

LATE DISTRIBUTION FOR COUNCIL - JANUARY 31, 2006

P6



CITY OF VANCOUVER

POLICY REPORT URBAN STRUCTURE

Report Date: January 26, 2006
Author: Trish French/Karis Hiebert
Phone No.: 604.873.7041/604.871.6606
RTS No.: 5697
CC File No.: 11-3600-03
Meeting Date: January 31, 2006

TO: Vancouver City Council
FROM: Director of Current Planning
SUBJECT: SEFC ODP Amendments Relating to Housing Mix and Childcare Facilities

RECOMMENDATION

THAT the Director of Current Planning be instructed to make application to amend the Southeast False Creek Official Development Plan By-law No. 9073 generally in accordance with Appendix A; and

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary by-law generally in accordance with Appendix A;

AND FURTHER THAT the application and the by-law be referred to a Public Hearing.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends approval of A.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

COUNCIL POLICY

- Southeast False Creek Policy Statement - October 1999
- Southeast False Creek - Financial Plan and Strategy - March 2005
- Southeast False Creek Official Development Plan - July 2005

PURPOSE

The purpose of this report is to recommend referral to Public Hearing of a number of proposed amendments to the Southeast False Creek Official Development Plan ("SEFC ODP").

BACKGROUND

On December 20, 2005 City Council instructed staff to report back with options to change the SEFC ODP to improve the economic sustainability of the development by having the Property Endowment Fund ("PEF") recover the land value of the site (approximately \$50 million) over the anticipated 15 year build-out period.

On January 20, 2006 City Council considered the options in the staff report, and provided direction to pursue options that, if ultimately approved at Public Hearing, would result in about \$24 million of return to the PEF. They also approved a direction to staff to seek the balance of the \$50 million over the 15 to 20 year development horizon.

On the topics for which SEFC ODP amendments are proposed, the Discussion section below quotes the January 20, 2006 Council resolution and provides a brief explanation. Background on the history of the creation of the ODP, the related Financial Plan and Strategy, and the PEF is contained in the January 13, 2006 report which can be accessed at <http://vancouver.ca/ctyclerk/cclerk/20060119/documents/csb2.pdf>. This information will not be repeated in this report.

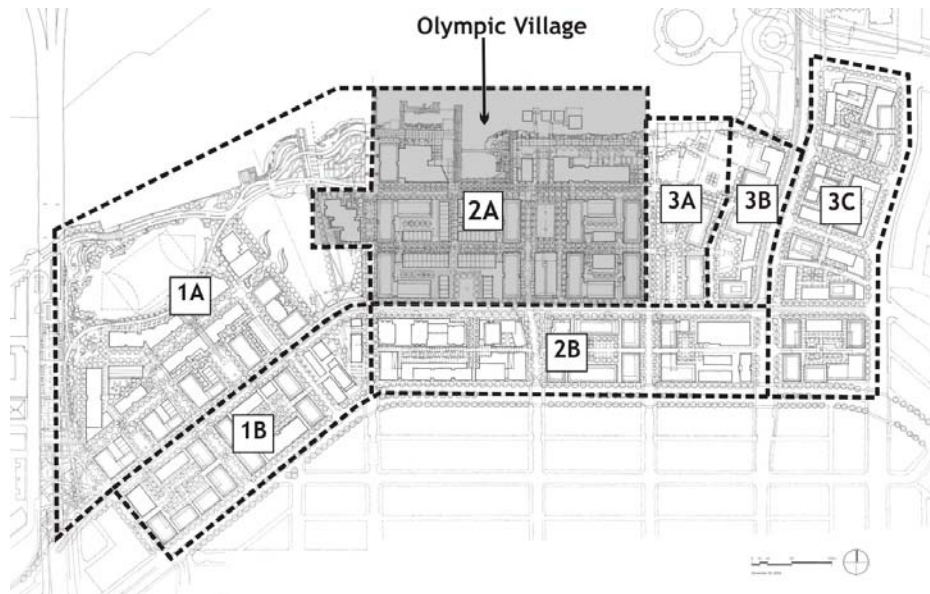
DISCUSSION

1. Site and Ownership

The SEFC ODP covers a site of approximately 80 acres of both City Lands and Private Lands, as shown in Figure 1. Approximately 50 acres of the ODP area - north of 1st Avenue between Cambie and Quebec Streets and identified as sub-areas 1A, 2A and 3A in the diagram below - are owned by the City and held in the PEF. This report refers to these lands as the "City Lands". The balance of the sites in the SEFC ODP area are owned by private interests (1B, 2B and 3C and including two smaller sites owned by the PEF) and by Translink (3B).

On July 2, 2003, the City of Vancouver was awarded the 2010 Winter Olympic and Paralympic Games. As part of the bid, the City committed to providing the permanent facilities for the Olympic Village to be used by the Vancouver Organizing Committee for the 2010 Winter Olympic and Paralympic Games ("VANOC"). These facilities are to be provided by delivering most or all of sub-area 2A of the SEFC ODP area to VANOC by Fall 2009. This is a tight timeline for design and construction of the Olympic Village, leaving less than 3 years and 9 months to complete the Olympic Village.

