



ADMINISTRATIVE REPORT

Report Date: November 2, 2009  
Contact: Ben Johnson/Matt Shillito  
Contact No.: 604.871.6943/6431  
RTS No.: 8355  
VanRIMS No.: 08-2000-20  
Meeting Date: November 19, 2009

TO: Standing Committee on Planning and Environment

FROM: Director of Planning in consultation with the Acting Managing Director of Social Development

SUBJECT: Little Mountain - Policy Planning Program

***RECOMMENDATION***

- A. THAT Council endorse an updated Little Mountain planning program, outlined in Appendix B, to bring forward for Council consideration a policy framework to provide a basis for assessing future rezoning proposals on the site;
- B. THAT staff resources contained in Appendix C and estimated associated cost-recovered budget of \$603,504 contained in Appendix D be approved to complete the policy framework;

FURTHER THAT, consistent with City cost recovery practice, Council accept a \$603,504 contribution from Holborn Properties to fully cover these costs;

AND FURTHER THAT, Council accept this contribution in two instalments: a first instalment of \$400,000 due on Council's endorsement of this Program Report and the balance due six months after the first instalment.

***GENERAL MANAGER'S COMMENTS***

The General Manager of Community Services RECOMMENDS approval of the above.

***CITY MANAGER'S COMMENTS***

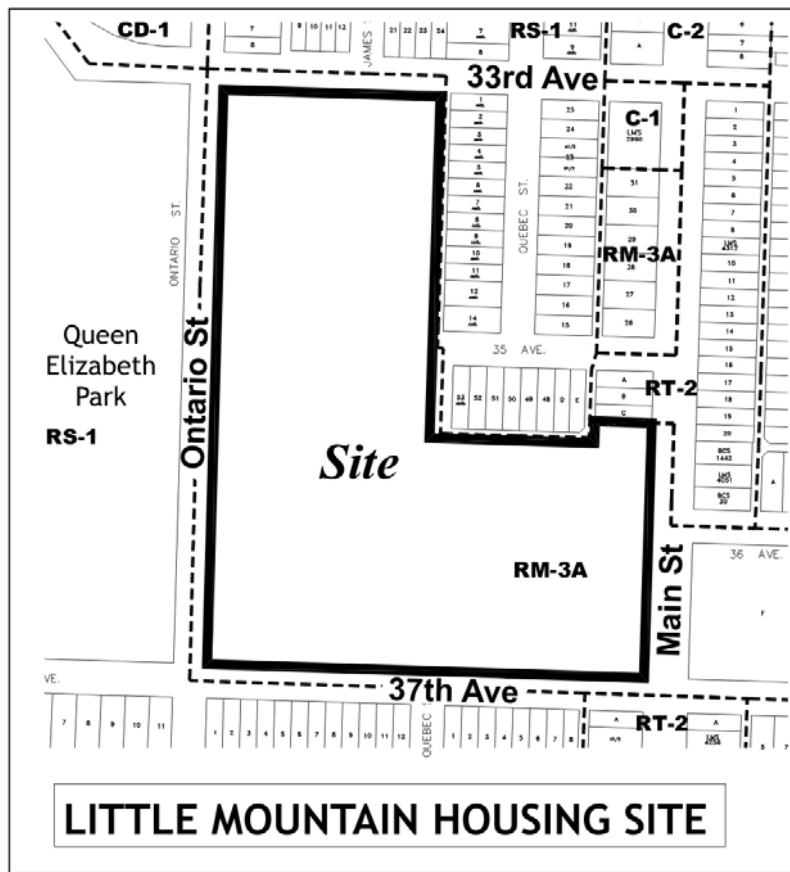
The City Manager RECOMMENDS approval of the above.

**COUNCIL POLICY**

- CityPlan (1995)
- Regional Context Statement (2000)
- City-Wide CAC and DCL Policy
- Riley Park south Cambie Neighbourhood Vision (2005)
- Rezoning Policy for Greener Buildings & Rezoning Policy for Greener Larger Sites (2008)
- Vancouver 2020: A Bright Green Future (2009)

**SUMMARY AND PURPOSE**

In July 2007, Council approved a cost-recovered planning program for Little Mountain, and a Memorandum of Understanding (MOU) was signed between the City and the Province outlining expectations and aspirations for the site. Due to delays outside of the City’s control in starting the planning work, this report seeks Council’s approval of a revised budget and timeline for the process and provides an update on events relating to the site and relevant City policy that has been adopted in the interim.



