District, has prepared the rezoning application that allows a developer to create one of two residential use alternatives for the site.

If adopted the OCP Amendment would allow rezoning to be proposed in a Rezoning Application.

Seattle's South Rezoning and Adoption of the OCP Amendment would not be a precedent. The School District has made an agreement to sell the site to a developer and the City.

APPROVAL FROM THE MINISTER OF EDUCATION

FOUR-AS-A-ONE OCP AMENDMENT APPLICATION & COMPLETION OF SALE

BEGIN PROJECT DESIGN

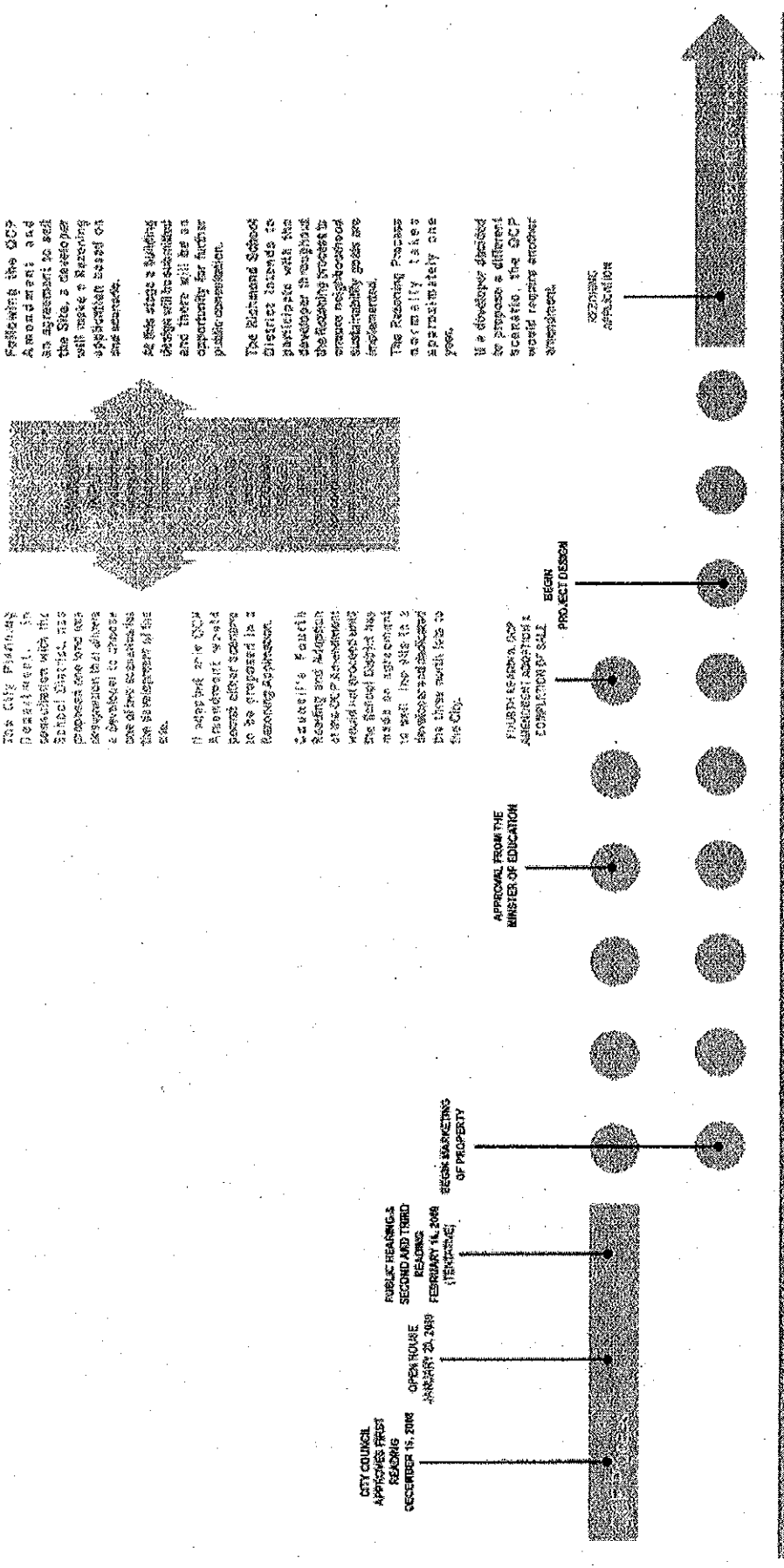
REZONING APPLICATION

CITY COUNCIL APPROVES FIRST READING
 DECEMBER 15, 2008

OPEN HOUSE
 JANUARY 20, 2009

PUBLIC HEARINGS SECOND AND THIRD READING
 FEBRUARY 14, 2009 (TENTATIVE)

