



To: Planning Committee **Date:** May 11, 2011
From: Joe Erceg, MCIP **File:**
 General Manager, Planning and Development
Re: Revised OCP "Community Institutional" Assembly Use Policy

Staff Recommendation

1. That consistent with Option 1 in the report dated May 11, 2011 from the General Manager, Planning and Development, Richmond Official Community Plan Bylaw 7100, Amendment Bylaw 8758, proposing text amendments to Schedule 1 of Richmond Official Community Plan Bylaw 7100 by replacing the definition of "Community Institutional" and establishing new policies to manage assembly uses in "Community Institutional" designated areas, be introduced.
2. That Bylaw 8758 having been considered in conjunction with:
 - The City's Financial Plan and Capital Program; and
 - The Greater Vancouver Regional District (GVRD) Solid Waste and Liquid Waste Management Plans;
 be hereby deemed to be consistent with said program and plans, in accordance with Section 882(3) (a) of the Local Government Act.
3. That Bylaw 8758 consultation be as per the City Policy on consultation during an OCP Amendment, namely the Public Hearing and that no further consultation is required; and
4. That all the affected "OCP Community Institutional" property owners and tenants be notified of the Public Hearing.

Joe Erceg
 Joe Erceg, MCIP
 General Manager, Planning and Development
 (604-276-4083)

Att. 7

| FOR ORIGINATING DEPARTMENT USE ONLY | | | |
|-------------------------------------|---|---------------------------------------|---|
| ROUTED TO: | CONCURRENCE | CONCURRENCE OF GENERAL MANAGER | |
| Development Applications | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> | <i>Joe Erceg</i> | |
| Community Social Services | Y <input checked="" type="checkbox"/> N <input type="checkbox"/> | | |
| REVIEWED BY TAG | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> | REVIEWED BY CAO | YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> |

Staff Report

Origin

At the November 23, 2009 Council meeting, Council considered a staff report proposing a new Assembly Use policy and a revised OCP “Community Institutional” definition to clarify and better manage “assembly uses” in the areas outside the City Centre and the Agricultural Land Reserve (hereafter called in this report the Affected Area).

Despite apparent assembly group support at Planning Committee, by the Council meeting concerns were expressed by some assembly use owners about the proposed policy. As a result, the following referral was introduced:

That the staff report entitled ‘An Enhanced OCP “Community Institutional” Definition and New Policy to Better Manage “Religious Assembly Uses”’: OCP Amendment Bylaw No. 8533’ be referred back to staff to conduct a full consultation with various stakeholder groups such as religious groups and the Urban Development Institute to determine whether an alternative proposal is available.

The purpose of this report is to:

- Describe the history and rationale for how Richmond has managed assembly uses in the past to achieve a range of community objectives;
- Describe the consultation process with assembly use owners/stakeholders and what the key messages are;
- Describe background information (e.g., statistics, trends,) about religious worship and uses;
- Describe the findings of an independent consultant regarding the economics of assembly land (proforma analysis) and how community benefits can be provided without impacting the market value of assembly sites, when they convert to other land uses, as Council at its discretion may allow;
- Present three options for Council consideration; and
- Recommend an OCP assembly land conversion policy option which City staff consider is financially viable both for assembly owners and the City, and meets a range of assembly owners needs and requests.

Detailed background information, including submission letters from assembly owners received during the consultation process, is on file in binders for Council in the Councillor’s Lounge and for the public at the City Hall Front Counter.

- **Attachment 1** contains the Table of Contents for the information in the binders.
- **Attachment 2** contains a list of the 35 affected assembly owners.
- **Attachment 3** contains a map of the 35 affected assembly properties.
- **Attachment 4** contains a list of assembly use properties in the City Centre Area Plan area and the ALR which are not affected by the proposed assembly lands policy.
- **Attachment 5** contains a summary of the feedback from all consultations.
- **Attachment 6** contains May 11, 2011 - Assembly Group Feedback
- **Attachment 7** contains a summary of Proposed Option 1 - Flexible - Affordable Housing and Other Community Amenity Requirements

Background

Assembly Land Supply and Trends in Religious Worship

Assembly Land Supply

In the past, generally Richmond has had an adequate supply of assembly zoned land owned by a diverse range of religious denominations (e.g., Roman Catholic, Protestant [Anglican, Presbyterian, United Church, Gospel], Jewish, Hindu, Buddhist, Sikh) that served a wide range of the religious needs of Richmond residents. Currently, Citywide, there are 70 existing assembly properties. Thirty-five (35) properties are distributed throughout the single-family residential areas outside the City Centre and the ALR. There are eleven (11) assembly properties in the City Centre and twenty-four (24) properties located in the ALR.

In general, very few assembly properties have been converted to other uses, and in fact under the existing OCP assembly policy, the supply has been relatively stable. For example, Citywide, the vast majority (49) of the 51 assembly sites which were rezoned from residential and agricultural zones to a new Assembly District by the City in 1983 are still owned and in use by the same religious denominations.

Per Capita Growth in Assembly Land

Since the 1980’s, there has been a steady, modest growth in the supply of assembly use lands. Since 1983, nineteen (19) properties have been rezoned to assembly use at the request of assembly users. Three (3) of these have been religious uses (i.e., Church in Richmond, I Kuan Tao, and Vancouver International Buddhist) that have located in the City Centre in commercial and business park zones that allow religious assembly uses. The remaining sixteen (16) of the newly rezoned assembly sites have been the larger assembly properties that have tended to locate on the east side of No. 5 Road. The congregations for the No. 5 Road churches come from both Richmond and other municipalities.

Although there has been growth in the supply of assembly use lands, because of population growth, there has been an erosion in the number of assembly sites per capita. Statistically, between 1983 and 2011, the number of City residents per assembly use site increased by 33%. In 2011, there were approximately 2,743 residents per assembly property, an increase of 820 residents per property from 1983 per capita levels of 1,923 residents per assembly property. During the same period, Richmond’s population increased by 96%.

| Year* | # of ASY Zoned Properties* | Acres | Richmond Population** | Per Capita (# of residents per assembly property) | Per Capita (# of residents per acre of assembly)* |
|-------|----------------------------|-----------|-----------------------|---|---|
| 1983 | 51 | unknown | 98,077 | 1,923 | unknown |
| 1988 | 55 | 105.9 ac. | 119,800 | 2,178 | 1,131 |
| 2000 | 64 | 141.6 ac. | 164,345 (2001) | 2,664 | 1,204 |
| 2011 | 70 | 143.4 ac | 192,000 | 2,743 | 1,339 |

- *Years (1983, 1988, 2000 and 2011) represent available zoning map GIS data for amount of zoned ASY land and number of ASY properties
- **Population estimates prepared Policy Planning Department

Changes in Religious Affiliation

The Census collects statistics on religious affiliation every 10 years. The last Census that asked questions about religious affiliation was in 2001. Thus, only generalizations can be made. While Richmond grew by 68,000 (71%) residents between 1981 and 2001, the percentage of the population stating that they had a religious affiliation declined from 80% (76,605 residents) of the total population in 1981, to 61% of the total population in 2001.

| 1981 | | % of Total Pop | 1991 | | % of Total Pop | 2001 | | % of Total Pop |
|--------------------------|--------|----------------|--------------------------|---------|----------------|--------------------------|---------|----------------|
| Population | 96,154 | | Population | 126,624 | | Population | 164,345 | |
| Religious affiliation | 76,605 | 80% | Total Religion | 89,105 | 70% | Total Religion | 101,150 | 61% |
| No religious affiliation | 19,235 | 20% | No religious affiliation | 36,900 | 29% | No religious affiliation | 62,235 | 38% |

**Census collects data on religion every 10 years. The question is open-ended question and asks, "What is this person's religion?" Respondents are instructed to indicate a specific denomination or religion even if they were not currently a practising member of that group. The census does not measure church membership, or indicate attendance or degree of affiliation.*

- Between 1981 and 2001, there was a 57% (+10,940) increase in those who stated that they had a Catholic affiliation. The increase in Catholicism appears partly due to immigration – the Roman Catholic religion was the choice for 20% of immigrants compared to 16.2% of non-immigrants.
- Other denominations appear to have been decreasing. For example, between 1981 and 2001, there was a 47% (-15,440) decrease in those who stated that they had a Protestant affiliation. These include such groups as Anglican, Presbyterian and the United Church.
- Between 1991 and 2001, there has been growth (reflecting B.C. - wide patterns) in Eastern religions in Richmond, as there was a:
 - 71% increase (+7,900 residents) in those with a Buddhist affiliation;
 - 21% increase (+1,255 residents) in those with a Sikh affiliation; and
 - 36% increase (+1,780 residents) in those with a Muslim affiliation,
- An increase in both Catholic and eastern religion affiliations is perhaps due to the fact that the majority of Richmond's immigrants since 1991 are from Asian countries where these religions are practiced.

Through the City - Assembly owner consultations and discussions, it was also learned that religious congregations, sites and needs are changing, and the future is challenging and not certain. With immigration and an aging of the population, religious affiliations are changing and new ones are coming into being. A reinvention of what is known as a "church" is also occurring. The "bricks and mortar" building model is not the only assembly facility approach. Assembly stakeholders advise that some religious groups prefer to meet in private homes in smaller numbers while others worship by doing community outreach and advocacy work.

In general, many assembly groups agreed that there will be a continued demand for worship and meeting space but in a variety of forms - not where each group owns a building.