**BACKGROUND**

**Zoning and Development History:** This 15.2 acre single parcel site, located east of Queen Elizabeth Park between 33rd and 37th Avenues, and Ontario and Main Streets, is zoned RM-3A. RM-3A provides a bonus-based Floor Space Ratio (FSR) typically achieving a density in the order of 1.45 FSR and a maximum height of 10.7 metres. A theoretical total of 970,000 sq. ft.

of floor space could be accommodated on the site under the current zoning, provided access and other related issues are resolvable.

Completed in 1954, Little Mountain was BC's first public housing development, comprising 224 housing units, including 40 one-bedroom units, 92 two-bedroom units and 92 three-bedroom units, with a density of 0.27 FSR. In early 2007, the Federal Government transferred its interest in Little Mountain to the Province.

**Community Vision:** In November 2005, Council approved the Riley Park/South Cambie Community Vision (RP/SC Vision). Little Mountain is within the RP/SC Vision area and many of the Vision's 'Directions' provide general guidance which is relevant to any future redevelopment of the site. In addition, Little Mountain is one of several large sites for which specific 'Directions' were considered:

- Direction 31.1 recommends that the number and mix of social housing units be maintained in any redevelopment of the site, that relocation assistance be provided to the tenants and that existing tenants have priority for the replacement social housing units.
- Direction 31.2 recommends that a mix of uses be considered, including retail and commercial uses along Main Street and limited institutional uses such as a seniors centre or childcare, subject to analysis of traffic, parking and other impacts.
- Direction 31.3 recommends against development higher than four storeys, indicating that development over four storeys is not to be considered when additional planning occurs for the site.
- Direction 31.4 recommends that the northeast quadrant in the block bounded by 37th, Main, 33rd and Ontario that consists of properties not owned by BC Housing be considered for possible zoning changes when planning for Little Mountain takes place.

**Memorandum of Understanding:** On July 26 2007, a Memorandum of Understanding (MOU), attached as Appendix A, between the City of Vancouver and the Province (BC Housing) was approved by Council. The MOU outlines the site's history, zoning and potential, and identifies a number of redevelopment objectives:

- create a high quality, higher density, socially inclusive and environmentally sustainable community that will be an asset within the larger Riley Park neighbourhood;
- provide a range of housing options for Vancouver's growing and changing population; and
- generate funds that can be used by BC Housing to develop social, including supportive, housing in the city and in the rest of the province.

The MOU also includes several key principles:

- That the 224 existing units of social housing will be replaced on site, with at least 184 suitable for families with children, and that existing tenants will be relocated by BC Housing during the redevelopment. These tenants will have priority for moving into the new social housing units when they are complete.
- That the 224 units will satisfy the City's social housing requirement.
- That the net proceeds from the sale of the site (after the existing social housing is replaced) will be invested into the development of social housing, half in Vancouver, and half elsewhere in the province.

- That the City would issue a demolition permit for the existing buildings as soon as they became vacant and in advance of a Development Permit.
- That the Province would select a developer for the site through an RFP process.

**EcoDensity Initial Actions:** In June 2008, Council adopted the EcoDensity Initial Actions, two of which are particularly relevant to the redevelopment of Little Mountain:

*Initial Action A-1 Rezoning Policy for Greener Buildings* establishes environmental standards for building design. At present, it requires that new buildings resulting from rezonings achieve either LEED Silver or BuiltGreen BC Gold standard. The intent is to raise the requirement to LEED Gold or BuiltGreen BC Gold on January 1<sup>st</sup> 2010, subject to consultation with the development industry and a report back to Council.

*Initial Action A-2 Rezoning Policy for Larger Greener Sites* applies to all sites greater than two acres and requires that a range of environmental measures be incorporated into the site design including:

- Campus or district energy systems, if the business case is viable.
- Building layout and orientation to reduce energy needs, facilitate passive energy solutions, incorporate urban agriculture and replicate natural systems where feasible.
- A sustainable transportation demand management strategy.
- A sustainable rainwater management plan.
- A solid waste diversion strategy.
- Providing a range of housing unit types and tenures to enhance the affordability that the market can provide, and opportunities for the development of non-market housing to be funded through senior government housing programs.

This policy makes specific reference to Little Mountain as a site where the Community Vision identifies limits on building heights. EcoDensity Action A-2 states that the four-storey limit noted in the Vision will be used as the base case when an actual site planning/rezoning process occurs, but that additional options with increased densities and heights can be created and assessed in the course of the planning work, subject to considerable public consultation.