BEGIN MARKETING OF PROPERTY



McLennan South Neighbourhood

Development Process

Printed by: Kelly Littlewood

Monday, February 02, 2009 4:18:56 PM

Title: Fwd(2): S. McLennan Information : RichNet

Page 1 of 2

From: Kelly Littlewood
Eric Thorleifson
Kelly Littlewood

Subject: Fwd(2): S. McLennan Information

To:

Cc:

Attachments: Rmd News-S. McLennan Ad Pub Meet 01_09.pdf

1.1M

South McLennan Information

The following advertisement was placed in local papers on:

Richmond Review, January 10, 2009 and January 17, 2009

Richmond News, January 9, 2009 and January 16, 2009

Ming Pao, January 10, 2009 and January 17, 2009



SCHOOL DISTRICT No.38 (RICHMOND)

NOTICE OF PUBLIC MEETING

**Proposed Re-Designation of Lands
in the South McLennan area**

The Board of Education (Richmond) invites members of the public to view the plans for the above proposed re-designation of Board owned lands in the South McLennan area, and to provide comments for the Board's consideration. The lands consist of properties at 7631, 7651, 7671, 7691 and 7711 Ash Street, and 7680 and 7700 Heather Street.

The meeting will be held in the Library of Debeck Elementary School, 8600 Ash Street, at 7.00 p.m. on Tuesday, January 20, 2009.

For additional information, contact Eric Thorleifson, Manager of Facilities (ph. 604-668-6050).

Printed by: Kelly Littlewood
Title: Fwd(2): S. McLennan Information : RichNet

Monday, February 02, 2009 4:18:56 PM
Page 2 of 2

1010
Announcements

School District No. 38
(Richmond)

NOTICE OF PUBLIC MEETING

**Proposed Re-Designation of Lands
in the South McLennan Area**

The Board of Education (Richmond) invites members of the public to view the plans for the above proposed re-designation of Board-owned lands in the South McLennan area, and to provide comments for the Board's consideration. The lands consist of properties at 7631, 7651, 7671, 7691 and 7711 Ash Street, and 7660 and 7700 Heather Street.

The meeting will be held in the Library of Debeck Elementary School, 6600 Ash Street, at 7:00 p.m. on Tuesday, January 20, 2009.

For additional information contact:
ERIC THORLEIFSON
Manager of Facilities
Phone 604-688-8050

OUR FOCUS IS ON THE LEARNER

The same information was posted to the website on January 14, 2009 and remained there through January 21, 2009.

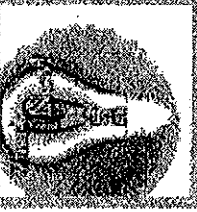


School District No. 38
Richmond
 Richmond, British Columbia

7811 Granville Avenue, Richmond, BC, V6Y 3E3 (604.668.6090, 604.368.6005 fax)
 Contact Email: Questions@richmond38.bc.ca

- [Home](#) | [Board](#) | [Schools](#) | [Community](#) | [Contact Us](#)
- [District Info](#)
- [News & Press](#)
- [Calendar](#)
- [Parent/Community](#)
- [Enrolment](#)
- [SIXS](#)
- [Student Registration](#)
- [Programs](#)
- [Elementary Options](#)
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- [Environmental Stewardship](#)
- [Stewardship](#)
- [Information](#)
- [Parents](#)
- [Other Related Links](#)
- [Related Sites](#)
- [Educational Resources](#)


Welcome to the Richmond School District!



Events and News
 Redesignation of Sandy Reburner Properties - Public Information Session
 The Society of Educationally Impaired (SEI) has been established as a charitable organization. The organization is comprised of 765, 765, 671, 7651, and 7651 Street and 7651 and 7651 Street. The organization is located at 7651 Street, Richmond, BC V6Y 3E3. The Board of Directors was elected on December 16, 2008 by the Board of Directors. The Board of Directors is composed of the following members: [List of names and addresses follows]

In Richmond ...

- we have safe, caring schools
- we include and support children of all backgrounds and ability levels
- educating our young people is a collaborative effort involving parents, teachers, support staff, administrators and students
- the neighbourhood school has a special importance and families are part of the fabric of school life
- we offer a diversity of programs for a well-rounded education - academic, fine arts, technical, social development, athletics
- we use the latest technology to support student learning
- we have the highest graduation rates in BC and a high proportion of our students attend post-secondary institutions, including the most prestigious universities in the world.



