



REPORT

Report Date: October 21, 2021
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Meeting Date: October 21, 2021

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TO: Vancouver City Council

FROM: General Manager, Real Estate and Facilities Management, and Deputy City Manager

SUBJECT: The Future of False Creek South: Advancing a Conceptual Development Plan and Addressing Lease Expiries

RECOMMENDATION

- A. THAT Council direct the General Manager, Real Estate and Facilities Management (GM, REFM), to continue work to advance the recommended False Creek South (FCS) conceptual development plan outlined in this report, in order to inform the land use planning and regulatory process referenced in Recommendation B.
- B. THAT Council direct the GM, REFM, to present the recommended conceptual development plan described in this report to the General Manager, Planning, Urban Design and Sustainability (GM, PDS), to inform an application for a land use policy planning exercise that may consider an update to the existing *False Creek Official and Area Development Plan* (FCS ODP), and will include robust engagement with the community and other key stakeholders, and with the Musqueam, Squamish and Tsleil-Waututh Nations.
- C. THAT Recommendations A and B be adopted on the following conditions:
 - i. That the passage of Recommendations A and B creates no legal right for the City, as landowner, or any lessee or any other person or any obligation on the part of the City, and any expenditure of funds or incurring of costs is at the risk of the person making the expenditure or incurring the cost;

- ii. That the passage of Recommendations A and B and any approval, support in principle or direction that may be granted herein by Council shall not in any way fetter Council's discretion in its regulatory role in making any future decisions or obligate the City to enact any bylaw rezoning any of the False Creek South Lands or any amendments to the False Creek Official and Area Development Plan or otherwise approving any future use of the False Creek South Lands, and any costs incurred in proceeding with any development plan or commencing or making any Land Use Regulatory application shall be at the risk of the property owner; and
- iii. That the City and its officials, including the Approving Officer, shall not in any way be limited, fettered or directed in the exercise of their authority or discretion, regardless of when they are called upon to exercise any such authority or discretion.

REPORT SUMMARY

This report articulates options for a path forward for the future of the City lands in False Creek South, including a recommended long-term vision, phased development plan options to support this vision, a recommended conceptual development plan, as well as an approach to addressing strata leasehold lease expiries.

The key action arising out of the staff recommendations would have the General Manager, Real Estate, Facilities and Management (GM, REFM) continue to do the work necessary to inform an application to the General Manager, Planning, Design and Urban Sustainability (GM, PDS), for a land use policy planning exercise that considers an update to the existing *False Creek Official and Area Development Plan* (FCS ODP). As with any land use planning and regulatory process, this would also involve appropriate engagement with the community, other key stakeholders, and the Musqueam, Squamish and Tsleil-Waututh Nations.

It is important for Council to note that throughout this report that all references to "staff" or "staff recommendations" do not include the GM, PDS or PDS planning staff, who have not reviewed, considered or approved the conceptual development plan options from a land use planning and policy process. Any GM, REFM recommended conceptual development plan would be required to proceed through the usual land use planning and regulatory processes, which would include robust community engagement and thereafter be brought back to Council for consideration and decision-making in its regulatory authority. Similarly, the GM, Park Board, GM, Engineering Services, GM, Arts, Culture and Community Services (GM, ACCS), and the GM, Finance, Risk and Supply Chain Management (GM, FRS) and other key departments would be providing significant input through the proposed land use planning process.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- On February 28, 2012, Council approved the following, directing staff to advance a process to address the future of the False Creek South leases on City land.
 - A. *THAT Council direct staff to commence a formal process to address the future of the South False Creek leases, including:*
 - i. *A closed cooperative process for community consultation and engagement that includes but is not limited to the False Creek South Neighborhood Association (FCSNA);*
 - ii. *A review of best practices pertaining to government treatment of leasehold property in other jurisdictions;*
 - iii. *Staff consultation with industry, legal and property valuation experts; and,*
 - iv. *Such other matters as staff may advise.*
 - B. *THAT Council direct the City Manager to report back with a detailed project scope outlining the South False Creek leasehold issues requiring legal resolution, with a request for budget, if needed.*
- In July 2016, Council approved a set of Draft False Creek South Engagement Principles, and the following related direction. These engagement principles are shown in Appendix D.
 - A. *THAT Council direct staff to consult with key stakeholders on the Draft False Creek South Engagement Principles attached as Appendix A of the Administrative Report dated July 4, 2016, entitled “False Creek South Update”, and report back to Council with a recommendation on the Principles that includes addressing community concerns by Fall 2016.*
 - B. *THAT staff work with *RePlan, a subcommittee of the False Creek South Neighbourhood Association, to explore affordable housing options for all False Creek South residents to remain in the neighbourhood, in line with the City’s affordable housing policies and programs.*
 - C. *THAT staff continue to work with the provincial government and to consult with False Creek South strata leaseholders to clarify the methodology for determining the fair market value of each strata leaseholder’s interest in the strata lot upon expiry of the strata lot lease.*
 - D. *THAT the General Manager of Community Services report back to Council by Fall 2016 with a workplan and timeline for negotiating False Creek South co-op lease renewals in context of a broader non-market housing end-of-lease strategy framework.*
 - E. *THAT the General Manager of Real Estate and Facilities Management report back to Council by Fall 2016 with a plan to undertake an assessment of building conditions in the neighbourhood, including identification of any resources required to do so;*

F. FURTHER THAT staff report back with next steps on resolving the strata leasehold end-of-lease payment issue.

- On May 16, 2018, via the following resolution, Council approved in principle the False Creek South Provisional Vision Statement and Guiding Planning Principles, and deferred detailed planning work until greater clarity is reached on lease negotiations with leaseholders on City land.
 - A. THAT Council approve in principle the False Creek South Provisional Vision Statement and Guiding Planning Principles as outlined in Appendix A of the Policy Report dated May 1, 2018, entitled “False Creek South Planning: Provisional Vision Statement and Guiding Planning Principles”.*
 - B. THAT detailed planning work in False Creek South generally be deferred until greater clarity is reached on lease negotiations with leaseholders on City lands in the community.*
- In July 2018, Council approved a set of guidelines for ground lease extension or redevelopment for non-profit housing, in the report entitled “Sustaining Affordable Non-Profit Housing on City Land.”
- In July 2021, Council approved a methodology for co-operative housing lease renewals for co-ops on City land.

CITY MANAGER'S COMMENTS

This report lays out options for Council's consideration for a path forward to advance the recommended conceptual development plan and future uses of the roughly 80 acres of land owned by the City in the False Creek South neighbourhood. The information presented in this report reflects the culmination of a substantial amount of work that provides Council with the information necessary to formulate a series of informed decisions as landowner that will have implications for the neighbourhood and for the broader city for decades to come.

It is noted that in using the term “landowner” throughout this report, what is being referred to is the City of Vancouver holding the registered ownership of the lands under discussion, acknowledging that the City is situated on the unceded traditional territories of the xʷməθkʷəy̓əm/ Musqueam, Sk̓wxwú7mesh/Squamish and səliłwətał/Tsleil-Waututh Nations. These Nations were invited to participate in the Q1-2021 citywide public engagement on False Creek South and will continue to be appropriately engaged in all landowner and regulatory work related to False Creek South, going forward.

There is significant opportunity for Council to use these valuable City lands to advance important public policy objectives, including the potential to create a large number of new affordable homes, address sea level rise, enrich the neighbourhood's cultural, social and recreational amenities, open up pedestrian, bicycle and vehicle access to this neighbourhood to better connect it with the rest of the city, and, increase the diversity among this community's

population. Consideration of these important policy goals must also take into account the existing residents, businesses and non-profit agencies in the neighbourhood.

Alongside these potential benefits come significant risks that have to be carefully considered as this work progresses. The work described in this report is complex, has significant financial and legal implications, and has ramifications for the several thousand people who currently make up the False Creek South neighbourhood.

In its decision-making capacity with regard to the future uses and any development of the False Creek South lands, City Council plays the dual roles of landowner and regulator. The work presented in this report comes purely from the landowner perspective. If this work were to progress to a regulatory process, as is recommended by staff, Council will be required to exercise its regulatory function with an open mind and remain unfettered by any landowner decisions.

