

# Supports Item No. 1 PT&E Committee Agenda April 18, 2012

# POLICY REPORT DEVELOPMENT AND BUILDING

Report Date:April 10, 2012Contact:Matt ShillitoContact No.:604.871.6431RTS No.:009085VanRIMS No.:08-2000-20Meeting Date:April 18, 2012

TO:	Standing Committee on Planning, Transportation and Environment
FROM:	Assistant Director of Planning, Community Planning
SUBJECT:	Great Northern Way Campus Structure Plan Amendment and Servicing and Open Space Agreement

# RECOMMENDATION

A. THAT Council approve an amendment to the Structure Plan associated with CD-1 (402) to relocate a road allowance to the north end of the proposed Site 5 and reduce the road allowance width from 20 m to 16.5 m to facilitate development of an office project on the proposed Site 5 of the Great Northern Way Campus Lands, as shown in Appendix A;

AND FURTHER THAT Council direct staff that no further amendments to the Structure Plan be considered until Council approves a new Structure Plan following a comprehensive planning program which would review circulation, access, and the Servicing and Open Space Agreement on the Great Northern Way Campus Lands.

- B. THAT Council endorse a modified alignment and station location of the potential future Millennium Line Extension rapid transit system through the Great Northern Way Campus Lands as shown in Appendix B.
- C. THAT Council authorize the Director of Legal Services to amend the Services and Open Space Agreement, and any related agreements tied to the Services and Open Space Agreement, for the Great Northern Way Campus Lands to the satisfaction of the Director of Legal Services and the General Manager of Engineering Services, with the Owners of the Campus Lands, to secure obligations for delivery of the required infrastructure and services associated with the development of Lot P and Site 5, as more particularly set out in this report.

### REPORT SUMMARY

The Great Northern Way Campus (GNWC) Lands, as shown in Figure 1, occupy a substantial area of underused land on the southern edge of the False Creek Flats adjacent to Mount Pleasant. The consortium partners envision developing the 18-acre Campus Lands into a revitalized district that stimulates BC's creative economy by colocating educational institutions with creative industry tenants, as well as creating new residential opportunities (live-work, artist studios, and student housing).

The purpose of this report is to seek Council's endorsement of an amendment to the current Structure Plan to facilitate development of an office project on the proposed Site 5 of the Campus Lands, as shown in Appendix A. To ensure that the Campus Lands are developed in a functional and coherent way and that established rezoning conditions are met, staff are recommending that no further amendments to the Structure Plan on Lot Q be approved until a new Structure Plan is approved by Council and a new or amended Servicing and Open Space Agreement is in place.

The report also seeks Council's endorsement of a modified alignment for the potential rapid transit Millennium Line Extension (MLE) across the Great Northern Way Campus Lands. The alignment is a component of one of several routes currently under consideration for a connection from Commercial Drive station to UBC (the alternative routes are located off of the Campus Lands). The modified alignment reflects a current understanding of long-term development in the Great Northern Way Campus area, creates more rational development parcels on the Campus Lands, and meets Translink's technical requirements for a rapid transit alignment and station.

The report also seeks Council authority for the Director of Legal Services to enter into a revised Services and Open Space Agreement (SOSA) for CD-1 (402) that will better reflect anticipated phases of development on the Campus Lands and secure the appropriate infrastructure and amenity improvements. Council authority is subsequently required to amend any other agreements that make reference to or are tied to the SOSA .

### COUNCIL AUTHORITY/PREVIOUS DECISIONS

#### Industrial Lands Policies (1995)

CD-1 (402) and Great Northern Way Technology Park CD-1 Guidelines (1999) Phase 2 Rapid Transit - Commercial Dr West (Beyond the 'B' Line) (2000) Metro Core Jobs and Economy Land Use Plan - Issues and Directions (2007) Modified Structure Plan (Thornton Street alignment) (2008) Vancouver 2020: A Bright Green Future (2009) Mount Pleasant Community Plan (2010) Greenest City 2020 Action Plan (2011) Vancouver Economic Action Strategy (2011)

### CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

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

### REPORT

#### Background/Context

#### Site Zoning and Current Uses

The Campus Lands comprise 7.4ha (16 acres) of land in the False Creek Flats, located north of Great Northern Way, east of 1<sup>st</sup> Avenue and south of the BNSF rail yard (see Figure 1). The Campus Lands are currently divided into two parcels: Lot P west of the future Thornton Street, and Lot Q east of Thornton Street.

