



City of Richmond

Report to Committee Planning and Development Department

To: Planning Committee

Date: June 12, 2013

From: Wayne Craig
Director of Development

File: ZT 12-611282

Re: Application by Parc Riviera Project Inc. for a Zoning Text Amendment to "Residential Mixed Use Commercial (ZMU17) – River Drive/No. 4 Road (Bridgeport)" and Housing Agreement Termination Regarding 10011, 10111, 10199 and 10311 River Drive

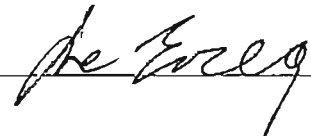
Staff Recommendation

1. That Richmond Zoning Bylaw 8500 Amendment Bylaw 9036, for a Zoning Text Amendment to the "Residential Mixed Use Commercial (ZMU17) – River Drive/No. 4 Road (Bridgeport)" site specific zone, to decrease the allowable Floor Area Ratio (FAR) to a maximum of 1.38 for 10011, 10111, 10199 and 10311 River Drive (Parc Riviera), be introduced and given first reading.
2. That Termination of Housing Agreement (Parc Riviera) Bylaw 9037, to authorize the termination, release and discharge of the Housing Agreement entered into pursuant to Housing Agreement (1880 No. 4 Road and 10071, 10091, 10111, 10131, 10151, 10311 River Drive) Bylaw No. 8815, be introduced and given first reading.
3. That the affordable housing contribution resulting from the Zoning Text Amendment regarding 10011, 10111, 10199 and 10311 River Drive (ZT 12-611282) be allocated entirely (100%) to the capital Affordable Housing Reserve Fund established by Reserve Fund Establishment Bylaw 7812.



Wayne Craig
Director of Development

SB:blg
Att.

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

Staff Report

Origin

Parc Riviera Project Inc. has applied to the City of Richmond for a Zoning Text Amendment to "Residential Mixed Use Commercial (ZMU17) – River Drive/No. 4 Road (Bridgeport)" site specific zone regarding 10011, 10111, 10199 and 10311 River Drive (**Attachments 1 & 2**) in order to remove the requirement to provide onsite affordable housing as part of the development (Parc Riviera).

The subject Zoning Text Amendment proposes to provide funding towards the City's capital Affordable Housing Reserve in lieu of building affordable housing units onsite, which funds may, at the sole discretion of the City, be used to facilitate the construction of affordable housing special development circumstance projects elsewhere within Richmond.

The merits and justification for consideration of an affordable housing special development circumstance project and details relating to financing will be addressed at a later date under a separate report from the General Manager, Community Services. Community Services staff recommends support for this request to provide cash in lieu funding towards the City's capital Affordable Housing Reserve. Council, at their sole discretion, may freely decide how these funds are allocated once they have been deposited into the City's capital Affordable Housing Reserve.

Background

In October, 2011, the City approved a rezoning (RZ 07-380169) in the Bridgeport Area (**Attachment 3**) for a multi-phase development at 10011, 10111, 10199 and 10311 River Drive (Parc Riviera) including built onsite affordable housing units in a "stand alone" portion of a building at 10011 River Drive (Building A). The requirement to build at least 65 affordable housing units is secured with legal agreements registered on title (10011 River Drive) and a density bonus requiring that the units total at least 5% of the total residential floor area is included in the "Residential Mixed Use Commercial (ZMU17) – River Drive/No. 4 Road (Bridgeport)" zone. The rezoning was approved concurrently with the associated Housing Agreement (1880 No. 4 Road and 10071, 10091, 10111, 10131, 10151, 10311 River Drive) Bylaw No. 8815. The rezoning also included park land dedication and park development for the current properties at 9991 and 10211 River Drive.

The Development Permits are being considered in phases. A Development Permit has been approved for Phase I regarding 10011 and 10111 River Drive and a portion of 10199 River Drive (DP 11-564405). Phase I includes a mixed-use building with 67 affordable housing units with an area of 4,268 m² as the residential portion of the building at 10011 River Drive. The building is designed as wood-frame construction.

Findings of Fact

A Development Application Data Sheet providing details about the development proposal is attached (**Attachment 4**).

Related Policies & Studies

Official Community Plan

Schedule 2.12 - Bridgeport Area Plan

The Bridgeport Area Plan Land Use Map designation for the Parc Riviera project area is “Residential Mixed-Use (Maximum 6- Storey, 1.45 FAR)”.

