

# AGENDA

## *COUNCIL WORKSHOP*

**Tuesday, April 16, 2019**

**7:00 p.m.**

**Committee Room, Municipal Hall**

**355 West Queens Road,**

**North Vancouver, BC**

**Council Members:**

Mayor Mike Little

Councillor Jordan Back

Councillor Mathew Bond

Councillor Megan Curren

Councillor Betty Forbes

Councillor Jim Hanson

Councillor Lisa Muri



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## COUNCIL WORKSHOP

**7:00 p.m.**  
**Tuesday, April 16, 2019**  
**Committee Room, Municipal Hall,**  
**355 West Queens Road, North Vancouver**

### AGENDA

#### 1. ADOPTION OF THE AGENDA

##### 1.1. April 16, 2019 Council Workshop Agenda

*Recommendation:*

THAT the agenda for the April 16, 2019 Council Workshop is adopted as circulated, including the addition of any items listed in the agenda addendum.

#### 2. ADOPTION OF MINUTES

##### 2.1. March 4, 2019 Council Workshop p. 7-11

*Recommendation:*

THAT the minutes of the March 4, 2019 Council Workshop are adopted.

##### 2.2. March 5, 2019 Council Workshop p. 13-17

*Recommendation:*

THAT the minutes of the March 5, 2019 Council Workshop are adopted.

##### 2.3. March 11, 2019 Council Workshop p. 19-25

*Recommendation:*

THAT the minutes of the March 11, 2019 Council Workshop are adopted.

#### 3. REPORTS FROM COUNCIL OR STAFF

##### 3.1. 2019 Tax Distribution Workshop p. 29-42 File No.

Report: General Manager, Finance/CFO, April 10, 2019  
Attachment 1: 2019 Tax Distribution Presentation

*Recommendation:*

THAT staff are directed to prepare the 2019 Tax Rates Bylaw

#### 4. PUBLIC INPUT

(maximum of ten minutes total)

**5. ADJOURNMENT**

*Recommendation:*

THAT the April 16, 2019 Council Workshop is adjourned.

# MINUTES

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**DISTRICT OF NORTH VANCOUVER  
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 5:02 p.m. on Monday, March 4, 2019 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

**Present:** Mayor M. Little  
Councillor J. Back  
Councillor M. Bond  
Councillor M. Curren  
Councillor B. Forbes (via phone)  
Councillor J. Hanson  
Councillor L. Muri

**Staff:** Mr. D. Stuart, Chief Administrative Officer  
Mr. D. Milburn, General Manager – Planning, Properties & Permits  
Mr. A. Wardell, General Manager – Finance & Technology  
Mr. R. Danyluk, Manager – Financial Planning  
Mr. B. Dwyer, Manager – Development Services  
Ms. M. Welman, Manager – Strategic Communications & Community Relations  
Ms. L. Brick, Deputy Municipal Clerk  
Ms. A. Reiher, Confidential Council Clerk  
Ms. K. Rendek, Senior Community Planner

**Also in**

**Attendance:** Mr. Bryan Bydwell, B. Bydwell Consulting Services

**1. ADOPTION OF THE AGENDA**

**1.1. March 4, 2019 Council Workshop Agenda**

**MOVED by Councillor BACK  
SECONDED by Councillor MURI**

THAT the agenda for the March 4, 2019 Council Workshop is adopted as circulated.

**CARRIED**

**2. ADOPTION OF MINUTES**

Nil

**3. REPORTS FROM COUNCIL OR STAFF**

**3.1. Official Community Plan (OCP) Update**

File No. 13.6480.30/001.002

Mr. Bryan Bydwell, B. Bydwell Consulting Services, provided an overview of the breadth and scope, process, and end product of the three distinct approaches to the Official Community Plan (OCP) review and advised that three options are to:

1. Replace – the start from scratch approach;
2. Refresh – focuses on policy review in the context of the current vision, goals and strategic direction; or,
3. Targeted – identify current priorities and emphasis through the OCP implementation.

Mr. Bydwell provided an overview of the OCP, noting the vision and goals that support the OCP, strategic direction that provides the shape and structure to the vision, and discussed the policy which completes the OCP framework. He advised that the OCP does not prescribe specific actions or pace.

He discussed that the steps would include research, direction, goals and communication strategy and a potential planning working group.

Mr. Bydwell noted that the first option for the OCP review is the replace option and would include a complete revisit of the vision, goals, strategic direction and policy framework of the OCP. The steps involved are:

- Research, data collection, a values survey to aid in the development of the vision and goals, preparation of a communication and engagement strategy and working group;
- Background work to launch a public process with an initial step to establish the vision;
- The creation of policy direction and strategic direction;
- Drafting, public engagement process followed by a formal adoption process; and,
- The entire process would take an estimated 30 – 36 months.

Mr. Bydwell reported that the second option is the refresh option where the current OCP vision, goals and strategic direction are considered valid. The review would focus on policies and would involve:

- Research and data collection, a survey targeted towards a policy review and communications and engagement strategy;
- The potential creation of an OCP Monitoring Committee;
- Stakeholder and public policy engagement;
- Drafting of amendments, consultation with the public and agencies and a formal OCP amendment process; and,
- The entire process would take an estimated 15 – 21 months.

Mr. Bydwell reported that the third option is a targeted review of OCP implementation involving a number of targeted white papers on topics that have arisen through implementation, due to new or external pressures and emerging priorities. The targeted process would involve:

- Research and data collection;
- Creating white papers on key topics;
- Stakeholder and public engagement; and,
- The entire process would take an estimated 10 – 12 months.

