2018 Density Bonus and Community Benefits Policy

Amended: July 23, 2018  Enactment: January 1, 2019
1. Introduction

This document serves as a guide for the consideration of density bonuses and density transfers within the framework of the Official Community Plan (OCP) and Local Government Act. This document should be read in conjunction with the OCP and, in particular, Section 2.2 Density Bonusing, Section 2.3 Density Transfer, and the Schedule ‘A’ Land Use Map.

This guide is intended to provide a greater degree of certainty regarding the purpose and value of community benefit contributions that may occur in conjunction with development applications. Contributions of this nature help ensure that the City is able to provide amenities to meet the needs of our growing community.

Owners and applicants are reminded that OCP and rezoning applications are at Council’s absolute discretion. While these guidelines provide a framework for determining Community Benefits related to rezoning applications, Council may reduce, increase or reject any application.

2. Density Bonus Categories

The graphic to the right describes two types of density bonuses. Community Benefit options applicable to each of these bonus categories are outlined in Section 3 of this policy.
### 3. Community Benefit Options

Choose one path or combine from the following options outlined below in order to achieve additional density beyond outright zoning:

<table>
<thead>
<tr>
<th>i) Community Benefit Cash Contributions</th>
<th>ii) Secured Rental Housing*</th>
<th>iii) Employment Generating Use*</th>
<th>iv) Heritage Conservation*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lonsdale Regional City Centre:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$190 per sq. ft. of Residential Floor Area Increase between the OCP Schedule 'A' Density and the OCP Maximum Bonus</td>
<td>A) 100% Rental Housing* Conditions:</td>
<td>Additional Commercial Floor Area 1 sq. ft. Bonus for every 1 sq. ft. of Commercial Floor Area provided beyond the first 1.0 FSR of Commercial Area</td>
<td>Appropriate bonus for restoration and preservation determined through rezoning process</td>
</tr>
<tr>
<td>Other areas: $175 per sq. ft. of Residential Floor Area Increase between the OCP Schedule 'A' Density and the OCP Maximum Bonus</td>
<td>70% of rental units must be Mid Market Rental Units (see definition)</td>
<td>Conditions:</td>
<td>Clarifications:</td>
</tr>
<tr>
<td><strong>Conditions:</strong></td>
<td>B) Portion as Non-Market Housing 30% of Incremental/Additional amount provided as Non-Market Rental Housing (see definition); the remainder can be market strata development</td>
<td>• Can be combined with a cash contribution to reach 100% of the OCP Maximum Bonus</td>
<td>• The OCP Maximum Bonus provision does not apply to heritage conservation bonuses.</td>
</tr>
<tr>
<td>• Sites with Existing Rental units are not eligible for a bonus except for Secured Rental Housing</td>
<td>C) Rental Retention Maintaining Existing Rental Building with Bonus Density Transfer to Another Site <strong>Conditions:</strong></td>
<td>• 100% Commercial use buildings are encouraged and can receive the OCP Maximum Bonus</td>
<td>• The cost of the works to restore the heritage resource will be considered in setting the value of the density bonus.</td>
</tr>
<tr>
<td>• Cash Contributions may be negotiated only in unique circumstances in-kind Contributions may be negotiated</td>
<td><strong>Category B</strong> Bonus</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category A</strong> Bonus</td>
<td><strong>No Amenity Fund Contribution is suggested for Secured Rental Housing projects</strong></td>
<td><strong>No Amenity Fund Contribution is suggested for 100% commercial projects</strong></td>
<td><strong>Bonus for restoration and preservation determined through rezoning process</strong></td>
</tr>
<tr>
<td><strong>Short Schedule 'A' Density</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OUSTRIGHT ZONING</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* In cases that Community Benefit Cash Contributions are waived, limited off-site improvements relating to safety to accommodate the density of development proposed may still be required as a condition of rezoning.