The proposed lower density of 1.38 Floor Area Ratio (FAR) for the Parc Riviera proposal conforms with the Official Community Plan (OCP). A more detailed discussion regarding the proposed site density is provided in the “Analysis” section of this report.

Affordable Housing Strategy

In accordance with the Richmond Affordable Housing Strategy and as secured through the original rezoning (RZ 07-380169), typically a development of this type and size would be required to provide constructed Affordable Housing units onsite.

Although this is the City’s preferred approach, Community Services staff recommends support for this request to provide funding towards the City’s capital Affordable Housing Reserve Fund in-lieu of building affordable housing units on the subject site.

This contribution would provide Council with the flexibility to provide funds for affordable housing elsewhere in the City. The City’s Affordable Housing Reserve Funds Policy No. 5008 and the affordable housing special development circumstance provisions in the Affordable Housing Strategy provide guidance on how the funds may be used by Council, at their discretion, in the future.

Richmond Zoning Bylaw

The proposal is consistent with Richmond’s Zoning Bylaw 8500. The bylaw specifies how affordable housing cash-in-lieu contributions are to be divided between capital and operating affordable housing reserve funds and also includes a provision that allows Council to set a different division.

Section 5.15 of the bylaw relates to density bonuses for affordable housing cash-in-lieu contributions and provides that:

- 70% of cash-in-lieu contributions be deposited to the capital Affordable Housing Reserve Fund established by Bylaw No. 7812; and
- the remaining 30% be deposited to the Affordable Housing Operating Reserve Fund established by Bylaw No. 8206; or
- Council may direct how cash-in-lieu contributions are to be deposited, if Council direction is received prior to the date of the owner’s payment.

If Council approves the recommendations contained within this staff report, the cash-in-lieu contribution will be allocated 100% to the City’s capital Affordable Housing Reserve Fund.

Consultation

As part of the normal Zoning Text Amendment process, this application will undergo a Public Hearing, which will provide local property owners and other interested parties with opportunity to comment on the application.

Staff Comments

Based on staff's review of the subject application, staff are supportive of the subject Zoning Text Amendment, provided that the developer fully satisfies the Zoning Text Amendment Considerations set out in **Attachment 5**.

Analysis

Parc Riviera Project Inc. has made application for a Zoning Text Amendment for amendments to the "Residential Mixed-Use Commercial (ZMU17) – River Drive/No. 4 Road (Bridgeport)" zoning district related to the provision of a cash contribution in-lieu of providing affordable housing on the subject site.

The portion of a building at 10011 River Drive (Building A) identified for affordable housing would become market housing, and the maximum density of the overall development site would be reduced to account for the conversion of the affordable housing units to market housing. This would affect the permitted density for future phases of the Parc Riviera development.

Affordable Housing

The developer proposes to make a contribution to the City's capital Affordable Housing Reserve Fund in-lieu of building affordable housing units onsite. This contribution is based on an "Affordable Housing Value Transfer" (AHVT) approach, where the total area of required affordable housing is converted into a cash-in-lieu value. The conversion rate, or AHVT rate, is contemplated on a project specific basis, with the housing market and financial requirements taken into consideration and subject to the City's final determination. The cash-in-lieu funds would be deposited into the City's capital Affordable Housing Reserve Fund.

The subject application proposes amendments to the "Residential Mixed-Use Commercial (ZMU17) – River Drive/No. 4 Road (Bridgeport)" zoning district, to provide for a voluntary cash-in-lieu developer contribution of \$7,350,459 to the City's capital Affordable Housing Reserve. The value of this affordable housing contribution is derived from:

- a floor area of 4,268 m² (or approximately 45,940 ft²)(i.e. the total affordable housing floor area required to be provided in the subject development); and
- an AHVT rate of \$160/ft² (based on work specific to this project by GP Rollo and Associates Land Economists). This rate assumes (i) wood-frame construction and (ii) the developer not keeping the affordable housing floor area for market residential housing (i.e. reducing the maximum permitted floor area on the subject site by subtracting 4,268 m²).

The developer proposes that the \$7,350,459 contribution be in the form of a Letter of Credit that would be provided to the City prior to adoption of the subject Zoning Text Amendment Bylaw. The Letter of Credit would be accompanied by an agreement to permit the City to cash the Letter of Credit after adoption of the subject Zoning Text Amendment and the earlier of 18 months from adoption of the subject Zoning Text Amendment, or when Council approves the disbursement of funds to an affordable housing special development circumstance project.

