

# ON TABLE ITEM

Date: Dec. 18, 2017  
Meeting: Public Hearing  
Item: #5-Onni

Schedule 10 to the Minutes of the Public Hearing meeting of Richmond City Council held on Monday, December 18, 2017.

## Mayor and Councillors

**From:** Don Flintoff <don\_flintoff@hotmail.com>  
**Sent:** Sunday, 17 December 2017 12:19  
**To:** Mayor and Councillors  
**Subject:** Onni - December 20, 2017 Public Hearing OFFICIAL COMMUNITY PLAN BYLAW 7100, AMENDMENT BYLAW 9062 AND RICHMOND ZONING BYLAW 8500, AMENDMENT BYLAW 9063 Location: 4020, 4080, 4100, 4180, 4280 and 4300 Bayview Street (formerly 4300 Bayview Street) Applicant  
**Attachments:** Onni and Community Amenity Contributions Dec 19.docx  
**Categories:** - DISTRIBUTED ON TABLE, - TO: MAYOR & EACH COUNCILLOR / FROM: CITY CLERK'S OFFICE

Hi,  
  
See attached letter to Council.  
  
Cheers & Merry Xmas,  
  
Don



December 12, 2017

Mayor & Council  
City of Richmond

RE: December 20, 2017 Public Hearing

OFFICIAL COMMUNITY PLAN BYLAW 7100, AMENDMENT BYLAW 9062 AND RICHMOND ZONING  
BYLAW 8500, AMENDMENT BYLAW 9063

Location: 4020, 4080, 4100, 4180, 4280 and 4300 Bayview Street (formerly 4300 Bayview Street)

Applicant: Onni Development (Imperial Landing) Corp.

## Previous History

A bit of history of the site gleaned from the City's website –

### Imperial Landing Chronology – 1998 to Present

- Sept. 17, 1998 – A Land Use Plan for the Steveston Properties Site was officially adopted by Council.
- Dec. 1998 - B.C. Packers submitted an Application for Rezoning, Development Permit & Subdivision.
- Oct. 1999 - B.C. Packers Rezoning Application reaches Third Reading (6-3).
- May 28, 2001 - Council approves B.C. Packers Application (5-3). (Report May 24/01, File No. 8060-21-7108/RZ 98753805) (Reqs No. 420882)  
For: Dang/Greenhill/Johnston/Kumagai/McNulty  
Against: Mayor Halsey-Brandt/Brodie/Steves  
Absent until 8:08 pm – Barnes
- Sep. 2001 - The City obtained title to the Waterfront Lands from B.C. Packers.
- Dec. 2001 - The Site and Development Plans were sold to the Onni Group.
- March - 2003 - The waterfront park and boardwalk opened to the public.
- Nov. 2003 - Various 'visions' were presented in Public Open Houses at City Hall.
- Dec. 15/16, 2003 – General Purposes Committee Meetings: the Gen. Mgr. Parks, Recreation & Cultural Svcs presented "Feedback – Imperial Landing Open Houses". Differing views, opinions, and concerns were expressed by those present. This report was referred to staff for further consideration of 20 elements.
- Feb. 20, 2004 -General Purposes Committee Meeting: The Manager, Policy Planning, outlined in a Report by Planner David Brownlee, various elements which were to be reviewed, arising from the Dec. 11, 2003 report 'Feedback - Imperial Landing Open Houses', from the General Manager Parks, Recreation & Cultural Services. Three options were outlined, with the third arising from the General Manager, Urban Development and Onni representatives exploring a possible 'Compromise Option'. "Staff were directed to further explore with Onni Development (Imperial Landing) Corp. a modified development package for the Imperial Landing Maritime Mixed Use (MMU) area and the northeast corner of Bayview and No.1 Road with the objective of having Onni submit a rezoning application for Council's consideration". (All Council incl Kumagai).
- Exploring the compromise option, the following elements were included:
- \* an additional 30,000 sq.ft. of residential development would be permitted within the MMU;
  - \* an additional 7,000 sq.ft. of retail commercial for north of Bayview St., near No.1 Road intended to accommodate a specialty grocery store;
  - \* the existing zones for the MMU would be altered to permit retail commercial;

- \* Onni would design and build a fish market within the MMU area provided that there was a bonafide commitment to lease such space from interested parties;
- \* Onni would make a financial contribution toward future waterfront or other improvements. It is intended that this matter would be discussed in a future closed Council session.  
( On page 7, the Financial Impact of Compromise Option 3, is noted as –  
“ \$1.7 million or more potential contribution toward community amenities.”)

**March 1, 2004 - General Purposes Committee Meeting: Mr. Crowe, Manager Policy Planning and Mr. Burke, Manager, Development Applications, reviewed with Committee the charts which were on display, to explain the modified development proposal for the Imperial Landing Maritime Mixed Use (MMU) area and the north-east corner of Bayview Street and No.1 Road.**

**Moved and seconded: that staff report to Committee with visions for the Imperial Landing Maritime Mixed Use (MMU) area and the north-east corner of Bayview Street and No.1 Road, without pre-commitment, on alternatives for the site. Elements (a) to (f) to be considered; also - that staff provide information on (i) the timing of a presentation to the public for discussion on the alternate visions, and (ii) how the public consultation process would be undertaken. Carried:**

**Dec. 20, 2005 - In the Planning Committee Minutes.- “Mr. Burke provided an oral update on the status of the Onni rezoning proposal. He advised that staff were currently reviewing the revised plans, which had increased the size of the residential component and decreased the size of the commercial element. Mr. Burke added that the key components were still included in the design, and that once staff had completed their review, the developer would be holding public information meetings in the area to present the proposal to area residents. General Manager, Urban Development, Joe Erceg advised that full vehicular access had been negotiated through the Onni property to the City-owned waterfront property; and as well, the developer had agreed to organize the property in such a way to increase the outdoor plaza area for use by the City”. Reference was made to the current zoning of the City-owned water lot property as it related to the Onni proposal, and advice was given that staff would review that issue as part of their review of the Onni project.**

**Dec. 20, 2005 to Dec. 2006 – No mention of progress with the proposal is noted in Council Minutes or those of the Planning or General Purposes Committees. The last significant review and discussion involving public participation took place March 1, 2004.**

April/May 2006 - Onni held several selective and one short Public Open House (May 24, 2006), to present what is being proposed for the site (No descriptive handout provided).  
The eastern section from Easthope Ave. includes three condominium buildings, with a total of approximately 100 residential units.