The recommended path laid out in this report seeks to provide much sought-after clarity concerning lease expiries to the current tenants on City lands. Staff acknowledge that questions regarding the future direction for this neighbourhood have been outstanding for an extended period of time spanning multiple Council terms. The residents, businesses and non-profit operators in False Creek South are passionate about their neighbourhood, and are enthusiastic about participating in the planning and development of these lands. It should be noted that False Creek South residents are also playing dual roles – many of them as tenants with whom the City-as-landowner may negotiate, and, all as community members with whom the City-as-regulator will consult.

We note that bringing this work to a public Council meeting at this early stage in the conceptual development planning process is an unusual procedural step. In most circumstances, the preliminary development planning work for City land would not be brought forward to Council in a public forum until the point that it was the subject of a land use planning and policy process led by the GM, PDS. Staff have taken this additional step because of the community's interest in understanding the City's potential direction in planning for the future of False Creek South, and the desire for Council and City staff to share as much information as possible with the False Creek South community as this work progresses.

An important part of advancing the planning for South False Creek will be to seek and secure senior government and partner funding for the co-op and non-market housing, and potentially for other social and cultural amenities and public infrastructure contemplated in the conceptual development plan. Should this funding not be secured, this would have a material impact on the recommended conceptual development plan, in which case the GM, REFM will bring alternative strategy options back to Council for consideration.

On the closer horizon, the GM, REFM will seek to enter into formal negotiations concerning the approximately 720 False Creek South strata leasehold leases in the coming weeks. The GM, ACCS will also be entering into formal discussions with the False Creek South co-ops and non-profit housing operators concerning either lease extensions, or, for high-potential redevelopment sites, potential redevelopment planning.

The City Manager recommends approval of the foregoing.

REPORT

1. BACKGROUND AND CONTEXT

Council as landowner

As with all City land, in considering future opportunities for the False Creek South (FCS) lands, Council's and staff's roles as landowner and as regulator must be appropriately segregated, with the GM, REFM leading the landowner work, and the GM, PDS leading the land use planning and regulatory work. This current report is written exclusively from the landowner perspective for Council's consideration as landowner, and is not seeking any decisions by Council in the exercise of its land use regulatory authority.

The City lands in False Creek South are held in the Property Endowment Fund (PEF), which means that, per the Fund mandate, the development of these lands is to be self-funded, and not rely on the City's property taxes and/or debt financing. Some of the FCS sites are to be transferred to the City's non-market housing portfolio – the Vancouver Affordable Housing Endowment Fund (VAHEF). For these sites, it is the City's standard practice to make City land available at below-market rates, with the expectation that senior government and/or partner funding will be secured to develop, operate and maintain these properties.

Consistent with the Draft False Creek South Engagement Principles approved by Council in July 2016, the landowner vision and conceptual development options described in this report assume that the City retains ownership of the False Creek South lands.

The False Creek South neighbourhood

The False Creek South neighbourhood is located between the Cambie and Burrard Street bridges on the south shore of False Creek, excluding Granville Island and Senakw (Figure 1). It is a unique waterfront community that was regarded as a model of progressive urban planning in the 1970s, when the City transformed industrial land into a neighbourhood known for its abundance of open space and intentional design.

- The neighbourhood is comprised of approximately 100 acres of land.
- The City owns and manages approximately 80 acres (80%) of the land in this neighbourhood on behalf of Vancouver citizens, and the remainder is held either privately or by other levels of government.
- There are approximately 1,800 residential units on City land, and 1,300 residential units on private land.
- There are approximately 5,500 residents in all of FCS, on both City and non-City land.

- There are 48 commercial strata leasehold units on City land, situated within four mixed-use (residential/commercial) buildings.
- Amenities in the neighbourhood include an elementary school, 21 acres of undesignated park lands (that are held in the Property Endowment Fund), two and a half kilometres of seawall, and three marinas (two of which are operated by the Vancouver Park Board).

The configuration of the False Creek South neighbourhood was established in the mid-1970s, driven by a vision to transform what were City industrial lands into a neighbourhood with 1/3 low income, 1/3 moderate income and 1/3 higher income, in a mix of tenure types and densities. Table 2 provides an overview of the current tenancy types on City land in False Creek South.

Since the late 1980s, while there has been a significant amount of new housing built and proposed on the near horizon in the adjacent neighbourhoods, there has been no new housing built on City land in FCS. Over this period of time, for a variety of reasons, the demographics of this neighbourhood have moved significantly away from the originally-intended diverse mix, as shown in Table 1.

FIGURE 1. FALSE CREEK SOUTH NEIGHBOURHOOD



TABLE 1. FALSE CREEK SOUTH DEMOGRAPHIC PROFILE, PER 2016 CENSUS DATA

	FALSE CREEK SOUTH	ALL OF VANCOUVER	FALSE CREEK SOUTH: ALL OF VANCOUVER
Population	5,597	631,486	1% of citywide population
Median age	54.3	40.7	33% higher vs city-wide
Visible minority	17%	52%	67% lower vs city-wide
Median household income	\$78,176	\$65,327	20% higher vs city-wide
Share of population in low-	13%	19%	32% lower vs city-wide

	FALSE CREEK SOUTH	ALL OF VANCOUVER	FALSE CREEK SOUTH: ALL OF VANCOUVER
income households			

NOTES TO TABLE

1. Source: 2016 Statistics Canada Census
2. Demographic information in this table is shown for all False Creek South residents – both those living on City and on non-City land. It is noted that RePlan has recently published a dataset that reflects these demographic statistics for residents on City land only.

Tenancy types on City land in False Creek South

Of the 80 acres of City land in False Creek South, some was originally leased via long-term land leases for residential uses (and a small amount of commercial/retail uses), some was used as park space (notably, Charleson Park), and, some was left vacant or acquired after the leased lands were developed, e.g., the rail line and the Olympic Village carpark.

Long-term residential and commercial leases were originally granted for a maximum of 60 years. The leasing process began in 1976 and completed in 1986. There are seven forms of tenancy on City land in False Creek South, each described in the table below.

TABLE 2. OVERVIEW OF CURRENT TENANCY TYPES ON CITY LAND IN FALSE CREEK SOUTH

TENANCY TYPE	NO. OF BLDGS	NO. OF UNITS	NO. OF LEASES	OWNERSHIP AND MANAGEMENT	LEASE-END TERMS, PER EXISTING LEASES
1. Strata leasehold, residential	12	669	669	<ul style="list-style-type: none"> Units organised into 12 strata corporations Land leased to tenants at market rates, the great majority of these leases are prepaid Some instances of leasehold lessees renting units to short-term and long-term sub-tenants 	<ul style="list-style-type: none"> Building ownership is transferred to the City and City receives the buildings, in good condition Lessees receive a leasehold interest in the strata lot (LISL) payment from the City

