## CITY OF VANCOUVER



# POLICY REPORT URBAN STRUCTURE

Report Date: May 13, 2008 Author: Brent Toderian/

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Meeting Date: City Clerks Use Only

TO: Vancouver City Council

FROM: Director of Planning in consultation with the General Manager of

Engineering Services, General Manager of the Park Board, Director of Development Services, Managing Director of Cultural Services, Chief Building Official and Co-Director of Licensing and Inspections, Manager of the Sustainability Group, Director of Social Planning, Director of the

Housing Centre and Director of Real Estate Services

SUBJECT: EcoDensity: Revised Charter and Initial Actions

### **RECOMMENDATIONS**

- A. THAT Council approve the revised EcoDensity Charter as contained in Appendix A in this report.
- B. THAT Council approve the revised EcoDensity Initial Actions as contained in Appendix B in this report with the 'A' Actions to be implemented immediately, the 'B' Actions to be included in existing work programs, and the 'C' Actions to be authorizations of various work for report back to Council.

### GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends approval of Recommendations A and B.

### **COUNCIL POLICY**

On July 18, 2006 Council unanimously initiated the EcoDensity program.

On November 16, 2006 Council unanimously approved the Terms of Reference, budget, and process for the EcoDensity program.

On November 27, 2007, Council received a second draft EcoDensity Charter and draft Initial Actions and referred the drafts to further public consultation, including a Special Council Meeting on February 26, 2008, to hear from the public.

On April 15, 2008, upon completion of seven sessions of the Special Council Meeting, Council instructed the Director of Planning to report back with revisions to the draft Charter and draft Initial Actions, in response to public input received.

### **PURPOSE**

The purpose of this report is to summarize the public consultation on the November 2007 draft EcoDensity Charter and draft Initial Actions, and to provide a revised Charter and revised Initial Actions based on what was heard through the public consultation. This report also identifies priorities among the Actions for short term follow up and discusses the relationship of EcoDensity to housing affordability and to population growth.

### **BACKGROUND**

EcoDensity is part of an aligned series of corporate, cross-departmental sustainability initiatives including affordable housing strategies, the provision of services and utilities, transportation and parking strategies, greenhouse gas reduction and climate change action plans, park provision, food security, green building strategy, heritage conservation and building reuse, and social and cultural sustainability. The diagram below is an illustration (and is not meant to be exhaustive in terms of the many initiatives that relate to sustainability) of this interconnected network.

# Rental Housing Strategy ECODENSITY Parks Sustainable Vancouver Food Security Green Building Strategy Strategy

### EcoDensity as a key part of a sustainable city

EcoDensity seeks to build on Vancouver's land use planning which has created the framework for a livable city of neighbourhoods and compact, mixed-use, walkable communities - through the Central Area Plan, CityPlan, and Community Visions. EcoDensity goals are environmental sustainability, affordability, and livability.

### WHAT IS ECODENSITY?

EcoDensity recognizes that density -- high quality, green in design, strategically located, and properly implemented -- provides cities with a powerful opportunity to improve environmental sustainability, along with affordability and livability.

EcoDensity was defined at its launch in 2006 as high quality and strategically located density to make Vancouver more sustainable, affordable, and livable. From the initial idea and through the dialogue that resulted, a more complete definition has evolved that can, through further work and consultation, be translated into actions, policies, and projects. EcoDensity has been gradually shaped into draft principles, policies, tools, and initial actions, based on an understanding that density done well can move us toward the goal of greater sustainability, a smaller ecological footprint, a more affordable city than it would be otherwise, and a city that sustains the high level of livability it has achieved. The initial actions will, through continued dialogue, result in an EcoDensity built form and pattern at the city, neighbourhood, and building scale. But there is much work ahead of us before we (the City, its citizens and communities) can realize EcoDensity and before Vancouver becomes an Eco-City.

### **DISCUSSION**

This section is organized as follows:

- A. Public Consultation Overview Summary
- B. Revised Charter and Actions (details in Appendices A and B)
- C. Actions Priorities
- D. EcoDensity and Housing Affordability
- E. EcoDensity and Population Growth

### A. PUBLIC CONSULTATION OVERVIEW SUMMARY

There have been two phases of EcoDensity consultation. The first was a broad public dialogue from Fall 2006 through Summer 2007, involving people across the city through a primer, website, speaker series, tours, Ideas Fair, meetings, workshops, and related events, including the presentation of a first draft of a Charter and Actions in June 2007. Extensive commentary on that first draft led to the release, by City Council, of a second draft of the Charter and draft Actions for public comment on November 27, 2007.

The November 2007 second drafts were the subject of the second phase of consultation, from the beginning of December 2007 through early April 2008.

During this second phase, staff attended 54 meetings, mainly in January and February, totaling over 1,000 people in attendance, to clarify the drafts, and listen to input or concerns from individuals and groups. In addition to educating staff, these meetings assisted individuals and groups in preparing their submissions to a Special Council Meeting set for the end of February.