In response to a question from Council, staff advised that there would be an informal yearly review of the OCP.



In response to a question from Council, staff advised that depending on the white paper, certain objectives would need to be achieved and that the scope can be clarified and brought back to Council.

In response to a question from Council, staff advised that stakeholders would have to come together and that there is a lag in getting the infrastructure in place.

In response to a question from Council, Mr. Bydwell advised that there are concerns in homogenizing the District as low density areas.

In response to a question from Council, staff advised that the whitepapers would be a short term view of actionable items which allows for the opportunity to have discussions with the community.

In response to a question from Council, staff advised that a dashboard would be a beneficial tool which would display a series of targets and show where Council is at a certain point in time before a major decision and be used as a measuring tool for the public.

In response to a question from Council, staff advised that Council needs to be clear on what promises are being made to the public, what level of engagement should be done and that it is important to determine the strategy before discussing the tools.

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

- Expressed support for option three and opined that the OCP continues to represent the community and that this would be a more effective use of time;
- Suggested that transportation, housing, jobs and economy would be four key areas of focus and that three or four white papers would be beneficial;
- Expressed that the implementation of the OCP vision and priorities and consideration of how the Plan takes into account current conditions such as traffic congestion, housing affordability, climate action, affordability and jobs should be reviewed;
- Suggested that the OCP should be extended to long term visions for an incremental vision and expressed that it is important to check back periodically in terms of implementation of the plan;
- Commented about the work towards current recommendations versus what is already noted in white papers;
- Commented about the OCP Implementation Committee;
- Opined that conversations about the OCP should occur more frequently;
- Suggested that Maplewood lands development was meant for the future and not an immediate guide;
- Queried how to assess where the status of the OCP is currently at, requested a measuring point for the vision of the OCP and to understand issues around the market, housing, non-profits funding, their future, tools for the provincial government, CACs, infrastructure and development;
- Expressed the need to understand the infrastructure vision for future populations;
- Requested that transportation infrastructure be prioritized and that tourist statistics be used to assist in corroborating future needs;

- Commented about the impact of the Metro Vancouver Growth Strategy and that certain areas can be explored where a large amount of visitors have been noted to the District and opined that the OCP does not account for the growth seen in tourism;
- Suggested that climate targets need to be made a part of the OCP revision and suggested that the goals of the Rental and Affordable Housing strategy have not been achieved;
- Opined that transit infrastructure needs to be advocated for and opined that the infrastructure has not kept up with the pace of development;
- Queried about staffing levels and Council direction to staff and if this has had an effect on the OCP implementation;
- Queried if the network of town centres is the correct concept and if other housing models such as a distributed model should not be explored and that private residents would be able to apply these incremental changes;
- Opined that it is important to have constant conversation with the community to engage and receive feedback;
- Suggested that it would be beneficial to have staff provide research data as a measuring tool from context experts;
- Expressed that it is important to focus on the current Councils actions and not focus on past actions;

Councillor CURREN left the meeting at this point in the proceedings. (6:21 p.m.).

- Commented about the decisions available to Council to protect rental, add rentals and that an action plan would be beneficial;

Councillor CURREN returned to the meeting at 6:23 p.m.

- Expressed the need to identify the impact of development;
- Expressed concern about the District land use maps and their reflection of densities; and,
- Commented that the vision and future of the District needs to be identified by Council and that concrete action steps need to be identified.

Public Input:

Mr. Peter Teevan, 1900 Block Indian River Crescent:

- Expressed concern that public input would not be included in option three; and,
- Suggested that Council approve rental only housing and that the language be strengthened in the Rental and Affordable Housing policy and included in the OCP.

Ms. Katherine Fagerlund, 1800 Block Deep Cove Road:

- Requested that information be provided for ratios in terms of development growth and infrastructure such as traffic flow, employment and visitor information;
- Requested information about green sustainable construction; and,
- Requested that Council envision town centre uses for public enjoyment.

Mr. Corrie Kost, 2800 Block Colwood Drive:

- Commented about the three options for the OCP review;
- Opined that the District is underserved by transportation services;
- Commented about tourism; and,
- Discussed vehicle use, housing affordability and technology changes.

A District Resident:

- Expressed concern about a review of the OCP policies and expressed that if the policies are changed, they would require public engagement.

Mayor LITTLE left the meeting at this point in the proceedings. (6:40 p.m.)

Acting Mayor CURREN assumed the position of Chair.

A District Resident:

- Expressed concern about new development with secondary suites and the increase in traffic in neighbourhoods outside of town centres; and,
- Commented about town centres where a high density in traffic may be accommodated.

Mayor LITTLE returned to the meeting at 6:50 p.m.

#### **4. ADJOURNMENT**

**MOVED by Councillor MURI**

**SECONDED by Councillor BOND**

THAT the March 4, 2019 Council Workshop is adjourned.