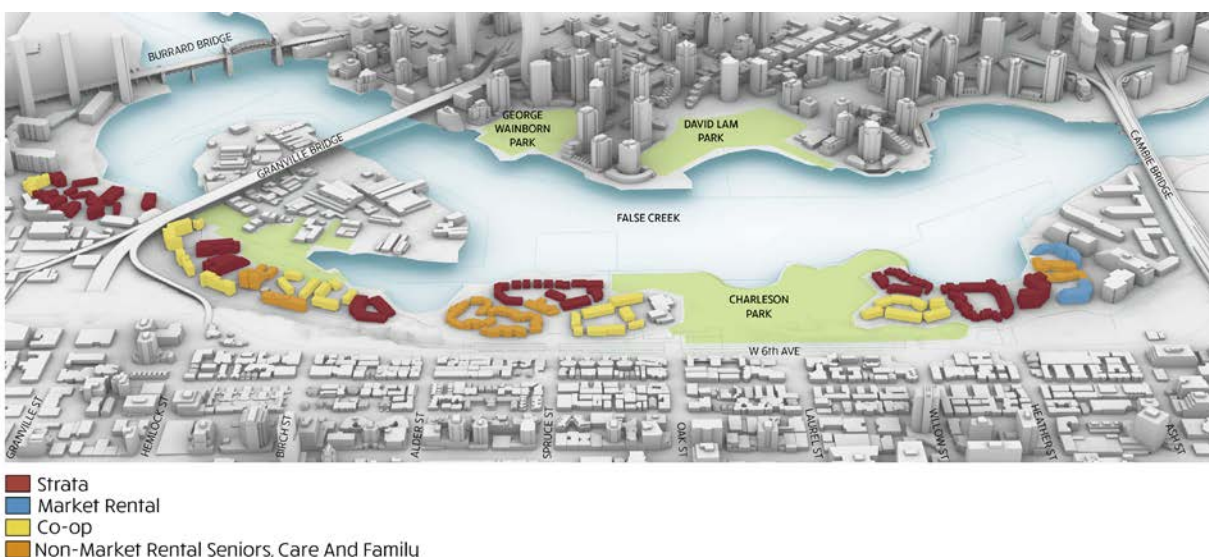
TENANCY TYPE	NO. OF BLDGS	NO. OF UNITS	NO. OF LEASES	OWNERSHIP AND MANAGEMENT	LEASE-END TERMS, PER EXISTING LEASES
2. Strata leasehold, commercial	n/a	48	48	<ul style="list-style-type: none"> Commercial retail and office units situated within four mixed-use buildings Some strata leasehold lessees rent units to sub-tenants 	<ul style="list-style-type: none"> Building ownership is transferred to the City and City receives the buildings, in good condition Lessees receive a leasehold interest in the strata lot (LISL) payment from the City
3. Market rental	2	150	2	<ul style="list-style-type: none"> Operated by an arm's length corporation on a for-profit basis 	<ul style="list-style-type: none"> Building ownership is transferred to the City and City receives the buildings, in good condition, at no cost
4. Co-ops	7	517	7	<ul style="list-style-type: none"> Self-operated by each co-op Part of the City's non-market housing portfolio that is overseen by the GM, ACCS 	<ul style="list-style-type: none"> Building ownership is transferred to the City and City receives the buildings, in good condition, at no cost
5. Non-market rental and non-market seniors rental	4	319	4	<ul style="list-style-type: none"> Operated by different non-profit operators Part of the City's non-market housing portfolio that is overseen by the GM, ACCS 	<ul style="list-style-type: none"> Building ownership is transferred to the City and City receives the buildings, in good condition, at no cost
6. Floating co-op	1	55	1	<ul style="list-style-type: none"> 55 liveaboard homes within a single marina Waterlot within which the docks reside is leased from the provincial government 1 lease with the City for the associated parkade Operated by co-op members 	<ul style="list-style-type: none"> City receives the underground parking lot, in good condition, at no cost
7. Community care facilities	2	140	2	<ul style="list-style-type: none"> Operated by non-profit agencies that receive funding for their operating costs from the provincial government 	<ul style="list-style-type: none"> Building ownership is transferred to the City and City receives the buildings, in good condition, at no cost

TENANCY TYPE	NO. OF BLDGS	NO. OF UNITS	NO. OF LEASES	OWNERSHIP AND MANAGEMENT	LEASE-END TERMS, PER EXISTING LEASES
Total	28	1,953	733		

NOTES TO TABLE

1. The leasehold interest in the strata lot (LISL) payment refers to a payment due to the strata leasehold lessees at lease expiry. This LISL payment is standard for strata leasehold properties, and is intended to compensate the tenant at lease-end for the fair market value of the improvements on the land at lease-end.

FIGURE 2. CURRENT FALSE CREEK SOUTH TENANCY TYPES, CURRENT NEIGHBOURHOOD



Agencies representing current tenants

Over several decades, False Creek South has evolved into a thriving community that is very engaged in planning for the future of False Creek South. There are three entities representing FCS residents that are actively involved in planning for the future of False Creek South, shown in Table 3. In addition to these three organisations, the False Creek South Community Housing Trust has recently been established.

TABLE 3. ENTITIES REPRESENTING SOME/ALL OF FALSE CREEK SOUTH COMMUNITY MEMBERS

	MANDATE	REPRESENTS
1. False Creek South Neighbourhood Association (FCSNA)	Represents the interests of False Creek South with the City of Vancouver www.falsecreeksouth.org	Neighbourhood with representatives from all of the housing co-operatives and strata enclaves in the area, units on leased City land, freehold and non-profit housing societies
2. RePlan	Address issues associated with uncertainty over tenure for co-ops, stratas and non-profits; create a dialogue with the City to establish a process to preserve/enhance the FCS community beyond lease end, enabling the community to evolve and diversify in a way that is sustainable for existing residents and the City www.falsecreeksouth.org/replan	Sub-committee of the FCSNA RePlan has two main subcommittees the Strata Leasehold Subcommittee and the Authorised Working Group and Joint Co-op Board (AWG/JCB), representing co-op interests It is noted that the AWG/JCB also includes membership of one co-op outside of False Creek South

	MANDATE	REPRESENTS
3.	<p>Strata Leasehold Society (SLS), also referred to as the RePlan Bargaining Agency</p> <p>Represents subset of strata leasehold lessees in negotiating lease extensions with the City; technically, can block members from negotiating their own agreement with the City, but cannot compel them to agree to any deal the SLS endorses</p> <p>www.falsecreeksouth.org/category/fcsna/replan/strata-leaseholder-subcommittee</p>	<p>At March 2021, represents 464/669 residential strata leasehold lessees (69%)</p>

While the views and desires of the community, as represented by RePlan, have evolved over recent years, the following is staff's understanding of their current position:

- Long-term lease extensions for strata leasehold units, most recently characterised as the RePlan "Simple Plan" that would grant 39-year ground lease extensions at market value, with no other terms or conditions attached.
- Long-term lease extensions (e.g., 40-year) for co-ops.
- Have the City pursue an infill development plan – presented to Council in July 2020 – that would add approximately one million square feet of new development on City vacant land, and include multi-use non-market housing hub with a range of social housing and amenities.

RePlan has expressed a desire to partner with the City and/or lead the long-term community planning and land development processes.

2. PLANNING FOR THE FUTURE OF FALSE CREEK SOUTH

Community planning process

Over 2017 and 2018, the GM, PDS undertook Phase 1 of a community planning process for False Creek South, culminating in a *Provisional Vision Statement* and *Provisional Guiding Principles for False Creek South*, found in Appendix A.

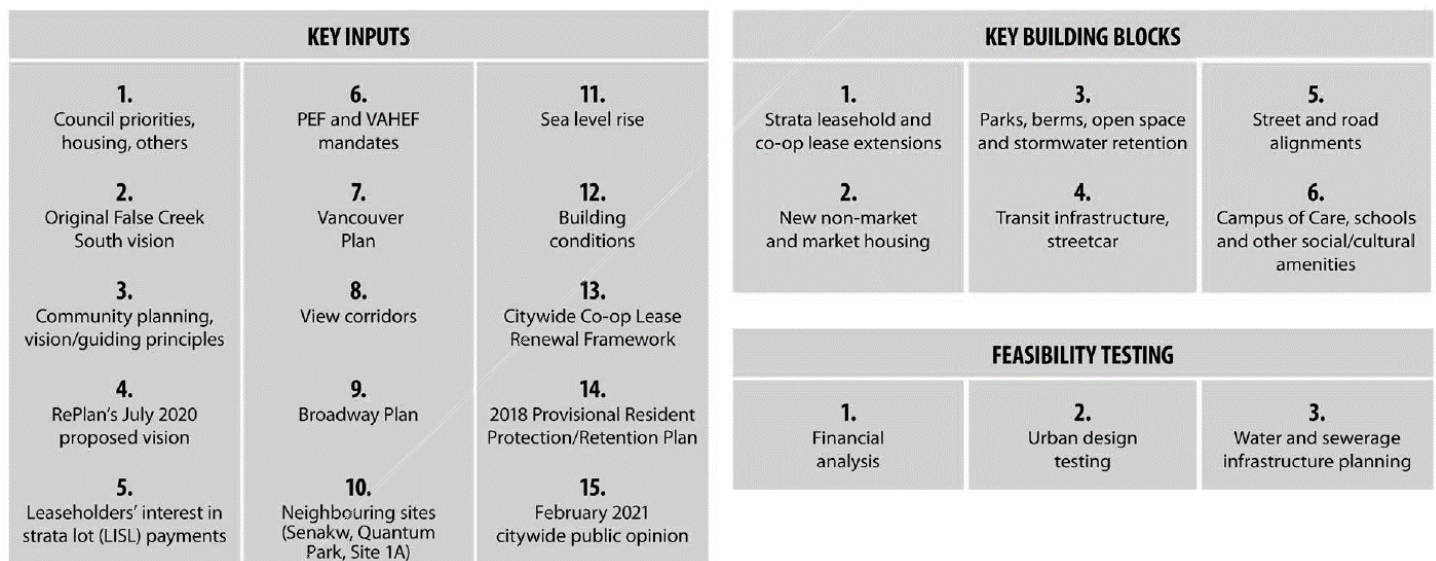
In mid-2018, Council approved the Provisional Vision and the Guiding Principles, as well as the deferral of detailed planning work, pending the achievement of greater clarity on lease negotiations with lessees on City land. This current report lays out a recommended path from GM, REFM to advance work that would inform and lead to the re-initiation of a community planning process and related regulatory work led by GM, PDS, as well as the associated detailed landowner development planning work.