In association with the amenity density bonus provision in ZMU17 and the rezoning application (RZ 07-380169), Council adopted Housing Agreement (1880 No. 4 Road and 10071, 10091, 10111, 10131, 10151, 10311 River Drive) Bylaw No. 8815. The City and the developer also entered into a housing agreement and registered a housing covenant and rent charge on title.

In order to remove the requirement to construct affordable housing on the development site, the following also need to be completed and are conditions of the Zoning Text Amendment:

- adoption of Bylaw 9037 to authorize execution of an agreement to terminate, release and discharge the Housing Agreement;
- execution of an agreement to terminate the Housing Agreement;
- discharge of the affordable housing covenant and rent charge; and
- cancellation of the notice on title to 10011 River Drive regarding the Housing Agreement.

Density

The ZMU17 zone provides for a base FAR density of 1.25 and a bonus of 0.2 FAR for a total of 1.45 FAR with the provision of not less than 65 affordable housing units having the combined habitable space of at least 5% of the total residential floor area ratio. The rezoning also included park land dedication and park development at 9991 and 10211 River Drive.

The permitted density in the ZMU17 zone is proposed to be amended to: decrease the amenity density bonus and to replace the requirement to provide affordable housing onsite with a requirement to provide a voluntary cash-in-lieu contribution of \$7,350,459 to the City’s capital Affordable Housing Reserve.

A comparison of the existing and proposed density provisions in the ZMU17 zone is provided in the following table:

Permitted density in ZMU17	Existing	Proposed
Maximum density	1.25 FAR	1.25 FAR for Area A (10011, 10111 and 10199 River Drive) and Area B (10311 River Drive), regardless of subdivision
Maximum density including affordable housing density bonus	1.45 FAR	1.38 FAR for Area A and Area B, regardless of subdivision
Additional maximum density for amenity space	0.1 FAR	No change
Additional maximum density for child care space	0.1 FAR	No change

Parking

As a result of converting the proposed 67 affordable housing units at 10011 River Drive to market residential units, additional resident parking is required.

The 67 affordable housing units would have required 67 resident parking spaces, but as market units, they would require a total of 101 spaces, or 34 additional resident parking spaces. There are 10 excess parking spaces available in Phase I (at 10011 and 10111 River Drive); therefore 24 additional spaces are required to be provided on the neighbouring property at 10199 River Drive.

Registration of an off-site parking agreement on the neighbouring property at 10199 River Drive is a requirement of the Zoning Text Amendment to ensure the development complies with the Richmond Zoning Bylaw.

Financial Impact

None.

Conclusion

Staff recommends support for the subject Zoning Text Amendment on the basis that it provides a significant contribution towards the City's capital Affordable Housing Reserve Fund that may be used, at Council's sole discretion, to facilitate the construction of affordable housing special development circumstance projects elsewhere within Richmond.



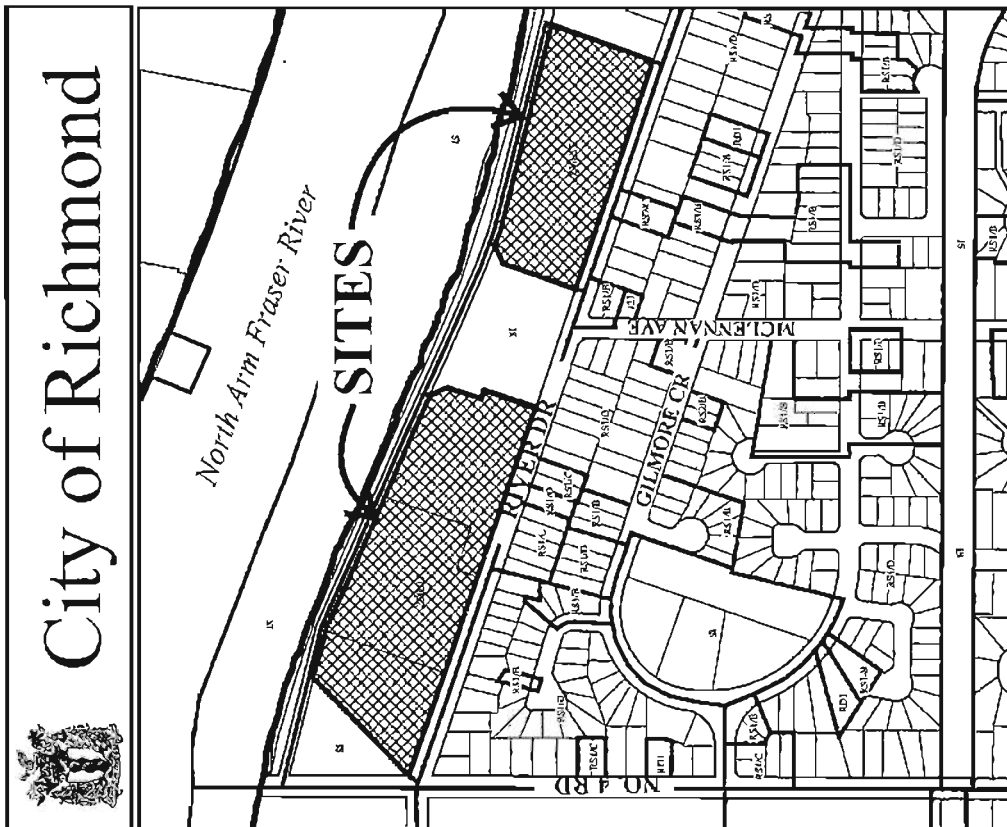
Sara Badyal, M. Arch, MCIP, RPP
Planner 2
SB:blg

