



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: May 31, 2005
Author: I. Smith/K. Robinson
Phone No.: 7846/6562
RTS No.: 05045
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TO: Vancouver City Council

FROM: The Director of Current Planning in consultation with General Manager of Engineering Services; Directors of Legal Services, Finance, Real Estate, Social Planning and Housing Centre; and Managing Director of Cultural Affairs

SUBJECT: Southeast False Creek Rezoning of Private Lands: Schedule, Approach, Staffing and Budget

RECOMMENDATION

- A. THAT Council endorse a coordinated cost recovery process to deal with CD-1 rezonings for private properties included in the Southeast False Creek Official Development Plan, provided that at least six of the development sites proceed to rezone together;
- FURTHER THAT staff resources identified in this report and the estimated cost recovered budget of \$700,000 be approved;
- FURTHER THAT consistent with City cost recovery policy, and the commitment of the property owners, an up front non-refundable contribution of a combined total of \$700,000 be accepted from these owners; and
- FURTHER THAT this contribution be applied to the individual sites' rezoning fees with the balance of the rezoning fee payable prior to Public Hearing.
- B. THAT an appropriate community amenity contribution for the private lands be identified from discussions with the property owners and reported to Council prior to the consideration of any rezoning.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends approval of A and B above.

CITY MANAGER'S COMMENTS

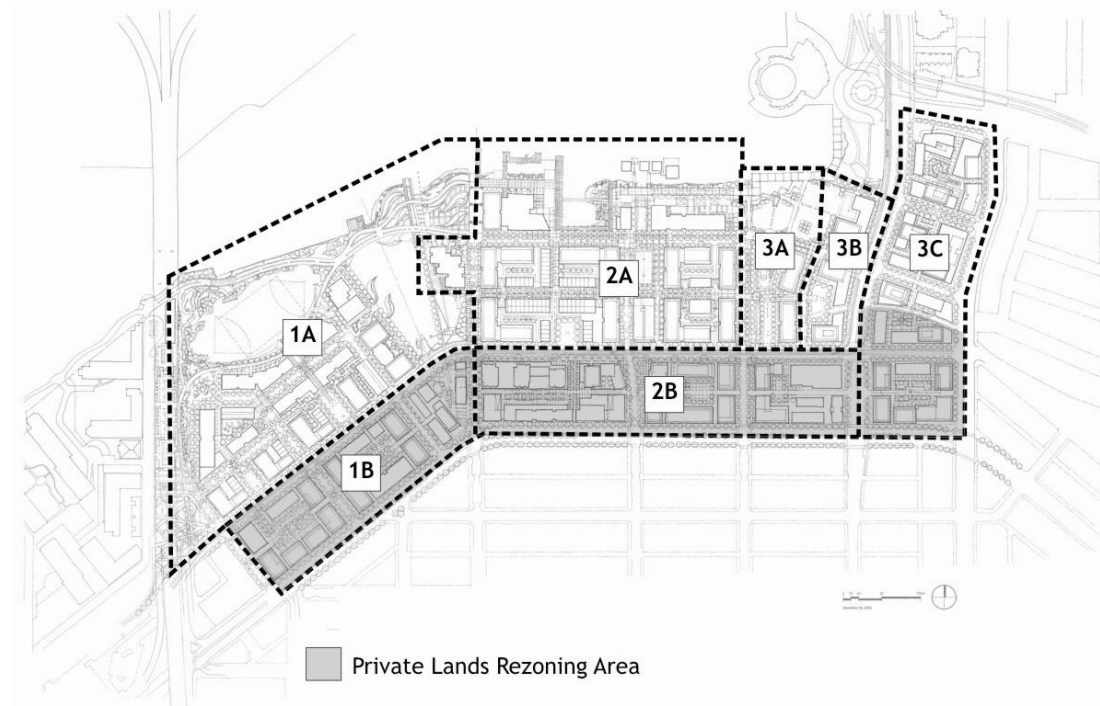
The City Manager recommends approval of A and B above.

COUNCIL POLICY

- In October 1999, Council approved the Policy Statement for Southeast False Creek to guide all future planning for the site.
- In July of 2004, Council approved a resolution which acknowledged the ongoing relationship between the City and the owners of the private lands and recommended that the rezoning be initiated at the earliest opportunity, after the approval of the zoning for the Olympic Village.
- In March of 2005, Council approved the Official Development Plan for Southeast False Creek, thereby setting up the framework for sub-area zonings.

PURPOSE

The purpose of this report is to recommend a cost recovery approach, work program, staff resources and budget to deal with privately initiated rezonings anticipated in the private lands of the Southeast False Creek Official Development Plan (SEFC ODP). This report refers to those privately owned lands shown in grey: sub-areas 1B, 2B and the M-2 portion of 3C as shown on the map below.