**CARRIED**  
(6:52 p.m.)

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Mayor

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Municipal Clerk

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**DISTRICT OF NORTH VANCOUVER  
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 5:00 p.m. on Tuesday, March 5, 2019 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

**Present:** Mayor M. Little  
Councillor J. Back  
Councillor M. Bond  
Councillor M. Curren  
Councillor J. Hanson  
Councillor L. Muri

**Absent:** Councillor B. Forbes

**Staff:** Mr. D. Stuart, Chief Administrative Officer  
Mr. D. Milburn, General Manager – Planning, Properties & Permits  
Mr. A. Wardell, General Manager – Finance & Technology  
Mr. R. Danyluk, Manager – Financial Planning  
Mr. D. Desrochers, Manager – Engineering Projects & Development Services  
Mr. B. Dwyer, Manager – Development Services  
Ms. J. Paton, Manager – Development Planning  
Ms. L. Brick, Deputy Municipal Clerk  
Ms. A. Reiher, Confidential Council Clerk

**Also in**

**Attendance:** Mr. Blair Erb, Coriolis Consulting Corporation

**1.1. March 5, 2019 Council Workshop Agenda**

**MOVED by Councillor MURI**

**SECONDED by Councillor CURREN**

THAT the agenda for the March 5, 2019 Council Workshop is adopted as circulated.

**CARRIED**

**2. ADOPTION OF MINUTES**

Nil

**3. REPORTS FROM COUNCIL OR STAFF**

**3.1. Infrastructure and Amenities**

File No. 13.6480.30/001.001

Mr. David Stuart, Chief Administrative Officer, reviewed how the District receives fees from developers and how these fees are regulated. He discussed Community Amenity Contributions (CAC), land values and affordable housing. He requested

that the focus of the Council discussion be on what Council would like to achieve, the desired strategy and direction to staff.

Mr. Dan Milburn, General Manager – Planning, Properties & Permits, provided an overview of infrastructure and amenities. He advised that when the District considers new applications, they consider infrastructure needs for population and employment growth projections and foreseen demand for new or improved infrastructure such as water, sewer, drainage, roads, and parks, civic facilities, market-rental housing or social housing.

Mr. Milburn reported that local governments have three options to address the demand of existing services, which includes:

- Deny or delay a development proposal;
- Approve the development proposal and fund the new capital cost with local government resources; or,
- Approve the development proposal and fund the new capital costs with developer contributions.

Mr. Milburn reported that Provincial legislation enables local government to establish standards for infrastructure and requires developers to pay for certain on-site and off-site works through the subdivision and building permit process. The District negotiates CAC's through the rezoning process to pay for new and improved amenities not funded through the statutory mechanisms. He advised that capital cost recovery mechanisms include:

- Works and services;
- Development Cost Charges (DCC); and,
- CAC's.

Mr. Milburn advised that the *Local Government Act* requires capital costs be attributable to a development project and that a clear connection be shown between the service demand imposed by the project and the costs. The municipalities must consider the impact the rates may have on curbing market and the District may regulate and require the provision of works and services, may establish minimum standards for sewage, water, drainage, roads, sidewalks, boulevards, transit bays, street lighting and underground wiring as a condition of subdivision or the issuance of a building permit.

Mr. Milburn advised that the works and services standards were last updated in 2017 and addressed the District's need to stay aligned with industry servicing standards as documented by the *Master Municipal Construction Documents* (MMCD) Association. He advised that DCC's are fees that local governments may choose to collect from new development to help pay for the costs of off-site infrastructure services that are needed to accommodate growth and may be used to help offset costs associated with the provision, construction, alteration or expansion of sewage, water, drainage and roads, and to pay the cost of acquiring and improving parklands and park facilities. He further stated that they may not be used for other amenities such as recreation, policing, fire or library facilities.

Mr. Milburn reported that DCC's are applied as a one-time charge against residential, commercial, industrial and institutional developments and are collected

from developers at the time of subdivision or building permit approval. DCC's are imposed on most but not all development in the community, and exceptions are described in the *Local Government Act* and DCC Bylaw. The District has collected DCC's from developers since 1998 and the last major update to the DCC Bylaw was approved by Council in 2018. The total amount of DCC's charged by the District since the adoption of the OCP in 2011 amounts to \$52.7 million.

Mr. Stuart commented about DCC's and advised that municipalities have voiced their concerns about the limitations DCC's may be spent on.

Mr. Milburn noted that CAC's are an amenity contribution agreed to by the developer and local government as part of a rezoning process initiated by the developer and can include amenities such as civic facilities, public art, affordable housing and financial contributions towards infrastructure that cannot be obtained through DCC's. They are applied as a one-time charge paid by a developer and would be obtained by the District if it decides to adopt the rezoning bylaw or at a pre-defined phase of the approved development.

Mr. Milburn noted that the total value of the CAC should be a maximum of 75% of the estimated increase in market value of the land attributable to the density increase. The total amount of CAC's approved, including collected and pending, by the District since the adoption of the OCP in 2011 amounts to \$96.5 million. CAC agreements may include:

- Phased Development Agreement;
- Density Bonus Bylaw; or,
- Housing Agreement.

Mr. Milburn advised that the CAC Policy may include a 75% of lift in value of land attributable to a proposed residential density increase, negotiated and fixed rate sites, annual escalation, on-site or cash for off-site amenities and be documented in a staff report.

Mr. Blair Erb, Coriolis Consulting Corporation, reported that when a site is rezoned and creates more density, the land value is usually raised and that the 75% of lift in value of land is the most any municipality in Western Canada has requested.

In response to a question from Council, staff advised that the density bonus zoning does not have a set rate and that a higher density produces a higher lift value and results in more amenities.

In response to a question from Council, staff advised that a CE Zone allows the opportunity to negotiate for amenities and is one of the reasons why many municipalities do not update their zoning bylaws.

In response to a question from Council, staff advised that negotiations typically include amenities identified by Council in the OCP, Implementation Plan and generically described in the CAC Plan. Staff then identify if DCC's or CAC's can help achieve these objectives.

