



COUNCIL REPORT

Report Date: October 28, 2025
Contact: Corrie Okell
Contact No.: 604.873.7160
RTS No.: 18244
VanRIMS No.: 08-2000-20
Meeting Date: December 10, 2025
[Submit comments to Council](#)

TO: Standing Committee on City Finance and Services
FROM: General Manager of Development, Buildings and Licensing
SUBJECT: Granville Island – Non-Enforcement Resolution

Recommendations

THAT Council approve the resolutions in Appendix A to not enforce on Granville Island on a temporary basis until January 1, 2027 the applicable provisions of the City's land use, development, and building by-laws, including the *Reference Document for Granville Island False Creek – Area 9* and the Vancouver *Building By-law*, for minor repair and renovation projects, and the City's business by-laws, including the *Licence By-law*.

Purpose and Executive Summary

This report seeks Council's approval of a temporary non-enforcement resolution of the applicable City by-laws and policies for Granville Island until January 1, 2027 related to:

- development and building permitting for minor repair and renovation projects, except for fire and safety provisions and plumbing, mechanical, gas and electrical permits; and
- business licensing for businesses providing services on Granville Island.

Granville Island is federally owned and managed by the Canada Mortgage and Housing Corporation (CMHC). In 1978, the City and CMHC agreed that the City would have certain authority over development on Granville Island (the "**Reference Document**"). Since then, the City has processed permits and business licenses for Granville Island, similar to how it does for other development and businesses in Vancouver.

To support CMHC's strategic planning and help clarify the complex jurisdictional environment, CMHC has requested that it assumes full responsibility for development and oversight of businesses on Granville Island.

While discussions on this matter continue, and to facilitate business improvements and development before the peak season, CMHC has requested that minor development projects and general business operations on Granville Island be exempt from City permit and licence requirements - except where they pertain to Vancouver Fire Rescue Services (VFRS) or the Vancouver Police Department (VPD). CMHC has also requested that the City continues to process plumbing, mechanical, gas and electrical permit applications received during this period.

The proposed non-enforcement resolution in Appendix A supports CMHC's request while considering potential impacts on City infrastructure, including the Granville Bridge. The City will continue to work with CMHC to address the requirements of VFRS and VPD to maintain fire and safety protections on Granville Island. The City will monitor any issues that arise during the period of non-enforcement, which will inform the broader discussion on development and businesses oversight on Granville Island.

Should Council approve the recommendation, it is anticipated that the City will forgo ~\$100,000 business licence fees per annum.

Council Authority/Previous Decisions

On April 18, 1978, City Council adopted the [Reference Document for Granville Island False Creek – Area 9](#) (the “**Reference Document**”), for use by persons involved in the preparation of plans and proposals for the redevelopment of Granville Island, including the Development Permit Board.

The Reference Document has been amended over time, with the last update approved in 1999.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

Granville Island is managed by the CMHC on behalf of the Government of Canada. Granville Island's current strategic vision ([Granville Island 2040](#)) focuses on improving access, expanding the public market and food district, developing an arts and innovation hub, and restoring the public realm.

Because Granville Island is federal property within the boundaries of the city, it exists a complicated jurisdictional and regulatory framework. Generally:

- developments are subject to City oversight through the Reference Document, and applications for development permits should be made to the City;
- the City processes building permit applications which are received from tenants and occupants on Granville Island;

- the City's business licence by-laws apply to the commercial retail businesses on Granville Island, and businesses should have a valid business licence from the City;
- whether or not a tenant or occupant applies for any of the above is inconsistent, and whether or not the City enforces its by-laws with respect to the same is complicated by the complex jurisdictional framework;
- VFRS and VPD provide services to Granville Island, and CMHC has expressed strong support to meet the requirements of both with respect to the operations on Granville Island;
- the City has significant infrastructure on the Granville Island, being the footings and underside of the Granville Bridge and a storm sewer pipe into False Creek; and
- the transportation and utility networks on Granville Island are owned and managed by CMHC, but their only connections are to the City's transportation and utility networks that supply Granville Island.

To clarify this complex and confusing jurisdictional environment, support the development of their strategic vision, and simplify the development approval process, CMHC has requested that it assumes full responsibility for development and oversight of businesses on Granville Island. The City and CMHC have been in ongoing discussion regarding this request and staff are intending to bring a separate report to Council in 2026 regarding those discussions.

To support timely business improvements ahead of the upcoming high season while these discussions continue, CMHC has requested that the City:

- 1) temporarily suspends its involvement in minor repairs and renovations on Granville Island, except for:
 - (a) any City requirements related to fire safety and protection or the requirements of VFRS or VPD;
 - (b) Plumbing, Mechanical, Electrical and Gas permits, while CMHC works to develop an alternative arrangement with Technical Safety BC; and
- 2) temporarily suspends its involvement in City's business licensing.

Discussion

Non-enforcement resolution of land use and development for minor projects

During the term of the non-enforcement resolution, the City will not strictly enforce the applicable requirements for Development Permits. The scope will be limited to minor repair and renovation projects that do not:

- affect building height, major occupancy, floor area, structural or fire-resistance characteristics, building systems performance, or alter or introduce high building provisions as defined in the *Vancouver Building By-law* (VBBL); and

- require excavation, the use of heavy construction machinery or alteration to structural loading, in order to preserve the integrity of the Granville Bridge and the storm sewer pipe.

The City will continue to enforce applicable fire and safety requirements on Granville Island, including processing any limited-scope VFRS building permit applications received to enable VFRS to confirm projects meet the applicable fire and safety requirements in the VBBL. It is intended that any review done by VFRS will be similar to the reviews done for developments at UBC and the University Endowment Lands. Given the limited-scope VFRS review, the City will not charge its standard BP fees with immaterial financial impact.

