

DISTRICT OF NORTH VANCOUVER COUNCIL WORKSHOP

Minutes of the Council Workshop for the District of North Vancouver held at 7:15 p.m. on Monday, March 27, 2023 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor Mike Little
Councillor Jordan Back
Councillor Betty Forbes
Councillor Jim Hanson
Councillor Herman Mah
Councillor Lisa Muri
Councillor Catherine Pope

Staff: David Stuart, Chief Administrative Officer
Nicola Chevallier, Acting General Manager – Engineering, Parks and Facilities
Dan Milburn, General Manager – Planning, Properties and Permits
Saira Walker, General Manager – Corporate Services
Andy Wardell, Chief Financial Officer
Andrew Durnin, Director – Digital Services and Information Technology
Peter Cohen, Deputy General Manager – Engineering Services
Jennifer Paton, Assistant General Manager – Planning
James Gordon, Manager – Administrative Services
Neonila Lilova, Manager – Business and Economic Development
Yan Zeng, Manager – Development Planning
Genevieve Lanz, Deputy Municipal Clerk
Maria Fatima Lazo, Policy Analyst
Kelsey Stuckert, Policy Analyst
Cheryl Archer, Confidential Council Clerk
Hedvig Pellerud, Committee Clerk
Adriana Reiher, Council Liaison/Support Officer

1. ADOPTION OF THE AGENDA

1.1. March 27, 2023 Council Workshop Agenda

**MOVED by Councillor BACK
SECONDED by Councillor MAH**

THAT the agenda for the March 27, 2023 Council Workshop is adopted as circulated.
CARRIED

2. ADOPTION OF MINUTES

2.1. February 6, 2023 Council Workshop

This item was withdrawn from the agenda.

2.2. February 13, 2023 Council Workshop

This item was withdrawn from the agenda.

3. REPORTS FROM COUNCIL OR STAFF

3.1. Development Approvals Process Review

File No. 08.3060.00/006.000

Dan Milburn, General Manager – Planning, Properties and Permits, provided an introduction to the item, noting that municipalities are engaged in an ongoing conversation at the Provincial level to review processes and ways to streamline approvals to support housing diversity and choice. Mr. Milburn advised that the Province has made amendments to legislation regarding public hearings and minor development variance permits (DVPs) and that there may be future legislative changes. Council also identified streamlining the District's processes as a priority as part of the Official Community Plan (OCP) Implementation Review.

Emel Nordin, Development Planner, advised that the presentation will include the scope, timeline and budget of the proposed Development Approvals Process Review (DAPR).

Ms. Nordin provided context for the proposed DAPR, noting that industry experts and stakeholders have examined local government's role in the approvals process, including the BC Government's *2019 Approvals Review Report*. Many municipalities are also exploring opportunities to streamline their processes, improve customer service, and achieve community objectives in their OCPs.

Ms. Nordin noted that Council has identified fostering a resilient organization through enhanced community engagement, services, and digital infrastructure and systems as a priority and that Council Priorities and customer service excellence will be central to the review.

Ms. Nordin described the District's current approval process and customer experience, noting that the District responds to a high volume of requests regarding development approvals, which impact staff and service delivery throughout the organization. While many customers are satisfied with the level of service provided, others with applications for complex development sites or those who are not familiar with the permit or application processes have expressed concerns with the processing times or had issues navigating the system.

Ms. Nordin advised that some of the challenges with the application and approvals processes are the result of increasingly complex regulations, building and submission requirements, and reviews by multiple departments. These challenges are common throughout the province, as reflected in the *2019 Approvals Review Report*.

Ms. Nordin noted that public consultation is a crucial part of the review and this adds time and complexity to the process. Staff will explore innovative ways to enhance existing engagement methods and seek to provide equal opportunities for public participation with a focus on diversity, social equity, and inclusion.

Ms. Nordin described the purpose of the DAPR, noting that the development approvals process includes all operational steps and decision-making in relation to any development proposal, including new construction, tenant improvements in commercial buildings, residential renovations and more complex applications. A DAPR examines all the processes from start to finish to identify challenges, gaps, and opportunities for improvement, which provides the basis for recommendations for changes to processes. Staff are proposing to undertake a comprehensive DAPR with a District-wide staff working group and a third-party consultant. A stakeholder engagement plan is proposed to be developed by the consultant and supported by staff. Key stakeholder groups include Mayor and Council, existing District customers and applicants, and the building and development industry.