The Campus Lands form part of CD-1 (402) created in 1999 when the area was expected to be redeveloped as the Great Northern Way Technology Park envisaged by the owners at the time, Finning International Inc. The Technology Park concept did not materialise and in 2001, Finning subsequently gifted 80% of the Campus Lands to the Great Northern Way Campus - a consortium of four academic institutions: UBC, SFU, Emily Carr University and BCIT. GNWC then paid approximately \$10 million to acquire the remaining 20% interest. The consortium is referred to as "GNWC" for the remainder of this document; the lands are referred to as the "Campus Lands."

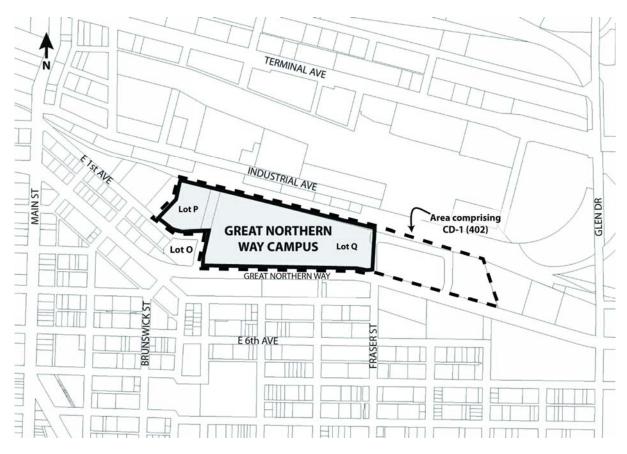
GNWC also sold a separately-zoned parcel of adjacent property called Lot O, which is outside the boundaries of the CD-1. The purchaser is proceeding with the development of this parcel as an Artist Studio project under the existing IC-3 zoning.

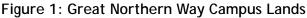
The portion of the CD-1 zone covering the Campus Lands permits up to 236,900m<sup>2</sup> (2,550,000ft<sup>2</sup>) of floorspace. Allowable building heights vary from 13.7m (45ft) in the eastern portion of the Campus Lands to 45.7m (150ft) in the west. The CD-1 is accompanied by Guidelines addressing various aspects of site design and containing an illustrative Structure Plan.

The Campus Lands are currently occupied by a series of low-rise office/warehouse buildings (totalling 15,000m<sup>2</sup>/ 160,000ft<sup>2</sup>) used for a variety of purposes, the most relevant to GNWC's vision being the Centre for Digital Media, a graduate school jointly operated by all four of GNWC's partners. The existing buildings have other active uses include teaching space and offices for educational institutions, and studio and event space used for arts organizations and community groups. There are also significant areas of surface parking and vacant land.

GNWC is currently constructing a new 4,600m<sup>2</sup> (49,000ft<sup>2</sup>) Centre for Digital Media (CDM) building as a catalyst project for the overall development concept and anchor for a digital media industry cluster. The facility, located at the intersection of Great Northern Way and Fraser Street, contains teaching space, office space for staff, and 76 rental student housing units.

The historic location of Brewery Creek will be commemorated in a 15m landscape setback on the western edge of Lot P when development takes place on that site. This publicly-accessible green space will be designed to reflect its location at the historic mouth of Brewery Creek (where it entered False Creek), and will most likely contain a water feature fed with rainwater from the surrounding area.





### **Council Policy**

**CD-1 (402):** In 1999, Council approved the CD-1 (402) Bylaw and CD-1 Guidelines for what was originally the "Great Northern Technology Park." The current Campus Lands comprise the portion of CD-1 (402) west of Fraser Street. The CD-1 identified the approved uses, floor area and density and parking and loading requirements for the site. The accompanying CD-1 Guidelines identified requirements relating to urban design, architectural characteristics, circulation and parking, the design of open space and streetscapes, and other elements relating to the development of the site. Included in the Guidelines is the Structure Plan for the site.

Industrial Lands Policies (1995): In response to increased pressure on the City's industrial lands, Council adopted the Industrial Lands Policies to retain an appropriate land base for industry and service businesses, and to meet the needs of port- and river-related industry and city-serving and city-oriented industries. The policies identify that the False Creek Flats as a whole should be retained mainly for city-serving industry, transport and service uses, however, it should be noted that the existing zoning of the Campus Lands does not allow industrial uses, which distinguishes it from the majority of properties in the Flats. The policies also provide for strategic and limited consideration of changes to the industrial zoning schedules to achieve other city goals. In the case of parts of the False Creek Flats, including the Campus

Lands, modifications to accommodate high-tech uses and expand opportunities for office use have taken place.

