

From: **"Mochrie, Paul"** <Paul.Mochrie@vancouver.ca>
To: **"Direct to Mayor and Council - DL"**
Date: 11/19/2023 8:20:08 PM
Subject: Council Memo - Central Waterfront District Planning Update - RTS#015622
Attachments: PDS - SPO - CWD - Memo to Mayor and Council re Planning Update - November 2023.pdf

Dear Mayor and Council,

Please see attached memorandum regarding Central Waterfront District Planning, which provides Mayor and Council with an update on planning work in the area since the previous memorandum in April 2023 and a summary of proposed work for 2024.

If you have any questions please contact Doug Smith (doug.smith@vancouver.ca) or Matt Shillito (matt.shillito@vancouver.ca)

Best,
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 xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səlilwətał (Tsleil-Waututh) Nations.

MEMORANDUM

November 16, 2023

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Lon LaClaire, General Manager, Engineering Services

FROM: Doug Smith
Acting General Manager, Planning, Urban Design and Sustainability

SUBJECT: Central Waterfront District Planning Update

RTS #: 015622

This memo provides Mayor and Council with an update on Central Waterfront District (CWD) planning and a summary of proposed work for 2024. It builds on two previous memos provided to Council (February 2022 and April 2023) which are attached as Appendix A and B for reference.

Background

In February 2023, as part of the Final Motion as Approved with the 2023 Operating Budget, Council directed staff to report back in Q4 2023 with a Central Downtown Waterfront planning program and investment strategy and include funding in the draft 2024 operating budget for this program.

Staff followed up on this motion with a memo in April 2023 providing a summary of *Project Updates*, *Project Considerations* and *Planning Program Next Steps*. Since this memo, staff have re-engaged stakeholders in the area to progress discussions towards a future planning program for the Central Waterfront.

Project Potential

The redevelopment of the Central Waterfront represents a major city-building opportunity which could connect the Central Business District and Gastown to the waterfront, establish a world-class transportation hub at Waterfront Station, and introduce new mixed use development together with expanded parks and public realm. Staff are committed to undertaking a

comprehensive planning program to develop a new vision for the Central Waterfront at the appropriate time. However, given the numerous parties with interests and jurisdiction in the area, critical to the success of any planning initiative will be the establishment of a “project champion” representing the various landowners and stakeholders with the capacity and mandate to implement a shared vision.

Recent Progress

Private landowners in the area have retained Kirk & Co. and Bennett Jones to advise on and support the development of a unique governance and implementation model to bring the varied interests together. This consultant team specializes in the successful organization and execution of major infrastructure and development projects, with significant and relevant local experience. Staff believe this emerging governance model could form the basis of the necessary “project champion”.

The consultant team has proposed a three-phase process:

Phase	Phase 1	Phase 2	Phase 3
Goal	Identify key organizations and stakeholders to determine interest and roles in a Governing Organization	Formalize roles and funding into a Memorandum of Understanding (MOU) and Implementation Agreement (IA) including process, budget, staffing, roles and responsibilities	Execute upon the MOU and IA to inform the City's planning process and develop further agreements (e.g. infrastructure funding and delivery) to guide implementation
Anticipated completion	End of Q4 2023	End of Q2 2024	End of Q2 2025

At this time, the City anticipates representatives from the following organizations will have some role in this governance group: Government of Canada and its ministries and agencies (e.g. Transport Canada, Vancouver Fraser Port Authority), BC Provincial Government and its ministries and agencies (e.g. MOTI, Tourism BC, PavCo), City of Vancouver, Musqueam, Squamish, and Tsleil-Waututh Nations, TransLink, CP and CN Railways, VIA Rail, GHD Developments, Cadillac Fairview, plus others.

