

CITY OF VANCOUVER

POLICY REPORT URBAN STRUCTURE

Report Date: May 11, 2005
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Meeting Date: May 12, 2005

TO: Standing Committee Planning and Environment

FROM: Director of Current Planning

SUBJECT: Northeast False Creek Area 5 B Zoning (and consequential ODP
Amendments): Cost Recovery Program

RECOMMENDATION

- A. THAT Council endorse the expedited process outlined in Appendix A for the assessment of the application by Concord Pacific for zoning of Area 5B of False Creek North, and for consequential FCN ODP Amendments;
- B. THAT Council not endorse processing applications for zoning or ODP amendments for Area 6C;
- C. THAT, consistent with Community Amenity Contribution Policy, a contribution in cash or in kind be negotiated for CACs associated with Area 5B rezoning, and previous Area 6A rezoning (June 2004);
- D. THAT a cost-recovered budget of \$433,880 contained in Appendix B be approved to undertake this work; and

FURTHER THAT, consistent with City cost recovery policy, Council accept a contribution from Concord Pacific to fully cover these costs; and

FURTHER THAT the rezoning and ODP amendment fees paid be credited against the cost recovery total, and

FURTHER THAT the balance owing be paid by 4:00 p.m., May 20, 2005.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services **RECOMMENDS** approval of A to D above.
COUNCIL POLICY

- False Creek North Official Development Plan
- City-wide CAC Policy
- Cost Recovery Policy

PURPOSE AND SUMMARY

Recommendation A of this report seeks Council approval for staff to undertake an expedited processing of a zoning application by Concord Pacific for Area 5B in False Creek North, and related ODP amendments. The Area 5B proposal is for about 576,000 sq. ft. of almost wholly residential development, in four towers of 14 to 25 storeys. This would involve converting most of the remaining commercial space allowance on Area 5B in the False Creek North Official Development Plan (FCN ODP) from commercial to residential, and adding residential floor space.

Concord has also applied to zone Area 6C, to convert approximately 780,000 sq. ft. of office commercial capacity to residential use, and add a further 324,000 sq. ft. of residential. The commercial space was transferred to Area 6C when Area 7B (the Apex site) was rezoned to allow the Costco store and major residential development. Recommendation B is to not endorse processing and Area 6C zoning or ODP amendment at this time. There are significant issues related to conversion of the commercial capacity, as well as to the outcome of the ongoing Plaza of Nations study which will only be reporting out to Council in July. Recommendation C is to pursue Community Amenity Contributions (CACs) associated with Area 5B, as well as those that remain owing from the earlier rezoning of Area 6A (June 2004). Proposed CACs will be discussed in detail in a separate Council report.

Concord has requested a very accelerated processing. Staff support this approach because of the potential public benefits to be achieved. It may be possible to achieve a September Public Hearing, provided there is no further negotiation with the applicant, or other delays.

