



ADMINISTRATIVE REPORT

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Contact: Jane Pickering
Contact No.: 604.873.7456
RTS No.: 10496
VanRIMS No.: 08-2000-20
Meeting Date: January 21, 2015

TO: Standing Committee on Planning, Transportation and Environment
FROM: General Manager, Planning and Development Services
SUBJECT: 2013 Annual Report on Community Amenity Contributions and Density Bonusing

RECOMMENDATION

THAT Council receive the "2013 Annual Report on Community Amenity Contributions & Density Bonusing" for information.

REPORT SUMMARY

This report provides information on approved Community Amenity Contributions and Density Bonusing for 2013 in the City of Vancouver.

Every year, the City approves development projects which contribute to growth in the city, placing pressure on the broad array of public amenities which contribute to the liveability of our city, the health of our residents, and the needs of individuals and families who come to our city to live, work and contribute to our economy. The main mechanism for approving additional density under land use bylaws is rezoning. In 2013, there were 45 approvals of additional density resulting in a net increase in floor area of 2.6 million square feet.

The 2013 approvals of additional density will result in public benefits valued at approximately \$133 million, plus 886 secured market rental units. Allocation of these public benefits addresses the anticipated city facility and infrastructure needs for delivering services and programs to support added density and associated population growth and economic activity. These allocations reflect Council priorities and Council approved guidelines for determining public benefits.

Table 1: 2013 Public Benefit Contributions by Category

| Public Benefit Category | Contribution Value (\$Millions) |
|----------------------------------------------------------|-------------------------------------------|
| Affordable Housing | \$63M (+ 886 secured market rental units) |
| Parks and Open Spaces (incl. Public Art) | \$27M |
| Heritage (on-site preservation & purchase of density) | \$13M |
| Community Facilities | \$22M |
| To be allocated | \$8M |
| Total: | \$133M |

In addition to the \$63M allocation for affordable housing noted above, the City approved eleven projects in 2013 that will lead to the construction of 886 units of secured market rental housing.

Approvals of additional density occur infrequently, representing only 3% of overall development permits issued in 2013. The vast majority of new development is approved within existing zoning. See Appendix A for a complete list of additional density approvals in 2013.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- Secured Market Rental Housing Policy (2012) (which replaces Short Term Incentives for Rental (STIR) program (2009))
- Community Amenity Contributions through Rezoning (2006)
- City-wide Financing Growth Policy (2003)
- Heritage Building Rehabilitation Program Policies and Procedures (2003, amended 2005)
- General Policy for Higher Buildings (1997, amended 2011)
- Public Art Policies and Guidelines (1994, updated 2008)
- Transfer of Density Policy and Procedure (1993, last amended 2010) Heritage Policies and Guidelines (1989, last amended 2002)

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

This report, along with the 2013 Annual Report on Development Cost Levies presented to Council on July 9th (RTS 10498), describes and explains the City's financing growth tools and how they fit within the City's capital planning framework. These two reports provide an opportunity on an annual basis to understand the alignment between current planning approvals, their associated contributions to public benefit commitments and the linkage with local community plans, the 10-year Capital Strategic Outlook, 4-year Capital Plan, and annual capital budgets, all of which reflect Council priorities.

Over 2014, City staff have worked with provincial colleagues and other municipalities on new provincial guidelines for Community Amenity Contributions (CACs) for local governments, published in 2014. In light of this, staff has undertaken a review of the City's existing and

emerging CAC policies and practices before bringing this report forward. The review concluded that some small adjustments may be required, but on an overall basis, the City's approach to CACs has a high level of consistency with the best practices recommended in the guide.

REPORT

Background/Context

Vancouver has a long history of managing growth strategically with careful attention to ensuring our city is sustainable and liveable, a place where our residents can enjoy a comprehensive array of public benefits all of which are essential to a healthy community and a robust and growing economy. Public benefits from new development contribute significantly to the sustainability and liveability of Vancouver. Public benefits are capital facilities and infrastructure that improve the social and physical well-being of city residents that are typically provided or supported by the City. They include parks, community centres, libraries, cultural facilities, childcare facilities, heritage conservation, affordable housing, public realm improvements, and public safety facilities.

Rezoning is the primary tool used to create additional density. Density bonusing allows additional density to be approved in exchange for specified public benefits within existing zoning, and is used less frequently, typically resulting in smaller increases in density. Additional density generates new demands for city services and facilities that result in additional growth-related costs; in order to address these needs, over a number of years, the City has developed rezoning policies that seek a contribution from most rezonings to help address these added costs to the city (Community Amenity Contributions).

