



Planning Committee

Date: Tuesday, March 3, 2015

Place: Anderson Room
Richmond City Hall

Present: Councillor Linda McPhail, Chair
Councillor Chak Au
Councillor Carol Day
Councillor Harold Steves

Absent: Councillor Bill McNulty

Call to Order: The Chair called the meeting to order at 4:00 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the Planning Committee held on Tuesday, February 17, 2015, be adopted as circulated.

CARRIED

NEXT COMMITTEE MEETING DATE

Tuesday, March 17, 2015, (tentative date) at 4:00 p.m. in the Anderson Room

COMMUNITY SERVICES DIVISION

1. **HOUSING AGREEMENT BYLAW NO. 9102 TO PERMIT THE CITY OF RICHMOND TO SECURE AFFORDABLE HOUSING UNITS LOCATED AT 6511 BUSWELL STREET (MAJORCA INTERNATIONAL INVESTMENT LTD.)**
(File Ref. No. 08-4057-01; 12-8060-20-009102) (REDMS No. 4134610)

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A revised Page 3 of the staff report titled, "Housing Agreement Bylaw No. 9102 to Permit the City of Richmond to Secure Affordable Housing Units Located at 6511 Buswell Street (Majorca International Investment Ltd.)", dated January 30, 2015, from the General Manager, Community Services (attached to and forming part of these minutes as Schedule 1) was distributed on table as the number of secured affordable housing units was amended from seven to five.

It was moved and seconded

That Bylaw No. 9102 be introduced and given first, second, and third readings to permit the City to enter into a Housing Agreement substantially in the form attached hereto, in accordance with the requirements of s. 905 of the Local Government Act, to secure the Affordable Housing Units required by the Development Permit Application DP 13-634111.

CARRIED

PLANNING AND DEVELOPMENT DIVISION

2. APPLICATION BY 0825215 B.C. LTD. FOR REZONING AT 8231 RYAN ROAD FROM TWO-UNIT DWELLINGS (RD1) TO SINGLE DETACHED (RS2/B)

(File Ref. No. 12-8060-20-009214; RZ 14-665297) (REDMS No. 4500028)

Wayne Craig, Director, Development, briefed Committee on the proposed application, noting that the proposed application is consistent with the lot size policy in the area and that there are no trees on-site.

It was moved and seconded

That Richmond Zoning Bylaw 8500, Amendment Bylaw 9214, for the rezoning of 8231 Ryan Road from "Two-Unit Dwellings (RD1)" to "Single Detached (RS2/B)," be introduced and given first reading.

CARRIED

3. APPLICATION BY ROBERT KIRK FOR REZONING AT 8395 RUSKIN PLACE FROM SINGLE DETACHED (RS1/E) TO SINGLE DETACHED (RS2/B)

(File Ref. No. 12-8060-20-009218; RZ 11-586707) (REDMS No. 3472510)

Mr. Craig briefed Committee on the proposed application, noting that the proposed application is consistent with the lot size policy in the area and that hazardous trees will be removed from the site.

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Discussion ensued with regard to the orientation of the proposed house relative to the site. In reply to queries from Committee, Mr. Craig noted that the subject site is relatively narrower compared to other sites however, the site remains consistent with an approved development north of the proposed application.

It was moved and seconded

That Bylaw No. 9218, for the rezoning of 8395 Ruskin Place from "Single Detached (RS1/E)" to "Single Detached (RS2/B)," be introduced and given first reading.

CARRIED

4. MANAGER'S REPORT

(i) City of New Westminster Official Community Plan

Terry Crowe, Manager, Policy Planning, spoke on the City of New Westminster's Official Community Plan (OCP) preparation process and noted that staff attended a New Westminster OCP Open House on February 28, 2015. Mr. Crowe added that a draft OCP is anticipated in a year's time and staff will monitor its progress.

(ii) Chinese Bunkhouse

Mr. Crowe advised that the City has submitted an application to the Provincial Chinese Historic Recognition Project to recognize the Chinese Bunkhouse.

(iii) Coach House and Granny Flats in the Burkeville area

Mr. Crowe commented on establishing a coach house and granny flat policy for the Burkeville area. He added that staff plan to first meet with the Sea Island Community Association (SICA) and then report to the Planning Committee in May 2015 with possible policy options.