Neonila Lilova, Manager – Business and Economic Development, provided the guiding principles of the DAPR:

1. Delivery of excellent customer service;
2. Support and facilitation of economic development;
3. Facilitating delivery of housing, facilities, and services to meet community needs; and,
4. Demonstrating innovation and creativity through forward-thinking systems and processes.

Ms. Lilova described the key outcomes of the proposed review:

- Streamlined development approval processes to increase timeliness, effectiveness, predictability and transparency regarding timelines and costs;
- Improved staff collaboration and accountability;
- Enhanced communication with customers and improved customer satisfaction.

Ms. Nordin advised that the proposed DAPR take be approximately one year to complete and staff will then report back to Council with recommendation for bylaw, policy, and process improvements for consideration. Staff have identified some short-term priority actions to streamline the approvals process and address identified challenges prior to the full review. Ms. Nordin provided some examples including the recently approved delegation of minor Development Variance Permits (DVPs) to staff, and the proposed streamlined approval process for outdoor customer service areas. Other process improvements will be proposed over the next year.

Ms. Nordin provided details on the three interrelated focus areas for the proposed DAPR, noting that the overall goals of the review are to deliver objectives in the OCP, Council Priorities, and provide excellent customer service:

1. Systems Innovation will examine how the District's digital systems and tools can be used to improve the provision of information, communication with customers, and application tracking;
2. Process Redesign will review the steps in the review and approval processes to improve permit timelines, staff and customer communication, and clarity of submission requirements; and,
3. Regulatory Streamlining will examine existing regulations and policies for opportunities for improvements to increase clarity, flexibility, and streamline approvals.

Ms. Nordin reported that the District's Digital Strategy aligns with the Systems Innovation focus area, with improvements already completed for online applications

and inspection request services, inquiry tracking, and website enhancements. Planned priority actions include permit data collection improvements, additional online application improvements, and facilitation of access to information.

Completed improvements in the Process Redesign focus area include new customer process guides and streamlined staff delegated approvals processes. Additional short-term priority actions include a streamlined review process for subdivisions, improvements to processes and guides, and access to development proposal information.

Completed improvements in the Regulatory Streamlining focus area include streamlining the coach house approvals process and a proposed simplified approval process for outdoor customer service areas. Additional short-term priority actions include research and establishing the scope of the Zoning Bylaw review and a review of single-family utility and groundwater standards.

Ms. Nordin advised that the consultant budget for the DAPR, to be funded by the Development Stabilization Reserve Fund, totals \$210,000, with \$85,000 allocated to activities in 2023 and \$125,000 for 2024. Ms. Nordin noted that application fees contribute to the Development Stabilization Reserve Fund.

Ms. Nordin reviewed the proposed DAPR timeline, noting one year is estimated for the detailed review, with implementation estimated at one to two years. When a consultant has been retained, staff will provide an update to Council with a proposed engagement plan. Ms. Nordin noted that the short-term priority actions will be undertaken during the detailed review process, with ongoing updates to Council.

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

- Commented on the focus of the Provincial Government's review on permitting delays, noting Provincial regulations are responsible for many delays;
- Queried if feedback will be provided to the Provincial Government on their role in delaying application processing;
- Commented on the length of time to process specific applications and the impact on businesses;
- Expressed concern that residential renovations with expensive materials may reach the threshold at which a new sewer connection is required;
- Expressed concern regarding the impact of ongoing District staffing shortages on processing times;
- Acknowledged that existing District staff work hard and provide as high a level of customer service as possible while understaffed;
- Noted that difficulties attracting and retaining staff are common throughout the region;
- Opined that building additional housing will not alleviate housing issues;
- Reported that feedback during the 2022 General Local Election campaign included frustration with application processes and timelines; and,
- Queried if Council would receive information on consultants short-listed for the DAPR.

