

**DISTRICT OF NORTH VANCOUVER
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 5:03 p.m. on Tuesday, July 17, 2018 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor R. Walton
Councillor R. Bassam
Councillor M. Bond
Councillor J. Hanson
Councillor R. Hicks

Absent: Councillor D. MacKay-Dunn
Councillor L. Muri

Staff: Mr. D. Milburn, General Manager – Planning, Properties & Permits
Mr. R. Danyluk, Manager – Financial Planning
Mr. J. Gordon, Manager – Administrative Services
Mr. T. Lancaster, Manager – Community Planning
Ms. J. Paton, Manager – Development Planning
Ms. A. Reiher, Confidential Council Clerk

1. ADOPTION OF THE AGENDA

1.1. July 17, 2018 Council Workshop Agenda

**MOVED by Councillor BASSAM
SECONDED by Councillor BOND**
THAT the agenda for the July 17, 2018 Council Workshop is adopted as circulated.

CARRIED

2. ADOPTION OF MINUTES

2.1. June 19, 2018 Council Workshop

**MOVED by Councillor HANSON
SECONDED by Councillor BOND**
THAT the minutes of the June 19, 2018 Council Workshop meeting are adopted.

CARRIED

3. REPORTS FROM COUNCIL OR STAFF

3.1. Density Bonus Options for Incentivizing Market and Non-Market Rental Housing

File No. 13.6480.30/003.000.000

Mr. Tom Lancaster, Manager – Community Planning, provided an update on density bonus options for incentivizing market and non-market rental housing in

Town and Village Centres and areas adjacent to the centres and corridors. He reported that section 7 of the Official Community Plan (OCP) provides direction on housing and housing diversity, rental housing, affordable housing and non-market housing.

He further advised that section 7.3.3 of the OCP provides direction on how to apply incentives to encourage the development of affordable housing including density bonus, pre-zoning and reduced parking requirements.

Mr. Lancaster reported that the 2016 Rental and Affordable Housing Strategy goals include:

- The 10 year (2016 – 2026) estimated demand for affordable rental units of 600 – 1,000 units; and,
- The expansion of supply of new rental and affordable housing.

Mr. Lancaster provided clarification on what constitutes density bonus and defined it as any additional density and/or height above and beyond the density in an approved land use designation, such as the OCP. He further stated that from 2011 to the end of May 2018, the gross number of approved and occupied units is 4,219. Broken down by unit type and tenure the gross number of units is 80 non-market rental, 529 market rental and 3,610 market ownership.

He advised that the number of gross new multi-family units currently pending Council approval is 2,837 which includes 816 non-market rental, 350 market rental and 1,671 market ownership.

Mr. Lancaster provided an overview of the range of costs to facilitate the demand estimates for non-market rental units. He advised the costs may vary depending on the tools used to achieve non-market housing which includes density bonus, the leveraging of District-owned lands and developer contributions.

Mr. Lancaster reported that incentivizing non-market housing costs may range from \$10,000 per unit (in waived DCCs) through density bonus, to \$135,000 per unit in foregone CACs. He stated that the cost per unit on District-owned land decreases as density increases.

Mr. Lancaster presented a map to provide a visual aid and overview of possible locations for future density bonus strategies. The map presented the following features:

- Town Centres;
- Multi-family and mixed-use areas;
- Institutional lands, such as churches adjacent to centres which may provide opportunities for rezoning; and,
- Residential, mixed-use, and institutional lands located within the future Frequent Transit Network (FTN).

He reported that parcels that were excluded from the map include District-owned land (as density bonus does not apply in this case), heritage properties and parkland.

In response to a question from Council regarding the amount of approved and occupied units from 2011 to May 2018, staff advised the total is 1,500 units.

In response to a question from Council regarding gross new units that are anticipated for future Council consideration, staff advised that the potential number of units since 2011, including all those units for Council consideration, could amount to 6,530 units by 2030.

In response to a question from Council, staff advised that the qualitative difference between units is \$10,000 per unit (in waived DCCs) versus \$135,000 per unit (foregone CACs).

In response to a question from Council, staff advised that the April 2018 Rental and Affordable Housing Strategy (RAHS) workshop discussed the vacancy rate estimated at 0.2% to 0.4% in the District and that the housing continuum shows a demand estimate for all housing types.

In response to a question from Council, staff advised that from the 2011 OCP demand estimate for 10,000 new units, 4,386 units could be built by 2021, provided they are approved by the current Council before the end of its term.

In response to a question from Council regarding the cost to incentivize market rentals, staff advised that the cost is approximately \$25,000 per unit in forgone CACs.

In response to a question from Council, staff advised that density bonus and height is analyzed on a site by site basis.

In response to a question from Council about the buffer zone shown on the map, staff advised that there is a 400 metre buffer around Frequent Transit Corridors and an 800 metre buffer around transit stops.

In response to a question from Council, staff advised that single family, multi-family or institutional lands that may be redeveloped for density bonus schemes would be at the discretion of Council.

Council discussion ensued and the following comments and concerns were noted:

- The Metro Vancouver Regional Growth Strategy predicts 20,000 new residents in the District by 2030;
- Land costs in other countries are exacerbated by inward migration to cities;
- A focus on providing further rental housing to District residents would be beneficial;
- Possible criticism from the public regarding traffic issues while trying to achieve non-market housing goals;
- Changing demographics and how they determine current and future housing needs;

Councillor HICKS left the meeting at 5:38 p.m. and returned at 5:39 p.m.

