

**Rezoning Application at 105 Keefer Street
Staff Responses to Council Questions at Public Hearing**

Thursday May 25, 2017

Mayor and Council, since the Public Hearing on Monday night on this item, staff have received a total of 14 questions from Council to which we would like to respond.

1. *If there is no density limit in HA-1A, how is an appropriate density determined and who determines it?*

Response: The appropriate density is determined based on urban design performance of the proposal in response to a site's particular context. The performance is evaluated against the HA-1A Design Guidelines which set out intent and specific requirements to achieve a good contextual fit in the historic context.

A development application under HA-1A is decided by the Director of Planning or the Development Permit Board, after evaluating the proposal based on HA-1A guidelines and taking into consideration comments from the public and advisory groups.

2. *What is the height of the Chinatown Parkade and was the structure allowed under zoning?*

Response: The Development Permit for the Chinatown Parkade was issued in 1993, with a height of approximately 70 ft. No rezoning was required.

3. *Why was there a substantial property value increase in Chinatown between 2015 and 2016?*

Response: City-wide, there had been a very substantial increase in property values for that time period. Downtown property values, for example, rose 21% from January 2015 to January 2016. A similar rise occurred in Vancouver East. This overall rise in property values has likely had a ripple effect on many neighborhoods including Chinatown.

4. *Will the \$1.6 M DCL required of this development remain in Chinatown, and how these DCLs can benefit the community in the future?*

Response: The site is located within the City-wide DCL District. As with all other new development in the City-wide DCL District, the DCL funds that will be collected from this development are deposited into a DCL reserve for growth-related needs in Housing, Transportation, Parks and Childcare on a city-wide basis. Allocation and spending of City-wide DCLs to eligible public amenities requires Council approval as part of the City's regular capital planning and budgeting processes. If there are DCL eligible capital projects located in Chinatown that are in the current and future Capital Plan/Capital Budget, then they are eligible for DCL spending. There is no specific allocation of a project's DCL through the rezoning approval process.

5. *Could public art contribution be considered a CAC (community amenity contribution)?*

Response: There is a standard requirement for public art for all rezonings with over 100,000 sq. ft. of floor area. The public art contribution for this project is approximately \$232,000. This is not considered a community amenity contribution (CAC) which is a voluntary contribution by the rezoning applicant to pay for growth-related costs associated with upzoning. That said, a public art contribution is a public benefit.

6. *Is the CRU provided by the applicant at a discounted rate to a seniors group considered a public benefit?*

Response: Yes, any on-site amenity that will be secured is considered a public benefit.

7. *How do market retail rental rates compare to rental rates at the Chinese Cultural Centre, including the 10% non-profit discount?*

Response: While staff have not been able to ascertain rental rates for the Chinese Cultural Centre, staff estimate is that market net rents for new retail space in Chinatown could be around the \$40.00 psf mark, but will vary depending upon specific location and size of retail unit. A 50% discount off this rate is what the applicant has offered.

8. *How many market strata residential units are there currently in Chinatown and what contribution will these proposed units make to providing options for individuals and families in the community?*

Response: There are currently 732 strata units in Chinatown. The rezoning application before you includes 110 strata units, 34% of which are for families (33 two-beds, 4 three-beds) thereby exceeding the 25% requirement. In response to design conditions outlined in the report, the applicant proposes to decrease the number of strata units in the project to 106 with the intent to further increase the percentage of family units in the project.

9. *Some speakers/correspondence to Mayor and Council have suggested the City purchase the entire site and 100% social housing and/or amenity space. Is this feasible considering the site is privately owned?*

Response: It is correct that what is being presented for Council consideration at this public hearing is a privately initiated rezoning application on a privately owned site. Staff have not investigated the implications and possibilities of the City purchasing and developing the site.

10. *The next question seeks clarification of whether Council's 2010 motion regarding Keefer Triangle site still stands or if it was superseded by the 2011 Rezoning Policy for Chinatown South.*

Response: In 2010, Council adopted staff's recommendations of the Historic Area Height Review. For HA-1A Chinatown South, Council gave direction to increase the base zoning height to 90 feet and through rezoning, to increase height to 120 feet. In addition, Council passed two relevant motions:

- THAT, for the purpose of economic revitalization while also considering heritage values, staff report back on options for a limited number of carefully and strategically located additional higher building sites in the range of 150 ft. tall in Chinatown South.

and

- THAT the Keefer Triangle site is not supported by Council as a 150-ft. tall higher building site, and that heights above the base zoning height of 90 ft. would be of concern due to potential impacts.

A year later, in 2011, Council adopted:

- The Rezoning Policy for Chinatown South, which allows consideration of buildings up to 120 ft. tall, and up to 150 ft. for four blocks on Main Street.
- The Keefer Triangle site was included in this rezoning policy and may be considered for up to 120 ft. in height.
- Council also embedded design guidelines in the Rezoning Policy to manage height and massing of the taller building forms.

In adopting the rezoning policy in 2011, instead of excluding this site from being considered for a 120-ft. development, Council acknowledged the concern from 2010 by providing policy direction to manage the impacts of additional height on this site and others.