Public amenities provided for our residents are funded through the following sources:

- **Capital Funding from Property Tax and Utility Fees:** The City's property tax and utility fees are the main funding sources for public benefits, which includes debenture and pay-as-you-go. Through the Capital Plan, Council prioritizes the City's needs for maintaining, improving and adding public facilities and utility infrastructure.
- **Development Cost Levies (DCLs):** DCLs are charged on all new development. They are applied on a square foot basis and are payable at Building Permit issuance. DCL allocations to public benefits are limited by the Vancouver Charter for use only towards growth-related capital projects including parks, childcare, affordable replacement housing, and engineering infrastructure.
- **Community Amenity Contributions (CACs):** CACs are voluntary contributions toward public benefits provided by new development as part of rezoning approvals. CACs are offered by developers as in-kind facilities delivered with new development or as cash contributions and are payable at enactment of new zoning. CAC allocations can be applied toward a wider range of public benefits than DCLs.
- **Contributions from senior government and other external funding partners.**

- Contributions secured through conditions of development approval, such as engineering servicing and public art.

See Appendix B for more details on DCLs and CACs.

Improved documentation of additional density approvals and public benefits support the City's objective of providing more open and transparent civic government. In late 2010, a new standardized format was developed to record public benefits in all Council reports dealing with rezoning approvals. In addition, in the last 2 years, in parallel with the development and approval by Council of local area plans, a plan for public amenities is also approved for each community, thus ensuring the alignment of resource allocation through the City's capital planning with needed amenities.

There are a number of advantages to providing a more comprehensive picture of public benefits from new development. Residents and community groups have an interest in better understanding how new development contributes towards public benefits, especially from rezoning. This report also responds to industry stakeholders who have asked for better reporting on the benefits towards which they have contributed. Clarity of identified public amenity needs through local community plans or city-wide strategic plans (e.g. Transportation 2040 Plan and the Housing and Homelessness Strategy) help to ensure contributions both reflect public need and are integrated into the city's long-term capital and financial plans.

Strategic Analysis

This annual report is a summary of public benefit contributions arising from approvals of additional density in 2013. These benefits are secured at rezoning enactment or when a project is completed and the in-kind benefit is delivered. Not all public benefit contributions are under City ownership (e.g. rental housing secured under the Secured Market Rental Housing Program, heritage restoration, public art). Those public benefits secured under City ownership from approvals of additional density are reflected in the City's financial statement when they have been realized and brought under City ownership.

1) Approach and Methods for the Annual Report

The main approach and methods for this annual report are as follows:

Approvals and Time Frame

- This report addresses all additional density approvals from January 1, 2013 to December 31, 2013. To identify the public benefits secured from additional density, all rezoning and development applications where existing density thresholds were exceeded and where conversions of land use took place were reviewed.
- Rezoning metrics are based on development approvals at Public Hearing, while density bonus records are based on development approvals at Development Permit Board. These approvals are all contained in publicly accessible reports available on the City's website (www.vancouver.ca).

Public Benefit Valuation

- Public benefits from new developments with additional density approvals are generally reported by type (e.g. housing, heritage, community facilities, etc.) and the estimated dollar value as documented in the rezoning reports that proceed to Council. However, for non-City owned housing projects, the projects are quantified and reported by the number and type of housing units only.
- Bonus density for *heritage conservation* is the amount of additional density that equals the cost of conserving the heritage building. In this report, only bonus density that is accommodated on-site (i.e. where the heritage building is located), or bonus density that is transferred to another site are included. Bonus density placed in the 'transferable heritage density inventory' ('density bank') is not included but is tracked and reported separately on a periodic basis to Council. See Appendix D for more details on the heritage transfer of density system or see the Transfer of Density Program web page.
- *Public art* contributions associated with approvals of additional density (rezonings) are included as a public benefit. These contributions are calculated on a per square foot contribution within large rezoning applications, and Public Art funds are in almost all cases spent on (and benefit) the development site. For more information, see the updated policy framework for the City's [Public Art Program](#).

The absolute value of public benefit contributions in the annual report varies significantly from year-to-year due to the highly variable scope of individual rezoning applications and related incremental density approval as well as the cyclical nature of development. Approval of major projects will have an influence on both the amount of density and the value of public benefits contributed in a single year contributions.

2) Analysis of 2013 Public Benefit Contributions

In 2013, there were 45 project approvals resulting in 2.6 million sq.ft. of additional density (see Appendix A for project details).

Compared to overall development activity, approvals of additional density occur infrequently. In 2013, there were approximately 1,300 building permits for new construction issued within existing zoning. The 45 approvals of additional density (rezoning/bonusing) represent only 3% of this number. The vast majority of development in the city occurs within existing zoning (i.e. conforms to density, land use and design of existing zoning regulations). However, while the number of projects adding density to the City is relatively small, their impact on growth can be significant.

As shown in Chart 1, rezonings accounted for nearly 60% of additional density approvals and over 95% of the additional square feet approved in 2013. See Appendix D for a detailed description of approval mechanisms for additional density.

Chart 1: Approval Mechanisms and Additional sq.ft. (2013)



Source: City of Vancouver rezoning and development permit board approvals (2013)



In 2013, the 45 approvals of additional density resulted in contributions totalling \$133 million towards public benefits (see Table 2).