Metro Core Jobs and Economy Land Use Plan - Issues and Directions (July 2007): Following a comprehensive review of land use needs in the Metro Core over the next 25 years, Council adopted a series of policy directions aimed at ensuring that future job space demand could be accommodated to enable economic growth. These policy directions emphasised the future role of the False Creek Flats as a jobs area. While the specifics are to be determined through the Eastern Core Study, Council instructed that the eastern Flats should maintain its critical city and port-serving industrial function, while the western Flats, where the Campus Lands are located, would have a more diverse job role.

Vancouver 2020: A Bright Green Future (October 2009) and Greenest City 2020 Action Plan (July 2011): In October 2009, Council received the Greenest City Action Team's report entitled Vancouver 2020: A Bright Green Future. Vancouver 2020 specifically identified the Campus Lands as part of a potential Green Enterprise Zone in the False Creek Flats and the Downtown Eastside, designated to serve as a magnet for the development of green businesses, technologies, products and services.

In July 2011, Council endorsed the Greenest City 2020 Action Plan. While many goals are relevant to the redevelopment of the Great Northern Way Campus, those with particular relevance to the Campus Lands include:

- Green Economy (Green Enterprise Zone, local employment)
- Climate Leadership (renewable energy, green buildings, green transportation)
- Access to nature.

Mount Pleasant Community Plan (November 2010): Council recently adopted the Mount Pleasant Community Plan, which covers the area bordering the Campus Lands to the south of Great Northern Way. The Plan contains comprehensive, long-range policy guidance, as well as specific plans for shopping and residential sub-areas. The Plan calls for the potential rapid transit station at the Campus Lands to be located and designed to facilitate easy pedestrian access to and from the adjacent residential areas of Mount Pleasant.

Eastern Core Strategy (ongoing): The City is undertaking a study of potential reconfiguration options of the Georgia and Dunsmuir Viaducts, as well as resulting land uses and development potential for the viaducts' lands, as part of a "big picture" look at the Eastern Core. The Eastern Core is roughly defined as the area between False Creek (including the viaducts) and stretching east to Clark Drive, north to Prior/Venables street and south to Great Northern Way. The results of the study will include:

- Detailed land use and transportation options for the viaducts for inclusion in the public consultation process for the Transportation Plan Update (late Spring 2012); and
- Comprehensive planning principles and policy directions for future transportation and land use planning in the larger Eastern Core area (Summer 2012).

Understanding the larger framework for transportation and land use in the Eastern Core is an important component of planning for the Great Northern Way Campus to ensure integration between the Campus Lands and the surrounding areas.

### **Emerging Regional Policy**

### Metro Vancouver Regional Growth Strategy (August 2011)

Metro Vancouver has recently adopted a new Regional Growth Strategy. A key element of the Strategy is a long-term land use framework containing a series of land use designations. As part of the consultation on the Strategy, GNWC requested that the Land's designation be changed from 'Mixed Employment', which focuses exclusively on employment uses, to 'General Urban', which permits a broad mix of uses including residential, retail, services and institutions. Recognizing that the current zoning for the Campus Lands permits a range of uses including live-work, this request was supported by City staff and accepted by Metro Vancouver.

### **Other Relevant Initiatives**

Vancouver Economic Commission's Vancouver Economic Action Strategy GNWC liaised closely with Vancouver Economic Commission (VEC) in the creation of its Economic Action Strategy. The GNWC project is well-aligned with the strategy's recommendations, particularly in the areas of promoting innovation, bolstering the creative economy, creating work/live neighbourhoods and a Green Enterprise Zone (which would encompass the Campus Lands), protecting and enhancing job space, and fostering collaboration between the City and all six post-secondary institutions in Vancouver.

### UBC Line Rapid Transit Study

Translink and the Province of BC are undertaking a multi-phase study to evaluate alternatives for rapid transit in the Broadway corridor between Commercial Drive and the University of British Columbia. The study is currently in Phase II, which is looking at a short list of options for rapid transit in the Corridor. One of the leading options (which also forms current council policy) is a westward Millennium Line extension (MLE) which would cross the Campus Lands, before entering a bored tunnel and turning towards Main and Broadway. The City expects Phase II of the study to be complete in mid-2012, which would lead to a decision on the technology and alignment, detailed design and a timeline for implementation.