Inter-relationships among community planning, landowner development planning, and lease expiries

With the majority of leases on City land expiring in the next 15-25 years, the City has the opportunity – and the responsibility – to consider a renewal of the original vision for False Creek South that was established in the 1970s. Planning for the future of an entire established neighbourhood is a complex undertaking, made more complex by the City's dual landowner/regulator roles.

The key considerations, inputs and dependencies that have been taken into account in the design of a recommended conceptual development plan are shown in Figure 3 below. The relationships among community land use planning (led by GM, PDS), landowner development planning (led by GM, REFM), co-op and non-market housing lease management/development planning (GM, ACCS), and lease management and negotiations for other tenancy types (led by GM, REFM) are some of the main reasons this project is as complex and resource-intensive as it is.

FIGURE 3. PLANNING FOR THE FUTURE OF FALSE CREEK SOUTH, KEY CONSIDERATIONS, INPUTS AND DEPENDENCIES



Taking into account the inter-dependencies shown above, the recommended path forward is as follows:

TABLE 4. RECOMMENDED PATH FORWARD, PLANNING FOR THE FUTURE OF FALSE CREEK SOUTH

WORK COMPONENT	LED BY	STATUS @ OCT 2021
1. Citywide non-profit housing lease renewal framework. This framework sets the key terms and guidelines for ground lease extensions or redevelopment of non-profit housing on leased City land	GM, Arts, Culture and Community Services	Approved by Council in July 2018
2. Citywide co-op lease renewal framework. This framework informs co-op lease expiries and potential redevelopment opportunities for co-ops on leased City land	GM, Arts, Culture and Community Services	Approved by Council in July 2021
3. Conceptual development plan. Council's support for advancing work on a preliminary conceptual development plan	GM, Real Estate and Facilities Management	The topic of this Council report
4. Lease extensions/expiries. Negotiations for appropriate lease extensions, as applicable, for strata leasehold and co-ops/non-market housing tenancies within Council-approved parameters, accompanied by notification to those lessees for whom leases will not be renewed or extended	GM, REFM for strata leasehold GM, ACCS for co-ops and non-market housing	Seeking to initiate formal strata leasehold lease extension negotiations in Q4-2021 For co-op and non-market housing, seeking to initiate lease extension negotiations and exploratory redevelopment discussions with high development sites in Q4-2021
5. Land use regulatory process. GM, PDS initiates and leads a land use planning and regulatory process (possibly an extensive public ODP amendment process) for False Creek South, to be undertaken at the request of the GM, REFM	GM, Planning, Urban Design and Sustainability	Timing to be determined by the GM, PDS
6. Development planning work. GM, REFM participates in the GM, PDS's land use planning and regulatory process, and advances work on landowner development planning to support this regulatory process	GM, Real Estate and Facilities Management	Landowner work timeline will follow land use regulatory process timeline
7. Phase 1 development. GM, REFM leads the development, via a delivery and governance model that is endorsed by Council	GM, REFM	tbc, contingent upon completion of Step 4/5 above

Citywide public engagement findings

Earlier this year, the GM, REFM commissioned a citywide public engagement process concerning future opportunities for the False Creek South Lands, which took place over January and February 2021. The rationale for undertaking this work was to ensure that Council has a

good understanding of how the citizens of Vancouver believe these lands should be used over the coming decades.

Across Vancouver, and among False Creek South residents, there was overall support for the City to consider opportunities to increase housing that is affordable to a range of incomes, and to address city-wide environmental and social priorities. The full Engagement Summary Report can be found on the City's [Shape Your City](#) website. Key findings of this consultation were:

1. **FCS residents want their leases extended.** Current residents of False Creek South are seeking certainty regarding leases
2. **Broad support for adding housing/density.** Overall support for the City to consider opportunities to increase housing that is affordable to a range of incomes and address public priorities, in False Creek South
3. **Preferred housing types.** Majority of Vancouver residents see all housing types as very or fairly important, with family housing, accessible and adaptable housing, and purpose-built rental seen as most important overall
4. **Environmental and social priorities.** Majority of Vancouver residents view public priorities as important to address, with environmental and social priorities ranked as most important
5. **Phased, strategic approach.** Vancouver residents generally agree that the housing development approach, e.g., mix of housing tenancy types, developing vacant lands first, phased approach that minimises disruption to the neighbourhood, using proceeds of development of market units to fund non-market housing

This report's recommended conceptual development plan is consistent with the key findings of this engagement, which demonstrated strong citywide support for adding significantly more housing and affordable housing units in the False Creek South neighbourhood.

The Provisional Resident Protection and Retention Plan

In 2018, Council approved a *Provisional Resident Protection and Retention Plan* for False Creek South (RPRP), which outlines protections for current False Creek South tenants as a phased development plan may evolve.

This document was approved as provisional as the assumptions and guidelines may have to be updated as development plans are evolved. It is anticipated that the GM, PDS would develop a final version of this policy framework as part of the regulatory land use process.

A summary of the RPRP key terms can be found in Appendix B of this report.

3. CONCEPTUAL DEVELOPMENT PLAN OPTIONS

A landowner vision and multi-decade development plan

With the support of Harris Consulting, a cross-departmental City staff team has embraced the long-term 2018 neighbourhood vision created through Phase 1 of the community planning process with significant input and participation from the community, culminating in a preliminary long-term vision and a set of options for a multi-decade development plan, as well as a GM, REFM recommended conceptual development plan option.

The recommended vision for False Creek South honours and refreshes the original 1970s vision with its intentional building design, open spaces and place-making. It aims to address the original goal of a mixed-tenure, mixed-income neighbourhood by providing a broad and accessible array of housing choices.

The proposed vision for False Creek South takes into account a number of City priorities including the need to address housing affordability throughout Vancouver and the need to prepare for sea level rise, and will create generational public benefits for the city as a whole and for this community, that will be as enduring as the original 1970s vision. Set within the context of the 21st century and looking ahead another 50 years, False Creek South can achieve a highly livable urban density and form with new public amenities and infrastructure, emphasizing walkability and sustainable forms of movement and transportation.

In contemplating a vision and development plan concept for False Creek South, one of the opportunities presented is to ensure that the community is designed to withstand future impacts associated with climate change – designing the neighbourhood configuration, buildings and utilities networks to withstand increasing heat, rainfall and sea level rise.

Importantly, the vision also aims to ensure that the plan to renew False Creek South is financially sustainable and fiscally responsible, recognising the objective of Council to act in the best interests of all Vancouverites in addressing the housing affordability crisis and other key priorities.

The False Creek South Provisional Vision Statement and ten Guiding Principles adopted by Council in 2018 (Appendix A) form the basis for the landowner planning for False Creek South laid out in this report. The Vision and Principles were developed with extensive community consultation and engagement in 2017/18.

2018 Council-approved Provisional Vision Statement, False Creek South

“A renewed False Creek South enhances the living legacy of the community in realizing incremental growth in an equitable, innovative manner. It is a place where a diversity of people live, work, interact, shop and play, and where strong social and physical connections exist. It is a resilient and sustainable neighbourhood in the city core.”

The Future of False Creek South project team evaluated a range of development plan options that could achieve this vision, each intended to address specific needs in the context of current City policies and plans. These options are summarised in Appendix C of this report.

Landowner's development plan options

In developing the recommended conceptual development plan, the project team designed and evaluated four development plan options, shown in Appendix C. Each of these options:

- assumes that the City retains ownership of the land it currently owns in False Creek South,
- reflects an updated scale and intensity of development in the context of current City plans, policies, guidelines, site-specific rezonings, and other initiatives around the entire False Creek basin,
- coordinates development phasing with the expiry of current leases of various tenancy types, and
- complies with the City's *Provisional Resident Protection and Retention Plan* (RPRP).

The current density of all FCS City lands is approximately 1.3 FSR. (Noting that all FSR figures expressed here include development parcels only, and exclude parks, open spaces, streets, etc.)