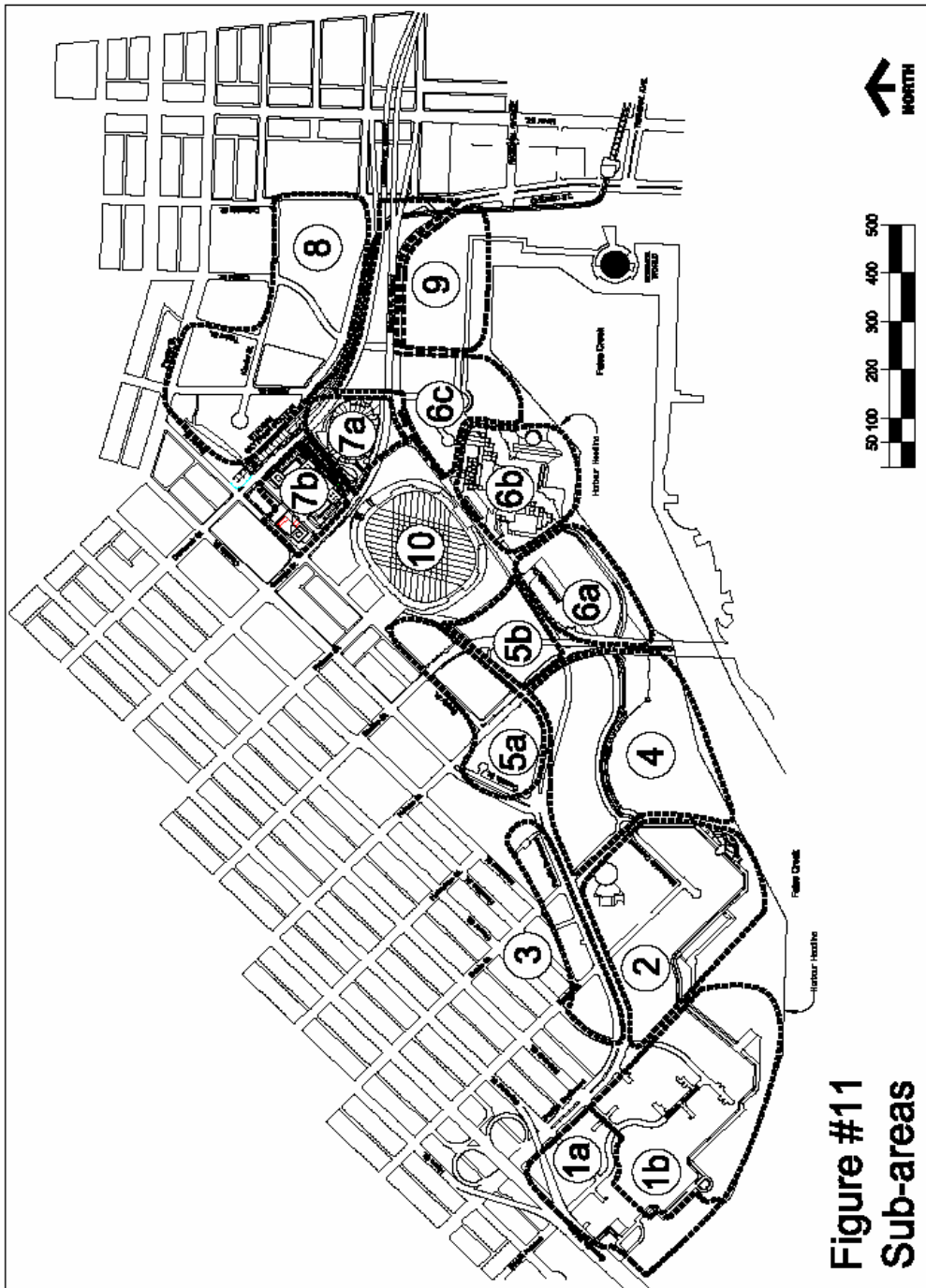
Recommendation D is that a cost-recovery approach be taken because of the amount of policy work involved in the applications, and because the necessary experienced staff team has had to be reassigned from other work program commitments. The cost-recovery funds will go towards temporary staff or consultants (and necessary support) to ensure these work items can still be completed this year.

BACKGROUND

The False Creek North Official Development Plan (FCN ODP) was approved by City Council in April 1990 to guide development in the lands roughly from Granville Bridge to Main Street, between the then-existing Downtown and the shore of False Creek. (See Map 1) In the intervening 15 years, zoning and development has occurred in about three quarters of the area.

In July 2001, Council approved the Northeast False Creek Urban Design Plan which proposed changes to a number of aspects of the FCN plan in the area east of Cambie Bridge. The Urban Design Plan was not followed up with comprehensive changes to the FCN ODP, as originally intended. Rather, some aspects of it have been reflected in individual zonings in Areas 7B and 6A.

Map 1. False Creek North Official Development Plan - Areas



Over the years, in the course of Area zonings, adjustments to the FCN ODP have been made transferring development potential from one Area to another. As a result, there have been a series of “interim” changes to the statistics in the ODP. Up until the June 2004 zoning for Area 6A (900 Pacific Boulevard), there was undeveloped residential density and dwelling unit potential available for transfer without increasing the overall densities. Therefore, there was no need for change to the overall Community Amenity Contributions (CACs) called for in the ODP.