11. *What is the status of the Social Impact Study and whether rezoning applications can be considered given its status?*

Response: On January 26, 2010, Council adopted recommendations from the Historic Area Height Review. At the same meeting, Council also directed:

- THAT a social impact study be conducted to assess the effect on the existing low-income community of new developments in the historic area and where opportunities for enhanced affordability and liveability may be achieved.

Work on the social impact assessment began in October 2010 and was completed and adopted by Council in March 2014. The scope of the SIA included the historic area and the rest of the Downtown Eastside. This was because the pressure and impacts of change also affect the rest of the DTES, for example, impacts from the Woodward's development. This was discussed in staff's report to Council in January 2011.

The result of the SIA is an assessment report, as well as the DTES Plan itself. The DTES Plan includes nine social impact objectives described in the SIA and a set of social indicators to be monitored regularly to understand change in the

neighbourhood. The findings of the SIA also informed policies in the development of the DTES Plan.

The Rezoning Policy for Chinatown South was adopted by Council on April 19, 2011 and has been in effect since its adoption. So there was no “halt” in rezoning in Chinatown, not even during the development of the DTES Plan.

12. *The HA-1 district is designated a National Historic Site of Canada, what is the City doing to protect its character?*

Response: Working with the community, there are numerous initiatives the City is currently embarking on to comprehensively build a future for Chinatown that is rooted in its history and its people. A few key examples of such initiatives include:

- Investing \$2.1 M Capital funding and CACs in critical upgrades to over 30 Benevolent Society buildings.
- Investing staff resources, a consultant team and \$400,000 of DTES Capital funding for consultant studies, and \$3.6 M in establishing the Chinatown Society Heritage Buildings Legacy Program (including partnerships with the Chinatown Society Heritage Building Association members and VanCity Community Foundation).
- Introduction into Chinatown of a new Neighbourhood Fit tool to guide developers and business license applicants on ways in which they should manage change and meet the DTES Plan Social Impact objectives. The tool is also to be used by staff and community to be able to review applications based on consistent evaluation criteria linked to the Social Impact objectives and the DTES Plan.
- Evaluation of all applications to manage change where possible, in terms of policies and guidelines.
- Look at more opportunities for CHAPC to provide input, starting with a review of their Terms of Reference.
- Started a study to understand traditional businesses and what the City could do to assist them, such as San Francisco’s Legacy Business tax incentive program.
- Support for the local community and Provincial Government initiatives to study opportunities for more seniors housing and to map the intangible cultural assets.
- New Heritage Incentive Program that is currently being developed, to continue support to the conservation of heritage resources city-wide, including Chinatown. This should be brought to Council sometime this year.

Lastly, as part of the upcoming Chinatown policy report, there will be additional analysis, including: change in number of businesses, change in Chinese grocery/food stores, change in land value assessment, to further understand what kind of effects changes are having on Chinatown’s character.

13. *How common is it in Vancouver for a developer to independently negotiate with BC Housing for their purchase of social housing units? Could this impact City negotiations with BC Housing for other social housing site?*

Response: This project is unique in that way –we have not seen this before– but we don't believe it will negatively impact negotiations with BCH on other projects we are working on. We have strong partnerships with BCH and have a number of projects we are working on together with our non-profit partners.

14. *The staff report states that there will be 25 units of social housing, purchased by BC Housing for seniors, to be operated by a Non- Profit organization after an RFP process. Will these units be rented to individuals eligible for or on the SAFER program?*

Response: Yes, as Armin Amrolia from BC Housing indicated on Tuesday, the social housing units will be made available to seniors eligible for or on SAFER.

15. *Can you explain what the rents will look like for seniors eligible to rent these units?*

Response: Shelter Aid for Elderly Renters (SAFER) is a rent supplement program that reimburses part of the difference between 30% of a senior's total income and their rent. The program has a sliding scale that gives the most money to seniors with the least income.

Regardless of your actual rent, SAFER will only consider rent amounts up to a maximum level of \$765 for a single person or \$825 for a couple living in Vancouver.

16. *Can you please provide some examples of income vs. rents and the SAFER contribution for these units?*

Response: If you are a low-income senior receiving Old Age Supplement and a Guaranteed Income Supplement, your income would be between \$1,200 and \$1,600/month. If your income was \$1,200/month and your rent was \$765, you would receive a \$364.00/month rent subsidy. If your income was \$1,600/month, you would receive less of a subsidy at \$237/month.

17. *Armin Amrolia, in her answer to a question, mentioned rents would be approximately a maximum \$700/per unit. Some speakers said this is not affordable.*

Response: Armin was not referring to rents, but rather that SAFER will only consider rent amounts up \$765 maximum rent for a single person. As noted above, SAFER provides a subsidy to make up part of the difference between 30% of a senior's total income and their rent.

18. *What is the vacancy rate of units in Chinatown for seniors with rent rates of \$700?*

Response: While we don't know the vacancy rate for that particular price point, we do know that:

- The 2016 CMHC vacancy rate for East Hastings zone (includes Chinatown) was 0.6% for studio and 0.7% for one-bdrm. (compared to 0.6% and 0.6% in 2015) which is lower than the city-wide vacancy rate of 0.8%

- The 2016 CMHC average rent for studio in that same area is \$975 and a one-bed is \$1,000 (compared to \$846 and \$971 in 2015)
- Craigslist search of available units below \$700 = 7 in DTES (none in Chinatown) and were all SROs — not self-contained units as these will be.