



REPORT TO COUNCIL

STANDING COMMITTEE OF COUNCIL ON CITY FINANCE AND SERVICES

MARCH 12, 14 AND 15, 2014

A Regular Meeting of the Standing Committee of Council on City Finance and Services was held on Wednesday, March 12, 2014, at 9:35 am, in the Council Chamber, Third Floor, City Hall. Subsequently, the meeting was recessed and reconvened at 4:06 pm on Friday, March 14, 2014, and at 10:09 am on Saturday, March 15, 2014.

PRESENT: Councillor Raymond Louie, Chair
Mayor Gregor Robertson
Councillor George Affleck
Councillor Elizabeth Ball*
Councillor Adriane Carr
Councillor Heather Deal, Vice-Chair
Councillor Geoff Meggs* (Leave of Absence - Civic Business -
Items 1-4)
Councillor Andrea Reimer*
Councillor Tony Tang

ABSENT: Councillor Kerry Jang (Medical Leave)
Councillor Tim Stevenson (Leave of Absence)

CITY MANAGER'S OFFICE: Penny Ballem, City Manager
Mukhtar Latif, Chief Housing Officer

CITY CLERK'S OFFICE: Janice MacKenzie, City Clerk
Rosemary Hagiwara, Deputy City Clerk
Tina Hildebrandt, Meeting Coordinator (March 15, 2014)
Lori Isfeld, Meeting Coordinator (March 12, 2014)
Laura Kazakoff, Meeting Coordinator (March 14, 2014)
Bonnie Kennett, Meeting Coordinator (March 12, 2014)

*Denotes absence for a portion of the meeting.

MATTERS ADOPTED ON CONSENT

MOVED by Councillor Carr

THAT Item 3 be adopted on consent.

CARRIED UNANIMOUSLY
(Councillor Ball absent for the vote)
(Councillor Meggs absent on Leave of Absence for Civic Business)

1. **Approval of 2014 - 15 Business Improvements Area (BIA) Budgets
February 18, 2014**

Business Improvement Area Program staff responded to questions.

MOVED by Councillor Carr
THAT the Committee recommend to Council

THAT Council approve the 2014-15 fiscal year Budgets for the BIAs listed below as described in the Administrative Report dated February 18, 2014, entitled, "Approval of 2014 - 15 Business Improvements Area (BIA) Budgets", approve grants to these BIAs in the amounts listed;

FURTHER THAT Council instruct the Director of Legal Services to bring forward the appropriate rating by-laws to recover the amounts of these grants:

<u>BIA</u>	<u>LEVY</u>	<u>% CHANGE</u> <u>2013-14/2014-15</u>
Downtown Vancouver	\$2,483,057	3.0%
Robson Street	572,281	-11.9
Kerrisdale	354,000	0.9
West End	729,791	3.0
Chinatown	355,300	9.0
Commercial Drive	448,402	3.0
Marpole	173,643	5.0
Strathcona	600,000	5.1
Collingwood	197,988	2.0
Hastings North	344,890	2.0
Kitsilano Fourth Avenue	429,000	3.3
Cambie Village	229,000	23.8
Fraser Street	150,000	0.0
Dunbar Village	155,250	0.0
Hastings Crossing	103,000	0.0
West Broadway	120,000	0.0
TOTAL	\$7,445,602	2.3%

CARRIED UNANIMOUSLY
(Councillor Ball absent for the vote)
(Councillor Meggs absent on Leave of Absence for Civic Business)

2. **Approval of BIA Renewals and 2014-15 BIA Renewal Budgets
February 18, 2014**

Business Improvement Area Program staff provided a brief overview of the report and responded to questions.

The Committee heard from fourteen speakers; eleven who spoke in support of the recommendations, and three who spoke in opposition.

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At 12:05 pm, during discussion, it was

MOVED by Councillor Deal

THAT the meeting be extended past noon to finish items 2 and 4 and then recess and reconvene at 1:30 pm.

CARRIED UNANIMOUSLY

(Councillor Meggs absent on Leave of Absence for Civic Business)

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MOVED by Councillor Deal

THAT the Committee recommend to Council

- A. THAT Council approve the applications of the Business Improvement Associations (BIAs) as described in the Administrative Report dated February 18, 2014, entitled, "Approval of BIA Renewals and 2014 - 15 BIA Renewal Budgets";

FURTHER THAT Council instruct the Director of Legal Services, in consultation with the Director of Planning, to bring forward by-laws to re-establish the BIAs listed below, to establish new funding ceilings, and to remit monies for the respective business promotion schemes:

<u>BIA</u>	<u>Association</u>
<i>Gastown BIA</i>	<i>Gastown Business Improvement Society</i>
<i>Mount Pleasant BIA</i>	<i>Mt. Pleasant Commercial Improvement Society</i>
<i>South Granville BIA</i>	<i>South Granville Business Improvement Association</i>
<i>Yaletown BIA</i>	<i>Yaletown Business Improvement Association</i>
<i>Point Grey Village BIA</i>	<i>Point Grey Village Business Association</i>
<i>Victoria Drive BIA</i>	<i>Victoria Drive Business Improvement Association</i>

- B. THAT Council approve the 2014-15 fiscal year Budgets for the BIAs listed below as described in the Administrative Report dated February 18, 2014, entitled, "Approval of BIA Renewals and 2014 - 15 BIA Renewal Budgets", approve grants to these BIAs in the amounts listed; and

