

City of Maple Ridge

TO: Her Worship Mayor Nicole Read
and Members of Council
FROM: Chief Administrative Officer
SUBJECT: Maple Ridge Community Amenity Program

MEETING DATE: October 19, 2015
FILE NO:
MEETING: Workshop

EXECUTIVE SUMMARY:

Council has indicated interest in establishing a community amenity program to help fund needed amenities throughout the municipality. Lessons learned through the establishment of the Albion Area Plan Density Bonus Framework and from legal advice have provided a number of general principles that the components of an amenity program should reflect.

The report outlines a recommended framework for a community amenity program as well as alternatives to the recommendation for each of the component parts, attached as Appendix A in the Decision Table. Council decisions on the items presented in the table will be used to form the Community Amenity Program.

Following determination of the program components, the preferred implementation tool identified by Council will be prepared.

RECOMMENDATIONS:

1. THAT the Maple Ridge Community Amenity Program Decision Table, attached as Appendix A to the report titled Maple Ridge Community Amenity Program, dated October 19, 2015, be used as the method to determine, by resolution, the components of a community amenity program; and
2. THAT following the determination of the components of a community amenity program, staff be directed to prepare the necessary policies and/or bylaws for approval.

DISCUSSION:

a) Background Context:

At the June 15, 2015 Workshop, Council received a report that provided a general overview of the legislative authority for density bonuses and community amenity contributions, a brief overview of the Albion Area Plan density bonus framework, the Amenity Zoning: Analysis and Options report prepared by CitySpaces and three options for Council's discussion. At that time, a follow-up report was requested for a program that would include the necessary policy and regulatory changes and the process that would be followed to undertake that work.

Provincial Legislation

Part 26, Section 904 of the *Local Government Act* outlines the conditions and ways in which the owner of a property may be permitted a higher density on their property:

Zoning for amenities and affordable housing

904

(1) A zoning bylaw may

- (a) establish different density regulations for a zone, one generally applicable for the zone and the other or others to apply if the applicable conditions under paragraph (b) are met, and
- (b) establish conditions in accordance with subsection (2) that will entitle an owner to a higher density under paragraph (a).

(2) The following are conditions that may be included under subsection (1) (b):

- (a) conditions relating to the conservation or provision of amenities, including the number, kind and extent of amenities;
- (b) conditions relating to the provision of affordable and special needs housing, as such housing is defined in the bylaw, including the number, kind and extent of the housing;
- (c) a condition that the owner enter into a housing agreement under section 905 before a building permit is issued in relation to property to which the condition applies.

(3) A zoning bylaw may designate an area within a zone for affordable or special needs housing, as such housing is defined in the bylaw, if the owners of the property covered by the designation consent to the designation.

Prior legal advice on collecting community amenity contributions has outlined the following general 'principles' regarding amenity contributions:

- a) A municipality has the authority to adopt density bonus bylaws and establish conditions under which the density bonus is applied, including the payment of cash contributions;
- b) Density bonuses are the most defensible approach should the required amenity contribution be challenged on it's legal basis;
- c) A community amenity contribution should be clearly tied to the impacts that is expected to result from a zoning change;
- d) A community amenity program should be based on a 'robust' policy basis, rather than on a simple decision of Council; and
- e) Establishing a contribution that is based on the amount of the increase in lot value could provide a more equitable basis for the amenity program.
- f) A site-by-site negotiated approach does not provide the clarity and consistency of application of the program that the development industry needs as well as potentially adding a significant amount of time to the development approvals process.

Amenity Zoning: Analysis and Options Report

CitySpaces Consulting was hired to prepare the Amenity Zoning: Analysis and Options report which was presented to Council in November 2012. That report provides an overview of the two commonly-used approaches for amenity zoning in British Columbia, density bonuses and community amenity contributions. This report was also attached to the June 15, 2015 staff report.