Figure 1. SEFC ODP Sub-Areas



2. SEFC ODP Components Not Proposed to Be Changed

The overall vision for SEFC was articulated in the *Southeast False Creek Policy Statement* adopted by Council in October 1999 as a place:

"...in which people live, work, play and learn in a neighbourhood that has been designed to maintain and balance the highest possible levels of social equity, liveability, ecological health and economic prosperity, so as to support their choices to live in a sustainable manner".

The 2005 SEFC ODP contains a wide array of provisions addressing this vision. While a number of revisions are being contemplated, most elements in the plan are not proposed to be changed, including:

- requirement for high levels of environmental sustainability in all aspects of the project;
- land uses, density, building heights, and building massing;
- park acreage, waterfront walkway, and levels of funding for park development;
- 30,000 sq. ft. community centre and non-motorized boating facility;
- inclusion of an elementary school and contribution to library at #1 Kingsway; and
- high quality infrastructure and public realm design, soil remediation, shoreline stabilization.

3. Affordable Housing

January 20, 2006 Council Resolution

"THAT the housing mix for the SEFC City Lands comprise a minimum of 20% across the entire site, while maintaining the minimum 250 units of Olympic Legacy affordable housing in sub-area 2A, and that alternative funding sources be pursued up to \$16.6 million with an objective of providing up to 33% affordable housing in sub-areas 1A and 3A, resulting in as

much as 29% affordable housing across the entire site, which would result in an approximate increase in revenue of \$16.6 million to the PEF.”

Discussion

Currently, social housing comprises 8.5% of the city’s housing units, and the City’s policy is to maintain or increase that percentage. Since 1988 in major projects the City has set a minimum standard of 20% affordable housing, also known as social housing or non-market housing. (An appendix to the earlier Council report provides further information on the evolution of the City’s social housing policy.)

The SEFC ODP includes a requirement for a minimum of 1/3 of the housing units in the City lands, i.e. sub-areas 1A, 2A, and 3A combined, to be affordable housing.

The proposed change to a minimum of 20% across the entire site is reflected in the draft SEFC ODP amendments in Appendix A. It should be noted that 250 units of affordable housing are already committed in sub-area 2A, in order to meet the Olympic Legacy commitment for the Olympic Village: this is somewhat more than 20% in that sub-area. Thus, the minimum requirement of affordable housing in 1A and 3A would be somewhat less than 20% to result in 20% affordable housing overall.

The objective of continuing to aim for 1/3 affordable housing units, as per Council’s motion, is also included in the SEFC ODP amendments. Staff will continue to seek alternative funding sources such as DCLs or senior government funding to further this objective.

4. Modest Market Housing

January 20, 2006 Council Resolution

“THAT the housing mix for the SEFC City Lands not require the modest market housing component in sub-area 2A, which would allow \$4.2 million of unallocated funds to be returned to the PEF; and that alternative funding sources be pursued to retain the requirements of providing up to 33% modest market housing in sub-areas 1A and 3A;

FURTHER THAT staff work with City and Private Land developers in SEFC sub-area 2A to achieve beneficial housing solutions targeted to modest market (middle income) consumers with the objective to achieve 33 % of such housing.”

Discussion

On City lands, the current SEFC ODP calls for 1/3 of the units to be modest market units, i.e. units for households in the middle third of the household income spectrum. The proposed revision to the SEFC ODP would remove the requirement to have modest market housing in sub-area 2A, while retaining the 1/3 requirement in sub-areas 1A and 3A.

The objective of continuing to aim to achieve modest market housing in sub-area 2A is also included in the proposed SEFC ODP amendments. Typically, even without a regulatory

requirement, a development includes a range of market housing types, some of which are more affordable than others due to factors such as type, size, finish, and location within the development. Council's direction is for staff to work with the developers of sub-area 2A to further this approach.

5. Childcare Facilities

January 20, 2006 Council Resolution

"THAT there be a minimum of two childcare facilities on the SEFC City Lands and one on the SEFC Private Lands, with an objective of up to five childcare facilities on the SEFC City Lands and Private Lands, and that alternative funding sources be pursued with an objective of achieving five facilities, which would result in an approximate savings of \$3.2 million to the PEF."

Discussion

The ODP currently requires five licensed childcare facilities, each containing 69 spaces. The proposed SEFC ODP amendments reduce the required minimum number to three, but maintain the objective of five as a target to strive for over time. Possible financial supports include senior government funding.

6. The Dual Roles of the City as Owner and Regulator

It is not an unusual position for the City to be both the land owner and the regulator when considering the development of lands held in the PEF. The City as owner of the PEF lands conducts itself in much the same way as a private land owner with respect to the investment and development interests of its lands. As owner, City Council may instruct staff to pursue certain development interests and schemes in preparation for pursuing SEFC ODP amendments or rezonings, as is typical with private developments.

