



COUNCIL REPORT

Report Date: June 24, 2025
Contact: Simon Jay
Contact No.: 604.829.2004
RTS No.: 18032
VanRIMS No.: 08-2000-20
Meeting Date: July 8, 2025
[Submit comments to Council](#)

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability

SUBJECT: Directions Report: Consideration of Modification to Conditions of Approval
8029-8225 Oak Street & 1012 West 64th Avenue

Recommendations

- A. THAT Council approve the modification to Conditions of Approval 2.1, 2.3 and 2.5 set out in Appendix B – Part 2 of the Referral Report related to subdivision for 8029-8225 Oak Street & 1012 West 64th Avenue, generally as set out in Appendix A;

FURTHER THAT the Director of Legal Services be instructed to bring forward the amendment to the Subdivision By-law at the time of enactment of the CD-1 By-law.

- B. THAT Council approve the modification to Council's approval in principle of the rezoning application for 8029-8225 Oak Street & 1012 West 64th Avenue, by amending the terms of the Community Amenity Contribution set out in Conditions of Approval 2.11 set out in Appendix B – Part 2 of the Referral Report, generally as set out in Appendix A, and instructs the Director of Legal Services to make the appropriate modifications to or replacements of legal agreements, legal covenants and securities to give effect to this modification.

Report Summary

This report evaluates proposed modifications to conditions of approval for 8029-8225 Oak Street & 1012 West 64th Avenue. The report proposes subdividing the approved rezoning into two phases, and modifying the timing for Community Amenity Contribution (CAC) payments.

Council Authority/Previous Decisions

- Community Amenity Contributions Policy for Rezoning (1999, last amended 2024)
- Council's approval in principle of the Rezoning application for 8029-8225 Oak Street & 1012 West 64th Avenue (February 2023, RTS 14932)
- Supporting Development Viability and Unlocking New Housing Supply (June 2025, RTS 17891)

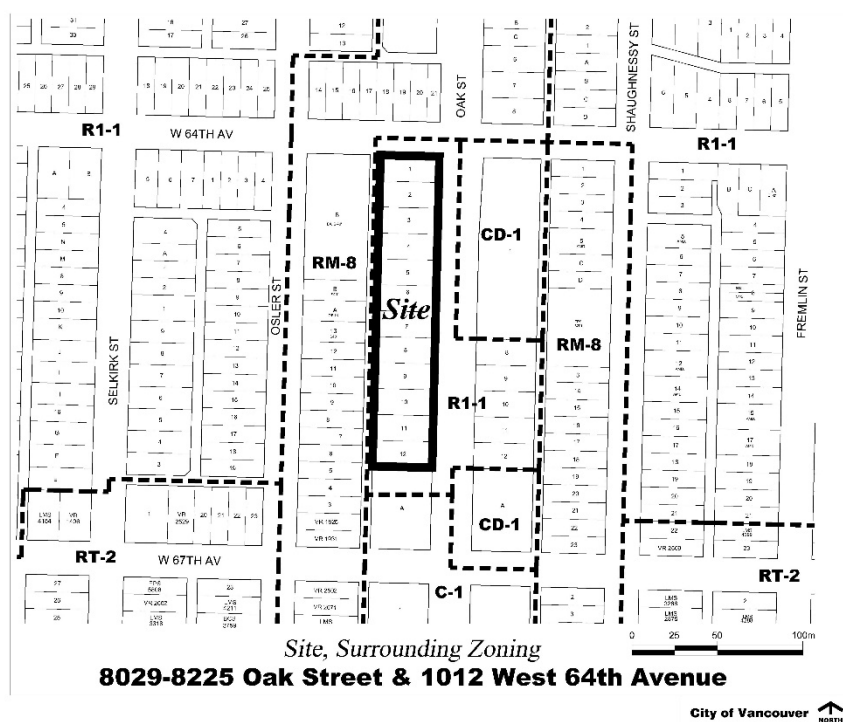
REPORT

Background Context

1. Background

Following a Public Hearing on February 16, 2023, Council approved in principle a rezoning application for 8029-8225 Oak Street & 1012 West 64th Avenue (the “Rezoned Lands”). The approved rezoning has four proposed buildings, with a total of 200 strata-titled residential units. Two of the four buildings also contain commercial uses. The proposal currently contemplates a single consolidated site under the CD-1 by-law. The approval in principle also includes a condition for the payment of a cash CAC prior to enactment of the CD-1 By-law.