Attachments:

1. Location Map
2. Aerial Photograph
3. Bridgeport Area Plan: Land Use Map
4. Development Application Data Sheet
5. Zoning Text Amendment Considerations Concurrence

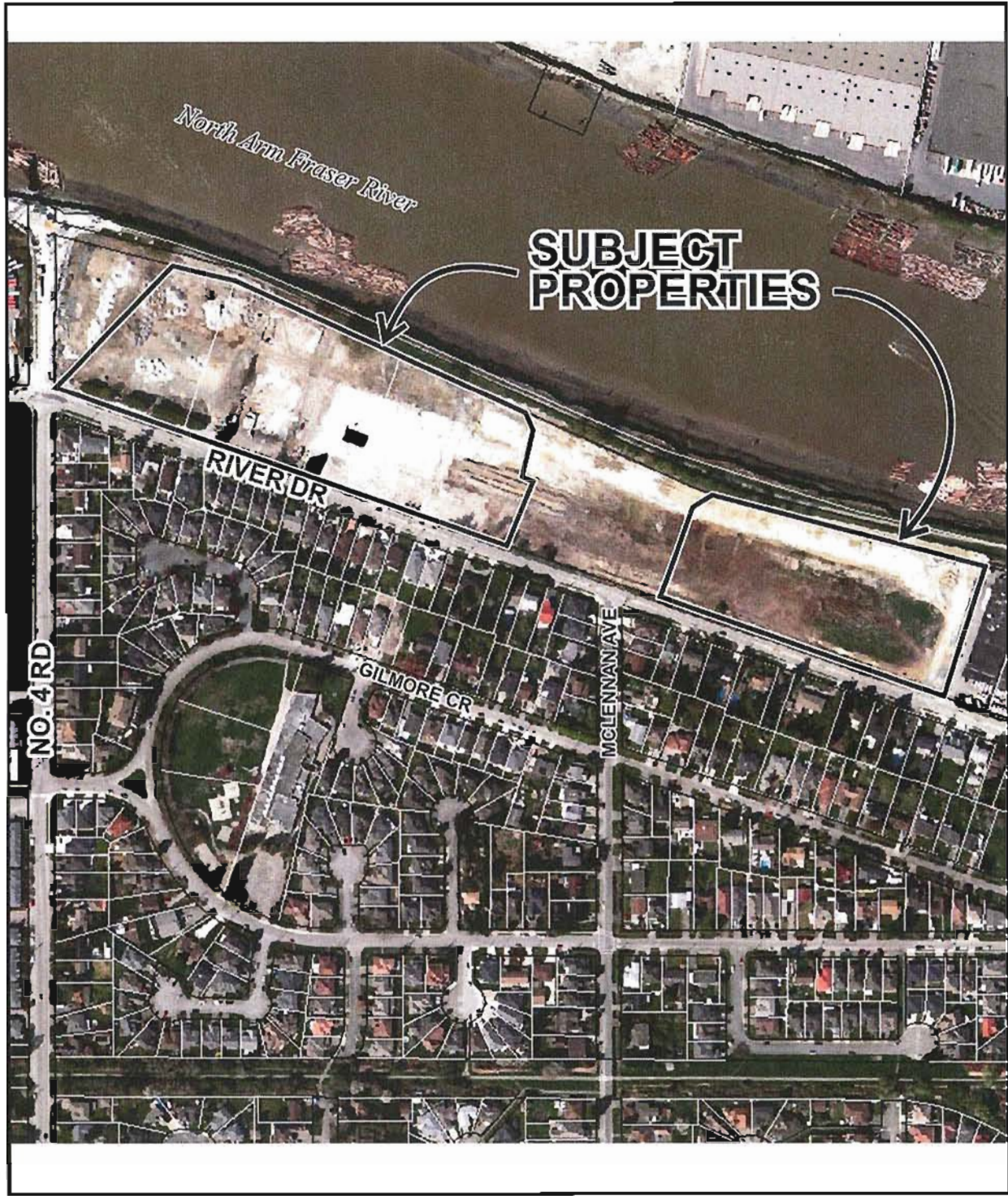


Original Date: 02/22/13
Revision Date: 05/16/13
Note: Dimensions are in METRES



