



City of Richmond

Report to Council

To: Richmond City Council

Date: September 15, 2017

From: Carli Edwards, P.Eng.
Acting Senior Manager, Community Safety,
Policy & Programs and Licencing


File: 12-8275-20-AMANDA
#/2017-Vol 01


Gavin Woo, P.Eng.
Chief Building Official

Re: **Business Licence Cancellation and Notice Against Title for The Stone Hedge B&B, operating from a premises located at 5511 Cathay Road**

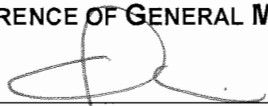

Staff Recommendation

1. That the business licence of The Stone Hedge B&B, operating from a premises located at 5511 Cathay Road, be cancelled; and
2. That, according to section 57 of the Community Charter, City staff be directed to file a notice against land title that building regulations have been contravened in respect to the building located at 5511 Cathay Road.


Carli Edwards, P.Eng.
Acting Senior Manager, Community Safety,
Policy & Programs and Licencing
(604-276-4136)


Gavin Woo, P. Eng.
Senior Manager, Building Approvals
(604-276-4113)

Att. 1

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law	<input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: CJ	APPROVED BY CAO 

Staff Report

Origin

In May 2017, City Council adopted amendments to several bylaws, including the Richmond Zoning Bylaw and Business Licence Bylaw, in order to implement changes to the regulations for bed and breakfast businesses. In order to “grandfather” existing businesses, and allow them to operate under the previous regulations, staff inspected and reviewed the files of all bed and breakfast businesses licenced prior to the bylaw changes. During this review, several businesses were identified that were not in compliance with the bylaws.

Background

The City’s Business Licencing department administers a licencing program for approximately 14,000 licence holders and regulates the activities of approximately 24 business types including bed and breakfast businesses. This report deals with the licence for The Stone Hedge B&B, located at 5511 Cathay Road, in terms of compliance with the Business Licence Bylaw and violations of the Building Regulation and Richmond Zoning bylaws.

Section 57 of the Community Charter provides a mechanism for the City of Richmond to register a notice on land title in the event that City officials observe a building or structure that was constructed in contravention of a municipal bylaw and a permit was not obtained for such work. In this case, the City must give notice to the property owner and Council must pass a resolution directing staff to register the notice. Registering a notice on title is not often used by the City of Richmond but it is a routine measure used by other municipalities to supplement bylaw enforcement measures. Notices on title serve as a warning to prospective purchasers of the existing bylaw violations and can be very effective in motivating property owners to come into compliance with bylaws and have the notice removed.

Findings of Fact

The Stone Hedge B&B is currently a licenced bed and breakfast that has operated since 2012. An inspection of the premises in January of this year revealed that it contains extensive works without permit, including a detached structure that is being used as one of the bedrooms for the bed and breakfast operation. The Zoning Bylaw does not permit living space in detached structures and further, the structure encroaches into a City utility right-of-way.

The work without permits and the detached structure result in violations of the Richmond Zoning Bylaw and the Building Regulation Bylaw. Under section 1.6 of the Business Licence Bylaw, all premises from which business is located must comply with the City bylaws. The owners and operators of the business, Linda and Brian Cooper, were first notified of these issues in February 2017 and were provided with written notice to resolve the issues prior to May 31, 2017.

During the time that elapsed from February through May, staff had several meetings with Mr. Cooper to discuss options to bring his house and property into compliance with City bylaws and keep the bed and breakfast licence. This would involve taking out permits for the alterations to the ground floor and removing the detached structure. Mr. Cooper initially indicated agreement to apply for permits for the alterations to the ground floor but suggested that removing the detached structure (and associated bedroom), would have a significant impact to the bed and

breakfast business. However, despite extensions given to comply, Mr. Cooper has not applied for any building permits. A copy of the material provided to Mr. and Mrs. Cooper is provided in Attachment 1, along with a letter sent to Mayor and Council.

Cancelling the licence will resolve the issue of operating in non-compliance with the Business Licence Bylaw, but until alterations are permitted and inspected and the detached structure removed, the property will remain non-compliant with the Richmond Zoning Bylaw and the Building Regulation Bylaw.

Analysis

Business Licence Cancellation

Evidence indicates that alterations to the ground floor and the detached structure were in existence at the time that the licence was originally issued. However, a bed and breakfast is not permitted in a home that is not compliant with Zoning or Building Regulation Bylaws. The City cannot "grandfather" existing conditions, or businesses, that have never been compliant with City bylaws.

