



## POLICY REPORT PHYSICAL SERVICES

Report Date: June 22, 2010  
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Meeting Date: July 20, 2010

TO: Vancouver City Council  
FROM: General Manager of Engineering Services  
SUBJECT: Local Improvement Process - Flankage Street Sidewalks

### ***RECOMMENDATION***

THAT construction of new sidewalks on residential flankage streets may be undertaken outside of the Local Improvement Process at no cost to the property owners to help achieve the completion of the pedestrian sidewalk network.

### ***GENERAL MANAGER'S COMMENTS***

The General Manager of Engineering Services recommends approval of the foregoing.

### ***CITY MANAGER'S COMMENTS***

The City Manager recommends approval of the foregoing.

### ***COUNCIL POLICY***

Walking is Council's highest priority transportation mode.

Council has consistently identified sidewalks as a public works priority. The Central Area Plan (1991), CityPlan (1995), Greenways Plan (1995), Transportation Plan (1997), Downtown Transportation Plan (2002), and the report of the Sidewalk Task Force (2002) all recommend improvements to pedestrian facilities.

Improvements such as new sidewalks, new curbs and pavements are administered through the Local Improvements Procedure By-law (By-law 3614).

The Subdivision By-law (By-Law 5208) requires that "Permanent sidewalks shall be installed on each side of all streets" (Schedule C, clause 3.1.1).

### ***PURPOSE***

The purpose of this report is to revise Council policy for the construction of new sidewalk projects on residential flankage streets. It is proposed that the construction of these new sidewalks be undertaken outside of the Local Improvement process and that these projects be funded by the City without contributions from the property owners to help achieve completion of the pedestrian network. This change would reduce the administration needed to advance the construction of these sidewalk projects and would reduce the adversarial nature of approval process that typically occurs when projects are approved by the Initiative or Special Grounds methods of the Local Improvement process.

### ***BACKGROUND***

The City has installed approximately 2,357 km of permanent sidewalks which represents about 82% of the possible sidewalk network in the City. Approximately 91% of the City's streets have a permanent sidewalk on at least one side of the street, and 73% of the streets have permanent sidewalks on both sides of the street.

Staff estimate that 412 km of new sidewalks remain to be installed in the City. Many of these missing sidewalks are in residential districts (one and two family zoned areas) and are located on flankage streets ("side" streets).

In 2004 Council updated the City's policies and cost share provisions for improvement projects undertaken through the City's Local Improvement Process. These changes included reducing the amount property owners contribute to new sidewalk construction projects from 100% of the project costs to 35% of the project costs. This is further reduced to less than 10% of the project costs on residential flankage streets due to the application of standard reliefs available in the Local Improvement process. These changes were made to encourage more sidewalk projects to be advanced by owners through the Local Improvement Petition and Initiative Processes.

Even with these changes to the cost sharing formulas, many property owners still do not support advancing sidewalk projects, particularly on flankage streets. Residential flankage properties typically do not have entrances on the flankage street. Many residential owners do not see the need for a sidewalk on their property's flankage when there is (or will be) a sidewalk installed at the front of their property which they have funded (or will fund) through the Local Improvement process.

### ***DISCUSSION***

Most street improvement projects are undertaken through the City's Local Improvement process. This process requires the adjacent property owners to share the costs of the improvement project with the City. A summary of the Local Improvement process is included in Appendix A.

In 2004 Council reduced the property owner's contribution for sidewalk projects to 35% of the project costs. Subsequently, only 90 sidewalk projects have been approved for construction through the Local Improvement process. Of the 90 sidewalk projects, 82 projects (91%) were Initiated by the City. Furthermore, 27 of the Initiated projects (33%) were defeated by the property owners and were subsequently approved for construction by Council on Special Grounds over the objections of those property owners.

The portion of funding by the property owners varies on the type of project undertaken and on how the property is located to the project. Typically, the two most common forms of funding relief applied to sidewalk projects under the Local Improvement Procedure By-Law are flankage assessment relief (where the “long” side of the property abuts the project) and pedestrian collector sidewalk rate relief (where a sidewalk is on a designated “pedestrian collector route” in a residential district). These forms of relief reduce the property owner’s contribution to the project to reflect the greater City-wide benefits of these sidewalk improvements.

