



REPORT TO COUNCIL

STANDING COMMITTEE OF COUNCIL ON POLICY AND STRATEGIC PRIORITIES

JULY 10, 2019

A Regular Meeting of the Standing Committee of Council on Policy and Strategic Priorities was held on Wednesday, July 10, 2019, at 9:34 am, in the Council Chamber, Third Floor, City Hall.

PRESENT: Councillor Adriane Carr, Chair
Mayor Kennedy Stewart*
Councillor Rebecca Bligh*
Councillor Christine Boyle*
Councillor Melissa De Genova*
Councillor Lisa Dominato*
Councillor Pete Fry
Councillor Colleen Hardwick*
Councillor Sarah Kirby-Yung, Vice-Chair*
Councillor Jean Swanson
Councillor Michael Wiebe*

CITY MANAGER'S OFFICE: Sadhu Johnston, City Manager

CITY CLERK'S OFFICE: Rosemary Hagiwara, Deputy City Clerk
Tina Penney, Director, Legislative Operations
Irina Dragnea, Meeting Coordinator

* Denotes absence for a portion of the meeting.

WELCOME

The Chair acknowledged we are on the unceded territories of the Musqueam, Squamish, and Tsleil-Waututh Nations and we thank them for having cared for this land and look forward to working with them in partnership as we continue to build this great city together.

The Chair also recognized the immense contributions of the City of Vancouver's staff who work hard every day to help make our city an incredible place to live, work, and play.

MATTERS ADOPTED ON CONSENT

MOVED by Councillor De Genova

THAT Council adopt Item 6, on consent.

CARRIED UNANIMOUSLY AND
BY THE REQUIRED MAJORITY
(Councillors Dominato and Wiebe absent for the vote)

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Prior to considering the agenda items, the Chair reminded the Committee of the meeting procedures pilot project recently approved.

*MOVED by Councillor De Genova
SECONDED by Mayor Stewart*

THAT under Section 6.8 of the Procedure By-law, the Committee suspend rules 13.8 and 13.9 of the Procedure By-law. Suspending rule 13.8 will permit members of the public up to three minutes to address the Committee, and suspending rule 13.9 will permit Committee members up to three minutes to ask questions of speakers.

*CARRIED UNANIMOUSLY AND
BY THE REQUIRED MAJORITY
(Councillors Dominato and Wiebe absent for the vote)*

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1. Presentation – Small Business Assessment and Taxation Update

Patrice Impey, General Manager, Finance, Risk and Supply Chain Management, provided an introduction. Grace Cheng, Director, Long-Term Financial Strategy and Planning, along with external presenters Aaron Aerts, Canadian Federation of Independent Business, Patricia Barnes, Vancouver's Business Improvement Associations, and Paul Sullivan, Property Tax Consultant, provided a presentation and responded to questions.

At 10:04 am, Councillor Kirby-Yung rose on a Point of Information and enquired whether or not a motion can be put on the floor of Council when a staff presentation is received for information only.

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The Committee recessed at 10:07 am and reconvened at 10:21 am.

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Following the recess, the Chair ruled in favour of Councillor Kirby-Yung's Point of Information noting that under Section 9.2 of the *Procedure By-law* Council members may move a motion only when no business is pending.

*MOVED by Councillor Kirby-Yung
THAT the Committee recommend to Council*

THAT Council receive for information and endorse the staff presentation entitled "Small Business Assessment and Taxation Update", as presented to Council at the Standing Committee on Policy and Strategic Priorities meeting on July 10, 2019, and urge the Province of British Columbia to act on this immediately to ensure this is implemented for the 2020 tax year;

FURTHER THAT Council direct staff to form a stakeholder engagement process, including but not limited to representatives from Vancouver's Business Improvement Associations, the Building Owners and Managers Association of British Columbia (BOMA BC) and the Canadian Federation of Independent Business (CFIB), for the purpose of engaging the same in the development and application of a potential split assessment policy and the related implementation of regulations; and

FURTHER THAT the stakeholders be engaged and consulted when annual policy and related changes are being considered as part of the process of the development and evolution of policy development and amendments.

carried

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At 11:24 am, it was

MOVED by Councillor De Genova

SECONDED by Councillor Fry

THAT the Chair call for vote on the motion on the floor related to Item 1.

CARRIED AND

BY THE REQUIRED MAJORITY (Vote No. 04704)

(Councillor Swanson opposed)

(Councillors Hardwick and Wiebe absent for the vote)

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The call for vote being carried, the motion was put and CARRIED (Vote No. 04705) with Councillors Fry and Swanson opposed and Councillor Wiebe absent for the vote.

2. 2020-2024 Budget Outlook June 28, 2019

Patrice Impey, General Manager, Finance, Risk and Supply Chain Management, provided a presentation.

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The Committee recessed at 12:02 pm and reconvened at 1:40 pm.