Next Steps

Staff will continue working with the governance group as it establishes its membership and mandate, with the aim of delivering a Program Report to Council to formally launch the planning program in line with the completion of Phase 2 of the governance process (i.e. in mid-2024). This would align with the governance group formalizing its MOU, which will provide clarity on the structure and agency of the project champion to inform and implement a Plan for the area. Of note, the draft 2024 Operating Budget that has been developed for consideration by Council in December does not include funding to advance the Central Waterfront planning process. Staff estimate that the work program would extend over 24 months with a total cost of \$2.6M to cover staffing and consultancies over that timeframe. A commitment to this program would also need to be balanced against other Council-directed initiatives and the work associated with implementation of Provincial legislation aimed at increasing housing supply. Staff plan to deliver a Council Briefing in early 2024 to provide further information and context for this upcoming planning initiative.



Doug Smith

Acting General Manager, Planning, Urban Design and Sustainability

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Appendix A:

April 2023 Memo to Mayor and Council re: Central Waterfront District Planning Update



PLANNING, URBAN DESIGN & SUSTAINABILITY
General Manager's Office

MEMORANDUM

April 26, 2023

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Maria Pontikis, Chief Communications Officer, CEC
Rosemary Hagiwara, Acting City Clerk
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Acting Chief of Staff, Mayor's Office
Trevor Ford, Director of Operations, Mayor's Office
Mellisa Morphy, Director of Policy, Mayor's Office
Lon LaClaire, General Manager, Engineering Services

FROM: Theresa O'Donnell
General Manager, Planning, Urban Design and Sustainability

SUBJECT: Central Waterfront District Planning Update

RTS #: 015622

This memo provides Mayor and Council with an update on Central Waterfront District (CWD) planning and a summary of proposed work for the remainder of 2023.

Background

The City has undertaken numerous planning initiatives in the CWD area since the 1970s, including an Official Development Plan (1979), a Policy Statement (1994), and the Hub Framework (2009). Despite these efforts, there has been no significant development of the area surrounding Waterfront Station or north of Gastown due to a variety of physical, land ownership and jurisdictional complexities described briefly below. See Appendix A for a map of the area.

In 2018, the City and the Vancouver Fraser Port Authority (the Port) agreed to work towards a revised planning framework by identifying common goals and interests, bringing together interested parties to define short and long-term aspirations, and undertaking joint technical studies. The February 2022 Council memo (attached as Appendix B) summarizes the work undertaken between 2018 and 2022.

Project Updates

Since February 2022, staff have finalized a Dangerous Goods Study, continued to work with the Port, progressed discussions with other landowners and stakeholders, taken part in a Central Waterfront design charrette, and began scoping and budgeting for a full planning program.

The Dangerous Goods Study (summarized in Appendix C) explored best practices for development near or above freight rail facilities and identified potential mitigation measures to address safety concerns.

City staff participated in a landowner-initiated design charrette in December 2022 and January 2023. Convened by two of the major landowners in the area – Carrera and Cadillac-Fairview – the charrette brought together landowners, key agencies, architects and engineers, the Downtown Waterfront Working Group (DWWG), indigenous representatives, and City staff, amongst others. Unfortunately the Port and CP Rail declined to participate.

The goal was to develop a shared understanding of opportunities and constraints, and to explore potential visions for the area based on four different development scenarios. In addition, a group was tasked with exploring some of the governance challenges, and to identify how a new entity such as a development corporation might come together to drive forward a new vision for the area. Staff have recently received a detailed report on the outcomes of the charrette and will consider how its findings may be used in future planning work for the area.

Project Considerations

The CWD is a physically and jurisdictionally complex area where the City has limited agency to lead growth and change. This is due to a number of key challenges:

1. Land ownership is fragmented between various public and private entities, and the City itself does not own any land.
2. The City's planning jurisdiction is limited to parcels south of Waterfront road (primarily occupied by the CP Rail Yard).
3. The Port owns and has jurisdiction over the most readily developable areas north of Waterfront Road.
4. The existing rail yard has been identified as being critical to the efficient freight rail operations in the South Shore area, including the recently expanded Centerm container facility and represents a major constraint on development for the foreseeable future.

Recognizing these challenges, the 2009 Hub Framework identified the need for a "project champion", such as a development corporation, senior government agency, or combination of several parties with the mandate and capacity to implement a shared vision. As noted, the governance group explored these ideas during the charrette and staff will follow up on any useful recommendations or actions from the landowners towards identifying the necessary project champion.