# Strategic Analysis

The vision for the Campus Lands has been evolving for some time through discussions between the four partner institutions which share ownership. During this period, City staff has provided advice and information on City policies and processes to inform the discussions. This section of the report:

- 1. Introduces the GNWC development concept
- 2. Provides an overview of the existing Structure Plan and Servicing and Open Space Agreement (SOSA)
- 3. Introduces the modified alignment of the Millennium Line Extension (MLE) through the Campus Lands

- 4. Describes amendments to the Structure Plan necessary to facilitate an office development project on Site 5
- 5. Describes amendments required to the SOSA

### 1. GNWC Development Concept Overview

The consortium partners envision developing the 18-acre Campus Lands into a revitalized district that stimulates BC's creative economy by co-locating educational institutions with creative industry tenants, as well as creating new residential opportunities in the form of live-work, artist studio and student housing projects. In addition to fostering collaboration between academia and industry, GNWC's goals include job creation, attracting investment into their district, creating a thriving cultural and artistic district, and revitalizing a brownfield industrial site in an environmentally-sustainable manner.

Each of GNWC's institutional partners will bring activities and programs to the Campus Lands. The largest of these is Emily Carr University, which is interested in relocating its entire campus from Granville Island to the Campus Lands. Emily Carr is working with the Provincial government on this initiative and is progressing a concept paper in conjunction with Partnerships BC. Emily Carr's goal is to secure Provincial government funding for a new 37,000m<sup>2</sup> (400,000ft<sup>2</sup>) facility. This new campus would accommodate approximately 2,500 (full time equivalent) students.

GNWC proposes to adopt a 'land development' approach to the project whereby it will masterplan, service and possibly subdivide the Campus Lands into development parcels and facilitate their development through either long-term leases or freehold sale to developers, investors, and other partners (including possibly Emily Carr University, Translink, and others). GNWC's financial modelling envisages that the Campus Lands could be fully developed in 10 - 20 years (the timeline depending on many factors, including market conditions).

The GNWC development concept could make a valuable contribution to the City's established policy of increasing and diversifying employment potential in the False Creek Flats, as well as Council's priority to foster creative capital and a growing economy. The project could also add substance and momentum to the Greenest City concept of a Low Carbon Economic Development Zone in the Flats.

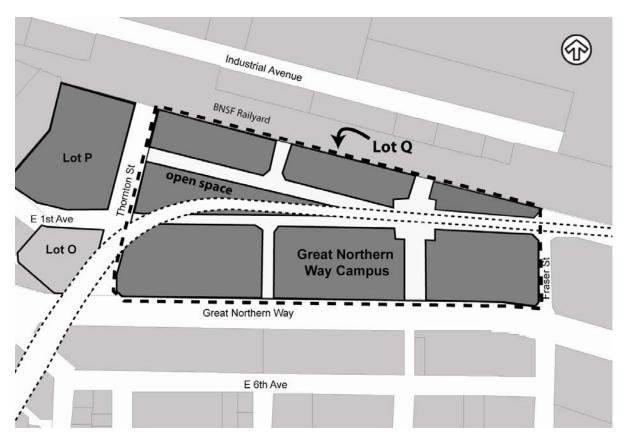
GNWC is initiating a number of catalyst projects on their Lands to advance towards meeting their vision for the campus:

- They have sold Lot O to a third-party developer intending to proceed with an Artist Live-work project under the existing IC-3 zoning.
- On Lot P, the larger parcel west of Thornton Street, they are advancing Livework, student rental housing and student artist studio apartments for Emily Carr University under the existing CD-1 zoning. They will be seeking a development partner or partners for these projects in the near future.

# 2. Existing Structure Plan and Services and Open Space Agreement (SOSA)

The existing Council-approved Structure Plan (associated with the CD-1 zoning and modified in 2008 to improve the alignment of Thornton Street) (see Figure 2) was based on several assumptions:

- 1. that the BNSF railroad tracks immediately north of the Campus Lands will be removed and a regularized block pattern imposed;
- 2. that the rapid transit alignment be accommodated in an east-west corridor across the middle of the Campus Lands with the entrance to an underground station in the eastern portion of a central open space; and
- 3. that all existing buildings are removed.