FURTHER THAT Council instruct the Director of Legal Services to bring forward the appropriate rating by-laws to recover the amounts of these grants:

<u>BIA</u>	<u>LEVY</u>	<u>% CHANGE</u> <u>2013-14/2014-15</u>
<i>Gastown</i>	<i>567,300</i>	<i>2.0%</i>
<i>Mount Pleasant</i>	<i>375,000</i>	<i>0.0%</i>
<i>South Granville</i>	<i>585,000</i>	<i>4.5%</i>
<i>Yaletown</i>	<i>780,000</i>	<i>90.2%</i>
<i>Point Grey Village</i>	<i>250,000</i>	<i>212.5%</i>
<i>Victoria Drive</i>	<i>172,000</i>	<i>1.2%</i>
TOTAL	\$2,729,300	26.9%

CARRIED UNANIMOUSLY

(Councillor Reimer absent for the vote)

(Councillor Meggs absent on Leave of Absence for Civic Business)

**3. 2014 Capital Budget Adjustments and 2013 Q4 Closeouts
February 26, 2014**

THAT the Committee recommend to Council

- A. THAT Council approve adjustments to the 2014 Capital Budget as outlined in Appendix 1 of the Administrative Report dated February 26, 2014, entitled "2014 Capital Budget Adjustments and 2013 Q4 Closeouts", resulting in an increase of \$10 million to the Total Multi-Year Capital Project Budget for the following projects:
 - i. \$4.8 million for Heritage Density Bank Transfer;
 - ii. \$3.7 million for Southeast Vancouver Senior Centre; and
 - iii. \$1.5 million for Bloedel Conservatory Roof Replacement.
- B. THAT based on Council's decision on A above, Council approve an increase of \$4.8 million to the 2014 Annual Capital Budget for expenditures relating to the Heritage Density Bank Transfer, resulting in a revised overall 2014 Annual Capital Budget of \$289.9 million.
- C. THAT, as part of the quarterly Capital Budget closeout process, Council approve the closeout of completed capital projects with variances exceeding 15% and \$50,000 of the approved budget as outlined in the Administrative Report dated February 26, 2014, entitled "2014 Capital Budget Adjustments and 2013 Q4 Closeouts", and in Appendix 2 of that report.

ADOPTED ON CONSENT

**4. 2014 Property Taxation: 3-year Land Assessment Averaging
March 10, 2014**

Financial Services staff responded to questions.

MOVED by Councillor Carr
THAT the Committee recommend to Council

- A. THAT Council approve the application of the 3-year land assessment averaging program in 2014 for the purpose of calculating property taxes for Residential (Class 1), Light Industrial (Class 5), and Business & Other (Class 6) properties;

FURTHER THAT properties impacted by the zoning district changes as part of the Norquay Village Neighbourhood Centre Plan initiated by the Director of Planning not be excluded from the program as a result of such changes.

- B. THAT Council instruct the Director of Legal Services, in consultation with the Director of Finance, to prepare applicable by-laws authorizing the use of 3-year land assessment averaging that reflects Council's decision on A above.
- C. THAT, subject to adoption of the by-laws, Council instruct the Director of Finance to make appropriate arrangements with BC Assessment for the production of the 2014 Average Assessment Roll at an estimated cost of \$24,200 plus applicable taxes; source of funding to be the 2014 Operating Budget.
- D. THAT Council instruct staff to report back with an analysis of the Property Tax Policy Review Commission's recommendations (received on February 18, 2014) and appropriate implementation strategies for Council's consideration by June 2014.

CARRIED UNANIMOUSLY
(Councillor Reimer absent for the vote)
(Councillor Meggs absent on Leave of Absence for Civic Business)

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On March 12, 2014, the Committee recessed at 12:20 pm and reconvened at 1:38 pm.

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**5. Downtown Eastside Local Area Plan
February 24, 2014**

The General Manager, Planning and Development Services, along with Planning and Development Services, Social Policy and Housing Policy staff provided an overview of the report on the Downtown Eastside Local Area Plan and responded to questions along with the Chief Housing Officer and Cultural Services staff. Ian Chang and Richard Cunningham, Co-Chairs, Downtown Eastside Local Area Plan Committee, also provided feedback on the Downtown Eastside Local Area Plan and responded to questions.

On March 12, 14, and 15, 2014, the Committee heard from 91 speakers on this item. The majority of speakers expressed concerns regarding various aspects of the plan, including the proposed definition of social housing contained in the staff report, housing affordability, the proposed housing mix, and the potential for displacement of current residents. Many speakers expressed support for the establishment of an Aboriginal healing centre.

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On March 12, 2014, during the hearing of speakers, the Committee recessed at 6:05 pm and reconvened at 7:09 pm.

Subsequently the Committee recessed at 10:07 pm, and reconvened on March 14, 2014, at 4:06 pm.

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On March 14, 2014, the Committee recessed at 4:07 pm, in order to reconvene in Regular Council to deal with By-laws, and reconvened at 4:08 pm.

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On March 14, 2014, Planning and Development Services, and Housing Policy staff responded to questions prior to the Committee continuing to hear from speakers.

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On March 14, 2014, during the hearing of speakers, the Committee recessed at 6:15 pm and reconvened at 7:08 pm.