Figure 1: Context Map



2. Policy Context

Community Amenity Contribution (CAC) – In accordance with City's Financing Growth Policy, an offer of a community amenity contribution to address the impacts of rezoning was secured

for the Rezoned Lands. CACs are typically made through the provision of either on-site amenities or a cash contribution towards other public benefits. CACs take into consideration community needs, area deficiencies and the impact of the proposed development on City services. As part of this application, the applicant offered a cash CAC of \$16,550,000, which was supported by the City and approved by Council. The cash CAC will be allocated to support delivery of the Marpole Public Benefits Strategy.

Phased approach to Cash CAC Payment – On June 17, 2025, Council considered a report entitled *Supporting Development Viability and Unlocking New Housing Supply* (RTS 17891). The report, among other things, introduced amendments to the City's *Community Amenity Contributions Policy for Rezoning*s relating to deferred cash CAC's as well as expanded the use alternative forms of security (such as surety bonds) to collateralize financial obligations associated with development approvals. Development viability in Vancouver is under growing pressure due to rising construction costs, high interest rates, changing immigration policies, and reduced investor confidence. These conditions have made both rental and strata projects financially challenging, particularly at the scale and affordability levels needed. Council approved deferring development contributions and expanding the use of surety bonds to support project feasibility while continuing to fund infrastructure and amenities. These changes aim to improve cash flow for developers, prevent project delays, and help increase housing supply amid Vancouver's ongoing housing crisis. The policies relating to deferred cash CACs, as amended, currently allows deferral of a portion of a cash CAC under certain conditions. Council further directed that if an applicant requests, the deferred cash CAC policy may be considered for applications that have been approved in principle by Council but have not yet been enacted.

Following the Public Hearing, Council previously approved a cash CAC of \$16,550,000 for this project which would be payable in accordance with the following conditions (Condition of Approval 2.11):

- Pay to the City the cash Community Amenity Contribution of \$16,550,000 (cash CAC offering) which the applicant has offered to the City to support delivery of the Marpole Public Benefits Strategy. Payment is to be made prior to enactment of the CD-1 By-law, at no cost to the City and on terms and conditions satisfactory to the Director of Legal Services.

The applicant has requested that a portion of the cash CAC be deferred, and a phased payment be applied to the Rezoned Lands.

Strategic Analysis

The applicant is proposing to subdivide the Rezoned Lands, which contains four proposed buildings (see Figure 2). They now intend to develop in two phases (rather than one phase), due to challenges in securing financing, and the difficult strata residential market that currently exists. The applicant has indicated they will be able to proceed with the project if it can be phased as two distinct construction projects. The subdivision request will enable the applicant to consolidate the site into two lots, rather than a single lot site, and then develop them separately.

The applicant is also proposing that the CAC payments be tied to the two phases, with payments calculated based on the building square footage in each phase.

The proposal from the applicant would result in a CAC for phase one (buildings A+B) of \$6,802,905 to be paid prior to enactment of the CD-1 By-law. For phase two (buildings C+D), the applicant is requesting the deferral of the remaining portion of a cash CAC as follows:

- Payment of \$9,747,095 (the “Outstanding Balance”) on the earlier of the following dates:
 - The issuance of the stage one building permit for Phase 2 of the Rezoned Lands; or
 - The date that is 24 months following the date of enactment of the rezoning bylaw for the Rezoned Lands.

Figure 2: Approved rezoning



The Outstanding Balance would be secured by a Deferred CAC Agreement, Section 219 covenant, and, at the City’s discretion, by “pay-on-demand” Surety Bond or Letter of Credit. The Outstanding Balance will be charged interest from the enactment date of the rezoning bylaw at prime plus 1%, with interest payable to the City on quarterly instalments until the date that such amount is fully paid.

The applicant’s proposal provides for the Outstanding Balance to be paid at the earlier of the issuance of the stage one building permit for Phase 2, or 24 months following the date of enactment. However, under the existing policy the Outstanding Balance would be expected at the earlier of the issuance of the stage one building permit for any phase or 24 months following the date of enactment.

Staff have reviewed this request and have sought direction from the City’s Risk Management Committee (RMC), which is responsible for reviewing and making recommendations to Council pertaining to deviations from Council’s adopted CAC Policy. The recommendation from RMC is to accept the proposed CAC payment timings.

Subject to Council's approval, staff will work with the applicant to amend or replace the existing legal agreements, legal covenants and financial securities that are in place relating to the Outstanding Balance to give effect to this direction.

Staff have carefully considered this request, and are of the opinion that accepting the modification would support the timely delivery of housing, while ensuring satisfactory payment of CACs. Staff are also agreeable with the proposed modifications to the conditions of approval relating to the subdivision and phasing of the development of the lands. Appropriate conditions have been included in Appendix A and the proposed subdivision is included in Appendix B of this report.

