

**Planning & Development Department
Development Advisory Committee
Meeting Notes for March 25, 2010**

Members:

Andy Aadmi
Tim Bontkes
Steve Forrest
Jake Friesen
Deana Grinnell
Ragbir Gurm
Avtar Johl
Bill Kruger
David Porte
Jas Sandhu
Charan Sethi
Greg Sewell
Amy Spencer

City Staff:

Remi Dube
Debbie Gallichen
Nicholas Lai
Jean Lamontagne
Don Luymes
Judith Robertson
Fay Keng Wong

Regrets:

Councillor Marvin Hunt
Ted Dawson
Steve Kurrein
Scott Olson
Kevin Shoemaker

1. Acceptance of Previous Minutes

The minutes of the meeting of January 28, 2009 were received as amended on the afternoon of March 25, 2010.

2. Other Business

The Community Planning Division, formerly known as the Long Range Planning & Policy Development Division, has a new manager, Don Luymes. Don will be the contact for NCPs.

The City currently has an inventory of about 2500 single family residential lots available, plus additional lots in process. Remi Dube provided a brief update on the status of NCPs currently in progress. Grandview Heights NCP #2 had some road alignment work done. NCP #2's other major issues include the south Grandview pump station and how to make servicing more equitable among the area's property owners. Stage 2 will go to Council before recess (Council's August break). Staff are also aiming to bring Grandview Heights NCP #5A's Stage 1 to Council before recess. A consultant is about to be awarded a contract for Grandview Heights NCP #4. The Anniedale-Tynead NCP has been experiencing servicing and transportation challenges. It is anticipated that a Stage 2 report will go to Council for this NCP by December 2010.

Questions and Comments from the DAC:

- Avtar Johl asked about the status of West Clayton. Remi replied that a report is going to Council on April 12th and City staff are trying to finalize the servicing studies.
- David Porte asked about the status of Semiahmoo Town Centre. Remi commented that the Semiahmoo Town Centre study is on hold. The results from TownShift will be going to Council. The City Centre Plan Update is getting close to wrapping up.
- Greg Sewell asked about Grandview Heights NCP #3 and NCP #5. Remi replied that these NCPs have not been initiated.

3. Child and Youth Friendly Facilities in the City Centre – Jean Lamontagne

Jean Lamontagne asked the DAC for a discussion regarding the issue of daycare facility shortages in the City Centre. The City has been receiving a lot of requests for daycare facilities in the City Centre and there has been a concern that the area's lack of daycare spaces has prevented potential employees from coming to the City Centre. The City of Vancouver has used density bonusing as a means to expand its daycare facilities. Jean wanted to hear the DAC's opinions.

Questions and Comments from the DAC:

- Deana Grinnell asked if daycare facilities are usually delivered through institutional space. Jean commented that with institutional spaces, a minimum is required and then they can be leased to non-profits. Service level takes priority over profit. Deana added that she (ParkLane Homes) had been working on a project in the City of Port Moody which involved modifying the City of Port Moody's C3 zone to include childcare and live-work uses, as well as provision for outdoor space. Modeling of potential revenues has been done and showed that the childcare uses, targeted towards children ages three to school age, will do well. ParkLane Homes and the City of Port Moody are still negotiating at this time. This is seen as a long term investment that will support long term employees. Jean commented that the City Centre is looking at adding 100 daycare spaces.
- Raghbir Gurm asked if the City's Parks and Recreation facilities have daycare facilities. Jean commented that it is hard to use the Parks and Recreation facilities because they are often multi-use spaces which may not meet the specific needs of daycare spaces. There is currently a pilot project in south Surrey for the adaptive re-use of a former elementary school, which will become a recreation centre and pre-school with a day care. This school, Kensington Prairie Elementary School, is a protected heritage site.
- Avtar asked if the City provided the land, would there be a pro forma?
- Greg noted the experience of the Peace Arch Hospital expansion which resulted in a daycare being displaced. There is certainly a need for daycare facilities. Are there opportunities for density bonusing? Is the focus only on the City Centre? Jean commented that a group has been advocating for daycare facilities in the City Centre

specifically and that the provision of daycare facilities should be part of a development as it is not within the City's jurisdiction.

- Amy Spencer asked if the issue is that there is no space or that businesses are unwilling to provide daycare. Jean replied that there are probably some vacant spaces that could be used, but businesses may be too occupied with their business to also provide daycare facilities. The Mayor believes in the City Centre and wants to promote it and the City Manager wanted to explore this issue.
- Charan Sethi has been approached by a number of operators. One of his proponents in Richmond has a daycare business that has been very successful. She has been in business for 15 years, sits on an advisory committee in Richmond, and is open to sharing her experience with daycare facilities. Also, Charan (Tien Sher Group of Companies) has just picked up a lot next to Quattro, about 5500 sq. ft, which would fit nicely for a daycare.
- Deana commented that a Request for Proposals is needed for daycare space. Some are not doing it for profit, others are.
- Charan commented that improving the daycare facilities is key. Jean added that it is not about building daycare facilities, but about their operation. Remi commented that turnover in childcare staff is another consideration.