Subsequently the Committee recessed at 9:59 pm, and reconvened on March 15, 2014 at 10:09 am.

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On March 15, 2014, Planning and Development Services, Engineering, Housing Policy staff, and the City Manager, responded to questions prior to the Committee continuing to hear from speakers.

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On March 15, 2014, during the hearing of speakers, the Committee recessed at 12:05 pm and reconvened at 1:12 pm.

Subsequently, the Committee recessed at 2:54 pm and reconvened at 3:10 pm.

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MOVED by Councillor Reimer

THAT the Committee recommend to Council

- A. THAT Council approve the Downtown Eastside Local Area Plan ("the Plan") as contained in Appendix A of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", and thank the Co-chair organizations (Building Community Society and Downtown Eastside Neighbourhood Council), the Local Area Plan Process Committee members for their outstanding commitment and support over many voluntary hours to help create the Plan, and staff for their extraordinary commitment and dedication in supporting the Downtown Eastside community to develop the first-ever comprehensive community plan for this diverse and complex community.
- B. THAT Council direct staff to proceed with the implementation of the Plan, including the implementation strategies and Action Plan described in the Plan and contained in Appendix B of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", and recognizes further planning work needs to be prioritized for the following areas:
- **Local Economy**: properly coordinate and resource the implementation strategies such that a coherent community economic strategy is created for the DTES that recognizes Hastings Street as the local shopping street to reconnect the neighbourhoods and their economic hubs, and recognizes the need to plan appropriately for the preservation of industrial lands.
 - **Arts & Culture**: develop a plan, in conjunction with Cultural Services and recognizing the need for a community arts approach, that outlines and costs out the arts and culture needs for the Plan.
 - **Aboriginal Health & Wellness Centre**: direct staff to report back to Council with a strategy aimed at engaging needed partners in an Aboriginal Health and Wellness Centre as described in section 6.14.3 of the Plan.
 - **Advocacy Strategy**: develop an advocacy strategy that clearly outlines which actions in the Plan require funding or legislative changes from senior levels of government to be fully realized or achieved on an accelerated timeline including, but not limited to: funding for housing (social, scattered sites, and rental supplements), raising income assistance rates, supporting seniors with language barriers in accessing social housing; and needed changes to the Residential Tenancy Act to protect residents in SROs and supportive housing residents.
- C. THAT The Downtown Eastside Local Area Plan ("the Plan") as contained in Appendix A of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", be amended as follows:

On page 94, strike the third paragraph entitled "Social Housing - Target for Affordability" and replace with

Social Housing and Target for Affordability

Social housing in the Downtown Eastside is rental housing designed to meet the needs of households, particularly those on social assistance or other minimum

income, who require a subsidy to access safe and appropriate housing. Best practice to ensure the sustainability and feasibility of social housing shows that mixed income tenants in a social housing project enables optimum results over the long term. The following principles will apply to the social housing targets in the DTES:

- At least one-third of new social housing units must be rented at shelter component of Income Assistance for low-income households to ensure that this very low income cohort have access to housing;
- The policy target for the remaining two-thirds of social housing units will be a mix of rents to support the overall sustainability of the project, with the goal to achieve the highest number of subsidized units possible. The target for affordability for rents in these social housing units will be for one of these thirds to be up to "Housing Income Limits" or HILs and the remaining third to be at affordable market rents (see policy 9.2.14).
- Any opportunity through equity contributions, operational subsidies, rent supplements or other means will be taken in order to deepen the level of affordability in social housing units;
- Social housing units under this policy will be owned by a non-profit, or by or on behalf of the city or other levels of government and will be secured through a housing agreement. This ownership model will ensure that any surplus created in the operation of the social housing projects will be reinvested into deepening affordability for units within the project, or the rest of the DTES, or used to create new social housing units in the DTES.

In Section 9.2 - "Increase Affordable Housing Options for Downtown Eastside Residents", add the following new policy:

- **9.2.14** At least one-third of new social housing units must be rented at shelter component of Income Assistance for low-income households who are eligible for Income Assistance or a combination of Old Age Pension and Guaranteed Income Supplement. The target rents and affordability for the remaining two-thirds will be for one of these thirds to be up to "Housing Income Limits" or HILs, and the remaining third to be at affordable market rents.

On page 201, strike the definition for "Social Housing" and replace with the following new definition:

"Social Housing" means rental housing:

- (i) in which at least one third of the dwelling units are occupied by persons eligible for either Income Assistance or a combination of basic Old Age Security pension and Guaranteed Income Supplement and are rented at rates no higher than the shelter component of Income Assistance;
- (ii) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the City, the Province of British Columbia, or Canada; and
- (iii) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situated

has granted to the City a section 219 covenant, housing agreement, or other security for the housing commitments required by the City, registered against the freehold or leasehold title, with such priority of registration as the City may require.

- D. THAT Council direct the Managing Director of Social Policy and Projects to report back in three years on the Social Impact Assessment (SIA) indicators, as outlined in Chapter 18 - Implementation of the Plan, to monitor the pace and impact of neighbourhood change in the DTES;

FURTHER THAT staff report back on models for involving residents and stakeholders directly in an ongoing monitoring function;

FURTHER THAT interim to the monitoring functioning being established, the City Manager will review and report back to council before the 3 year monitoring period should any significant issues arise that staff feel Council needs to address;

AND FURTHER THAT Council thank the more than 600 low-income, vulnerable residents and more than 16 community organizations, along with the SIA Reference Group of the DTES LAPP Committee, for their assistance in conducting the SIA that includes a community asset mapping study.

