



## POLICY REPORT DEVELOPMENT AND BUILDING

Report Date: April 8, 2009  
Contact: B. Johnson/T. Phipps  
Contact No.: 604.871.6943  
RTS No.: 07867  
VanRIMS No.: 08-2000-20  
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TO: Vancouver City Council  
FROM: Director of Planning  
SUBJECT: Pearson Hospital/Dogwood Lodge Policy Planning Program

### ***RECOMMENDATION***

- A. THAT Council endorse a planning program for the Pearson Hospital/Dogwood Lodge site, outlined in Appendix A, to undertake a public policy review process to consider and bring forward for Council adoption policies to guide site planning and to provide a basis for assessing future rezoning proposals.
- B. THAT staff resources contained in Appendix B and estimated associated cost recovered budget of \$678,000 contained in Appendix C be approved to complete policy planning for the Pearson Hospital/Dogwood Lodge site.

FURTHER THAT, consistent with City cost recovery policy, Council accept a policy phase contribution of \$678,000 followed by a rezoning phase contribution of \$551,000 upon submission of a rezoning application from owners of the Pearson Hospital/Dogwood Lodge site.

AND FURTHER THAT, Council accept this policy phase contribution in two approximately-equal instalments in each of the 2009 and 2010 fiscal years with the second instalment paid prior to completion of the policy phase.

### ***GENERAL MANAGER'S COMMENTS***

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

### ***CITY MANAGER'S COMMENTS***

Renewing and expanding health care facilities on this site represents an excellent opportunity to not only meet essential regional and local health care needs but also to meet affordable housing, employment and environmental objectives. The site is well-served by transit and is ideal in terms of providing a continuum of integrated health care services and housing. The

proposed planning program will result in a comprehensive policy framework which addresses these multiple objectives in consultation with the local community.

The City Manager RECOMMENDS approval of the above.

### ***COUNCIL POLICY***

CityPlan (1995)

Oakridge Langara Policy Statement (1995)

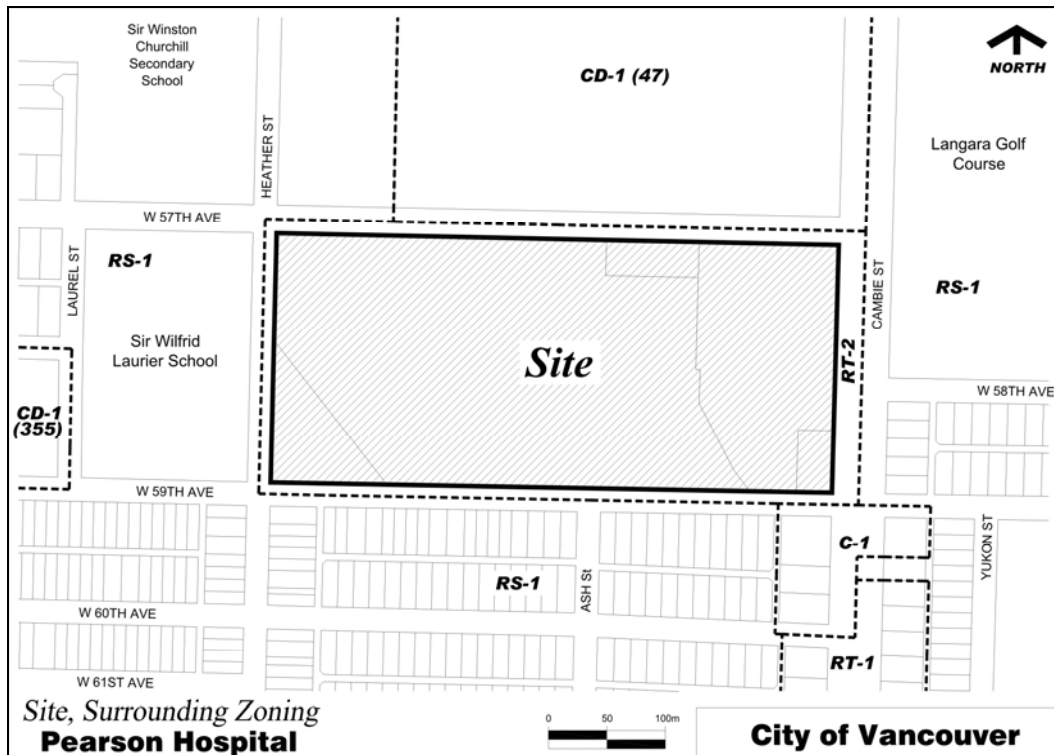
Regional Context Statement (2000)