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The following union representatives provided comments in support of the recommendations:

- Kari Scott-Whyte, President, CUPE Local 391
- Andrew Ledger, President, CUPE Local 1004
- Warren Williams, President, CUPE Local 15

Staff from Finance, Risk and Supply Chain Management, along with the City Manager and external consultant, Kyle Braid, Ipsos Public Affairs, responded to questions.

MOVED by Councillor De Genova
THAT the Committee recommend to Council

- A. THAT Council receive for information the 2020-2024 Budget Outlook, attached as Appendix A to the Administrative Report dated June 28, 2019, entitled "2020-2024 Budget Outlook".
- B. THAT Council receive for information the 2019 Civic Satisfaction Survey results, attached as Appendix B to the Administrative Report dated June 28, 2019, entitled "2020-2024 Budget Outlook".
- C. THAT Council endorse the priorities proposed in the Administrative Report dated June 28, 2019, entitled "2020-2024 Budget Outlook", for staff to reference in developing the 2020-2024 Service Plans, 2020 Budget and Five-Year Financial Plan.
- D. THAT Council direct staff to bring forward a proposed 2020 Budget and Five-Year Financial Plan that will: 1) maintain or strengthen core services, 2) align service plans to address the priority areas and Council motions through reprioritizing existing resources, additional revenues, and identifying cost savings/efficiencies within a tax increase that preserves core services. Staff will also bring forward recommendations that include options to advance additional priorities, such as the City-Wide Plan and other Council motions through potential service trade-offs, or additional taxes, or user fees.

amended

AMENDMENT MOVED by Councillor Boyle

THAT D be amended as follows:

- Delete the words "cost" and "/efficiencies";
- Insert the words "and opportunities" after the word "savings"; and
- Insert the words "and furthers Council priorities" after the words "core services".

carried

AMENDMENT TO THE AMENDMENT MOVED by Councillor Wiebe

THAT D be amended to insert the words "of 6-10%" after the words "tax increase".

LOST (Vote No. 04706)

(Councillors Bligh, De Genova, Dominato, Fry, Hardwick, Kirby-Yung opposed)

The amendment to the amendment having lost, the amendment was put and CARRIED (Vote No. 04707) with Councillor Hardwick opposed.

The amendment having carried, the motion was put and severed with A, B, and C having CARRIED UNANIMOUSLY (Vote No. 04709) with Councillor Hardwick abstaining from the vote. Subsequently, the Committee agreed to reconsider the vote.

Section 145.1 of the Vancouver Charter states “Where a member present at a meeting abstains from voting, they are deemed to have voted in the affirmative.”

The reconsideration having carried, the motion was put and severed with A, B, and C having CARRIED UNANIMOUSLY (Vote No. 04711) and D having CARRIED UNANIMOUSLY (Vote No. 04713).

FINAL MOTION AS APPROVED

THAT the Committee recommend to Council

- A. THAT Council receive for information the 2020-2024 Budget Outlook, attached as Appendix A to the Administrative Report dated June 28, 2019, entitled “2020-2024 Budget Outlook”.
- B. THAT Council receive for information the 2019 Civic Satisfaction Survey results, attached as Appendix B to the Administrative Report dated June 28, 2019, entitled “2020-2024 Budget Outlook”.
- C. THAT Council endorse the priorities proposed in the Administrative Report dated June 28, 2019, entitled “2020-2024 Budget Outlook”, for staff to reference in developing the 2020-2024 Service Plans, 2020 Budget and Five-Year Financial Plan.
- D. THAT Council direct staff to bring forward a proposed 2020 Budget and Five-Year Financial Plan that will: 1) maintain or strengthen core services, 2) align service plans to address the priority areas and Council motions through reprioritizing existing resources, additional revenues, and identifying savings and opportunities within a tax increase that preserves core services and furthers Council priorities. Staff will also bring forward recommendations that include options to advance additional priorities, such as the City-Wide Plan and other Council motions through potential service trade-offs, or additional taxes, or user fees.

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The Committee recessed at 3:16 pm and reconvened at 3:22 pm.

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Per the procedures pilot project recently approved, the Member Motions have a hard start time of 3 pm. Subsequently, the Committee dealt with Item 7 as the next order of business.

Note: for ease of reference the following portion of the minutes are recorded in chronological order.

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7. Accelerating Action on Industrial Affordability

At the Standing Committee on City Finance and Services meeting on June 26 and 27, 2019, due to time constraints, the Committee referred the following motion to the Standing Committee on Policy and Strategic Priorities meeting on July 10, 2019, to hear from speakers with a start time of 3 pm.

The Committee heard from six speakers in support of the motion.

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*MOVED by Councillor De Genova
SECONDED by Councillor Hardwick*

THAT under Section 6.8 of the Procedure By-law, the Committee suspend rule 10.6 of the Procedure By-law, to provide Council members with two minutes to introduce their motion and one minute each to ask clarifying questions of the mover of a Member's Motion.