Table 2: Comparison of Public Benefits Secured (2010 to 2013)

| Year | # of Approvals | Additional Density (sq.ft.) | Total Value of Public Benefits Secured \$ |
|------|----------------|-----------------------------|-------------------------------------------|
| 2010 | 23 | 2.2M | \$27M |
| 2011 | 36 | 4.2M | \$180M |
| 2012 | 44 | 2.4M | \$68M |
| 2013 | 45 | 2.6M | \$133M |

The year-to-year fluctuation and project-to-project variation of public benefits provided are due to the widely variable scope of rezonings (or bonusing). Projects differ based on: existing land use; proposed uses, density and heights; and, other factors which influence the nature and amount of public benefit offered.

In 2013, as a result of a more coherent and integrated planning process for amenities, the vast majority of public benefit contributions (approximately 90%) were made in accordance with local area plans and associated area public benefit strategies. Most notably, public benefit contributions were made in the Downtown South and Cambie Corridor plan areas.

Other contributions were made within the Mount Pleasant, Downtown Eastside, West End and Norquay Community Plan areas.

Consistent with the trend seen in previous years, the majority of additional floor area and contributions secured originated from a small group of rezoning approvals. In 2013, five large rezoning approvals accounted for 60% of all additional floor area approved and 70% of all contributions committed (see Table 3).

Table 3: Large Project Approvals in 2013

| Project Name | Additional Density Approved (sq.ft.) | Value of Contribution (\$ millions) | Public Benefit Strategy | Public Benefits |
|------------------|--------------------------------------|-------------------------------------|-------------------------|--------------------------------------------------------------------------------------------------|
| 508 Helmcken St | 300,000 | \$25 | Downtown South | Non-Market Housing (167 units), Affordable Housing Fund, Public Art & Rental Housing (110 units) |
| 1262 Burrard | 590,000 | \$24 | Downtown South | Heritage density, community and cultural amenities, park and public realm, Public Art |
| 1300 Richards St | 163,000 | \$24 | Downtown South | Non-Market Housing (81 units), social service space, Public Art |
| 1412 Howe St | 430,000 | \$13 | Downtown South | Public realm improvements, cultural contribution, Public Art & Rental housing (98 units) |
| 4533 Cambie St | 130,000 | \$7 | Cambie Corridor | Affordable housing, bicycle network infrastructure, Parks, Public Art |
| Total | 1.6M sq.ft. | \$94M | | |

Source: City of Vancouver rezoning and development permit board approvals (2013)

From the \$133 million secured in 2013, Council allocated \$125 million or approximately 95% of the overall total towards specific public benefits. Approximately half of these contributions were offered in-kind, meaning that they will be provided on-site by the developer when the new developments are constructed. The remainder of the allocations were offered as cash contributions to be assigned to specific public benefits by Council through capital planning and budgeting processes.

Chart 2 indicates the value of allocated contributions grouped by public benefit category (unallocated contributions removed).

Chart 2: 2013 Allocated Contributions by Public Benefit Category
Total = \$125M allocated towards Public Benefits

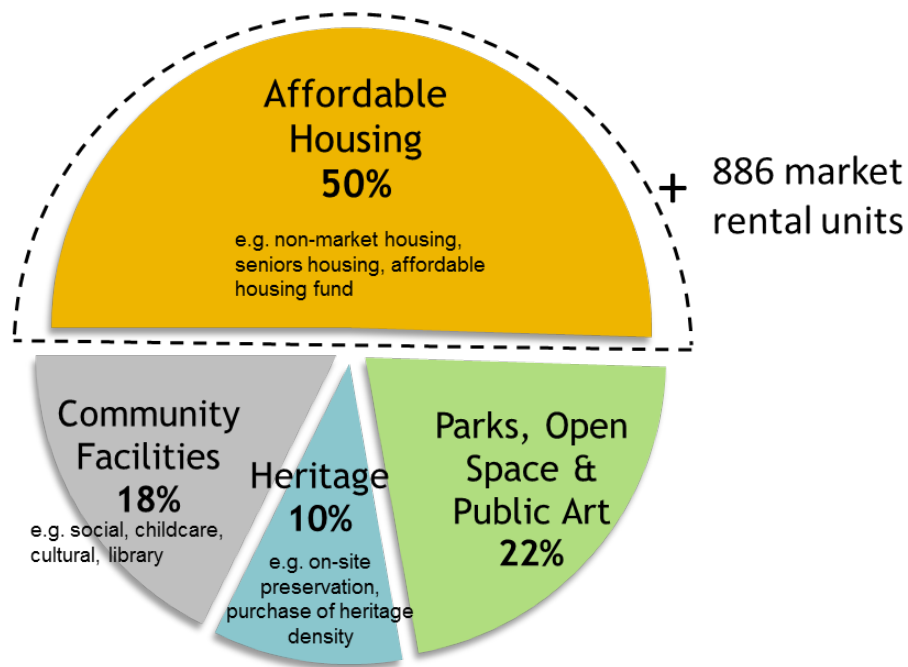


Chart excludes \$7.5M in unallocated contributions
(allocation subject to towards West End Plan, Norquay Village Plan, Mt Pleasant Plan, DTES Plan)

The chart shows:

- **Affordable Housing** was by far the largest recipient of public benefit contributions: it accounted for 50% of public benefit value (\$63.3M) and in addition includes an additional 886 units of secured market rental housing. This reflects Council's priority to increase housing supply for low and modest income households. Affordable housing commitments in 2013 included 371 units of social housing secured through rezonings at 508 Helmcken, 33 East Hastings, and 1300 Richards, a number of contributions to affordable housing funds throughout the City and the 886 secured market rental units scattered across the city.
- **Parks, Open Space and Public Art** commitments accounted for 22% of overall allocated value (\$27.2M) with large public realm/greenway contributions coming from two Downtown South rezonings. In addition to this were 15 public art contributions totaling \$7.9 million.
- **Community Facilities** at 18% of overall allocated value (\$22.1M) was the next largest recipient of public benefit contributions. These community facility commitments included: an in-kind childcare facility at 1396 Richards Street; approximately \$6.3 million in contributions towards new childcare facilities on the Cambie Corridor; \$7 million towards the funding of a future LGBTQ community centre in the West End; and \$4 million towards cultural facilities.

- **Heritage** through on-site preservation, accounted for 10% of overall value allocated (\$12.8M). Over one-third of all 2013 rezoning and bonusing approvals included an element of heritage as a public benefit (along with other public benefits in several cases). Approximately \$1.3 million in value was secured for heritage on-site preservation and over \$11.4 million of value of transferred density from the Heritage Density Bank.

In 2009, Council decided to put a hold on the creation of new transferable density and opted to draw down the inventory of 'banked' transferable density. In September 2013, Council approved a number of actions to further reduce the balance in the heritage amenity bank in order to maintain its viability as a heritage conservation tool. As a result, in the last quarter of 2013 applications for density transfers in excess of 150,000 square feet were approved bringing the "bank" balance down to 1.0 million square feet. This represents a 40% decrease in the bank balance since July 2009. See Appendix D for the heritage transfer of density system detail or the [Transfer of Density Program](#) web page.

Chart 2 does not include \$7.5 million in contributions not yet allocated (which represents 5% of the overall \$133 million total). Of the contributions not yet allocated, \$3 million will be directed towards the Norquay Public Benefit Strategy, \$3 million towards the Mount Pleasant Public Benefit Strategy, and other contributions towards both the Downtown Eastside and West End Public Benefit Strategies. All unallocated funds received by the City are set aside in a CAC reserve account, and these funds can only be spent on public benefits upon Council approval through the capital planning and budgeting processes. Council approved guidelines for unallocated cash contributions can be found in Council policy entitled: [Community Amenity Contributions -Through Rezoning](#)s. In most cases, where specific public benefit projects were not identified at the time of project approval, Council assigns unallocated funds to specific geographic areas where the redevelopment has been approved.

Summary of Allocations (2010-2013)

Since 2010 when the City began tracking public benefit contributions from approvals of additional density, Council has allocated approximately \$339 million to the following public benefit categories (excludes \$70 million in contributions that were not allocated at the time of Council approval):

- 36% towards Affordable Housing (plus 2,406 secured market rental housing units);
- 23% towards Heritage (on-site preservation, transfers of heritage density);
- 22% towards Community Facilities (social, childcare, cultural, library);
- 18% towards Parks and Open Space (including public art); and,
- 1% towards Transportation.

Appendix E provides a map showing the location of recently approved rezonings that secured in-kind public benefits.

Secured Market Rental Housing

There were 11 approvals of secured market rental housing in 2013, resulting in the approval of 886 market rental housing units. Each of the market rental projects shown in Table 4, were approved as rezonings with additional density. These rental units were secured as rental for the life of the building or 60 years, whichever is greater. When approved under the Secured Market Rental Housing Policy, the program offers a number of incentives, where applicable, for developers. These incentives may include: DCL waiver on rental units; parking reductions; expedited processing; rental property assessment; and bonus density incentives. On May 15, 2012 Council approved the [Secured Market Rental Housing Policy](#) which replaces the STIR pilot program which was designed to last 2.5 years. The new policy is aimed at providing incentives for projects where 100% of the residential development is rental.

New rental housing represents an important public benefit and is closely aligned with the City’s priorities to address homelessness and create more affordable housing, build safe and inclusive communities, and improve environmental sustainability.

Table 4: Secured Market Rental Housing Units Approved in 2013

| Address | # of Units |
|--------------------|-------------------|
| 1600 Beach Av | 133 |
| 1396 Richards St | 130 |
| 508 Helmcken | 110 |
| 1412 Howe St | 98 |
| 1262 Burrard St | 87 |
| 3002 W Broadway | 83 |
| 1526 Kingsway | 77 |
| 33 E Hastings | 67 |
| 4320 Slocan St | 41 |
| 5650 Victoria Dr | 30 |
| 3068 Kingsway | 30 |
| TOTAL UNITS | 886 |

Financial

With growth in the city comes the need for additional public amenities and services. New developments contribute significantly to the provision of growth-related benefits and affordable housing, and relieve what would otherwise fall on to property taxes and other City funding.