City-Wide CAC and DCL Policy

Rezoning Policy for Greener Larger Sites (EcoDensity Initial Actions) (2008)

### ***PURPOSE AND SUMMARY***

Vancouver Coastal Health (VCH) has requested a planning program to examine the future of the Pearson Hospital/Dogwood Lodge site (referred to as the *Pearson site*). VCH is interested in complete redevelopment to update and expand current institutional uses and to add new uses including residential, office and retail, but is mindful of the key role that the site needs to play in accommodating the existing and future primary community and residential health services required by the people of Vancouver.



This report seeks Council direction to begin a cost-recovered policy review to determine the appropriate mix of uses, scale, form and density of any new development on the Pearson site, and its relationship to the surrounding community, the city and the region.

Redevelopment of the Pearson site provides an opportunity to improve local and regional health care service and to create a community that is environmentally sustainable (adjacent

to a major rapid transit line and two bike routes, and characterized by green architecture and energy) and socially sustainable (providing community amenities, park and open space and a significant amount of affordable housing). While the 1995 Oakridge Langara Policy Statement (OLPS) draws conclusions about heights and densities for the Pearson site, it is recommended that these be revisited in the context of the new Canada Line rapid transit route on Cambie Street, the potential for a future station at the northeast corner of the site, and CityPlan and EcoDensity policies. A public consultation process to identify and review principles, parameters and options for the site will be central to this policy review.

### ***BACKGROUND***

**Site and Zoning History:** The Pearson site, indicated on the map above, is currently zoned RT-2 (two-family dwelling) which conditionally permits institutional uses (including Hospital and Seniors Supportive Housing), and has a maximum density of 0.6 to 0.75 FSR. The total site area is 25.4 acres and is subdivided into 5 parcels: a large westerly parcel of 19.5 acres owned by VCH, a large easterly parcel owned by ARES (Province of BC), and three small parcels totalling 2.5 acres for which the City holds options to purchase. These small parcels are essentially placeholders for park land resulting from the 1985 subdivision of the land.

Pearson Hospital was built as a tuberculosis sanatorium in 1952. Currently it houses 120 residents with severe physical disabilities requiring high levels of complex care. The facility also includes a warm-water pool that is a valuable asset for rehabilitation. Dogwood Lodge was built approximately 30 years ago and provides complex care to 113 frail seniors. Both the hospital and the lodge are considered by VCH to be outdated and challenging to upgrade.

**Oakridge Langara Policy Statement (OLPS):** approved by Council in 1995, the OLPS provides policy to evaluate rezoning applications (see Appendix D: Relevant Policies). The Pearson site is identified as a potential large-scale redevelopment site that could accommodate institutional uses, housing and mixed-use development adjacent to and enhancing the existing neighbourhood node at 57<sup>th</sup> and Cambie. The Policy supports multifamily redevelopment with a diversity of unit sizes, achieving 20% of all units as non-market housing, and provision of on-site amenities including park space for residents. The maximum density in the Policy is 0.9 to 1.0 FSR with a maximum of 0.6 FSR of institutional or residential uses, and heights are limited to 9 to 12 metres (30 to 40 feet).

**Rezoning Policy for Greener Larger Sites (EcoDensity Initial Actions):** approved by Council in 2008, this policy mandates a series of environmental requirements for all rezonings of sites greater than 2 acres. These include: evaluation of green energy options, reduced energy consumption (including a potential Neighbourhood Energy Utility), a transportation demand strategy, rainwater and solid waste management, and a range of residential unit types and tenures to enhance affordability. The policy makes reference to the Pearson site as one of eight large sites where existing City policies (the OLPS in this case) identify height and/or density limits. In such situations, the existing policy should be used as the base case for redevelopment and additional options with increased heights/densities may be generated in the course of the planning process.

**Proponent's Aspirations:** VCH has approached the City to engage in a comprehensive policy planning and rezoning process to establish principles and parameters for redevelopment of the Pearson site. VCH recognizes the value of such a large site in Vancouver and intends to retain ownership of the site. They wish to update and expand existing services as well as increase services to meet projected health care needs. Beds will be increased from 233 to

approximately 800. Possible new health services on the site include hospice, adult daycare, and a relocated South Community Health Centre (from Knight Street). VCH is also in discussion with the YMCA regarding the relocation of their Langara facility onto the site. A strong synergy would exist between the YMCA and VCH's rehabilitation program. Additionally, the YMCA will offer public recreational opportunities. There are also significant opportunities for developing amenities, affordable housing and local commercial uses on the site.

