



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

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TO: Standing Committee on Planning and Environment

FROM: Co-Directors of Planning, in consultation with the General Manager of Engineering Services

SUBJECT: Planning the False Creek Flats

RECOMMENDATION

- A. THAT Council direct staff to undertake a planning program for the False Creek Flats, as described in this report, to:
- take advantage of a number of opportunities to better integrate the I-3 area in the western Flats into the urban fabric of the city;
 - maintain and strengthen the role of the I-2 area in the eastern Flats in servicing the Port and Downtown; and,
 - articulate long-range land use and transportation directions for the False Creek Flats and provide an overall economic development perspective;
- B. THAT Council re-affirm the city-serving, employment and transportation roles of the easterly I-2 area of the Flats.
- C. THAT the City Manager work with the Co-Directors of Planning to frame resource needs and finalize a time schedule to complete the False Creek Flats planning program, in the context of other outstanding policy initiatives and related funding needs.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of the foregoing.

COUNCIL POLICY

In March, 1995, Council adopted the Industrial Lands Strategy, to retain existing industrial areas for city-serving activities and jobs for Vancouver residents. This included the False Creek Flats and called for a Concept Plan to provide for industrial and other activities in the area.

In June, 1996, Council adopted the False Creek Flats Preliminary Concept Plan which set policy directions for the area and identified suitable locations for high technology and commercial uses, while preserving land for city-serving and transportation uses.

In July, 1999, Council rezoned 103 acres to I-3 in the western False Creek Flats to accommodate high technology uses generally in accordance with the 1996 plan.

In September, 1999, Council rezoned the 26 acre Finning property along Great Northern Way from I-3 to CD-1 to facilitate the development of the Great Northern Way Technology Park.

In March, 2001, Council approved, in principle, the False Creek Flats Structure Plan to establish a block, street and open space pattern to guide future development, and instructed staff to undertake transportation and rail needs studies for the Flats.

SUMMARY AND PURPOSE

The False Creek Flats plays a pivotal role in the city's economy by providing services to the metropolitan core (Port, Downtown and Central Broadway), acting as a major transportation hub, and by contributing to the diversity of jobs in the city. This role is expected to expand in the future as the core continues to grow. The role of the western and southern Flats has changed over time as the city moves towards a more urban and knowledge-based economy. Planning for the Flats has reflected these changes through a "sectored" approach. A recent proposal for a medical precinct in the northwest and a move to create an educational campus in the south present opportunities to further the vision for the Flats by creating an urban precinct along the western and southern edges that compliments and links to nearby areas and contributes to employment growth in the city.

The purpose of this report is to:

- describe the vision and policy directions for the False Creek Flats;
- inform Council of new opportunities to build on this vision to better integrate the Flats into the urban fabric of the city while strengthening its role in the city's economy; and,
- seek approval of a planning program for the Flats to maximize new urban opportunities in the west and south, refine the role of Terminal Avenue, maintain and further develop the economic role of the Flats, develop an integrated transportation plan and network, and provide long-term directions for the overall area.

BACKGROUND

The City's Industrial Lands Strategy

The city's industrial areas provide an important function for the city (see map in Appendix A). They are home to businesses which serve other businesses and residents, especially in the Downtown and Port (e.g. printers, auto mechanics, rail yards, etc.) They also accommodate a diversity of uses, from traditional activities such as manufacturing and wholesaling, to biotechnology, high technology and film production. The industrial areas further the CityPlan direction for a diverse economy with various types of jobs.

Recognizing the importance of service and support activities to the city, and given concerns about the conversion of industrial land to other uses, Council adopted the Industrial Lands Strategy in 1995. The Strategy calls for retaining most of the city's remaining service and support areas. About 1,700 acres of industrial zoned land remain in the city, with a total floor space of about 27 million square feet. Demand remains strong in these areas with vacancy rates under 2%. In 1996, the city's industrial areas employed about 46,000 people, a high proportion of whom live in the city. While the number of jobs has changed little in recent years, the nature of employment and associated transportation needs have evolved as the city moves towards a more high technology and service economy.

The Flats' Role in the City's Economy

The False Creek Flats is a 308 acre employment area located just east of False Creek (see maps in Appendices B and C). It has long been home to Port and city-serving activities, particularly rail in its central and eastern areas. It contains major passenger rail and goods movement services, food wholesalers that supply restaurants, stores and the cruise ship industry, and services such as autobody and automotive shops, and printers. It is also the new home of the City and Park Board works yards. Employment has grown to about 4,500 jobs, with the potential for over 20,000 more under current zoning. With the Downtown and Port continuing to grow in both population and economic activity, the demand for services is expected to grow accordingly. This will create job growth in the city in a compact setting close to housing.