The development plan options described below range from 3.3 to 3.7 FSR. These options contemplate building heights from 6 to 28 storeys throughout False Creek South, with one option including a 500-foot residential tower near the Granville Bridge, as a counterpoint to the two tall towers at the north end of the bridge. From among these options, the recommended conceptual development plan contemplates lower building heights in the middle of the neighbourhood, with taller buildings at the east/west edges, as well as expanded green space and park land.

It is important to note that these potential heights and densities have not been reviewed by the GM, PDS or any other City staff from a regulatory perspective, and thus do not reflect forms of design that have to date been approved or considered to be supportable from a land use planning or regulatory perspective.

It is also noted that amount of gross floor area and unit count by tenure type presented in this report is variable. While the broad mix of market and non-market tenure types shown in these options is intended to reflect the original housing mix contained in the original False Creek South vision, the actual unit counts and types would be determined through the next phase of landowner development work and the community planning and approval process.

Recommended “New Sites and Open Space” conceptual development plan

Staff is recommending that Council direct the GM, REFM continue to advance the landowner planning work for the recommended conceptual development plan described in this report (termed the “New Sites and Open Space” option shown in Appendix C), and that this concept be used as landowner input into a land use planning and regulatory process to be led by the GM, PDS, per Recommendation B.

Key characteristics of the recommended conceptual development plan

Preliminary analysis shows that, more than any of the other options evaluated, the New Sites and Open Space conceptual development plan addresses the many constraints and considerations shown in Figure 3 above, while delivering on a number of key Council objectives, respecting the *False Creek South Provisional Vision Statement* and *Guiding Principles* that were developed in Phase 1 of the community planning process, and being financially feasible. This plan also reflects several key aspects of the RePlan July 2020 development proposal.

The New Sites and Open Space option is comprised of a range of mixed-income, mixed-tenure, and mixed-form housing – market strata, market rental, non-market and co-op units, as well as a multi-use non-market parcel with housing units for those requiring housing combined with a range of support services and social amenities, such as seniors housing and housing for people with disabilities (referred to in this report as the “multi-use non-market housing hub”).

This recommended development plan would help ensure that False Creek South is a truly diverse, equitable, and inclusive community, better integrated with Fairview Slopes, and connected to the neighbouring Senakw, former Molson site, Broadway corridor, and elsewhere throughout the False Creek Basin. The following outlines the key characteristics of the landowner’s recommended conceptual development plan.

a. Increases both market and affordable housing

- Would increase the number of housing units from approximately 1,850 currently to 3,770 in Phase 1 (twice the current number), and 6,645 in Phase 2 (3.6 times the current number), noting that it is proposed that only Phase 1 is planned in detail and implemented on the near horizon, with Phase 2 plans to be advanced dependent upon the timing of strata leasehold lease expiry dates.
- Would result in an ultimate housing tenancy mix of approximately one-third market strata leasehold, one-third market rental, and one-third non-market/co-op housing units (noting that this mix may vary as regulatory work advances, and is subject to availability of senior government/partner funding/financing for affordable housing, public amenities and infrastructure, and the overall financial viability of the proposed development).
- It is noted that the projected housing mix details shown in Table 5 are preliminary estimates that would be refined as regulatory work advances and external funding sources for non-market and/or co-op housing, amenities and infrastructure are identified.

b. Leverages vacant and under-utilized sites to achieve moderate increase to density, phased in over time

- Would increase FSR from 1.3 currently to 2.6 in Phase 1, and to 3.4 in Phase 2 (with Phase 2 figures shown as only rough estimates, as this phase would not be planned in detail until closer to the expiry of the current lease terms or any renewals to/extensions of the existing strata leasehold leases), noting that all FSR expressed here includes development parcels only, and excludes parks, open spaces, streets, etc.
- By repurposing part of the existing berm and the decommissioned rail line, would create additional development sites adjacent to Charleson Park, allowing new non-market and co-op housing and the multi-use non-market housing hub to proceed as part of the first, earliest stage of development, creating the capacity to relocate residents in co-ops and non-profit housing directly into new homes, without multiple or temporary relocations.

c. Respects the neighbourhood's legacy character

- Proposed building heights are lower along the waterfront and higher toward the edges of the neighbourhood.
- Green space and park space would be expanded.

d. Better integration of the park, waterfront and community with the rest of the city

- Would allow for greater integration of the False Creek South neighbourhood with the rest of the City, by removing historic barriers along south edge of the neighbourhood (rail spur line and berm) and extending a number of north-south streets into False Creek South, and including a series of traffic calming controls at each intersection.
- Would provide significantly greater access to Charleson Park along the southern edge of the neighbourhood.
- Would open up street-end views, allowing much-enhanced access for those in Fairview Slopes and elsewhere to Charleson Park and the water's edge.
- Contemplates bringing significantly more social, cultural and commercial animation to the False Creek South neighbourhood.
- Considers a companion taming of West 6th Avenue, between Alder to Ash, converting West 6th Avenue to a "complete street," with tree-lined boulevards and greenways on both sides of West 6th Avenue, a concept that could also accommodate a future streetcar alignment along the north side of West 6th Avenue.

e. Alignment with lease expiries

- Phase 1 implementation of this option would proceed over the next 20 years, entirely independent of all of strata leasehold properties, allowing the False Creek South strata

leasehold leases to potentially be extended past their current expiry dates, and Phase 2 to be designed/advanced in the future, closer to the expiry of potentially-extended strata leasehold leases.

FIGURE 4. NEW SITES AND OPEN SPACE OPTION, PHASE 1 FULLY BUILT OUT BY 2040



NOTE TO FIGURE

1. Relocation/redevelopment of the False Creek South Elementary School would be subject to Vancouver School Board approval.

TABLE 5. PRELIMINARY HOUSING PROJECTIONS, RECOMMENDED CONCEPTUAL DEVELOPMENT PLAN, NUMBER OF HOUSING UNITS

	EXISTING NEIGHBOUR- HOOD, 2021	NEW SITES AND OPEN SPACE PLAN, PHASE 1 INCREMENTAL	TOTAL AFTER PHASE 1 COMPLETED	NEW SITES AND OPEN SPACE PLAN, PHASE 2 INCREMENTAL	TOTAL AFTER PHASE 2 COMPLETED	HOUSING MIX, EXISTING NEIGHBOUR- HOOD, 2021	HOUSING MIX, AFTER PHASE 1 COMPLETED	HOUSING MIX, AFTER PHASE 2 COMPLETED
Market strata leasehold	668	+ 682	1,350	+ 1,000	2,350	36%	36%	35%
Market rental	150	+ 770	920	+ 1,100	2,020	8%	24%	30%
Non-market and co-op	1,031	+ 469	1,500	+ 775	2,275	56%	40%	34%
Totals	1,849	+ 1,921	3,770	+ 2,875	6,645	100%	100%	100%
FSR	1.3		2.6		3.4			

NOTE TO TABLE

1. **FSR calculations.** FSR is calculated for development parcels only, e.g., Charleson Park, all streets and open spaces are excluded.

2. **Phase 2 figures.** Phase 2 figures are included as high-level estimates only, as it is proposed that detailed design of Phase 2 would take place in the future, closer to the expiry of extended strata leasehold leases.

Phased implementation approach for the recommended conceptual development plan

This section lays out the proposed incremental steps to achieve the staff-recommended New Sites and Open Space conceptual development plan option. This phased approach has several important advantages:

- Would allow the City to start the development plan on vacant or underutilized sites, with minimal disruption to current lessees on City land.
- Would allow redevelopment to align with lease expiries on City land.
- Would provide for new housing in the earlier phases for those living in buildings that would be redeveloped in later phases.
- Would align delivery of new housing units with market demand.

Phase 1.1 – 2022 to 2028

- Refine parcel-specific development planning to accommodate a mix of non-market rental and co-ops, market rental and strata leasehold housing.
- Proceed with development planning for a multi-use non-market housing hub on a new site west of Moberly Road.
- Create additional new parcels along the north side of West 6th Avenue by repurposing the existing berm parallel to the False Creek spur line and Charleson Road.
- Normalize and extend street pattern on north-south streets between Ash and Alder Streets.
- Demolish the existing EasyPark structure, and repurpose the lot overlooking Alder Bay for residential use.

Phase 1.2 – 2028 to 2036

- Per terms of the RPRP, residents on sites to be redeveloped offered relocation to new housing and facilities developed on new sites in Phase 1.1.

Phase 1.3 – 2036 to 2040+

- Parcels that have been vacated by 2036 could be redeveloped for mix of market strata leasehold, market rental, co-op and non-market uses.