**Vancouver 2020: A Bright Green Future:** In October 2009, City Council adopted Vancouver 2020: A Bright Green Future, which established ten long-term goals to make Vancouver the greenest city in the world. Goals with particular relevance to the redevelopment of Little Mountain include those relating to: green buildings, green mobility, per capita ecological footprint and urban food systems.

**Project Proponent:** In May 2008, BC Housing announced that Holborn Properties had been selected out of more than twenty companies interested in developing the Little Mountain site. Holborn will act as the project proponent, while BC Housing will remain involved in issues relating to the existing tenants and replacement of affordable housing. No planning work has yet taken place with Holborn or BC Housing and no cost-recovery fees have been received by the City.

**Tenant Relocation, Building Demolition and Replacement Housing:** A Letter of Understanding between the City and BC Housing which addresses the issues of tenant

relocation, building demolition and replacement affordable housing was signed on September 20 2009, and is attached as Appendix B.

BC Housing established a tenant relocation office on the site and has now relocated the majority of tenants to other subsidized housing units elsewhere. Approximately ten families are still living at Little Mountain. BC Housing has given these families the option of relocating off-site, or relocating into alternative buildings on-site while demolition of the vacant units and construction of new affordable housing takes place.

BC Housing applied to the City to demolish the existing housing units in May 2009. While the City generally requires that a Development Permit be issued for replacement housing before affordable residential properties are demolished, the MOU acknowledges that the City would allow demolition in advance of Development Permit in this case to reduce the risk of vacant units being subject to fire and vandalism. BC Housing met all of the technical requirements, and permits for hazardous material removal and demolition were issued on September 21, 2009.

The Letter of Understanding establishes that BC Housing and the City will give priority to the building of new affordable housing, including replacement of the existing 224 units, and that the City will require that affordable housing components of the project be built as part of the first phase of redevelopment.

### *DISCUSSION*

**Redevelopment Objectives:** BC Housing originally approached the City with the view that the site was under-developed in its existing configuration and that redevelopment at a higher density than permitted under the current RM3A zoning should be considered. BC Housing also suggested that the existing zoning, which limits development to four storeys over the whole site, would be very repetitive in terms of built form, design and unit types offered. Holborn is understood to share this perspective.

City staff believe that restricting development to the height and density limits of the current zoning would result in a less than optimum use of the site, and could unnecessarily limit:

- the site's potential to create a higher-density, highly sustainable, socially inclusive and liveable environment;
- the capacity of the redevelopment to provide amenities to serve the new development and the surrounding neighbourhood; and
- the potential to generate funds for affordable housing development elsewhere in the city (and province) under the provisions of the MOU.

City staff acknowledge that buildings over four storeys are not supported by the RP/SC Vision, but believe taller buildings and higher densities should be considered, as suggested by EcoDensity Initial Action A-2: Rezoning Policy for Larger Greener sites.

**Policy Process:** A policy planning process offers the opportunity to explore various possible development forms for the site. The vehicle for this exploration will be a comprehensive public process which extends the discussion begun in the Visions program to a site-specific level. Residents of Little Mountain Housing, both current and former, as well as the broader Riley Park/South Cambie community will be encouraged to participate.

The process will consider ways to achieve the array of Vision and EcoDensity policies, as well as the Vancouver 2020: A Bright Green Future goals, relevant to the site. The end result will be a policy framework which establishes principles and objectives relating to a range of topics, including: land use, density, public amenities, transportation, built form and character, sustainability and development phasing. The policy framework will be presented for Council's consideration at the end of the process and, once adopted, used to inform any future rezoning for the site.

As part of the process, Holborn's design team will be expected to prepare at least three conceptual development options with advice from City technical staff. The options would be based on urban design principles relevant to the site and its potential in the context of existing urban patterns. An initial list of site planning considerations is contained in Appendix F.

At least one option will show how the site can be developed within the four-storey height limit contemplated in the Vision. The City will expect all options to be developed to the same level of detail and be functionally viable. They should be developed in sufficient detail such that the following components are defined:

- access, circulation, open space, and building locations;
- the massing, height and floor area of buildings;
- the building types, including tenure and land use; and
- it is possible to assess how the north east quadrant of the area bounded by 33<sup>rd</sup>, Quebec, 35<sup>th</sup> and Main could be developed concurrently in an integrated pattern or in the future in a manner compatible with this site and its context.