MID-YEAR REPORT 2008

A report on our programs and services in our school district

Let's Talk about inclusion!

Comment Sheet

Open House

1. Do you support the development of this site?
Why or why not?

Support development of site.
Plans/drawings seem to present a
very balanced living space - something
for everyone

2. Do you prefer the scenario with or without the daycare?

with daycare
support's neighbourhood child care

3. What do you consider to be the positive and/or negative aspects of a daycare facility in this location?

• child close to home
• convenient for families.

4. Do you support the inclusion of a community gathering place within the daycare space?

Yes - helps build a sense of
neighbourhood and community
- friendly - safe place

5. Can you suggest a form of development not presented at the open house that you would prefer?

McLennan South Neighbourhood

Attachment 7
Submission from Larry Traverence, Archer Realty, January 13, 2009 –
Letter & Attachments (13 pages)

LARRY TRAVERENCE
Vice President
Commercial Real Estate Services

Vancouver, BC V6B 3E6
Tel 604.687.0876
Fax 604.687.0839
Cel 604.787.7694
Email mail@archerrealty.com
www.archerrealty.com



www.archerrealty.com

1126 Richards Street
Vancouver, BC V6B 3E6
Tel 604.687.0876
Fax 604.687.0839

January 13, 2009

Attention: Mayor Malcolm Brodie

Dear Mayor Malcolm Brodie

RE: School Board Application for change to OCP File CP 08-446388

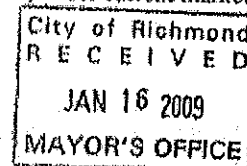
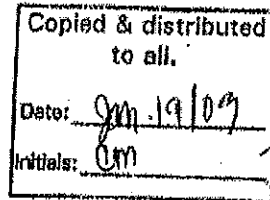
I have read the above captioned Report to Committee and attended the December 16th meeting at City Hall on behalf of my client who has proposed a fully funded, non-market community use for the seven-lot site. I am compelled to draw your attention to several mistakes of the fact in the report and to the reality that the proposed OCP amendment is not in the best interest of the City and its residents.

At the meeting, staff and Councilors spoke of their acceptance of the proposal based in part on "free park lands", "affordable housing" and "childcare". However, these conclusions appear to have been based on a report with material errors, false assumptions and disregard for community interests.

Before examining these errors and false assumptions we would like to state we have no issues with the School Board trying to get the most money for the seven-lots in the South McLennan area, and that we have no objection and fully support an increase in the allowable density.

However, we have a significant issue with the need to amend the OCP and the probable rezoning of the lands away from community use. This is because the current OCP's allowable community uses are what the community needs; it does not need more market housing. This has been the considered view of City staff and residents for many years (since the inception of the South McLennan Area Plan) and no evidence has been presented to show this is no longer needed. In discussions with the City's most senior planning staff in the fall of 2007 about the site's potential uses, they indicated that market housing would definitely be opposed by the City Planning Department and that only "active community uses" would be supported. Further, this recent sudden change of view by City staff has been arrived at without community consultation. To the contrary, abundant evidence suggests a greater need than ever for community uses that are not government or municipal funded. This is discussed herein.

The School Board's funding needs for new schools and existing schools are understandable but there is no certainty that the change in the OCP and eventual rezoning will guarantee a huge profit windfall that the School Board is likely anticipating. In fact, under current market



conditions the School Board may well only get modest gains or even fewer dollars for the properties.

In any event, it is clear that the only reason the School Board might get more profit is that through the proposed change in the OCP and potential rezoning, the City has effectively granted an outright gift in the form of potential windfall profits at the obvious and unquestionable expense of the local community.

Additionally, the uncertain but expected windfall profit gift to a school board for use in another sub-community location should not be at the certain considerable cost of much needed community uses in the originating sub-community location. This raises an important question of fairness and equity as regards community asset impoverishment, thus social and economic impoverishment. The proposed changes mean that a distant sub-community of residents are being enriched socially and economically through additional community amenities which translate into higher private property values and greater well-being of local residents while the originating sub-community group of residents and land owners are being socially and economically impoverished by the loss of needed community amenities.

After several studies and interviews with the local MLA Linda Reid and talks with City staff and staff advisors throughout 2006, 2007 and 2008, it was determined and confirmed by both the MLA and City staff, that a community use is still needed in the area and second they are a good fit with the neighborhood.

The City's definition of community use includes care facilities for the elderly and recreational facilities for the wider residents of Richmond.

