

From: ["Levitt, Karen" <karen.levitt@vancouver.ca>](mailto:karen.levitt@vancouver.ca)

To: ["Direct to Mayor and Council - DL"](#)

Date: 11/25/2021 1:39:47 PM

Subject: [False Creek South: The City's Landowner and Regulatory Roles](#)

Attachments: [Memo to Mayor and Council - False Creek South- The City's Landowner and Regulatory Roles.pdf](#)

Dear Mayor and Council,

Attached is a memo responding to C' Fry's recent request for staff to provide Council a memo that:

1. articulates the distinction between the City's landowner and regulator function vis-à-vis the Future of False Creek South work, and
2. provides timing for report back on the roles of the FCS Council Liaisons.

The attached memo does not contain any confidential information, and can be shared freely with the public.

If you have any questions on what staff has laid out, please reach out to Nick Kassam, Theresa O' Donnell or me.

All the best,

Karen

Karen Levitt, Deputy City Manager (she/her)
karen.levitt@vancouver.ca telephone

The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x̱məθḵəy̱əm/Musqueam, Sḵw̱wú7mesh/Squamish and səlilwətaʔ/Tsleil-Waututh nations.

MEMORANDUM

November 25, 2021

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Katrina Leckovic, City Clerk
Lynda Graves, Administration Services Manager, City Manager's Office
Maria Pontikis, Chief Communications Officer, CEC
Anita Zaenker, Chief of Staff, Mayor's Office
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Communications Director, Mayor's Office
Nick Kassam, General Manager, Real Estate and Facilities Management
Theresa O'Donnell, General Manager, Planning, Urban Design & Sustainability

FROM: Karen Levitt
Deputy City Manager

SUBJECT: False Creek South: The City's Landowner and Regulatory Roles

RTS #: N/A

Dear Mayor and Council,

This memo responds to the following question put forward by Councillor Fry.

"I appreciate the role of [the False Creek South] liaisons as articulated in the replies and historically. I also appreciate that involving council liaison participation or representation beyond the planning process at lease negotiations would be unusual and unnecessarily complicate things. That said -- and appreciating staff will be coming back to Council with information on the scope and role we will have as liaisons – the big issues/concerns we heard around the SFC conversation were transparency around the negotiations and the confusion between roles of REFM and PDS in that regard.

To that end, and recognizing the roles between community planning and lease negotiations perhaps we can please issue some sort of "formal statement" articulating that distinction, and timing for report back on the roles of liaisons so that we are all clear on expectations and avoiding too much anxiety on the subject?"

Staff response

1. Distinction between roles of the GM, REFM and GM, PDS concerning the Future of False Creek South work

- As in all instances in which the City is contemplating or undertaking development of City-owned land, City Council and staff play two roles that need to be clearly delineated in terms of work undertaken and decision-making processes. Colloquially, these two functions are referred to as the “landowner” and the “regulator.”
- **City as landowner.** Staff leads are the City’s GM, Real Estate and Facilities Management (REFM), Nick Kassam for Property Endowment Fund (PEF) properties, and the GM, Arts, Culture and Community Services (ACCS), Sandra Singh, for Vancouver Affordable Housing Endowment Fund (VAHEF) properties. The GM, REFM and the GM, ACCS are responsible for stewarding and managing all the False Creek South lands owned by the City of Vancouver.
 - This generally includes negotiating tenant contracts, managing tenant contracts/relationships over time, all land acquisitions and disposals, and development planning and execution.
 - These roles/activities are the same as those that would be undertaken by any other private or public landowner.
 - Both the PEF and VAHEF execute these roles in accordance with their respective Council-approved mandates, principles and objectives. This includes general principles, as well as the specific frameworks in place for non-profit leases, co-op leases and leasehold strata leases in False Creek South that have been approved by Council.
 - The co-op and non-profit leases are part of the VAHEF portfolio, and the CEO, VAHEF reports to the GM, ACCS.
- **City as regulator.** Staff lead is the City’s GM, Planning, Urban Design and Sustainability (PDS), Theresa O’Donnell. The GM, PDS is responsible for conducting all land use regulatory planning processes associated with False Creek South, including administering and leading the regulatory aspects of all rezonings and development permit applications, and for undertaking community planning and delivering any community plans for the area.
 - It is through the community planning process and subsequent land use regulatory processes that the City’s policy objectives are incorporated into land use bylaws, policies, etc., e.g., affordable housing, climate change adaptation and mitigation, social, cultural and recreational amenities, transportation infrastructure, reconciliation, etc.