Job growth places pressure on the existing transportation infrastructure. Roads are not in place to adequately serve existing and future vehicle demand. The transit network, including rapid transit, is incomplete. Pedestrian and bicycle facilities need to be expanded.

Planning for The False Creek Flats

The 1996 Preliminary Concept Plan took a "sectored" approach to the Flats to respond to the diversity of activities in the area: city-serving activities and rail transportation in the centre and east, emerging high tech opportunities in the west and south, and the retail/service role of Terminal Avenue. The introduction of I-2 zoning in 1996 reflected the Flats' service role and also introduced more flexibility for contemporary employment activities such as biotechnology and film/communications firms. This flexibility was furthered in 1998/99 with the introduction of I-3 zoning in the west and the Finning CD-1 in the south, to respond to the emerging demand for high technology office uses and connections to rapid transit. Proposals at the time included the 17 acre "techpark.com" on Station Street and the 26 acre Great Northern Way Technology Park on the Finning site in the south. These proposals did not

proceed due to the adjustments in the high technology market. There are now new opportunities for refinement of the vision for these areas, as described below.

Recent Proposals for More Intensive Use of the False Creek Flats

- Providence Health Care has expressed interest in moving some services from existing hospital facilities (St. Pauls, St. Vincents, Holy Family, and Mt. St. Josephs) to the Station Street site, in the northwest Flats. This would represent over 2 million square feet of hospital and an unknown amount of ancillary use, possibly including bio-tech and hospices. Previous plans for the site also included a small component of live/work.
- A Consortium of UBC, SFU, BCIT, and Emily Carr has moved into 250,000 square feet of existing buildings on the former Finning Site. It is anticipated that redevelopment in accordance with the approved plan is still a few years away. New construction could see up to 1 million square feet of school and another million square feet of high tech and commercial space. The existing CD-1 zoning also provides for 180,000 square feet of Live/Work use.
- The Vancouver Whitecaps and others have had discussions about a possible new soccer stadium in the Flats. Seating could range from 10,000 up to as high as 30,000.
- The Vancouver Police Department has been looking for a location in the Flats for a new central campus.
- A number of auto dealerships are interested in locating on or near Terminal Avenue.
- The owners of the Brussels Chocolates building on Terminal Avenue in the eastern Flats have expressed interest in expanding the development and the mix of uses on this site in an attempt to re-use this existing Class A heritage building.
- Rocky Mountain Rail Tours will soon be submitting an application for a new and expanded rail facility near Home Depot on Cottrell Street. Two existing buildings would be renovated and used, including a significant rail building with heritage merit. Expanded operations are anticipated.

DISCUSSION

The Opportunity to Create a Vibrant Urban Precinct in the Westerly Flats (I-3)

The Providence proposal and emerging educational campus (Finning lands) present opportunities to better integrate the Flats into the urban fabric of the city, while strengthening its role in the economy. These proposals, one medical, the other educational, will provide a variety of jobs, services and functions for the rest of the city. There is also the potential, as identified in previous plans, for a number of limited complimentary uses for these sites, including live and work, hotels, retail, and local services. These types of complimentary uses, along with improved transportation linkages, have the potential to create amenities and positive transitions and connections to Strathcona in the north, Mt. Pleasant in the south and South East False Creek to the west.

Staff recommend reviewing these proposals within the context of a 12 month comprehensive planning program for the west and south areas of the Flats, rather than planning these sites in isolation. While each proposal will need a formal and tailored review of specific schemes for development, the area program will tie them together with opportunities for other sites and look at area-wide land use and transportation patterns and systems. The scope of the program would include a review of land use, scale and form of development, transportation linkages and connections inside and outside of the Flats, and needs for amenities and services. It would relate to and recognize the nature of residential and office growth in the metropolitan core of the city and the roles that the Flats must play in supporting and complimenting this growth. The program would provide an opportunity to hear from local businesses, development interests, adjacent residents and communities about the types of needs they see in the development of this area.

This planning program provides an opportunity to create a more vibrant and urban precinct in the western Flats with amenities, services and an energetic atmosphere that could attract further knowledge-based industry. The area is currently home to high tech/bio tech businesses, such as Radical Games, Angiotech Pharmaceuticals, Sprint Canada in the west, and QLT in the south. Staff point to the success of Yaletown in accommodating and fostering knowledge industry through an appropriate mix of uses, scale, form of development, and genuine sense of neighbourhood and locale.

