

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Direct to Mayor and Council - DL"
Date: 2/14/2023 11:10:59 AM
Subject: RE: Upcoming News Release: False Creek North Option Sites (Feb. 13, 2023)

Good morning Mayor & Council,

As follow up to my email yesterday regarding the False Creek North non-market housing proposal, I am writing to address the implications of your dual roles as applicant and regulator as it pertains to this proposal.

The City is making the application to amend the False Creek North Official Development Plan (FCN ODP) and certain zoning by-laws and related policies. Council will also be acting in your capacity as the regulator to process the application. The same regulatory processes as in other rezonings are being followed, including neighbourhood notification, public information sessions and a Shape Your City engagement webpage with the opportunity for the public to comment.

The amendments are still subject to Council's unfettered regulatory approval following a public hearing (expected to be scheduled in July 2023). Council is in no way bound to approve the amendments to the FCN ODP or any zoning by-laws as a result of the City being the applicant or having entered into the agreement with Concord Pacific.

We recommend that any public statements you make regarding this application are worded to avoid any inference that you have pre-determined your position on the rezoning application or that frames the application as being already approved.

Media inquiries may be referred to media@vancouver.ca and if you are approached for comment by media or constituents, proposed key messages and Q&As are provided in my email below.

Should you have any questions or wish to discuss this matter further, please let me know.

Many thanks,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x^wməθk^wəyəm (Musqueam), Skwxwú7mesh (Squamish), and səlilwətaʔ (Tsleil-Waututh) Nations.

From: Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Sent: Monday, February 13, 2023 10:57 AM
To: Direct to Mayor and Council - DL
Cc: City Manager's Correspondence Group - DL
Subject: Upcoming News Release: False Creek North Option Sites (Feb. 13, 2023)

CONFIDENTIAL

Dear Mayor and Council,\u8239 \u8239

I am writing to inform you that the City will issue the below news release on False Creek North Option Sites and the new housing delivery model agreement with Concord Pacific for non-market housing and the launch of public engagement.

In support of this announcement, below you will find background information, timelines and key messages. We ask that you refer media inquiries on this matter to media@vancouver.ca as we have an established media protocol in place with partners.

The news release will be issued today, Monday, February 13, 2023 at around 11:30 AM. Please keep this news release embargoed until it goes live from the City media account at that time.

Best,
Pau

EMBARGOED DRAFT (NOT FOR CIRCULATION)

City of Vancouver

News Release

February 13, 2023

New housing agreement would deliver more than 650 affordable homes in False Creek North

The City of Vancouver is moving forward with plans to deliver more than 650 non-market homes in False Creek North through an innovative land transaction agreement.

The agreement with Concord Pacific creates an opportunity for the City to partner with BC Housing to develop these new non-market homes on three sites in False Creek North. These sites will also create an opportunity to locate new public amenities for False Creek North including a fire hall and childcare facility. In addition to the three housing sites, the City will receive \$110 million in cash contributions that could be used or allocated to fund the new street network planned for Northeast False Creek. Concord Pacific also will waive the City's \$11 million option price on the three sites, for a total value of \$121 million in financial contributions.

The proposals require amendments to the False Creek North Official Development Plan (FCN ODP) and the applicable zoning.

Learn more

To learn more about how these changes could provide more non-market housing and public benefits for the area:

- **Drop by an information session on:**

February 22, 2023, 5-8 pm

February 25, 2023, 11 am–2 pm

Location: Roundhouse Community Centre, 181 Roundhouse Mews

- **Visit the [Shape Your City website](#) for details and to share your comments**

The proposed zoning amendments are expected to be presented to Council for consideration in July 2023.

Background

- The [False Creek North Official Development Plan](#) was established in 1990 to guide the development of the large area which served as the Expo 86 site, now known as False Creek North.

- Six non-market housing projects have been built in False Creek North since 1990, delivering more than 540 units in this community. Currently, there are six remaining undeveloped non-market housing sites located in False Creek North that are owned by Concord Pacific. The City holds options to purchase those undeveloped sites.

- In 2018, the City of Vancouver signed a Memorandum of Understanding with BC Housing and Concord Pacific with the intention to build up to 650 units of non-market housing on three sites in False Creek North.

- In 2022, Council approved an agreement between the City and Concord Pacific for a new delivery model for housing. Under this agreement, the City receives three sites from Concord Pacific for the development of 650 units or more of non-market housing (in partnership with BC Housing). These sites will also accommodate new community amenities, including a fire hall and childcare facility. Concord Pacific will also waive the City's \$11 million option price on the three sites and provide the City with \$110 million in cash, which can be allocated to fund the new street network contemplated in the [Northeast False Creek Plan](#)'s vision for a new vibrant waterfront community.

- In exchange for the three non-market housing sites, cash payment and other benefits from Concord Pacific, the City will release its options to purchase on the three remaining sites, allowing Concord Pacific unencumbered ownership to develop market housing.

- The ODP and by-law changes being proposed would allow for the delivery of the non-market housing on the three sites that will be transferred by Concord Pacific to the City and for the development of market housing on the three remaining sites that will be retained by Concord Pacific. This is subject to Council's regulatory approval following a Public Hearing.

Quotes

Mayor Ken Sim, City of Vancouver:

"We're excited to see progress being made towards securing much-needed housing in the heart of our city. We're thrilled to be working with our partners, the Province and Concord Pacific, and look forward to considering the merits of the proposal."