Financial Implications

The applicant has offered to provide a cash CAC of \$16.55 million under a phased payment approach, of which \$6,802,905 will be paid prior to rezoning enactment, and the remaining \$9,747,095 payable and secured as outlined in this report. It should be noted that the proposed modification is considered on a case-by-case basis, and does not represent a change in the City's CAC Policy relating to deferred CACs.

Conclusion

The General Manager of Planning, Urban Design and Sustainability recommends approval of the amendments set out in the Recommendations and enclosed in Appendix A of this report.

* * * * *

**Proposed Amendments to Enactment Conditions for
8029-8225 Oak Street & 1012 West 64th Avenue**

1. Council strikes out conditions 2.1, 2.3 and 2.5 (a) and substitutes the following:

- “2.1 Make arrangements to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services for the consolidation of Lots 1-12 except the East 7 ft. and the West 10 ft. now highways, of Lot 14, Block B, District Lots 319, 323, and 324, Plan 1685 to create the two development parcels and subdivision of the site to result in the dedication of the east 1.3 metres of the site for road purposes.

Note to Applicant: A subdivision plan and application to the Subdivision and Strata Group is required. For general information see the subdivision website at: <http://vancouver.ca/home-property-development/apply-to-subdivide-or-join-properties.aspx>.

- “2.3A Provision of a building setback and statutory right-of-way (SRW) for public pedestrian use over a portion of the site to achieve a clear offset distance from the back of the existing City curb to the building face of 5.5 m on Oak Street adjacent to the commercial frontages (South Parcel).

Note to Applicant: The SRW will be free of any permanent encumbrance such as structure, mechanical vents, stairs, and planter walls at grade, but will accommodate the underground parking structure within the SRW agreement.

- “2.3B Provision of a building setback and statutory right-of-way (SRW) for public pedestrian use over a portion of the site to achieve a clear offset distance from the back of the existing City curb to the building face of 4.5 m on Oak Street adjacent to the residential frontages (North Parcel).

Note to Applicant: The SRW will be free of any permanent encumbrance such as structure, mechanical vents, stairs, and planter walls at grade, but will accommodate the underground parking structure within the SRW agreement.

- “2.5 Provision of a Services Agreement to detail the on-site and off-site works and services necessary or incidental to the servicing of the site (collectively called the “Services”) such that they are designed, constructed, and installed at no cost to the City and all necessary street dedications and rights of way for the services are provided. No development permit for the site will be issued until the security for the services are provided. The timing for the delivery of the Services and phasing of the works shall be determined by the General Manager of Engineering Services in his sole discretion and holds shall be placed on such permits as deemed necessary in his sole discretion. The Services are not excess and/or extended services, and the applicant is not entitled to a Latecomer Agreement.

Note to Applicant: For general Latecomer Policy information refer to the website at <https://vancouver.ca/home-property-development/latecomer-policy.aspx#redirect>.

- (a) Provision of adequate water service to meet the fire flow demands of the project.

Based on the confirmed Fire Underwriter's Survey Required Fire Flows and domestic flows submitted by Creus Engineering Ltd dated April 13, 2024, no water main upgrades are required to service the development.

Note to Applicant: The main servicing the proposed development is 200 mm on W 64th Ave (option for northern parcel only) or 300mm on Oak St. Should the development require water service connections larger than the servicing main, the developer shall upsize the existing main to the satisfaction of the General Manager of Engineering Services. The developer is responsible for 100% of the cost of the upgrade. The maximum water service connection size is 300 mm.

Should the development's Fire Underwriter's Survey Required Fire Flow calculation change as the building design progresses, a resubmission to the City of Vancouver Waterworks Engineer is required for re-evaluation of the Water System.

As per the City of Vancouver Building Bylaw, the principal entrance must be within 90m of a fire hydrant. Should the final design of the building change such that this requirement is no longer satisfied, provision of a new hydrant to be installed in accordance to the aforementioned bylaw will be required. The developer is responsible for 100% of the cost of this upgrade."

2. Council strikes out condition 2.11 and substitutes the following:

- "2.11 Pay to the City the cash Community Amenity Contribution of \$16,550,000 (cash CAC offering) which the applicant has offered to the City to support delivery of the Marpole Public Benefits Strategy.