Notice Against Title

To date, the owner has not made application to resolve any of the issues identified as non-compliant with the Building Regulation Bylaw. The provision to add a notice against title will ensure that prospective purchasers are warned of the existing conditions. Adding a notice on title does not impact the City's ability to pursue other bylaw enforcement measures.

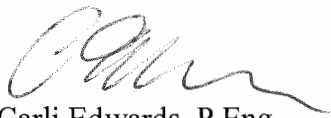
The Community Charter provides that a notice on title must be removed once the conditions are rectified. The owner must also be provided with an opportunity to be heard prior to Council passing a resolution to instruct staff to register the notice.

Financial Impact

None

Conclusion

The Stone Hedge B&B, a bed and breakfast business located at 5511 Cathay Road, is non-compliant with the Business Licence, Building Regulation and Richmond Zoning bylaws. Staff recommend cancelling the business licence effective September 15, 2017 and registering a notice on title to warn prospective purchasers of the bylaw violations.



Carli Edwards, P.Eng.
Acting Senior Manager, Community Safety, Policy & Programs and Licencing
(604-276-4136)

Att. 1: correspondence between the City and Brian and Linda Cooper



City of
Richmond

6911 No. 3 Road,
Richmond, BC V6Y 2C1
www.richmond.ca

March 17, 2017
File: 12-8275-20-AMANDA #/2016-Vol 01

Finance and Corporate Services Division
Telephone: 604-276-4136
Fax: 604-276-4147

The Stone Hedge B&B
5511 Cathay Road
Richmond, BC V7C 3C9

Attention: Brian Cooper and Linda Cooper

Dear Mr. and Mrs. Cooper:

**Re: Business Licence for The Stone Hedge B&B / 5511 Cathay Road (the "Property")
Reference File# 12603710**

Further to our meeting on March 2, 2017, and subsequent telephone conversations, an inspection of the property on February 14, 2017 revealed numerous violations of the Zoning Bylaw, the Building Regulation Bylaw and the Business Licence Bylaw. These violations are related to the licence to operate a Bed and Breakfast ("B&B") on the Property.

According to section 5.1 (b) of Business Licence Bylaw 7360, all premises from which business is conducted, including a B&B, must comply with all City bylaws. In order to comply with bylaws, the following issues must be resolved:

Accessory Building added

A "pool" shed was added to the rear yard and converted to living space, all without permits or approval as required by section 2.2.1 of Building Regulation Bylaw 7230. In addition, Richmond Zoning Bylaw 8500 does not permit living space in detached structures and further, the structure appears to encroach upon a utility right-of-way. This shed must be removed or building permits obtained to have it inspected and approved.

Garage and other alterations to the Ground Floor

The garage was closed in and additional alterations were completed on the ground floor without permits or approval. This is a violation of section 2.2.1 of Building Regulation Bylaw 7230 and permits must be obtained so that this work can be inspected and approved.

These issues must be resolved on or before May 30, 2017. This includes issuance of permits, inspection of the work and final approval.

Should these issues not be resolved, the B&B business licence will be recommended for cancellation through a business licence hearing with City Council. If the licence is cancelled by

City Council, you will be required to cease operating immediately. Operation of a business without a valid Business Licence is an offence, and may be subject to prosecution.

Please contact me directly if you have any questions at 604.276.4136 or cedwards@richmond.ca.

Yours truly,

A handwritten signature in black ink, appearing to read 'CEdwards', written over a horizontal line.

Carli Edwards, P.Eng.
Chief Licence Inspector

pc: Daniel McKenna, Senior Manager, Community Safety Policy and Programs
Gavin Woo, P. Eng., Senior Manager, Building Approvals

Good Afternoon Your Honour and Councilors:

Firstly, I would like to introduce myself as the owner of The Stone Hedge Bed and Breakfast here in Richmond.

Our business has been in operation now for 15 years. We have never had any complaints from anyone including our neighbours about running our business in a residential area. We live in our home at all times and have total oversight of our property at all times. We were honoured by the International Olympic Committee and have won the highest awards possible since we joined Expedia and Booking.com for customer satisfaction. Our guest reviews are the highest they have seen in our entire region.

We have lived in Richmond for nearly 40 years now; our children were born and grew up here. They both now work here in Richmond and have never lived anywhere else. We love Richmond and want to continue to live here but we can't if we lose our Bed and Breakfast business as we are both retired and rely on our business to live here in Richmond. We would have to sell and move if our business was shut down for even one season.