In response to a question from Council, staff advised that a master list will be provided to Council showing a breakdown of costs where CAC amenities have been allocated to.

In response to a question from Council regarding the five-year capital plan, staff advised that the capital plan is based on the 436 units identified in the BC Housing memorandum and that the listed value was the Districts contribution of the land which equates to approximately \$20,000 dollars per unit.

In response to a question from Council regarding how to achieve affordable housing, Mr. Erb advised that cash projects can achieve a definition of affordable housing and the amount of affordable housing that could be achieved would be defined by the density gained from the rezoning.

Mr. Stuart commented about negotiations and amenities per units and that not-for-profits do not have much leverage for non-market housing.

In response to a question from Council, staff advised that the District measures operating and maintenance costs for new development.

In response to a question from Council, staff advised that the DCC adjustments occur on an annual basis.

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

- Requested a master list of CAC allocations including available CAC funds;
- Commented about the DCC's and when fees may be waived for affordable housing projects;
- Queried about the foregone value of CAC's for Lynn Valley town centre;
- Queried why social housing is considered an amenity;
- Suggested that there need to be decisions made on a strategy to achieve non-market housing;
- Commented about a lack of amenities in certain communities and suggested there needs to be an understanding on the cost implications to replace or add amenities to the community;
- Requested further information regarding rental unit costs;
- Suggested that small businesses contribute to the neighbourhood character and should be encouraged in the community;
- Suggested that combining District lands to achieve affordable housing should be explored; and,
- Commented about CAC's, the allocation of funds and long-term impacts for community amenities.

#### **4. PUBLIC INPUT**

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

- Requested an intended budget for CAC and DCC contributions and that it be reflected in staff reports and by community; and,
- Suggested that DCC contributions could fund transportation infrastructure.



**4.2. Mr. Corrie Kost, 2800 Block Colwood Drive:**

- Commented about DCC use to purchase parkland.

**5. ADJOURNMENT**

**MOVED by Councillor MURI**

**SECONDED by Councillor CURREN**

THAT the March 5, 2019 Council Workshop is adjourned.

**CARRIED**  
(7:00 p.m.)

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Mayor

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Municipal Clerk

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**DISTRICT OF NORTH VANCOUVER  
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 5:03 p.m. on Monday, March 11, 2019 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

**Present:** Mayor M. Little  
Councillor J. Back  
Councillor M. Bond  
Councillor M. Curren  
Councillor J. Hanson

**Absent:** Councillor B. Forbes  
Councillor L. Muri

**Staff:** Mr. G. Joyce, Acting Chief Administrative Officer  
Mr. D. Milburn, General Manager – Planning, Properties & Permits  
Mr. A. Wardell, General Manager – Finance & Technology  
Mr. D. Desrochers, Manager – Engineering Projects & Development Services  
Mr. J. Gordon, Manager – Administrative Services  
Mr. B. Dwyer, Manager – Development Services  
Ms. J. Pavey, Section Manager – Environmental Sustainability  
Ms. A. Reiher, Confidential Council Clerk  
Ms. S. Tejani, Community Planner, Community Planning

**Also in**

**Attendance:** Ms. Lisa Westerhoff, Integral Group  
Ms. Kerry Shaw, Integral Group  
Mr. Charles Montgomery, Happy City  
Mr. Jeffrey Tumlin, Nelson\Nygaard

**1. ADOPTION OF THE AGENDA**

**1.1. March 11, 2019 Council Workshop Agenda**

**MOVED by Councillor BOND  
SECONDED by Councillor BACK**

THAT the agenda for the March 11, 2019 Council Workshop is adopted as circulated.

**CARRIED**

**2. ADOPTION OF MINUTES**

Nil

**3. REPORTS FROM COUNCIL OR STAFF**

**3.1. Draft Community Energy and Emissions Plan (CEEP) Report**  
File No. 13.6770/ENV Energy DNV/File

Mr. Dan Milburn, General Manager – Planning, Properties & Permits, provided an overview of the greenhouse and gas emissions plans with a target of 100% reduction by 2050. He discussed the importance of partnerships with Provincial and Federal governments, behavioural changes and the implementation of the BC Energy Step Code.

Ms. Lisa Westerhoff, Integral Group, provided an overview of a Community Energy and Emissions Plan (CEEP) and reported that CEEP is a set of goals, targets and strategies that address climate change challenges to reduce energy and emissions. She also commented about the Climate Change Adaptation Strategy that is being implemented by the District and advised that CEEP works in line with the core directions of the Official Community Plan (OCP) and outlines actions necessary to reach emission reduction targets.

Ms. Westerhoff discussed the Province's Community Energy and Emissions Inventory where it was noted that residential buildings are the largest consumer of energy in the District. She reported that natural gas used to heat buildings is the largest source of energy use, followed by gas consumed for vehicle use. She commented on the District's move from carbon-intense fossil fuels to carbon-free hydroelectricity and presented a graph demonstrating how different actions outlined in CEEP may reach the goal of 100% reduction by 2050. She discussed transportation strategies necessary for further emission reductions and noted that Town and Village Centres show fewer emissions per capita.

Ms. Westerhoff spoke about the shift from natural gas to electricity through retrofits, refurbishments and mechanical systems that run on electricity through careful planning to avoid significant costs to property owners. She recommended that a percentage of homes and businesses be retrofitted to energy efficient, net zero emission buildings, focusing on replacing natural gas furnaces with high efficiency electric heat pumps in existing single-family homes.