** While multiple pathways can be combined for full density bonus in most categories, this is not possible for 3(ii)(A): 100% Rental Housing.
4. Density Transfers

A transfer of density is the relocation of anticipated density from one parcel of land to another. To achieve the goals and objectives outlined in this Plan and/or achieve a preferable form of development, City Council may authorize transfers of density between properties. Such transfers do not involve an increase in the total development potential, but rather the relocation of a density allowance. Density transfers require a rezoning with Public Hearing and, if approved, require that a Land Title Act covenant be registered on all affected properties confirming that the transfer has occurred.

Density Transfers are appropriate in the following two scenarios:

1. Density Transfer donor site is adjacent or in close proximity (i.e., same block) as the receiving site and transfer will result in a preferable built form; and/or
2. Significant civic or public benefit will accrue from the Density Transfer (e.g., secured protection of a valued heritage site or provision towards an important civic facility).

5. Applying the Density Bonus and Community Benefits Policy

This policy should be read in conjunction with other City policies. Please note that:

- The Community Benefit Options outlined in Section 3 are intended as guidelines. Alternatives may be considered by Council in unique circumstances. This could include the provision of on-site Community Amenities rather than a contribution to an amenity fund, for example. On-site Community Amenities would be determined based on community needs and must match the value of the bonus density.

- Infrastructure upgrades needed to accommodate a development or mitigate development impacts may be required in addition to Community Benefit Cash Contributions or other Community Benefits.

- All development applications must provide bylaw-required infrastructure upgrades and contributions, Development Cost Charges, and other applicable municipal fees. Density bonus and community benefit contributions are not in lieu of what is otherwise due to the City.

- Public art is not funded by Community Benefit Cash Contributions and will be negotiated separately, in addition to the Community Benefit Options described above.
– Community Benefits for OCP amendments are negotiated on a case by case basis considering the nature and extent of the change and community needs.

– Any application which involves the displacement of existing tenants must comply with Council Policy No. H18: Residential Tenant Displacement Policy.

– This policy does not apply to properties currently designated Residential Level 1 or Residential Level 2 in the Official Community Plan, except in relation to the opportunity to receive a density bonus in exchange for heritage conservation.

– Development proposals that are inconsistent with the Density Bonus and Community Benefits Policy will be reviewed by Council prior to processing of the application, and the proponent will be required to demonstrate:
  o That the requested deviation from the policy is warranted by unique circumstances; and
  o That other public benefits of equivalent value will be accrued (for example, a secured commitment to exceed the minimum term of affordability for Mid-Market Rental Units or to meet another Community Benefit priority)

6. Allocating Community Benefit Cash Contributions

Cash contributions for Community Benefits are to be applied to the Civic Amenity Reserve Fund and Affordable Housing Reserve Fund. These funds are used to ensure a high quality of life as the community grows. These Funds specifically provide for the following Community Benefits:

*Civic Amenity Reserve Fund*

Contributions to this fund will be used to provide City-serving amenities, as per Bylaw No. 6967 (Civic Amenity Reserve Fund).

This includes, but is not limited to:

– Harry Jerome Community Recreation Centre;
– Waterfront Amenity Spaces;
– Park and public open space improvement;
– Child Care Facilities;
– Museum;
- Greenways construction and improvements;
- Active transportation projects;
- Traffic safety improvements; and
- Other Civic Amenities.

**Affordable Housing Reserve Fund**

Contributions to this fund will be used for the provision of new nonmarket and special needs housing units, as per Bylaw No. 6757 (Affordable Housing Reserve Fund).

Community Benefit Cash Contributions shall generally be allocated as indicated in the table below. These funds shall be spent at Council's discretion as per the terms of the Bylaws establishing these funds, as amended from time to time. These funds shall be allocated to future projects based on identified community needs.

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Public Benefits</th>
<th>Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>80%</td>
<td>Civic Facilities / Community Amenity Space</td>
<td>Civic Amenity Reserve Fund</td>
</tr>
<tr>
<td>20%</td>
<td>Affordable and Rental Housing</td>
<td>Affordable Housing Reserve Fund</td>
</tr>
</tbody>
</table>

In-kind contributions will be accepted, at the discretion of the City, in order to assure timely mitigation of additional density in a neighbourhood, when deemed appropriate.