Over the last four years, the public benefits secured from approvals of additional density were substantial: \$339 million (in-kind and cash) plus 2,406 units of secured market rental housing. In 2013, the public benefits secured were \$133 million (in-kind and cash) plus 886 units of secured market rental housing. While some of the public benefits are achieved in the year when the additional density is approved, most public benefits are achieved in future years as the delivery of the benefits is linked to project construction. Unlike DCLs, these public benefits represent developers’

commitments to be realized over time and hence the values attributed to these public benefits are only reflected in the City's financial statement when they are delivered into the City's ownership.

Some of the public benefits secured will have on-going operating costs for the City and these will be addressed through the long-term financial planning and annual budget processes. In-kind CAC related public amenities are constructed by the developer and turned over to the City on completion - these include childcare, affordable housing, social or cultural facilities. Cash CACs are collected from developers and allocated to specific projects as part of the capital planning and budgeting processes. As all of these amenities come on stream, the budget implications include operating, programming, asset maintenance and rehabilitation costs. Other public benefits such as secured market rental, public art on private sites, and transfer of heritage density are the responsibility of the developer.

Information from this report will provide input into the City's long-term financial planning framework and help guide decision-making both at the city-wide level (e.g. 10-year Capital Strategic Outlook) and the community level (e.g. public benefits strategies).

CONCLUSION

This report focuses on all approvals of additional density occurring in 2013 and it describes the type and value of public benefits secured from these projects.

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Approvals of Additional Density in 2013

| ID# | Address | Local Area | Approval Type | Density increase (net ft ² increase) | Public Benefit(s) | Total Public Benefit Value (\$) |
|-----|----------------------------|----------------------------|---------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 1 | 508 Helmcken | Downtown | Rezoning | 296,979 | - Housing: non-market rental - Housing: contribution towards affordable housing | \$25,000,000 |
| 2* | 1262 Burrard St | Downtown | Rezoning | 593,225 | - Housing: market rental (87units)* - Heritage: purchase of density - Social / Community - Public Realm & Greenway - Parks & Open Space - Cultural - Public Art | \$24,385,465 |
| 3 | 1300 Richards St | Downtown | Rezoning | 162,911 | - Housing: non-market rental - Heritage: purchase of density - Public Art | \$24,374,829 |
| 4* | 1412 Howe St | Downtown | Rezoning | 432,962 | - Housing: market rental (98 units)* - Heritage: purchase of density - Public Realm & Greenway - Cultural - Public Art | \$13,284,153 |
| 5 | 4533 Cambie St | South Cambie | Rezoning | 127,000 | - Housing: contribution towards affordable housing - Parks & Open Spaces - Public Realm & Greenway - Public Art | \$6,798,047 |
| 6 | 516 W 50 th Ave | Oakridge | Rezoning | 83,598 | - Housing: contribution towards affordable housing - Childcare - Social / Community - Public Art | \$4,808,120 |
| 7 | 2220 Kingsway | Kensington – Cedar Cottage | Rezoning | 133,508 | - Unallocated Funds: Norquay Village Plan - Parks & Open Spaces - Transportation - Public Art | \$4,708,720 |
| 8 | 5675 Manson St | Oakridge | Rezoning | 77,091 | - Housing: contribution towards affordable housing - Heritage: purchase of density - Social / Community - Public Realm & Greenway - Public Art | \$4,424,601 |
| 9 | 4412 Cambie St | Riley Park | Rezoning | 74,463 | - Housing: contribution towards affordable housing - Childcare - Public Art | \$4,279,900 |
| 10* | 1396 Richards St | Downtown | Rezoning | 115,945 | - Housing: market rental (130 units)* - Childcare - Heritage: purchase of density - Public Art | \$4,249,244 |
| 11 | 755 W 41 st Ave | South Cambie | Rezoning | 74,288 | - Housing: contribution towards affordable housing - Childcare - Public Realm & Greenway | \$4,080,000 |
| 12 | 2290 Main St | Mount Pleasant | Rezoning | 33,445 | - Unallocated Funds: Mount Pleasant Plan | \$3,044,000 |