Mr. Jeffrey Tumlin, Nelson\Nygaard, provided an overview of the changing technologies of vehicles, transportation history, parking zones and ways to promote alternative modes of transportation for new developments. He reported that good land use planning may involve taking spaces away from other transportation modes to provide dedicated bike lanes. He advised that mobility pricing could help to eliminate congestion and recommended electric fleets. He reported that transportation is a major source of regional emissions and noted that land use planning and regional leadership may help reduce these.

Mr. Charles Montgomery, Happy Cities, discussed actions to reduce greenhouse gas emissions which may also boost social well-being and community health. He provided an example of a walkable community versus a community dependant on vehicle use and commented about the link between the use of active modes of transportation and overall health. He commented about the comparison of people who live in walkable neighborhoods with positive local relationships compared to those in vehicle dependent neighbourhoods.

Mr. Montgomery suggested that contact with nature in everyday urban life promotes a kinder society and discussed ways to encourage positive social connections with the community. He also noted that walkable, mixed-use neighbourhoods should

include non-market housing to ensure that all residents benefit from emission reductions strategies. He commented about the correlation between transit users and a higher life satisfaction as transit usually involves walking and this contributes to overall health and community wellbeing.

In response to a question from Council, Ms. Westerhoff advised that natural gas is lower priced than electricity in British Columbia and suggested that heat pumps are an efficient alternative.

In response to a question from Council, Mr. Tumlin advised that although autonomous vehicles create benefits such as electric vehicle use, they also result in more vehicle dependence.

In response to a question from Council, Mr. Tumlin advised that concentrating employment is important to create a regional transit focus and that parking supply is a primary management tool for transportation management.

In response to a question from Council, Mr. Tumlin, advised that electric bicycles are beneficial in combination with protected bike lanes and traffic calmed neighbourhoods.

In response to a question from Council, Ms. Westerhoff advised that concrete is one of the greatest sources of emissions and that High Tech Timber is a great alternative to concrete. She advised that solar panels in British Columbia are a low carbon source of electricity and are a good source of backup power for elevators or emergency lighting to improve building resiliency.

In response to a question from Council, Ms. Kerry Shaw, Integral Group, advised that wood burning emits a high concentration of particulate matter that can contribute to indoor and outdoor air quality issues.

In response to a question from Council, Mr. Montgomery advised that education through programs and systems creates awareness on the cost of parking.

In response to a question from Council, Mr. Tumlin recommended managing the transportation system through punitive systems.

In response to a question from Council, staff advised that a single-family home furnace replacement is an opportunity for the District to provide greenhouse gas reduction options to homeowners.

In response to a question from Council, Ms. Shaw recommended a strategy of mapping areas with single-family homes that may need furnace replacements and providing them with key messaging on replacement options.

In response to a question from Council, staff advised that the BC Energy Step Code is closely aligned with the District of West Vancouver and City of North Vancouver bylaws, and that the goal is net zero ready by 2032.

In response to a question from Council, Mr. Tumlin advised that convenience makes transit ridership less likely and results in net increases in kilometres travelled by car and congestion.

In response to a question from Council, Mr. Montgomery advised that there is a demand for housing in accessible areas that accommodate demands for walkable, mixed-use communities.

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

- Commented about the modeling for Village and Town Centres and the volume of cars due to a lack of alternatives;
- Expressed concern about building materials and their reliance on concrete;
- Expressed concern about the form of housing and its sustainability;
- Commented about parking management;
- Expressed concern about meeting target demands and the importance of education and policy direction;
- Spoke about the cost of inaction and the importance of being a leader;
- Commented about mobility pricing; and,
- Commented about District parks and recreation use by residents and visitors.

Public Input:

Mr. Corrie Kost, 2800 Block Colwood Drive:

- Commented about technology changes and opined that they may be disruptive;
- Spoke about public consultation with the community; and,
- Spoke about alternate forms of travel, mobility pricing, population increases, housing and the effect on green house gas emissions.

A District Resident:

- Commented about District parks, local amenities and alternatives to parking spaces;
- Commented on the connection with happiness and walks associated with transit; and,
- Suggested that messaging to the community about the benefits to be gained is important.

Ms. Jane Thornthwaite, 1200 Block Lynn Valley Road:

- Queried about ways to achieve a mixed-use community despite opposition within the community.

In response to a question from the public, Mr. Montgomery commented that constructing mixed-use residences comes with implementation challenges and suggested that speaking to the public's core values may assist communities to make changes towards public well-being and sociability.

### **3.2. Regulating Non-Medical Cannabis – District of North Vancouver**

File No. 13.6410.01/000.000

Mr. Dan Milburn, General Manager – Planning, Properties & Permits, provided an overview of the non-medical cannabis retail, public engagement for cannabis

regulation, highlights on the feedback received from the public and subsequent recommendations for Council consideration.

Mr. Milburn reported that non-medical cannabis production and distribution is currently prohibited in the District and that as of October 17, 2018 non-medical cannabis became legal in Canada. He advised that regulations governing where and how cannabis is sold and consumed in the District are necessary.

Mr. Milburn commented about the results received from public engagement on the draft Zoning bylaw for the proposed land use regulations options which included:

- Option A – To allow non-medical cannabis retail stores in zones that permit the retail sale of liquor and to consider either a 200 or 300 metre buffer from elementary and high schools to limit exposure to minors; and,
- Option B – To consider case by case rezoning applications for cannabis retail stores.