Number of Residents with Religious Affiliation Per Assembly site

Table 3 shows that the number of acres of assembly land and average site size have increased reflecting the increase in the number of the larger regional churches being established on No. 5 Road. Table 3 also illustrates that the number of residents with religious affiliation per assembly site between 1991 and 2001 remains fairly constant because of the overall decrease in the number of residents with a religious affiliation compared to the increase in the number of churches.

| Census Year | No. Of Residents With Religious Affiliation | No. Of Churches | Per Capita (# Of Residents Affiliated Per Assembly Site) | # Of Acres Of Assembly Zoned Land | Per Capita (# Of Residents Affiliated Per Acre Of Assembly) |
|-------------|---|-----------------|--|-----------------------------------|---|
| 1991 | 89,105 | 58 (estimate) | 1,536 | 112 ac (estimate) | 795 residents per acre |
| 2001 | 101,150 | 64 | 1,580 | 141 ac | 717 residents per acre |

How Richmond Religious Uses Are Accommodated

Currently, Citywide, the wide range of religious needs are accommodated, as follows:

- On their own site and building; and
- By renting buildings and space from, existing assembly owners, schools, industrial spaces, movie theatres, day care facilities, common room space in townhouse developments, banquet halls and people’s houses.

All these arrangements can be anticipated to continue as not all religious groups will be able to afford to have their own site and building.

Conclusions

- What Has Increased:
 - Despite increases in the Richmond population which indicate that between 1981 and 2001 many have no religious affiliation, the absolute numbers of those residents who state that they have a religious affiliation grew by 24,545 residents between the 1991 and 2001 Census period.
 - The number of residents with a religious affiliation per assembly site has also increased slightly (from 1,535 per assembly site to 1,580 per assembly site).
- What Has Not Increased:
 - Richmond’s assembly lands have increased, but not at a pace which has kept up with the City’s population growth.
 - There has been an erosion of the average people per assembly site and sites per capita.
 - This trend may have been worse if not for the City’s existing OCP assembly policy.
- Implications:
 - Assembly groups have and will continue to need a range of flexible options (e.g., buildings, land, rentable space), to meet their space needs;
 - An appropriate supply of assembly land to meet future assembly needs is not guaranteed and is uncertain. For example, some assembly congregation numbers and needs are changing. Some appear to want to retain their lands and others may want to convert some or all of their assembly site to other uses for a variety of reasons (e.g., to

- pay for assembly building and equipment upgrades; build a smaller or larger new assembly building to better meet their needs; to relocate);
- As well, there will likely continue to be development pressure for the relatively larger assembly parcels to convert to townhouse development, as land for this form of development elsewhere in the Affected Area is limited;
 - City staff suggest that to protect needed assembly sites for the long term benefit of Richmond residents, the City needs to exercise a cautious approach to allowing any conversion of them to other uses, to avoid losing these unique assembly lands as it will be difficult for existing and new assembly groups to replace them.

Other Lower Mainland Municipalities' OCP Assembly Lands Policies and Zoning

OCP Policies

Unlike other Lower Mainland municipalities, Richmond manages Assembly lands by its specific OCP "Community Institutional" designation. Other Lower Mainland municipalities do not have a specific OCP assembly designation, but allow assembly zoned lands in many OCP designations, including residential and multi-family designations, because most churches are located in residential areas. No other Lower Mainland municipality has specific OCP assembly land retention policies.

Zoning

Similar to Richmond, most Lower Mainland municipalities have a specific zone (Assembly) by which to regulate "religious use" properties. The City of Vancouver permits "religious or assembly" uses as a discretionary use in all its residential and some commercial zones, and has no specific zone for "religious uses".

Richmond's Existing Policy and Rationale For Managing Assembly Sites

The existing City's Official Community Plan (OCP) policy and rationale for managing assembly sites are presented below:

1. Since 1999 (for 12 years), Richmond has not treated assembly lands as "normal development land".
2. For 12 years, the City has had a specific OCP policy for retaining and partially converting existing assembly lands in the Affected Area which are different than policies used in the City Centre and Agricultural Land Reserve (ALR).
3. Since 1999, the City has had a long tradition of managing assembly lands in the Affected Area in a unique manner to preserve them, and provide opportunities to possibly convert some assembly land to other market uses, if community benefits are provided. With this longstanding policy, assembly sites in the Affected Area have had their own unique OCP designation of "Community Institutional" (CI) which states:

“Those areas of the City which are intended for institutions engaged in religious, educational or cultural activities, and may include adjunct residential development which results in a community benefit, provided the site is not located in the Agricultural Land Reserve or a non-residential area”.

The definition involves three components, namely (1) retain some assembly land, (2) possibly develop some portion of an assembly site for residential use; but (3) to do so, there must be a community benefit. The intent of the policy is to encourage the retention of assembly use lands, and if there is to be some conversion of assembly land to residential uses (e.g., multi-family), a community benefit is to be provided.

4. As well, the City has been asked to retain assembly lands by various existing and new assembly groups, for future generations and the demand for assembly sites may likely increase over time.
5. In addition, the existing OCP assembly retention policy avoids the problem of losing assembly lands and not being able to replace them as suitable replacement sites are not easily found or created due to their limited availability and high cost. There is no simple way to replace assembly lands and if lost and the community's long term assembly needs would not be served.
6. The threat of the loss of assembly lands is real as there is a strong demand for multi family (e.g., townhouse, apartment) sites in the Affected Area, and assembly sites are attractive for this purpose due to their size and locations. Note that developers already have targeted the conversion of assembly sites. Without the current OCP assembly policy, developers may target and try to convert assembly lands to other uses at a much quicker rate which would not be acceptable.
7. Another reason for the existing OCP assembly land policy is that while over the years they have greatly increased in value, they currently are: (1) taxed at a lower rate than other uses (e.g., residential), and (2) also usually receive a partial annual tax exemption. Given this:
 - As over the years, the value of assembly sites has significantly increased, the existing OCP assembly policy enables the City to manage, during any conversion of assembly land, to higher uses, how the increased potential “profit” to assembly owners and developers is to be managed for long-term community benefit; and
 - During rezonings, the City can continue to both secure beneficial community amenities and enable assembly owners and developers to make a profit (noting that there are various schools of thought regarding what is enough profit).

8. The existing OCP policy has been proven to work successfully, as already two religious assembly partial conversion projects have been approved under it, namely:
- At The Beth Tikvah Synagogue at 9711 Geal Road (RZ 1999-172844)
The application resulted in 0.61 acres of the Assembly site being rezoned to residential and 1.67 acres of existing Assembly being retained. Two residential sites were also included in the project. The community benefit consisted of 16 built subsidized units and 10 low end built market rental units of which approximately ½ of the subsidized and market rental units were located on the portion of the rezoned assembly site.
 - Eitz Chaim Congregation at 8080 Francis Road (RZ 2003-243383)
The application resulted in 0.54 acres of assembly land being retained and 1.18 acres being rezoned to market residential. The community benefit consisted of a contribution of \$325,000 to Richmond's Affordable Housing Fund or approximately \$9.10 sq. ft. which is more than triple than the 2007 Affordable Housing Strategy policies.
9. Since 1999, the existing OCP policy helped retain most assembly sites as they are needed and valuable community assets, and enabled the partial retention of two others where community benefits were provided.

Proforma Analysis on Affected Assembly Lands

In order to assist the City with its economic land analysis of the possible conversion of assembly lands, the City retained G.P. Rollo & Associates Ltd., land economists (the same consultant that helped the City in 2007 prepare its Developer Voluntary Contribution Study that was part of Richmond's 2007 Affordable Housing Strategy).

The purpose was to measure the economic impact of various partial and complete assembly land conversion requirements. G.P. Rollo & Associates Ltd. worked with City staff to prepare various proforma analyses of different development choices should an assembly zoned site be subject to a rezoning application and be redeveloped. The analyses were helpful to the City, assembly owners and developers as they showed which options were viable and which ones were not.

The result of this financial analysis was presented to the Assembly Working Group, many property owners, representatives of the development community and other consultants retained by some of the Assembly organizations. In response to assembly group feedback, and in a co-operative manner, the City asked the consultant to revise the analyses several times to address various Assembly owners' concerns, possibilities and situations.

The key conclusions of the City's proforma analysis are:

- (1) There would be no negative financial impact, today, to require an Assembly zoned site which is proposed to be rezoned to a Single Detached zone (i.e., for single-family residential purposes) to build a secondary suite in every new house (not just 50% of the new houses as per the existing Affordable Housing Strategy and with no option of paying \$1/ft² into the 2007 Affordable Housing Statutory Reserve).

- (2) An Assembly zoned site which is proposed to be rezoned to a Townhouse zone, could today financially:
 - a) contribute an additional \$12/ft² towards a community amenity above the existing \$2/ft² for affordable housing required under the current 2007 Affordable Housing Strategy if a density of 0.55 floor area ratio (FAR) was permitted; or
 - b) build between 10% to 20% affordable low end market rental housing if a density of 0.7 to 0.8 floor area ratio (FAR) was permitted (currently, the 2007 Affordable Housing Strategy does not require townhouse rezoning applications to build affordable housing).
- (3) An Assembly zoned site which is proposed to be rezoned to an Apartment zone, could today financially:
 - a) contribute an additional \$5/ft² to \$7.50/ft² towards a community amenity above the existing \$4/ft² for affordable housing required under the current 2007 Affordable Housing Strategy for rezoning applications involving 80 or less apartment units if a density between 0.8 to 1.2 floor area ratio (FAR) was permitted; and/or
 - b) build between 10% to 15% affordable low end market rental housing if a density of 1.5 to 1.7 floor area ratio (FAR) was permitted (currently, the 2007 Affordable Housing Strategy only requires apartment rezoning applications to build 5% affordable housing if the rezoning application involves more than 80 apartment units).