*CARRIED UNANIMOUSLY AND
BY THE REQUIRED MAJORITY
(Councillor Wiebe and Mayor Stewart absent for the vote)*

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Councillor Kirby-Yung introduced the motion.

MOVED by Councillor Kirby-Yung
THAT the Committee recommend to Council

WHEREAS

1. The City of Vancouver's mission is to create a great city that cares about its people, its environment and opportunities for residents to live, work, and prosper.
2. A resilient, diverse economy fosters dynamic businesses and sustainable employment opportunities.
3. Industrial businesses provide 60,000 jobs (58% of those deliver a living wage) and circulate approximately \$7 billion in revenues locally. One job in manufacturing indirectly supports 3.5 jobs in other sectors.
4. Vancouver is experiencing an industrial affordability crisis (in addition to a housing crisis) and has the lowest industrial vacancy rate in all North America.¹
5. Industrial lease rates have tripled in Vancouver's inner-city industrial districts in the last five years.²

¹ Avison Young Global Industrial Market Report, Spring 2019

6. The industrial land crunch is resulting in displacement of SMEs from the city; up to 50% of Vancouver's industrial businesses think they may need to relocate in the next two years.³
7. Pressure on industrial land is creating a struggle for industrial startups, artists, and musicians and creating barriers to them gaining a foothold in Vancouver; Vancouver's startup ecosystem has dropped six places in ranking in 2019.⁴
8. The industrial land crunch is also limiting Vancouver's ability to scale green businesses and reach sustainability goals – currently 10% of industrial businesses self-identify as green businesses.⁵
9. The industrial affordability crisis in Vancouver is the result of several global and local forces, including lifting land values as well as landowners sitting on industrial land as a form of real estate investment.
10. Encroachment of non-industrial uses on industrial lands including doggy daycares, self-storage, and car dealerships which have low employment density is reducing the amount of productive job space available.⁶
11. Industrial land supply has not kept pace with increasing demand from a wide variety of businesses, including film, television, & digital entertainment companies; biotech, cleantech & agri-tech firms; and small manufacturers, materials processors, & distributors.⁷
12. 565 hectares of industrial land have been rezoned to other uses in the last thirty years (primarily to address housing issues), reducing the amount of total employment space available in the city.⁸
13. Older industrial building stock does not meet needs of contemporary industrial businesses; the average floorplate of industrial users have dropped and new demands include increased power and digital connectivity needs.
14. Not addressing challenges faced by industrial operators in Vancouver could mean that up to 50% of industrial businesses may be displaced from the city in the next five years, taking with them 30,000 jobs, \$3.6 billion in annual revenues, and \$1.2 billion in annual wages.

² Spacelist Listings & analysis of historic real estate listing data; BC assessment also has good data on leaps in land values which we have sited in various reports on this issue

³ Vancouver Economic Commission, Industrial Insights Report, published Spring 2018

⁴ Startup Genome Report (completed annually)

⁵ Vancouver Economic Commission, Industrial Insights Report, published Spring 2018

⁶ VEC has mapped this with the help of UrbanLogiq – some key insights are published in our Industrial Insights report

⁷ Growth rates for various manufacturing sectors were cited in our industrial insights report (page 4) from several provincial reports including one on the Apparel industry and another on Food & Beverage. The VEC also tracks data on growth in the digital entertainment, film and tv sectors

⁸ Globe and Mail, May 2018

15. The cost of goods and services in the city will rise as services move further from the urban core.
16. Traffic congestion and GHG emissions in the region would worsen given that more than 50% of clients and 35% of suppliers for local industrial businesses in the city are located in Vancouver.
17. The social, economic, environmental and cultural impacts of displacing our industrial business community could limit Vancouver from reaching major goals including:
 - economic resilience given that Vancouver's industrial businesses primarily serve local clientele (50%) and underpin every other major sector in Vancouver as they are the suppliers to all other sectors;
 - climate emergency response – pollution free cars, trucks and buses will require local and distributed smart logistics hubs and zero emissions fleet infrastructure; and
 - vibrant cultural life – industrial space is where arts production, music/theatre rehearsal, artisanal making and all manner of cultural activities are fostered.
18. Since many businesses are on 3, 5, or 10-year leases, Vancouver is only beginning to feel the impact of the drastic rise in industrial land values over the past 5 years. These impacts are anticipated to worsen in the next one to five years.
19. Cities around the world have been recognizing the need to protect urban industrial activity including:
 - San Francisco – PlaceMade is a non-profit industrial developer that secures land through supportive policy, and SF Made directly supports Bay Area manufacturers with programming;⁹ and
 - New York – GMDC (a non-profit industrial developer) is highly supported by NYC EDC to retrofit older industrial buildings into spaces for modern industrial users, opening hundreds of thousands of square feet of affordable industrial space over the past twenty years for modern industrial businesses.
20. Movements toward the development of a more circular economy, more demand for locally designed and manufactured products, just-in-time delivery and zero emissions transportation, are all anticipated to result in continued strong demand for industrial space.
21. The industrial land crunch has led to the City of Vancouver Employment Lands and Economy Review, as well as the formation of the Metro Vancouver Industrial Lands Strategy Task Force.