Mr. Milburn spoke about public engagement received on cannabis warehouse use which would allow government to distribute cannabis in all zones that permit warehousing and warehouse uses. He spoke about the proposed Business License Bylaw amendment to include retail cannabis store as the new business class, the proposed Fees and Charges Bylaw amendment to include non-medical cannabis retail store in the list of permitted business types with a proposed fee of \$5,000.

Mr. Milburn summarized the feedback received from the public engagement which includes:

- A 200 metre buffer from schools;
- Hours of operation from 9:00 a.m. to 9:00 p.m.;
- Restrict the number of stores permitted within the municipality; and
- To locate the stores within Town and Village Centres.

Mr. Milburn advised that the staff recommended approach to regulate cannabis includes:

- To consider the sale or dispensing of cannabis on a case-by-case basis;
- Limit stores to Town and Village Centres; and,
- Develop a policy to include location and evaluation criteria, application process and public consultation process.

Mr. Milburn advised if Council does want to consider the recommended approach staff will develop a policy that includes locational and evaluation criteria to assist Council in deciding the merits of an application brought forward.

In response to a question from Council, staff advised that the Smoking Regulation Bylaw has been amended to including smoking or vaping.

Councillor BOND left the meeting at this point in the proceedings. (7:27 p.m.)

In response to a question from Council, staff advised that Councils criteria would need to be communicated and that potential suppliers would have to be vetted by the Province and then be considered by the District.

In response to a question from Council, staff advised that there is not a jurisdiction to impose no-smoking zones in private dwelling.

In response to a question from Council, staff advised that recreational and medical marihuana differ and that medical cannabis can only be distributed through medical doctors.

In response to a question from Council, staff advised that the Fire Chief is able to enforce smoking bans.

In response to a question from Council, staff advised that a higher fee is useful as enforcing a business license regulation can be costly.

In response to a question from Council, staff advised that the City of Vancouver is charging a business license fee of \$30,000.

In response to a question from Council, staff advised that the City of North Vancouver charges \$12,000 for a business license fee.

In response to a question from Council, staff advised that there are higher fees for liquor establishments.

In response to a question from Council, staff advised that further information will be presented at a future Regular Meeting of Council.

In response to a question from Council, Mr. Milburn advised that one store per town centre is being recommended and additional centres may be an option for future consideration.

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

- Expressed support for responsible retailing and suggested that profits may be used for social mandates that would benefit the community;
- Opined that the Smoking Regulation Bylaw requires further clarification and that District parks should have increased signage;
- Expressed that warehousing spaces may be used with proper security and that decisions be made with relevant data and statistics;
- Suggested that relevant data may be difficult to obtain and queried how it can gathered; and,
- Commented about the act of litigation for the various levels of government and queried regarding the constitutional right to provide storefront medical marihuana and that recreational marihuana in the District.

Public Input:

Mr. Juan Palacio, 200 Block West Kings Road;

- Opined that it is against the law to purchase snacks at cannabis stores.

A District Resident:

- Queried about warehouse use and suggested that Purolator is currently being used to deliver cannabis to retail stores; and,



- Queried about the Request For Proposal (RFP) bid process and expressed concern about the City of North Vancouver RFP process.

A District Resident:

- Commented about regulations for child minding at preschool and daycare centres;
- Suggested there could be improved communication; and,
- Commented about town centres and population density.

Mr. Corrie Kost, 2800 Block Colwood Drive:

- Queried about the proposed hours of operation for non-medical cannabis sales and smoking regulations; and,
- Spoke regarding the proposed school setbacks and inquired about their intent.

A District Resident:

- Expressed concern about the RFP bid process and suggested that it may be a prohibitive system; and,
- Expressed concern regarding the Provincial government application process to obtain a Non-Medical Cannabis Retail License.

A District Resident:

- Expressed concern about the limited lease opportunities for a non-medical cannabis store and the difficulties in obtaining a lease without a business license.

#### 4. **ADJOURNMENT**

**MOVED by Councillor BACK**

**SECONDED by Councillor CURREN**

THAT the March 11, 2019 Council Workshop is adjourned.

**CARRIED**

Absent for Vote: Councillor BOND  
(8:03 p.m.)

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Mayor

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Municipal Clerk

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## REPORTS

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AGENDA INFORMATION	
<input type="checkbox"/> Regular Meeting	Date: <u>April 16, 2019</u>
<input checked="" type="checkbox"/> Other:	Date: _____

Dept. Manager	GM/ Director	CAO
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## The District of North Vancouver REPORT TO COUNCIL

April 10, 2019

File:

**AUTHOR:** Andy Wardell, General Manager, Finance & CFO

**SUBJECT:** 2019 Tax Distribution Workshop

**RECOMMENDATION:**

THAT staff be directed to prepared the 2019 Tax Rates Bylaw

**REASON FOR REPORT:**

In accordance with Section 197 of the Community Charter, Council must adopt the 2019 Tax Rates Bylaw before May 15<sup>th</sup>.

**SUMMARY:**

Before Council approves the 2019 Tax Rates Bylaw staff recommend that Council deliberates the taxes for select tax classes. Council has a history of stable and competitive municipal taxes in support of the community and sustainable service deliveyr. The attached presentation profiles tax rate setting options with a recommendation for Council's consideration.

At a Council workshop tax rate options are deliberated and a preferred option is referred to the next Regular Council meeting.