Dec. 13, 2006 - Onni held a Public Open House re Imperial Landing. Community invited to learn about what was being proposed for this site. (No information piece provided)

The west end of the site from Easthope Ave is now commercial and includes the grocery store which moves from the northeast corner of No.1 Road and Bayview Street. The residential component remains east of Easthope Ave. and includes 12-15 townhome units of varying height to English Ave and then a condominium structure paralleling Bayview Street with approximately 30 units and another condominium building running north/south at the eastern limit with about 30 units. Very little public open/green space between the residential buildings and the walkway, has been included.

### **Onni's Request**

Onni has asked the City to amend the OCP and the definition of "Maritime Mixed Use". Hence, the Community will lose the Maritime Mix Used granted by Bylaw 9062. The buildings are 30,530 sq. ft. in total with 106 underground parking stalls located on the urban waterfront in Steveston.

### **The CAC Numbers & Calculation Results**

As Onni has been the one presenting offers in this negotiation, it is time for the City to put forward their offer for Onni's consideration. There are numerous calculations with a wide range of numbers to digest. Onni will argue that Mr. Roston's numbers are too high and Mr. Roston will argue Onni's numbers are too low. It is time for the City to put its "best and final offer" on the table before closing this matter for the foreseeable future.

Council has lots of numbers to consider. However, it has yet to land on a number. The numbers are listed below:

- On March 17, 2014, Onni had proposed a CAC of \$1.5 million.
- On May 7, 2014, Mr. Roston submitted his analysis showing the suggested CAC should be \$8.6 million.
- In June 2017, Coriollis recommended a CAC of \$2.04 million to \$2.55 million.
- On September 13, 2017, Mr. Roston revised his CAC to \$11.9 million.
- On October 11, 2017 the Community Amenity Contribution offered by Onni was \$2.375 Million.
- On October 16, 2017, as part of their delegation to Council, Onni increased their community amenity contribution offer amount to \$3,375,000.

- On November 2017, Onni offers to voluntarily contribute \$4.75 million towards the Steveston Community Amenity provision account.
- A recently received calculation shows that the community amenity contribution should be \$12.212 million for Buildings 1-4 and another \$8.45 million for Buildings 5-6 for a total of \$20.66 million.

Currently the CAC amounts being discusses, range for \$11.9 million to \$20.66 million by members of the Community, and Onni's most recent offer of \$4.75 million. Taking the lower number of about \$12 million and Onni's amount of \$4.75 million, we can split the difference at about \$8 to \$9 million as a possible settlement amount.

### **Changed Perceptions of Onni**

Given the passage of time and the recent publicity about Onni:

- Dec. 2, 2016: Onni tells Global News it will repay the City of Vancouver the \$1.5-million waiver it was allegedly mistakenly granted.
- December 2, 2016 Global News The Rental 100 program has already come under scrutiny this week, after Global News discovered the developer Onni was given a \$1.5-million kickback under the program for their mixed condo/rental building The Charleson, despite not qualifying for the incentive and never having applied for it.
- CBC News Posted: Mar 30, 2017, Onni has been warned twice to stop the practice, says City of Vancouver

For the reasons above, any CAC settlement should require a bond be posted by Onni for the settlement amount.

### **A Proposed Negotiated Settlement**

One solution might be a CAC of about \$8-9 million. This would be a suitable amount even though it falls short of Mr. Roston's and other calculations. The CAC should be applied to the upgrade of the net loft (in the 2018 capital budget) and is in line with the Maritime Mixed Use the City will forfeit by amending the bylaw. Onni should consider this amount as the City's "Best and Final Offer". As the City must rely upon Onni to fulfill its part of any negotiated agreement, it should require a bond be posted.

As part of the settlement agreement, the City will permit the amended zoning requested, will allow hotel suites without kitchens and will permit a wine bar similar in nature to the Cobblestone Wine bar in Naramata<sup>1</sup>. Also, the hotel should portray a maritime theme to reflect the intent of the Maritime Mixed Use no longer required to be provided by Onni. Properly done, this Maritime theme hotel could emulate the Naramata Heritage Inn & Spa shown below.

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<sup>1</sup> <https://naramatainn.com/>



Onni owns a prime piece of waterfront urban property with very few comparable sites of the same caliber on the west coast and this negotiated settlement should be considered as an excellent long term compromise by Onni and the City. As with any negotiations, the settlement should provide benefits to both parties. The City keeps its Maritime Mixed Use by using the CAC to upgrade the Net Loft and Onni gets its rezoning and a wine bar.

#### **Recommendations**

1. If Onni accepts the negotiated settlement they should be required to post a bond for the \$8.0 million CAC.
2. If Onni counters by insisting on kitchen in the hotel suites, then the settlement amount must increase to \$10 million and be secured by a bond.
3. If Onni rejects the offer by the City, then the City should not entertain any further amendments to the OCP and the definition of "Maritime Mixed Use" for this site for at least 5 years as there is other City Business to attend to.

D. Flintoff  
6071 Dover Rd., Richmond