The options will be discussed, evaluated and amended or discarded through community consultation and technical analysis undertaken as part of the process. It is anticipated that the policy framework will include one or more development concepts for illustrative purposes and to inform more detailed planning and design work at the rezoning stage.

The City and the proponent's team will undertake a review of the neighbourhood context for the redevelopment of Little Mountain and consultants will be retained to assess traffic patterns and impacts, retail impacts (if necessary), and other issues as may be identified through the community consultation. Close dialogue will be maintained between the staff team involved with Little Mountain and the team undertaking the Cambie Corridor planning work to ensure the programs are coordinated. If a Neighbourhood Centre planning program gets underway on Main Street, liaison will also be maintained with that process.

**Density Considerations:** The City's established practice in planning major redevelopment projects is that development density is determined through a collaborative process which considers a variety of factors and a range of interests. These include City policies and objectives, the site's location and context, urban design constraints and opportunities, community concerns and expectations, and the needs and aspirations of the proponent.

It is noted that while BC Housing and Holburn may have a financial arrangement between them, the City is not party to the details of that agreement. There is some concern that the arrangement may have created certain development expectations for the site, and that those expectations could go beyond what results from the planning process. Through the planning process, City staff will make every effort to understand and work towards achievement of the

proponent's objectives, however, it must be understood that the interests and objectives of the community and the City will need to be balanced with those aspirations.

**Community Consultation:** Extensive consultation will take place with the Riley Park / South Cambie community, including the current and former residents of Little Mountain. A concerted effort will be made to reach out to and engage the former Little Mountain residents who have relocated off-site. The City staff technical team will lead and coordinate this consultation, with substantial input from the Holborn team.

Public consultation will commence shortly after Council approval of the planning program, with the following objectives:

- ensuring that all of the community issues have been identified before the development options are prepared;
- generation of options that balance BC Housing, City, community and Holborn objectives, noting that full consensus may not be possible;
- presentation of development options to the community for feedback; and
- review of the draft policy framework with the community prior to consideration by Council.

Staff also expect BC Housing to participate in the consultation process and, in particular, to help facilitate the involvement of the existing and former tenants of Little Mountain to try to address the issues that redevelopment presents for them.

**Schedule:** The key steps in the policy planning process for the site are outlined in Appendix C. The process leading to consideration of the policy framework by Council is expected to take approximately ten months. A contingency has been built into the budget to allow for unforeseen delays up to an additional two months.

The subsequent stage, assuming that the development does not go ahead under the existing RM-3A zoning, would be the rezoning process, which provides additional opportunities for community consultation and review. This would be followed by the Development Permit stage.

While noting the scale and complexity of the project, as well as the importance of thorough public engagement, staff will endeavour to expedite each stage of the process as far as possible.

**Program Staffing and Resources:** To provide the public and proponent with the service needed to achieve appropriate and timely policy conclusions requires a dedicated program team, including urban design resources and a range of departmental technical representatives (see Appendix D). The Major Projects group in Current Planning will be assigned the lead role in coordinating this work and the team will report to the Major Projects Steering Committee for direction.

### ***FINANCIAL IMPLICATIONS***

A fully cost-recovered budget for the policy phase is estimated to be \$603,504, as outlined in Appendix E. Consistent with cost-recovery practice, the budget includes the cost of scoping the project and reporting the program to Council. It is proposed that the fee be received in

two instalments: with a first instalment of \$400,000 due on Council's endorsement of this Program Report and the balance due six months after the first instalment.

A budget for the rezoning phase will be estimated on a cost-recovery basis following completion of the policy framework. The current Zoning and Development Fee By-law would require a fee of approximately \$709,000 to rezone the entire site (in one application) to a CD-1 zoning. Consistent with cost-recovery practice, it may be possible to credit some of the cost of the policy phase against the rezoning fee, subject to full cost-recovery being achieved. Fees for the rezoning phase would be due upon submission of the rezoning application.

Holborn Properties is prepared to contribute the necessary funds to cover the policy phase budget and acknowledges that this voluntary contribution will need to be increased if actual program costs exceed the budget. Holborn also understands that this contribution covers costs to be incurred in assessing the development potential of the site but brings no obligation or expectation of City support for any particular outcome.