- The importance of providing sufficient rental housing stock to accommodate long-term North Shore renters;
- That 5,600 of the 10,000 units of the OCP housing goal have been met and that the remaining units need to be analyzed within the housing continuum;
- The need for clear and transparent numbers regarding decisions on affordability issues;
- A suggestion that a transportation plan should be studied in regards to the housing targets;
- The need to provide rental stock as a priority and that housing should be accessible to rapid transportation to support ridership;
- The largest community centre in Western Canada will be built on the North Shore and is not reflected on the draft map and suggested that planning may be done in isolation of the City of North Vancouver;
- Concern expressed for the trend of the population demographic on the North Shore and that a younger generation should be supported;
- A comment about growth predictions for the region as well as internal migration patterns to economic cities with work opportunities and external migration patterns into Canada;
- Concern expressed about the redevelopment of single-family neighbourhoods and decisions regarding land use;
- That transportation services may be further improved on the North Shore;
- A comment about services rendered by TransLink, their assets across the region and that services are dependant on ridership analysis; and,
- That density bonus should be matched by a transportation system.

MOVED by Councillor BOND

SECONDED by Councillor BASSAM

THAT the July 10, 2018 report of the Manager – Community Planning entitled Density Bonus Options for Incentivizing Market and Non-Market Rental Housing is received for information;

AND THAT staff are directed to prepare a density bonus strategy to incentivize market and non-market rental housing for consideration at a Regular Meeting of Council to include specific models of density bonus in a sample of identified areas.

CARRIED

3.2. Community Amenity and Housing Update

File No. 13.6480.30/001.001.000

Mr. Dan Milburn, General Manager – Planning, Properties & Permits, provided an overview of the financial principles related to Community Amenity Contributions (CACs). He also discussed market and non-market housing that has been approved since 2011 and housing that is currently pending Council consideration.

Mr. Milburn discussed the process of equating costs and negotiations with developers to ensure the acquisition of high value amenities for the community through various agreements. He reported that financial mechanisms include Development Servicing Bylaws, DCCs, land use dedication and rights of way. He

reported agreements that can be negotiated with developers to gain amenities include the following:

- Phased Development Agreement;
- Density Bonus Bylaw;
- Housing Agreement;
- Development Works Agreement;
- Excess & Extended Service; and,
- Agreement of Purchase and Sale.

Mr. Milburn reported that the CAC Policy was established in 2010 and amended in 2016. The enhanced levels of service through CACs are obtained through the lift in value of land between the base density and the density requested by the developer in the rezoning. He advised that the potential CAC can be limited by a flat rate which is constantly modified based on market conditions.

Mr. Milburn provided an overview of the Rental and Affordable Housing Strategy. He reported that the Amenity and Housing Plan fund is currently \$145 million in amenities. He also advised that when DCCs are waived for a development, the difference is funded by the District.

He discussed allocations of the CAC which are currently pending approval:

- Community and care facilities total 7%;
- Cultural space and public art advertisements total 5%;
- Parks, plazas and public realm equaling 8%; and,
- Trails and pathways which amount to 11% of the CAC allocation.

Mr. Tom Lancaster, Manager – Community Planning, provided an overview of the OCP Implementation Plans and commented about the amenities and cash contributions to Town Centres that have received funding or that are still pending funding.

He further commented about the funding tools to achieve rental and affordable housing and that the housing realized to date has been primarily market-rental. He advised that CACs and Rental and Affordable Housing foregone CACs, District lands and density bonus include the following collective totals:

- The plan at \$144.9 million;
- An approved amount of \$87.8 million; and,
- A future projection of \$57.1 million.

In response to a question from Council, staff advised that CACs are not legislated, are a voluntary contribution by the developer and that a performance analysis is used to make economic sense of the contributions.

Council discussion ensued and the following comments and concerns were noted:

- Discussed how CACs are apportioned and whether there is a simpler way to reflect the allocation;
- Queried about revenue generated by new assets and their reflection in long-term funding; and,

- Commented about public criticism regarding efforts to generate further affordable housing stock.

MOVED by Councillor BOND
SECONDED by Councillor HANSON

THAT the July 3, 2018 report of the Manager – Community Planning entitled Community Amenity and Housing Update is received for information.

CARRIED

4. PUBLIC INPUT

4.1. Mr. Peter Teevan, 1900 Block Indian River Crescent:

- Commented about rental housing stock requirements to meet the needs of District residents;
- Spoke regarding zoning for rental housing, parking requirements, District-owned lands and CACs; and,
- Commented regarding transportation and infrastructure challenges on the North Shore and suggested that a long-term approach should be analyzed.

4.2. A District Resident:

- Suggested there should be a consultation process for residents to express their views about the District's future.

4.3. A District Resident:

- Commended Council and staff for deliberating on the topic of housing and its future on the North Shore.

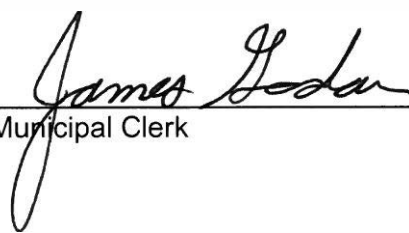
5. ADJOURNMENT

MOVED by Councillor BOND
SECONDED by Councillor BASSAM

THAT the July 17, 2018 Council Workshop is adjourned.

CARRIED
(7:03 p.m.)

Mayor



Municipal Clerk