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The Corporation of **THE CITY OF NORTH VANCOUVER**
COMMUNITY DEVELOPMENT DEPARTMENT

REPORT

To: Mayor Darrell R. Mussatto and Members of Council

From: Gary Penway, Director, Community Development

SUBJECT: HARBOURSIDE OFFICIAL COMMUNITY PLAN AMENDMENT UPDATE
(CONCERT PROPERTIES/KNIGHTSBRIDGE): 2nd READING

Date: May 23, 2012 File No: 6740-20-01

The following is a suggested recommendation only. Please refer to Council Minutes for adopted resolution.

RECOMMENDATION:

PURSUANT to the report of the Director, Community Development, dated May 23, 2012, entitled "Harbourside Official Community Plan Amendment (Concert Properties /Knightsbridge): 2nd Reading":

THAT City of North Vancouver Official Community Plan Bylaw, 2002, No. 7425, Amendment Bylaw, 2011, No. 8157" (Concert Properties Ltd.) be amended as described in said report and that the Public Hearing be scheduled on June 25th, 2012;

AND THAT the owners be required to enter into a covenant as part of the OCP amendment process confirming that the following would be provided as part of any subsequent rezoning process:

- Undertaking of detailed traffic and parking studies to the satisfaction of the City;
- Commitment to traffic demand measures to the satisfaction of the City
- Preparation of a Kings Mill Park Plan to the satisfaction of the City
- Addressing utility upgrades as required by the City
- Development of a commercial building on the westerly edge of the lands as an industrial buffer to Seaspan
- a Phasing Plan to the satisfaction of the City

- a Community Amenity Contribution based upon an agreed upon formula/method of calculation and using base land values as of the time of the OCP amendment;
- a noise attenuation strategy prepared by a noise consultant to the satisfaction of the City;
- Confirmation that the lands will not be sold without the purchaser being notified of the obligations, contained within the covenant;

AND THAT notification be extended to additional parties as indicated in this report, including the District of North Vancouver, The Squamish Nation, North Vancouver School District and Port Metro Vancouver.

ATTACHMENTS:

1. 2012 Harbourside Town Hall Meetings Summary Report, CitySpaces Consulting
2. Letter from Port Metro Vancouver dated April 5, 2011
3. Concert/Knightsbridge Updated Submission dated May 23, 2012
4. Engineering Parks & Environment Department comments
5. OCP Amendment Bylaw No. 8157 (with proposed amendments shown)

PURPOSE:

This report updates Council on the Open House and two Town Hall Meetings held this year for this application. These were supplemental opportunities for public input which were added to the application process by City Council after First Reading of Bylaw No. 8175 and referral to a Public Hearing was given on March 7, 2011.

Following the additional public input events recently held, the applicants have made several changes to their application. This includes revisions to the preliminary site plan to address industrial interface with Seaspans (Washington Marine Group) and Burrard Yacht Club. The site plan has also been revised to clarify there will be no loss of public waterfront park lands. They have also provided additional information and commitments regarding traffic demand management in support of their OCP amendment application. This is all presented in Attachment #3.

In response to the need for site plan changes, a variation to building height has been requested. In addition, staff has proposed a further bylaw revision to make this site a Development Permit Area. This would help secure future design control if a rezoning was later approved with Development Permit Design Guidelines.

It is important to recognize that this is an OCP Amendment application only. As an OCP amendment, this application is primarily considering the broad question of whether residential uses at the densities and heights indicated are worthy of consideration through a subsequent rezoning. An OCP Amendment does not create development

rights to build, but would enable the owners to apply for rezoning at a later date. It is anticipated that, if the OCP change is approved, shortly thereafter a rezoning application for all of the subject lands would be made.

The owners understand that in a subsequent rezoning application, they would be required to provide much more detailed information on parking, traffic, park enhancements, community amenity contributions, industrial interface, building design, etc. They have agreed to confirm this through a covenant to be registered at the time of the OCP amendment. This would be replaced by more specific covenant obligations at the time of rezoning.