- Charleson Park could be expanded from approximately 21 to at least 23 acres.
- Potential to relocate and expand capacity of False Creek Elementary School, subject to Vancouver School Board approvals.
- High proportion of ultimate tenancy mix is co-op and non-market, with an increase from units from 1,031 currently, to 1,500 once Phase 1 development has been completed.
- Market rental units substantially increased from 150 to 920.

Phase 2 – Post-2040

It is proposed that only Phase 1 is planned in detail and potentially implemented on the near horizon, with Phase 2 plans to be advanced toward the end of the strata leasehold lease terms. Sometime after 2040, with Phase 1 completed and existing strata leasehold leases having expired, the 12 strata leasehold parcels could be redeveloped for mix of strata leasehold, market rental, co-op and non-market uses.

Based upon current high-level estimates, upon completion of Phase 2 there could be a total of 6,645 units, with 33% non-market and co-op, reflecting the spirit of the original vision for False Creek South. Once Phase 2 is complete, overall housing units would have more than tripled to 6,645 from current 1,849, creating many more opportunities for Vancouverites to access affordable housing in the renewed False Creek South neighbourhood.

As Phase 2 would not proceed until sometime after 2040, no detailed planning for the current strata leasehold sites has been undertaken at this time. The figures above represent a potential order-of-magnitude with respect to what the form and scale of the Phase 2 development could potentially be, subject to a land use planning and regulatory process. It is proposed that closer to more detailed landowner planning and potential implementation of Phase 2, that the GM, REFM, GM, PDS, and the Council of the day will make decisions about the ultimate form of development and housing mix to be developed in this phase, based upon the Council policy priorities and market conditions of the day.

Financial implications of recommended conceptual development plan

A preliminary development pro forma analysis indicates that the Phase 1 New Sites and Open Space option would be financially feasible, whereas the other development plan options evaluated by staff would not be.

The order-of-magnitude preliminary financial analysis undertaken included consideration of:

- City retaining ownership of the land, and that tenancies are granted via long-term ground leases.
- Construction of strata leasehold and market rental housing.

- Flood protection costs to address sea level rise mitigation.
- Soil remediation costs.
- Municipal servicing and infrastructure costs.

There are other projects costs and revenues that are significant and important to consider, but are not included in the preliminary financial analysis, including:

- Non-market and co-op housing construction costs, and operators'/co-ops' ability to fund/finance redevelopment in the context of Council policy concerning redevelopment of non-market and co-op housing on City lands.
- Upgrades to West 6th Avenue, and any costs associated with a potential future streetcar or other transit connections.
- Any additional public amenities and infrastructure other than the aforementioned items (requirements for which would be developed through a land use regulatory process).
- Any revenues from possible extensions to existing leases.
- Leaseholder interest in the strata lot (LISL) payments to leasehold strata tenants upon lease expiries.

Funding/financing non-market and co-op redevelopment

Consistent with existing Council policy and practices, the City would provide land at below-market rates for co-ops and non-market housing, and construction would be financed by housing operators through a mortgage on the new building. This funding/financing would be provided by BC Housing and/or CMHC through capital grants and low-cost financing programs.

Co-op and non-market housing projects such as these are expected to be self-sustaining, with rents set at levels that will cover mortgage payments on construction, takeout financing, operating costs and capital replacement, and do not require further operating subsidies, property tax exemptions, and/or financial guarantees from the City.

In order to ensure that these projects are affordable for existing residents who would be moving into redeveloped buildings, as well as for future residents, significant partnership funding would be required – for example, provincial rent supplements, partner equity contributions and/or operating subsidies from BC Housing, CMHC and/or non-profit partners. Should this funding not be secured, this would have a material impact on the recommended conceptual development plan, and the GM, REFM and the GM, ACCS, in consultation with the CFO/GM, FRS, would have to bring an alternative strategy back to Council for consideration.

4. ADDRESSING CURRENT LEASE-ENDS

The recommended conceptual development plan described in this report has been carefully crafted to align with existing lease expiries.

- **Strata leasehold leases.** Over the past several years there has been substantial discussion about strata leasehold lease extensions between FCS community leadership and City staff/Council, but to date, no formal negotiations have taken place. The GM, REFM will seek to initiate a formal negotiation process with the Strata Leasehold Society in Q4-2021, concerning False Creek South strata leasehold lease extensions – all of which would be subject to Council approval.
- **Co-ops.** Consistent with the July 2021 Council-approved methodology for co-operative housing lease renewals for co-ops on City land, in Q4-2021 the GM, ACCS will enter into formal negotiations with those False Creek Co-ops whose leases are to be renewed, and into collaborative exploratory redevelopment discussions with those co-ops deemed to have high redevelopment potential, all of which would be subject to Council approval.
- **Non-market rental, non-market seniors rental and community care facilities.** It is expected that for these properties – per current lease terms – at the end of these leases, these leases will terminate and the buildings will be transferred to the City in good condition. These sites would be redeveloped as part of Phase 1 of the proposed recommended conceptual development plan.
- **Floating co-op.** Upon lease-end, the parking lot associated with the liveaboard co-op would be transferred to the City, and it is anticipated that this site would be redeveloped as part of Phase 1.

5. THE NEXT STEP: A BROAD AND ROBUST LAND USE PLANNING PROCESS

It is anticipated that subject to a full public land use planning process with robust public consultation/engagement to be led by the GM, PDS, a comprehensive update of the False Creek South ODP would need to be considered in order to maintain desirable neighborhood characteristics, address existing land use conditions, and optimally position future infill and redevelopment opportunities.

The *False Creek Official and Area Development Plan* was adopted by Council in 1974. It has not been amended to any significant extent since 1974, other than having been incorporated within the overall False Creek Comprehensive Development District (FCCDD), a holding zone for several areas within the False Creek basin, including both the north and south shores. Otherwise there have only been minor administrative amendments made in the past nearly 50 years.

Given the nature and extent of the landowner's recommended conceptual development plan, it would be necessary as part of any land use planning process to review and consider a comprehensive amendment to the FCS ODP, as is reflected in Recommendation B of this

report, all of which would be required to be brought back to Council, as regulator, for consideration and approval following extensive public engagement and consultation.

Subject to Council direction, the GM, PDS would advance this land use planning and regulatory process by first undertaking a scoping exercise to determine the policy development process, fees and timeline. It is estimated that the policy development phase would be completed within approximately 18 months of its initiation.

6. COMMUNITY ENGAGEMENT

The False Creek South community is actively engaged in planning for the future of False Creek South, and were extensively consulted during Phase 1 of the community planning process over 2017/18. The City's relationship with the community has four distinct facets – City as landlord, landowner, regulator, and, policy maker/infrastructure manager – which are important to keep clearly delineated (see Table 6 below).

The GM, PDS would be extensively consulting with the community through the land use planning process recommended in this report. On the closer horizon, the GM, REFM will be seeking to enter into formal negotiations concerning the False Creek South strata leasehold lease extensions as soon as possible, and the GM, ACCS will be entering into negotiations and/or exploratory redevelopment discussions with the False Creek South co-ops.

TABLE 6. CITY'S RELATIONSHIP WITH THE FALSE CREEK SOUTH COMMUNITY MEMBERS

CITY'S ROLE		FALSE CREEK SOUTH COMMUNITY'S ROLE
1. Landlord. As landlord, the City manages all the properties on the approximately 80 acres of City land in False Creek South, involving approximately 730 leases.	↔	Counter-party. Each tenant on City land in FCS is in a formal, contractual relationship the City, with rights and obligations set out in each lease.
2. Landowner. As landowner, any development or redevelopment plans that the City contemplates or advances is undertaken through the GM, REFM.	↔	Informed. The City will keep the community appropriately informed about future development and/or redevelopment plans, acknowledging portions of this work will be conducted in camera and therefore will not be publicly available.
3. Regulator. As land use regulator, the GM, PDS would undertake all relevant community planning, zoning and permitting for any development or redevelopment proposed by the GM, REFM, and over time, enforce regulatory compliance.	↔	Consulted. As with any other development in Vancouver, the City will involve and consult the False Creek South residents and businesses as a key stakeholder through any future community planning and other land use regulatory processes, noting that throughout this process, the City will be consulting other important stakeholders, as well as with the Musqueam, Squamish and Tsleil-Waututh nations.