In response to a question from Council, staff advised that identifying contributing factors to application processing delays, including Provincial regulations and

processes, is within the scope of the DAPR and that staff would communicate any identified areas of concern to the Province. Staff cautioned that the Province might not respond to the issues raised regarding their regulations and processes. Staff further noted that various Provincial regulations including the BC Building Code, Fire Code and Environmental Standards determine when some permits can be issued or developments approved.

In response to a question from Council, staff advised that all permitted construction will be reviewed, including tenant improvements in addition to new home construction. Staff further advised that the goal of the DAPR is not to ensure all applications are approved, but to ensure the application review process is completed in a timely manner and that expectations are consistent and clear.

In response to a question from Council, staff advised that the DAPR team includes staff from the Planning, Building, Engineering, and Digital Services Departments, and an integrated approach will be taken across the entire organization.

In response to a question from Council, staff advised that part of the review will incorporate what has been done in the past as well as feedback from the public and through members of Council.

In response to a question from Council, staff advised that steering committees made up of senior staff are sometimes used during the consultant hiring process and that this approach is possible for the DAPR consultant. Staff further noted that while Council does not have hiring authority, it may be worthwhile to have the consultant attend a Council meeting to discuss project goals.

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

- Stated that industry and residents have positive things to say about District staff while noting that there is room for improvement;
- Noted that Council members are more likely to be contacted by people with complaints than compliments, which makes issues seem more common than they may be;
- Commented on the appropriate forms and locations for additional housing;
- Queried the length of time required for the review and if it could be expedited;
- Opined that staff already has enough data to know where the issues are;
- Expressed support for further streamlining of the coach house application process and made suggestions on additional tools to assist this process;
- Queried if applications that include affordable and supportive housing could be fast-tracked;
- Commented on the types of complaints received;
- Commented on the importance of transparency in decision-making;
- Noted ongoing issues with using the search function on the DNV.org website; and,
- Expressed support for improving clarity and communication with applicants and providing timely information.

Mayor Little commented on complaints related to application processing delays received by the Mayor's Office, noting that a significant percentage of issues can be reasonably explained, few are caused by systemic delays, and that some applicants do not accurately report the length of time involved. Mayor Little advised that a very

small percentage of the number of total applications received result in complaints to the Mayor's Office and, of these, most are regarding stormwater management requirements. Mayor Little further noted that any required adjustments to projects designed to the maximum capacity of a site can be very complex and difficult.

In response to a question from Council, staff advised that District staff are doing their best and working hard to provide excellent customer service. Staff also want to make improvements where they can and are assisted by feedback from customers and Council. Staff further noted that the Building Department responds to more than 30,000 inquiries and books more than 17,000 inspections every year.

In response to a question from Council, staff advised that historical data is available from customer service surveys conducted annually by an independent firm, which helps with tracking progress and benchmarks. Feedback from the survey assists with identifying areas for improvement as well as comparing customer satisfaction from year to year. The questions and responses from the annual customer service survey can be provided to Council.

In response to a question from Council, staff advised that exclusively affordable and supportive housing projects are currently given priority and some applicants with other types of projects may express concern that their applications are not moving forward as quickly. Staff noted that all developments contribute to affordable and supportive housing, either through a cash Community Amenity Contribution (CAC) or a few units, and not all of these projects can be prioritized.

In response to a question from Council, staff advised that applicants for larger projects are encouraged to come to Council for early input prior to submitting a detailed development application so they can ensure their project is aligned with Council priorities and avoid the project being sent back for changes multiple times.

In response to a question from Council, staff advised that the Housing Needs Report is required by the Province and the numbers are based on the OCP and core housing needs. Staff further advised that the 7,050 units cited in the staff report do not include those already approved or under construction.

In response to a question from Council, staff advised that there has been a gradual rollout of online applications for simpler applications with approximately 30 percent of applications currently being submitted via the DNV.org website. Applications may also be submitted using paper forms and in person. Staff noted that everything other than complex development applications will be available for online application by the end of the program rollout in May and this will be promoted with assistance from the Communications Department as a way for applicants to save time.

In response to a question from Council, staff advised that the District dashboard is planned for launch in 2023 as a way to report back to the community on an ongoing basis. Staff confirmed that brochure mailouts are planned for the current year to provide updates to the community and the number of issues and format are to be determined.