⁹ These examples have come from direct conversations with these groups. Excellent resources on these examples are published by the Urban Manufacturing Alliance

THEREFORE BE IT RESOLVED

- A. THAT Council acknowledges the immediacy and real impacts of the industrial land crunch and the displacement of city-serving industrial operators from Vancouver.
- B. THAT Council direct staff to explore the impact of and report back on options for freezing development applications for self-storage, car dealerships and other non-industrial uses currently permitted in industrial districts as soon as possible, giving consideration to whether these uses are displacing higher-productivity and more job-intensive industrial operations.
- C. THAT Council direct staff to undertake feasibility analysis to determine the viability of making available for redevelopment industrial zoned land with the goal of delivering affordable industrial space for start-ups, scale-ups and arts production space. Staff to report back in-camera on options or models for (re)-development to meet these goals;

FURTHER THAT such report back includes a review of the governance policies of the City's Property Endowment Fund that might need to be considered to enable such opportunities, as well considers potential eligibility criteria and appropriate terms/length of market rate subsidies to ensure equity, and encourage turnover and appropriate allocation of affordable space to support those who need it most.

- D. THAT Council direct staff to explore and report back as soon as feasible on options to deliver an empty industrial spaces program that utilizes carrot and/or stick approaches to ensuring industrial spaces are not sitting unnecessarily empty or underutilized.
- E. THAT staff identify recommendations to revise industrial permitting and licensing processes to reflect modern and evolving industrial operations as part of the planned overall licensing review slated to take place in 2020, and report back to Council.
- F. THAT Council direct staff to consider how regulatory tools could be utilized to enable the creation/preservation of affordable light industrial space for city-serving industrial operators as part of rezoning processes and density bonusing.

CARRIED UNANIMOUSLY (Vote No. 04714)
(Mayor Stewart absent for the vote)

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The Committee agreed to consider Item 4, which was held for questions to staff, as the next order of business.

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**4. Water Works By-law Amendment to Residential Metering
June 13, 2019**

MOVED by Councillor Dominato
THAT the Committee recommend to Council

THAT Council approve amendments to the Water Works By-law 4848 requiring the installation of water meters on properties that are 0.4 acres or greater, a change from the current 0.5 acres threshold.

CARRIED UNANIMOUSLY (Vote No. 04715)
(Councillors Bligh, De Genova, Kirby-Yung and Mayor Stewart absent for the vote)

8. Expanding Downtown Eastside Greenspace and Waterfront Access

At the Standing Committee on City Finance and Services meeting on June 26 and 27, 2019, due to time constraints, the Committee referred the following motion to the Standing Committee on Policy and Strategic Priorities meeting on July 10, 2019, to continue hearing from speakers.

The Committee heard from the remaining three speakers who spoke in support of the motion.

MOVED by Councillor Swanson
THAT the Committee recommend to Council

WHEREAS

1. On May 27, 2018, the Vancouver Park Board unanimously approved an amended motion requesting that the Vancouver Fraser Port Authority identifies further opportunities to make investments in the local Downtown Eastside community with a particular focus on parks, recreation, and Reconciliation, and that the Park Board explore the initiation of a working group in partnership with the City of Vancouver and community stakeholders with a goal to transition the development and construction of an indigenous-focused healing, wellness, and/or cultural centre out of the theoretical and into action and reality.
2. In 2015, the Vancouver Fraser Port Authority announced the Centerm Expansion Project, which involves a series of improvements at the Centerm container terminal, including extending the terminal to the west.
3. On April 18, 2018, a project permit was approved for the Centerm Expansion Project.
4. On June 20, 2018, City Council approved recommendations for staff to continue to work with community, health sector, foundation and government partners to plan for the development and operation of an Indigenous Healing and Wellness Centre in the Downtown Eastside.

5. Waterfront spaces are critically important both culturally and ecologically to the Musqueam, Squamish, and Tsleil-Waututh Nations, and every opportunity should be sought to partner with them on the potential of such spaces.
6. Based on the City's support of the Park Board's park provision targets, the Downtown Eastside is park deficient and would benefit from the addition of greenspace.
7. Community members have expressed an interest for an indigenous healing centre/arts and cultural centre in CRAB Park.
8. The Port Authority has stated its commitment to being a good neighbour to local communities, municipalities and First Nations, and to demonstrating this commitment through its investments in those communities.