| ID# | Address | Local Area | Approval Type | Density increase (net ft ² increase) | Public Benefit(s) | Total Public Benefit Value (\$) |
|-----|-----------------------------|----------------------------|--------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------------------|
| 13 | 6361 Cambie St | Oakridge | Rezoning | 49,680 | - Housing: contribution towards affordable housing - Childcare - Public Realm & Greenway | \$2,664,000 |
| 14 | 3030 E Broadway | Renfrew – Collingwood | Rezoning | 0 | - Public Art | \$1,700,000 |
| 15 | 611 Main St | Strathcona | Rezoning | 0 | - Housing: seniors - Public Art | \$1,568,740 |
| 16 | 633 Main St | Strathcona | Rezoning | 0 | - Unallocated Funds: DTES Plan - Public Art | \$1,490,495 |
| 17 | 3308 Ash St | South Cambie | HRA | 1,240 | - Heritage: on-site preservation | \$447,595 |
| 18* | 1600 Beach Ave | West End | Rezoning | 89,095 | - Unallocated Funds: West End Plan - Housing: market rental 133 units)* - Public Art | \$424,000 |
| 19 | 1121 Seymour St | Downtown | Development Permit Bonus | 2,699 | - Heritage: purchase of density | \$175,435 |
| 20 | 623 Atlantic St | Strathcona | HRA | 349 | - Heritage: on-site preservation | \$164,600 |
| 21 | 1017 Keefer St | Strathcona | HRA | 683 | - Heritage: on-site preservation | \$161,000 |
| 22 | 3091 W 3 rd Ave | Kitsilano | HRA | 333 | - Heritage: on-site preservation | \$160,000 |
| 23 | 3182 W 3 rd Ave | Kitsilano | HRA | 267 | - Heritage: on-site preservation | \$132,480 |
| 24 | 2322 Ontario St | Mount Pleasant | HRA | 617 | - Heritage: on-site preservation | \$122,000 |
| 25 | 749 W 33 rd Ave | South Cambie | Text Amendment | 0 | - Public Art | \$103,159 |
| 26 | 437 Vernon Dr | Strathcona | HRA | 340 | - Heritage: on-site preservation | \$87,460 |
| 27 | 550 Robson St | Downtown | Development Permit Bonus | 1,985 | - Heritage: purchase of density | \$73,445 |
| 28 | 1677 E 22 nd Ave | Kensington – Cedar Cottage | HRA | 349 | - Heritage: on-site preservation | \$66,920 |
| 29 | 7249 Cypress St | Kerrisdale | Rezoning | 4,413 | - Parks & Open Spaces | \$48,000 |
| 30 | 1045 Robson St | Downtown | Development Permit Bonus | 714 | - Heritage: purchase of density | \$46,410 |
| 31 | 1365 Burnaby St | West End | Development Permit Bonus | 983 | - Heritage: purchase of density | \$44,235 |
| 32 | 108 E 1 st Ave | Mount Pleasant | Text Amendment | 5,382 | - Public Art | \$9,741 |
| 33* | 557 E Cordova St | Downtown Eastside | Development Permit Bonus | 2,699 | - Housing: non-market rental - Housing: market rental (24 units)* | \$0 |
| 34* | 4320 Slocan St | Renfrew – Collingwood | Rezoning | 14,027 | - Housing: market rental (41 units)* | \$0 |
| 35* | 1729 E 33 rd Ave | Kensington – Cedar Cottage | Rezoning | 11,839 | - Housing: market rental (28 units)* | \$0 |
| 36* | 3002 W Broadway | Kitsilano | Rezoning | 7,729 | - Housing: market rental (83 units)* | \$0 |
| 37 | 1107 Seymour St | Downtown | Rezoning | 37,980 | | \$0 |
| 38 | 807 Powell St | Downtown Eastside | Rezoning | 0 | | \$0 |

| ID# | Address | Local Area | Approval Type | Density increase (net ft ² increase) | Public Benefit(s) | Total Public Benefit Value (\$) |
|--------------|------------------|----------------------------|----------------|-------------------------------------------------|----------------------------------------------------------------------|---------------------------------|
| 39* | 3068 Kingsway | Renfrew – Collingwood | Rezoning | 10,730 | - Housing: market rental (30 units)* | \$0 |
| 40* | 5650 Victoria Dr | Kensington – Cedar Cottage | Rezoning | 9,524 | - Housing: market rental (30 units)* | \$0 |
| 41* | 33 E Hastings | Downtown Eastside | Rezoning | 37,946 | - Housing: non-market rental - Housing: market rental (67 units)* | \$0 |
| 42* | 1526 Kingsway | Kensington – Cedar Cottage | Rezoning | 19,725 | - Housing: market rental (77 units)* | \$0 |
| 43 | 720 E Hastings | Strathcona | Rezoning | 0 | - Housing: non-market rental - Social Community | \$0 |
| 44 | 777 Richards St | Downtown | Text Amendment | 24,413 | | \$0 |
| 45 | 970 Union St | Strathcona | Text Amendment | 60,830 | - Social Community | \$0 |
| TOTAL | | | | 2,600,116 | | \$132,904,949 |

*Value of market rental housing is not included in total public benefit value
Source: City of Vancouver rezoning and development permit board approvals (2013)

An Overview of DCLs and CACs

Development Cost Levies

Development Cost Levies (DCLs) are a growth-related charge on all new development. They are applied on a per square foot basis and are payable at Building Permit issuance. DCLs are governed by rules set out in the Vancouver Charter. DCLs are a very important source of revenue for civic facilities. Since they were introduced, over \$300 million in funds have been collected from DCLs to help pay for growth-related facilities.

DCLs collected from development help pay for facilities made necessary by growth. Facilities eligible for DCL funding include: parks, childcare facilities, replacement housing (social/non-profit housing), and engineering infrastructure.