**BACKGROUND:**

Between 2007 and 2017, Council focused on harmonizing tax rates within the regional average for non-capped major industry class. To a large extent, these rates were both reduced and harmonized, benefiting both property owners and the District.

In 2018, the value of non-capped major industry rose by 219 per cent, driven by sale of the McKeen Wilson property to Wesbild. As a result, in 2018 and 2019, 100 per cent of non-capped properties appealed their assessed values because they felt values were too high.

	Actual Acres	Value Per Acre (Land Only)		%
		2017	2018	Yr over Yr
properties (No rail or water Lots)	per acre	\$ 1,019,312	\$ 3,249,487	219%
Capped Properties only	per acre	214,730	305,993	43%
McKeen Wilson Benchmark	per acre	1,210,509	3,996,327	230%

Currently, 100 per cent of tax-loss risk is from non-capped major industry. Prior to 2018, the District’s tax-loss reserve was funded primarily by residential and small business. In 2018, Council moved to correct this imbalance by increasing major industry property taxes by \$3.4 million. Council may again consider another adjustment. Management will bring options and a recommendation to Council.

Concerns have been expressed to the Province regarding the impact of recent assessed value increases on non-capped properties and restriction on land values for capped properties. The Province is in the process of reaching out to stakeholders.

**EXISTING POLICY:**

District of North Vancouver Tax Strategy – see presentation for the strategy summary.

**ANALYSIS:**

**Timing/Approval Process:**

The Tax Rate Bylaw must be approved before May 15<sup>th</sup>. Any changes in property taxation higher or lower than the 3% increase in the 2019 approved financial plan will require a financial plan amendment. That financial plan amendment must be approved before the approval of the 2019 tax rates bylaw.

**Financial Impacts:**

See presentation for the Financial Impacts.

**Liability/Risk:**

Financial risk are inherent in property assessment appeals and can result is lower property taxation.

Respectfully submitted,

Andy Wardell  
 General Manager, Finance & CFO

<b>REVIEWED WITH:</b>					
<input type="checkbox"/> Community Planning	_____	<input type="checkbox"/> Clerk's Office	_____	<b>External Agencies:</b>	
<input type="checkbox"/> Development Planning	_____	<input type="checkbox"/> Communications	_____	<input type="checkbox"/> Library Board	_____
<input type="checkbox"/> Development Engineering	_____	<input type="checkbox"/> Finance	_____	<input type="checkbox"/> NS Health	_____
<input type="checkbox"/> Utilities	_____	<input type="checkbox"/> Fire Services	_____	<input type="checkbox"/> RCMP	_____
<input type="checkbox"/> Engineering Operations	_____	<input type="checkbox"/> ITS	_____	<input type="checkbox"/> NVRC	_____
<input type="checkbox"/> Parks	_____	<input type="checkbox"/> Solicitor	_____	<input type="checkbox"/> Museum & Arch.	_____
<input type="checkbox"/> Environment	_____	<input type="checkbox"/> GIS	_____	<input type="checkbox"/> Other:	_____
<input type="checkbox"/> Facilities	_____	<input type="checkbox"/> Real Estate	_____		
<input type="checkbox"/> Human Resources	_____	<input type="checkbox"/> Bylaw Services	_____		

# 2019 Tax Distribution

Workshop  
April 16, 2019

## Outline

1. Overview - The Property Tax Bill
2. Tax Competitiveness Strategy
3. Major Industry Tax Class
4. Business Tax Class
5. Tax Distribution Considerations
6. Deliberations & Tax Rates Bylaw recommendation to next regular Council meeting



## Overview – The Property Tax Bill

- District
  - Stable and competitive
  - Focus - slow steady adjustments for inflation and asset renewal
  - Council control
- Other Jurisdictions
  - Provincial control
  - Boards' control



## Tax Competitiveness Strategy

- Harmonizing tax rates with either:
  - the average for the region or
  - the capped rate (if applicable)
- New investments = the tool to reduce Heavy Industry tax rate
- Shifting taxes between classes when tax base for a property class is too small to be corrected by new investments alone

## Tax Strategy Impacts

### Share of Taxes

	<u>2010</u>	<u>2018</u>	<u>Change*</u>	
Major Industrial	11.2%	10.5%	-0.8%	= \$1.9m annually
Light Industrial	1.3%	1.1%	-0.2%	= \$500k annually

\* Excludes \$3.4 million – one time adjustment re: Major Industry tax-loss risk

## Tax Strategy Impact

	<b>2010 to 2018</b>		
	<b>Averages</b>	<b>Cumulative Tax % Inc</b>	*
Residential	2.80%	25.21%	
Major Industry Noncapped	-2.20%	-19.77%	= \$9.6m
Major Industry Capped \$27.50	-1.09%	-9.83%	
Major Industry Capped \$22.50	-11.83%	-106.46%	
Light Industry	-2.34%	-21.08%	
Business	2.67%	24.00%	
Council Burden % Increase	2.72%	24.50%	

\* Excludes \$3.4 million – one time adjustment re: Major Industry tax-loss risk

## Major Industry Tax Class

### 2019 Non-Capped Major Industry

- Land Values up
  - Land up 8% (2018 – 219%)
  - Non-capped Land Assessed Values up to \$359m versus (2018 - \$338m & 2017 - \$121m)
- 100% Appealing
  - 2018 and 2019 assessed values
  - Pollution - key reason for seeking reductions in land values
- And... Creating “risk”
  - Tax-loss risk estimated to grow at \$2.6M per annum

## 2019 Non-Capped Major Industry

### **BC Assessment Highest and Best Use = Market**

- Demand is making North Shore freehold oceanfront highly desirable
- Land sales setting the market are \$4.1M to \$6.6M per acre

### **Pollution Pays**

- Provincial Laws (BC Assessment Act) & case law reward polluters with reduced land values
- Seaspan – 15 years of pollution deductions and still not resolved
- New Claims - Is there really an intention to remediate when it cost millions?