### ***PUBLIC BENEFITS***

**Development Cost Levies (DCLs):** DCLs will apply to the development at the approved rate.

**Community Amenity Contributions (CACs):** An appropriate CAC will be determined as part of the rezoning process. CACs seek to address local amenity needs and ensure that new development does not generate significant impacts on the general tax base. During the policy phase, staff will identify and assess, with public input, opportunities for addressing public amenity needs. These will be reported to Council as part of the policy framework. A contribution proposal from the owners will follow as part of the rezoning phase.

In this context it should be noted that Council, in considering development of the Burn Fund project at 3891 Main Street, approved the following recommendation on May 7, 2009:

"THAT the Province, as the owner of the Little Mountain Housing complex at 37<sup>th</sup> Ave. and Main St. and BC Housing as the Province's agent, be advised that, subject to a Public Hearing for a rezoning of the Little Mountain Housing complex, an appropriate Community Amenity Contribution for the redevelopment may either be the provision of a site or airspace parcel sufficient to accommodate a new Little Mountain Neighbourhood House, or the development and provision of a new Little Mountain Neighbourhood House, within a redevelopment of the Little Mountain Housing complex."

**Investment of Sale Proceeds:** BC Housing will invest all of the net proceeds from the sale of the site (after the social housing is replaced) as follows:

- 50% to affordable housing in the City, and
- 50% to affordable housing elsewhere in the region and province.

### ***ENVIRONMENTAL IMPLICATIONS***

The redevelopment of Little Mountain has the potential to achieve significant environmental benefits through intensification of land use on a site in the centre of the metropolitan region and application of green principles and technologies in site planning and design.



### *SOCIAL IMPLICATIONS*

Redevelopment of Little Mountain has the potential to deliver renewed social housing, diversity in housing forms and tenures, and new amenities to serve the community.

### *PROPONENTS COMMENTS*

**BC Housing:** “BC Housing appreciates the City's commitment to a partnership that will result in a livable medium to high density community that will be socially inclusive and environmentally sustainable. BC Housing understands the need for an upfront investment from its development partner to undertake the policy review and to assess the rezoning application that may follow. Little Mountain represents a unique opportunity to develop an integrated new community within a well established neighbourhood. We look forward to working with the City, the current residents of Little Mountain, and the surrounding community to realize the incredible potential that this site offers to achieve neighbourhood, city, regional and, indeed, provincial objectives.”

**Holborn Properties:** “Holborn is pleased to be underway in partnership with the City and the Province at the start of an exciting project. We intend to begin an extensive period of consultation with the Little Mountain community and local groups to understand their vision and expectations for the property. We are assembling an expert team of professionals to arrive at a great vision for the project. Holborn is committed to delivering a new community at Little Mountain that is innovative, sustainable and forward thinking to coincide with Vancouver's promising future.”

### *CONCLUSION*

This report recommends a collaborative policy planning process be carried out to engage the Riley Park / South Cambie community and Little Mountain residents in dialogue together with Holborn Properties and BC Housing to explore the redevelopment potential of the Little Mountain site. The process would be fully cost-recovered. The approach, timeline, resources and financing needed to accomplish this work are summarized above and in Appendices C, D and E. Council endorsement would lead to a consultative process likely starting in December.

\* \* \* \* \*

**Memorandum of Understanding  
between  
BC Housing Management Commission (BC Housing) and  
the City of Vancouver (the City)  
regarding  
the redevelopment of Little Mountain  
dated June 8, 2007  
and approved by City Council on July 26 2007**

## **Introduction**

On February 16, 2007, BC Housing, through the Provincial Rental Housing Corporation (PRHC), became the sole owner of Little Mountain. BC Housing wants to redevelop Little Mountain and would like the City to consider rezoning the site. This Memorandum of Understanding sets out the general objectives of BC Housing and the City with respect to the redevelopment. Site

Little Mountain occupies 15.26 acres (664,725 sq. ft.) located east of Queen Elizabeth Park between 37th and 33rd Avenues, and between Ontario and Main Streets, with an address of 5299 Main St. It consists of a single parcel legally described as Parcel C (Reference Plan 3508) of District Lots 637 and 638 Group 1 New Westminster District PID: 002-546-787 (the Site).

## **Existing Social Housing**

Little Mountain consists of 224 units of social housing (40 1-bedroom units, 92 2-bedroom units, 92 3-bedroom units). The total floor space is 178,136 sq. ft. The units were built in 1954 under Section 79 of the National Housing Act. BC Housing owns and manages the units. Approximately 197 units are currently occupied. All tenants must be in core-need and are charged rent geared to income.