The Community Care Act covers facilities and the City, the Province and the federal and government (through CMHC) recognize there is a clear shortage of senior housing in Richmond as well as all of BC. (Enclosed is a copy of a study done by CMHC).

The current OCP calls for "active community uses" which our proposed seniors care and recreation project responded to. The area plan does not restrict the form of character which would allow my client to provide a well-thought-out non-market community use which maximizes benefit to the community.

We refer to page 3 of the Staff Report, under Findings of Fact. The Report refers to "free park lands". It is simply not true that all the park lands will be for the wider community use since part of the park lands will be used for "play area for the childcare". While there may be a modest net gain to the City, as not all of the dedication will be needed for the children, the representation as "free park lands" is misleading to the area residents.

We have tried to find out how much outdoor area is needed for 37 children but have not been able to determine the size. Clearly, uncertainty exists as to how much space is really required for 37 children.

Also this outdoor play area must be developed by the developer at a cost. How is this cost paid for?

There is a bonus density for the childcare facility. Therefore, this is not a truly "free" amenity gain for the City. The developer can fund only because he can build more units. It begs the question: would the developer do this with no bonus density? The balance of probabilities suggests not, therefore it is not really a free benefit to the community. The negative externalities associated with a combined higher density plus loss of community assets are clear prices that the community will "pay" for the windfall benefit of one land owner. In this regard, again the Report is misleading to the general public.

Under Site Size, Keefer Avenue 0.4 acre is to be dedicated for road widening. ANY redevelopment will require this dedication. Once again this is misleading as it is not really free land to the benefit of the City that arises out of this specific proposal. In addition, there is a large capital cost for the developer to build this road (estimated at \$400,000 in 2006) which a developer would and must deduct from the value of the land as it directly impacts his profitability.

On page 5 of The Report under Related Policies & Studies, the third line down states, "within the park, the Plan makes provision for active community use,.....". Although the additions of some park lands and a childcare facility do fit in the community use classification, the proposal primary comprises a market housing component which clearly does not fit the community use classification.

Within the current OCP there could be a seniors' center care facility, such as that my client has proposed that would also be housing, yet much needed within the community use classification and which would have a lower income affordable housing component without any changes to the OCP. As such, there is obviously no need for an amendment to the OCP and a loss of community assets for local residents simply in order to grant windfall profits to the School Board for use elsewhere.

As to the question of certainty of windfall profits, we ask the question, "is there an offer from a developer in the waiting for millions of dollars more than what my client has offered, or can offer?" Is there any proof that the site will bring more dollars to the School Board? The present economic environment undeniably is rife with nothing less than comparatively severe, even extreme development risk. No one can forecast the nature and magnitude of the shockwaves all economists agree are still to come. Therefore, by how much will a developer pay for the land in order to offset such massive financing, marketing and profit risk?

Further, in the present environment developers are focused on managing present balance sheet risks. They know that any development of new projects may be delayed for a year, even five years. The potential holding costs of such delays must be built into any purchase price.

In the present environment, rational developers with financial means are doing only one thing: vulture hunting for bargain basement deals from sellers who are forced to sell, and even those deals are hard to put together.

Submission from Larry Traverence, Archer Realty, January 13, 2009 –
Letter & Attachments (13 pages)

If the present owner is waiting for a one-in-a-ten-million market housing developer to over pay, it does not mean the City should "buy" such false hopes.

At the bottom of Page 5 Disposition of School District Lands, the report states "Prior to the adoption of any OCP amendment, a copy of the Minister's approval must be provided to the City". Enclosed is a copy of a News Release from the Minister of Education dated September 17th, 2007 which states very clearly under the second paragraph that "Boards of education have generally been very good at making sure that surplus schools & lands they dispose of are being invested back into education projects, but we have to look more broadly than that and make sure these valuable assets are put to the public's best use."

A City and Provincial decision to use much needed community use land for more market housing does not only fail to meet this criterion (and was previously whole-heartedly rejected by the City), it is both unethical respecting public interest and offensive to the common citizenry.

The letter further states, "The new process will ensure those surplus lands will first be considered for other public uses."

Does the Report provide evidence that the City and School Board have ensured these lands have been thoroughly considered for other public uses? Evidently not.

Further down in the Minister's letter under paragraph 5, it states "will be based on fair market value of the property". On this point I would like to draw your attention to a letter my client received from the School Board on October 16th 2007 which states in part "a second offer was below fair market value".

My client provided a professional appraisal done by an arms-length appraiser showing a value range of \$2,750,000 to \$3,150,000 (see attached letter). My client's offer was in the middle of these values. Interestingly, the School Board has never provided evidence or explanation to justify or indicate how or why my client's offer was below fair market value. We have asked the School Board to show us an appraisal of market value and they have not.