Payment of the CAC is to be made as outlined below, at no cost to the City, and on terms and conditions and in a form satisfactory to the Director of Legal Services:

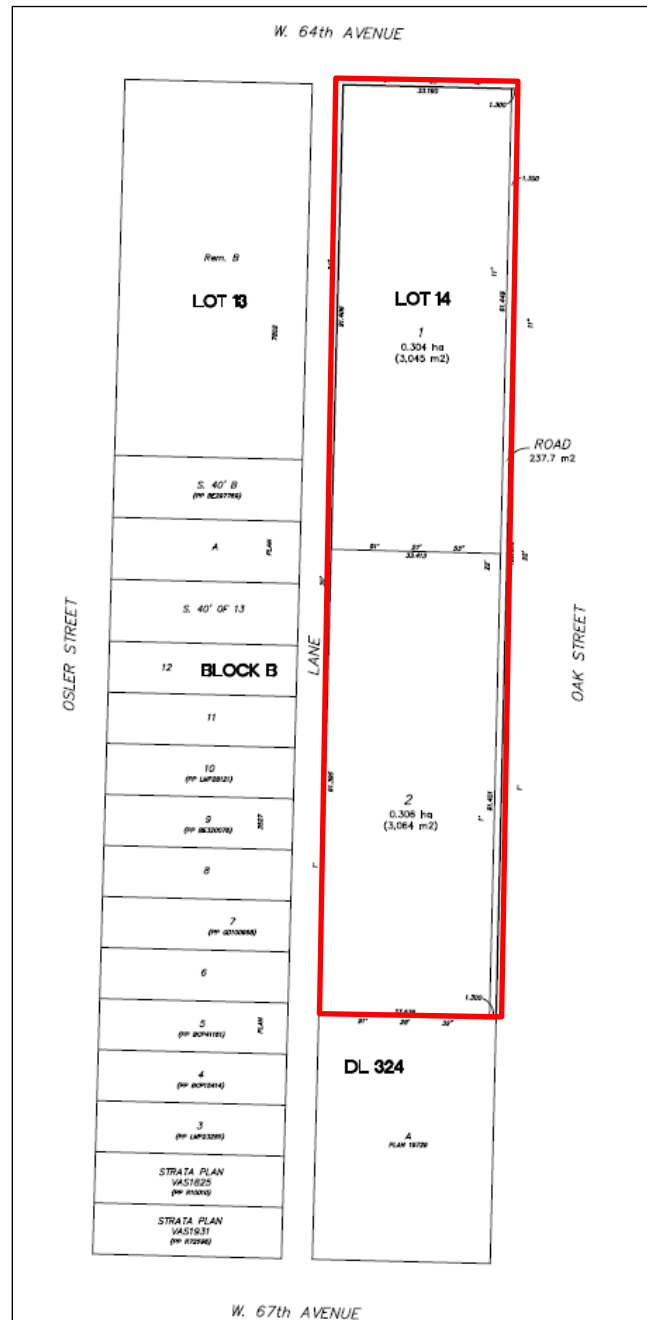
- (a) Payment of:
- (i) \$6,802,905 by wire transfer prior to enactment of the CD-1 By-law for the Rezoned Lands; and
 - (ii) \$9,747,095 (the "Outstanding Balance"), which must be secured with the City prior to enactment of the CD-1 By-law pursuant to condition 2.11(c) below, and must be paid by wire transfer before the earlier of the following dates:
 - (A) the issuance of the stage one building permit for Phase 2 of the Rezoned Lands; or

- (B) the date that is 24 months following the date of enactment of the CD-1 By-law for the Rezoned Lands.
- (b) The Outstanding Balance will be charged interest from the enactment date of the rezoning bylaw at prime rate as per the City of Vancouver's primary banking service provider BMO plus 1%, with interest payable to the City on quarterly instalments until the date that such amount is fully paid.
- (c) Prior to the enactment of the CD-1 By-law for the Rezoned Lands, the Applicant must, at no cost to the City:
 - (i) enter into a Deferred CAC Agreement, which may include Section 219 covenants under the Land Titles Act and which will set out the particulars and obligations of the Applicant in respect to the payment of the Outstanding Balance, in accordance with this report and all on terms and conditions to the satisfaction of the Director of Legal Services, including a requirement that if the Applicant should sell (in whole or in part) its interest in the development of the Rezoned Lands or shares in the owner or corporations which hold legal or beneficial interest in the owner of this development, then the City may immediately draw down or call all of the Surety Bond security or the Letter of Credit upon the closing of such sale transaction;
 - (ii) at the City's sole discretion, register the Deferred CAC Agreement against title to the Rezoned Lands in priority to all other registered parties and to be released only on confirmation of receipt by the City of the full payment of the CAC offering and interest; and
 - (iii) secure the Outstanding Balance with a Surety Bond or Letter or Credit, at the City's sole discretion, and in form and on such terms and conditions in the sole discretion of the Director of Legal Services and Director of Finance.

The City will be entitled to realize on the foregoing security if the required payment(s) are not made to the City in the amounts and at the times set out above. The deferred payments and interest will also be secured by building and occupancy permit holds for the development on terms and conditions to the satisfaction of the Director of Legal Services and Director of Finance."

* * * * *

Proposed Subdivision of the Lands at
8029-8225 Oak Street & 1012 West 64th Avenue



* * * * *