ZT 12-611282





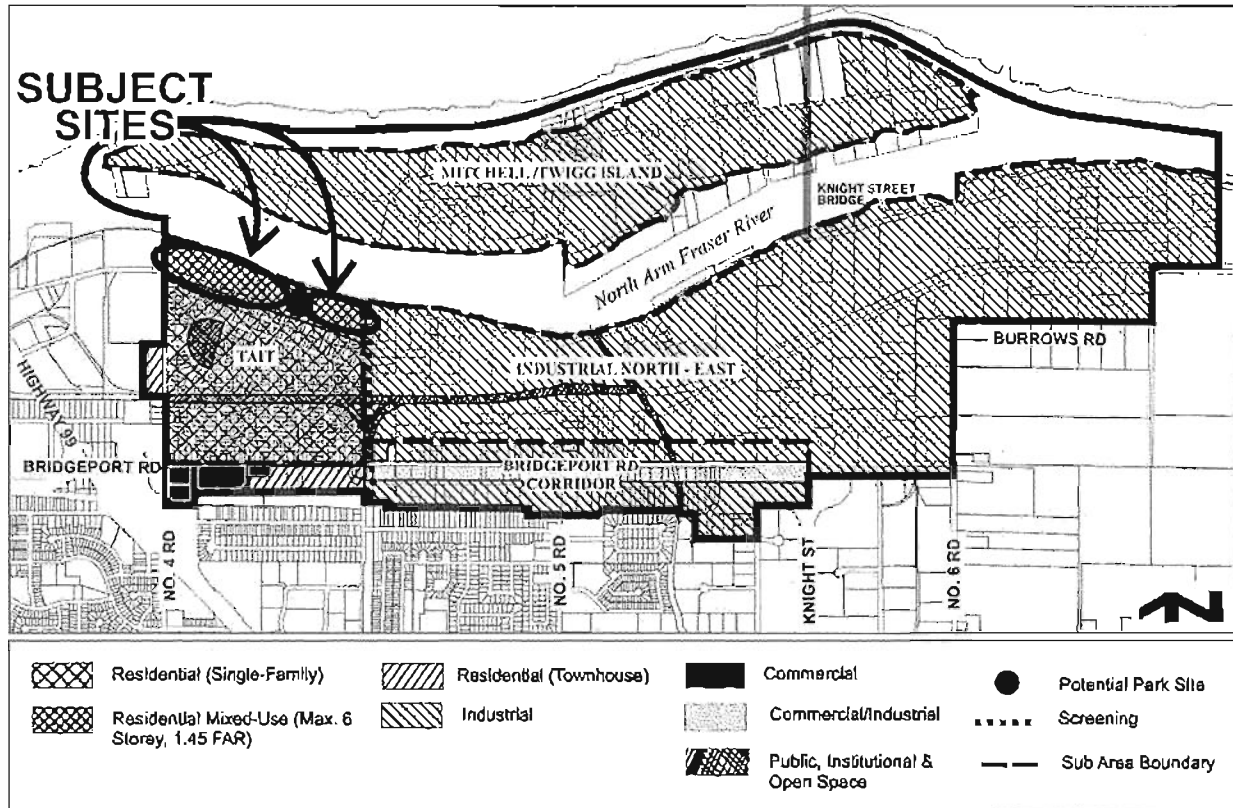
ZT 12-611282

Original Date: 02/22/23

Amended Date:

Note: Dimensions are in METRES

Land Use Map – Bridgeport





ZT 12-611282

Attachment 4

Address: 10011, 10111, 10199 and 10311 River Drive

Applicant: Parc Riviera Project Inc.