In terms of City-organized meetings, this two-month period included five Community Workshops held in different areas of the city; a Youth Workshop, organized by the Youth Outreach Team in the Social Planning Department; and a 'Pan-Visions' meeting organized by Visions Implementation staff with representatives from all the CityPlan Community Vision Implementation Committees. The Feedback Forms collected at the meetings or forwarded to the City afterward, and the many letters and e-mails providing public comment, were assembled in a binder for each member of Council and also placed on file in the City Clerk's office.

The Special Council Meeting set for the end of February provided a further opportunity to hear from the public. The Meeting first convened on the evening of February 26 and extended through seven sessions with 105 speakers, concluding on April 3, 2008. Speakers provided a broad spectrum of opinions and suggestions.

Throughout this consultation the key themes were as follows:

- EcoDensity must address affordability in a stronger and clearer way.
- Growth needs to be accompanied by amenities (e.g., parks, community centres, child care, schools, transit).
- Existing policies, and especially Community Visions, should be respected, not overridden.

- Each community's individual character should be enhanced and our city of neighbourhoods reinforced.
- Ongoing consultation with communities is needed; the community voice is essential.
- Climate change is happening even faster than expected, and there is an urgent need to be working toward a more sustainable future.

More detailed comments from the public process are provided in the Appendices of this report where they specifically relate to the Charter and Actions.

### **B. REVISED CHARTER AND INITIAL ACTIONS**

The revised third draft of the Charter is contained in Appendix A, along with a full copy of the November 2007 second draft.

The revised Initial Actions are contained in Appendix B. They are organized into three groupings:

- Part A. New Policy
- Part B. Directions to Work Underway
- Part C. Authorizations for Next Steps Toward Action Implementation

For each of the Initial Actions, the following information is provided: previous Draft Action wording from the November 2007 report; comments from the public process; and then the currently proposed Revised Action wording and a discussion section.

### C. ACTION PRIORITIES

Actions in Part A become immediate new policy if approved by Council. Actions in Part B will be considered direction from Council in the evolution of existing work programs. Actions in Part C are authorizations for further work to develop the Actions before reporting back to Council. Some of the Part C Actions are long term work programs, particularly Action C-1, to develop a program for an "Eco" *CityPlan*, building on *CityPlan* in the context of today's clearer environmental realities. It will take time to develop a terms of reference for this Action, including a program, process and required resources. Some initial background work can begin during this year. Development of a full program recommendation, including input from the public, will be reported to Council in 2009.

There are several 'C' Actions which are intended to be reported back to Council sooner than others. These are Actions that will have a high level of impact on various aspects of EcoDensity, including new housing types at community-compatible densities; components of affordability; and green building design. Details on each are in Appendix B. These Actions are:

- Action C-2: Interim EcoDensity Rezoning Policy
- Action C-5: Issues and Options for Backyard/Laneway Housing
- Action C-6: More Options for Rental Secondary Suites
- Action C-10: Removal of Barriers to Green Building Approaches

### D. ECODENSITY AND HOUSING AFFORDABILITY

Throughout the course of the consultation, it became clear that the relationship between affordability and housing supply is a key concern. With the high cost of buying a home and the very low vacancy rates in the rental housing market, the public wants to know how EcoDensity would improve affordability and not make the problem worse. The Charter and Actions have been revised to address these issues and to be clearer as to EcoDensity's relation to affordability.

In the growing Vancouver region, demand for housing is likely to exceed supply for some time to come. To mitigate the impact of growth on housing costs, it is important to provide more opportunities for the market to respond. While adding more housing most likely will not reduce the cost of housing from what it is today, it can moderate future price increases from what they would otherwise have been. Higher density development in itself can generate some improvements in affordability because of unit size and building and land efficiencies.

Many responses from the public acknowledged the importance of new supply, but questioned whether the new housing being developed currently is the kind of new supply many people seeking housing in the city need. The public has pointed out the critical need for new housing designed for, and affordable to, families with children, and new market rental and other tenures for those who can't afford to buy a new condominium.

Affordability has been incorporated more fully and clearly into the revised EcoDensity Charter, and the need to consider the types of supply has been incorporated into a number of the Initial Actions as well, as described below.

### Protection of existing affordable rental housing

The public consultation highlighted the importance of existing affordable housing stock in the city, and the danger that redevelopment will result in the loss of affordability if older affordable housing is demolished to provide opportunities to increase housing supply. Older houses with secondary suites, older multiple unit rental buildings, and apartments above shops provide most of the housing in Vancouver affordable to service and support workers, young people just moving out on their own, seniors on limited income, etc. The creation of new development opportunities needs to respect the contribution of this existing housing.

The city's significant stock of rental is located in existing older apartment areas. A year ago City Council expanded its 'rate of change' regulations to encompass most of these districts. These regulations recognize the importance of the older rental apartment buildings, and they require one-for-one replacement of rental units lost to development, or increased affordability if fewer rental units are to be provided. The regulations will be reviewed once a comprehensive study of the rental housing market has been completed later in 2009. EcoDensity strongly respects the existing protection of this important rental stock, and the revised Charter wording reflects this.