In response to a question from Council, staff advised that there is a high demand for, and shortage of, Building Inspectors in the province and the District currently has

approximately 90 percent of the number of inspectors needed. Staff noted that employee retention is supported by mentoring and advancement within the organization, such as providing opportunities for administrative staff to move into Plans Review.

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

- Queried the scope of the consultant's work and value for money;
- Commented on staffing issues and staff capacity;
- Expressed concern regarding a loss of long-term knowledge as many senior staff have retired or are retiring in the near future;
- Commented on rezoned properties that have had significant delays or remain undeveloped, noting that rezoning a property does not guarantee that units will be built;
- Recommended that the consultant speak to staff members individually and confidentially to ensure staff is comfortable providing honest feedback; and,
- Recommended raising the cost threshold for requiring a new sewer connection for residential projects.

3.2. Lions Gate Village Centre and Peripheral Area Development Update and Early Input Opportunity for a Proposed Development at 1634-1748 Capilano Road File No. 08.3060.10/013.21

Dan Milburn General Manager – Planning, Properties and Permits, provided an introduction to the item, noting that the first portion of the presentation will focus on an update on development in the Lions Gate Village Centre (LGVC) and Peripheral Area, and the second part will provide an opportunity for Council to provide early feedback to the developer on their proposal for 1634-1748 Capilano Road. Mr. Milburn noted that the proposal is at a preliminary stage and the developer will incorporate direction and questions from Council into their detailed planning application, at which time a full public process will be undertaken.

Robyn Hay, Development Planner, reviewed development in LGVC and Peripheral Area, including projects that have are built and occupied, approved or under construction, at the Development Permit (DP) stage, at the rezoning stage, and at the preliminary application stage.

Ms. Hay advised that Council has approved the rezoning of approximately half the housing units and one third of the commercial space in the LGVC that were identified in the OCP, including a local grocery store in one of the new developments, since the approval of the OCP in 2011.

Ms. Hay noted the following infrastructure and several amenities have been or will be provided as part of developments in the area:

- The expansion of Belle Isle Park to close to four times its original size;
- Lions Gate Community Recreation Centre (LVCRC) and District-owned public plaza;
- Pedestrian and cycling greenway connection between Fullerton Avenue and Curling Road;
- A new neighbourhood park;
- A new public plaza and bus shelters fronting Marine Drive;

- A separated bus priority lane on Capilano Road;
- A new road providing direct access to the LVCRC and Belle Isle Park from the east side of Capilano Road;
- New traffic lights and other traffic improvements; and,
- Municipal infrastructure including water, drainage, and sanitary systems upgrades to accommodate the new development.

Ms. Hay reviewed existing, in progress and proposed developments in LGVC, including the Capilano Residences, Park West, the Travelodge site, and the preliminary proposal at 1634-1748 Capilano Road. Ms. Hay noted that development, amenities, and infrastructure are progressing in accordance with the OCP, the OCP Implementation Plan, and the Peripheral Area Housing Policy.

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

- Expressed concern regarding the lack of services and commercial property in new large developments in LGVC;
- Noted that a new grocery store is anticipated in one of the new developments;
- Commented on the need for more commercial spaces to make the area more complete and sustainable;
- Noted that there is a library and daycare in the area;
- Commented on how zoning in the area has impacted the types of businesses operating on Marine Drive; and,
- Commented on the OCP vision for the area.

In response to a question from Council, staff advised that when the OCP was approved by Council, it included an anticipated 100,000 square feet of new commercial space in addition to hotel space. At this time approximately 33,000 square feet of commercial space has been approved through rezoning as redevelopment of the Village Centre and has not yet been completed. Staff noted that one individual project will not be able to deliver all the remaining commercial space and other needs for the area.

Ms. Hay provided an overview of the proposed development at 1634-1748 Capilano Road, noting it includes two buildings: an all-rental residential building with commercial space on the ground floor, and a hotel. The site is currently occupied by two hotel properties. Ms. Hay noted that the District's study on hotel room needs determined that a total of 100 to 170 hotel rooms are needed in LGVC and the OCP Implementation Plan includes an increase in density from 1.75 Floor Space Ratio (FSR) to 3.0 FSR if a replacement hotel is provided on the site.

