



REFERRAL REPORT

Report Date: January 3, 2023
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Meeting Date: January 17, 2023

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability

SUBJECT: Zoning and Development By-law Amendments to Simplify Green Building Regulations

RECOMMENDATION TO REFER

THAT the General Manager of Planning, Urban Design and Sustainability be instructed to bring forward the application as described below and that the application be referred to Public Hearing together with the recommendations set out below;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary Zoning and Development By-law amendments, generally in accordance with the recommendations set out below, for consideration at the Public Hearing.

RECOMMENDATION FOR PUBLIC HEARING

- A. THAT Council approve, in principle, the application to remove green building regulations from the C-2, C-2B, C-2C, and C-2C1 District Schedules, all to come into force and effect on March 15, 2023;

FURTHER THAT the Director of Legal Services be instructed to bring forward for enactment an amendment to the Zoning and Development By-law generally in accordance with Appendix A.

- B. THAT, at the time of enactment of the amended C-2, C-2B, C-2C, and C-2C1 District Schedules, the General Manager of Planning, Urban Design and Sustainability be instructed to bring forward for approval the updated Secured Rental Policy, generally in accordance with Appendix B.
- C. THAT, at the time of enactment of the amended C-2, C-2B, C-2C, and C-2C1 District Schedules, the General Manager of Planning, Urban Design and

Sustainability be instructed to bring forward for approval the C-2, C-2B, C-2C, and C-2C1 Guidelines for Residential Rental Tenure Buildings, generally in accordance with Appendix C.

- D. THAT Recommendations A through C be adopted on the following conditions:
- (i) THAT passage of the above resolutions creates no legal rights for any person, or 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 any approval that may be granted following the public hearing shall not obligate the City to enact any rezoning by-laws; and
 - (iii) THAT the City and all its officials, including the Approving Officer, shall not in any way be limited or directed in the exercise of their authority or discretion, regardless of when they are called upon to exercise such authority or discretion.

REPORT SUMMARY

This report proposes Zoning and Development By-law and policy amendments in response to a Council motion to remove green building requirements made redundant by changes to the Building By-law that were approved in May 2022. As a result, amendments are proposed to the C-2, C-2B, C-2C, and C-2C1 district schedules, the Secured Rental Policy and the C-2, C-2B, C-2C, and C-2C1 Guidelines for Residential Rental Tenure Buildings.

The proposed changes would advance the City's Climate Emergency Action Plan goals, while creating alignment between the Vancouver Building By-law and the Zoning and Development By-law.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- *November 2019:* Council approved amendments to the Secured Rental Policy (formerly the Secured Market Rental Housing Policy or "Rental 100"), including the addition of new requirements for projects undergoing rezoning to employ zero emissions heating and hot water systems in order to limit carbon emissions.
- *October 2021:* Council approved amendments to streamline rental around local shopping areas, which included changes to the C-2, C-2B, C-2C and C-2C1 district schedules to allow new mixed-use buildings of up to 6 storeys where the residential floor area is secured as rental housing and where energy and carbon emission regulations are met (section 3.1 (f)). Council also approved the creation of new rental zones for use in future rezoning applications in surrounding low density areas under the Secured Rental Policy. The energy and carbon regulations were supported by changes to the C-2, C-2B, C-2C, and C-2C1 Guidelines for Residential Rental Tenure Buildings and changes to the Secured Rental Policy.

- *May 2022:* Council approved amendments to the Building By-law to reduce the carbon emissions limit for new 4 to 6 storey residential buildings, to come into effect on July 1, 2023. Council directed staff to bring forward recommendations to remove green building requirements from City policies and regulations, including the Secured Rental Policy and the C-2, C-2B, C-2C and C-2C1 district schedules made redundant or unnecessary by the changes to the Building By-law.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

The City of Vancouver limits the green house gas (GHG) emissions from buildings in order to help achieve the climate goals adopted by the City of Vancouver, the Province of British Columbia, and Canada. In 2019, Green building requirements were added to the C-2, C-2B, C-2C and C-2C1 district schedules and the Secured Rental Policy for reductions in energy intensity, and to set a limit of 3 kg/m²/year for carbon emission from operations in certain buildings.

In May 2022, Council approved changes to the carbon limits in the Building By-law to advance Council priorities for new construction under the Climate Emergency Action Plan (CEAP) and the Climate Change Adaptation Strategy: Energy Use and Carbon Emissions (CEAP Big Move 4); Resilient Buildings and Embodied Carbon (CEAP Big Move 5). These carbon limits come into effect in the Building By-law on July 1, 2023, and as a result the existing carbon limits in the affected district schedules (C-2, C-2B, C-2C and C-2C1) and the Secured Rental Policy (SRP) will become redundant and can be removed.

Strategic Analysis

Proposed Zoning and Development By-law Amendment

While the energy intensity limits that come into effect in the Building By-law are slightly less stringent than in the SRP and district schedules, staff note that the difference does not warrant maintaining separate regulations and policy in addition to the Building By-law. Therefore, staff are recommending that reference to these carbon limits be removed from the above mentioned district schedules, the SRP and the C-2, C-2B, C-2C, and C-2C1 Guidelines for Residential Rental Tenure Buildings, as summarized below:

The proposed updates to the Zoning and Development Bylaw are:

- Amendments to the C-2, C-2B, C-2C and C-2C1 district schedules to remove energy intensity and carbon emission limits in Section 3.1 (f) of the district schedules, as outlined in Appendix A;

The proposed updates to planning policy are:

- Consequential amendments to the Secured Rental Policy to remove energy intensity and carbon emission limits in Section 7, as outlined in Appendix B; and

- Consequential amendments to the C-2, C-2B, C-2C, and C-2C1 Guidelines for Residential Rental Tenure Buildings to remove energy intensity and carbon emission limits in Section 9, as outlined in Appendix C.