THEREFORE BE IT RESOLVED

- A. THAT Vancouver City Council requests the Vancouver Fraser Port Authority identifies further opportunities to make investments in the local community with a particular focus on parks, recreation, and Reconciliation, and to engage with the City, Park Board, Musqueam, Squamish and Tsleil-Waututh Nations, and Urban Indigenous communities on future planning processes and opportunities for the Central Waterfront area, including CRAB Park, that would support:
 - i. vulnerable populations in the Downtown Eastside through equitable access to expanded, high quality greenspace;
 - ii. improving community access to existing parks and greenspace;
 - iii. exploring the feasibility of a new indigenous healing centre or cultural centre at CRAB Park;
 - iv. creating and enhancing significant shoreline habitat; and
 - v. the city-wide focus of expanding waterfront park access.
- B. THAT the Vancouver City Council support and assist in funding the development and construction of an indigenous-focused healing, wellness, and/or cultural centre at CRAB Park.
- C. THAT Vancouver City Council works in collaboration with the federal Minister of Transportation, the local Member of Parliament, the local Member of the Legislative Assembly, the Park Board, and the Vancouver Fraser Port Authority to achieve points i-v of Part A above.

amended

AMENDMENT MOVED by Councillor Fry

THAT A be amended as follows:

- Delete the words "the Central Waterfront area, including"; and
- Insert the words "including expanding CRAB Park" before the words " , that would support";

FURTHER THAT C be deleted and replaced with the following:

THAT the Mayor immediately engage with the Vancouver Port Authority, the Minister of Transportation, and the Prime Minister's Office to achieve points i-v of Part A above, as well as inform Vancouver City Council, the Vancouver Park Board, the local Member of Parliament, and the local Member of the Legislative Assembly, as to the progress of these efforts.

CARRIED UNANIMOUSLY (Vote No. 04716)
(Mayor Stewart absent for the vote)

AMENDMENT MOVED by Councillor Kirby-Yung

THAT B be amended as follows:

- Delete the words "and assist in funding"; and
- Insert the phrase "and work with the Vancouver Fraser Port Authority as well as Federal and Provincial government and other potential partners to secure funding to achieve delivery of such a centre" after the words "CRAB Park,".

CARRIED (Vote No. 04717)
(Councillors Boyle, Swanson and Wiebe opposed)
(Mayor Stewart absent for the vote)

The amendments having carried, the motion was put and severed with A having CARRIED UNANIMOUSLY (Vote No. 04718) with Mayor Stewart absent for the vote, B having CARRIED (Vote No. 04719) with Councillor Kirby-Yung opposed and Mayor Stewart absent for the vote and C having CARRIED UNANIMOUSLY (Vote No. 04720) with Mayor Stewart absent for the vote.

FINAL MOTION AS APPROVED

WHEREAS

1. On May 27, 2018, the Vancouver Park Board unanimously approved an amended motion requesting that the Vancouver Fraser Port Authority identifies further opportunities to make investments in the local Downtown Eastside community with a particular focus on parks, recreation, and Reconciliation, and that the Park Board explore the initiation of a working group in partnership with the City of Vancouver and community stakeholders with a goal to transition the development and construction of an indigenous-focused healing, wellness, and/or cultural centre out of the theoretical and into action and reality.
2. In 2015, the Vancouver Fraser Port Authority announced the Centerm Expansion Project, which involves a series of improvements at the Centerm container terminal, including extending the terminal to the west.
3. On April 18, 2018, a project permit was approved for the Centerm Expansion Project.

4. On June 20, 2018, City Council approved recommendations for staff to continue to work with community, health sector, foundation and government partners to plan for the development and operation of an Indigenous Healing and Wellness Centre in the Downtown Eastside.
5. Waterfront spaces are critically important both culturally and ecologically to the Musqueam, Squamish, and Tsleil-Waututh Nations, and every opportunity should be sought to partner with them on the potential of such spaces.
6. Based on the City's support of the Park Board's park provision targets, the Downtown Eastside is park deficient and would benefit from the addition of greenspace.
7. Community members have expressed an interest for an indigenous healing centre/arts and cultural centre in CRAB Park.
8. The Port Authority has stated its commitment to being a good neighbour to local communities, municipalities and First Nations, and to demonstrating this commitment through its investments in those communities.

THEREFORE BE IT RESOLVED

- A. THAT Vancouver City Council requests the Vancouver Fraser Port Authority identifies further opportunities to make investments in the local community with a particular focus on parks, recreation, and Reconciliation, and to engage with the City, Park Board, Musqueam, Squamish and Tsleil-Waututh Nations, and Urban Indigenous communities on future planning processes and opportunities for CRAB Park including expanding CRAB Park, that would support:
 - i. vulnerable populations in the Downtown Eastside through equitable access to expanded, high quality greenspace;
 - ii. improving community access to existing parks and greenspace;
 - iii. exploring the feasibility of a new indigenous healing centre or cultural centre at CRAB Park;
 - iv. creating and enhancing significant shoreline habitat; and
 - v. the city-wide focus of expanding waterfront park access.
- B. THAT the Vancouver City Council support the development and construction of an indigenous-focused healing, wellness, and/or cultural centre at CRAB Park and work with the Vancouver Fraser Port Authority as well as Federal and Provincial government and other potential partners to secure funding to achieve delivery of such a centre.
- C. THAT the Mayor immediately engage with the Vancouver Port Authority, the Minister of Transportation, and the Prime Minister's Office to achieve points i-v of Part A above, as well as inform Vancouver City Council, the Vancouver Park Board, the local Member of Parliament, and the local Member of the Legislative Assembly, as to the progress of these efforts.

