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**From:** John Roston, Mr <john.roston@mcgill.ca>  
**Sent:** January 13, 2022 4:22 PM  
**To:** Brodie, Malcolm; McNulty,Bill; Steves,Harold; Day,Carol; Au,Chak; Loo,Alexa;  
Hobbs,Andy; McPhail,Linda; Wolfe,Michael  
**Cc:** CityClerk; Michelle Li (michelleli@shaw.ca); Laura Gillanders  
(lauragillanders@gmail.com); Maria Rantanen  
**Subject:** Public Hearing January 17, 2022 - Polygon Talisman Park Ltd.  
**Attachments:** Polygon Talisman Park Public Hearing January 2022 Richmond Rental Housing  
Advocacy Group.pdf

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Dear Mayor & Councillors,

Attached is a brief submission on the Polygon Talisman project by the Richmond Rental Housing Advocacy Group to the Public Hearing on January 17.

Our views have changed since the discussion at recent Council meetings indicated that Polygon paid a very high price for the land as if it were already zoned for strata condos. If so, that was a major costly mistake on their part and should not prevent a scarce major tract of land in the City Centre from being used for the rental housing that is so desperately needed. This is a rare opportunity to turn the rental housing crisis around. We present a way forward that requires bold action on your part while providing substantial incentives for Polygon.

I am copying the City Clerk to indicate that I would like to delegate on this proposal, agenda Item 2, at the Public Hearing on Jan. 17.

Many thanks for your careful consideration of this very important issue.

Richmond Rental Housing Advocacy Group  
John Roston, Coordinator

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**Richmond Rental Housing Advocacy Group Submission to the Public Hearing, January 17, 2022,  
Agenda Item 2: Polygon Talisman Park Ltd.**

**Backing Up Your Words with Action Requires Rezoning the Property for 100% Rental Housing**

Most of you have spoken publicly about the urgent need for large amounts of new rental housing in the City Centre. Polygon Talisman is one of the few large tracts of land where that is possible. It is a rare opportunity for immediate action on market rental housing. An excellent plan is in place and ready to go. Change the tenure from strata condos to market rental and with one stroke, you have changed the rental marketplace in Richmond.

**It's All About the Cost of Land**

Your consultants have explained that market rental is all about the cost of land. The land in this case is currently zoned for single family housing. Adding a premium for creating a land assembly would result in a land value that allows for market rental to be profitable. From what has been said at Council meetings, it appears that Polygon paid far above that level as if the land were already zoned for more profitable strata condos. If so, their gamble on strata condo rezoning seems to have taken for granted that you would vote for it. That was a major mistake on their part.

**The Billionaire Bailout**

If you instead rezone the land for 100% rental, the project will be profitable, but they are not going to recover what they paid for the land. The billionaire is going to take a substantial loss on the land unless you bail him out by rezoning it for mostly strata condos. It's unfortunate, but it won't bankrupt him. Mistakes have consequences.

**It Isn't Fair to Do This to an Excellent Developer Who Has Been Very Cooperative**

They moved the park. They added green roofs. They have made other modifications when requested and have been strung along for years. Council should have told them at the very beginning that this land is needed for rental housing. These are all reasons for providing them with significant incentives to switch to rental housing, but not to reimburse them for paying too much for the land by allowing them to build mostly strata condos.

**The Way Forward**

Rezone the land for 100% rental. Otherwise, the hope remains that it can be rezoned for strata condos by a future Council and Polygon will let the land sit vacant. Rezoned for rental, they will take a loss on the land and either build rental or sell to someone who will, most likely a pension plan or insurance company that will reimburse them for their development costs to date. If Polygon builds rental, CMHC will loan them almost the entire cost at a low rate locked in for 10 years on a 50-year amortization.

**How About 50% Rental**

It will not have sufficient impact on the supply of rental housing. Rents will be higher due to lower economies of scale. Pension plans are not interested in projects with less than 100% rental.

**Significant Incentives That the City Can Easily Afford**

Remove the required \$12 million contribution to the Capstan Station. The station is already fully funded. Use the Revitalization Tax Exemption to delay collecting the municipal tax on the value of the new construction (improvements) for ten years as has been done by the City of Kelowna. This will substantially increase the value of the property. They will continue to pay the property tax on the land so there is no reduction in the City's revenue.