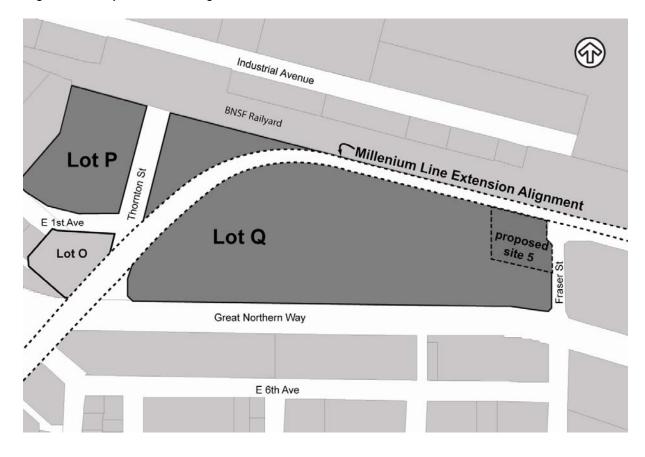


# Figure 2: Existing Structure Plan for CD-1 (402)

It is now expected that the BNSF tracks north of the Campus Lands will remain in place over the longer term. This was a conclusion in the 2006 analysis of rail operations in the False Creek Flats commissioned by the Greater Vancouver Gateway Council. The original Structure Plan anticipated their removal and envisioned the creation of regular blocks between the Campus Lands and Industrial Avenue. This resulted in the creation of sub-optimal development parcels along the northern portion of the Campus Lands (future Lots C, E and J). GNWC has also communicated that they intend to retain their existing buildings on the Campus Lands in the medium-to-long term. These buildings conflict with the proposed grid network of the current Structure Plan. The Services and Open Space Agreement (SOSA) registered against the CD-1 secures the delivery of all on-site and off-site roads and utilities. It also provides for the design and construction of  $4,937m^2$  (53,141 ft<sup>2</sup>) of open space. In order for GNWC to advance development projects on Site 5 and Lot P of the Campus Lands, the SOSA requires updating.

# 3. Modified Alignment of the Rapid Transit Extension

The City and GNWC have worked closely with Translink and their consultants to modify the previously endorsed Millennium Line Extension alignment to allow better block layout within Lot Q. The new alignment (Figure 3) shifts the right-of-way northward adjacent to the BNSF tracks before it turns south towards the future Thornton Street and Brunswick Street. This new alignment allows preservation of most of GNWC's existing buildings, improves the redevelopment potential of the Campus Lands, confirms the developability of Lots O and P west of Thornton Street, and locates a future station closer to the intersection of Thornton Street and Great Northern Way.



### Figure 3: Proposed MLE Alignment

### 4. Structure Plan Amendment for Site 5

GNWC is pursuing an office project on Site 5 in the northeast corner of Lot Q adjacent to Fraser Street and the BNSF tracks. While the office use is supported under the existing zoning, the road allowance as shown in the Structure Plan requires relocation for this development to proceed. The existing Structure Plan indicates a 20m road allowance running east-west across the proposed site, as shown in Figure 2.

The original 20m road dedication was intended to complete the street grid network through the area, allowing vehicles, transit, pedestrians and other road users. In order to facilitate the development project and the new Millennium Line Extension alignment, staff support the road realignment to run parallel to the BNSF rail yard until it meets the future Carolina Street (shown in Appendix A). Staff also support the reduction in the road allowance width from 20m to 16.5m, recognising that the new width would likely preclude motor vehicle traffic, but would allow for a transit guideway, underground services, and a high-quality pedestrian and bicycle facility. Site access and servicing would also be required to be from Fraser Street.

Because the new road alignment between Fraser and Carolina Streets is incompatible with the rest of the existing structure plan, and because existing obligations around open space, circulation, servicing and amenities need to be confirmed and met, staff recommend that no further amendments to the Structure Plan on lot Q be considered until the new Structure Plan process is complete and the plan approved by Council.

### 5. Amendments to the Services and Open Space Agreement (SOSA)

The SOSA was written to reflect a linear development pattern progressing from east to west, thereby assigning a significant 'weight' to the western and final phases in terms of servicing requirements. This approach no longer makes sense considering the Lot P and Site 5 development proposals currently advancing and as such, these parcels require a re-assignment of servicing obligations. It is proposed that the Lot P and Site 5 developments be placed in new, independent servicing phases. Any new requirements to be included in replacement of certain previous requirements, from when these projects locations were included in larger phases of development, will be assigned in such a way that the City is placed in an equivalent position. By securing equivalency, the City is not releasing the Owner from any obligations required on enactment of the CD-1 by-law. Any existing agreements implicated by these amendments to the SOSA will be modified to reflect the creation of the new phases of servicing obligations.