There are a few reasons why the City's proposed 2011 financial contributions and percentages of proposed built affordable housing are higher than the 2007 Affordable Housing Strategy, including:

- (1) The City's 2011 economic land analyses is based on current, not four year old 2007 estimates;
- (2) The \$2/ft² from townhouse rezoning applications and \$4/ft² from apartment rezoning applications were established in 2007 and have not been updated since then (four years of robust cost and profit increases). As can be appreciated, the current 2011 market value of land in Richmond has increased substantially in the past four years, as has the price and value of townhouse and apartment units;
- (3) Rezoning applications that involve an OCP amendment, either build, or contribute financially to other public amenities such as child care, community amenity space, park land, public realm beautification, streetscape improvements, public art, etc;
- (4) It is incorrect to assume that the City's 2007 Affordable Housing Strategy of requiring, for example, 2/ft² - \$4/ft² for affordable housing is the only financial contribution that a rezoning applicant or developer should and will be required to provide;
- (5) Based on the 2011 B.C. Assessment Authority information (plus 10%), the assembly zoned sites were modelled and valued at an average 2011 estimate of \$2,200,000/acre. By comparison, townhouse zoned lands are now worth roughly \$3,600,000/acre and apartment zoned lands are worth \$4,000,000/acre. Thus, the current potential "land lift" (i.e., land value) from rezoning Assembly zoned land to townhouse or apartment zoned land is approximately \$1,400,000/acre - \$1,800,000/acre.
- (6) This is consistent with the 2011 findings of a private, independent proforma analysis done for one of the Assembly property owners which indicated that there is a minimum \$1,000,000/acre "land lift" in rezoning the lands from assembly zoning to townhouse zoning.

- (7) When the Developer Voluntary Contribution Study was done in 2007, Council used a flexible approach, rounded off the 2007 land lift and decided to only take 50% of the “land lift”, to establish the \$2/ft² - \$4/ft² for affordable housing. The additional 2011 \$5/ft² - \$12/ft² towards a community amenity is more within the range (and in fact, below) the 50% “land lift” which could be used to calculate “community benefit” in 2011 terms.

Findings of Fact

November 2009 Proposed Assembly Lands Policy

In November 2009, City staff recommended that the 1999 OCP definition of “Community Institutional” be amended and a new assembly lands policy be introduced to clarify that:

- At least 50% of the existing assembly site be retained;
- Council consider, on a case by case basis, development of the remaining area, for:
 - 100% built affordable housing only; and
 - No market housing of other uses be permitted.

At the November 2009 Council meeting, assembly owners expressed a number of concerns with the proposed policy such as: changes in the proposed policy were unfair and onerous to religious groups, clarification regarding the intent of the revisions, the proposed policy placed too much burden on assembly groups, a dislike of the affordable housing component and that more flexibility and consultation were needed. Based on their concerns, Council referred the matter to staff to conduct consultations with religious groups and UDI to determine whether an alternate proposal is possible.

Assembly Owner Consultation (For A Detailed Summary see Attachment 5)

City staff conducted a detailed consultation process which is summarized in **Attachment 5**.

City staff met with assembly owners, developers and their consultants over 15 times with many additional conversations and correspondence. The result of these consultations is that there is no consensus for a solution among all assembly owners, or between assembly owners and City staff.

However it was learned that:

- Most assemblies plan to retain their properties in the foreseeable future, have no plans to redevelop or to move out of Richmond and are committed to staying in Richmond and serving their community;
- Some assemblies may expand or update their buildings (e.g., modernize their kitchen and/or classrooms, add a new gymnasium, increase the amount of meeting space, be more energy efficient) on their existing property;
- A few who may expand their land base mentioned that they are looking at other properties but that they had not yet found anything suitable;
- Most assembly respondents described the programs and uses that they provide to the Richmond community now. These include providing free community meals; programs for children, youth and seniors; ESL; after school programs; meeting space (e.g., Al Anon, Alcoholics Anonymous, scout and girl guide troops, fitness classes, civic, provincial, federal elections and services to the poor);

- Many suggested that the policy review consider the importance of maintaining churches in Richmond;
- Some respondents wanted to maintain what has always worked in the past (i.e., do not fix what is not broken);
- Some commented that it would be a very slow and elaborate process for a religious assembly group to shut down and that it is not for government to require them to cater to future assembly groups;
- Most assembly owners stated that they wish to be “treated like any other land owner or developer”;
- Most religious organizations are under pressure to remain financially viable and want to retain their existing buildings;
- Many religious buildings in Richmond are old and need renovation and there are fears that religious groups will lose their buildings due to lack of congregation size and revenue, and increasing maintenance and construction costs;
- To remain viable, some large more established organizations with more than one property are considering reducing the number of their locations and replacing them with one larger facility;
- Assembly properties are typically held in trust on behalf of a non-profit and/or benevolent organization. These organizations take great care in managing and maintaining these assets on behalf of the community and future generations. When a decision is made to sell one of these assets, it is not done so lightly and typically is the result of financial hardship and stress resulting from aging facilities requiring increased maintenance costs.
- Senior governments should bear the responsibility for providing affordable housing and not assembly owners;
- The City should not be involved in regulating what Assembly owners do;
- Agree that retaining the existing OCP definition of “Community Institutional” is not the preferable option because of its lack of clarity;
- Some Assembly owners believe that since they originally bought their land at residential land values that they should have the right to automatically rezone their property to residential zoning without penalty.
- From this varied feedback, generally, assembly owners stated that they want to be treated like other developers and only have to follow the 2007 Affordable Housing Strategy, when converting their lands. City staff have explained that currently residential developers provide more than the 2007 Affordable Housing Strategy requirements.

As recently as May 11, 2011, City staff met with some assembly group representatives to provide them an opportunity to inform staff of their latest views and provide any new information. The assembly groups stated that they:

- Wish to be “treated the same” as every other developer with a focus on, for affordable housing, only having to meet the 2007 Affordable Housing Strategy requirements and for other community amenities providing what is normally provided by other developers. (Note that some assembly members stated that if the 2007 Affordable Housing Strategy was updated, they would agreed to follow it);
- Want, when their lands are rezoned, to have them automatically “returned” to a residential value (usually the original use) and not have the normal assembly value applied as the starting point to calculate the land value increase. This suggestion is partly to maximize their

“profit” as they would pay fewer community benefits, which they point out would be reinvested back into beneficial assembly facilities, programs and services. (This approach is not followed); and

- Would like the City to regard assembly uses and programs as an important community benefit and therefore not be required to provide other amenities. (This would be unlike what other developers are required to do).

These last two comments if implemented would not treat assembly owners like every one else, but give them more advantages than others.

As well, the assembly groups provided a list of other comments (**Attachment 6**) which they wish to address at Planning Committee.

As there is no consensus among assembly groups, or assembly groups and City staff, City staff conclude the following points:

- Some of the assembly comments were beyond the scope of the Council referral as the intent was not, for example to manage assembly sites like every other development site;
- Many assembly groups have no intention of redeveloping to non-assembly purposes;
- Any revised OCP assembly policy does not need to require the retention of assembly lands because most assembly groups want to stay in Richmond,
- The anticipated situations in order from most to less likely to occur are:
 - encourage, not require the retention of assembly lands,
 - enable the partial conversion of assembly lands,
 - enable the full conversion of assembly lands.
- The City’s “community benefit” requirement needs, in some manner, to recognize the significant benefits that assembly groups provide to the community through numerous voluntary initiatives including meal programs, counselling, emergency shelter and girl guide and boy scout spaces and other community facility benefits.
- There is no one solution for all assembly owners;
- Assembly sites that redevelop for single-family residential should provide 100% secondary suites (exceeding the Affordable Housing Requirement of 50%);

Assembly Use Policy Options

From this varied feedback and based on City 2011 economic land analysis, City staff consider that a revised OCP assembly policy should be based on the following concepts:

- There is no need to require the retention of assembly lands as most assembly groups will stay in Richmond;
- A range of flexible options which enable the partial and full conversion of assembly lands to a variety of other uses (e.g., single-family, townhouse, apartments) is needed; and
- A range of flexible, viable density bonusing options is needed to enable assemblies to have flexible ways to look after some of their needs, make a profit and provide community amenities (e.g., affordable housing).

During discussions it is important to note that City staff proposed various affordable housing requirements for discussion purposes, in the following sequence:

- from initially, 100% affordable housing on 50% of an assembly site,
- to 50% built affordable housing on 50% of an assembly site, and then
- to 10% - 20% built affordable housing on all of an assembly site.

None of the above options have received support from assembly owners. This decreased City requirement demonstrates that the City is flexible in addressing assembly needs and enabling viable options to be considered. At the same time, there appears to have been less flexibility by assembly owners.

Option 1: - Flexible - Amend the existing OCP to enable flexible rezoning choices (RECOMMENDED)

Based on these concepts, City staff recommend that Option 1 below be implemented because it meets many assembly owner needs, enables assembly groups and developers to make a profit, and allows the City to secure a range of community benefits, during the conversion of assembly sites.