### *DISCUSSION*

The OLPS defines limits on height and density on the Pearson site. If redevelopment adheres to these limits, the site is not likely to meet the urban potential the City has been striving for in locations well-served by transit and accessible to urban amenities and employment. While scenarios within these limits will be explored in this policy process, it is recommended that Council endorse a program that looks at options reflecting the approved EcoDensity rezoning policy to maximize its potential to meet VCH, City and community needs. Staff believe that the site has a clear potential to accommodate an increase in floor area for health care, affordable housing and other uses above what is identified in the OLPS.

Redevelopment of the Pearson site will enable VCH to expand and improve health care delivery. They recognize that the size and location of the site make it a valuable asset that may be impossible to acquire today, and as such it is their intention to retain ownership of the land. VCH requests consideration of an expansion of institutional uses beyond the 0.6 FSR limit in the OLPS. They also believe residential, retail and some office uses should be considered. The mixed-use character of the development could also help finance construction of new health care facilities. The intent to retain land in the longer term also creates opportunities for achieving affordable non-market, rental and/or leasehold housing.

Consistent with previous major projects delivering regional or provincial services, such as Vancouver General Hospital, the City expects the proponent to articulate benefits accruing to local communities as well as broader populations. These are likely to include more convenient local access to health services, for instance by seniors. While environmentally-responsible land use benefits addressing important issues such as affordable housing and employment in close proximity to transit will be key elements, the potential to address immediate community needs will also be essential during the policy process.

From the City's perspective, intensification of uses on the Pearson site accords well with City objectives for transit-oriented and mixed-use development, strategic increases in housing and employment opportunities, environmental design, affordable housing and social development. A new site plan would create the opportunity to better integrate the site into the city grid, which would improve permeability for pedestrians and cyclists, increase serviceability, and create an improved park configuration.

The Pearson site is located on the soon-to-be-completed Canada Line along the Cambie Corridor. The closest stations are at Marine Drive and at 49<sup>th</sup> Avenue. In addition, the tracks at 57<sup>th</sup> Avenue, at the northeast corner of the site, have been configured to allow for a future station (not currently funded). Both CityPlan (1995) and EcoDensity (2008) support densification in proximity to rapid transit and encourage development that de-emphasizes automobile use. Both policies also support mixed-use developments that help create complete communities, reducing transportation demands and providing employment and commercial services closer to home.

The new development would be required to meet a high standard of environmental performance. Provincial and City policy requires that all buildings be built to high green standards and opportunities sought for local energy generation, energy and waste reduction, urban agriculture, and more. Further, densities and heights that are greater than currently on the site or contained in the OLPS would represent a more intensive and efficient use of scarce urban land. Several factors favour this: the presence of four 19 storey towers next to the site on Langara Gardens, a site deep enough to accommodate transitions in scale to adjacent properties, and limited frontages facing lower-density residential areas. Sensitive urban design can minimize impacts on the single-family area to the south while still allowing greater height and density in appropriate areas, most notably the north and north-east parts of the site adjacent to existing higher density development and the potential transit station.

Housing affordability is a key issue facing Vancouver. The redevelopment of the Pearson site could deliver a significant amount of affordable housing as well as provide a diversity of housing forms including low-, mid- and high-rise apartments and townhouses. Since VCH intends to retain ownership of the land in the long term, any housing that is built on the site would therefore be rental or non-market, or possibly long-term leasehold. In all cases there would be some benefit in terms of affordability. A possible mechanism for developing affordable housing on the site would be for VCH to provide parcels to developers or non-profits through long-term leases, much as the City does with its land in numerous social housing projects. Because this site is well-served by transit, it is reasonable to assume that the project could deliver a significant number of units. Diverse housing forms would provide a range of comparatively-affordable alternatives

Current policy for the site (OLPS) states that 20% of the units on all sites with greater than 100 units should be non-market housing. Because achieving 20% non-market housing is largely dependent on senior government programs, a flexible approach which optimizes opportunities for affordable housing which can be viably delivered on this site using existing affordable housing programs will be explored. The site will provide opportunities for a range of more affordable housing including significant amounts of market rental housing, which can be made more affordable through rent supplement programs. Opportunities for social and supportive housing consistent with Council objectives but dependent on partnerships to be realized will also be explored in the planning of the site.