Jean asked the DAC members to send him any other ideas they may have regarding daycare facilities for the City Centre.

4. Comments on the Market – All DAC Members

- Avtar commented that the market has been positive. Townhouses have been selling well. A lot of the people who were sidelined are back in the game.
- Jas Sandhu commented that land is in high demand. High rises are still a challenge. There is a shortage in income producing properties. Just getting good products out there has been difficult.
- Andy Aadmi commented that what is happening right now is unsustainable. Money is not the only factor. We have to look at how much the earth can sustain. It is incomprehensible how the younger generation can afford living. Interest rates are rising. Our living standards are not sustainable, but amazingly the market is still going.
- Bill Kruger commented that business has picked up but a lot are old files that have resumed. Developers are finding it difficult to make new pro forma work. Based on what you see, there is not much more on the market other than what is already in the pipeline.
- Charan commented that people are realizing that they have to live in smaller spaces, which is why his company has developed apartment style units. Interest rates are going up, but it is part of the economic cycle. His company has no choice but to target the working class market. The release of their next phase, which will take place on April

24th, have prices starting at the \$139,000's. They cannot give buyers both – large units and affordable prices. Units in Richmond and Vancouver have been doing really well. In Richmond, a lot of foreign money has been coming in. Some buyers are not even taking out mortgages, but that is what is bringing the market back up, fresh money. Although international conditions cannot always be explained, local conditions can sometimes be understood. There is a demand for housing near transportation nodes. A lot of positive things are starting to happen in the market place. Densification is the way to go.

- Ragbir had no comments on the market.
- Amy noted that 642 people attended the Greater Vancouver Home Builders' Association's First-time Home Buyer Seminar. Amy also distributed CMHC's February 2010 stats.
- Tim Bontkes commented that HST and mortgage rules are making the market work right now. His company has been doing big lots, row houses, and townhouses. The types of homes they develop are definitely changing, from single family to townhouses. A lot of their development is in Langley. They have some smaller units, but not a lot.
- Jake Friesen commented that Qualico Developments has little inventory to sell. HST is being included in their selling prices to avoid confusion and to prevent angering buyers since the HST is too complex to explain. Charan added that buyers are sometimes happier with having the HST included than trying to figure out how much they will be rebated and ultimately pay.
- David commented that Porte Realty Ltd. has only one project that is currently in the market, Ginger, which is in Vancouver's Chinatown area. Sales are doing well. Most of their buyers are young people who have been very positive. These young buyers have been saving a portion of their down payment and having their parents contribute to the rest. Andy asked what will happen to these young buyers if the interest rate goes up. David commented that, as singles, their expenses are not as great as those who have to support a family. Charan added that people adjust with interest rate hikes.
- Greg commented that Morgan Heights is almost sold out. 350 lots were created and all are gone now. There will be a shortage of single family lots. Single family homes that are \$800,000 and up are not affordable for new homebuyers. Nothing has moved for a year and now that it is moving again, there is no more product. That is the way it has been.
- Deana commented that ParkLane Homes currently has five projects between Surrey and Langley. The announcement of the HST, which reduces the buying power of new homebuyers, has moved some of the sales more quickly. This last quarter was the first time that the number of buyers exceeded supply.
- Steve Forrest commented that the Adera Group of Companies is selling three projects. Adera is venturing on a master plan community in Kelowna. Since the announcement of the HST, they have seen a splurge in sales particularly in Asian markets. Has Surrey seen a lot of building permit applications? Jean replied yes, for single family units. Multiple family units are phased projects so tracking them is harder. Right now townhouse development is popular. Steve also asked how the Sustainability Charter is being

incorporated. Jean commented that the Sustainable Development Checklist is in progress.

- Nicholas Lai noted that the Ming Pao Newspaper has a full page article on south Surrey that talked about the attractiveness of the area. Among other things, the newspaper mentioned that south Surrey is home to good schools and that the livability is much better than in Richmond. Raghbir added that the majority of his buyers are Chinese and women over 55.

5. Next Meeting (April 22, 2010)

- Raghbir requested that the DAC provide feedback on the Surrey Tree Protection By-law and the Sustainability Charter at the next DAC meeting. One of the things that could be discussed is the possibility of developers receiving credit for reducing their carbon footprint by including elements of sustainability (such as trees) in their project.
- Jake commented that he would like regular updates on Surrey's NCP work.

The meeting adjourned at 3:40 p.m.