Description:

Option 1 does not require the retention of assembly lands. Option 1 proposes a policy that has a range of choices should an OCP "Community Institutional" designated site be proposed for rezoning. The type and density of development is subject to the neighbourhood context and City Council approval through the rezoning process. A townhouse or apartment rezoning application on an OCP "Community Institutional" site may be able to transfer the built affordable housing floor area ratio (FAR) requirement to another non-Assembly development site subject to suitable arrangements to the City. The choices provide assembly groups with a range of flexible redevelopment and densification opportunities.

The proposed choices are based on the premise that: - "the more density provided, the more the community benefit should be and can be built. **The City's land economist has verified that the identified community benefits are financially viable for redeveloping assembly properties.**

For convenience the range of proposed Option 1 affordable housing and other community amenity requirements is summarized in **Attachment 7**.

Choice 1: Rezoning to Single-Family Residential Uses

Will be considered where the following community benefit is provided:

| | |
|---------------------------|---|
| <u>Base Density:</u> | 0.5 FAR |
| <u>Density Bonus:</u> | 0.05 FAR |
| <u>Total Density:</u> | 0.55 FAR |
| <u>Community Benefit:</u> | All of the new single-family residential houses to contain a secondary suite in all of the new single-family residential lots being created |

Choice 2: Rezoning to Townhouse Uses

Will be considered where the following community benefit is provided (all financial amounts are in 2011 figures and may be amended in the future):

A. Low Density Townhouses (e.g., 2 storeys)

- Base Density: 0.5 FAR
- Density Bonus: 0.05 FAR
- Total Density: 0.55 FAR
- Community Benefit: a) \$2/ft² contribution towards the Affordable Housing Statutory Reserve Fund as per the existing Affordable Housing Strategy

and

- b) \$12/ft² contribution towards the Child Care Reserve Fund, or alternate Community Amenity Funds as determined by Richmond City Council

or

- c) Build an additional 0.1 FAR for community amenity space only

B. Medium Density Townhouses (e.g., 2½ and 3 storeys)

- Base Density: 0.5 FAR
- Density Bonus: 0.2 FAR
- Total Density: 0.7 FAR
- Community Benefit: a) Build at least 10% FAR as affordable low end market rental housing
- b) Build an additional 0.1 FAR for community amenity space only (Optional)

C. High Density Townhouses (e.g., 3 storeys)

- Base Density: 0.5 FAR
- Density Bonus: 0.3 FAR
- Total Density: 0.8 FAR
- Community Benefit: a) Build at least 20% FAR as affordable low end market rental housing only
- b) No additional FAR for community amenity space permitted.

Choice 3: Rezoning to Apartment Uses

Will be considered where the following community benefit is provided (all financial amounts are in 2011 figures and may be amended in the future):

A. Low Density Apartments (e.g., 3 storeys)

Base Density: 0.5 FAR

Density Bonus: 0.3 FAR

Total Density: 0.8 FAR

Community Benefit: a) \$4/ft² contribution towards the Affordable Housing Statutory Reserve Fund as per the existing Affordable Housing Strategy

and

b) \$7.50/ft² contribution towards the Child Care Reserve Fund, or alternate Community Amenity Funds as determined by Richmond City Council

or

c) Build an additional 0.1 FAR for community amenity space only

B. Medium Density Apartments (e.g., 4 storeys)

Base Density: 0.5 FAR

Density Bonus: 0.7 FAR

Total Density: 1.2 FAR

Community Benefit: a) Build at least 5% FAR as affordable low end market rental housing

and

b) \$5.00/ft² contribution towards the Child Care Reserve Fund, or alternate Community Amenity Funds as determined by Richmond City Council

or

c) Build an additional 0.1 FAR for community amenity space only

C. Medium Density Apartments (e.g., 4 – 5 storeys)

Base Density: 0.5 FAR

Density Bonus: 1.0 FAR

Total Density: 1.5 FAR

Community Benefit: a) Build at least 10% FAR as affordable low end market rental housing

b) Build an additional 0.1 FAR for community amenity space only (Optional)

D. High Density Apartments (e.g., 5 – 6 storeys)

Base Density: 0.5 FAR

Density Bonus: 1.2 FAR

Total Density: 1.7 FAR

- Community Benefit:
- a) Build at least 20% FAR as affordable low end market rental housing only
 - b) No additional FAR for community amenity space only permitted.

Pros:

- Choice: provides a range of choice to reflect that no one solution fits for all Assembly zoned sites;
- Clarity: clearly identifies the community benefit for rezoning applications;
- Certainty: to Assembly property owners and the development community;
- Assembly Land Retention Is Optional: permitted with community amenity space density bonus or exemption except where sites reach a maximum FAR;
- Responsive: attempts to address Assembly owner concerns.

Cons:

- New option: has not been fully discussed with Assembly property owners;
- Opposition: some Assembly property owners only want to meet the 2007 Affordable Housing Strategy requirements and are not convinced that any built affordable housing should be required on townhouse rezoning applications;
- New requirement: some Assembly property owners believe rezoning applications for Assembly zoned sites should be treated the same as any other rezoning application (e.g., 5% built affordable housing requirement for apartments with more than 80 units only as per the Affordable Housing Strategy).

Comment

In each of the above-noted choices, the base density is established at 0.5 floor area ratio (FAR) because this is the existing density permitted in the Assembly zone. In order to increase the density, rezoning will be required and a density bonus will be used to provide a community benefit. This is common practice for the City in achieving affordable housing, childcare and other community amenities at the time of rezoning.

For example, some recent rezoning applications which have involved an OCP amendment (as is the case should a “Community Institutional” OCP designated site be proposed to be rezoned to non-Assembly purposes) have provided the following community benefits in addition to the requirements under the City’s Affordable Housing Strategy:

- Fantasy Gardens - a built, turnkey child care facility
- transfer of more than 50% of the site to the City as park
- construct to LEED Silver
- a public art contribution (\$364,000) or construction
- Oris (River Drive) - a built, turnkey child care facility
- transfer approximately 20% of the site to the City as park
- construct 5,000 ft² of City neighbourhood community space at Tait Elementary School (construction value \$1,000,000)
- contribute \$500,000 toward new community facilities in City Centre or East Cambie Area
- public art contribution (\$575,000) or construction
- Quintet - a built City Centre community centre (approximately 35,000 ft²)

- a built Trinity Western University campus (around 22,000 ft²)
- construct to LEED Silver
- a public art contribution (\$397,000) or construction

Of the 35 Assembly zoned properties affected by the existing OCP “Community Institutional” definition:

- 1/3 of these are located in neighbourhoods where single-family residential uses only would be appropriate.
- Another 1/3 of these properties could potentially be rezoned for apartment purposes because they are larger parcels in neighbourhoods where there is already some 3 storey apartment development. Assuming the entire site or around 2 acres (0.8 ha) was rezoned, all of the potential apartment sites would have more than 80 apartments (in which case, built affordable housing and not a contribution to the 2007 Affordable Housing Statutory Reserve would be required).
- This leaves the remaining 1/3 of the 35 Assembly zoned properties which could potentially rezone to townhouse purposes. Generally speaking, townhouse development outside the City Centre is of a low density nature (0.55 floor area ratio and typically 2 storeys) when located within a neighbourhood. Medium density townhouses (up to 0.7 floor area ratio and 2½ to 3 storeys) are found on arterial roads. The higher the density, the more financially feasible and reasonable it is to expect built affordable low end market rental housing.

City staff also present the following two alternative options, if Option 1 is not acceptable.

Option 2: Refer the Assembly Use Policy Review Back to Staff With Direction Regarding A Preferred Approach

Description:

Option 2 proposes that this report be referred back to staff for further work. In the meantime, any rezoning application for any of the 35 Assembly sites would be reviewed on its own merits, under the existing OCP “Community Institutional” definition.

If this option is selected by Planning Committee, direction regarding the following matters would be useful:

- (a) whether to quantify and recapture historic cumulative assembly tax savings in addition to required community benefits upon the conversion of assembly sites to other uses;
- (b) the type and amount of community benefit(s) that should be required for the conversion of assembly sites;
- (c) the degree of support or opposition to the retention and the degree of retention (full, partial, none) of assembly use on each assembly site;
- (d) the level of support for a graduated approach to requiring community benefits which is linked to the amount of residential density requested; and
- (e) any other matter which Planning Committee feels is relevant.

Pros:

- Time: many Assembly property owners want to take more time on this issue since it is complex,
- Consultation: enables more options to be explored;
- Importance: recognizes that this is an important issue that requires further work.
- Coordination: As the 2007 Affordable Housing Strategy is currently being updated, staff suggest that an OCP assembly policy review should come after the Strategy update. It is anticipated that all work would be completed in 2012.

Cons:

- Lack of agreement: at this point, it appears that agreement between the City and the Assembly property owners consulted is unlikely.
- Delay: this work will not be completed until 2012 because of other City priorities (e.g., 2041 OCP Update; No. 5 Road Assembly Lands Study; etc.).
- Impact: there is at least one Assembly zoned property that is anxious to rezone to non-Assembly purposes.

Comment

City staff and the Assembly property owners have worked hard over the past 1½ years to try to come up with a new definition and/or policies for the 35 sites designated “Community Institutional” in the OCP outside the City Centre and not within the ALR. Unfortunately, agreement has not been achieved. It is questionable whether further consultation will bring anything new to the table that has not already been discussed. If this item is referred back to staff for further work, it would be helpful if Planning Committee would identify what issues and direction it would like staff to take.