## Major Industry – 2019 Tax Rate Options

Options	1	2	3	4	5
<b>Financial Plan</b>					
Non-Capped	\$ 4,081,957	\$ 4,022,083	\$ 1,940,680	\$ 1,688,696	\$ 1,436,710
Capped @ \$27.50	(599,252)	(618,007)	(1,269,986)	(1,348,917)	(1,427,850)
Capped @ \$22.50	(4,626)	(4,722)	(8,053)	(8,456)	(8,860)
Total	\$ 3,478,079	\$ 3,399,354	\$ 662,641	\$ 331,323	\$ (0)
<b>Tax Rates</b>					
Non-Capped	\$ 22.50	\$ 22.37	\$ 17.69	\$ 17.13	\$ 16.56
Capped @ \$27.50	22.50	22.37	17.69	17.13	16.56
Capped @ \$22.50	22.50	22.37	17.69	17.13	16.56

- River/ Ocean front combined Regional Average is \$32.69
- Ocean front Regional Average is \$35.99

## Business Tax Class

### Business Class - Assessed Values

- Most are within range
  - 90% of properties within 5% or under of the 25.4% average increase in assessed value
- Approved budget
  - At 25.4% the average tax increase would be 3% (2% inflation + 1% for asset renewal)

<b>Total Assessment Increase</b>	<b>Total Number of Properties</b>	<b>% of Class 6 Properties</b>
> 30%	108	10%
20% - 30%	369	33%
0% - 20%	644	57%
<b>Total</b>	<b>1121</b>	<b>100%</b>

## Business Municipal Taxes

- DNV - one of the lowest in Metro Vancouver
- Below North Shore Average
- Business property taxes are “tax deductible” for income tax purposes @ 27%

### Average 2018

Langley C	\$	53,252
Coquitlam		40,231
Pitt Meadows		34,372
Burnaby		32,312
New Westminster		29,896
Vancouver		26,996
Delta		22,466
Port Coquitlam		21,577
North Vancouver C		19,156
Port Moody		19,070
<b>North Vancouver D</b>		<b>14,769</b>
Maple Ridge		14,384
Surrey		13,675
West Vancouver		11,770
Richmond		11,518
Metro Average	\$	21,884
<b>North Shore</b>		<b>16,160</b>

Source: Province of BC, 2018 LGDE data set

## Business Class Provincial & Regional Taxes at the Average

	<u>DNV</u>	<u>School</u>	<u>Translink</u>
2018	\$ 17,338,426 <b>3.0%</b>	\$ 13,011,275 <b>14%</b>	\$ 2,906,938 <b>13%</b>
2017	16,833,421	11,441,769	2,564,670
	<u>\$ 505,005</u>	<u>\$ 1,569,506</u>	<u>\$ 342,268</u>
	<u>Assessment</u>	<u>Metro Van</u>	<u>MFA</u>
2018	\$ 383,941 <b>16%</b>	\$ 331,369 <b>33%</b>	\$ 1,547 <b>30%</b>
2017	331,655	248,273	1,190
	<u>\$ 52,286</u>	<u>\$ 83,096</u>	<u>\$ 357</u>

## Tax Distribution Considerations

### Tax Strategy Impact considerations

#### Strategy – worked

Non-capped major industrial primary beneficiaries of Council's tax strategy

- \$9.6m lower / Average \$1.9m annually lower
- Tax rate reduced from \$49.86 (2007) to \$28.41 (2017) per \$1,000 of assessed value



## Tax **Risk** Considerations

- Major Industry – 100% appealed 2018 and 2019 land values
- Major Industry – creating 100% of tax loss risk
- Tax Loss Risk – estimated @ \$10 million
- Tax Loss Risk – Estimated increase @ \$2.5 million per year (pending resolution of land valuation appeals)
- Risk Reserve – \$7.2 million funded 50% by residents & business

## Council Considerations

- **Major Industry - Rate > \$16.56 (breakeven)**
  - Reduces tax-loss risk
  - May create some room for Council priorities (1X)
- **Business @ 3% = rate of \$4.63**
  - Steady and stable over time
  - Cost pressures created by:
    - BC Assessment's H&BU
    - Other taxing jurisdictions



## Major Industry – 2019 Tax Rate Options

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- River/ Ocean front combined Regional Average is \$32.69
- Ocean front Regional Average is \$35.99

## Tax Strategy Recommendation

- **Major Industry = 1X @ \$22.36 = \$3.4M**
  - For
    - Manage Risk
    - Protects other tax payers & levels of service (LOS)
  - Against
    - Impacts on Heavy Industry
    - Messaging to Province
- **Business Class = approved budget @ 3% = \$4.63**
  - For
    - Protects other tax payers & LOS
    - Consistently low tax increases for sustainable service delivery
  - Against
    - High Taxes via H&BU (on some)
    - Other jurisdictions taking tax room

Recommendation:

“THAT staff be directed to prepare the 2019 Tax Rates Bylaw”.

Decision Matrix,  
Tax Distribution Deliberations  
and Finalization