Planning Area(s): Bridgeport

	Existing	Proposed
Owner	Parc Riviera Project Inc.	No Change
Site Size (m²)	61,400 m ²	No Change
Land Uses	Formerly Light Industrial and Storage	Multi-family residential, Commercial and Community Use
Bridgeport Area Plan Designation	Residential Mixed-Use	No Change
Zoning	Residential Mixed Use Commercial (ZMU17) – River Drive/No. 4 Road (Bridgeport)	ZMU17 as amended regarding density & affordable housing requirement
Number of Units	N/A	(To be confirmed at DP stage)

	Existing Zoning	Proposed Zoning
Floor Area Ratio (max.)	1.45 FAR with density bonus	Area A: 1.38 FAR with density bonus, regardless of subdivision Area B: 1.38 FAR with density bonus, Regardless of subdivision
Lot Coverage (max.)	40%	No Change
Setback (min.)	3.0 m from River Drive 7.5 m from dyke ROW	No Change
Height (max.)	10 m to 26 m (6-storey)	No Change



Zoning Text Amendment Considerations

Development Applications Division
6911 No. 3 Road, Richmond, BC V6Y 2C1

Address: 10011, 10111, 10199 and 10311 River Drive

File No.: ZT 12-611282

Prior to final adoption of Zoning Amendment Bylaw 9036, the developer is required to complete the following:

1. Adoption of Termination of Housing Agreement (Parc Riviera) Bylaw 9037.
2. Execution of a consent to the adoption of Termination of Housing Agreement (Parc Riviera) Bylaw 9037 and entering into a legal agreement with the City to terminate, release and discharge the associated Housing Agreement and Housing Covenant.
3. Discharge Housing Covenant and Rent Charge from 10011 River Drive.
4. Cancellation of the notice on title to 10011 River Drive regarding the Housing Agreement.
5. Discharge any additional charges or cancel any additional notices on title regarding Affordable Housing and the subject properties.
6. City acceptance of the developer's voluntary AHVT cash-in-lieu contribution of \$7,350,459 to the City's capital Affordable Housing Reserve Fund, which contribution is to be secured by the developer providing a Letter of Credit together with entering into a legal agreement that permits the City to cash the Letter of Credit after adoption of the subject Zoning Text Amendment and the earlier of 18 months from adoption of the subject Zoning Text Amendment or when Council approves the disbursement of funds to an affordable housing special development circumstance project. This contribution is in exchange for the discharge of the Affordable Housing requirements pertaining to the 4,268 m² (or approximately 45,940 ft²) of affordable housing space to be constructed at 10011 River Drive (RZ 07-380169) based on \$160 per built square foot of required affordable housing space. 100% of the payment is to be deposited to the City's capital Affordable Housing Reserve Fund.
7. Entering into legal agreement(s) to secure off-street parking spaces on 10199 River Drive for the benefit of 10011 and 10111 River Drive to satisfy the Richmond Zoning Bylaw requirements (e.g. 24 parking spaces).

Note:

- Where the Director of Development deems appropriate, the preceding agreements are to be drawn not only as personal covenants of the property owner but also as covenants pursuant to Section 219 of the Land Title Act.

All agreements to be registered in the Land Title Office shall have priority over all such liens, charges and encumbrances as is considered advisable by the Director of Development. All agreements to be registered in the Land Title Office shall, unless the Director of Development determines otherwise, be fully registered in the Land Title Office prior to enactment of the appropriate bylaw.

The preceding agreements shall provide security to the City including indemnities, warranties, equitable/rent charges, Letters of Credit and withholding permits, as deemed necessary or advisable by the Director of Development. All agreements shall be in a form and content satisfactory to the Director of Development.