- Ultimately Council has the absolute and unfettered discretion in its regulatory role to consider and determine any land use changes pursuant to a rezoning application, whether the landowner is the City or a private landowner.

2. Future community planning process, led by GM, PDS

- Per Council's October 2021 direction, the GM, PDS will be undertaking a public community planning process for the False Creek South lands, that will involve significant stakeholder consultation/input – both from the community as well as other important stakeholders.
- The GM, PDS will report back to Council after completing the process with a community plan and/or recommended amendments to the existing Official Development Plan.
- In the City's landowner capacity, both the GM, REFM and the GM, ACCS will play important stakeholder roles in the GM, PDS's upcoming False Creek South community planning process.
- The GM, REFM has developed a preliminary conceptual development plan for False Creek South, presented to Council in October 2021. Per Council direction, this conceptual plan will be used as input to but will not constrain the GM, PDS's community planning process.
- A number of other City departments that are responsible for existing and potential future infrastructure and amenities will provide important input into the community planning process, e.g., Engineering Services, Parks and Recreation, Arts, Culture and Community Services, Finance, Risk Management and Supply Chain Management, and others.
- Ultimately it will be the GM, REFM or an entity delegated authority by the GM, REFM and/or GM, ACCS who will make an application to the GM, PDS for any rezonings, development permits and/or building permits on City land.

3. Future co-op and social housing lease negotiations, extensions and/or terminations, led by GM, ACCS

- This work will be done in close alignment with the GM, REFM, and the GM, FRS, and the Director of Legal Services plays an important support roles.
- The GM, ACCS will work with co-op leadership to either negotiate lease extensions, or provide support for any redevelopment planning, in accordance with the Co-op Lease Renewal Framework approved by Council in July 2021.
 - [Council report](#) and [minutes](#).

- The approach to non-profit leases will be managed according to the Non-Profit Lease Renewal Framework approved by Council in July 2018.
 - [Council report](#) and [minutes](#).

4. Future strata leasehold lease negotiations, extensions and/or terminations, led by GM, REFM

- GM, REFM has been delegated authority and directed to negotiate strata leasehold extensions in accordance with Council's direction for a framework of lease terms.
- This work will be done in close alignment with the GM, FRS, and the Director of Legal Services plays an important support role.
- In November 2021, the GM, REFM initiated a formal negotiating process with False Creek South Strata Leasehold Society (SLS), and at the time of this memo, this process is underway.

5. Future planning and development of social and cultural amenities

- The GM, ACCS may be involved, in the City's landowner role, in the development and redevelopment of social and/or cultural amenities on the FCS lands, and to procure operators for these sites.

6. Development delivery and long-term land governance

- At the right time, the GM, REFM and the GM, ACCS will bring to Council options and recommendations concerning development delivery and long-term land governance of the City-owned properties in False Creek South.

7. Separation of regulator and landowner roles

- It is important that members of Council maintain separation in carrying out the administrative or executive processes to be undertaken by the City in exercising their landowner and regulatory functions. This is to protect against any allegation of bias, or that a member of Council did not have an open mind in undertaking their regulatory functions. Accordingly, it is also important that staff maintain the appropriate separation between these two roles.

8. Timing for report back on False Creek South Council liaisons' terms of reference

- The October 2021 Council direction concerning Council liaison positions for the False Creek South planning process is:
 - *“THAT Council appoint Councillors Fry and Hardwick as Council Liaisons to the planning process for False Creek South, and FURTHER THAT Council direct staff to provide Council with information on the scope and role Council Liaisons have in this process.”*

- As per Council direction, the GM, PDS will be providing Council with the Terms of Reference for the community planning project, which will include the scope and role for the Council Liaison positions.
- It is intended that the GM, PDS will bring a report to Council in March 2022, outlining the recommended approach for the FCS planning process. This will include the Terms of Reference for the Council Liaisons.
- A Council briefing will be held prior to this report coming to Council, at which members of Council will have the opportunity to ask questions concerning the Council Liaisons' role, and any other aspects of the proposed planning process.

Please reach out to Nick Kassam or Theresa O' Donnell if you have any follow-up questions to this memo.

All the best,

A handwritten signature in black ink that reads "Karen R. Levitt". The signature is written in a cursive style with a prominent loop at the end of the last name.

Karen Levitt
Deputy City Manager

| karen.levitt@vancouver.ca