There are 10 DCL districts within the city and they are divided into three types of DCL districts, each with its own rates:

- The Vancouver (City-wide) DCL District applies to most of the city. Certain area-specific DCL districts and other planning areas/zones are excluded from the Vancouver DCL District.
- Area-specific DCL Districts. Developments in these districts are subject to the area-specific DCL and are exempt from paying the Vancouver DCL.
- Layered DCL Districts. Developments in these districts are subject to both the area-specific DCL and the Vancouver DCL.

Community Amenity Contributions

Community Amenity Contributions (CACs) are voluntary in-kind or cash contributions provided by developers when City Council grants additional development rights through rezonings. CACs can help address the increased demands that may be placed on City facilities as a result of a rezoning (from new residents and/or employees), as well as mitigate the impacts of a rezoning on the surrounding community. Examples of in-kind amenity contributions include childcare facilities or park space incorporated into the new development. Cash contributions may be put toward benefits such as these, and others including libraries, community centres, transportation improvements, cultural facilities and neighbourhood houses. Cash contributions are generally applied to off-site benefits in the surrounding community.

In a rezoning, CACs can be part of a public benefits package offered by the developer, which may also include the transfer of density from a heritage site, and/or affordable housing. CACs are typically in addition to Development Cost Levies, which are growth-related charges on all new development.

Community Amenity Contributions have evolved over recent decades to help provide growth-related amenities arising from new development. CAC Policies have been applied in various ways, corresponding to planning and land use change across the city.

All rezonings Downtown are processed with negotiated CACs on a site-by-site basis (see map).

The rest of the city is covered by the City-wide CAC Policy, which sets out a framework for standard rezonings, non-standard rezonings, and exemptions from CACs. Standard rezonings use a flat rate target approach (currently set at a target of \$3.00 per square foot of additional density). Non-standard rezonings use a negotiated approach on a site-by-site basis. Certain areas of the city have their own area-specific CAC and/or public benefit policies determined as part of Area Plans (e.g. Arbutus Neighbourhood, Southeast False Creek, Cambie Corridor, Norquay Village are examples of fixed rate target CACs).

Major projects, such as Southeast False Creek and East Fraserlands, that are comprehensively planned typically provide a full range of public benefits on-site. A specific public benefits package (including CACs) is developed based on area plans and community need.

To respond to project-specific conditions, the City uses a mixed CAC approach that comprises both fixed rate targets and negotiated CACs, which will continue to evolve over time.

Heritage Transfer of Density

What is Transferable Density?

The City of Vancouver offers a variety of incentives to achieve the conservation and legal protection of heritage resources. A frequently used incentive is granting of bonus density in exchange for the rehabilitation and legal protection of a heritage building. When it is not possible to use this bonus density by adding more development on the same site as the heritage building, City Council may authorize it to be made available for transfer to another site where there is opportunity for additional development. The sale of transferable heritage density generates funds for the owner of the heritage site; this helps defray rehabilitation costs.

The site of the heritage building is called the donor site. The site where the transferred density is to be used is called the receiver site. The City is not party to the negotiations between representatives of heritage sites and receiver sites regarding the sale of transferable density.

The amount of transferable density is specified in a Heritage Revitalization Agreement (HRA) between the Donor Site Owner and the City. The HRA also describes the conditions that have to be met by the Donor Site Owner, before any heritage density can be legally transferred.

What are Possible Receiver Areas?

City Council has established a "Transfer of Density Policy and Procedure" which identifies heritage conservation as one of the public objectives that can be achieved through a transfer of density.

This document states that it may be possible to transfer heritage density from donor to receiver sites throughout most of the Central Area. The zoning districts in the Central Area where potential receiver sites can be located are: the Downtown District (DD); the West End (RM-5, RM-5A, RM-5B, C-5, C-6); and portions of Central Broadway (C-3A). Donor sites can be located in any of these districts and also the Chinatown (HA-1 and HA-1A) and Gastown (HA-2) zoning districts.

Outside of the Central Area, Council policy is that heritage density transfers may occur if the donor and receiver sites "are not separated by a zoning boundary or use, density or height district boundary in an Official Development Plan", and both sites are rezoned at the same time.

How Heritage Density Can Be Transferred to a Receiver Site

Heritage Density can be transferred to more than one receiver site. There are two ways in which density may be transferred:

1. Density Increase of up to 10%: In several of the zoning districts which encompass the Central Area, the Development Permit Board may approve a development application which requests an increase in density of up to 10% more than is otherwise permitted by the existing zoning. In doing so the Board will give particular consideration to the impact of a density

increase on shadowing, floor plate shape and size, height and public views, as well as the opinions of any persons who consider themselves affected.

Council policy excludes the following as receiver sites:

- sites already receiving a 15 percent hotel bonus;
- sites already receiving a heritage density bonus;
- sites containing a single room occupancy (SRO) hotel, unless arrangements are made to secure or replace units; and
- sites zoned CD-1, unless a provision is included in the CD-1 by-law.

A receiver site may be eligible if it is in one of the above-noted zones in the Central Area.