For projects on residential flankage streets, property owners typically fund less than 10% of the sidewalk costs. A residential flankage street is defined as a street where the lots abutting the project are primarily residential flankage properties (an example of a residential flankage street is shown in Appendix B). These flankage sidewalks are important in connecting the City’s pedestrian network and therefore are recommended for inclusion in the new policy. However, many owners state that these flankage sidewalks provide limited benefits to their properties.

For most other projects, property owners typically fund more than 25% of the sidewalk costs. Residential zone frontage properties may be eligible for “pedestrian collector route” relief and they typically have building entrances on these frontage sidewalks. Higher zone properties (properties in multi-family, commercial, and industrial zones) are not eligible for “pedestrian collector route” relief and the amount of flankage relief is reduced because these types of properties typically have significant needs for pedestrian movements around their site and these properties typically have many building entrances on these sidewalks. It is recommended that these types of new sidewalk projects continue to be advanced through the Local Improvement process.

The net property owner’s share for a project is calculated by taking the Property Owners share less relief for flankage and residential collector route status. A table showing the net amount payable by various properties and zoning is shown below:

*Table 1 – Property Owner’s (PO) Share of Sidewalk Project Costs*

Zoning	Base PO Share	Flankage Relief (assessment reduction)	Pedestrian Collector Relief (rate reduction)	Net PO Share	Net City Share
Higher Zone - Frontage	35%	0%	0%	35.0%	65.0%
Residential- Frontage	35%	0%	0%	35.0%	65.0%
Higher Zone - Flankage	35%	25%	0%	26.3%	73.7%
Residential - Frontage & Pedestrian Collector	35%	0%	25%	26.3%	73.7%
Residential - Flankage	35%	75%	0%	8.8%	91.2%
Residential - Flankage & Pedestrian Collector	35%	75%	25%	6.6%	93.4%

Since property owners fund less than 10% of the cost of residential flankage sidewalks, undertaking these projects outside of the Local Improvement process would not significantly impact number of sidewalks the City could fund. Undertaking these projects outside of the Local Improvement process however would substantially reduce the amount of administration

required to advance these projects (Local Improvement approval and billing processes) and would also avoid engaging in an adversarial process with these property owners.

#### ***FINANCIAL IMPLICATIONS***

The proposal to undertake construction of new flankage street sidewalks outside of the Local Improvement cost sharing process would not significantly increase the amount of City funding required for these sidewalk projects. The City currently funds up to about 94% of the construction costs for a typical residential flankage sidewalk on a pedestrian collector route. This new policy would mean that the City would fund 100% of the costs for these sidewalk projects. The foregone property owner contribution amounts to less than \$100,000 per year. The scope of the annual sidewalk construction program would be adjusted to accommodate this reduction in property owner funding for these projects. The 2009-11 Capital Plan provides about \$1.8M of City funding annually for new sidewalk construction.

#### ***PERSONNEL IMPLICATIONS***

The overall numbers of Local Improvements undertaken by the City is currently down due property owners not wanting to undertake improvements and due to the continuing reluctance of property owners to pay for these improvements. Accordingly, one of the staff positions in the Local Improvements group has been "frozen" as part of the 2010 Operating Budget process and therefore staffing in the group has already been reduced.

#### ***ENVIRONMENTAL IMPLICATIONS***

Completion of the City's sidewalk network helps encourage pedestrian activity which supports the City's goal of increasing pedestrian and transit transportation mode shares. A complete sidewalk network encourages pedestrian use for both pleasure and transportation uses while providing an accessible environment for all sidewalk users. Sidewalks also provide a much safer alternative to walking on the road. Completing the sidewalk network supports the recommendations of the Greenest City Action Team to make walking, cycling, and transit the preferred transportation options.

#### ***CONCLUSION***

Council can establish a policy to undertake new sidewalk improvement projects on residential flankage streets outside of the Local Improvement process at no direct cost to the property owners. This change will help accelerate the construction of new sidewalks in the City and will assist the goal of completing the City's pedestrian network at minimal additional costs to the City.

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## The Local Improvement Process (abridged from Local Improvements Manual - 1989)

### **Definition**

A Local Improvement is a work, improvement or service which the City may provide and which will specially benefit properties in a limited area of the City, and the cost of which is recovered (in whole or in part) by a special tax on those properties. The Local Improvement system is a mechanism which provides for:

- a structured "vote" among a number of owners,
- each owner to pay their share of the cost, and
- the City to finance the cost over a number of years.

While the Charter (500(1)) refers to "services," the current applications are all for capital works.