Discussion ensued regarding the concerns expressed by Burkeville area residents related to (i) coach house lane access, (ii) lane dimension and configuration, (iii) traffic, (iv) drainage, (v) coach house architectural form and character, and (vi) retaining single family houses.

In reply to queries from Committee, Mr. Crowe advised that staff will present possible solutions to address coach house and granny flat concerns when meeting with SICA.

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Discussion ensued regarding the development process for coach houses in the Burkeville area and in reply to queries from Committee, Joe Erceg, General Manager, Planning and Development, noted that the City has guidelines in place for coach house development. He added that incentives are included in the development process for developers to retain the existing house when adding a coach house on-site.

In reply to queries from Committee, Mr. Crowe noted that a comprehensive community consultation will take place following the initial consultation with SICA.

(iv) Housing Concerns

An article from the March 3, 2015 edition of the *Vancouver Sun* titled “‘Hot’ Chinese money triggers alarm bells” was referenced (attached to and forming part of these minutes as Schedule 2) and discussion took place on the use of foreign funds to purchase property in Canada.

In reply to queries from Committee, Mr. Erceg noted that the City cannot impose residential development restrictions through demolition requirements or impose higher development fees beyond those to recover staffing costs. Also, he advised that other levels of government may possess mechanisms to determine the legality of capital invested, which are not available to the City.

Discussion ensued with regard to (i) foreign buyers of local properties, (ii) property vacancies, (iii) the potential introduction of a vacancy fee for vacant properties, and (iv) options for a demolition tax.

In reply to further queries from Committee, Mr. Erceg noted that Law and Community Safety staff have advised that the City’s options, with regard to the imposition of demolition fees and charges, are limited.

Discussion ensued with respect to options for a possible fee on the demolition of dwellings that, whereby one may be of the opinion, has not reached its liveable life span.

Discussion then took place on recycling demolition material requirements and the use of funds received from demolition fees for affordable housing.

In reply to queries from Committee, Mr. Erceg noted that introducing regulations related to the recycling of demolition materials can be examined; however changes related to demolition fees would need to be accomplished at the provincial level or by other legal means.

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

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It was moved and seconded

That staff:

- (1) *examine options to address concerns related to foreign capital used to purchase property in the city as noted in the article from the Vancouver Sun titled “‘Hot’ Chinese money triggers alarm bells,” dated March 3, 2015;*
- (2) *provide Council with data related to overseas buyers of property in the city;*
- (3) *examine other strategies to address concerns related to vacant properties; and*
- (4) *examine options to restructure demolition fees and regulate the recycling of demolition material;*

and report back.

CARRIED

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (4:21 p.m.).

CARRIED

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, March 3, 2015.

Councillor Linda McPhail
Chair

Evangel Biason
Auxiliary Committee Clerk

Figure 1

Location	Type	Unit Size	Minimum Unit Size
Level 2	1 bedroom unit	749 ft ²	535 ft ²
Level 2	1 bedroom unit	693 ft ²	535 ft ²
Level 3	1 bedroom unit	749 ft ²	535 ft ²
Level 3	1 bedroom unit	693 ft ²	535 ft ²
Level 5	2 bedroom unit	866 ft ²	860 ft ²
	5 units	3,750 ft²	

The Housing Agreement restricts the annual household incomes for eligible occupants and specifies that the units must be made available at low end market rent rates in perpetuity. The Agreement includes provisions for annual adjustment of the maximum annual housing incomes and rental rates in accordance with City requirements. The Agreement also specifies that occupants of the affordable housing units shall enjoy full and unlimited access to and use of all on-site indoor and outdoor amenity spaces.

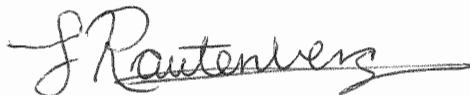
The applicant has agreed to the terms and conditions of the attached Housing Agreement, and to register notice of the Housing Agreement on title to secure the five affordable rental housing units.

Financial Impact

None.

Conclusion

In accordance with the Local Government Act (Section 905), adoption of Bylaw No. 9102 is required to permit the City to enter into a Housing Agreement which together with the housing covenant will act to secure five (5) affordable rental units that are proposed in association with Development Permit Application 13-643111.