Ms. Hay reviewed the proposal for the northern portion of the site, including a 150-room hotel building with a density of 3.36 FSR and a restaurant at ground level, noting that the additional density is requested to support the rental units. Increasing rental housing stock aligns with the District's Rental and Affordable Housing Strategy, the OCP Action Plan, Housing Task Force Recommendations, and the Housing Needs Report. A bus stop on Capilano Road, a plaza, a pocket park, and access to hotel parking are also proposed for this part of the site.

Ms. Hay reviewed the proposal for the southern portion of the site, including a 26-storey residential rental building with roof top amenities, 382 residential rental units

secured in perpetuity, commercial space on the ground floor, a pocket park, indoor and outdoor amenity spaces and residential parkade access via a proposed new lane.

Ms. Hay noted that approximately 40 percent of the site is proposed to be dedicated to the District for roads, boulevards, cycling lanes, sidewalks, and plazas.

Ms. Hay advised that the next steps in the process are for the applicant to prepare a detailed application incorporating Council's feedback on the project, at which time a Public Information Meeting will be scheduled to gather public input prior to Council consideration.

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

- Expressed support for the inclusion of a hotel in the proposal, noting that it does not completely replace the 170 rooms lost to redevelopment;
- Discussed the affordability of new hotel rooms compared with those in the older hotels being replaced;
- Noted that all hotel room prices fluctuate throughout the year;
- Expressed concern regarding the possibility of short-term rentals in the development and the associated negative impacts;
- Expressed support for long-term rental units and purpose-built rental housing in the Village Centre, noting that no existing tenants would be displaced;
- Queried the construction costs and rental rates for the new residential units;
- Expressed concern regarding the affordability of the rental units;
- Commented on the proposed amenities and land dedication, noting that area residents will benefit by the new roadways and this may possibly alleviate some of the heavy traffic at Capilano Road and Marine Drive;
- Noted that many of the majority of units approved in the area since approval of the OCP are strata units;
- Expressed concern regarding the low number of affordable rental units in the area;
- Recommended that development focus on services and affordable housing;
- Suggested adding a cash CAC contribution to the Affordable Housing Reserve Fund or affordable rental units to the proposal;
- Recommended that construction commence in a timely manner should the application be approved;
- Expressed concern regarding the impact of the proposed 0.4 parking rate for the residential building on the surrounding neighbourhood;
- Noted that the subject property is in an area with active transportation and transit services in proximity to downtown Vancouver, shopping centres, and local attractions;
- Discussed parking needs for the hotel building;
- Recommended small commercial units be included in the commercial space to allow for more services in those units;
- Expressed concern that the applicant proposes to retain control over the commercial space;
- Queried the possibility of density bonusing to increase affordability; and,
- Stated that the OCP goals of a sustainable community have not been achieved in the LGVC.

Councillor POPE left the meeting at 9:08 p.m. and returned at 9:10 p.m.

Councillor MURI left the meeting at 9:14 p.m. and returned at 9:17 p.m.

In response to a question from Council, staff advised that the rental rates for new residential units are generally in the 3.5 to four dollars per square foot range.

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

- Queried if the applicant has completed Shadow Studies on the impact of the proposed buildings on the single-family homes in the surrounding neighbourhood;
- Commented on the increasing unaffordability of housing in the District and the need for affordable housing for workers; Expressed support for allowing additional density in exchange for affordable housing units;
- Noted that rental rates come down as a building ages and that other rental units may become available as some renters may move into newer units;
- Commented on the possibility of rentable conference space in the proposed hotel and the impact on parking needs;
- Expressed support for the scale of the proposal; and,
- Commented on the difference in rental rates for upper and lower floors of residential buildings.

In response to a question from Council, staff advised that the applicant would perform an analysis as part of the detailed application process to determine if affordable housing can be included in the proposal.

4. PUBLIC INPUT:

Nil.

5. ADJOURNMENT

**MOVED by Councillor FORBES
SECONDED by Mayor LITTLE**

THAT the March 27, 2023 Council Workshop is adjourned.

CARRIED
(9:24 p.m.)

Mayor

~~Municipal Clerk~~