- E. THAT Council approve the Rezoning Policy for the Downtown Eastside, as contained in Appendix C of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", to provide guidance for the intensification of the Downtown Eastside to meet the long term need for housing, job space, and the provision of public benefits and amenities, and rescind the Interim Rezoning Policy during the Preparation of the DTES LAP.

FURTHER THAT the Rezoning Policy for the Downtown Eastside, Section 2 - Definitions, be amended by striking the definition for "Social Housing" and replacing with a new definition for "Social Housing" as follows:

"Social Housing" means rental housing:

- (a) in which at least 30% of the dwelling units are occupied by households with incomes below housing income limits, as set out in the current "Housing Income Limits" table published by the British Columbia Housing Management Commission, or equivalent publication;
- (b) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the city, the Province of British Columbia, or Canada; and
- (c) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the City, registered against the freehold or leasehold title, with such priority of registration as the city may require;

except that in the HA-2 district, the area of the FC-1 District located north of National Avenue, the Downtown-Eastside Oppenheimer District and the area of the Downtown District denoted as C2 on Map 1 of the Downtown Official Development Plan, social housing means rental housing:

- (d) in which at least one third of the dwelling units are occupied by persons eligible for either Income Assistance or a combination of basic Old Age Security pension and Guaranteed Income Supplement and are rented at rates no higher than the shelter component of Income Assistance;
- (e) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the City, the Province of British Columbia, or Canada; and
- (f) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the City, registered against the freehold or leasehold title, with such priority of registration as the City may require.

F. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Downtown Official Development Plan, generally in accordance with Appendix D of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", with the following amendments:

- i) Amend the definition of "social housing" as set out in E above;
- ii) Strike the definition of "low - cost" housing;
- iii) Add the definitions of "secured market rental housing" and "micro dwelling unit";
- iv) Increase ground floor commercial ceiling heights, and provide height and density incentives for social and secured market rental housing in Victory Square at the discretion of the Director of Planning or the Development Permit Board;
- v) Amend section 3 and 4 to change to the authority of the Development Permit Board;

FURTHER THAT the application and By-law be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-law for consideration at the Public Hearing.

- G. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Downtown Eastside Oppenheimer Official Development Plan (DEOD ODP) , generally in accordance with Appendix E of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan" , as follows:
- i) Update the ODP preamble and goals to reflect the Plan;
 - ii) Amend the definition of "social housing " as set out in E above;
 - iii) Add the definitions of "secured market rental housing" and "micro dwelling unit";
 - iv) Update the existing bonus density mechanism to:
 - (a) Consider bonus density over the base of a floor space ratio (FSR) of 1 for 60% social housing units, with the balance to be 40% secured market rental housing units, with additional bonus density over current maximums in sub-area 1 for corner sites, and in sub-areas 2, 3 and 4 for projects where all residential units are social housing ;
 - (b) Allow a moderate amount of bonus density in all sub-areas for expansion of existing industrial and commercial uses without requiring social housing;
 - v) Update FSR exclusions for exterior walls in sub-areas 2, 3 and 4, to address previous omissions related to updates to the Vancouver Building By-law.
 - vi) Amend sections 4, 5, 6 and 7 to change the authority from Director of Planning to Development Permit Board;

FURTHER THAT the application and By-law be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-laws for consideration at the Public Hearing.

- H. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Single Room Accommodation By-law, generally in accordance with Appendix F of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", to delegate Council authority to the Chief Housing Officer for certain types of applications and to improve administration of the Bylaw through various housekeeping amendments.

FURTHER THAT the application and By-law be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-law for consideration at the Public Hearing.

- I. THAT Council support the implementation of the Single Room Occupancy Hotel Strategy as aligned with the recommendations of the SRO Task Force and expand some of the following recommendations to include supportive housing units as follows:
- i) Direct staff to support reinvestment in SROs by:

- (a) Reaffirm the program to provide grants (\$5,000 per door) to non-profit societies to upgrade rooms designated under the Single Room Accommodation By-law to include private bathrooms and cooking facilities (\$200,000 was approved as part of the 2014 Capital Budget);
 - (b) Request the Provincial Government target rental subsidies on SRO rooms which are privately owned and operated by non-profit societies with a higher preference for units that have been improved or upgraded.;
 - ii) Direct staff to implement an information campaign to educate SRO and supportive housing tenants and landlords on their rights and responsibilities in relation to City By-laws, "program agreements" and the Residential Tenancy Act.;
 - iii) Approve in principle \$40,000 for a one time grant to a non-profit society with expertise in mediating landlord/tenant conflict (source of funds: 2014 Community Services operating budget) and to provide assistance to SRO and supportive housing tenants through the Residential Tenancy Act arbitration process or directly with the landlord in the case of "program agreements". (The approval of such grant to a non-profit society will be the subject of a future report to Council.);
 - iv) Direct staff to request the Residential Tenancy Branch to:
 - (a) Create a separate SRA category under the Residential Tenancy Act to provide for enhanced requirements related to guest fees and to align rent increases to the room as opposed to the tenant;
 - (b) Review the process and procedures related to evictions under the governance of "program agreements" used in SROs and supportive housing projects, in relation to the Residential Tenancy Act;
 - v) Direct staff across the City to continue using an integrated enforcement approach to achieving compliance with City By-laws, including the Single Room Accommodation Bylaw and pursue prosecution and injunctions for owners and operators that do not comply in a timely manner;
 - vi) Council directly advocate to the Provincial Government on the issues outlined in items (i) (b) and (iv) above.
- J. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Zoning and Development Bylaw to amend the definition of "social housing" as in E above, and to permit, at the discretion of the Director of Planning, consideration of micro dwelling units that are new, self-contained and secured rental in the Downtown Eastside Oppenheimer District, HA-1 and HA-1A (Chinatown), HA-2 (Gastown), Downtown District C-2 (Victory Square), FC-1 (North of National Avenue), RT-3, and areas C, D and E in the Rezoning Policy for the Downtown Eastside and generally in accordance with Appendix G, of the above-noted Policy Report;