In terms of social development, VCH's increased levels of health care service will better serve those with disabilities and frail seniors as well as the general population of South Vancouver using the community health centre. New public park land and open space would be delivered as part of the development as well as other amenities - daycare, for example. A needs assessment undertaken as part of the policy work would identify which amenities should be included as part of the redevelopment. The possible relocation of the YMCA onto the site would serve VCH clients, local residents and citizens of Vancouver, and programs could complement those being offered at City community centres.

New local retail and office development on the site would strengthen the existing local commercial node on 57<sup>th</sup> Avenue, benefiting an area somewhat lacking in local retail services (particularly if the population increases). New office uses related to the proposed health clinic can provide services and employment as well as support institutional uses on the site.

**Process:** The scoping of this project from January to April of this year was funded by VCH. Should Council approve this policy program, work would begin once the staff technical team

is in place and arrangements with VCH are finalized. The program is anticipated to last 12 months (see Appendix A). Should the policy document be approved by Council at the end of the process, a rezoning of the site is estimated to take an additional 10 months to public hearing, followed by 6-8 months for enactment.

**Program Staffing:** To provide the public and VCH with the level of service needed to reach appropriate and timely conclusions requires a dedicated program team including urban design resources and a range of departmental technical representatives (see Appendix B). This team would report to the Major Projects Steering Committee for direction on technical and policy issues. The Major Projects Planning team would be assigned the planning and coordination role for this work using existing staff.

### ***FINANCIAL IMPLICATIONS***

A full cost-recovered budget for the policy and rezoning phases based on initial discussions with the proponent is estimated to be \$1,315,800 as outlined in Appendix C. Consistent with the Cost Recovery policy, costs are included for completing the public process and policy work undertaken to assess the proponent's needs and report the program to Council. Given the higher level of service, the estimated cost of the work exceeds the Fee Bylaw rezoning fee of \$1,130,200.

It is proposed that payments correspond to phasing, with an initial payment for policy program work at the time of program start-up followed by a second, approximately-equal payment early in the 2010 fiscal year. VCH has already contributed funds for the scoping phase of the project which was approved via a City Manager's Minute in January 2009. Fees for the rezoning phase would be paid upon submission of the rezoning application. Cost recovery planning programs have established the principle that voluntary contributions paid to cover pre-rezoning policy work would be contributed toward rezoning fees if full cost recovery is achieved, including rezoning.

VCH, as owner of the Pearson site, agrees with and is prepared to contribute funds to the policy phase budget in incremental stages and acknowledges that the voluntary contribution would be increased if actual program costs exceed the budget. VCH's agreement in principle brings no obligation by VCH to fund the policy phase beyond the amounts and commitments that VCH formally approves at each stage. It is also understood that this contribution covers costs to be incurred for assessing site potentials but brings no obligation or expectation of City support for any particular outcome.

### ***PUBLIC BENEFITS***

**Development Cost Levies (DCLs):** DCLs will apply to the development at the approved rate.

**Community Amenity Contributions (CACs):** An appropriate CAC will be determined as part of the rezoning process. This policy deals with local amenity needs and ensures that new development does not generate significant impacts on the general tax base. During the policy phase, staff will identify and assess, with public input, opportunities for addressing public amenities. These will be reported to Council along with a contribution proposal from the owners as part of the rezoning application. Considerable experience has been gained in negotiating in-kind and cash contributions. Neighbourhood needs will be considered along with the normal range of public amenities. Recent experience with rezonings outside of the Downtown provides reference points for appropriate amenities levels that can be achieved.

### ***ENVIRONMENTAL IMPLICATIONS***

The proposed redevelopment will have positive environmental implications such as intensive land use on the Canada Line, application of green principles and technologies in architecture and urban design, and mixed-use development contributing to a complete community.

### ***SOCIAL IMPLICATIONS***

Redevelopment of the Pearson site offers improved health care delivery for specific populations (people with physical disabilities and frail seniors) and the general public, affordable housing (rental and non-market) and diverse housing forms, increased access to park land and open space, and new amenities to serve the community.

### ***PROPONENT'S COMMENTS***

Proponent's comments are summarized in a letter in Appendix E.