## **Current Zoning**

The Site is zoned RM-3A. RM-3A allows a maximum Floor Space Ratio (FSR) of 1.45 and a maximum height of 10.7 metres. The existing development has an FSR of 0.27. The zoning schedule for RM-3A is set out in the City's Zoning and Development By-law (By-law No. 3575). The current RM-3A zoning provides for a base FSR of 1.0 and the potential to increase the FSR if parking is provided underground, site coverage is less than 50% and if site size exceeds 837 m<sup>2</sup> (9,000 sq. ft.). Given the large consolidated ownership of the site, a density of 1.5 FSR should be achievable with good site planning and urban design. Depending on the dedications for street and lanes required to provide access to the redevelopment, a total floor space in the range of 800,000 sq. ft. to 900,000 sq. ft. should be possible under the current RM-3A zoning.

## **Riley Park/South Cambie Community Vision**

On November 1, 2005, City Council approved the Riley Park/South Cambie Community Vision (RP/SC Vision). Little Mountain is within the RP/SC Vision area and many of the vision's

directions are relevant to any future redevelopment of the Site. In addition, Little Mountain is one of several large sites for which specific Directions were considered (31.1, 31.2, 31.3 and 31.4):

- Direction 31.1 recommends that the number and mix of social housing units be maintained in any redevelopment of the site, that relocation assistance be provided to the tenants and that existing tenants have priority for the replacement social housing units.
- Direction 31.2 recommends that a mix of uses be considered, including retail and commercial uses along Main St. and limited institutional uses such as a seniors centre or childcare, subject to analysis of traffic, parking and other impacts.
- Direction 31.3 rejected any development higher than 4 storeys. Development over 4 storeys is not to be considered when additional planning occurs for the site.
- Direction 31.4 recommends that the northeast quadrant in the block bounded by 37th, Main, 33rd and Ontario that consists of properties not owned by BC Housing be included in any planning and rezoning of Little Mountain.

### **Redevelopment Potential**

Little Mountain's buildings and infrastructure are obsolete, and the Site is underdeveloped. The City and BC Housing believe that a substantial increase in density and number of units can be accommodated, and that redevelopment of the Site should be considered. A comprehensive redevelopment may allow densities to be achieved that are greater than those allowed under the current zoning.

The City and BC Housing believe that redevelopment options that include buildings taller than 4 storeys should be considered as 4-storeys over the whole site may be suboptimal in terms of design, may limit the Site's potential to create a higher density liveable environment, and limit the capacity of the redevelopment to provide amenities to serve the new development and the surrounding neighbourhood. Both the City and BC Housing acknowledge that buildings taller than 4 storeys contradict the RP/SC Vision, but believe that buildings taller than 4 storeys in the Site's redevelopment should be considered.

### **Redevelopment Objectives**

The City and BC Housing believe that the redevelopment of Little Mountain is an opportunity to:

- create a high quality, higher density, socially inclusive and environmentally sustainable community that will be an asset within the larger Riley Park neighbourhood;
- provide a range of housing options for Vancouver's growing and changing population; and
- generate funds that can be used by BC Housing to develop social, including supportive, housing in the city and in the rest of the province.

### **Replacement of Existing Social Housing**

Whether the Site is rezoned or not, BC Housing will replace the existing 224 units of social housing on site of which at least 184 will be suitable for families with children. BC Housing will relocate the tenants during the redevelopment, and the tenants relocated due to the

redevelopment will have priority for moving into the new social housing units that are appropriate to the size of their households. BC Housing will consult with the current tenants regarding the replacement social housing and the tenants' relocation while the site is being redeveloped.

### **Housing Mix**

The City would normally apply its 20% affordable (social) housing requirement to a project of the size of Little Mountain. As BC Housing will be reinvesting all the proceeds from the redevelopment of Little Mountain in the development of social housing in city and the province, the City agrees to accept the 224 units of replacement housing as the social housing requirement for Little Mountain.

### **Demolition of Existing Buildings**

The existing tenants will be relocated and the resulting vacant units will not be re-rented. As buildings become vacant, there is an increased risk of fire and vandalism. The City and BC Housing believe that the existing buildings should be demolished as soon as they become vacant. The City will provide demolition permits in advance of a Development Permit.

### **Selection of Developer**

BC Housing wishes to partner with an experienced real estate developer who would lead the redevelopment of Little Mountain. BC Housing will be undertaking a Request for Proposals (RFP) to obtain a suitable development partner (the Developer). This Memorandum of Understanding will be provided to prospective developers.