Joyce Rautenberg
Affordable Housing Planner
(604-247-4916)

JR:jr

Att. 1: Map of Subject Property
Att. 2: Bylaw No. 9102, Schedule A

'Hot' Chinese money triggers alarm bells; Open debate on real estate effect needed: ex-ambassador

Vancouver Sun
March 3rd, 2015

- **Page:** A1 / Front
Section: Westcoast News
Byline: Peter O'Neil
Source: Vancouver Sun

Canadian cities need to have an open debate about the risks and benefits of Chinese money - including "hot" funds brought in by corrupt officials - in Canada's housing market, according to a former senior Harper government official.

The recommendation comes from David Mulroney, Canada's ambassador to China from 2009-12 and a former senior foreign policy adviser to Prime Minister Stephen Harper.

In his new book *Middle Power, Middle Kingdom*, which critically analyzes Canada's relationship with China, Mulroney devotes a chapter to the impact of China's emerging class of super-wealthy individuals who are buying up real estate, especially in Toronto and Vancouver.

And he floats some potentially controversial solutions to deal with the downside of foreign money, including a special tax on non-residents and a requirement that foreigners be allowed to invest only in newly constructed housing.

Mulroney challenges the notion advanced by some, especially in the real estate industry, who play down the role of foreign money in Canadian real estate prices.

"It's hard to argue that investment from China isn't having at least some impact on real estate markets in our biggest cities," he writes.

"This fact should encourage us to have a discussion, either nationally or in our largest cities, about how we get the balance right between providing high-quality affordable housing and encouraging the economic boost that comes from a lively and open real estate market."

However, Mulroney also said the debate should be guided by factual information and not anecdotal evidence and "urban myths."

Part of the discussion, according to Mulroney, needs to look at ways to close the door to corrupt former government officials who use ill-gotten millions to buy housing in Canada.

He notes that Canada and the U.S. have been targeted by Operation Fox Hunt, a 2014 initiative that involves dispatching teams of officials to foreign countries to track down ex-bureaucrats.

"The U.S. and Canada are key targets for its investigators. Both places are popular with corrupt officials because both are highly desirable locations in which to house family members and educate children, and neither has an extradition treaty with China," writes Mulroney, who said Canadian authorities could go "much further" in co-operating with China in its crackdown.

Mulroney cites the research and arguments of University of B.C. geographer David Ley and UBC-affiliated urban planner Andy Yan, who works with Bing Thom Architects.

Yan has studied power usage in Vancouver neighbourhoods to pinpoint absentee rates in areas believed to be targeted by Chinese investors, such as Coal Harbour.

Yan "also makes it clear that it matters little whether the absentee owners are 'from Calgary or Shanghai.' The important thing is that someone, somewhere consider the negative impact of absenteeism on the vibrancy of a neighbourhood, avoiding the emergence of what Yan calls a 'zombie city,' " Mulroney writes. "Addressing this fully in cities such as Vancouver and Toronto requires much more civic (and civil) debate than we have seen to date. Ideally, it should be based on fact rather than anecdote - something that argues for collecting data that can help us better understand what's really happening in the market."

He suggested Canada look at jurisdictions like Australia, where foreign investors are barred from buying existing housing to encourage a growth in the housing supply.

Canada could also follow the lead of other jurisdictions that have looked at or implemented a special tax on non-resident owners.

"If we levied such a tax in Vancouver and Toronto, for example, its proceeds could be used to support the construction of affordable housing in the downtown sections of both cities."

Mulroney praises Ottawa's decision to both overhaul and pare down the Investor Immigrant program, which essentially lets rich foreigners buy visas with a modest investment.

He cites Ley's book *Millionaire Migrants*, which raised questions about whether wealthy foreign investors do much to boost local economies.

"But it would have been useful to set it in the context of a more fundamental and more inclusive discussion about what it is to be a resident, a neighbour and a citizen," he writes.

"That kind of honesty is a prerequisite for developing policies designed to ensure that our cities remain welcoming, affordable, prosperous and livable. Being open to discussing this doesn't in any way imperil our commitment to building a diverse and tolerant society. But it depends on having more facts than we do now."

poneil@postmedia.com [Twitter.com/poneilinottawa](https://twitter.com/poneilinottawa)

- **Edition:** Final
- **Length:** 736 words
- **ID Number:** 215598043
- **Illustration:** Gerry Kahrman, PNG / A former ambassador has suggested Canada consider taxes for non-resident property owners or regulations barring foreign investors from buying existing housing.;