

MEMORANDUM

March 11, 2021

TO: Mayor and Council

CC: Paul Mochrie, Acting City Manager
Karen Levitt, Deputy City Manager
Lynda Graves, Administration Services Manager, City Manager's Office
Maria Pontikis, Civic Engagement and Communications Director
Rosemary Hagiwara, Acting City Clerk
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Neil Monckton, Chief of Staff, Mayor's Office
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Susan Haid, Deputy Director of Strategic and Long Range Planning
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Celine Mauboules, Managing Director, Homelessness Services and Affordable Housing Programs
Dan Garrison, A/Director of Planning, Housing Policy
Jason Olinek, A/Director of Planning, Development Planning

FROM: Gil Kelley
General Manager, Planning, Urban Design and Sustainability

SUBJECT: Downtown Official Development Plan Amendment in Area K3 (Granville Street between Drake and Helmcken)

This memo provides responses to questions at referral and information that will help form part of the staff presentation on the proposed Downtown Official Development Plan (DODP) Amendment for Granville Street in Area K3-Granville Street, between Drake and Helmcken which is on the agenda for Public Hearing, March 11, 2021 (item #3).

Summary: DODP Amendments – Area K3

City staff are putting forward recommendations to amend the Downtown Official Development Plan (the "DODP") to increase the allowable density in Area K3 of the DODP for developments where 100% of the residential floor space is for social housing or secured rental housing to 5.00 FSR in Area K3. This also includes a recommendation to update the Granville Street (Downtown South) Guidelines to add consideration of low operational or embodied emissions, including the use of mass timber. These changes are meant to help achieve the goals set out in the Housing Vancouver strategy to increase social housing and secured rental housing in Vancouver, and supports the goals of the Climate Emergency Action Plan to promote sustainable design and construction.

Staff have identified these amendments as quick start actions that will help improve the viability of rental housing as part of mixed-use developments in an area that currently enables residential uses and is located outside of the Granville Entertainment District.

We have had recent interest expressed by landowners in this area in pursuing mixed-use development that would meet the criteria presented by these amendments. We view this as a positive contribution to Granville Street and Downtown South that would generate new activity in the area for businesses and other amenity, while providing more housing options, and will help inform the upcoming Granville Street planning process.

Why are we increasing the total FSR of rental and social housing in Area K3 and how does it impact this part of Granville Street?

- Residential development is currently permitted in this part of Granville Street. This modest increase is meant to improve the viability of rental housing as part of a mixed-use development, and supports Council's objective to increase rental and social housing across the city, and encourage new activity for local businesses and other amenity.
- There are several strata, rental, social and SRO housing buildings that exist in and around this area. The K3 Area is located outside of the Granville Entertainment District. Staff consider this area as a transition from the retail and entertainment hub on Granville Street into the Downtown South high density residential neighbourhoods.
- The changes primarily target underutilized or underdeveloped sites, while adhering to existing building envelope, heights, design guidelines and heritage protection in advance of a more comprehensive study of Granville Street. Staff will explore the role of housing on Granville Street more broadly in relation to cultural, entertainment, social and other potential conflicting uses as part of the upcoming planning process.

Would residential development on Granville Street under the proposed K3 Amendment affect existing commercial space?

- Any development that takes advantage of the proposed amendment would still be subject to the provisions of retail and service uses required at grade.
- Further, these amendments do not preclude any landowner from developing under the current zoning, which allows for a number of non-residential uses (including retail, office and hotel).
- Nor does it prevent a mixed-use development that includes non-residential uses with the additional density for secured rental or social housing.

Will residential development on Granville under the proposed K3 Amendment replace existing hotel stock or opportunities for new hotel development?

- Staff anticipate the proposed amendment having a negligible or zero impact on existing hotel stock. Only one existing hotel site would qualify for the proposed amendment; given that it currently exceeds the existing maximum density, staff conclude that the nominal density increase would not incentivize a mixed-use development at this location.

Would the Area K3 proposal cause displacement of existing rental residential and SRO units?

Existing Rental (non-SRO)

- Staff anticipate very low or near zero displacement of existing residential and commercial from the proposed change, with uptake being primarily on vacant or underutilized lots. Any new developments would add needed rental or social housing, and bring new residents and activity to this section of Granville Street.
- All four existing rental (non-SRO) buildings – containing 21 rental units - were built prior to 1930 and therefore would not be eligible for additional density allowances under the proposed amendments to the DODP for rental housing
- [Note: There is also another rental building at 1138 Granville Street (containing 106 rental units), which was constructed in 2012; however, this site is not included in the proposed amendments, as it has been rezoned to CD-1 and is no longer zoned DODP]

Existing SRO Hotels

- There are three (3) SRO rental buildings with 239 rooms located in Area K3 on Granville Street. As the proposed amendment precludes any building constructed since 1930, the amendment will not apply to the three SRA designated buildings. Two buildings are occupied and one building is currently vacant.
- Staff concluded that there will be no displacement of SRA designated buildings from this proposed amendment. All SRA designated buildings are subject to the Single Room Accommodation (SRA) Bylaw, which prevents the loss of low-income housing and the displacement of tenants in Vancouver's Downtown core.
- Single room accommodation includes single room occupancy hotels (SRO), rooming houses, and non-market housing with rooms less than 320 square feet. The bylaw prevents tenant displacement and the loss of this housing stock by regulating its alteration, conversion, and demolition.
- The City and community partners track changes in SRO rental rates through our Low-Income Housing Survey.
- Staff are working with existing City tools and other levels of government to address the on-going erosion of affordability of SRO rooms for low-income tenants, while expediting replacement of SRO rooms with self-contained social housing at shelter rates.

What is the strategy for housing in the Downtown South?

- Housing is critical to ensure a functional and equitable city, and access to housing has been highlighted as a human rights issue at the provincial, national and international level.
- Residential development is currently permitted in this part of Granville Street. The modest increase recommended in the report is meant to improve the viability of rental housing as part of a mixed-use development, and supports Council's objective to increase rental and social housing across the city.

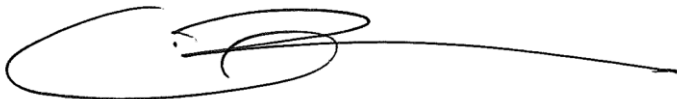
- Staff note, that under zoning and development by-laws and in community plans, the City does not regulate maximums amongst different forms of residential housing. There are no prescribed limits of affordable rental, social or supportive social housing.
- While rental, social, supportive and SRO replacement housing has been delivered in the Downtown South, there is still unmet need for a variety of affordable housing in this area and city-wide.

Will this amendment address street disorder and safety issues on Granville Street?

- As part of the associated Council report for the Area K3 DODP Amendments that went to Council on February 9, staff included a recommendation that was approved that Council direct staff to report back to Council in 2021, with a draft scope of work and budget for a future planning program for Granville Street Downtown.
- Exploring community views on street activity, safety perceptions and experiences of all residents and businesses and applying an equity lens to those discussions will be an important part of this next phase of work.

Conclusion

We hope this responds to questions at Referral and provides helpful information about the proposed Downtown Official Development Plan Amendment in Area K3 (Granville Street between Drake and Helmcken).

A handwritten signature in black ink, appearing to read 'Gil Kelley', with a long horizontal line extending to the right.

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