The report included a quick summary of the approaches in use across the region in 2012, in the following table:

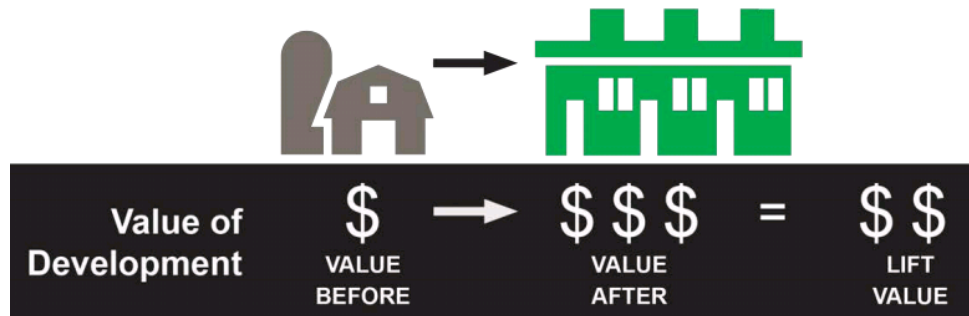
Municipality	Year Established	Density Bonus	CAC Site-Specific	CAC Area-Wide	Policy Direction
Burnaby	1997	✓			OCP Polices and Zoning Bylaw
Coquitlam	2004	✓	✓		OCP Policies
Langley City	2008		✓		Council Resolution
Langley Township	1998	✓		✓	Neighbourhood Plans
North Vancouver City	1992	✓	✓		Council approval
North Vancouver District	2010	✓		✓	Administrative Polices
Pitt Meadows	n/a		✓		Council approval
Port Coquitlam	2009	✓	✓		Set through rezoning conditions
Port Moody	n/a		✓		Council approval
Richmond	1992	✓	✓		OCP Policies
Surrey	1995 + 2008	✓	✓	✓	NCP and City Centre Polices
Vancouver	1989	✓	✓	✓	Area specific policies, Financing Growth Policy
West Vancouver	2007	✓	✓		Council approval

The table shows that many municipalities use more than one approach for obtaining amenities through the development approval process.

The CitySpaces report also provides an explanation of ‘land lift value’ as it applies to development. ‘Lift’ can be described as being the difference between the assessed land value before development and the projected (or assessed) value of the land after development, based on an increase in density on the site beyond what the original zoning would permit. The following diagram helps to further explain this idea.

AMENITY CONTRIBUTION

(Change of Land Use - rezoning or OCP amendment)



Regional Examples:

i. Vancouver

The City of Vancouver uses a negotiated approach, based on four steps, to help fund community amenities. The following diagram is taken from the City of Vancouver brochure titled Rezoning & Community Amenity Contributions: Negotiating for a more Livable City.



In addition to a negotiated approach, Vancouver also uses set targets for amenity contributions, based on a specific form of residential development.

ii. Surrey

The City of Surrey also uses a number of methods for collecting community amenity contributions. As part of the preparation of a neighbourhood concept plan (NCP), which is similar in scope to an area plan in Maple Ridge, they identify the needed amenities through the process and determine the contribution requirements to achieve those amenities, expressed as a value per unit cost. Once the NCP is approved, the amenity contribution requirements are adopted into the City's Zoning Bylaw.

The City of Surrey Zoning Bylaw also enables the amenity contribution rates to be adjusted annually, based on Vancouver's Annual Average Consumer Price Index for the preceding year.

b) Strategic Alignment:

In June 2015, Council initiated the community amenity contribution discussions as part of the "Finding the Money" Council Workplan theme. This report provides a recommended structure for a community amenity program as well as a series of alternatives for each program component, attached as Appendix A.

c) Policy Implications:

Chapter 2 Growth Management of the Official Community Plan includes the following three policies that establish the community amenity program. They set out the broad framework for Council to consider how density bonuses and amenity contributions will be applied, including through all OCP and Zoning Bylaw amending applications.