If approved, removal of these regulations will help to streamline the permit process and create alignment with previously approved Building By-law updates that advance the City's climate goals.

Financial Implications

The amendments proposed in this report would reduce the regulatory burden faced by applications by relying on the energy intensity and carbon emission limits in the Building By-law rather than an additional set of standards in the SRP and district schedules.

CONCLUSION

The proposed amendments recommended in this report support the simplification of Planning policy and regulation, and align with recent amendments to the Building By-law.

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DRAFT

Note: Amendments to Council-adopted guidelines will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

*Proposed amendments are shown in red and insertions in italics

Draft Amendments to the Secured Rental Policy

Secured Rental Policies

7 Green Buildings

The Secured Rental Policy ~~advances~~ *supports* green building objectives and ~~encourages~~ the development of near-zero emission buildings.

~~7.1 Rezoning Applications~~

All rezoning applications considered under this policy will be expected to meet the Green Buildings Policy for Rezonings, ~~and to employ zero emissions heating and hot water systems in the building, achieving a greenhouse gas intensity (GHGI) of 3 kg/m² or less. Development permit applications for residential rental tenure buildings not requiring rezoning in the C-2, C-2B, C-2C and C-2C1 districts made before March 15, 2023 are required to meet the energy efficiency requirements in the relevant district schedule at the time of the application.~~

For more information on these requirements and the documentation to be submitted, please refer to the Green Buildings Policy for Rezonings, ~~and~~ the Green Buildings Policy for Rezonings – Process and Requirements Administration Bulletin, ~~and the Rental Incentive Programs Bulletin.~~

~~7.2 Development Permit Applications for Projects That Do Not Require Rezoning~~

~~Some development permit applications for residential rental tenure development that do not require rezoning must also meet green building requirements. In C-2, C-2B, C-2C and C-2C1 districts residential rental tenure applications seeking additional building height and/or density, projects are required to:~~

- ~~• Employ zero emissions heating and hot water systems in the building, achieving a greenhouse gas intensity (GHGI) of 3 kg/m² or less; and~~
- ~~• Meet the energy efficiency and emissions requirements of the Green Buildings Policy for Rezonings, by meeting the requirements of either:
 - ~~○ Passive House or an acceptable alternate near zero emissions standard;~~
 - ~~○ Greenhouse gas, thermal energy demand, and total energy use intensity limits (GHGI, TEDI, and TEUI, respectively) as specified in the policy.~~~~

DRAFT

Note: Amendments to Council-adopted guidelines will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

*Proposed amendments are shown in red and insertions in italics

Draft Amendments to the C-2, C-2B, C-2C, and C-2C1 Guidelines for Residential Rental Tenure Buildings

1 Application and Intent

1.1 Intent

The intent of the district schedule and guidelines is:

- (a) to encourage secured rental development to boost the city's rental supply through the introduction of residential rental tenure zoning in conjunction with building height and density bonus provisions, and simpler building forms;
- (b) to create more sustainable buildings by ~~reducing energy use and emissions from building operations, as well as through design by~~ enabling simpler building forms;
- (c) to address the wide range of lot sizes, orientations, uses, and neighbouring buildings that occur in C-2 District Schedule areas, and to achieve compatibility among a variety of uses, as well as between existing and new development;
- (d) to guide building massing and design with particular consideration for situations where there is no lane between a site and an R zoned site;
- (e) to ensure appropriate street scale and spatial enclosure that is sensitive to the orientation and widths of the street, anchors pedestrian interest, and strengthens the public realm interfacing with ground-floor uses for local-serving retail and services;
- (f) to ensure a high standard of liveability for rental housing; and
- (g) to ensure that both internal double-loaded corridor and courtyard forms of building typologies continue to be possible in mixed-use development, in order to allow a measure of housing variety.

4 Guidelines Pertaining to the Regulations of the Zoning and Development By-law and the Parking By-law

4.1.2. Frontage Size

The C-2 zoning districts encourage residential rental tenure buildings, enabling residential rental tenure buildings with increased floor space and building height. The C-2 zoning districts also ~~require~~ *support* a high level of building performance with respect to energy efficiency through insulative building envelope design.

9 Sustainability

9.1 ~~Energy Requirements~~

~~Development must be designed to reduce energy consumption and emissions. For specific requirements, refer to the district schedules. The Director of Planning, in consultation with the Director of Sustainability, may consider varying the energy or emissions intensity limits in the regulations. Applicants seeking a variation should provide information from a qualified~~

~~consultant to demonstrate an undue impact to project feasibility, such as significant electrical upgrade requirements or supply chain challenges.~~

9.2 Simplified Form

Designers may find that a simplified building form helps to improve the performance of the building envelope. The district schedule is intended to accommodate a wide range of architectural forms for residential rental tenure buildings. Projects pursuing less articulated building envelopes should demonstrate architectural expressiveness through other design choices, such as exterior cladding and external fixtures including sun shading devices.

Applications that are designed to meet ~~these the~~ requirements ~~through of~~ the Passive House or ILFI Zero Energy standards should also refer to the Zero Emissions Building Catalyst policy and guidelines for information on design options. For information on the regulatory variances available in the Zoning and Development By-law for zero emissions buildings, see the Guidelines for the Administration of Variances in Larger Zero Emission Buildings.

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