CITY'S ROLE		FALSE CREEK SOUTH COMMUNITY'S ROLE
<p>4. Policy-maker/infrastructure manager. The City sets/applies policies in False Creek South, such as sea level rise, affordable housing, parks, social, cultural and recreational amenities, and builds and maintains key public infrastructure such as roads, sewer and water and parks.</p>	←→	<p>Consulted. In developing new and/or applying existing policies, and in building new and/or maintaining existing infrastructure, the City would undertake well-established stakeholder consultation/engagement processes with the community, either within the context of or independently of the proposed land use regulatory process.</p>

FINANCIAL, LEGAL AND RISK IMPLICATIONS

Should Council approve the recommendations in this report, staff will continue to advance the landowner development planning work that would inform and provide input into an application to the GM, PDS to undertake a land use planning and regulatory process for the False Creek South neighbourhood, and will come back to Council for updates, considerations and approvals at key junctures. As with any similar regulatory process, the key elements of this work will come back to Council for decision-making in its regulatory function.

Advancing the work described in this report requires staff resources from Planning, Urban Design and Sustainability, Real Estate Services, the Property Endowment Fund (PEF), Legal Services, Finance, Risk and Supply Chain Management, Arts, Culture and Community Services, the Vancouver Affordable Housing Endowment Fund (VAHEF), and, several other City departments, and will be supported by external consultants.

It is intended that this work be funded by the PEF and VAHEF on a proportional basis. PEF funding would be provided via its 2021 Capital Budget, with any future funding to be included in the annual PEF Capital Budget, which is subject to Council approval. VAHEF funding would be provided via its 2019-2022 Non-Market Housing Planning and Research budget, with any future funding to be included in future Capital Plan submissions, also subject to Council approval.

As discussed earlier in this report, the preliminary development pro forma analysis indicates that the recommended Phase 1 New Sites and Open Space option would be financially feasible. As the work proposed in this report advances, the financial feasibility analysis would be refined and tested, taking into account input costs such as public amenities and infrastructure expectations arising from the land use regulatory process.

An important part of advancing the landowner work will be to seek and secure senior government and partner funding/financing for the co-op and non-market housing, and potentially for other social and cultural amenities and public infrastructure related to the recommended conceptual development plan. Should this funding/financing not be secured, this would have a material impact on the recommended conceptual development plan, in which case the GM, REFM and the GM, ACCS, in consultation with the CFO/GM, FRS, would bring alternative strategy options back to Council for consideration.

Given the scale, scope, complexity and timeframe of the work described in this report, as this work progresses, staff will be undertaking thorough analyses of, and to the greatest extent possible quantifying the legal and financial risks, and will be reporting to Council to support informed decision-making at each key juncture.

ENVIRONMENTAL IMPLICATIONS

While this current report has no direct environmental implications, it is noted that as development planning for the FCS neighbourhood advances, there are two significant environmentally-related work components and costs that will be taken into consideration: planning for sea level rise, and any soil remediation necessary prior to development or redevelopment.

CONCLUSION

This report provides a long-term landowner vision and a set of conceptual development plan options for the False Creek South neighbourhood for Council's consideration as landowner. The two main actions that would result from Council approving this report's staff recommendations would be:

- that Council direct the GM, REFM to work with the GM, PDS to inform a land use planning process which may consider and include an amendment to the False Creek Official and Area Development Plan, and
- that Council, based upon the recommended conceptual development plan (the New Sites and Open Space option) put forth in this report, directs the GM, REFM to continue to advance the work associated with the conceptual development plan in order to inform and provide input into a land use planning process to be led by the GM, PDS.

The land use planning process would involve appropriate community and stakeholder engagement/consultation, as well as appropriate engagement of the xʷməθkʷəy̓əm/ Musqueam, Sk̓w̓x̓w̓ú7mesh/Squamish and səliłwətał/Tsleil-Waututh nations.

In parallel with the land use planning process, the GM, REFM will be seeking to initiate a negotiation with the RePlan Strata Leasehold Society concerning potential renewals or extensions of the FCS strata leasehold leases, and the GM, ACCS will be initiating discussions with the False Creek South co-ops to either extend leases or, for the high development potential co-ops, to explore redevelopment opportunities.

Securing significant senior government and partner funding/financing for the redevelopment of co-op and non-market housing, social and cultural amenities, and public infrastructure is critical to the financial feasibility of the recommended conceptual development plan. Should this funding/financing not be secured, this would have a material impact on the recommended conceptual development plan, in which case the GM, REFM and the GM, ACCS, in consultation with the CFO/GM, FRS, would bring alternative strategy options back to Council for consideration.

This landowner development work, a proposed land use planning process, and these lease negotiations/discussions are critical steps toward renewing the False Creek South neighbourhood, in a manner that respects the existing community, while creating more market and affordable housing, enhanced social, cultural, recreational and park amenities, updated public infrastructure, and better climate change mitigations.

* * * * *

APPENDIX A FALSE CREEK SOUTH PROVISIONAL VISION STATEMENT AND GUIDING PRINCIPLES APPROVED BY COUNCIL MAY 2018

PROVISIONAL VISION STATEMENT

A renewed False Creek South enhances the living legacy of the community in realizing incremental growth in an equitable, innovative manner.

It is a place where a diversity of people live, work, interact, shop and play, and where strong social and physical connections exist.

It is a resilient and sustainable neighbourhood in the city core.

In which:

- "Incremental growth" means a gradual increase in housing capacity that will occur in the community as part of a long-term phased redevelopment.
- "Equitable" means enabling a diversity of people (e.g. with different incomes, ages, household types) to live in False Creek South, in consideration of the original planning aspirations and the public ownership of the land, and in recognition of the community's unique location in the city core, close to jobs and transit.
- "Innovative" means creative, experimental, and bold.
- "Resilient" refers to both social resilience and environmental resilience to disaster and climate change events.

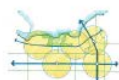
Approved by Vancouver City Council May 2018

PROVISIONAL GUIDING PLANNING PRINCIPLES



PRINCIPLE 1: SUPPORT STRONG SOCIAL CONNECTIONS THROUGH COMMUNITY DESIGN

Strive to maintain housing that is affordable to a diversity of people, and provide affordable options for residents to remain, albeit potentially in different housing forms. Maintain income diversity through a mix of tenure types and promote demographic mix by planning for families and aging in place. Recognize the role of well-planned community amenities, parks and facilities.



PRINCIPLE 6: PLAN FOR DIVERSE AND INTEGRATED TRANSPORTATION OPTIONS

Create a resilient complete street network that provides people of all ages and abilities with high quality walking, cycling and transit options. Integrate reliable and accessible transit within the community, and maintain critical access needs for all users.



PRINCIPLE 2: INCREASE HOUSING CAPACITY AND CHOICE INCLUDING AFFORDABLE OPTIONS

Introduce additional housing capacity and diverse building typologies in the city core including delivery of affordable housing options in line with the broad range of incomes in Vancouver.



PRINCIPLE 7: CREATE AREAS FOR FOCUSED ACTIVITY

Add mixed use and create areas for focused activity. Look for public places where neighbourhood shops, services and amenities could enhance the public realm, walkability and convenience while promoting human health.



PRINCIPLE 3: RESPECT THE UNIQUE CHARACTER AND PATTERN

Uphold the unique character-defining elements, drawing inspiration from the historic neighbourhood character while acknowledging its central location.



PRINCIPLE 8: ENGAGE AND ENHANCE THE WATER'S EDGE

Complement the natural setting and existing parks and open spaces with a diverse public realm network including access to/engaging with water.



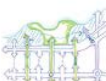
PRINCIPLE 4: MODEL LEADERSHIP IN INTEGRATED SUSTAINABILITY AND RESILIENCE

Improve the ecological function of neighbourhood environmental systems and ensure public spaces and development are designed to be sustainable and resilient to climate change. Capture, clean, and reuse rainwater within the watershed, use an integrated systems approach and employ green infrastructure.



PRINCIPLE 9: ENGAGE COMMUNITY AND CITY-WIDE STAKEHOLDERS IN A MEANINGFUL WAY

Undertake a process inclusive of the community, adjacent communities, and city-wide stakeholder perspectives. Work within the City of Reconciliation framework and its foundational components.



PRINCIPLE 5: IMPROVE CONNECTIVITY AND ACCESSIBILITY

Enhance connections within the community and provide direct access to local services, adjacent neighbourhoods and transit.



