



Schedule 8 to the Minutes of the Council Meeting for Public Hearings held on Tuesday, February 25, 2014.

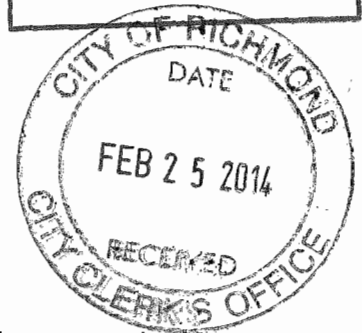
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The Voice of the Residential Construction Industry in the Greater Vancouver Area

To Public Hearing
Date: Feb 25 2014
Item # 1
Re: Bylaw 9098
Hamilton Area Plan

25 February 2014

Mayor Malcolm Brodie and Members of Council
City of Richmond
6911 No. 3 Road
Richmond, BC



Dear Mayor Brodie and Councillors;

Re: Hamilton Area Plan Public Hearing

The Greater Vancouver Home Builders' Association represents 750 members comprised of developers, home builders and suppliers who assist in delivering the housing that is planned in our communities. GVHBA is the voice of the residential construction industry in the Lower Mainland and applauds the work of council and your staff in the development of a new Hamilton Area Plan.

The GVHBA has some concerns, however, in the section of the plan related to Development Financing. GVHBA understands that municipalities are looking broadly for revenue sources to fund new community infrastructure and amenities. While GVHBA acknowledges the practicality of partial funding of new community amenities through fees from new development, it is our view that the allocation of new amenity costs to new development should always be equitable, transparent, and predictable. We are opposed to the use of land lift calculations to determine the "budget" for community amenities. In our opinion, land lift is an arbitrary amount, and it is important to recognize that this approach creates uncertainty in the development feasibility assessment and financing process and potentially limits land transactions, both of which can reduce the supply and affordability of new housing.

GVHBA supports a best practices model of new amenity funding which identifies amenity goals within a neighbourhood plan, undertakes costing of the new amenities, fairly apportions the costs of the new amenity to new development, and allocates the costs on a unit basis in a predictable manner. The Hamilton Area Plan includes the identification and costing of the additional community centre space, the public library, and the community policing facility, and a contingency to account for potential higher construction costs in the future. This is supportable work. However, there is a very significant amount of funding allocated to the undefined "Miscellaneous" category, particularly the "... other possible community amenities, etc." Including this undefined,



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unallocated cost envelope does not allow for reasonable allocation of cost to new development, and it does not meet the principles of equity, transparency or predictability.

GVHBA feels that the approval of the Hamilton Area Plan is an important step for the residents (current and future), and we do not feel that the Plan should be delayed in order to create an improved CAC model. We would, therefore, recommend that Council remove this Development Financing section from the Plan prior to approval, and work with the industry to craft an amenity funding model that will support the delivery of the proposed amenities in the Hamilton area, and which adheres to the principles of equity, transparency and predictability.

Once again, congratulations on the preparation of the new Hamilton Area Plan, and we look forward to the opportunity to collaborate with the City further on this and other endeavors.

Yours truly,

Bob de Wit
 CEO



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