

**Refers to Referral Report Item 1
Public Hearing of February 29, 2024**

YELLOW MEMORANDUM

February 20, 2024

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Maria Pontikis, Chief Communications Officer, CEC
Katrina Leckovic, City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Director of Policy, Mayor's Office
Trevor Ford, Chief of Staff, Mayor's Office
Yardley McNeill, Director, Rezoning Centre, Planning, Urban Design and Sustainability

FROM: Matt Shillito
Interim Director of Planning, Planning, Urban Design and Sustainability

SUBJECT: Rezoning: 2726-2734 West 16th Avenue – DCL Waiver

RTS #: [RTS 16090](#)

On January 23, 2024 Council referred the above-mentioned rezoning application to a Public Hearing. This application was eligible for a waiver of the City-wide DCLs, however the applicant elected not to seek the waiver prior to the referral report being written. After referral, the applicant indicated that they have chosen to take the DCL waiver.

Staff recommend that the following changes be made to Section 6 of the Referral Report, Part 2: Conditions of Bylaw Enactment of Appendix B and Appendix E.

RECOMMENDATION

THAT Section 6 of the Referral Report be amended as follows:

(a) strike out the following in Section 6 of the Referral Report shown with the strikethrough:

~~This application was eligible for a waiver of the City-wide DCLs, however the applicant has elected not to seek the waiver. As per Section 3.1B of the Vancouver Development Cost Levy By-law, the decision to seek the waiver is made at the rezoning application stage. Should the applicant wish to request a DCL waiver at a later stage, the application~~

~~would be expected to return to Council for a subsequent public hearing to amend the rezoning conditions.~~

~~Based on the rates in effect as of September 30, 2023, it is estimated that the project will pay \$1,068,656 of DCLs, should it achieve the maximum 2.40 FSR.~~

(b) substitute with correction shown below:

This application has requested and is expected to be eligible for a Class B (86.24%) waiver of the City-wide DCL applicable to the residential portion of the building, in accordance with the Vancouver Development Cost Levy By-law. The application is therefore subject to maximum average starting rents and unit sizes by unit type applicable to “class B for-profit affordable rental housing” as per the By-law, if applicable and as may be amended from time to time. These requirements will be secured by a Housing Agreement, and compliance will be assessed through the development permit stage to occupancy permit issuance.

Based on the rates in effect as of September 30, 2023, it is estimated that the project will pay DCLs of \$502,089 should it achieve the maximum of 2.40 FSR. The value of the anticipated City-wide waiver is estimated at \$566,567.

RECOMMENDATION

THAT the following additional condition of enactment be included with Part 2: Conditions of Bylaw Enactment of Appendix B:

APPENDIX B

Housing Condition

2.9 Make arrangements to the satisfaction of the General Manager of Planning, Urban Design and Sustainability and the Director of Legal Services to enter into a Housing Agreement and a Section 219 Covenant securing all residential units as for-profit affordable housing units, excluding Senior’s Supportive or Assisted Housing, for a term equal to the longer of 60 years and life of the building, subject to the following conditions and requirements:

- a) A no separate-sales covenant is required.
- b) A no stratification covenant is required.
- c) None of the units are to be rented for less than one month at a time.
- d) The average starting monthly rents for each unit type will for initial occupancy not exceed the rents outlined by Section 3.1A (e) of the Vancouver Development Cost Levy By-Law.

A rent roll is to be provided, prior to issuance of an occupancy permit, to the satisfaction of General Manager of Planning, Urban Design and Sustainability and the Director of Legal Services, which reflects the agreed initial monthly rents as of occupancy.

RECOMMENDATION

THAT Appendix E of the Referral Report be amended as follows:

(a) strike out the following in Appendix E of the Referral Report shown with the strikethrough:

~~Summary of development contributions anticipated under proposed zoning~~

City-wide DCL^{1,2}	\$656,973
Utilities DCL⁴	\$411,683
TOTAL	\$1,068,656

~~**Other benefits (not-quantified components):** All residential units to be rental housing (non-stratified) all secured for the longer of 60 years and the life of the building.~~

~~¹ Based on by-laws in effect as of September 30, 2023 and assumes the development maximizes the allowable density. DCLs are payable at building permit issuance based on rates in effect at that time and the floor area proposed at the development permit stage. DCL by-laws are subject to future adjustment by Council including annual inflationary adjustments. A development may qualify for 12 months of in-stream rate protection. See the City's [DCL Bulletin](#) for more details.~~

~~² This application is eligible for a waiver of the City-wide DCL, however the applicant has elected not to seek the waiver. As per Section 3.1B of the Vancouver Development Cost Levy By-law, the applicant's decision regarding the waiver for projects requiring rezoning is to be made at the rezoning application stage and the relevant requirements should be secured in the conditions of enactment. Should the applicant wish to request a DCL waiver at a later stage, the application would be expected to return to Council for a subsequent public hearing to amend the rezoning condition.~~

(b) substitute with correction shown below:

Summary of development contributions anticipated under proposed zoning

City-wide DCL ^{1,2}	\$90,406
Utilities DCL ¹	\$411,683
TOTAL	\$502,089

Other benefits (not-quantified components): All residential units to be rental housing (non-stratified) all secured for the longer of 60 years and the life of the building.

¹ Based on by-laws in effect as of September 30, 2023, and assumes the development maximizes the allowable density. DCLs are payable at building permit issuance based on rates in effect at that time and the floor area proposed at the development permit stage. DCL by-laws are subject to future adjustment by Council including annual inflationary adjustments. A development may qualify for 12 months of in-stream rate protection. See the City's [DCL Bulletin](#) for more details.

² This application has requested and is expected to be eligible for a Class B (86.24%) waiver of the City-wide DCLs applicable to the residential portion of the building. The value of the anticipated City-wide DCL waiver is estimated at \$566,567. The application is therefore subject to the maximum average starting rents and unit sizes by unit type applicable to "class B for-profit affordable rental housing" as per the By-law. These requirements will be secured by a Housing Agreement, and compliance will be assessed through the development permit stage to occupancy permit issuance.

Action is required by Council. This memorandum will form part of the February 29th, 2024 Public Hearing agenda package and be available for public viewing.

Regards,

A handwritten signature in blue ink, appearing to read "M Shillito".

Matt Shillito
Interim Director of Planning, Planning, Urban Design and Sustainability
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