However, the Area 6A zoning both transferred density from Area 5B to Area 6A, and converted it from commercial to residential use. That differed from the previous “interim” changes in that the increased residential floor area and dwelling unit count actually increased the FCN ODP totals. At the time of rezoning Area 6A, the negotiation of the appropriate CACs was deferred, to be considered in the context of broader FCN ODP amendments related to Area 5B and 6C. At the time of the Area 6A rezoning, Council approved the following recommendation:

- E. (iv) THAT the rezoning of Areas 5B and 6C shall not be considered until a comprehensive public amenity package has been established to the City's satisfaction for the final overall land use and density in the balance of the North East False Creek area.

Senior City staff have had ongoing discussions with Concord Pacific regarding their desire to achieve additional residential potential in Areas 5B and 6C, and the appropriate CAC offering that they will make.

DISCUSSION

1. Proposed Area 5B Zoning

Concord has now applied to zone Area 5B from BCPED (a holding zone) to CD-1. The proposal is for an almost wholly residential development of 575,698 sq. ft, with about 755 units, in four towers of 14, 18, 20, and 25 storeys.

As noted above, rezoning of Area 6A (June 2004) transferred about 2/3 of the ODP floor area potential from 5B to 6A, and converted it from commercial to residential. The zoning application for Area 5B proposes to convert most of the remaining commercial allowance to residential, and add a substantial amount of new residential floor area. (See Table 1. Note that statistics are based on information currently on hand from Concord Pacific, and may change if applications are revised.)

Table 1. Area 5B Statistics

Use	Current ODP sq. ft.	Proposed sq. ft.	
Residential	0	566,063	(494,031 sq. ft. new)
Commercial	81,667	9,635	(72,032 sq. ft. converted to residential)
Total	81,667	575,698	

Required changes to the FCN ODP related to the Area 5B zoning will be handled as “consequential amendments”, since the substantive issues will have been dealt with, through the zoning process.

2. Area 6C Zoning Application

In 2002 a rezoning of Area 7B (the "Apex" site bounded by Georgia and Dunsmuir Viaducts, GM Place, and Beatty Street) was approved to permit major residential development and a Costco store. This was achieved by transferring the residential capacity that the ODP had allocated to Area 6C to 7B, and moving the approximately 800,000 sq. ft. of office commercial potential from 7B to 6C, where it remains. Concord Pacific have applied to zone Area 6C to convert this space to residential use, and to add substantially more residential. Recommendation B is not to process this zoning application at this time, for two main reasons. First, the proposal to convert significant commercial capacity would need to be evaluated. City policy is that, when considering conversion of commercial capacity in the Downtown District, it needs to be shown that 20 years' supply would remain. At the time of the Area 7B rezoning, analysis showed this to be the case even with 7B's capacity removed. However, given the passage of 3 years, and the growing concern about jobs and employment capacity, the analysis would need to be updated. Second, the future of the Plaza of Nations, immediately adjacent to Area 6C is under consideration in a 6 month study. Its role as an outdoor entertainment and festival venue, and general land use options, will be discussed in a July report to Council. Aspects of Area 6C development may be affected by the Plaza of Nations' future role.

3. Community Amenity Contributions

As usual, prior to referral to Public Hearing, Council will receive a separate report with details on the recommended CACs, with approval subject to the Public Hearing. The report will deal with CACs associated with the zoning of Area 5B and the previous zoning of Area 6A

4. Proposed Process and Cost Recovery

During the course of discussions in early 2005 with senior staff Concord requested processing to achieve a Public Hearing in July, in order to achieve enactment by November. In early March, staff began work on tasks that could be undertaken prior to receiving a rezoning application, and have continued to do so. While an application was made March 30, adequate information to allow processing was not provided. Given submission of the necessary material, and no further delays, staff have advised Concord it may be possible to make a September Public Hearing.

Appendix A shows the proposed timeline, with 2 months from full application submission to referral report- steps that would normally take 6 months. This timing can be undertaken only because of the substantial amount of urban design work that has been done on Northeast False Creek over the past five years. It should be noted that the timeline allows no leeway for further substantive negotiation, or other delays. Enactment by November will be sought, but cannot be guaranteed.