BACKGROUND

Out of the 80 acres covered by the SEFC ODP, approximately 30 acres are in private ownership. Most of the owners of these properties have been involved in the SEFC planning process since the outset. Discussions that have occurred as part of the ODP process have resulted in detailed design investigations on a number of these sites.

The SEFC ODP process had two temporary dedicated staff positions and with the approval of the ODP on March 1st 2005, those dedicated staff have moved onto other projects. On May 12th 2005, Council approved a pair of staffing reports for the public lands, one for a regulatory staff team, and a second for staffing of the SEFC Project Office but the work program of these staff did not include consideration of the rezonings for the private lands. There are currently no staff assigned to the private lands rezonings.

DISCUSSION

Current Situation

Since the approval of the SEFC ODP, a number of meetings have occurred between the City and the private land owners. The discussions have centred around the security perimeter for the Olympic Village, and the process to rezone the private lands.

Until this time, the private land owners have worked with City staff to address their collective concerns as a group. There are now a number of owners who wish to proceed with the rezoning and the development of their lands: eight owners have committed to proceed immediately, with one owner a possibility. These properties and their owner/developer are listed in Appendix A.

Recommended Approach

Rezoning applications are normally processed through the City's Rezoning Centre. A CD-1 (Comprehensive Development District) rezoning typically takes 9-12 months to reach Public Hearing, given full staffing in the Centre, and a reasonably steady pace of incoming applications. If a single application were submitted for a major development site in the private lands then this timeline would likely be achieved. However, if eight or more applications were all made simultaneously, on top of normal application volumes, the Rezoning Centre's staff resources would not be sufficient to achieve the typical timing. It is likely that most of the applications would take considerably more time to complete. Alternatively, a cost recovery approach with a dedicated staff team can complete this work in a timely way.

The private land owners are supportive of a cost recovery approach and are prepared to cover the cost of the dedicated team and necessary resources, with an up front, non-refundable payment, provided that the payment is credited directly against their rezoning fees as typically occurs with cost recovery projects (letters from the private land owners listed in Appendix A are on file with the Current Planning Department and City Clerks Office).

Work Program and Schedule

If Council approves this approach, it would take approximately three months to get the dedicated team in place. In the interim, existing senior staff in the Planning Department, probably with consultants, would complete a draft set of urban design guidelines for the private lands area, in consultation with the SEFC Project Office. It is through these guidelines that the coordinated vision and form called for in the SEFC ODP would be maintained. At the same time, in consultation with staff, the private land owners would begin to prepare their rezoning applications. These applications would likely be ready soon after the dedicated team is in place, estimated to be September 2005. Work could then begin on reviewing and shaping these applications in accordance with the guidelines and SEFC ODP leading to an initial public review by year end.

Future rezonings for the balance of sites in the area will be processed when they come in, in the normal manner, using the same guidelines to shape their applications and to complete the staff assessment.

In addition to allowing the landowners a timely response, the approach will also be more efficient for City staff. Significant time savings can be realized by processing the private land applications together. Designs would be reviewed by dedicated staff under the same guidelines, and similar development conditions and legal requirements would be imposed. As well, public review could be consolidated for the private lands and could potentially be coordinated with the review of the Olympic Village.

Once the initial public review has been completed further design development could secure a form of development at the rezoning stage which will reduce the amount of the time required to process development permits. With this process and the inherent efficiencies, staff believe that most or all of these applications could be brought to public hearing prior to 2006 summer break.

Apart from reviewing the rezoning applications, this process will need to address two other major issues: ensuring the projects meet the security considerations for the Olympic Athletes' Village, and facilitating their appropriate contribution to the public benefits through various funding mechanisms, including community amenity contributions (CAC's).

Security Perimeter for the Olympic Village

From all perspectives, the safety of the Olympic athletes and the public during the Olympic Games is of primary importance. Of all the Olympic facilities, the Athletes' Village is in operation the longest and is seen to be the most important venue in terms of security. To ensure the safety of the athletes, a future security perimeter around the Village site has been suggested by the RCMP in consultation with VANOC. Of the private properties in the ODP area, approximately 5 of the 30 acres, or 17% are located within the security perimeter, while the remaining 25 acres or 83% are located outside the perimeter.

To address concerns and questions related to the security perimeter, the City has facilitated a number of meetings with the property owners inside and outside the perimeter, with participation of the RCMP and VANOC. With respect to the impact of the future perimeter on

existing business operations, discussions are now at the stage of addressing individual businesses' specific issues on a one-on-one basis by VANOC and the General Manager of Olympic Operations.