### **Equity**

Where yesterday's "optional extra" has become today's normal service, some properties have paid for a certain improvement. There is an inequity if other properties later receive that improvement at the cost of the City-at-large.

Where some type of improvement is seen as normal for all parts of the City - but to be provided in long-range program - then the Local Improvement system ensures that properties start to pay when the improvement reaches them. It also gives the owners a voice in where they come in the program.

### **City/Property Owners Division of Cost**

In very broad terms, the division between the City and the Property Owners usually reflects one or more of the following:

- the property owners pay for the "local need" and the City for "non-local"
- the City contributes what it would supply if the improvement were not done
- on normally recurring types of projects, the City contributes certain "erratic" items to avoid variations of rates among similar properties.

While we speak of the cost of a Local Improvement being divided between "the Property Owners" and "the City", the division is actually between the share charged to those properties specially benefited and the balance charged to all properties throughout the City.

### **Methods**

There are four methods by which a Local Improvement project may be advanced

- by Petition
- on the Initiative
- on Special Grounds
- by Ballot.

Most projects are advanced by Petition or on the Initiative whereas Special Grounds and Ballot have more limited application

### Petition

'By Petition' means that someone circulates a petition form among the Property Owners who would be assessed, seeking signatures in favour of the project. To be sufficiently-signed, a petition must be signed by:

- at least two-thirds of the owners
- representing at least one-half of the actual property value.

### Initiative

'On the Initiative' means that the project is advanced by resolution of Council. Each Property Owner who would be assessed is notified and may file a Notice of Objection. A project on the Initiative is "defeated" if Notices of Objection are filed by:

- more than one-half of the owners
- representing more than one-half of the actual property value

The term 'defeated' is commonly used but does not appear in the Charter or the Local Improvement Procedure By-law.

### Special Grounds

'On Special Grounds' means that Council is using powers given it by the Charter (506(3)) to undertake a project without, or despite any vote of the Property Owners. This power is limited to:

- Council must declare the project "necessary in the public interest"
- It requires the votes of at least two-thirds of all the Members of Council
- Council has this power only for certain types of improvements specified in the Charter.

There are three approaches to Special Grounds, each varying in the voice given to the Property Owners.

- "Normal" Special Grounds (Initiative-Defeat Special Grounds)
  - projects are first advanced on the Initiative
  - Special Grounds is considered only if the project is defeated.
- Direct Special Grounds
  - Council simply undertakes the project on Special Grounds without any formal vote or voice of the Property Owners
  - use is quite limited, either where the Property Owners have already had voice in some other manner, or where proceeding without their input is justified by some special circumstances
  - may also be used where all of the assessable property is City-owned.
- Deferred Special Grounds
  - This approach is part-way between "Normal" and "Direct"
  - it gives the Property Owners a voice but not a formal vote
  - the project is advanced to Council as if to go on Direct Special Grounds - but with the recommendation that Council defer decision for some weeks and that each owner be notified (usually by the Clerk) of the proposal and that they may, if they wish, be heard when Council considers the matter
  - avoids the polarization which can be created by seeking a set number of formal objections
- By Ballot
  - There are two Charter provisions for Local Improvements by ballot:

507 (2) is a variation of on the Initiative which may be used where the specially benefited area is "unduly large". "Unduly large" is not defined. The project is advanced by resolution of Council (two-thirds vote) and put to a vote of the owner-electors in the area. The project is defeated if more than one-third of the votes cast are against the project.

523B is more like a capital borrowing plebiscite in a limited area, giving authority to borrow "a sum not to exceed ---"with the cost to be borne by the properties in the area. It is put to the owner-electors in the area and is approved if a majority of the votes cast are in favour.

Unlike the Petition and Initiative methods, the required proportions refer to the votes cast, not to all of the owners. Also, there is no second requirement as to proportion of actual property value.

### **Frontage and Flankage**

The Local Improvement Procedure By-Law defines the "frontage" and "flankage" of a property. The "frontage" is the dividing line between a property and any street included in the project. The "flankage" is the side-line frontage of a corner property where the property is next to more than one street. The flankage length is typically much longer than the frontage length.

Sample Map and Orthophoto of a Residential Flankage Street



Figure 1 and Figure 2 - Example of a residential flankage street (Prince Albert St, from 19th to 23rd) with an orthophoto highlighting missing sidewalks in yellow