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The Committee recessed at 5:10 pm and reconvened at 6:12 pm.

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9. Exploring Amendments to Short-Term Rental Policy and an Affordable Rental Housing Fund at the City of Vancouver

At the Standing Committee on City Finance and Services meeting on June 26 and 27, 2019, due to time constraints, the Committee referred the following motion to the Standing Committee on Policy and Strategic Priorities meeting on July 10, 2019, to hear from speakers.

Councillor De Genova introduced the motion and the Committee asked clarifying questions.

The Committee heard from four speakers in opposition to portion c) of the motion.

MOVED by Councillor De Genova
THAT the Committee recommend to Council

WHEREAS

1. There are opportunities for short-term rental accommodations to contribute to affordable housing in the City of Vancouver.
2. The City of Vancouver defines a short-term rental as “a home, or room within, rented for less than 30 days at a time”. To meet the City of Vancouver requirements for a Short Term Rental, the home must be the principal residence of the applicant and a license is required.
3. Three by-laws passed by City Council amend existing by-laws and allow the City of Vancouver to license short-term rentals and enforce rules that prohibit short term rentals from operating without a business license from the City of Vancouver.
4. The City of Vancouver is in an affordability and housing crisis and is in need of effective solutions to this crisis.
5. The City of Vancouver webpage dedicated to short-term rental accommodation Information acknowledges that short-term rentals allow individuals to earn additional income, provide short-term accommodation options within the city and supports Vancouver’s tourism industry. Council heard public testimony from a number of short-term rental operators who rely on this income to pay their mortgages and save for education or retirement.
6. Council has not been presented with data showing the amount of long term rental housing supply that has been added to the market because of the City of Vancouver’s short-term Rental accommodation business license, enforcement policies and regulation.

7. The City of Vancouver cites a main reason, for the new short-term rental licensing and policy framework, is to increase the supply of long-term rental housing.
8. Other cities including Seattle, have adopted ordinances allowing for regulated growth in the short-term rental and vacation rental markets while applying a nightly tax on stays to fund affordable housing initiatives.

THEREFORE BE IT RESOLVED THAT Council direct staff to examine the current Short-Term Rental Policy and report back to Council with any findings and recommendations by June 2020, including consideration for:

- a) Requiring the License holder to pay a fee, in addition to the Short-Term Rental License Fee, calculated on the number of nights the rental was booked, and, that any fees charged are allocated to the Affordable Housing Reserve;
- b) Increasing the Short-Term Rental License Fee to strengthen the capacity of the City of Vancouver to recover costs;
- c) Amending eligibility requirements to allow each owner and each renter to apply for a Short-Term Rental License in each residence;
- d) Approving a maximum number of licenses issued, and specific to each of Vancouver's distinct 23 neighbourhoods; and
- e) Requiring applicants seeking or renewing a City of Vancouver Short Term Rental License to provide:
 - i) A sample of their planned listing;
 - ii) Any photographs that will be used in advertising the proposed rental;
 - iii) All specific platforms they plan to advertise with; and
 - iv) Written permission of strata council, if applicable.

referred

AMENDMENT MOVED by Councillor Fry

THAT d) be amended by deleting the phrase "to each of Vancouver's distinct 23 neighbourhoods" and replacing with the phrase "limits relative to neighbourhoods, sub-areas, and buildings";

FURTHER THAT the following be added as f):

Re-evaluation of current MOU with Airbnb to incorporate more robust reporting and enforcement mechanisms; and how an MOU might be replicated with other Short Term Rental booking agencies;

FURTHER THAT the following be added as g):

Mechanisms to improve reporting and enforcement of STRs operating under and in contravention of the bylaw, including but not limited to easier reporting, open data, and working with provincial authorities to enhance regulations pertaining to enforcement and fines under the Offence Act or otherwise;

FURTHER THAT the following be added as h):

Working with provincial assessment authority to determine a “split classification” system considering ratio of residential to commercial use (as most recently applied to artist-live work spaces) where the per cent of short term rental is factored by aggregate duration of booked accommodation and taxed as Class 6 (Business, other); and

FURTHER THAT the following be added i):

Working with industry and watchdogs, property owners and tenants groups to form a task force to review current circumstances, application and efficacy of the STR By-law for additional finding and recommendations.

not put

REFERRAL MOVED by Councillor De Genova

THAT Council refer the motion “Exploring Amendments to Short-Term Rental Policy and Affordable Rental Housing Fund at the City of Vancouver” to staff, and that staff report back with information and recommendations with the next report to Council on short-term rentals, by June 2020.