2-7 Maple Ridge will establish a Community Amenity Program, within areas of the [City] where Council determines that Density Bonuses and Community Amenity Contributions will be applied, to provide amenities in a sustainable and economically viable manner.

2-8 The Community Amenity Program will be integrated into the Maple Ridge Zoning Bylaw to identify the conditions under which Density Bonuses will apply.

2-9 Density Bonuses and Amenity Contributions may be considered at Council's discretions for all Official Community Plan and Zoning Bylaw amending applications to help provide a variety of amenities and facilities throughout the municipality.

The Albion Area Plan includes five policies in Chapter 10.2, that provide detailed direction for density bonuses and community amenity contributions within the area plan boundaries.

d) Community Amenity Contribution Program Elements

Council has indicated interest in establishing a Community Amenity Contribution program. In doing so, the legal advice received and the lessons learned during the Albion Area discussions suggest that the components of a community amenity program needs to be:

- Based on a robust policy and regulatory framework;
- Applied consistently in each situation; and
- Reflective of the impacts of the development on surrounding municipal amenities.

Based on these lessons, the following is a summary of the recommended components of a community amenity program, further explained in Appendix A:

1. Contribution approach
2. Geographic Area
3. Albion Density Bonus Framework
4. Application of Program
5. Tools to Establish the Program
6. In-stream Applications
7. Reserve Fund

e) Process

The establishment of a community amenity contribution program is a complex process, given the number of components required to create a comprehensive and robust program. In recognition of this aspect, a decision table has been created (Appendix A) to assist Council. The table identifies the various components, options and comments for each component and highlights the staff recommendation. Each Council decision, in the form of a Resolution, will determine the framework of the community amenity contribution program.

Following Council's decisions on the preferred components of a community amenity program, the implementation tool identified by Council (policy and/or bylaws) will be prepared along with a report outlining the potential amenities that could be included in the Reserve Fund bylaw. If Council supports establishing Reserve Funds for each area plan area, a process for determining what the desired amenities in the Town Centre and Silver Valley would be included in that report.

f) Citizen/Customer Implications:

When considering a change in Official Community Plan policy or Zoning Bylaw Regulations, the generally accepted practice for in-stream development applications is that those applications that have been presented at Public Hearing and received Third Reading would be exempt from complying with the new policies or regulations.

g) Interdepartmental Implications:

Following Council's decision on the components of a CAC Program staff from various departments, including but not limited to Finance, Strategic Economic Initiatives, Engineering and Parks and Leisure Services Departments will be engaged in the preparation and review of the policy and regulatory framework and associated bylaws.

h) Business Plan/Financial Implications:

If Council prefers one CAC rate to apply for all included developments, it is recommended that the amount/rate be reflective of the land lift value. An economic financial analysis is the most robust and defensible approach to calculate that rate. Such analysis would require a budget allocation not to exceed \$20,000.

Alternatively, the Amenity Zoning report prepared by CitySpaces and GP Rollo & Associates included an economic analysis for the Albion Area. Their recommended rate per dwelling unit was \$5100. This rate could be used as the basis for the community amenity program.

i) **Alternatives:**

The attached Maple Ridge Community Amenity Program Decision Table (Appendix A) outlines alternatives to the recommended program elements for Council’s discussion.

CONCLUSIONS:

The lessons learned through the establishment of the Albion Area Plan Density Bonus Framework and from recent legal advice provide a number of general principles that the components of an amenity program should incorporate. The recommended components of a community amenity program identified on the attached Maple Ridge Community Amenity Program Decision Table (Appendix A) are felt to achieve the general principles of a consistent and equitable framework.

Once the preferred component options are selected by Council, staff will begin to draft the final community amenity program, based on the implementation tool identified. A subsequent report will also be prepared on the options for the amenity Reserve Fund bylaw(s) that will include the potential benefiting amenities to be included.

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Concurrence: Frank Quinn,
Acting Chief Administrative Officer

Appendix A: Maple Ridge Community Amenity Program Decision Table