Ravi Kahlon, BC Minister of Housing:

"Together with the City of Vancouver, the Province is committed to tackling the housing crisis that has forced too many people to move away from the community they call home. This proposal for 650 new non-market affordable homes will deliver the supply of affordable housing that Vancouver needs. We are making progress, with nearly 8,500 new affordable homes open or underway since 2017, and there is much more to do to increase housing supply."

Matt Meehan, Senior Vice-President, Planning, Concord Pacific Developments Inc.:

"Concord Pacific was pleased to work with the City on the creation of these non-market housing opportunities. We support the City's suggestion of funds going towards the removal of the seismically compromised viaducts as it would also unlock even more affordable housing opportunities in the area."

Media contact:

Civic Engagement and Communications

media@vancouver.ca

Background Information for Mayor & Council

Project Background

In 1990, the False Creek North Official Development Plan (FCN ODP) was established to guide the development of the large area sold by the Province to Concord Pacific. The plan identified 20 sites that would deliver affordable housing for the community. Since the 1990s, six affordable housing projects have been built, delivering 544 units. Eight sites were converted to market housing for cash-in-lieu for the City to redirect to other housing initiatives. Six sites remain undeveloped.

In July 2022, Council approved an agreement between the City and Concord Pacific for a new delivery model for affordable housing in FCN on the remaining six sites (known as the "option sites").

Under this agreement, the City receives three sites for the development of more than 650 units of affordable housing (in partnership with BC Housing) and community amenities (childcare and fire hall), along with a \$110 million payment from Concord. In exchange, the City releases its options to purchase the remaining three sites, providing Concord with unencumbered ownership to deliver market housing.

Amendments to the FCN ODP and associated zoning bylaws are proposed to reflect this new housing delivery model. In summary, these include:

- Delivery the remaining non-market housing requirements to the City-owned sites; and
- enabling taller building forms on two of the three City-owned sites than are currently allowed under the ODP.

February 2023 update

Public engagement on amendments to the ODP and associated by-laws will begin February 13 and run through March 3, 2023.

Timelines

- February 13 News release; launch of Shape Your City public engagement webpage
- February 22 and 23 Public information sessions at Roundhouse Community Centre
- March 3 Close of engagement phase
- June 2023 Referral report to Council on amendments
- July 2023 Public hearing

Media inquiries

We would appreciate you referring any media inquiries to media@vancouver.ca. If you are approached for comment by media or constituents, here are proposed key messages and Q&As to support responses:

Key messages

- An affordable and varied housing supply is important to meet the needs of our growing population and ensure our city remains vibrant and diverse. The False Creek North (FCN) option sites are an important part of this solution.
- Under the ODP, 544 units of affordable housing were built in FCN, and 598 units remain outstanding.

- The new agreement between the City and Concord will enable the delivery of more than 650 new units of affordable housing on three sites in the False Creek North area, which exceeds the ODP's affordable housing requirements. Concord may develop the other three sites into market housing.
- These six sites will contribute to more homes for a range of incomes to help more people stay, live and build a future in our city.
- The City of Vancouver is thankful for the partnership with BC Housing and Concord Pacific.
- The agreement also provides significant funding (\$110 in cash contributions), which the City can direct to the first phase of the new street network required as part of the NEFC Plan's vision for a vibrant waterfront community.

Q&As

Where are the six option sites?

- **City of Vancouver sites:** 450 Pacific St, 990 Beatty St and 1050 Expo Blvd
- **Concord Pacific sites:** 1502 Granville St, 431 Beach Crescent and 900 Pacific Boulevard

Is Concord receiving a favourable deal?

- The deal with Concord is fair. The agreement with Concord benefits both sides. The City will have the opportunity to partner with BC Housing to deliver more than 650 non-market affordable homes on three sites, which exceeds the 598 remaining units of affordable housing required under the FCN ODP.
- The City receives three sites (fee-simple, unencumbered) to be used for the delivery of affordable housing, a new fire hall, and one new childcare facility. Concord would be able to deliver market housing on the other three sites.

Is there a conflict of interest for this proposal given that the City is both the applicant and the regulator?

- The City acknowledges that the agreement with Concord creates a situation where the City is making the application to amend the FCN ODP and certain zoning by-laws and related policies but is also acting in its capacity as the regulator to process the application.
- This situation is relatively common however, with the City being one of the biggest landowners in Vancouver. Any time the City applies to rezone and develop its own land; the City is acting as both applicant and regulator.
- All the same regulatory processes as in any other rezoning are being followed here, including neighbourhood notification, public information sessions and a Shape Your City engagement webpage with the opportunity for the public to comment.
- The amendments to the FCN ODP and zoning by-laws are subject to Council's unfettered regulatory approval following a public hearing (expected to be scheduled in July 2023). Council is in no way bound to approve the amendments to the FCN ODP or any zoning by-laws as a result of The City being the applicant or having entered into the agreement with Concord

How does the FCN option sites agreement affect the Northeast False Creek Plan and the replacement of the viaducts?

- The agreement includes \$121 million in financial contributions to the City, which includes \$110 in cash contributions which is intended to be allocated toward the implementation of the first phase of the

new NEFC street network.

· The \$110M will help fund part of the Package 1 Infrastructure Works (surface road works, new cycle paths and sidewalks along Pacific and Expo, underground utility upgrades, new street lighting and signals). It is not sufficient to also contribute to the Package 2 Infrastructure Works, which includes the removal/replacement of the viaducts.