Planning Program Next Steps

In February 2023, Council directed staff to report back in Q4 2023 with a planning program and investment strategy for the CWD. Staff will now carry out further scoping work and progress discussions with landowners and stakeholders before reporting to Council with a potential planning program and recommendations on timing later this year. A preliminary estimate suggests a new plan for the area could cost approximately \$2.6 million over two years in staff, external consultants and process costs. A funding source has not been identified at this time.



Theresa O'Donnell
General Manager, Planning, Urban Design and Sustainability

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Appendix B:

Feb 2022 Memo to Mayor and Council re: Central Waterfront District – Project Update



PLANNING, URBAN DESIGN & SUSTAINABILITY
General Manager's Office

MEMORANDUM

February 4, 2022

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Karen Levitt, Deputy City Manager
Armin Amrolia, Deputy City Manager
Katrina Leckovic, City Clerk
Lynda Graves, Administration Services Manager, City Manager's Office
Maria Pontikis, Director, Civic Engagement and Communications
Anita Zaenker, Chief of Staff, Mayor's Office
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Communications Director, Mayor's Office
Lon LaClaire, General Manager (ENG)
Kevin McNaney, Special Projects Office (PDS)
Matt Shillito, Special Projects Office (PDS)
Hale Jones-Cox, Central Waterfront Planner (PDS)
Paul Storer, Director of Transportation (ENG)
Dale Bracewell, Manager of Transportation Planning (ENG)
Sherwood Plan, Transportation Engineer (ENG)

FROM: Theresa O'Donnell
General Manager, Planning, Urban Design and Sustainability

SUBJECT: Central Waterfront District – Project update

RTS #: N/A

This memo provides Mayor and Council with an update on the Central Waterfront District project being jointly led by Planning and Engineering staff.

Background

In May 2018, the City of Vancouver (CoV) and the Vancouver Fraser Port Authority (VFPA) signed a Letter of Intent outlining a path to work together to develop a new planning framework for the Central Waterfront. Figure 1 illustrates the study area for this work, as well as the smaller area that was covered by the City-led 2009 Central Waterfront Hub Framework.

The first phase of work, entitled "Understanding the Opportunity", has several key objectives:

- Identify common goals, key opportunities, constraints, and development aspirations.
- Identify high level infrastructure improvements required to support the goals and opportunities.
- Facilitate an engagement process with key stakeholders.
- Undertake joint technical studies required to support further planning work.
- Identify the necessary updates to existing CoV and VFPA policy documents.

CoV and VFPA staff have been jointly working towards these goals, preparing project documents and materials, commissioning background consultant studies, and undertaking preliminary consultation with key stakeholders (landowners and agencies).

Figure 1 - Central Waterfront Study Area



Project progress

Central Waterfront Profile

One of the key tasks of Phase 1 was researching and cataloguing the existing conditions of the study area. The results were distilled into a *Central Waterfront District Area Profile*, highlighting key statistical and built form characteristics of the area.

Project Principles

CoV and VFPA have prepared a set of draft Project Principles which identify each organization's corporate priorities for future planning in the area. For the City, these revolved around creating a world-class transportation hub and a unique, vibrant extension of the Central Business District which connects to the waterfront. The Port's principles focused on meeting their core mandate to facilitate the efficient movement of goods and passengers through the area to support Canada's trade objectives.

Stakeholder Engagement

The joint CoV and VFPA staff team engaged an external consultant to lead a facilitated engagement process with key representatives from the five key stakeholder groups identified in the Letter of Intent: CP Rail, GHD Equity Holdings, Cadillac-Fairview, PavCo and TransLink. This explored each stakeholder's interests, goals and objectives for the future development of the Central Waterfront. The results were summarized into 5-10 key principles for each stakeholder.