Attached is a letter to the School Board dated October 9th, 2007 explaining how my client's offer of value was determined. Even though my client's offer was, in their opinion, below market value, the competing offer from a local well known developer was only \$500,000 more, BUT had many conditions including a rezoning to multi-family and would not close unless they received the rezoning which would have taken at least one year.

This small 15% to 17% price difference, yet material shift of risk back onto the School Board, indicates two things: first, that developers are only seeing a value slightly higher than my client's offer IF they get a rezoning and if the School Board undertakes all the rezoning risk. Second, it indicates that when the rezoning risk is considered, my client's offer (in which my client undertook the rezoning risk) in all likelihood reflected "fair market value".

Attachment 7
Submission from Larry Traverence, Archer Realty, January 13, 2009 –
Letter & Attachments (13 pages)

It is worth noting that the School Board's request for offers on the seven-lot site did not generate a landslide of interest from the market housing development community. In fact, interest was negligible – ONE offer. (There were three offers: one from a non-market end-user party which did not meet the deadline, the above-mentioned developer's offer which did not meet the School Board's criteria, and my client's offer which fully met the School Board's criteria). The City should be forced to ask, "If the land is so valuable, why, at such a robust time in the real estate market did it not receive even a moderate amount of interest?"

In short, my client met the Minister's market value criterion and most probably its "public use" criterion, but was rejected for no valid reason other than the now evident efforts to produce windfall profits on the backs of local South McLennan residents, and without their consultation and input.

It is worth noting that my client did purchase another school site from the School Board at Blundell & Sidaway. The price accepted by the School Board was based on a valuation provided by the same appraiser using the same professional standards of valuation. What appears to have changed in the seven-lot bid process is the confidence of extracting windfall private profits at the expense of the public interest.

An individual with civic responsibility and trust must ask if loosing the important community benefits enshrined in the existing OCP for a few uncertain, even hypothetical dollars is really worth it to the local residents. Second, such a responsible person must ask if it is fair to enrich one sub-community by pilfering the community assets of another and impoverishing them.

There are also more minor questions such as, "With the new free land giveaways, childcare and 4 or 5 free units of low income housing can a developer afford to pay more?"

It should also be noted that if my client could have that new density of 1.6 FSR it could also pay more to the School Board and leave the OCP alone thereby fulfilling the public interest with community uses. This would seem to be an important "win" for the School Board, City staff and council and most importantly, the local and wider Richmond community.

The last comment on the News Release from the Minister of Education is in the last paragraph, page one, second line which referring to the new land disposition process states "the new process supports a 2007 throne speech commitment to ensure that school lands are used for their highest and best use for maximum public benefit."

Again, individuals with civic responsibility must ask how the proposed use by the School Board and the amendments to the OCP meet the Minister of Education's requirement?

In the Staff Report on page 6 under Staff Comments: although staff clearly note "represents a significant departure from the neighborhood's conventional townhouses" staff are supportive.

One must ask the question, "If after such staunch opposition to market housing for this site, why are City staff suddenly supportive when a better fit alternative has been brought forward to them that does not require any changes to the OCP?" If there are alternatives, then no

change to the OCP is needed unless the only desire is to increase the density. Even in this case my client's alternative allows for the use to remain as is and without a need for a change in zoning.

Page 7 under Childcare. This at first seems very nice - a childcare facility for 37 children. This begs two questions: 1) Are these children likely to come from the new 125 units being built? 2) What schools will these children be attending when they are old enough?

It seems to me that these new units may indeed fill all 37 spots and thereby are not really doing any good to the existing community. Also if the School Board does not need this area for a school because of falling enrollments in the area and they allow more residential units to be built, will they not house more children who need schools? If, as I understand, the School Board intends to build new schools in other areas perhaps more market housing should be put in those areas also and leave this OCP as it is!

Also on page 7 under Housing Choice, the whole concept of "and residents to age in place" is not met with market town homes. It is met with seniors' care facilities. During a meeting with City staff and a seniors' advisory person, everyone agreed that my client's plan met this criterion. I attach a short two-page document my client distributed at the meeting outlining the plan for a senior complex and a wellness center.

Page 8, under Analysis, the second paragraph states "these efforts have however been unsuccessful". This is untrue. Again my client did provide a fair market offer and will be willing to revisit the value if there is a density change but not an OCP amendment and a rezoning.

We ask, "What are the staff and School Board wanting here, more market housing and more money?" Clearly the community wants open space, seniors' centers, and recreation and anything but more market housing!