Option 3: No Revisions To The Existing OCP “Community Institutional” DefinitionDescription:

Option 3 proposes to retain the current OCP definition of “Community Institutional”. When proposals to rezone Assembly zoned land to another zoning district come forward, staff will continue to review the rezoning application on a case by case basis, and Council will make a decision with regard to how much Assembly land must be retained and what the community benefit will be.

Pros:

- History: has been successfully applied in the past.
- Flexibility: as each rezoning application will be treated on its own merits.
- Consistency: Some Assembly site owners have chosen to apply the current policy.
- Assembly Land Retention required: for the benefit of future Assembly uses and users.

Cons:

- Uncertainty: to Assembly property owners and the development community.
- More time consuming: to City staff and Council.
- Retention required: not agreed to by Assembly property owners.

Comment

Of the 35 Assembly zoned properties affected by the existing OCP "Community Institutional" definition, approximately $\frac{1}{3}$ of these are less than 1 acre (0.4 ha) in size. As a result, the City would need to, either retain all these smaller sites for Assembly purposes, or exempt them from the Assembly retention requirement. The remaining $\frac{2}{3}$ of the Assembly zoned sites which are 1 acre (0.4 ha) or greater have more potential to have a portion of their site retained for Assembly purposes. Instead of requiring the retention of the Assembly land, the City could also consider rezoning applications which propose to retain or construct an Assembly building area through such means as a density bonus or an exemption for community amenity space (e.g., a child care facility in a proposed new townhouse development). This would provide additional flexibility.

Financial Impact

None.

Conclusion

Assembly uses are valuable community land uses which are difficult to create and provide many community benefits. There has been a small erosion in the number of assembly site per capita. The consultation with assembly use owners has indicated that the majority have no plans to leave Richmond and are committed to serving their community. Many assembly owners wish to "be treated like every other developer" although this has many interpretations and involves more than just providing affordable housing. They also want flexibility in managing their assembly lands and to have assembly uses themselves recognized as an important community benefit and not be required to provide other community amenities if rezoned. There is no consensus for a solution among assembly groups, or between assembly groups and the City. Based on City land economic land analyses, City staff recommend Option 1 - Flexible because it enables the possible retention of assembly sites, preserves their value, achieves many assembly owner objectives and allows the City to secure a range of community benefits, during any conversion of assembly sites without impacting the market value of the assembly site.



Terry Crowe
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June Christy
Senior Planner

JC:rg

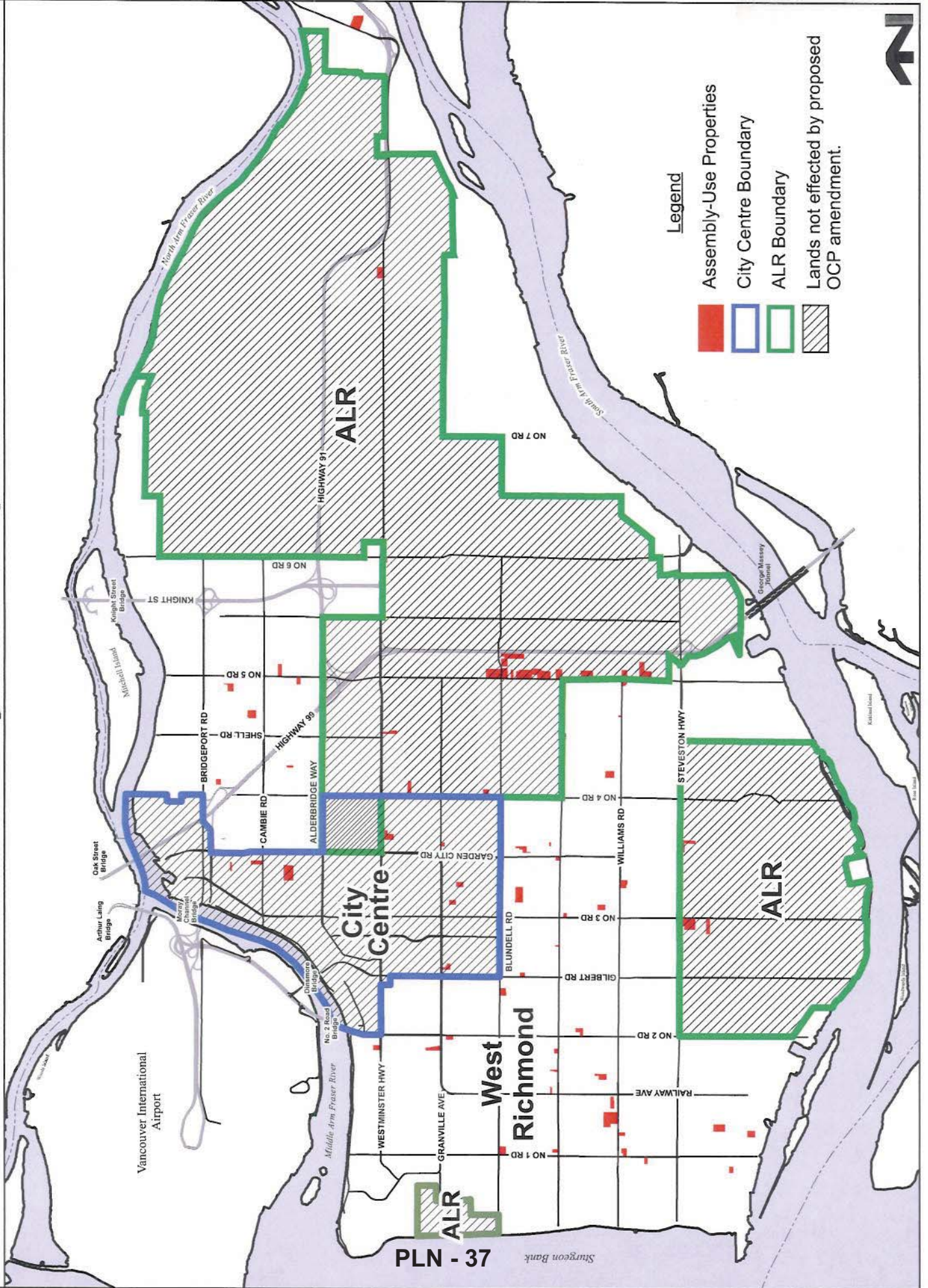
Attachments

| | |
|---------------------|--|
| Attachment 1 | Table of Contents for Binder of Materials (e.g., assembly owner consultation meeting minutes, proforma analysis) |
| Attachment 2 | 35 Affected Assembly Use Properties (owner, address and approximate size) |
| Attachment 3 | Location Map of Affected "Assembly Use" Properties |
| Attachment 4 | Assembly Properties within the City Centre Area Plan area and the ALR |
| Attachment 5 | A Summary of Feedback from all Consultations |
| Attachment 6 | May 11, 2011 - Assembly Group Feedback |
| Attachment 7 | Summary of Proposed Option 1 – Flexible - Affordable Housing and Other Community Amenity Requirements |