FURTHER THAT the application and Bylaw be referred to a Public Hearing;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-law for consideration at the Public Hearing;

AND FURTHER THAT staff be directed to evaluate the feasibility, opportunities and impacts of expanding micro dwelling units, as well as opportunities to expand housing diversity for family units (e.g. 3-bedroom units), in other areas of the city.

- K. THAT Council approve the Micro Dwelling Unit Policies and Guidelines, generally as outlined in Appendix H of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".
- L. THAT Council approve the Policies and Guidelines for Upgraded Rooms Designated Under the Single Room Accommodation By-law as generally outlined in Appendix I of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".
- M. THAT Council approve the text amendment to the Parking By-law to permit, at the discretion of the Director of Planning, pay-in-lieu for residential parking in HA-1A (Chinatown South), generally in accordance with Appendix J, of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".
- N. THAT Council extend the Interim Liquor Policy for the Downtown Eastside, generally as outlined in Appendix K of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".

amended

REFERRAL MOVED by Councillor Carr

THAT Council refer the Downtown Eastside Draft Plan to staff to continue to work with the LAP committee on the definition of social housing and a plan for sufficient housing at basic shelter rate to fully meet the community's needs, and to detail other key plans including plans for the local economy, arts and culture, and an implementation plan that includes how to deliver quick actions such as an Aboriginal Wellness and Healing Centre and how to involve local residents in monitoring the plan's implementation and that staff report back to Council by the end of May 2014.

LOST

(Councillors Deal, Louie, Meggs, Reimer, Tang and the Mayor opposed)

AMENDMENT MOVED by Councillor Louie

THAT I. i) (b) be amended to replace the words "and operated by" with "or owned by."

CARRIED UNANIMOUSLY

AMENDMENT MOVED by Councillor Carr

THAT C be amended as follows:

Replace the first 2 bullet points under "Social Housing and Target for Affordability" with

- All new social housing units, including those in scattered sites outside of the DTES, must be rented at the shelter component of Income Assistance or 1/3 of basic old age pension rate.

Amend the third bullet point under "Social Housing and Target for Affordability" by replacing the term "social housing" at the end of the bullet point with "affordable housing".

LOST

(Councillors Affleck, Ball, Deal, Louie, Meggs, Reimer, Tang, and the Mayor opposed)

AMENDMENT MOVED by Councillor Reimer

THAT E be amended to add the following words after the words "Downtown Official Development Plan in the second paragraph in (c):

"RM and RT zones in Strathcona, M1 zone in Hastings, I2 zone in Kiwassa,"

CARRIED

(Councillor Carr opposed)

The amendments having lost or carried, the final motion as amended was put and CARRIED with Councillor Carr opposed to C, E, F, G, J, K and L.

FINAL MOTION AS AMENDED AND APPROVED

- A. THAT Council approve the Downtown Eastside Local Area Plan (" the Plan") as contained in Appendix A of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", and thank the Co-chair organizations (Building Community Society and Downtown Eastside Neighbourhood Council), the Local Area Plan Process Committee members for their outstanding commitment and support over many voluntary hours to help create the Plan, and staff for their extraordinary commitment and dedication in supporting the Downtown Eastside community to develop the first-ever comprehensive community plan for this diverse and complex community.
- B. THAT Council direct staff to proceed with the implementation of the Plan, including the implementation strategies and Action Plan described in the Plan and contained in Appendix B of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", and recognizes further planning work needs to be prioritized for the following areas:

- **Local Economy**: properly coordinate and resource the implementation strategies such that a coherent community economic strategy is created for the DTES that recognizes Hastings Street as the local shopping street to reconnect the neighbourhoods and their economic hubs, and recognizes the need to plan appropriately for the preservation of industrial lands.
- **Arts & Culture**: develop a plan, in conjunction with Cultural Services and recognizing the need for a community arts approach, that outlines and costs out the arts and culture needs for the Plan.
- **Aboriginal Health & Wellness Centre**: direct staff to report back to Council with a strategy aimed at engaging needed partners in an Aboriginal Health and Wellness Centre as described in section 6.14.3 of the Plan.
- **Advocacy Strategy**: develop an advocacy strategy that clearly outlines which actions in the Plan require funding or legislative changes from senior levels of government to be fully realized or achieved on an accelerated timeline including, but not limited to: funding for housing (social, scattered sites, and rental supplements), raising income assistance rates, supporting seniors with language barriers in accessing social housing; and needed changes to the Residential Tenancy Act to protect residents in SROs and supportive housing residents.