2. More than 10% increase in density or receiver sites outside the Central Area: If the proposed increase in density is more than 10%, or the receiver site is located outside the districts listed above, a rezoning application can be made.

Mechanisms for Approving Additional Density

Rezoning

Each zoning district contains an intent statement about the City objectives for the district, a list of permitted land uses and regulations governing maximum height, site coverage, floor area (density) and related aspects of any development which may be permitted on a site. A rezoning is a legal change to the Zoning By-law, either initiated by City staff following a policy planning study, or by way of a privately-submitted rezoning application.

Privately-submitted rezoning applications result in a Comprehensive Development District, or CD-1. CD-1 zoning is tailor made to a specific site or area. It is intended for unique sites or areas or to accommodate special uses or forms of development which do not fit within a standard zoning district schedule. Council may establish certain conditions (e.g. legal agreements or other arrangements) that must be met prior to the enactment of the CD-1 By-law, and other conditions (usually pertaining to design) that must be met before the approval of the development application. Rezonings may also include a Heritage Revitalization Agreement. Rezonings, whether initiated by City staff or a member of the public, must be approved by City Council at a Public Hearing.

Developers often offer Community Amenity Contributions (CACs) to help address the increased demands that may be placed on City facilities and mitigate the impacts of a rezoning on the surrounding community as a result of a privately-submitted rezoning. The CAC Policy applies differently to development in different areas of the City. For example, all rezonings downtown are processed with negotiated CACs, while rezonings outside of downtown may be negotiated, fixed rate target or exempt from CACs depending on the size of development, location, amount of additional floor space being requested, land use changes and the type of development.

CACs provide a wide range of amenities/benefits and help address the impacts of a rezoning on the surrounding community. CACs are provided often as in-kind facilities which are incorporated into the new development, or may be as cash toward such facilities.

CACs provide opportunities not provided by Development Cost Levies (DCLs). Although DCLs apply to all development (not just rezoning), the DCL revenue is restricted to a specific set of facilities, while CACs are not. Also, because DCLs cannot contribute 100% of capital costs, CACs can help to fill in the gaps. In addition, DCLs can only address new growth, while CACs can address broader needs and impacts.

In some zones, there is the ability for the Development Permit Board or the Director of Planning to use discretion to award additional density.

Development Permit Bonusing

Director of Planning discretion for additional density generally applies to applications seeking small amounts of additional density in single and two family residential areas. Larger development applications in zoning districts in and around Downtown require a more rigorous review process due to their size, significance, complexity or impact on the community. The Development Permit Board is authorized to consider additional density for many of these

larger applications in return for a range of amenities. In some areas, the DP Board can approve an unspecified amount of additional density where a need for any public, social, recreational or cultural facility has been identified. Furthermore, the Development Permit Board is able to authorize an unspecified amount of additional density in most of the DD ODP area to provide for low cost housing (although this requires prior approval by City Council and the securing of a Housing Agreement).

Properties located Downtown (in zones RM-5, RM-5A, RM-5B, C-5, C-6, CD-1 as well as areas covered by the Downtown District Official Development Plan) and portions of Central Broadway (zoned C-3A and located between Main St in the east and Burrard St in the west) can receive an additional 10% above the maximum density through the purchase of transferable heritage density. These transfers can be approved by the Development Permit Board. Transfers of heritage density beyond what is possible under existing zoning generally is approved by City Council through a rezoning process (see below).

While not related to public benefits, the DP Board can also authorize up to 15% of additional density for hotel uses in many parts of the Downtown District ODP area.

Heritage Designations and Heritage Revitalisation Agreements

When more density is being sought that can be approved by the Director of Planning in the rehabilitation of a heritage building, heritage designation may be required. In general terms, up to 10% of additional density can be granted if a property is designated. Designation of a heritage property requires Council approval. For developments requesting greater than 10% (or less than 10% if the development includes other significant variances from the Zoning By-law), a Heritage Designation, as well as, a Heritage Revitalization Agreement (HRA) are required.

An HRA, is an agreement between the City and an owner of a heritage property. Each HRA is unique and contains details on the duties, obligations and benefits negotiated by both parties. An HRA may involve variations to a number of by-laws, including zoning. The HRA supersedes zoning by-law and allows for more significant variations to the acceptable land uses, density and siting requirements (e.g. setbacks, maximum heights, etc.). If land uses or density are to be varied, HRAs must be approved by Council following a Public Hearing.

Development Permit Through Discretion

Some of Vancouver's zoning regulations allow for small amounts of additional density to be granted by the Director of Planning at his or her discretion. The additional density provided through this mechanism is usually granted to help the restoration and designation of a heritage property and applies to single family and two family residential zoning districts. For example properties in the RT-3 zoning district (Strathcona) allows for infill in relaxations of the Zoning By-law, including floor space, to preserve the many single family heritage homes in the neighbourhood. Very small amounts of additional density (generally less than 3%) can be granted directly through the Director of Planning and it is typically associated with design performance.

Recent Rezoning Approvals that Secured In-Kind Public Benefits (2010-2013)

