

11. Public Amenities and Equity in DCL-Waiver and Rental Re-Zoning Hot-Zones

Submitted by: Councillor Fry

WHEREAS

1. Most new development in the City of Vancouver pays Development Cost Levies (DCLs). A DCL is paid by property developers based on square footage. DCLs are an important source of revenue for City facilities such as:
 - a. Parks
 - b. Childcare facilities
 - c. Social and non-profit housing
 - d. Engineering infrastructure
2. Community Amenity Contributions (CACs) are in-kind or cash contributions provided by property developers when City Council grants development rights through rezoning. CACs help the City build and expand facilities like:
 - a. Affordable housing
 - b. Parks and open spaces
 - c. Childcare facilities
 - d. Community facilities (example: community centres and libraries)
 - e. Transportation and public realm
 - f. Arts and culture spaces
3. City Planning and Development Services staff perform comprehensive updates to DCLs and CACs every 4 years in advance of each 4-year Capital Plan in alignment with provincial best practices. The updates, which are approved by Council, include a comprehensive review and update including:
 - a. City-wide population and job growth projections;
 - b. Identifying capital costs for corresponding DCL/CAC-eligible public amenities and infrastructure;
 - c. Review DCL waivers, reductions and exemptions and review CAC exemptions;

- d. Determining DCL/CAC allocations and rates; and
 - e. Establishing updated by-laws for DCLs and updated CAC Targets;
4. To address low vacancy rates and a need for rental tenure housing, the City of Vancouver incentivizes the building of new purpose-built rental housing in certain circumstances through a variety of programs and policies that variously exempt CACs on re-zoning and/or waive DCLs on new development;
 5. The City also does annual reports on DCLs (as per the requirement in the Vancouver Charter) detailing all projects that received waivers, reductions and exemptions in the previous year. This data is found in the Annual Report on DCLs which has been produced since 2010. Each annual report has a detailed list of each DCL waiver/exemption approved by year, including key information such as: project address, number of rental/social housing units waived/exempted, and foregone DCL revenue;
 6. From 2010 to 2018, the City of Vancouver granted DCL waivers to a total of 36 projects, representing 3702 rental units. The DCL waiver value over that period was \$23,946,616;
 7. Considering additional 2019 approvals not referenced in (6), there appears a predominant trend of DCL waivers and concurrent additional density in East Vancouver, notably Kensington, Cedar Cottage and DTES;
 8. Anticipating additional DCL waiver projects in the pipeline sees distinct “hot-zones” emerging, for instance Cedar Cottage: Commercial, Kingsway area;
 9. Residents of these DCL waiver hot-zones have variously remarked at public hearings about addressing costs of growth and density: specifically but not limited to traffic and traffic calming, public amenities, park spaces;
 10. DCL Waivers/Exemptions were last reviewed comprehensively in 2017. They are scheduled to be reviewed again as part of the next comprehensive update in 2021;
 11. The public benefit created by adding new purpose built market or otherwise rental housing does not negate the need for additional public benefits to support growth and new density; and
 12. The City of Vancouver has four DCL areas, the City-wide DCL makes up the largest of these areas. DCLs collected within each district must be spent within the area boundary, except housing related DCLs which can be spent anywhere in the city;

THEREFORE BE IT RESOLVED

- A. THAT Council affirms that public benefits accrued as a result of growth contribute to the city's livability.
- B. THAT Council affirms equitable and timely distribution of public benefits in the City of Vancouver should be commensurate to the addition of new density regardless of ownership, strata or rental tenure.
- C. THAT Council direct staff to map the list of waivers/exemptions relative to demonstrated and projected public benefit needs, in order to further illustrate where waivers occur in the city relative to where benefits may be needed as part the next (2021) Annual Report on DCLs.
- D. THAT Council direct staff to begin as soon as possible or by Q1 2021 on all new applications receiving CAC exemption or DCL waivers, including in writing with any report/recommendation the specific documentation of:
 - a. the extent of nearby growth and projected growth, other proximate projects receiving exemptions or waivers;
 - b. any identified public benefit needs as applicable, including but not limited to parks, traffic-calming, infrastructure, and placemaking; and
 - c. any identified public benefit needs that may fall outside the direct purview of city's benefits strategy like community serving spaces and schools.
- E. THAT Council direct staff to report back on a strategy whereby CAC-exempt/DCL-waived hot zones could be considered for a timely, targeted public benefit strategy, notwithstanding the city-wide DCL policy or four-year capital planning exercises, and that this strategy:
 - a. be done in such a way as to inform the Vancouver Plan process; and
 - b. be inclusive of but not limited to public engagement, the public hearing process, and consider the participatory budget process should council chose to continue with this pilot.

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