- C. THAT The Downtown Eastside Local Area Plan ("the Plan") as contained in Appendix A of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", be amended as follows:

On page 94, strike the third paragraph entitled "Social Housing - Target for Affordability" and replace with

Social Housing and Target for Affordability

Social housing in the Downtown Eastside is rental housing designed to meet the needs of households, particularly those on social assistance or other minimum income, who require a subsidy to access safe and appropriate housing. Best practice to ensure the sustainability and feasibility of social housing shows that mixed income tenants in a social housing project enables optimum results over the long term. The following principles will apply to the social housing targets in the DTES:

- At least one-third of new social housing units must be rented at shelter component of Income Assistance for low-income households to ensure that this very low income cohort have access to housing;
- The policy target for the remaining two-thirds of social housing units will be a mix of rents to support the overall sustainability of the project, with the goal to achieve the highest number of subsidized units possible. The target for affordability for rents in these social housing units will be for one of these thirds to be up to "Housing Income Limits" or HILs and the remaining third to be at affordable market rents (see policy 9.2.14).

- Any opportunity through equity contributions, operational subsidies, rent supplements or other means will be taken in order to deepen the level of affordability in social housing units;
- Social housing units under this policy will be owned by a non-profit, or by or on behalf of the city or other levels of government and will be secured through a housing agreement. This ownership model will ensure that any surplus created in the operation of the social housing projects will be reinvested into deepening affordability for units within the project, or the rest of the DTES, or used to create new social housing units in the DTES.

In Section 9.2 – “Increase Affordable Housing Options for Downtown Eastside Residents”, add the following new policy:

- **9.2.14** At least one-third of new social housing units must be rented at shelter component of Income Assistance for low-income households who are eligible for Income Assistance or a combination of Old Age Pension and Guaranteed Income Supplement. The target rents and affordability for the remaining two-thirds will be for one of these thirds to be up to “Housing Income Limits” or HILs, and the remaining third to be at affordable market rents.

On page 201, strike the definition for “Social Housing” and replace with the following new definition:

“Social Housing” means rental housing:

- (i) in which at least one third of the dwelling units are occupied by persons eligible for either Income Assistance or a combination of basic Old Age Security pension and Guaranteed Income Supplement and are rented at rates no higher than the shelter component of Income Assistance;
- (ii) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the City, the Province of British Columbia, or Canada; and
- (iii) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situated has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the City, registered against the freehold or leasehold title, with such priority of registration as the City may require.

- D. THAT Council direct the Managing Director of Social Policy and Projects to report back in three years on the Social Impact Assessment (SIA) indicators, as outlined in Chapter 18 - Implementation of the Plan, to monitor the pace and impact of neighbourhood change in the DTES;

FURTHER THAT staff report back on models for involving residents and stakeholders directly in an ongoing monitoring function;

FURTHER THAT interim to the monitoring functioning being established, the City Manager will review and report back to Council before the 3 year

monitoring period should any significant issues arise that staff feel Council needs to address;

AND FURTHER THAT Council thank the more than 600 low-income, vulnerable residents and more than 16 community organizations, along with the SIA Reference Group of the DTES LAPP Committee for their assistance in conducting the SIA that includes a community asset mapping study.

- E. THAT Council approve the Rezoning Policy for the Downtown Eastside, as contained in Appendix C of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", to provide guidance for the intensification of the Downtown Eastside to meet the long term need for housing, job space, and the provision of public benefits and amenities, and rescind the Interim Rezoning Policy during the Preparation of the DTES LAP.

FURTHER THAT the Rezoning Policy for the Downtown Eastside, Section 2 - Definitions, be amended by striking the definition for "Social Housing" and replacing with a new definition for "social housing" as follows:

"Social Housing" means rental housing:

- (a) in which at least 30% of the dwelling units are occupied by households with incomes below housing income limits, as set out in the current "Housing Income Limits" table published by the British Columbia Housing Management Commission, or equivalent publication;
- (b) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the city, the Province of British Columbia, or Canada; and
- (c) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the City, registered against the freehold or leasehold title, with such priority of registration as the city may require;

except that in the HA-2 district, the area of the FC-1 District located north of National Avenue, the Downtown-Eastside Oppenheimer District and the area of the Downtown District denoted as C2 on Map 1 of the Downtown Official Development Plan, RM and RT zones in Strathcona, M1 zone in Hastings, I2 zone in Kiwassa, social housing means rental housing:

- (d) in which at least one third of the dwelling units are occupied by persons eligible for either Income Assistance or a combination of basic Old Age Security pension and Guaranteed Income Supplement and are rented at rates no higher than the shelter component of Income Assistance;
- (e) which is owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the City, the Province of British Columbia, or Canada; and

- (f) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the City, registered against the freehold or leasehold title, with such priority of registration as the City may require.
- F. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Downtown Official Development Plan, generally in accordance with Appendix D of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", with the following amendments:
- i) Amend the definition of "social housing" as set out in E above;
 - ii) Strike the definition of "low - cost" housing;
 - iii) Add the definitions of "secured market rental housing" and "micro dwelling unit";
 - iv) Increase ground floor commercial ceiling heights, and provide height and density incentives for social and secured market rental housing in Victory Square at the discretion of the Director of Planning or the Development Permit Board;
 - v) Amend section 3 and 4 to change to the authority of the Development Permit Board;

FURTHER THAT the application and By-law be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-law for consideration at the Public Hearing.