The City will make itself available to meet with the prospective developers individually or collectively as BC Housing may request. Any information that the City may provide to any one prospective developer will be relayed to BC Housing who will ensure that information all prospective developers should have access to is made available to them.

### **Development Cost Levies**

The City will reinvest all of the Development Cost Levies generated by the redevelopment of the Site into the development of the public amenities to serve the site and to address any service gaps in the immediate neighbourhood.

### **Investment of Sale Proceeds**

BC Housing will invest all of the net proceeds from the sale of the Site (after the existing social housing is replaced on site) into the development of social housing throughout the province. Half the net proceeds (after the existing social housing is replaced) will be invested in the City of Vancouver. The City of Vancouver will make sites available for nominal 60 year leases to BC Housing for the development of social housing in the city that will be funded from the net proceeds.

### Schedule

Execution of Memorandum of Understanding	July 2007
Report to Council	July 2007
BC Housing Request for Proposals	September 2007
Selection of Developer	Fall 2007
Initiation of Planning Process	Fall 2007

### Conclusion

Upon execution of this Memorandum of Understanding by the City and BC Housing, it will be forwarded to Vancouver City Council and BC Housing's Executive Committee for approval. No legal rights or obligations will arise or be created by the execution of this Memorandum of Understanding or by its approval by Vancouver City Council or by BC Housing's Executive Committee. Approval of this Memorandum of Understanding does not limit or compromise Vancouver City Council's ability or obligation to maintain an open mind at any Public Hearing at which a rezoning application for the Site is considered.

For BC Housing

For the City of Vancouver

\_\_\_\_\_

\_\_\_\_\_

Chief Executive Officer

City Manager

\_\_\_\_\_

Date

\_\_\_\_\_

Date

**Letter of Understanding (LOU)**  
**Between BC Housing Management Commission (BC Housing) and the City of Vancouver**  
**(the City) regarding the redevelopment of Little Mountain**  
**Date: September 20, 2009**

As part of the partnership forged between the City and the Province of British Columbia to create more affordable housing in Vancouver, BC Housing and the City of Vancouver agreed to a MOU, dated for reference June 8, 2007, regarding Little Mountain. BC Housing has applied to the City for building permits to demolish and remediate hazardous materials on the Little Mountain housing site. The building permit is needed to begin the process of removing the identified hazardous materials from the site. A building permit for demolition is needed to start clearing the site of structures. This Letter of Understanding builds from the original MOU and describes the commitments of both parties.

- The tenants will be accommodated by being offered the option of moving into buildings in Area 3 if they chose to remain on site during demolition of the other buildings. This offer will be made prior to the issuance of eviction notices. BC Housing will ensure the building and area are habitable and safe and will fund the work necessary to achieve this.
- BC Housing will offer the remaining tenants assistance to move to a new location if they choose.
- BC Housing and the City will give priority to the building of social housing in the redevelopment, which will include the replacement of the existing 224 units. As part of the rezoning process, the City will require that social housing components of the project will be built as a priority in the first phase of development
- Given the large site, it will be divided into 3 major areas. Demolition will be sequenced area by area in accordance with the Little Mountain Deconstruction Project map (attached).
- Demolition of Area 1, where no tenants are living, will be substantially underway within one week of the issuance of the demolition permits.
- BC Housing commits to substantial work being underway as indicated by the signing of construction contract agreements on the four remaining supportive housing sites before the end of November 2009 (188 East 1st Avenue; 525 Abbott Street; 377 West Pender Street and 3595 West 17th Avenue).
- BC Housing and the City will continue to work co-operatively to identify and address issues with the intent to engage in a public policy process as identified in the MOU. The City will expedite a rezoning application (assuming approval by Council) and Development and Building Permits.
- The City of Vancouver will issue the necessary building permits for hazardous material removal and clearance of structures.