We have been trying to resolve the building codes/permits/requirements for months and have consulted various architects, contractors, and organizations with assisting us in becoming "code friendly". We have had quotes from \$15,000 to upwards of \$30,000+ just for the plans to present to City Hall. This does not include the permits, labour and time to do all this construction in the middle of our season. Our house was last valued at \$53,000 (it has gone up from last year). Why would we put an additional \$50,000 or more into a house that is only worth \$53,000? We feel we are being forced out of our neighbourhood because we find this to be unnecessary when we have been in operation for all these years with absolutely no problems or complaints. We fought a hard battle back during the Olympics with The City making sure we had all the standards and expectations required for the safety of our world guests.

We cannot afford to shut down our business, contact hundreds of tourists and cancel their reservations, contract out a \$50,000+ job on our house and property and have it all done in weeks. The time limit given to us was too short and could not be possibly done (as we found out) in the time the City has given to us. Just cancelling all our reservations would destroy our business so we would have to sell anyway.

I am asking at this time for at least an extension to our time to finish the season but I would gratefully ask that we can somehow be grandfathered and not have to go through all this anxiety and frustration. The house was passed for the Olympics and everyone had

a great time. Getting permits for work that was done before we even owned the house 50 years ago is very frustrating.

Thank you for your consideration.

Respectfully,

The Stone Hedge B&B

Brian and Linda Cooper



City of Richmond

6911 No. 3 Road,
Richmond, BC V6Y 2C1
www.richmond.ca

September 14, 2017
File: 12-8275-20-AMANDA #/2017-Vol 01

Community Safety Division
Business Licences
Telephone: 604-276-4136
Fax: 604-276-4147

Brian and Linda Cooper
The Stone Hedge B&B
5511 Cathay Road
Richmond, BC V7C 3C9

Dear Mr. and Mrs. Cooper:

**Re: Business Licence Hearing for The Stone Hedge B&B / 5511 Cathay Road (the
"Property")**

Further to conversations and correspondence dating back to February 2017, there are numerous violations of the Zoning Bylaw, the Building Regulation Bylaw and the Business Licence Bylaw on the Property where you are the registered owners of a Bed and Breakfast business ("B&B"). According to section 5.1 (b) of Business Licence Bylaw 7360, all premises from which business is conducted, including a B&B, must comply with all City bylaws. In order to comply with bylaws, the following issues must be resolved:

Accessory Building added

A "pool" shed was added to the rear yard and converted to living space, all without permits or approval as required by section 2.2.1 of Building Regulation Bylaw 7230. In addition, Richmond Zoning Bylaw 8500 does not permit living space in detached structures and, further, the structure appears to encroach upon a utility right-of-way. This shed must either be removed or you must obtain building permits so that this work can be inspected and approved.

Garage and other alterations to the Ground Floor

The garage was closed in and additional alterations were completed on the ground floor without permits or approval. This is a violation of section 2.2.1 of Building Regulation Bylaw 7230 and permits must be obtained so that this work can be inspected and approved.

In previous correspondence, you were given until May 30, 2017 to address these issues. Upon request, you were then offered further extensions (to July and then to September) in order to address all of the outstanding issues, including hiring building and design professionals to prepare permit applications on your behalf. However, to date, there have been no building permit applications or proposals submitted that address these bylaw violations.

With consideration to the work required and the extensions offered to date, I have requested a business licence hearing with City Council to review the status of your business licence. The date for this hearing has been tentatively set for October 10, 2017. Prior to that meeting, you will be formally notified of the

date and time of the hearing. You will also be provided with copies of all materials related to your file that are provided to City Council for their consideration.

Should the bylaw violations not be resolved prior to the business licence hearing, your B&B business licence will be recommended for cancellation. If the licence is cancelled by City Council, you will be required to cease operating immediately. Operation of a business without a valid Business Licence is an offence, and may be subject to prosecution.

Please contact me directly if you have any questions at 604.276.4136 or cedwards@richmond.ca.

Yours truly,



Carli Edwards, P.Eng.

Acting Senior Manager, Community Safety, Policy & Programs and Licencing

pc: Gavin Woo, P. Eng., Senior Manager, Building Approvals
Victor Duarte, Supervisor, Business Licencing
Robert Lum, Acting Manager, Customer Service