In planning for the area, staff also see an opportunity to examine the role of the nearly eight acres of City-owned land in the southwest corner of the Flats. This area could play a significant role in complimenting and contributing to growth expected in East and South East False Creek (over 13,000 residents planned). This includes building on the sustainability goals of South East False Creek by providing services and jobs for local residents, and improving linkages to these communities in terms of pedestrian, bicycle and transit access. It may also present opportunities for "green" development, and depending on market demand, could include opportunities for living and working, local services, recreation, and perhaps civic institutions. In planning the area, an appropriate mix and scale of uses would be identified to ensure compatibility, fit and proper transitions to nearby rail activities that will continue to be located in the I-2 area.

Terminal Avenue: Local Service Provider and Gateway to Downtown

Terminal Avenue is the main east-west arterial in the Flats and is a significant gateway to the Downtown. The zoning is split; I-3 in the west and I-2 in the east. Historically, Terminal Avenue was home to rail and freight forwarding activities. The 1996 Concept Plan identified it as home to a range of employment and local services, but not destination retail or residential. Some cultural and recreational uses were also recognized as suitable. The area is currently in transition with services, vacant sites and other sites with redevelopment potential, much of that owing to the recent subdivision of CN's Terminal Avenue property. Staff have received a number of development enquiries, including auto dealerships on or near the street. The Terminal Avenue area should be included in the Flats planning program to ensure that development addresses local service needs, compliments and contributes to city serving needs and also acknowledges the street's importance as a major gateway to Downtown.

Maintaining and Fostering the Service and Transportation Role of the Easterly Flats (I-2)

Both the Industrial Lands Strategy and Preliminary Concept Plan identified the need to retain the central and eastern portions of the Flats for city-serving and industrial activities (I-2). There are approximately 95 acres of land in the Flats dedicated to rail use, primarily to serve

the Port and passenger rail services (see map in Appendix D). The Port anticipates significant growth in goods movement in the next 15-20 years, particularly containerized goods which are expected to double. The Flats rail yards also serve the growing passenger rail market, with VIA and Amtrack considering an expansion of services and the Great Canadian Rail Tour Company expecting to open a new station on Cottrell Street. With rail being twelve times more efficient than trucks in terms of fuel consumption, growth in movement of goods and passengers by rail furthers the vision for a more sustainable city.

The Flats is also home to many businesses that provide services to other businesses and residents in the City. For example, Malkin Avenue in the north eastern Flats is known as "Grocer's Row" because of the number of produce wholesalers. The Flats is also one of the few inner-city industrial areas that can accommodate businesses that are displaced from former inner-city support service areas such as Downtown South and Granville Slopes. A recent example is the new ShowMart building on Glen Drive, which relocated from Downtown South due to escalating land values.

One of the challenges faced by service uses and the Port is to secure land at a price that is affordable. This is a significant challenge as areas urbanize. Considering the important role that the I-2 area plays in servicing the metropolitan core, staff recommend building on existing policy, by developing a strategy, in conjunction with the proposed work program, to maintain and foster the Flats' city-serving and employment role. Staff would report back to Council this Fall, with a terms of reference to develop this strategy for the eastern Flats. General objectives would include:

- confirm the future role of the Flats in servicing Downtown and Port growth;
- review opportunities to create a transportation hub for rapid transit, rail passenger service, and goods movement;
- maintain stability in land values by sensitively planning areas adjacent to the I-2 area;
- plan the role of Terminal Avenue to compliment and contribute to service/industrial activities in the Flats; and,
- understand issues associated with service/industrial activity in the area, such as stability of industrial land values, the provision and payment for City infrastructure and amenities, operational issues such as parking and loading.

Facilitating Access and Movement

The Flats was originally designed to accommodate the unique needs of rail uses, with large uninterrupted parcels of land with little attention paid to the public realm. The 2001 Structure Plan provides for the future block, street and open space pattern in the Flats based on phased redevelopment over the next 50 years. It aims to improve connections within the Flats and also to reintegrate the area into the city street grid. Block sizes reflect flexibility to accommodate a variety of uses. Implementation has started with the subdivision of CN's Terminal Avenue properties and the extension of the Central Valley Greenway through the Flats.