**7. Monitoring**

The *Community Benefit Cash Contribution* amounts shall be updated periodically to reflect community needs and changing market conditions. The allocation of Amenity Fund Contribution amounts to individual reserve funds will be reviewed annually in conjunction with the City's Financial Plan in order to ensure alignment with Council priorities.

A summary of *Community Benefit Cash Contributions* received will be prepared and presented annually.
Appendix 1: Definitions

Commercial Floor Area means the square-footage measurement of commercial office or retail space in a building.

Community Amenity is a defined physical space that provides direct or indirect Community Benefits to the community and includes, but is not limited to, recreation facilities, child care facilities, museum, library, offices for non-profit organizations, cultural facilities, heritage conservation, civic and institutional uses, district heating utility, community meeting space and employment-generating offices.

Community Benefit Cash Contributions are the cash or in-kind contributions toward Community Benefits provided in return for a rezoning or OCP Amendment. Contributions are assumed to be in cash except as negotiated and at the direction of Council.

Community Benefits are the wide range of benefits achieved in the public interest, to support the Goals and Objectives of the OCP. These are realized through amenity reserve fund contributions and/or through other Community Amenities. Community Benefits are achieved through rezoning or density bonusing.

Density is the Floor Space Ratio that can be achieved on a parcel, as a calculation of gross floor area over site area.

Density Bonus is additional density provided in return for Community Benefits.

Density Transfer is the relocation of anticipated density from a donor site to a recipient site.

Floor Space Ratio (FSR) is a method of calculating density and controlling the size of building that can be built on a property. The FSR multiplied by the lot area determines the maximum size of building.

Land Use Designation means the permitted uses and densities as outlined in Schedule ‘A’ of the Official Community Plan.

Mid-Market Rental Units means dwelling units:

(a) that are occupied by households that are low and moderate income renters, including the City’s workforce;

(b) that are set at 10% below Canada Mortgage and Housing Corporation average market rents for the City, based on unit type, and secured in perpetuity; and
(c) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the city, registered against the freehold or leasehold title, with such priority of registration as the city may require;

**Non-Market Rental Housing** means dwelling units:

(a) that are occupied by households with incomes below housing income limits, as set out in the current “Housing Income Limits” table published by the British Columbia Housing Management Commission, or equivalent publication;

(b) that are owned by a non-profit corporation, by a non-profit co-operative association, or by or on behalf of the city, the Province of British Columbia, or Canada; and

(c) in respect of which the registered owner or ground lessee of the freehold or leasehold title to the land on which the housing is situate has granted to the city a section 219 covenant, housing agreement, or other security for the housing commitments required by the city, registered against the freehold or leasehold title, with such priority of registration as the city may require;

**Official Community Plan (OCP)** is Bylaw No. 8400, one of the City's most significant guiding policy documents. The OCP sets a long-term vision for the City. All other municipal bylaws and works undertaken by the City must be consistent with the OCP.

**OCP Maximum Bonus** means the highest *Floor Space Ratio* increase that can be achieved on a site (excluding density transfers) through a *Category B Bonus*, as per the OCP. All such density bonuses are subject to a rezoning and enhanced public process.

**OCP Schedule 'A' Density** means the density permitted for a given Land Use Designation in the OCP, under the Schedule 'A' Land Use Map. The Density Bonus and Community Benefits Policy needs to be read in conjunction with the Schedule 'A' Land Use Map to determine permitted maximum densities.

**Outright Zoning** means the maximum *Floor Space Ratio* that can be realized on a site under existing zoning through a Building Permit without any density bonus or any rezoning of the lands for additional density.

**Rental Housing** means dedicated purpose-built rental tenure residential units.

**Residential Floor Area** means the total of market and non-market residential gross floor area.

**Secured** means required and guaranteed through one or a combination of the following tools: zoning bylaw, Housing Agreement, Heritage Revitalization Agreement, covenant, or other legal tool.