### ***CONCLUSION***

A cost-recovered planning program for the Pearson site will create a policy framework for a comprehensive redevelopment which can meet multiple health care, housing, social and environmental objectives. The timeline, resources and budget are discussed in this report and summarized in the Appendices. Should Council approve this program, planning work and public consultation will commence mid-year and take approximately twelve months to complete.

\* \* \* \* \*

Pearson Hospital/Dogwood Lodge Planning Program

| Policy Process  |   |
|-----------------|---|
| April 2009      | Report to Council   |
| May             | Recruit staff, arrange process                                  |
| June            | Initial community meetings, identify objectives and aspirations |
| September       | Public workshop: create, review, amend concepts                 |
| January 2010    | Public workshop: refine, evaluate concepts                      |
| January - March | Draft Policy Statement  |
| April           | Draft Council Report  |
| May - June      | Report to Council   |



Pearson Hospital/Dogwood Lodge Policy Process Staffing

| <b>Staffing</b>       | <b>Time Allocation (Person Months)</b> |
|-----------------------|--|
| <b>Core Staff</b>     |  |
| Senior Planner        | 4                                      |
| Project Planner       | 12                                     |
| Planning Analyst      | 8                                      |
|                       |  |
| <b>Technical Team</b> |  |
| Urban Designer        | 4                                      |
| Civil Engineer II     | 4                                      |
| Social Planner        | 3                                      |
| Housing Planner       | 3                                      |
| Parks Planner         | 3                                      |

Pearson Hospital/Dogwood Lodge Program Budget Summary

|                                      | Scoping         | Policy Review    | Rezoning         | Total              |
|--------------------------------------|-----------------|------------------|------------------|--------------------|
| <b>Core Staff Team</b>               |                 |                  |                  |                    |
| Senior Planner                       |                 |                  |                  |                    |
| Project Planner                      |                 |                  |                  |                    |
| Planning Analyst                     |                 |                  |                  |                    |
| <b>Technical Team</b>                |                 |                  |                  |                    |
| Urban Designer                       |                 |                  |                  |                    |
| Civil Engineer II                    |                 |                  |                  |                    |
| Social Planner                       |                 |                  |                  |                    |
| Housing Planner                      |                 |                  |                  |                    |
| Parks Planner                        |                 |                  |                  |                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>\$57,698</b> | <b>\$352,232</b> | <b>\$388,008</b> | <b>\$740,240</b>   |
| <b>Process Costs</b>                 | <b>\$3,975</b>  | <b>\$96,923</b>  | <b>\$13,947</b>  | <b>\$110,870</b>   |
| Public Consultation                  |                 |                  |                  |                    |
| Supplies & Services                  |                 |                  |                  |                    |
| Office Space                         |                 |                  |                  |                    |
| <b>Overhead Costs</b>                | <b>\$17,064</b> | <b>\$116,208</b> | <b>\$103,507</b> | <b>\$219,715</b>   |
| Administrative                       |                 |                  |                  |                    |
| <b>Contingency</b>                   | <b>\$7,874</b>  | <b>\$113,073</b> | <b>\$45,340</b>  | <b>\$158,413</b>   |
| <b>TOTAL</b>                         | <b>\$86,611</b> | <b>\$678,436</b> | <b>\$550,802</b> | <b>\$1,315,849</b> |

## Oakridge Langara Policy Statement - Relevant Policies

### 1 Overall Role in the City

- 1.1 Enhance existing neighbourhood nodes like Oakridge Centre, 41st and Oak and 57th and Cambie and encourage new ones where it is determined that they are desirable in the study area.

### 2 Topography and Views

- 2.1 At large potential redevelopment sites where there is significant change in elevation (Langara Gardens, Pearson Centre/Dogwood Lodge, Oakherst Hospital) use the change in topography to place taller buildings at lower elevations.
- 2.2 Ensure that new developments provide views that:
  - retain a substantial amount of view of the sky; or
  - retain some views through the site at or near the ground.

### 3 Residential Location and Density

#### Residential Density Targets For Specific Sites

#### 3.9 On the Pearson Centre/Dogwood Lodge sites:

- A mix of townhouses, stacked townhouses, and low-rise buildings that are ground oriented should be encouraged as part of a redevelopment of either site up to overall site densities of 0.9-1.0 FSR (gross) with approximately 0.6 FSR maximum residential use.

### 4 Residential Mix and Affordability

- 4.1 Attempt to achieve a diversity of household types and incomes in the study area that reflects the city as a whole.
- 4.3 Overall, achieve 20% of the dwelling units on sites of more than 100 units as non-market housing, with 50% of both market and non-market housing to be suitable for households with children.