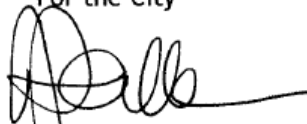
For BC Housing



(Name) Sharyne Ramsay  
CEO

Date: Sept. 24, 2009

For the City



(Name) Penny Baller  
City Manager

Date: Sept 25/09

Little Mountain: Policy Phase Key Steps

<i>Scoping Process</i>	
Oct 2009	Program Scoping and Background
Nov 2009	Program Report to Council
Nov 2009	Recruit Staff, Arrange Process
<i>Policy Process</i>	
Nov 2009	Initial community introductions
Dec 2009	Open Houses #1: Present background info, objectives, process. Identify community issues
Jan - March 2010	Prepare initial redevelopment concepts
April 2010	Open Houses #2: Present initial concepts for feedback
April - June 2010	Refine concepts, draft Policy Framework
June 2010	Open Houses #3: Present refined concept(s) & draft policies for feedback
July - Aug 2010	Amend and refine Policy Framework
Aug 2010	Concurrence, submit Council report, notify
Sept 2010	Policy Framework to Council

Little Mountain: Policy Phase Staffing (Person Months)

	<b>Scoping Phase</b>	<b>Policy Phase</b>	<b>Total Allocation</b>
<b>Senior Planner</b>	1.5	4	<b>5.5</b>
<b>Major Projects Planner</b>	2	10	<b>12</b>
<b>Planning Analyst</b>	1.5	8	<b>9.5</b>
<b>Urban Designer</b>	0.5	4	<b>4.5</b>
<b>Civil Engineer II</b>	0.25	2.5	<b>2.75</b>
<b>Social Planner</b>	0.25	2	<b>2.25</b>
<b>Housing Planner</b>	0.25	3	<b>3.25</b>
<b>Park Planner</b>	0.25	2	<b>2.25</b>



Little Mountain: Policy Phase Budget Summary

	Scoping Phase	Policy Phase	Total Budget
Salaries and Benefits	\$56,539	\$307,948	\$364,487
Contingency (20% on Policy Phase)	\$0	\$64,450	\$64,450
Process Costs (Open Houses, Publicity, Consultancies)	\$0	\$46,950	\$46,950
Management and Allocated Costs	\$13,462	\$82,655	\$96,117
Overheads (Office Space, Supplies, Equipment)	\$5,500	\$26,000	\$31,500
<b>Total by Phase</b>	<b>\$75,501</b>	<b>\$528,003</b>	<b>\$603,504</b>

### Little Mountain: Initial Site Planning Considerations

A policy framework establishing principles and objectives to guide a successful rezoning process will be developed through the review of the development team's options and the community consultation. To guide the preparation of the options for the site, the development team should bear in mind the following initial site planning considerations along with the directions set out in the Riley Park / South Cambie Vision:

- Little Mountain is located at the intersection of two different street grids. The development team should explore how this intersection of street grids can create a sense of place and help define the structure and character of the redevelopment.
- Site planning should increase permeability and access into the site to improve integration and connections with the surrounding community. Vehicular access should be configured to minimize impacts on the adjacent neighbourhoods.
- A gradation in building scales should be created to accommodate a variety of housing types, respond to existing and new view opportunities, and achieve transition in the context of existing building heights.
- Little Mountain is adjacent to Queen Elizabeth Park. Development options should indicate physical and programmatic linkages between the site and the park.
- Little Mountain was the first public housing project in BC. Its social heritage should be recognized, though there is no expectation that any buildings should be retained;
- Ontario and 37th are two of the city's primary bike routes and greenways. Proposals need to address how access and circulation will minimize any negative impacts on the bike routes and how the bike routes will be enhanced by the redevelopment.
- Little Mountain is at the southern end of a commercial district centred on King Edward and Main which is identified as a Neighbourhood Centre. Commercial opportunities which complement, rather than conflict with, Neighbourhood Centre planning need to be considered.
- New facilities for the 2010 Olympic Games have been developed in Hillcrest Park, and new community facilities (community centre, pool, library and childcare) will be built after the Games. There are also plans to renovate Nat Bailey Stadium. The relationship between the redevelopment of the site and the new community facilities needs to be considered.
- Views from the top of Queen Elizabeth Park over the site to Mt. Baker, views of neighbours to the south, southwest and southeast across the site to the downtown and north shore mountains, and views from the site across Queen Elizabeth Park and to the north, northwest and northeast should be carefully considered.
- All redevelopment options must include a mix of unit types accommodating a range of households from families with young children to seniors. A minimum of 25% of the units (excluding the replacement affordable housing) should be designed for families.
- All of the options should include units affordable to low, middle and higher household incomes, and be able to accommodate a range of tenures including market and non-market, and rental and ownership.
- Given the size of the site, redevelopment is likely to be phased, and the development team needs to address the phasing for each option.
- Alignment of streets and building footprints should strive for retention of mature trees and green pedestrian corridors.