City Council as regulator must fulfill its legal responsibilities as regulator of land development and apply the same standards and procedures to PEF developments as it does to private land developments, including conducting Public Hearings to seek public input. City Council as regulator must ensure it maintains the public interest when reviewing and approving SEFC ODP amendments and rezonings, regardless of its interest as a landowner.

FINANCIAL IMPLICATIONS

The financial implications of the possible changes to the SEFC ODP are fully explained in the January 13, 2006 Council report.

CONCLUSION

Council approval of the Recommendation in this report will result in referral of the proposed SEFC ODP amendments to Public Hearing.

* * * * *

Proposed Amendments to the Southeast False Creek Official Development Plan

By-law amendments will be prepared generally in accordance with the provisions listed below and are subject to change and refinement prior to By-law posting;

~~Strikeout~~ indicates text to be deleted. **Bold** indicates text to be added.

3.2.1 *Meeting basic needs*

Appropriate, affordable housing

~~In sub-areas 1A, 2A, and 3A, the aim is to create one third affordable housing, one third modest market housing, and one third market housing.~~ In order to encourage a balanced community with a broad social mix and access to housing by all income distribution groups, **the aim is to create one third affordable housing, one third modest market housing, and one third market housing:**

- (a) **affordable housing is to comprise at least 20% of the housing in sub-areas 1A, 2A, and 3A combined, and, in sub-areas 1A and 3A combined, the objective, subject to finding alternative funding sources, is to increase this ratio to 33%; and**
- (b) **modest market housing is to comprise up to 33% of the housing in sub-areas 1A and 3A combined, subject to finding alternative funding sources; and, in sub-area 2A, the objective is to have a ratio of 33% by working with developers to achieve solutions.**

The creation of affordable housing is to occur primarily through government funded programs.

...

Quality, affordable child care

Development is to provide for a number of child care facilities, out-of-school programs, and licensed family child care spaces. **Sub-areas 1A, 2A, or 3A are to include at least two child care facilities, and sub-areas 1B, 2B, or 3C are to include at least one child care facility. In addition, the objective is to create five child care facilities in SEFC.** Out-of-school programs are to be situate in public facilities, such as schools and community centres, or in family child care centres.

...

4.3.1 *Residential uses*

...

- (c) in sub-areas ~~1A, 2A, and 3A combined~~:
 - (i) ~~1A, 2A, and 3A combined~~, the basic residential floor area allowance is not to exceed 195 870 m²,
 - (ii) ~~1A, 2A, and 3A combined~~, at least 20% ~~one-third~~ of the residential units, ~~consisting of approximately 56 000 m²~~, are to be available for affordable housing,
 - (iii) ~~1A, 2A, and 3A~~, integration of individual sites for affordable housing is to occur throughout the sub-areas, and
 - (iv) ~~1A and 3A combined~~, 33% ~~one-third~~ of the residential units, ~~consisting of approximately 56 000 m²~~, are to be available for modest market housing;

...

- (k) 25% of the market housing in sub-areas 1A, 2A, and 3A and 25% of the modest market housing in sub-areas 1A ~~2A,~~ and 3A ~~is~~ are to be suitable for families with small children.

...

4.3.5 *Cultural, recreational, and institutional uses*

- (c) ~~three five~~ licensed child care facilities, each consisting of 69 spaces, having a combined indoor floor area of at least 2 297 ~~3-820~~ m² and a combined outdoor floor area (covered and uncovered) of at least 2 244 ~~3-075~~ m² that comply with the Childcare Design Guidelines adopted by Council on February 4, 2003;

...

Figure 6 illustrates general locations for community facilities, and, in sub-areas 1A, 2A, and 3A, location options for ~~three~~ licensed child care centres and one out-of-school care centre, and the applicable CD-1 re-zonings are to identify specific locations.

Sub-areas 1B, 2B, and 3C are to include ~~one two~~ 69-space child care centres and one out-of-school child care centre.

...

5.4.1. Sub-area 1A - The Western "Works Yard" Neighbourhood

A major waterfront park, urban park under the Cambie Bridge, and central 'hinge' park extending to 1st Avenue are to frame this primarily residential area. Focal points in this neighbourhood are to include the former industrial buildings of heritage value including the 'Sawtooth' building, being the former city machine shop, and Wilkinson Steel building, a former steel production shed located at the foot of Cook Street. These buildings are to remain in or near their current locations. At least one major child care facility with an outdoor play area ~~may is to~~ be situate in the western neighbourhood at a location determined at the time of the applicable CD-1 re-zoning, possibly in the converted machine shop.

5.4.2 Sub-area 2A - The Central "Shipyard" Neighbourhood

para 4

A cluster of community services via Front Street and the seaside greenway/bikeway are to connect to the community heart. Such services are to include a community centre combined with a non-motorized recreational boating facility to animate the waterfront **and** an elementary school, **and may include** ~~along with~~ a daycare and an after-school care located within easy walking distance of the community centre and boating facility and beside the park that is to be large enough for a playfield.

Figure 6: Cultural/Recreational/Institutional

Change map labelling:

Optional Potential ~~Potential~~ child care site