A cost recovery approach is proposed for two reasons. First, the application involves significant policy work rather than straightforward rezoning processing. Second, meeting the compressed timeline requires the assignment of experienced staff who were programmed for other work items during this period. The funds made available by cost recovery will be used to create temporary staff positions or consultancies (and related support costs) to undertake the displaced work program items, so that these can be completed in a timely manner.

Appendix B outlines the full cost-recovery budget for the resources needed to achieve the rezoning of Area 5B on the schedule proposed. The total cost is \$433,880. The normal rezoning fees will be credited to this amount.

5. Issues

A number of issues relative to the Area 5B rezoning and Area 6C ODP amendment are likely to arise during processing. While these will be addressed in the referral reports, Council should be aware of them as they will likely generate public comment during processing.

- The built form and density of the proposed development are significantly different than previously anticipated in the FCN ODP or the more recent NEFC Urban Design Plan, and could be controversial. The proposed amount and type of Community Amenity Contributions may also generate public debate.
- Normally staff endeavour to satisfy the public that concerns have been addressed prior to referral. The compressed timeline for processing means a shorter than normal public process, and no time for changes to the application to respond to staff or public comments prior to the referral report. Required design changes to the proposal will need to be embodied in written "conditions of enactment" included in the referral report. This approach is likely to lead to more discussion and debate at Public Hearing. It also effectively pushes redesign and review work usually done at the rezoning stage into the next stage when the applicant prepares drawings for the development permit and "form of development" approval. In addition, achieving enactment before Council changes will be challenging, due to the complexity of the legal agreements that are normally needed.

FINANCIAL IMPLICATIONS

As noted above, full cost-recovery is proposed. The funds will be used for temporary staff or consultancies (plus necessary support) to undertake work items displaced by the assignment of experienced staff to this project.

CONCLUSION

It is proposed that processing of the application for zoning of Area 5B (and consequential ODP amendments) be undertaken on an expedited timeline on a cost-recovery basis, noting however that achieving the schedule depends on there being no further substantive negotiation with the applicant, or other delays.

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**False Creek North Area 5B Zoning (and consequential ODP amendments) MAJOR STEPS
AND SCHEDULE**

1. Pre-application Work Start	March 1 , 2005
2. Rezoning Application Submission: Incomplete	March 30, 2005
3. Rezoning Application Submission: Complete	May 4, 2005
4. Cost Recovery Report; In Camera CAC Report	May 10, 2005
5. Staff Review	May 4-June 3, 2005
6. Public Review	May 16-June 3, 2005
7. Write Referral Report, Bylaws	June 6-July 5, 2005
8. Referral Report to City Clerk	July 5, 2005
9. Referral Report to Council	July 19, 2005
10. Public Hearing	September 15, 2005
11. Enactment	November 1, 2005 (tentative)

Note: This schedule assumes no further significant negotiations or other delays during the course of processing. There is no time allowance for application revision, and required changes to the proposal will be handled through "conditions of enactment".

NORTHEAST

**FALSE CREEK:
AREA 5B REZONING (+ consequential ODP amendments)**

COST RECOVERY BUDGET SUMMARY

Total Salaries & Benefits		\$289,883
Core Team		
Planner 3 (6 mo.)	\$49,092	
Planner 1 (6 mo.)	\$36,534	
Planning Assistant 3 (6 mo.)	\$27,354	
Technical Team		
Rezoning Planner 3 (2 mo)	\$16,364	
Development Planner 3 (2 mo)	\$16,364	
Civil Engineer 2 (3 mo)	\$21,456	
Urban Designer Planner 2 (2 mo)	\$13,248	
Solicitor (3 mo)	\$32,925	
Park Planner 2 (2 mo)	\$13,248	
Housing Centre Staff (flat est.)	\$25,000	
Real Estate Services Staff (flat est.)	\$25,000	
Social Planner 2 (2 mo)	\$13,248	
Total Set-up Costs (Core Team)		\$15,000
Total Process Costs		\$16,000
Contingency		\$32,083
Total Overhead Costs		\$80,964
GRAND TOTAL		\$433,880

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