- G. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Downtown Eastside Oppenheimer Official Development Plan (DEOD ODP) , generally in accordance with Appendix E of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan" , as follows:
- i) Update the ODP preamble and goals to reflect the Plan;
 - ii) Amend the definition of "social housing " as set out in E above;
 - iii) Add the definitions of "secured market rental housing" and "micro dwelling unit";
 - iv) Update the existing bonus density mechanism to:
 - (a) Consider bonus density over the base of a floor space ratio (FSR) of 1 for 60% social housing units, with the balance to be 40% secured market rental housing units, with additional bonus density over current maximums in sub-area 1 for corner sites, and in sub-areas 2, 3 and 4 for projects where all residential units are social housing;
 - (b) Allow a moderate amount of bonus density in all sub -areas for expansion of existing industrial and commercial uses without requiring social housing;
 - v) Update FSR exclusions for exterior walls in sub-areas 2, 3 and 4 , to address previous omissions related to updates to the Vancouver Building By-law;
 - vi) Amend sections 4, 5, 6 and 7 to change the authority from Director of

Planning to Development Permit Board;

FURTHER THAT the application and By-law be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-laws for consideration at the Public Hearing.

- H. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Single Room Accommodation By-law, generally in accordance with Appendix F of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan", to delegate Council authority to the Chief Housing Officer for certain types of applications and to improve administration of the By-law through various housekeeping amendments;

FURTHER THAT the application and By-law be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-law for consideration at the Public Hearing.

- I. THAT Council support the implementation of the Single Room Occupancy Hotel Strategy as aligned with the recommendations of the SRO Task Force and expand some of the following recommendations to include supportive housing units as follows:
- i) Direct staff to support reinvestment in SROs by:
 - (a) Reaffirm the program to provide grants (\$5,000 per door) to non-profit societies to upgrade rooms designated under the Single Room Accommodation Bylaw to include private bathrooms and cooking facilities (\$200,000 was approved as part of the 2014 Capital Budget);
 - (b) Request the Provincial Government target rental subsidies on SRO rooms which are privately owned or owned by non-profit societies with a higher preference for units that have been improved or upgraded;
 - ii) Direct staff to implement an information campaign to educate SRO and supportive housing tenants and landlords on their rights and responsibilities in relation to City By-laws, "program agreements" and the Residential Tenancy Act;
 - iii) Approve in principle \$40,000 for a one time grant to a non-profit society with expertise in mediating landlord/tenant conflict (source of funds: 2014 Community Services operating budget) and to provide assistance to SRO and supportive housing tenants through the Residential Tenancy Act arbitration process or directly with the landlord in the case of "program agreements" (The approval of such grant to a non-profit society will be the subject of a future report to Council.);
 - iv) Direct staff to request the Residential Tenancy Branch to:
 - (a) Create a separate SRA category under the Residential Tenancy Act to provide for enhanced requirements related to guest fees and to align rent increases to the room as opposed to the tenant;
 - (b) Review the process and procedures related to evictions under the governance of "program agreements" used in SROs and supportive

housing projects, in relation to the Residential Tenancy Act;

- v) Direct staff across the City to continue using an integrated enforcement approach to achieving compliance with City By-laws, including the Single Room Accommodation By-law and pursue prosecution and injunctions for owners and operators that do not comply in a timely manner;
- vi) Council directly advocate to the Provincial Government on the issues outlined in items (i) (b) and (iv) above.

J. THAT the General Manager of Planning and Development Services be instructed to make application to amend the Zoning and Development By-law to amend the definition of "social housing" as in E above, and to permit, at the discretion of the Director of Planning, consideration of micro dwelling units that are new, self-contained and secured rental in the Downtown Eastside Oppenheimer District, HA-1 and HA-1A (Chinatown), HA-2 (Gastown), Downtown District C-2 (Victory Square), FC-1 (North of National Avenue), RT-3, and areas C, D and E in the Rezoning Policy for the Downtown Eastside and generally in accordance with Appendix G of the above-noted Policy Report;

FURTHER THAT the application and By-law be referred to a Public Hearing;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary By-law for consideration at the Public Hearing;

AND FURTHER THAT staff be directed to evaluate the feasibility, opportunities and impacts of expanding micro dwelling units, as well as opportunities to expand housing diversity for family units (e.g. 3-bedroom units) , in other areas of the city.

K. THAT Council approve the Micro Dwelling Unit Policies and Guidelines, generally as outlined in Appendix H of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".

L. THAT Council approve the Policies and Guidelines for Upgraded Rooms Designated Under the Single Room Accommodation By-law as generally outlined in Appendix I of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".

M. THAT Council approve the text amendment to the Parking By-law to permit, at the discretion of the Director of Planning, pay-in-lieu for residential parking in HA-1A (Chinatown South), generally in accordance with Appendix J of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".

N. THAT Council extend the Interim Liquor Policy for the Downtown Eastside, generally as outlined in Appendix K of the Policy Report dated February 24, 2014, entitled "Downtown Eastside Local Area Plan".

The Committee recessed at 10:07 pm on March 12, 2014, 9:59 pm on March 14, 2014 and adjourned at 5:21 pm on March 15, 2014.