Signed

Date

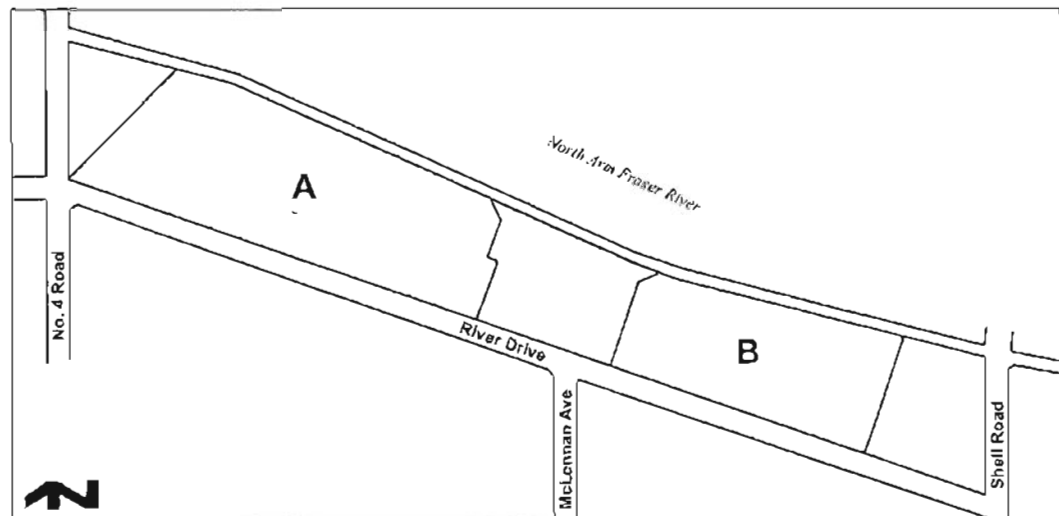


**Richmond Zoning Bylaw 8500
Amendment Bylaw 9036 (ZT 12-611282)
10011, 10111, 10199 and 10311 River Drive**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Zoning Bylaw 8500, as amended, is further amended:
 - (a) by adding the following at the end of subsection 20.17.2 (Permitted Uses):

“Diagram 1



- (b) by deleting subsection 20.17.4 and substituting the following:
 - “1. The maximum **floor area ratio** for the area identified in Diagram 1, Section 20.17.2, shall be:
 - a) for the total combined area of “A”, regardless of **subdivision**: 1.25; and
 - b) for the total combined area of “B”, regardless of **subdivision**: 1.25.

- 2. Notwithstanding Section 20.17.4.1, the references to "1.25" in paragraphs (a) and (b) are increased to a higher density of "1.38" if the owner has paid or secured to the satisfaction of the City a monetary contribution of \$7,350,459 to the City's capital Affordable Housing Reserve Fund established pursuant to Reserve Fund Establishment Bylaw No. 7812.
- 3. Notwithstanding Sections 20.17.4.1 and 20.17.4.2, the following additional **floor area ratio** is permitted:
 - a) 0.1 **floor area ratio** provided that it is entirely used to accommodate **amenity space**; and
 - b) 0.1 **floor area ratio** provided that it is entirely used to accommodate **community amenity space**.
- 4. For the purposes of this **zone** only, covered **walkways** and mechanical and electrical rooms having a total **floor area** not exceeding 200.0 m² per **building** are excluded from the **floor area ratio** calculations."

2. This Bylaw may be cited as "**Richmond Zoning Bylaw 8500, Amendment Bylaw 9036**".

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

OTHER CONDITIONS SATISFIED

ADOPTED



MAYOR

CORPORATE OFFICER



Termination of Housing Agreement (Parc Riviera) Bylaw 9037

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

- 1. The Mayor and City Clerk for the City of Richmond are authorized:
a) to execute agreements to terminate the housing agreement referred to in Housing Agreement (1880 No. 4 Road and 10071, 10091, 10111, 10131, 10151, 10311 River Drive) Bylaw No. 8815 (the "Housing Agreement");
b) to cause Notices and other charges registered at the Land Title Office in respect the Housing Agreement to be discharged from title; and
c) to execute such other documentation required to effect the termination of the Housing Agreement.
2. This Bylaw may be cited as "Termination of Housing Agreement (Parc Riviera) Bylaw 9037".

FIRST READING

PUBLIC HEARING

SECOND READING

THIRD READING

OTHER CONDITIONS SATISFIED

ADOPTED

Horizontal lines for signature or date entry corresponding to the reading stages.

Approval stamp: CITY OF RICHMOND, APPROVED by [signature], APPROVED by Director or Solicitor [signature]

MAYOR

CORPORATE OFFICER