| Table of Contents: "Assembly Use" Owner/Stakeholder Submission Binder | | |
|--|--|---|
| 1 | November 2009 Report to Council entitled, "An Enhanced OCP "Community Institutional Definition and New Policy to Better Manage "Religious Assembly Uses" | |
| 2 | Planning Committee Minutes, November 17, 2009 | |
| 3 | Regular Council Meeting Minutes, November 23, 2009 | |
| 4 | City Invitation Letter to 35 Affected Assembly Use Owners, March 30, 2010 | |
| 5 | Meeting notes of March 30, 2010 Assembly Owners' Meeting | |
| 6 | City Letter Requesting Input from Affected Assembly Use Owners (Informal Survey), July 8, 2010 | |
| 7 | Assembly Owner Working Group Meeting Notes, April 28, 2010 | |
| 8 | Assembly Owner Working Group Meeting Notes, June 1, 2010 | |
| 9 | Assembly Owner Working Group Meeting Notes, September 8, 2010 | |
| 10 | Assembly Owner Working Group Meeting Notes, February 9, 2011, including new Assembly Lands Policy Option <i>Note: Additional meetings were held with Richmond Gospel Assembly and their land economic consultant Richard Wozny on March 4, March 21, March 23 to discuss proformas on their Dayton property at 9160 Dixon Avenue. As well, an additional meeting was held to discuss proformas on Assembly lands with Dana Westermark, Oris Consulting on March 15, 2011.</i> | |
| 11 | Assembly Owner Working Group Meeting, April 13, 2011 -List of Attendees -G.P. Rollo and Associates Power Point Presentation and Summary -Development Potential of Assembly Properties not in the City Centre or ALR | |
| 12 | City Invitation Letter to 129 Owner/Occupants of Assembly Owned Land in Richmond for April 27, 2011 meeting, April 18, 2011 | |
| 13 | April 27, 2010 Assembly Lands Meeting Package -Assembly Lands Meeting Agenda -Assembly Information Sheet -Summary of Options -Map of Assembly Use Properties -Affordable Housing Fact Sheet -Range of Assembly Land Options Proposed between November 2009 and April 2011 -G.P. Rollo and Associates Power Point Presentation | |
| 14 | Attendance List from April 27, 2011 Meeting | |
| 15 | Assembly Ballot from April 27, 2011 Meeting | |
| Memos to Council about the Assembly Lands Review process | | |
| 16 | Update: Assembly Lands Policy Referral, March 21, 2011 | |
| 17 | Update: Assembly Lands Referral/Policy, February 4, 2011 | |
| 18 | Update: Assembly Lands Policy Referral, April 29, 2011 | |
| 19. Summary of Adopted Rezoning Applications of Assembly Land | | |
| Assembly Use Owner/Stakeholder Submissions (letters and emails) | | |
| 20 | David Ail, President, Beth Tikvah Congregation & Centre Association | Date of submission letter, May 5, 2010 |
| 21 | Jacques Beaudreault and Ken Clausen, Brighthouse United Church (note: this assembly property is located in the City Centre and not affected by the proposed Assembly policy) | letter May 10, 2010 |
| 22 | George McLachrie, Associate Vice President, Colliers International | e-mail, May 31, 2010 |
| 23 | Francis Wong, Archdiocese of Vancouver (representing St. Paul's Church and School, Canadian Martyrs Church, St. Joseph The Worker Church and School and St. Monicas's Church) | letter, June 1, 2010 |
| 24 | Bruce Killen, Stewardship Commission Chair, Bethany Baptist Church | email, June 4, 2010 |
| 25 | Ian Robertson, Diocesan Treasurer, Diocese of New Westminster, Anglican Church of Canada (representing St. Ann, Steveston, St. Alban, and St. Edward) | letter, June 9, 2010 |
| 26 | Richard Alpin, Trustee/Director, West Richmond Gospel Hall | email, July 26, 2010 |
| 27 | Jeff Germo, Lead Pastor, Richmond Baptist Church | email, July 28, 2010 |
| 28 | Mary Smith, Major Pastor, Richmond Community Church, Salvation Army | email, July 29, 2010 |
| 29 | Ann Lysholm, Secretary, Parish of St. Edward, Bridgeport | letter, July 30, 2010 |
| 30 | Reverend Frances Savill, Richmond Presbyterian Church | letter, July 30, 2010 |
| 31 | Vila Nova Carvalho, 13811 Gilbert Road | letter, August 6, 2010 |
| 32 | Francis Wong, Archdiocese of Vancouver (representing St. Paul's Church and School, Canadian Martyrs Church, St. Joseph The Worker Church and School and St. Monicas's Church) | email, September 8, 2010 |
| 33 | Susan Johnson, Chairperson, Gilmore Park United Church | email, September 13, 2010 |
| 34 | Justen Harcourt, Colliers with attachment describing changing to the City Assembly Fact Sheet | May 1, 2011 |
| 35 | Summary of Assembly Owner Consultation, prepared by Policy Planning Department, May 2011 | |

| Assembly (ASY) and Similar Zoned Properties in the Affected Area (Outside City Centre and Outside the ALR) | | |
|---|---------------------------|-----------------------------------|
| Owner | OCP General Designation | Area Plan Designation |
| Bethany Baptist Church | Community Institutional | Small/large Res & Institutional |
| Roman Catholic Archbishop Of Van | Community Institutional | School/Park/Institutional |
| Richmond Baptist Church | Community Institutional | Community Institutional |
| Richmond Baptist Church | Community Institutional | Community Institutional |
| Gov Council Salvation Army Can West | Community Institutional | Community Institutional |
| Catholic Independent Schools Of | Community Institutional | Community Institutional |
| Bakerview Gospel Chapel | Community Institutional | Community Institutional |
| Richmond Gospel Society | Community Institutional | Public Institutional & Open Space |
| Vancouver Gospel Society | Community Institutional | Public Institutional & Open Space |
| Vancouver Gospel Society | Neighbourhood Residential | Low Density Residential |
| Eitz Chaim Congregation | Community Institutional | Community Institutional |
| New Wineskins Society | Community Institutional | Community Institutional |
| Convention Of Baptist Churches Of | Community Institutional | Community Institutional |
| Christian Reformed Church Of | Community Institutional | Community Institutional |
| Pres Lethbridge Stakeco Church | Community Institutional | Community Institutional |
| Bc Conf Of The Mb Churches | Community Institutional | School/Park/Institutional |
| Conference Of Mennonites In Bc | Community Institutional | School/Park/Institutional |
| Parish Of St Edward, Bridgeport | Community Institutional | Residential Single Family |
| Holy Spirit Association For The | Neighbourhood Residential | Public Institutional & Open Space |
| Johrei Fellowship Inc | Community Institutional | Public Institutional & Open Space |
| Northwest Canada Conference | Community Institutional | School/Park/Institutional |
| Steveston Buddhist Temple | Community Institutional | Institutional |
| Steveston Congregation Of The | Community Institutional | Institutional |
| Roman Catholic Archbishop Of Vancouver | Community Institutional | Community Institutional |
| Richmond Congregation Of The | Community Institutional | Community Institutional |
| Parish Of St Anne's | Community Institutional | Community Institutional |
| Congregation Of The Gilmore Park | Community Institutional | Community Institutional |
| Congregation Of The Richmond Gospel | Community Institutional | Community Institutional |
| Ukrainian Catholic Episcopal Corp | Community Institutional | Community Institutional |
| St Joseph The Worker Parish (Roman Catholic) | Community Institutional | Community Institutional |
| Richmond Christian School Assoc | Community Institutional | Community Institutional |
| Beth Taka Congregation And Centre | Community Institutional | Community Institutional |
| Emmanuel Christian Community Soc | Community Institutional | Institutional |
| Christian & Missionary | Community Institutional | Institutional |
| Stevenson Congregation Of Jehovah's | Community Institutional | Institutional |

“Assembly Use” Properties



Legend

- Assembly-Use Properties
- City Centre Boundary
- ALR Boundary
- Lands not effected by proposed OCP amendment.



| Assembly (ASY) and Similar Zoned Properties Within the City Centre | | |
|---|--------------------------------|--|
| Owner | OCP General Designation | Area Plan Designation |
| Pentecostal Assemblies Of Can. (9260 Westminster Hwy) | Community Institutional | General Urban T4, Institution |
| Pentecostal Assemblies of Canada (9300 Westminster Hwy) | Community Institutional | General Urban T4, Institution |
| North Richmond Alliance Church | Community Institutional | General Urban T4, Institution |
| Congregation Of The United Church | Community Institutional | General Urban T4, Institution |
| Parish Of St Alban's (Richmond) | Community Institutional | General Urban T4, Institution |
| Trinity Lutheran Church - Richmond | Community Institutional | General Urban T5, Institution |
| North Richmond Alliance Church | Community Institutional | General Urban T5, Institution |
| Congregation Of The Richmond United | Community Institutional | General Urban T4, Institution |
| Rec Holdings | Community Institutional | General Urban T4, Park, Proposed Streets |
| Church in Richmond | Business and Industry | General Urban T4 |
| I Kuan Tao (Fayi Chungder) | Business and Industry | General Urban T4 |
| Assembly (ASY) and Similar Zoned Properties Within the ALR | | |
| Owner | OCP General Designation | Area Plan Designation |
| Choice School For Gifted Children | Agriculture | Agriculture |
| Kanakas Gurdwara - Gursikh Temple | Agriculture | Agriculture |
| Armenian Apostolic Church Of BC | Agriculture | Agriculture |
| Cornerstone Evangelical Baptist | Community Institutional | Agriculture, Instit and Public |
| India Cultural Centre Of Canada | Community Institutional | Agriculture, Instit and Public |
| Shia Muslim Community Of Bc | Community Institutional | Agriculture, Instit and Public |
| Richmond Jewish Day School Society | Community Institutional | Agriculture, Instit and Public |
| Subramaniya Swamy Temple Of Bc | Community Institutional | Agriculture, Instit and Public |
| Richmond Chinese Evangelical Free | Community Institutional | Agriculture, Instit and Public |
| Richard Lehwald | Community Institutional | Agriculture, Instit and Public |
| Fujian Evangelical Church | Community Institutional | Agriculture, Instit and Public |
| Vedic Cultural Society Of BC | Community Institutional | Agriculture, Instit and Public |
| Dharma Drum Mountain Buddhist | Community Institutional | Agriculture, Instit and Public |
| Peace Evangelical Church | Community Institutional | Agriculture, Instit and Public |
| BC Muslim Association | Community Institutional | Agriculture, Instit and Public |
| BC Conf Of The Mb Churches | Community Institutional | Community Institutional |
| Lingyen Mountain Temple | Community Institutional | Community Institutional |
| Our Saviour Lutheran Church Of | Agriculture | Agriculture |
| Lansdowne Congregation Of Jehovah's | Agriculture | Agriculture |
| Immanuel Christian Reformed Church | Agriculture | Agriculture |
| Science Of Spirituality Skrm Inc | Agriculture | Agriculture |
| International Buddhist Society The | Agriculture | Agriculture |
| Congregation Of The South Arm | Agriculture | Agriculture |
| Richmond Alliance Church | Agriculture | Agriculture |

Summary Of Assembly Owner Consultation

1. Chronology of Assembly Owner Meetings

Between March 30, 2010 and April 27, 2011, City staff held eight (8) meetings with Assembly use owners to discuss and try to reach a consensus about possible alternative approaches to the November 2009 proposal. Meeting notes and agenda packages are contained in the Council and Front Counter binders.

Staff began the assembly owner consultation by holding a general meeting at City Hall on March 30, 2010. All thirty-five (35) affected assembly use owners were invited, and seventeen (17) assembly owners/stakeholders attended.