The City will also continue to process any plumbing, mechanical, gas and electrical permit applications received.

Developments subject to the non-enforcement resolution are proposed to include:

- Like-for-like repairs and replacement;
- Adding open patios;
- Minor renovations to single tenant floors or buildings;
- Single suite tenant improvements in multi-tenant floor areas that do not:
 - create or delete any existing suites;
 - impact public corridors or common use areas (such as exits, stairs, etc.); and
- Renovations to small suites, as defined in part 11 of the VBBL, limited to following uses with an occupancy load of generally up to 60 persons: assembly, office or personal service, mercantile, wholesale and showroom, and low-hazards industrial.

All other developments should continue to follow standard City processes and reviews applicable to Granville Island.

With respect to its internal processes, CMHC has advised it intends to engage qualified professionals for review of development to ensure compliance with the BC Building Code.

Given the temporary nature of the resolution and its limited scope, the risks associated with this measure are considered to be minimal.

Non-enforcement resolution of business licensing

During the period of this non-enforcement resolution, businesses providing services on Granville Island will not be required to obtain a City business licence to operate and the City will not enforce the provision of City's licensing bylaws. CMHC has advised that it intends to control businesses operating on Granville Island through its lease agreements with tenants.

Granville Island businesses will still be required to obtain liquor licences or permits from the Province where applicable. Additionally, businesses operating in the rest of the city, even if they are headquartered on Granville Island, will still be required to obtain a City business licence for their operations off Granville Island. The proposed expiry date for the non-enforcement

resolution is January 1, 2027, which coincides with the expiry of the 2026 business licence period.

CMHC has advised it intends to work with VPD and the City should there be any concerns with a business operating on Granville Island.

Given the above, staff anticipate that this resolution is unlikely to result in material increase in safety risks. With Granville Island 2040, Granville Island is expected to remain a tourist-friendly and family-oriented destination.

Financial Implications

Should Council approve the recommendations, it is anticipated that the City will forgo ~\$100,000 in business licence fees per annum.

Legal Implications

The City does not have a general duty to strictly enforce all its by-laws and policies. The Courts have acknowledged this discretion and have considered resolutions to not enforce by-laws and policies to be supportable, in circumstances associated with by-law and process reviews.

As Granville Island is federal property within the boundaries of Vancouver, it operates in a legally complex environment with respect to City authority. The proposed non-enforcement resolutions are time and scope-limited with the intention that staff will bring forward further information to Council as a result of the ongoing discussions with CMHC. After the expiry of the non-enforcement period, the requirements for developments and businesses, including development permits under the *Reference Document* and business licences under the *Licence By-law*, may be enforced.

Council may revoke this non-enforcement resolution prior to its expiry on January 1, 2027.

* * * * *

APPENDIX A

Temporary Non-Enforcement Resolution Regarding the City's land use, development, and building by-laws and business by-laws on Granville Island

RESOLUTION OF COUNCIL

WHEREAS the City and Canada Mortgage and Housing Corporation (CMHC) are continuing discussions with respect to development and business licensing on Granville Island;

AND WHEREAS CMHC would like to assume full responsibility for development and oversight of businesses on Granville Island;

AND WHEREAS the City is supportive of CMHC's oversight, on a pilot basis, to assist businesses and tenants on Granville Island prepare for the upcoming peak season while the City and CMHC finalize the details on a long-term arrangement;

AND WHEREAS staff recommend that certain by-laws and policies not be enforced on an ongoing basis until January 1, 2027 on a pilot basis while these discussions continue;

THEREFORE, Council resolves that:

1. On Granville Island, the City's zoning, development, and building by-laws and policies, including the *Reference Document for Granville Island False Creek* and the Vancouver *Building By-law* (VBBL), will not be strictly enforced by the Director of Planning, the Development Permit Board, or the City Building Inspector, except where it relates to fire and safety requirements described below, provided that the project meets the following criteria:
 - (a) the proposed project conforms to the applicable provisions of the British Columbia Building Code (BCBC);
 - (b) the proposed project constitutes minor renovations or repairs that do not:
 - (i) add or delete storeys, floors, mezzanines, or otherwise alter the existing building height;
 - (ii) include changes to existing major occupancies or add new major occupancies, as defined in the BCBC;
 - (iii) add to the existing building area or floor area (such as additions);
 - (iv) create new interconnecting floor areas (such as adding mezzanines, connecting floors by convenience stairs, escalators, or other openings);
 - (v) result in changes to the underlying building construction with respect to combustibility, structural capacity, or fire-resistance;
 - (vi) significantly alter the performance of existing building systems (e.g. sprinkler, fire alarms, and mechanical) or create new requirements for building systems;

- (vii) alter or create high building provisions as per section 3.2.6 of the VBBL;
or
 - (viii) require excavation, the use of heavy construction machinery or alteration to structural loading.
- (c) Notwithstanding the above, the City Building Inspector and the Vancouver Fire and Rescue Services are directed to continue to enforce the applicable fire and safety regulations in the City's by-laws, including review of any applications received for limited-scope building permits related to compliance with the fire and safety regulations of the VBBL and *Fire By-law*, as well as process any gas, electrical, mechanical or plumbing permits received.

After the term of this resolution expires on January 1, 2027, all applicable by-laws and policies for developments on Granville Island, including the requirement for development permits pursuant to the *Reference Document*, may be enforced.

2. On Granville Island, the City's business by-laws, including the *Licence By-law*, will not be strictly enforced by Chief Licence Inspector, on a go-forward basis and until January 1, 2027.

After the term of this resolution expires on January 1, 2027, all applicable by-laws for businesses on Granville Island, including the requirement for business licences, may be enforced.