### 5 Commercial Use

5.9 Consider limited local convenience shopping and services in any redevelopment at Lubavitch Centre, the B.C. Transit site, Cambie Street between 43rd and 45th, Langara Gardens, Dogwood Lodge, Pearson Centre and Oakherst Hospital site

## 6 Institutional Use

6.3 On the Pearson Centre site, allow for the floor space necessary to relocate the G.F. Strong facilities to this site in a redevelopment of the institution, to a maximum of approximately 0.6 FSR institutional use out of the overall site density target of 0.9-1.0 FSR (gross).

6.4 On the Dogwood Lodge site, allow expansion of institutional floor space to a maximum of approximately 0.6 FSR institutional use out of an overall site density target of 0.9-1.0 FSR (gross).

## 8 Greenways, Bikeways, and Walkways

8.1 The use of 37th Avenue, Fraser River foreshore, and either 57th or 59th Avenues should be supported in principle as part of the City Greenways Plan, noting that further discussions have to be undertaken to determine their exact locations and design.

8.2 The use of 37th, 59th, and Heather Street should be supported as part of the City's network of bike routes.

## 9 Parks and Public Open Space

9.1 Large site rezonings [over 2.02 ha (5 ac.)] that will significantly increase park demand should supply additional park space to meet those demands.

## 10 Community Facilities and Services

10.1 Provision of community facilities should be pursued on the redevelopment of sites that are large enough to accommodate facilities which are suitable for public needs.

10.4 Encourage the location of future daycare facilities in the southern portion of the study area to fulfil present and future demands.

## 11 Public Transit

- 11.5 In the event of a rapid transit link to Richmond, evaluate areas around potential station locations to determine whether additional sites should be considered for changes in land use and/or density.

## 12 Traffic Management, Parking and Loading

- 12.3 Street linkages and pedestrian pathways should be considered on large sites such as Oakridge Centre, Langara Gardens, Pearson Centre, and Dogwood Lodge upon rezoning.

## 13 Built Form, Height, and Character

- 13.1 In residential areas, ensure that building massing of new development provides a scale transition to neighbouring single-family and two-family residential areas.
- 13.7 On the B.C. Transit, Oakridge Centre, Langara Gardens, Pearson Centre, Dogwood Lodge and Oakherst Hospital sites [...], where the parcel sizes make it possible to mitigate impacts on adjacent neighbours, consider up to a 20% increase in maximum height if built form analysis can demonstrate no significant negative impact and if a positive impact or additional public benefit is achieved.
- 13.12 For residential areas, develop a domestic multifamily character and small-scale residential ambience. This should include locating as many entry doors to individual units as possible directly onto the street, so as to provide both "eyes on the street" and a sense of neighbourhood. It should also include using pitched roofs and other residential characteristics common to the study area.
- 13.13 Ensure that open spaces are positively defined as imageable places rather than simply left over after building design has been determined. Ensure that edges around public open spaces are animated and add to an area's character.

### Statement from Vancouver Coastal Health

Vancouver Coastal Health has a unique public mandate and responsibility to provide health care services to the people of Vancouver. VCH is mindful of the importance of the lands bounded by 57th and 59th Avenues and Heather and Cambie Avenues in the delivery of current and future primary, community and residential care services primarily for Vancouver and South Vancouver residents. VCH is also mindful of the City of Vancouver's objective for the site to contribute a variety of housing, retail and amenities to South Vancouver in a manner that respects environmental stewardship and good planning principles. Within this broader context, VCH is cognizant of the intersection of environmental quality, housing, education and employment with the health status of Vancouver residents. Accordingly VCH has engaged with City of Vancouver, as generally described in the Pearson Hospital / Dogwood Lodge Policy Planning Program, for the purpose of defining a policy framework that will guide the rezoning and redevelopment of the lands in a manner that respects the policy considerations outlined in the policy report, recognizes the important role that the lands are required to play in accommodating the growing demand for primary, community and residential health care services by Vancouver and South Vancouver residents and recognizes VCH's unique responsibility to provide these services.

Notwithstanding VCH's agreement in principle to engage with the City of Vancouver and contribute to the City's proposed cost recovery to complete a staged policy planning process, neither this agreement in principle or initiation of the policy planning phase bring an obligation by VCH to complete or fund the policy phase beyond the amounts and commitments that VCH formally approves at each stage.