The staff's comment in the next paragraph "may not be central enough for a large community use" is also worth challenging. When we spoke to several of the staff, Councilor Dang and a seniors advisory member, they all felt this was an ideal location for our proposed development including comments like "we prefer these seniors' centers to be located near malls so the folks can get out and shop", "having it next to a park is a great idea".

So who is it that now feels "may not be central enough for a large community use"? What are the new criteria and evidence? The location is excellent with public transportation; shopping and seniors would also have their families all near by. There are very few if any large 3.5 acre sites anywhere central in Richmond today, clearly the site is central enough for our proposed community use.

Page 9, last section in the Conclusion states "which is required to help facilitate the funding of School District capital projects". Should the City attempt to provide a windfall profit through an amendment to the OCP and the impoverishment of one sub-community, or just offer the School Board a discount on lands where they want to buy? Or, in the alternative,

give my client the chance with the increased density to work with the School Board to arrive at a fair market value for the site.

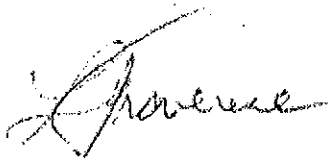
Finally, there is now much greater market risk and many more costs to a developer to buy this land including the childcare facility, building the outdoor play area, a reduction in site size and a very uncertain housing market. If the City approves this amendment there is still the need to go to the market with the site. It is not yet rezoned so there is still much risk and time involved. It would appear that for a mere 15% to 17% increase in value, doing such a thing is not really in the spirit of the mandates of either of the Minister of Education, the School Board or the City of Richmond.

Common sense suggests in today's housing climate that this site may not be worth that much more with even these proposed amendments. Nevertheless, we support increasing the density if that helps the School Board but leave the OCP use alone.

In closing I would like to mention that my client asks for no money from any government body, will pay fair market value and bring much needed community use facilities to the people of Richmond.

In view of this we ask, "Does Richmond need more market town houses and less community use and less senior housing instead of a community use wellness center and seniors' facilities?"

Thank you for your attention to this community matter.



Larry Traverence
Vice President
Archer Realty Ltd.
1126 Richards Street
Vancouver BC V6B 3E6
Office 604-687-0876
Fax 604-687-0639
Cell 604-787-7654
e-mail larry@archerealty.com
www.archerealty.com



Attachment 7
Submission from Larry Traverence, Archer Realty, January 13, 2009 –
Letter & Attachments (13 pages)



School District No. 38 (Richmond)
7811 Granville Avenue, Richmond, BC V6Y 3E3

Office of the Secretary-Treasurer

October 16, 2007

Tel: (604) 668-6000
Fax: (604) 668-6161

Mr. Larry Traverence
Vice President
Archer Realty
1126 Richards Street
Vancouver, BC
V6B 3E6

Dear Mr. Traverence:

RE: 7631, 7651, 7671, 7691, 7711 Ash Street
and 7680 and 7700 Heather Street

Thank you for the bid on behalf of your client, Golden Prospect Holdings Ltd. with regard to the above-mentioned properties.

At its meeting held October 15, 2007, the Board of Education passed the following resolution:

WHEREAS the Board of Education of School District No. 38 (Richmond) has received one offer for board-owned properties in the South McLennan area that did not meet the criteria set out by the Board; and, received a second offer that was below fair market value;

BE IT RESOLVED THAT the Board reject both offers;

AND FURTHER THAT District staff be authorized to continue to market the property and provide monthly updates to the Board's Personnel & Finance Committee.

CARRIED

I take this opportunity of returning your deposit cheque in the amount of \$300,000. Thank you for your interest in these properties.

Sincerely,

K.L. Morris
Secretary Treasurer

cc: Trustees
B. Beairisio, Superintendent of Schools

"Our Focus is on the Learner"

Attachment 7
Submission from Larry Traverence, Archer Realty, January 13, 2009 –
Letter & Attachments (13 pages)

Golden Prospect Holdings Limited
PO Box 62009
#147-4255 Arbutus Street
Vancouver, B.C.
V6J 1Z1

September 28, 2007
Our File: 2007-115-R

Attention: Ms. Michelle Cheung

Dear Ms. Cheung:

Re: 7631, 7651, 7671, 7691, 7711 Ash Street and
7680, 7700 Heather Street
Richmond, British Columbia

In accordance to your request, we have appraised the fee simple interest of the above mentioned real properties. Our estimate of investment value as at September 7, 2007 is:

**TWO MILLION SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS TO
THREE MILLION ONE HUNDRED AND FIFTY THOUSAND DOLLARS**

\$2,750,000 to \$3,150,000

The accompanying appraisal report contains research, data and analyses which support our estimate of the market value. Our opinions are subject to the Assumptions and Limiting Conditions contained within this report and in Appendix I.