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During discussion on the referral, it was

MOVED by Councillor De Genova

SECONDED by Councillor Hardwick

THAT the Chair call for vote on the referral of Item 9.

CARRIED AND

BY THE REQUIRED MAJORITY (Vote No. 04721)

(Councillors Carr, Fry and Wiebe opposed)

(Councillors Stewart absent for the vote)

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At 7:25 pm, during discussion on the referral, Councillor Fry rose on a Point of Order under Section 5.2 of the *Procedure By-law*, and asked the Chair to remind Councillor De Genova to not impugn the motives of other Councillors. The Chair ruled in favour of Councillor Fry’s Point of Order, and reminded Councillor De Genova to be considerate in the choice of language.

The call for vote having carried, the referral was put and CARRIED (Vote No. 04722) with Councillors Carr, Fry, Swanson and Wiebe opposed and Mayor Stewart absent for the vote.

**3. 2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments
June 24, 2019**

Staff from Finance, Risk and Supply Chain Management, Planning, Urban Design and Sustainability, Arts, Culture and Community Services, and Engineering Services, responded to questions.

MOVED by Councillor De Genova
THAT the Committee recommend to Council

- A. THAT Council approve, in principle, a 2019 inflationary rate increase of 5.2% for the following development contributions:
- i. Commercial, Mixed Employment and Industrial rate categories in the Vancouver (City-wide) Development Cost Levy (DCL) By-law, Vancouver Utilities DCL By-law, and Area Specific DCL By-law, as shown in Appendix A of the Administrative Report dated June 24, 2019, entitled “2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments”;
 - ii. Downtown and Rest of Metro Core Commercial Linkage Targets in the Community Amenity Contributions – Through Rezoning policy, as shown in Appendix E of the Administrative Report dated June 24, 2019, entitled “2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments”;

with new rates to be effective September 30, 2019;

FURTHER THAT Council approve the planned rate increase associated with the phase-in of the Vancouver Utilities DCL for residential developments over 1.5 FSR on the East Side, as shown in Appendix A of the Administrative Report dated June 24, 2019, entitled “2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments”, with the new rate to be effective September 30, 2019;

FURTHER THAT the Director of Legal Services be instructed to bring forward for enactment amendments to the Vancouver DCL By-law No. 9755, Vancouver Utilities DCL By-law No. 12183, and Area-Specific DCL By-law No. 9418 to implement the 2019 inflationary rate adjustment to non-residential rate categories, as generally shown in Appendix B, Appendix C, and Appendix D, of the Administrative Report dated June 24, 2019, entitled “2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments”; and

FURTHER THAT Council maintain the existing Vancouver (City-wide) DCL By-law rates, Vancouver Utilities DCL By-law rates, and Area-Specific DCL By-law reduced (nominal) rates for artist studio, community centres/neighbourhood house, library, public authority use, social service centre, parking garage, temporary building, school, childcare, community energy centre, and works yard uses.

- B. THAT, in light of the weakening residential market, Council forgo the 2019 inflationary rate adjustment of 5.2% for the following development contributions:
- i. Residential rate categories in the Vancouver (City-wide) DCL By-law, Vancouver Utilities DCL By-law, and Area Specific DCL By-law, as shown in Appendix A of the Administrative Report dated June 24, 2019, entitled “2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments”; and
 - ii. Community Amenity Contribution (CAC) Targets, except for Commercial Linkage Targets in the Community Amenity Contributions – Through Rezoning policy, as shown in Appendix E of the Administrative Report dated June 24, 2019, entitled “2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments”.
- C. THAT Council approve altering the allocation of DCL revenues for general utilities raised by the Vancouver (City-wide) DCL By-law and redirect them on an interim basis towards utilities upgrades triggered by priority affordable housing developments (primarily non-market), with a report back on the Vancouver (City-wide) DCL Utilities allocation as part of the planned review and update of the Vancouver (City-wide) DCL in advance of the next capital plan;

FURTHER THAT this allocation alteration be effective on September 30, 2019.

CARRIED UNANIMOUSLY (Vote No. 04723)
(Mayor Stewart absent for the vote)

**5. 208 East 12th Avenue – Donnelly Holdings Ltd. (Gift Shop)
Liquor Primary Liquor Licence Application
Liquor Establishment Class 1
June 3, 2019**

Prior to hearing from speakers, Councillor Wiebe declared conflict of interest on Item 5, as his business is located within three blocks of the Applicant’s address. Councillor Wiebe left the Council Chamber and did not return until the end of the item.

The Committee heard from one speaker in opposition and two speakers in support of the recommendations.

Staff from Development, Buildings and Licensing, answered questions.