In addition, there are EcoDensity Actions that can add housing units while also keeping existing housing. These were among the most popular of the draft EcoDensity Actions - i.e., to investigate creating lane houses in the backyards of single family houses and providing more opportunities for secondary suites within existing housing.

### Provision of new rental housing

Actions where the provision of new rental housing can result are: creating more rental secondary suite options in more types of buildings; exploring the possibilities for laneway housing to be rental rather than strata; and providing a variety of types of housing as part of rezonings (e.g., through Action A-2, Rezoning Policy for Greener Larger Sites, and Action C-2, Interim EcoDensity Rezoning Policy). The public strongly believed that green performance should not be bonused for, but rather required, leaving any bonuses available for other community amenities and benefits, potentially including affordability options. This has been incorporated into the Actions.

### Provision of new social and non-market housing

To address affordability, opportunities need to be created to develop both market and non-market housing in Vancouver. There will continue to be a need for social and non-market housing to address the needs of a range of households, including low and modest income families with children who cannot afford to pay market rents. This is a regional issue, and Metro Vancouver has recently adopted a Regional Affordable Housing Strategy that calls on all municipalities to develop Housing Action Plans to address the full range of housing need. The development of a Housing Action Plan for the City of Vancouver will be considered alongside the "Eco" CityPlan (Action C-1).

### E. ECODENSITY AND POPULATION GROWTH

As part of the EcoDensity public process, there were questions about what EcoDensity means for Vancouver's growth, and whether Vancouver already has all the zoning it needs for future growth.

Over the last 15-20 years, Vancouver has grown at a faster rate than any time in the past 50 years. There has been significant growth in high density development on large assembled sites in the downtown and elsewhere in the city, replacing former industrial lands and low density commercial districts. Examples include the Arbutus lands near 12<sup>th</sup> Avenue, Collingwood Village at Joyce-Vanness, and the downtown locations of Coal Harbour, Downtown South, and False Creek North and East. On these previously essentially 'vacant' sites, fast growth and a high net gain of housing units were relatively easy. Development planned for these types of areas (including Southeast False Creek and East Fraserlands) will build out for a decade or more to come, continuing to meet a portion of the city's housing demand in the shorter term.

However the number and availability of similar sites where significant housing demand can be accommodated has diminished. In the medium to longer term, it will become increasingly difficult to accommodate housing demand at the level that Vancouver has experienced in recent years. Over time, the question for Vancouver will become: How will this city -- as a mature, increasingly developed city -- continue to accommodate a range of people and housing needs, and our share (whether it increases or not) of the Region's projected growth? This becomes more of a challenge because the number of people per housing unit is getting smaller, so more housing will be needed to accommodate a growing population.

Some of the answer does lie in current zoning and policy - i.e., continued development in the "C-2" districts (housing above shops along some arterials), planning and development of Neighbourhood Centres (housing around shopping areas), and other housing identified in Community Visions. New housing will also come through some additional large sites that are

yet to be planned (e.g., Arbutus Village, Little Mountain, and the former Transit Bus Barns in Oakridge).

Beyond this, EcoDensity sets the stage to discuss, with broad public consultation, what additional housing needs and opportunities we should be planning for. The high level of interest in laneway housing during the EcoDensity public consultations so far, is one example. EcoDensity could allow Vancouver to sustain its ability to accommodate growth now and into the longer term, more so than would otherwise be the case. This is necessary to improve long term sustainability, and to better meet the housing needs of those who are looking for housing here, including empty-nesters, students, young families, and the local workforce.

# FINANCIAL IMPLICATIONS and PERSONNEL IMPLICATIONSENVIRONMENTAL IMPLICATIONS and SOCIAL IMPLICATIONS

EcoDensity goals are environmental sustainability, improved affordability, and livability.

### IMPLEMENTATION PLAN and COMMUNICATIONS PLAN

This report will be available to the public on May 13, 2008 with public input to be received by e-mail, fax and written correspondence, leading to a June 10, 2008 Council meeting. Further information about how the public can respond will be posted on the EcoDensity website, along with a copy of the report. Notification will also be sent to the EcoDensity e-mail contact list.

Further implementation plans and public consultation for each of the Actions are discussed in Appendix B as part of each Action.

### CONCLUSION

This report provides revised wording for the proposed EcoDensity Charter and revised EcoDensity Initial Actions in response to public comments received on the earlier drafts of these documents, with recommendations to Council to approve the Charter and Initial Actions. Some of the Actions will be implemented immediately, others folded into current work programs, and others reported back to Council after further work.

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### DEPARTMENTAL APPROVAL AND REPORT CONCURRENCES

General Mgr./Dept. Head: Report Date: May 13, 2008

Director of Planning

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This report has been prepared in consultation with the departments listed to the right, and they concur with its contents.

**Concurring Departments:** 

Sustainability Group Engineering Services Housing Centre Social Planning Cultural Services

Board of Parks and Recreation

Development Services Chief Building Official Real Estate Services