We prepared this report exclusively for Golden Prospect Holdings Limited for equity acquisition purposes. We are unaware of any third parties that are likely to see or rely on the report, and expressly deny liability in this respect or for any other use.

Respectfully submitted,
REALCAP Property Advisors Inc.
per:

Brian Moro, MBA, AACI, P.App.
September 28, 2007

BM
Encl.

Golden Prospect Holdings Limited
PO Box 62009
147-4255 Arbutus Street
Vancouver BC V6J 1Z1
Canada

October 9, 2007

The Board of Education of School District No. 38 (Richmond)
7811 Granville Avenue
Richmond B.C. V6Y 3E3
Canada

Dear Board Members,

Re : 7631, 7651, 7671, 7691, 7711 Ash Street and 7680, 7700 Heather Street

While we respectfully await the outcome of the decision of the Board of Trustees on bids for the above mentioned seven properties, we would like to elaborate on the circumstances under which we have offered our bid price.

It may be that our offer may be seen as being "low" in the context of a commercial development point of view. However, we hope that the Board will consider our offer from a community use developer's perspective in the context of the Ministry of Education News Release of September 2007 (copy attached). Our plan for the properties approaches the development from a community use vantage point.

Similar to the school's original intended use of the properties, our proposed use falls within the realm of a non-economic community use which, like a school use, provides a tremendous good to the community and addresses an essential community need. Our proposed use similarly requires the expenditure of extraordinary additional resources that ordinary market uses do not.

Our offer was based on the recommended value provided by a certified professional appraiser, rather than a 'low ball' offer for the purpose of earning a market profit. That value was based on comparisons of sales of community or public use properties, such as assembly use properties. The valuation considered certain costs and differences to these properties such as:

- costs associated with delayed or failed rezoning, including holding costs of an all-cash purchase during the OCP amendment and rezoning application process;
- rental income and costs, demolition costs;
- rezoning associated studies and costs;
- required offsite development costs respecting road related improvements to develop the properties and required cost to acquire adjacent land parcels for city road dedication, etc.; and

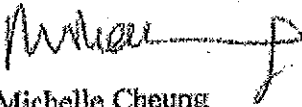
- subject to engineering surveys, etc., redevelopment costs might be higher than estimated. For example, allowances were made for pre-load costs but associated extra-holding time was not included.

Any public criticism that might be anticipated as the result of the sale of the properties at a lower than commercial market value may be off-set by the potential public criticism over the loss to commercial interest of an important community asset.

The B.C. Ministry of Education has specifically mandated that old school properties for sale will undergo "a new process to ensure empty schools are used for maximum public good (which) will benefit communities and residents throughout British Columbia." I believe that our offer is consistent with the Ministry's objectives for the subject properties and our bid will be politically supported at the highest levels of community and provincial government.

We sincerely hope that the Board will appreciate our best intentions for the subject properties and our determination to build value for the community and the citizens our project will benefit. Thank you for your consideration.

Yours sincerely,



Michelle Cheung
Director



NEWS RELEASE

For Immediate Release
2007EDU0111-001068
Sept. 17, 2007

Ministry of Education
Ministry of Labour and Citizens' Services

NEW PROCESS TO ENSURE BEST USE OF SURPLUS SCHOOLS

VICTORIA – A new process to ensure empty schools are used for maximum public good will benefit communities and residents throughout British Columbia, Education Minister Shirley Bond and Labour and Citizens' Services Minister Olga Ilich announced today.

"Boards of education have generally been very good at making sure that surplus schools and lands they dispose of are being invested back into education projects," said Bond. "But we have to look more broadly than that and make sure these valuable assets are put to the public's best use."

As a result of declining enrolment, many school districts currently own buildings that are sitting empty. There are an estimated 50,000 fewer students this year than in 2000/01, and enrolment is expected to decrease over the next five years by another 25,000 students. While districts maintain schools they expect to once again be used by students, many other properties have been sold off to private interests. The new process will ensure those surplus lands will first be considered for other public uses.

"Schools make up \$8 billion of taxpayer assets, so we want to make sure that those buildings are being used in the best way possible for communities and taxpayers," said Ilich. "This new process will help determine whether a surplus school can be used by the Province or some other level of government."