PRINCIPLE 10: DEVELOP A FISCALLY RESPONSIBLE APPROACH

Plan with a fiscally responsible approach for the long-term health and sustainability of the City's Property Endowment Fund.

APPENDIX B
FALSE CREEK SOUTH PROVISIONAL RESIDENT PROTECTION
AND RETENTION PLAN, APPROVED BY COUNCIL IN 2018

This appendix lays out the key guidelines in the 2018 *Provisional Resident Protection and Retention Plan*. The full document can be found [here](#). This document was approved as provisional as the assumptions and guidelines may have to be updated as development plans are evolved. It is anticipated that the GM, PDS would develop a final version of this policy framework as part of the regulatory land use approvals.

RePlan leadership expressed support for this document at the time it was approved by Council in 2018.

Key policy guidelines intended to protect current False Creek South tenants as a phased development plan may evolve are as follows:

1. A phasing plan in which replacement units are generally constructed before existing units are demolished
2. Replacement and return for specific types of units:
 - a. Social housing
 - i. The right of return to an interim and/or replacement unit of their current tenure type. RGI units levels maintained, others at no more than 30% of income
 - b. Co-ops
 - i. The right of return to an interim and/or replacement unit of their current tenure type. RGI units levels maintained, others at no more than 30% of income
 - c. Market rental
 - i. The right of return to a similar unit of their current tenure type priced within 10% of their existing rents but for appropriate unit size
 - d. Strata leasehold housing
 - i. Right of return to rent a market rental unit in the neighbourhood upon completion of replacement units in the neighbourhood, which is priced at market rent for the local area
 - e. Community care facilities and special needs housing,
 - i. Prioritize working with housing operators and other levels of government, to secure replacement units in the community

3. All units get assistance with relocating outside False Creek South should they wish
4. Financial compensation should be provided for residents in social housing, co-operative housing, and market rental housing who choose to relocate outside of False Creek South based on length of tenancy:
 - a. 2 months' rent for tenancies up to 4 years,
 - b. 3 months' rent for tenancies between 5 to 9 years,
 - c. 4 months' rent for tenancies over 10 years, or
 - d. 6 months' rent for tenancies over 20 years.

APPENDIX C
FALSE CREEK SOUTH CONCEPTUAL DEVELOPMENT PLAN OPTIONS

The False Creek South project team originally identified nine conceptual development plan options, and evaluated each according to a set of criteria that included built form, density, impact on existing community, and financial feasibility. This appendix provides an overview of the four conceptual development plan options that best met these evaluation criteria.

1. Mixed Rental and Co-op Option

This option would address the undersupply of rental housing in False Creek South and across the city. Key characteristics of this option:

- Materially increases the supply of rental housing in FCS
- Redevelopment of most existing parcels at end of current leases for a range of below-market to high-end rental housing
- Some co-ops and most community care facilities are relocated to the Olympic Station and Moberly sites

2. Mixed Rental, Co-op and Strata Leasehold Option

This option would result in a tenancy mix of 1,600 non-market and co-ops, 1,850 market rental units, and 1,700 market strata leasehold units. Adding strata units improves the financial performance of this option as compared to Option 1, while still providing a substantial increase in the supply of rental housing. Key characteristics of this option:

- Redevelopment of most existing parcels at end of current leases to a range of below-market to high-end market rental, plus market strata leasehold
- Refreshes neighbourhood and leverages value of land to advance Council priorities
- Significant increase in supply of affordable, co-op and non-market housing, from 1,031 to 1,600 units, would make up 31% of total housing units once fully built out

3. Open Space Expansion Option

This option would increase Charleson Park from approximately 18 acres to approximately 50 acres. This would be achieved by adding new higher-density development adjacent to the Granville Street Bridge, and demolishing existing buildings immediately adjacent to the east and west edges of Charleson Park. This option would yield 1,600 non-market and co-op units, 1,500 market rental units, and 1,800 market strata leasehold units. Key characteristics of this option:

- Expand Charleson Park, with redevelopment in adjacent parcels to replace aging buildings

- Most existing co-ops, non-market housing and community care facilities relocated to FCS western precinct, east of the Granville Bridge
- New development concentrated within eastern and western portions of FCS, flanking the expanded park
- Demolition on some parcels and redevelopment of others at end of current leases

4. New Sites and Open Space Option (staff recommended option)

This option includes a range of mixed-income, mixed-tenure, and mixed-form housing that includes market strata units, market rental, non-market and co-ops, and a multi-use non-market housing hub for those requiring a range of housing with support services and social amenities, and is described in detail in the body of this report.

TABLE D1. TOTAL NUMBER OF UNITS ONCE FULLY BUILT OUT, EXISTING PLUS INCREMENTAL NEW, EXISTING NEIGHBOURHOOD AND FOUR CONCEPTUAL DEVELOPMENT PLAN OPTIONS

		OPTION 1	OPTION 2	OPTION 3	OPTION 4, PH 1	OPTION 4, PH 2
	EXISTING NEIGHBOURHOOD, 2021	MIXED RENTAL AND CO-OP OPTION	MIXED RENTAL, CO-OP AND LEASEHOLD STRATA OPTION	OPEN SPACE EXPANSION OPTION	NEW SITES AND OPEN SPACE OPTION, PHASE 1	NEW SITES AND OPEN SPACE OPTION, PHASE 2
NO. HOUSING UNITS						
Market strata leasehold	668	0	1,700	1,800	1,350	2,350
Market rental	150	4,500	1,850	1,500	920	2,020
Non-market and co-op	1,031	1,700	1,600	1,600	1,500	2,275
Totals	1,849	6,200	5,150	4,900	3,770	6,645
TOTAL GROSS FLOOR AREA						
(000s SQ FT)						
Market strata leasehold	933	0	1,902	1,902	1,378	2,478
Market rental	120	3,767	1,902	1,902	920	2,020
Non-market and co-op	809	1,568	1,530	1,530	1,395	2,145
Totals	1,862	5,335	5,334	5,334	3,693	6,643
FSR	1.3	3.7	3.7	6.2	2.6	3.4

NOTES TO TABLE

- RePlan figures.** The July 2020 RePlan proposal adds an incremental one million square feet/1,000 housing units to City-owned land in False Creek South; no indication has been given for the tenancy mix. Given the extent of social housing and amenities combined with the relatively low-density market development generally indicated, it is reasonable to assume that this plan would not be financially feasible without significant external funding.
- FSR calculations.** FSR is calculated for development parcels only; Charleson Park and all streets and open spaces are excluded.

APPENDIX D
DRAFT FALSE CREEK SOUTH ENGAGEMENT PRINCIPLES
APPROVED BY COUNCIL JULY 2016

1. *False Creek South has a vibrant and successful community already in place, and therefore:*
 - a. *The future of False Creek South will be discussed via a broad and meaningful stakeholder engagement process that includes both the residents of the neighbourhood as well as all Vancouverites.*
 - b. *As potential options for the City's False Creek South land holdings are refined, the City will thoughtfully evaluate impacts on existing False Creek South residents.*
 - c. *The City will strive to arrive at a vision for the neighbourhood that is supported by False Creek South residents and businesses.*
 - d. *The City will explore affordable housing options for False Creek South residents to remain in the neighbourhood, in line with the City's affordable housing policies and programs.*
 - e. *The City recognizes that as a landlord, it is important to provide certainty for leaseholders and respect lessees' right to quiet enjoyment for the duration of their lease.*
2. *The land owned by the City in False Creek South is an important long-term strategic asset of the City of Vancouver, and therefore:*
 - a. *The City will continue to own the land over the long term.*
 - b. *This land will be managed to achieve broad civic priorities within the citywide context and not solely the needs of one group or community.*
 - c. *All decisions concerning the City land in False Creek South will reflect the strategic objectives of and the wider implications for all City land holdings across the City.*
 - d. *The City's plans for this land include achieving a reasonable rate of return.*
3. *The False Creek South neighbourhood should be reviewed vis-à-vis the City's current policy objectives and goals, and therefore:*
 - a. *The City will demonstrate leadership in advancing Council policies, civic objectives and goals through its ownership interest, including environmental, economic and social sustainability, urban design, cultural values, public engagement, active transportation and healthy city goals.*
 - b. *The City will explore development opportunities, as well as timing for such opportunities, with a view toward developing a more diverse range of housing, including a mix of affordable housing and tenure types, as well as other public amenities.*
 - c. *The City will explore means integrating the neighbourhood into the overall fabric of the city through a robust and inclusive planning process.*