MOVED by Councillor Bligh
THAT the Committee recommend to Council

THAT Council, having considered the opinion of area residents and business operators as determined by neighbourhood notification, site sign, noise impacts and relevant Council policy as outlined in the Administrative Report dated June 3, 2019, entitled “208 East 12th Avenue – Donnelly Holdings Ltd. (Gift Shop) Liquor Primary Liquor Licence Application Liquor Establishment Class 1”, endorse the application submitted by Rising Tide Consultants, on behalf of the applicant and registered property owner, Donnelly Holdings Ltd. (*doing business as* “Gift Shop”), for a new Liquor Primary liquor licence (Liquor Establishment Class 1), with an interior capacity of 25 persons located at 208 East 12th Avenue, subject to:

- i. A maximum interior capacity of 25 persons;
- ii. Standard Hours of operation limited to 11 am to 12 am, Sunday to Thursday, and 11 am to 1 am, Friday and Saturday, for a minimum of six months;
- iii. Food service to be available while the establishment is operating;
- iv. A Time-Limited Development Permit;
- v. An acoustic report to be submitted certifying that the establishment meets Noise Control By-law requirements; and
- vi. Signing a Good Neighbour Agreement with the City prior to business licence issuance.

CARRIED UNANIMOUSLY (Vote No. 04724)
(Councillor Boyle and Mayor Stewart absent for the vote)
(Councillor Wiebe absent for the vote due to Conflict of Interest)

**6. Expansion to 2019 Street Cleaning Grants
June 3, 2019**

MOVED by Councillor De Genova
THAT the Committee recommend to Council

THAT Council approve the award of grants for the expansion to the 2019 Street Cleaning Grant Program totalling \$405,000 to the following recipients, with funding from the approved 2019 Street Cleaning and the 2019 Plaza Stewardship operating budgets:

- o Save Our Living Environment – United We Can (\$27,000)
- o Coast Mental Health Foundation – Employment Services Program (\$147,350)
- o Mission Possible Enterprises Society – MP Maintenance (\$222,350)
- o Family Services of Greater Vancouver – Street Youth Job Action (\$5,000),
- o The Kettle Friendship Society – SEED Employment Program (\$3,300)

ADOPTED ON CONSENT AND
BY THE REQUIRED MAJORITY (Vote No. 04726)
(Councillors Dominato and Wiebe absent for the vote)

The Committee adjourned at 9:22 pm.

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**REGULAR COUNCIL MEETING MINUTES
STANDING COMMITTEE OF COUNCIL ON
POLICY AND STRATEGIC PRIORITIES**

JULY 10, 2019

A Regular Meeting of the Council of the City of Vancouver was held on Wednesday, July 10, 2019, at 9:22 pm, in the Council Chamber, Third Floor, City Hall, following the Standing Committee on Policy and Strategic Priorities meeting, to consider the recommendations and actions of the Committee.

PRESENT: Councillor Sarah Kirby-Yung, Deputy Mayor
Councillor Rebecca Bligh
Councillor Adriane Carr
Councillor Melissa De Genova
Councillor Lisa Dominato
Councillor Pete Fry
Councillor Colleen Hardwick
Councillor Jean Swanson
Councillor Michael Wiebe

ABSENT: Mayor Kennedy Stewart (Leave of
Absence) Councillor Christine Boyle

CITY MANAGER'S OFFICE: Sadhu Johnston, City Manager

CITY CLERK'S OFFICE: Rosemary Hagiwara, Deputy City Clerk
Irina Dragnea, Meeting Coordinator

COMMITTEE REPORTS

Report of Standing Committee on Policy and Strategic Priorities
Wednesday, July 10, 2019

Council considered the report containing the recommendations and actions taken by the Standing Committee on Policy and Strategic Priorities. Its items of business included:

1. Presentation – Small Business Assessment and Taxation Update
2. 2020-2024 Budget Outlook
3. 2019 Annual Inflationary Rate Adjustment to Development Contributions and Associated DCL Amendments
4. Water Works By-law Amendment to Residential Metering
5. 208 East 12th Avenue – Donnelly Holdings Ltd. (Gift Shop)
Liquor Primary Liquor Licence Application
Liquor Establishment Class 1
6. Expansion to 2019 Street Cleaning Grants
7. Accelerating Action on Industrial Affordability

8. Expanding Downtown Eastside Greenspace and Waterfront Access
9. Exploring Amendments to Short-Term Rental Policy and an Affordable Rental Housing Fund at the City of Vancouver

Items 1 to 9

MOVED by Councillor Hardwick
SECONDED by Councillor Dominato

THAT the recommendations and actions taken by the Standing Committee on Policy and Strategic Priorities at its meeting of July 10, 2019, as contained in items 1 to 9, be approved.

CARRIED UNANIMOUSLY AND
BY THE REQUIRED MAJORITY

ADJOURNMENT

MOVED by Councillor De Genova
SECONDED by Councillor Dominato

THAT the meeting be adjourned.

CARRIED UNANIMOUSLY

The Council adjourned at 9:23 pm.

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