

**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.)



Mayor



Municipal Clerk