The new process will be led by the Accommodation and Real Estate Services (ARES) division of the Ministry of Labour and Citizens' Services. Properties identified as surplus by the school district will be matched against capital requirements from the provincial government, including Crown corporations or other agencies such as colleges or health authorities. Should there be no required use for the property at the provincial level, then the school district will consult with the local government where the property resides, to see if there is a community use for the property. All negotiations with the school district will be based on fair market value for the property.

If the property is not identified for any of the above uses, the board of education may sell the property to other interested purchasers.

The new process supports a 2007 throne speech commitment to ensure that schools or school lands are used for their highest and best use for maximum public benefit. In addition, a cornerstone of the Province's Pacific Leadership Agenda is vibrant, connected communities that are socially responsive and are environmentally sustainable.

-more-

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ARES is a division of the Ministry of Labour and Citizens' Services and provides accommodation and real estate services to government ministries and the broader public sector. ARES manages, on behalf of the Province, a diverse real estate portfolio of leased and government-owned properties throughout the province. The portfolio includes approximately 1.6 million square metres of space in over 1500 owned and leased buildings.

More information about ARES is available at http://www.bc.bc.ca/About_ARES/

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For more information on government services or to subscribe to the Province's news feeds using RSS, visit the Province's website at www.gov.bc.ca.

**Re: 7 properties located at 7631, 7651, 7671, 7691, 7711 Ash Street &
7680, 7700 Heather Street, Richmond**

Project Concept

Senior's Complex with a Wellness Centre to promote healthy and active lifestyles

Summary

The Complex comprises i). senior congregate rental housing and ii). a wellness centre that is open to both the residents and the community at large.

Residents are encouraged to assist with the management of the programs and services rendered at the Complex. The objective is to make the Complex a highly desirable personal care retirement facility in the district while maintaining reasonable affordability. It is also intended as a model for a senior housing complex.

Senior Clientele Served

Seniors aspiring to preserve active and productive lives after retirement while benefiting from convenient access to alternative medical therapies and preventive care programs offered at the Wellness Centre.

Senior Care Level Served

Communal dining facilities on site to provide healthy cultural meals. Housekeeping services will be provided.

Wellness Centre Needs Served

The Wellness Centre offers a variety of sporting and recreational activities, and wellness programs. It also provides venues for community sporting events.

The nearest community centers are at Granville and Minoru, Buswell and Saba and Williams and Garden City. In effect, there is a large, underserved and densely populated area around the subject site. Current distant facilities both promote car-only access and limit residents' options. Sense of community is not supported.

The proximity to Paulik Garden Neighbourhood Park makes the site very desirable.

Key Principals / Objectives

Seniors have tremendous life experience, skills, knowledge and talents and can continuously make contributions to society. Making contributions to society is an important source of mental, emotional and physical health. An environment is needed to facilitate this.

Seniors also need an environment where they can remain fully integrated with family, friends and community.

Seniors need wellness support through:

- healthy diet programs
- alternative health therapies
- healthy mind/body activities

**Submission from Larry Traverence, Archer Realty, January 13, 2009 –
Golden Prospect Holdings Limited "Project Concept" (2 pages)**

- healthy mind and emotional maintenance through active community involvement and contribution
- traditional health support through western medical support services

Community Integration Objective

A key objective is to provide an environment where there is no physical or social separation from the local community based on age or the concept of retirement.

Seniors can remain an integrated, active, relevant and contributing part of society if they help managing programs and services themselves.

Contribution as a Leadership Model to the City of Richmond

The intention is to provide a model seniors complex that provides a leadership model for the City of Richmond. Its purpose is to demonstrate that seniors can be highly integrated, net contributors and assets to the community and can live longer healthier lives at a much-reduced cost to the health care system.

Contribution of the City of Richmond to Seniors

The City of Richmond empowers seniors by involving them as contributors to the fabric of community life, rather than contributing to systems which promote a sense of separation and diminished value.

Investment

The buildings will conform to the new OCP the City of Richmond is proposing for the area. Seniors residential complex is privately funded. A dialogue is sought to explore possible areas of cooperation/assistance with the City. We want to make the 'Wellness Centre' also a 'community recreation centre' and we see an opportunity for a public/private partnership that is exciting for the City.

Request Respecting the Acquisition of the RSB Properties

To facilitate an improved offer price for the properties for the project, Golden Prospect Holdings Limited wishes to request a waiver respecting:

- offsite development costs
- road dedication costs
- other development cost charges

A request is also made that property taxes be levied at a concessionary rate and the council pass a motion of support for rezoning.

Council approval is requested based on an MOU (to be written). A final agreement will be made after necessary studies and final project conception.