Consultant Studies

The first phase of the project has included the preparation of a number of technical consultant studies:

- **Phase 1 Rail Study** to update the baseline conditions of rail operations within the South Shore Waterfront (complete)
- **Sea Level Rise Study** to identify flood risk in the area and recommend mitigation strategies (complete)
- **Baseline Land Economics Study** to review market prospects for development in the study area (complete)
- **Dangerous Good Study** to understand the regulatory environment and best practices for development over and adjacent to freight rail yards (final draft)
- **Utilities Inventory** to identify the City, Port and 3rd-party utilities in the area (in process)
- **Waterfront Station Feasibility Study** to examine the future transportation and physical space needs of Waterfront Station (TransLink lead – in process)

Upcoming Work

The commencement of a comprehensive planning program for the Central Waterfront is not currently funded or resourced within the Planning and Engineering departments' 2022 work programs. However, staff intend to continue work on the file during 2022, including progressing required background and consultant studies to inform future planning work and re-engaging with the area stakeholders for updates. This will ensure that the City is well-placed to launch a full program in 2023, pending Council direction to do so.



Theresa O'Donnell
General Manager, Planning, Urban Design and Sustainability
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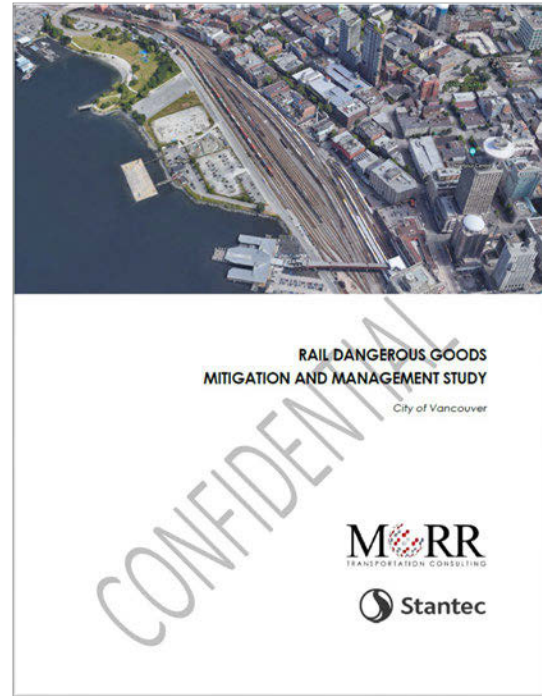
Appendix C:

Dangerous Goods Report – Summary of Findings

A wide variety of goods are moved through N yard, from regular household products to industrial goods, some of which are identified as ‘Dangerous Goods’ by Transport Canada. In 2022, City staff procured a study to understand the potential to develop above or adjacent to dangerous goods railway operations (*Rail Dangerous Goods Mitigation and Management Study*, aka *Dangerous Goods Study*).

The key findings from this study were:

- There are no regulations which expressly forbid the construction of structures above or adjacent dangerous goods, but there are best practices in the Federation of Canadian Municipalities (FCM) *Guidelines for New Development in Proximity to Railway Operations* which identify a 30 m minimum setback from freight corridors and 300m minimum setback for freight rail yards. Significant existing portions of the Central Business District and Gastown do not meet these clearance requirements.
- While there are numerous international jurisdictions undertaking development projects over underutilized *passenger* railyards, no examples were found of locations which have undertaken this task above freight rail and/or dangerous goods.
- The *Railway Relocation and Crossing Act* (R.S.C., 1985, c. R-4) provides a potential mechanism to reroute certain types of railway traffic for the purposes of public safety.



Based on the consultant's findings, staff conclude that permitting development above or near to N-yard would likely require the City to assume potentially significant legal and financial risks and responsibilities. Accordingly, the City may wish to explore re-routing 'dangerous goods' in the area for the purpose of public safety or request that CPR consider avoiding the storage of rail cars carrying dangerous goods on the outer freight tracks and instead use the middle tracks for storing these commodities.

Applying the *FCM Guidelines* to the City's planning processes may impact development adjacent to rail facilities. Staff are currently undertaking a preliminary scoping exercise to understand these potential impacts and explore best practices to mitigate health and safety concerns.