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REGULAR COUNCIL MEETING MINUTES
STANDING COMMITTEE OF COUNCIL ON
CITY FINANCE AND SERVICES

MARCH 12, 14 AND 15, 2014

A Regular Meeting of the Council of the City of Vancouver was convened on Wednesday, March 12, 2014, at 10:07 pm, in the Council Chamber, Third Floor, City Hall, during the Standing Committee on City Finance and Services meeting, to consider the recommendations and actions of the Committee. Subsequently, the meeting was recessed and reconvened at 4:07 pm on Friday, March 14, 2014, and 5:21 pm on Saturday, March 15, 2014.

PRESENT: Mayor Gregor Robertson
Councillor George Affleck
Councillor Elizabeth Ball*
Councillor Adriane Carr
Councillor Heather Deal
Councillor Raymond Louie
Councillor Geoff Meggs
Councillor Andrea Reimer
Councillor Tony Tang

ABSENT: Councillor Kerry Jang (Medical Leave)
Councillor Tim Stevenson (Leave of Absence)

CITY MANAGER'S OFFICE: Penny Ballem, City Manager
Mukhtar Latif, Chief Housing Officer

CITY CLERK'S OFFICE: Janice MacKenzie, City Clerk
Tina Hildebrandt, Meeting Coordinator (March 15, 2014)
Lori Isfeld, Meeting Coordinator (March 12, 2014)
Laura Kazakoff, Meeting Coordinator (March 14, 2014)

*Denotes absence for a portion of the meeting.

COMMITTEE REPORTS

Report of Standing Committee on City Finance and Services
March 12, 2014

Council considered the report containing the recommendations and actions taken by the Standing Committee on City Finance and Services. Its items of business included:

1. Approval of 2014 - 15 Business Improvements Area (BIA) Budgets
2. Approval of BIA Renewals and 2014-15 BIA Renewal Budgets

3. 2014 Capital Budget Adjustments and 2013 Q4 Closeouts
4. 2014 Property Taxation: 3-year Land Assessment Averaging

Items 1 to 4

MOVED by Councillor Tang
SECONDED by Councillor Reimer

THAT the recommendations and actions taken by the Standing Committee on City Finance and Services at its meeting of March 12, 2014, as contained in items 1 to 4, be approved.

CARRIED UNANIMOUSLY

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*Council recessed at 10:08 pm on March 12, 2014, and
reconvened at 4:07 pm on March 14, 2014*

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BY-LAWS

MOVED by Councillor Louie
SECONDED by Councillor Deal

THAT Council enact the by-laws listed on the agenda for this meeting as number 1 to 14, and authorize the Mayor and City Clerk to sign and seal the enacted by-law.

CARRIED UNANIMOUSLY
(Councillor Ball absent for the vote)

1. A By-law to Designate a Business Improvement Area in that area of the City known as Gastown (By-law No. 10876)
2. A By-law to Grant Money for a Business Promotion Scheme in the Gastown Business Improvement Area (By-law No. 10877)
3. A By-law to Designate a Business Improvement Area in that area of the City known as Mount Pleasant (By-law No. 10878)
4. A By-law to Grant Money for a Business Promotion Scheme in the Mount Pleasant Business Improvement Area (By-law No. 10879)
5. A By-law to Designate a Business Improvement Area in that area of the City known as Point Grey Village (By-law No. 10880)

6. A By-law to Grant Money for a Business Promotion Scheme in the Point Grey Village Business Improvement Area (By-law No. 10881)
7. A By-law to Designate a Business Improvement Area in that area of the City known as South Granville (By-law No. 10882)
8. A By-law to Grant Money for a Business Promotion Scheme in the South Granville Business Improvement Area (By-law No. 10883)
9. A By-law to Designate a Business Improvement Area in that area of the City known as Victoria Drive (By-law No. 10884)
10. A By-law to Grant Money for a Business Promotion Scheme in the Victoria Drive Business Improvement Area (By-law No. 10885)
11. A By-law to Designate a Business Improvement Area in that area of the City known as Yaletown (By-law No. 10886)
12. A By-law to Grant Money for a Business Promotion Scheme in the Yaletown Business Improvement Area (By-law No. 10887)
13. A By-law to Average Land Assessments for 2014 (By-law No. 10888)
14. A By-law to establish the number of preceding years to be applied in determining the averaged land value for the purposes of land assessment averaging (By-law No. 10889)

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*Council recessed at 4:08 pm on March 14, 2014, and
reconvened at 5:21 pm on March 15, 2014*

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Report of Standing Committee on City Finance and Services
March 15, 2014

Council considered the report containing the recommendations and actions taken by the Standing Committee on City Finance and Services. Its item of business included:

5. Downtown Eastside Local Area Plan

Item 5

MOVED by Councillor Tang
SECONDED by Councillor Deal

THAT the recommendations and actions taken by the Standing Committee on City Finance and Services at its meeting of March 12, 14 and 15, 2014, as contained in item 5, be approved.

CARRIED UNANIMOUSLY

ADJOURNMENT

MOVED by Councillor Ball
SECONDED by Councillor Deal

THAT the meeting be adjourned.

CARRIED UNANIMOUSLY

The Council recessed at 10:08 pm on March 12, 2014, 4:08 pm on March 14, 2014 and adjourned at 5:22 pm on March 15, 2014.

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