### Implications/Related Issues/Risk

#### Financial

There are no financial implications.

#### Human Resources/Labour Relations

The work identified in this Council Report will be undertaken using existing staff resources.

#### Environmental

The amendment to the Structure Plan and SOSA will facilitate the redevelopment of the Campus Lands from a brownfield site into a vibrant mixed-use campus well-served by transit. It has the potential to achieve significant environmental benefits through intensification of land use on a site in the centre of the metropolitan region, as well as application of green principles in site planning and design.

#### Other

Redevelopment of the Campus Lands has the potential to create employment and training opportunities, student rental housing, studios and live-work, and new amenities to serve the community. GNWC believes it has the appropriate ingredients for a successful community of innovation and that this could make a valuable contribution to economic growth in the city.

#### Proponent's Comments

GNWC supports Recommendations A, B and C.

We wish to thank City staff for their help over the last few years in getting the GNWC development project underway. With Staff's assistance, we have progressed a number of projects, including both new construction and reuse of existing buildings. The City's support for these initiatives has been very helpful in allowing the GNWC project to gain momentum.

Over the past few months we have leased all vacant space on our site to tenants aligned with our digital media-focused vision (both academic users and industry firms with whom we are collaborating). With no further office space available, we are unable to accommodate the continued interest of firms wishing to lease space from us. We believe that we now have sufficient interest to fill a dedicated office building, and we are excited about the prospects for improved industry-academic collaboration that this would offer.

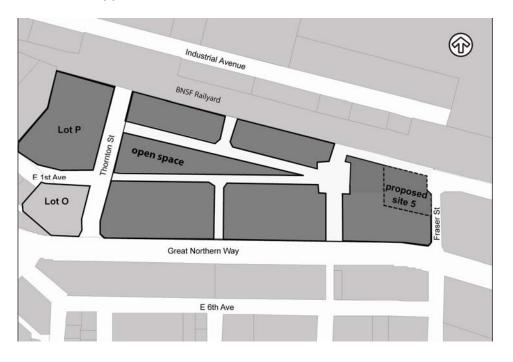
We request Council amend the structure plan to allow us to advance a purposebuilt office building on a site immediately adjacent to our new Centre for Digital Media. Following this structure plan amendment, we will submit a Subdivision application and then a Development Permit application. Our hope is to be under construction this time next year. We request the City's continued support for our project by working with us to expedite these next steps efficiently.

Thank you.

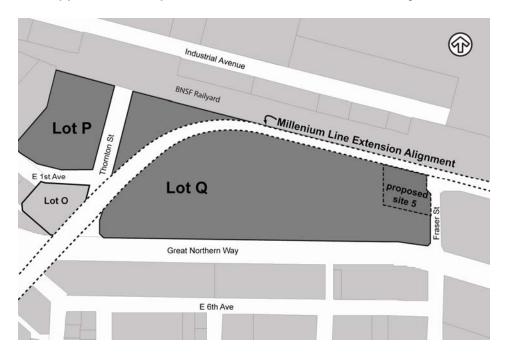
# CONCLUSION

This report seeks Council's approval of an amendment to the Structure Plan associated with CD-1 (402) to facilitate development of an office project on the Great Northern Way Campus Lands. To ensure the long-term function of the Campus Lands, and to ensure that existing obligations under the CD-1 relating to open space, amenities, servicing and circulation are met, staff recommend that no further amendments to the Structure Plan be permitted in Lot Q until a new Structure Plan is approved by City Council. Endorsement of a modified potential Millennium Line Extension alignment will facilitate development of the Campus Lands while meeting Translink's technical requirements for the alignment. Authorization to amend the SOSA and creating new phases of servicing for Lot P and Site 5 allows projects on these sites to proceed while also establishing a more workable approach to service and open space delivery. Together these recommendations will facilitate the creation of a vibrant mixed-use campus district offering job and production space, educational facilities, arts and culture space and housing on the Campus Lands.

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Appendix A: New Structure Plan for CD-1 (402)



Appendix B: Proposed Millennium Line Extension Alignment