Three owners with properties within the security envelope have expressed a desire to rezone their properties. Discussions with these owners are now at the stage of addressing their plans in the context of the security perimeter and specific conditions of rezoning.

Public Benefits Funding

In the SEFC ODP process a financial plan was put in place which would secure the vision of a sustainable community, including all amenities. As part of this plan, a portion of the overall costs was assigned to the surrounding private lands. Their contributions will be made in a number of ways including direct payments for standard items such as: street and traffic improvements, and city-wide DCLs in accordance with Council direction. In addition the City will look forward to a CAC as part of the rezoning process. The amount of this CAC will be determined by a full discussion with the property owners relating to both costs and ability to pay. Based on these discussions a report will be forwarded to Council, prior to the rezoning of any site in these lands.

Required Staffing

The creation of urban design guidelines for the private lands, the processing of eight or more CD-1 applications and the resolution of the issues outlined above can best be accomplished by a dedicated staff team. (Table 1 provides details on staff and costs)

To complete the work as outlined above, it is recommended that temporary staff positions be created in both the Planning and Engineering departments for 12 months. In Planning, this would mean a temporary Planner 2 and a Planner 1, and in Engineering, this means a temporary Civil Engineer 2, required for half time.

Urban Design consultant resources will be necessary, to work with the owners and staff, in the preparation of the guidelines and in the finalization of the form of development: \$50,000 is included for consultancies or for temporary staff. As well, additional resources are required to cover the cost of staff involvement from Social Planning/Cultural Affairs, the Housing Centre, and the Park Board.

Involvement from Legal Services will be substantial, not only for legal agreements to secure the requirements normally associated with CD-1 rezonings, but also to secure the area outside the Olympic Village. More time than normal may also be required for agreements related to the green building strategy which is currently being developed.

Management and supervision of the process, and planning assistant support will be provided by existing staff in Central Area Planning.

Because of the current office space shortage and possible need to accommodate the planning staff in leased space, some funds have been included for that purpose.

BUDGET

Table 1: SEFC Staffing and Budget

| DESCRIPTION | | |
|-------------------------------------------------|-----------|------------------|
| Total Salaries & Benefits | | \$412,690 |
| Core Team | | |
| Planner 3 (4 mo.) | \$32,728 | |
| Planner 2 (12 mo.) | \$79,488 | |
| Planner 1 (12 mo.) | \$73,068 | |
| Technical Team | | |
| Civil Engineer 2 (6 mo) | \$42,912 | |
| Solicitor (10 mo) | \$109,750 | |
| Park Planner 2 (2 mo) | \$13,248 | |
| Housing Centre Staff (flat est.) | \$10,000 | |
| Real Estate Services Staff (flat est.) | \$10,000 | |
| Social Planner 2 / Cultural Affairs (flat est.) | \$15,000 | |
| Heritage Planner 2 (2 mo) | \$26,496 | |
| Consultant Costs | | \$60,000 |
| Urban Design or Temp Staff | \$50,000 | |
| Other Consultants | \$10,000 | |
| Total Set-up Costs (Core Team) | | \$10,000 |
| Total Process Costs | | \$32,000 |
| Contingency | | \$61,097 |
| Total Overhead Costs | | \$124,213 |
| GRAND TOTAL | | \$700,000 |

FINANCIAL IMPLICATIONS

To allow a timely and efficient process, the property owners have agreed to a cost recovery approach and to the payment of a non-refundable amount up front. The cost for the process identified is \$700,000. If eight or more property owners who have so far expressed interest proceed, the up front contribution will be equivalent to about 75% of the rezoning fees. If fewer owners participate, the proportion will be higher and the project budget will be adjusted accordingly. At least six owners need to participate to ensure that adequate fees will be collected to cover the cost of the dedicated staff team, and staff have confidence that this will be the case based on letters and discussions. The balance of rezoning fees would be due prior to Public Hearing.

CONCLUSION

Council is asked to approve the cost recovery approach, the work program, staffing and budget as set out in this report to complete all of the work necessary to bring forward at least six and probably up to nine CD-1 rezonings in the private lands in an efficient and timely manner.

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Appendix A.

Letters of Intent (received since April 29, 2005)

- | | |
|-------------------------------|-----------------------------------------------|
| 1. Bastion Development Corp. | 6. Wall Financial |
| 2. Beedie Development Corp. | 7. Winkler Holdings Ltd. |
| 3. Marpole Investments Ltd. | 8. Jack MacNamara (two sites) |
| 4. Murphy Stationary Co. Ltd. | 9. George Shindler - <i>possible rezoning</i> |
| 5. Polygon Development Ltd. | |