The efficient movement of workers is a critical issue with the potential for thousands of new jobs in the Flats. Transit access is currently provided by the Main Street bus and Expo SkyTrain Station. A Millennium SkyTrain station will be built at Vancouver Community College by 2005 and a second station is proposed on the former Finning lands when the Millennium line is extended to Central Broadway at a future date. Council has also instructed staff to consider a potential link to the Downtown Streetcar line into the Flats along Industrial Avenue.

Efficient transit connections in the Flats are critical to serve and shape area development and to further the Vancouver Transportation Plan's goal of moving people from cars to transit. Extension of the Millennium Line is also critical to connect employment destinations along the Broadway/Lougheed Corridor, such as Grandview Boundary and Central Broadway. As part of the planning program, staff will follow-up on previous Council instruction and undertake a transportation study to assess the impacts and options for an increased workforce in the Flats. This work will include a review of the necessary transportation elements required for a range of land use options and take into consideration the implication these will have on the surrounding neighbourhoods. Staff will report back on the terms of reference and a budget for this consultancy this Fall.

As noted, the Flats plays a major role in goods movement and passenger rail service. Efficient goods movement is a key direction in the City's Transportation Plan. Council has instructed staff to undertake a rail study, to better understand future rail needs of the Port and implications for the Flats. The study also needs to consider the role that rail plays in a more sustainable city, with the potential growth of passenger rail/transit service in the Flats. Engineering Services has developed a Terms of Reference to be presented to Council in July to participate in a rail needs study sponsored by Transport Canada and in conjunction with the major rail companies. Work is expected to start later this Summer.

Planning for the Long Term Future of the Flats

The proposed planning program for the Flats is based on the Flats' role today and into the foreseeable future. However, it is important to understand the longer term possibilities for this area as the city and Port change and grow over time. Over the long run, the Flats will be a focus for growth and expansion for the region's metropolitan core. It represents a key area for growth in future commercial services and jobs, complimenting the growth occurring in the Downtown and Central Broadway. It is also a neighbour to stable and healthy residential communities (Mount Pleasant, Grandview Woodlands and Strathcona).

To contribute to a healthy urban economy, the Flats will need to continue to evolve, in terms of land use, structure, services, amenities, open space, access and movement. The evolution of the westerly Flats will happen more immediately and further change will occur depending on expansion or consolidation of rail services. Taking a long-term view, interesting opportunities based on this change can be recognized, however, it is critical that the roles of transportation and services be maintained and fostered to meet current and foreseeable needs.

Nonetheless, it is prudent to do some much longer range thinking for the area, with a comprehensive approach to future land use and transportation and a financial program that addresses land value stability, economic development and public amenity and infrastructure costs. In the context of completing the transportation and rail studies, undertaking a long-range vision for the Flats will contribute to the future health of the area. The process will need to involve urban thinkers, businesses, neighbours, communities and other interested groups. Staff propose to begin approaching this through a "charette" discussion during the next year as part of the planning program for the area. The Vancouver City Planning Commission has expressed a strong interest in this long range thinking and staff would see them centrally involved in the discussions.

Implementation of the Planning Program

It is estimated that the proposed planning program will take about one year to complete. Given various proposals in the False Creek Flats, it is prudent to undertake the program over the next two years, preferably starting next year.

Acknowledging that funding in 2003 is very scarce and that Council will face a variety of budget requests for policy initiatives for 2004, it is suggested that Council endorse completion of the False Creek Flats planning program and refer the question of resourcing and timing of the work to be considered in concert with other initiatives. The City Manager indicates this will come forward later this year as part of the 2004 budgeting process.

Terms of Reference and funding for the False Creek Flats rail needs study are recommended in a companion report *False Creek Flats - Rail Transportation Study*, dated July 9, 2003. Terms of Reference and funding for the False Creek Flats transportation consultant study will be reported to Council in the Fall, also for consideration to get under way next year.

Should the Providence Healthcare proposal proceed, additional resources will be provided by the applicant on a cost-recovery basis for staff to complete the detailed review of that specific proposal.

All these initiatives and the administrative arrangements (staffing, funding, timing) to undertake them will be coordinated for efficiency.

The following chart outlines the program work plan.