A smaller "Working Group" of interested assembly owners was formed to discuss alternative policies. The Assembly Owner Working Group met six (6) times between April 2010 and April 2011. Members of the development industry and the Urban Development Institute (UDI) also attended several of the meetings. The meetings remained open to all assembly owners and attendance varied from five to fifteen attendees. The last detailed City Working Group meeting on April 13, 2011 was for the Working Group members to discuss the proforma calculations with the City consultant.

Staff also met several times with Richmond Gospel Society representatives who own and want to sell their property on Dayton Avenue. One of these meetings involved a discussion of a proforma analysis on their site with their financial consultant, Richard Wozny. One of the meetings also involved a financial discussion with Dana Westermarck who voluntarily provided proforma analyses for the Dayton property as well and several other assembly sites.

Between March and April 2011, City staff attended three assembly group meetings hosted by the assembly owners. Subsequently, the City hosted a meeting for all Richmond assembly owners on April 27, 2011 to catch up on the background, the options and the respective pro forma calculations. One hundred and twenty-nine (129) invitation letters were sent out to interested stakeholders representing the 77 assembly properties in Richmond. Fifty-one stakeholders attended. Of these, nineteen stakeholders representing fifteen (15) properties affected by the proposed OCP policy were in attendance.

2. 2010 Informal Assembly Owner Survey

In July 2010, a letter was sent to the thirty-five (35) affected assembly owners to inform them of the progress of the Working Group discussions and to request more advice regarding their existing situation, needs, priorities, demographic trends and changes in their organizations. There were eight (8) written responses from assembly owners representing 14 assembly properties. The letters and a summary of their responses are in the Council and Front Counter binders.

3. The City Requested April 27, 2011 Ballot

At the April 27, 2011 meeting, a City ballot was handed out to all of the 51 attendees to ascertain their preferences. They were asked to fill out one ballot per church site. The ballot listed the following three proposed options and asked which of three options was preferred:

- Option 1 - The 1999 OCP Assembly Use Retention Use Policy
- Option 2 - The 2007 Affordable Housing Strategy Policy
- Option 3 - The Built Affordable Housing Policy

4. Key Themes and Observations

The following are the key themes and observations from the City's survey, Working Group discussions and written submissions.

From the 2010 City Survey

- One out of eight respondents considered that their organization had decreased in congregation size although considered their organization to be viable;
- Most replied that their memberships have remained fairly constant;
- All respondents stated that they planned to retain their properties in the foreseeable future and that there were no plans to redevelop or to move out of Richmond;

- Three respondents stated that they planned to expand or update their buildings (e.g., modernize their kitchen and/or classrooms, add a new gymnasium, increase the amount of meeting space, be more energy efficient) on their existing property;
- One respondent replied that they are looking at other properties to expand their facilities but that they had not found anything suitable;
- All respondents reported that they are committed to staying in Richmond and serving their community;
- Most assembly respondents described the programs and uses that they provide to the Richmond community now. These include providing free community meals; programs for children, youth and seniors, ESL, after school programs, meeting space (e.g., Al Anon, Alcoholics Anonymous, scout and girl guide troops, fitness classes, civic, provincial, federal elections and services to the poor).
- Many suggested that the policy review consider the importance of maintaining churches in Richmond;
- Some respondents wanted to maintain what has always worked in the past (i.e., do not fix what is not broken);
- Some commented that it would be a very slow and elaborate process for a religious assembly group to shut down and that it is not for government to require them to cater to future assembly groups; and
- Most assembly owners stated in the meeting that they wish to be "treated like any other land owner/developer".

5. The City's April 27th 2011 Ballot

Four ballots were returned. Two ballots did not list a preferred option. On one of these ballots, the comments were that none of the options presented are acceptable and asked that the City further consider other options and enter into additional meaningful dialogue with assembly land use owners. The two remaining ballots chose Option 2 (The 2007 Affordable Housing Strategy Policy) as the preferred option.

6. May 3, 2011 Assembly Group Feedback

On May 3, 2011, an assembly Working Group representative advised City staff that there was no assembly group consensus for any of the City's April 27, 2011 ballot options.

7. From the Working Group Discussions and Survey Submission Letters:

- Religious organizations are dedicated to the needs of their church community and will not readily give up their lands or buildings;
- Most offer many community programs and a range of services in addition to religious worship. These include programs for children, youth and seniors to providing meeting spaces for others;
- It is common practise for churches to provide space for other denominations;
- Most religious organizations are under financial pressure to remain financially viable and want to retain their existing buildings;
- Many religious buildings in Richmond are old and need renovation and there are fears that religious groups will lose their buildings due to lack of congregation size, revenue, decreasing congregations, and increasing construction costs;
- They would like more affordable land for future assembly use owners;
- To remain viable, some large more established organizations with more than one property are considering reducing the number of their locations and replacing them with one larger facility;
- The needs of religious organizations are complex (i.e., increasingly multicultural/multilingual needs, income disparities). They are providing increasingly multi-dimensional services to the community (i.e., education, culture) and not just religious services;
- Religious organizations do not have the skills to manage low rental housing developments although religious organizations would not be required to own and operate affordable housing units;
- Assembly properties are typically held in trust on behalf of a non-profit and/or benevolent organization. These organizations take great care in managing and maintaining these assets on behalf of the community and future generations. When a decision is made to sell one of these assets, it is not done so lightly and typically is the result of financial hardship and stress resulting from aging facilities requiring increased maintenance costs;
- The proposed City's built affordable housing option "penalizes" religious organizations by restricting their market value and minimizes their ability to raise capital for improvements to their properties;
- Some suggest that the existing OCP policy works to some degree by being flexible and not overly prescriptive; and
- The City should consider developing a holding company to purchase/hold assembly properties for future assembly use.

8. Conclusions

- Most religious organizations are not leaving the City;
- The majority are planning to stay in Richmond; and
- Religious organizations do much good work and serve Richmond residents well.

Therefore, according to the participants, any revised City OCP policy does not need to require the retention of assembly lands.

Given that only four assembly owners chose to return a ballot, it can be inferred by the non-participation of the remaining affected assembly owners that there is very little consensus about any of the options.

It is staff's position that many assembly owners either do not understand or do not wish to accept that it is standard City practice (as in all other municipalities), when reviewing typical rezoning applications and/or OCP amendments, to require additional community benefits such as affordable housing, childcare, public art, transit improvements.

9. Range of Assembly Use Policy Options Considered As of April 27, 2011

The table below shows the range of policy options that were discussed during the assembly owner working group meetings and the assembly owner response.

| Range of Assembly Land Options – Considered as of April 27, 2011 | | | | | |
|--|--|---|---|---|---|
| Description | Option 1 Existing 1999 OCP Assembly Use Retention Policy | Referred November 2009 Draft Policy | Rejected February Draft 2011 Policy | Option 2 2007 Affordable Housing Strategy Policy (April 2011) | Option 3 Built Affordable Housing Preference (May 2011) |
| Assembly Land Use | Must be retained | 50% of the site must be retained | 1 acre must be retained | No retention requirement | No retention requirement |
| Residential Land Use | Must be provided | 50% site residential | Over 1 acre 100% residential | 100% residential on assembly lots | 100% residential all assembly lots |
| Community Benefit | Must be provided | 100% built affordable housing | 50% built affordable housing | - \$2.00 - \$4.00 s.f. contribution to affordable housing, OR - 5% built affordable housing AND - As usually done, the City may require other community benefits through the rezoning process (e.g., child care; energy conservation measures; transit improvements; etc.) | -10% affordable housing only -no other community benefit required |
| as | Least | Less | More | Less | Most |
| Degree of Certainty to Developer | Least | Less | More | Less | Most |
| Response by Assembly Property Owners | Beth Tikvah Synagogue – 100% built affordable housing (16 subsidized units + 10 low end market rental units) Eitz Chaim Congregation \$9.10 s.t. contribution to affordable housing | Opposed City Council referred back to staff for full consultation with religious groups and development community | - Rejected - Felt City staff were not listening to their concerns and hadn't provided the required economic analysis | Want to be treated the same as other property owners (but may not recognize that affordable housing isn't the only community benefit required) | Questioned the economic analysis and affordable housing requirement. The City has responded to these questions and believes that this option is financially viable and practically achievable |

10. Topics of Assembly Owner Consensus about the Policy Options

In general, Assembly use owners appear to have the following positions:

- The Community Benefit needs to recognize the significant benefit that Assembly owners provide to the community through various volunteer projects: meal programs, counselling, emergency shelter and other facility provisions;
- Narrowly defining community benefit as solely the provision of affordable housing completely disregards the services that religious organizations provide;
- They already provide many community benefits and services including providing affordable housing in some cases;
- They want to continue to provide existing community benefits and an assembly use;
- Many assembly groups have no intention to redevelop for non-assembly purposes;
- Are opposed to an assembly use retention requirement;
- There is no one solution for all assembly owners;
- Assembly sites that redevelop for single family residential should provide 100% secondary suites (exceeding the Affordable Housing Requirement of 50%);
- Assembly sites that redevelop for multiple family residential should be treated like any other rezoning application (e.g., subject to existing 2007 Affordable Housing Strategy);
- Senior governments should bear the responsibility for providing affordable housing and not assembly owners;
- The City should not be involved in regulating what Assembly owners do; and
- Agree that retaining the existing definition of "Community Institutional" is not the preferable option because of its lack of clarity.