PROGRAM WORK PLAN

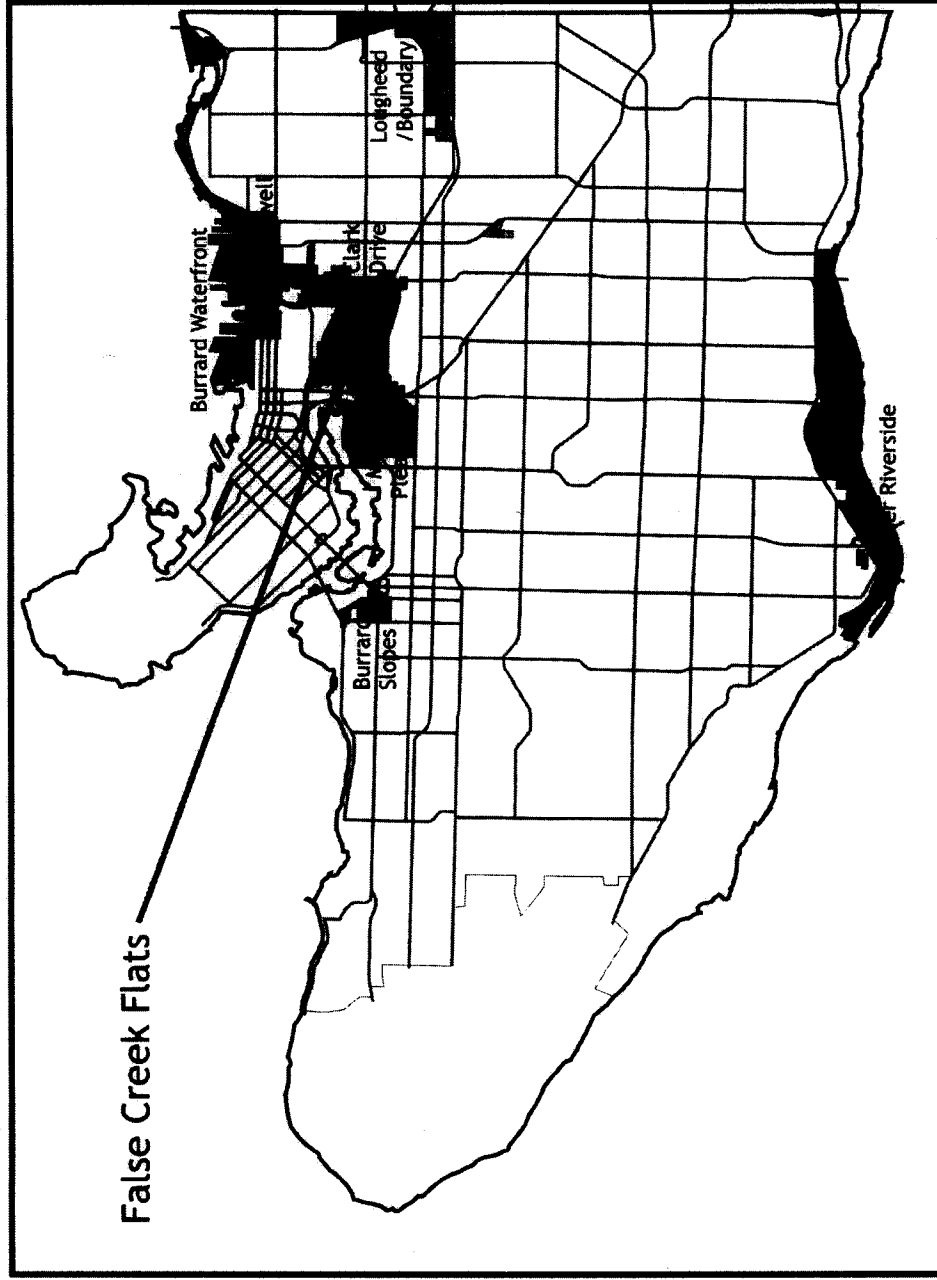
TASK - MONTHS	Start											Finish
Plan land use and structure for the western portion of the Flats	→											
Integrate current major initiatives in the Flats and surrounding areas			→									
Develop strategy for infrastructure, amenities, and service needs			→									
Participate and integrate rail and transportation studies	Rail →		Trans- port	→								
Prepare Terms of Reference for I-2 Economic Development Strategy	→											
Begin developing I-2 Strategy			→									
Initiate long-term visioning of the Flats												
Engage local businesses, communities and interest groups												

CONCLUSION

The sectorized approach to planning in the Flats has enabled the City to respond to the changing role and activities in the Flats, and continue to provide services and jobs for the city. Staff recommend that Council adopt the proposed planning program to build on this approach and to take advantage of the current development opportunities in the south and west and to extend the vision to take a longer term comprehensive view of the Flats' future roles and functions.

Appendix A

The City's Industrial Areas



Appendix D

False Creek Flats: transportation uses