Some Assembly owners believe that since they originally bought their land at residential land values that they should have the right to automatically rezone their property to residential zoning without penalty. This is not City practice.

11. Assembly Owners Key Concerns Re the City's Proposed April 27, 2011 Assembly Options

- The proposal to increase the requirement for built affordable housing on apartment rezoning applications involving assembly zoned sites from 5% (current Affordable Housing Strategy requirement) to 10% - 15%;
- The proposal to introduce a new requirement for 10% - 20% built affordable housing on townhouse rezoning applications involving assembly zoned sites (not the \$2.00 per square foot contribution towards affordable housing under the current Affordable Housing Strategy);
- The proposal to quantify that a townhouse rezoning application involving assembly zoned land should pay more than \$2.00 per square foot towards affordable housing (i.e., an additional \$12 per square foot toward child care and other community amenities);
- The proposal to quantify that an apartment rezoning application involving assembly zoned land should pay more than \$4.00 per square foot towards affordable housing (i.e., an additional \$5 to \$7.50 per square foot toward child care and other community amenities).

Richmond Religious Land Owners Group (Assembly Land Owners)

Our Position:

1. Virtually all our lands were residential prior to our purchase and use. We want the right to return them to residential if/ when we cease to use/own them. This is not really rezoning, but rather uncovering the underlying zoning.
2. If/when assy. lands are returned to residential zoning, there shall be NO penalty to the owner.
3. If/when a property, presently or previously used for religious worship, wishes to develop some/most/all of their property it shall be treated in the same way/basis as any other application from any other organization or individual.
4. We request a declaration by Council to respect the BC legislation granting tax exemption to places of religious workshop, and to undertake that no forms of visible or hidden taxation will be assessed on these places.
5. We request a declaration from Council that Richmond recognizes the contributions being made to community life by places of religious worship in their community activities, and that were the City to have to undertake those same activities, taxes would have to increase.

6. *The assets of the congregation are invested in programs & facilities for the community.*

For Clarity

6. The assets of the congregation are invested in programs and facilities for the community.

May 10, 2011

Summary of Proposed Option 1 – Flexible - Affordable Housing and Other Community Amenity Requirements

The following chart summarises the proposed Option 1 – Flexible affordable housing and other community amenity requirements.

| Summary of Proposed Option 1 – Flexible - Affordable Housing and Other Community Amenity Requirements | | | | | | | |
|--|----------|-------------------|--------------------------------|-----------------------|-------------------------|--------------|---------|
| Type of Development | Base FAR | Density Bonus FAR | Affordable Housing Requirement | | Other Community Amenity | | |
| | | | Cash In Lieu | Built | Optional/Required | Cash In Lieu | Built |
| Single family | 0.5 | 0.55 | N/A | 100% secondary suites | N/A | N/A | N/A |
| Townhouses | 0.5 | 0.55 | \$2/ft2 | N/A | Required either/or | \$12/ft2 | 0.1 FAR |
| | | 0.7 | N/A | 10% FAR | Optional | N/A | |
| | | 0.8 | | 20% FAR | Not Permitted | | |
| Apartments | 0.5 | 0.8 | \$4/ft2 | N/A | Required either/or | \$7.50/ft2 | 0.1 FAR |
| | | 1.2 | | 5% FAR | Optional | | |
| | | 1.5 | | 10% FAR | | | |
| | | 1.7 | | 15% FAR | Not Permitted | | |

Notes:

- The type and density of development is subject to the neighbourhood context and City Council approval through the rezoning process.
- A townhouse or apartment development on an Assembly site may be able to transfer the built affordable housing FAR requirement to another non-Assembly development site subject to suitable arrangements to the City.



**Richmond Official Community Plan Bylaw 7100,
Amendment Bylaw 8758**

**“Community Institutional Lands” Policy and
Definition of "Community Institutional" Designation**

The Council of the City of Richmond enacts as follows:

1. Richmond Official Community Plan Bylaw 7100, Schedule 1, is amended by adding the following “Community Institutional Lands” policy after 6.9 under a new heading, as follows:

6.10 COMMUNITY INSTITUTIONAL LANDS

ISSUE:

Community Institutional lands are an important component of community life in Richmond. They include areas of the City that are used for religious assembly, education, child care and cultural purposes, as well as certain other specific secondary uses permitted in the Zoning Bylaw.

Community Institutional lands provide a significant community benefit through various volunteer activities such as meal programs, emergency shelter, counselling services, family support, and programs for seniors and children. Generally speaking, these lands are held in trust on behalf of a non-profit and/or benevolent organization and the existing property owners have no intent to change their Community Institutional designation.

The current supply of Community Institutional land is somewhat limited and as a result the City has permitted assembly-type uses in other Official Community Plan (OCP) designations (e.g., Commercial and High-Density Mixed Use areas but not Business and Industry designated lands). It is anticipated that with a growing population, Richmond will need more land for assembly-type purposes (e.g., in areas designated for Community Institutional or Residential purposes, but not areas designated for Agriculture).

However, in a few instances, the City has been asked to change the Community Institutional designation in favour of a Residential designation. Typically, this arises where the current property owner can't find another Community Institutional user or is under financial hardship or stress resulting from aging facilities requiring increased

maintenance costs. In these instances, the land is usually proposed to be rezoned to residential uses.

Where this is the case, the City needs clear but flexible objectives and policies in the OCP to guide the property owner, development community and City staff. Ultimately, the decision on whether or not to change a Community Institutional OCP designation is at the sole discretion of Richmond City Council. The type and density of non-Community Institutional development is subject to the neighbourhood context. Where the Community Institutional designation is changed, the City wants to ensure that there continues to be a community benefit from any proposed residential development.

OBJECTIVE 1:

Continue to support the community benefits existing Community Institutional lands provide to the City.

OBJECTIVE 2:

Ensure that the conversion of Community Institutional lands to another OCP designation continues to provide a community benefit to the City.

POLICIES:

The following policies apply to all Community Institutional lands outside the City Centre and the Agricultural Land Reserve (ALR).

General

- a) The City will continue to support Community Institutional uses through means within its jurisdiction (e.g., possible permissive tax exemptions).

Rezoning to Single Family Residential Uses

- b) If the conversion of an existing Community Institutional designated property to a Residential designation to permit rezoning and/or subdivision to single family residential uses is being proposed, the following community benefit should be provided:
 - i) Where a density bonus of 0.05 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 0.55 FAR, all of the new single family residential houses must contain a secondary suite.

Rezoning to Townhouse Uses

- c) If the conversion of an existing Community Institutional designated property to a Residential designation to permit rezoning and/or subdivision to townhouse residential uses is being proposed, the following community benefit should be provided:

Low Density Townhouses (e.g., 2 storeys)

- i) Where a density bonus of 0.05 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 0.55 FAR, the developer:
- Contributes towards the Affordable Housing Statutory Reserve in accordance with the Affordable Housing Strategy (e.g., \$2.00/ft² or other amount as amended from time to time);
- and either
- Contributes \$12/ft², or such other amount determined by Richmond City Council, towards the Child Care Reserve Fund, or alternate Community Amenity Funds; or
 - Builds an additional 0.1 FAR for community amenity space only.

Medium Density Townhouses (e.g., 2½ and 3 storeys)

- ii) Where a density bonus of 0.2 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 0.7 FAR, the developer:
- Builds at least 10% FAR as affordable low end market rental housing;
- and
- May build an additional 0.1 FAR for community amenity space only.

High Density Townhouses (e.g., 3 storeys)

- iii) Where a density bonus of 0.3 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 0.8 FAR, the developer:
- Builds at least 20% FAR as affordable low end market rental housing;
- and
- Does not build any additional FAR for community amenity space.

Rezoning to Apartment Uses

- d) If the conversion of an existing Community Institutional designated property to a Residential designation to permit rezoning and/or subdivision to apartment residential uses is proposed, the following community benefit should be provided:

Low Density Apartments (e.g., 3 storeys)

- i) Where a density bonus of 0.3 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 0.8 FAR, the developer:
- Contributes towards the Affordable Housing Statutory Reserve in accordance with the Affordable Housing Strategy (e.g., \$4.00/ft² or other amount as amended from time to time);
- and either
- Contributes \$7.50/ft², or such other amount determined by Richmond City Council, towards the Child Care Reserve Fund, or alternate Community Amenity Funds; or
 - Builds an additional 0.1 FAR for community amenity space only.

Medium Density Apartments (e.g., 4 storeys)

- ii) Where a density bonus of 0.7 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 1.2 FAR, the developer:
- Builds at least 5% FAR as affordable low end market rental housing;
- and either
- Contributes \$5.00/ft², or such other amount determined by Richmond City Council, towards the Child Care Reserve Fund, or alternate Community Amenity Funds; or
 - Builds an additional 0.1 FAR for community amenity space only.

Medium Density Apartments (e.g., 4 to 5 storeys)

- iii) Where a density bonus of 1.0 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 1.5 FAR, the developer:
- Builds at least 10% FAR as affordable low end market rental housing;
- and
- May build an additional 0.1 FAR for community amenity space only.

High Density Apartments (e.g., 5 to 6 storeys)

- iv) Where a density bonus of 1.2 floor area ratio (FAR) is proposed over the existing 0.5 FAR permitted in the Assembly zoning for a total density of 1.7 FAR, the developer:
- Builds at least 15% FAR as affordable low end market rental housing;
- and
- Does not build any additional FAR for community amenity space.