This report presents the results of the two Town Hall Meetings (Attachment #1). These supplement the input previously received in the application process, which goes back to 2009. This report also presents changes to OCP Amendment Bylaw 8157 for consideration at second reading. For background information, the staff report dated March 1, 2011 from R.H White that originally presented Bylaw 8157 for First Reading, with its supporting information, is also available through the City Clerk's Office. It is being recommended that the Public Hearing for OCP Bylaw 8157, with revisions, be scheduled. Possible Public Hearing dates and other options are also identified.

TOWN HALL RESULTS:

An Open House and two Town Hall Meetings were held earlier this year. There had been a previous Town Hall Meeting in November, 2010. The two more recent Town Hall Meetings are summarized by the facilitator, Colette Parsons, in Attachment #1. Town Hall Meetings are not normally video taped. At the request of Councillor Heywood, Concert agreed to tape the second Town Hall Meeting since he could not attend. This video is available from Concert Properties upon request, as noted on their web site.

The events were well attended with 84 attendees at the April 12th Town Hall Meeting and 82 people at the April 30th Town Hall Meeting. Input was received both through a questionnaire and through public speakers addressing the group at the Town Hall Meetings. Some attended both Town Hall Meetings. Generally, people who spoke also filled out comment forms. This input is summarized in the table on the next page.

The figures shown represent responses received, not necessarily a tally of individuals. Attendees who both spoke and submitted a Feedback Form will be included in each category and therefore included twice. Also, people who attended both Town Hall Meetings were recorded at each event and so will be included for each event. As a result, the input has not been totalled since to do so would represent up to four inputs per person. Overall, the responses indicate that at the April 12th event, there was a reasonable balance of support and opposition. At the April 30th event, there was more opposition than support for the application.

April 12th Town Hall Meeting	Support	Mixed Support/ Opposition	Opposition	Total No.
Attendees	n/a	n/a	n/a	84
Speakers	n/a	n/a	n/a	23
Questions (14 at the microphone, 4 via the question and comments cards)	n/a	n/a	n/a	
Comments (7 at the microphone and 1 via question/comment cards)	2	1	5	8
Feedback Forms	14	8	10	32

April 30th Town Hall Meeting	Support	Mixed Support/ Opposition	Opposition	Total No.
Attendees				82
Speakers	n/a	n/a	n/a	25
Questions (31 at the microphone, 2 via the question and comments cards)	n/a	n/a	n/a	33
Comments (all from the microphone)	1	1	16	18
Feedback Forms	8	3	16	27

In addition to the general question of support or opposition, a number of specific issues were raised at these events. These can primarily be grouped into the following categories:

Industrial Interface (Seaspan and Burrard Yacht Club), Traffic, Parking, Park Impacts, Amenity Contributions, and Employment Generation.

The following section discusses these issues.

These two events were not the only input received through the Harbourside process. Earlier input, not repeated in this report, but still relevant, is contained in the March 1st staff report. In those earlier stages, which included a variety of events, there was more support than opposition for the application.

ADVISORY BODY INPUT:

Advisory bodies have previously considered this application and their input was presented to Council earlier. The City has since created an Integrated Transportation Committee. Since that group had not yet commented on the application, it was

considered by them at their May 9, 2012 meeting. At that time they adopted the following resolution:

THAT the Integrated Transportation Committee has reviewed the revised Harbourside OCP Amendment (scenario E, with 0.7 FSR Commercial and 1.5 FSR residential land uses,) and supports the concept.

In addition, the Integrated Transportation Committee recommends that the applicant work with the City to incorporate the following considerations:

- 1. To review the parking management strategy in the area as a whole, including creative sharing of parking spaces with both the new and existing buildings;**
- 2. And to support the City's greenhouse gas reduction objectives, the parking on site should include both public and private electric vehicle charging facilities;**
- 3. And that the applicant pursue aggressive use of transportation demand measures, and that they consider providing a bike-sharing system to serve the site. Consideration should be given to how such a bike share system could connect with potential bike-share facilities at Lonsdale Quay and/or Park Royal.**
- 4. And that the Committee recommends that applicant work with Seaspan to create a publically accessible pedestrian/cyclist connection.**
- 5. And that the Committee feels the shuttle concern has not been adequately resolved and would like the applicant to assure the City that the shuttle is to be an essential part of the proposal, and that the applicant will continue to fund the shuttle until such time as the Spirit Trail connection east to Lonsdale Quay is complete, and that viable alternative public transit service is provided to the area.**
- 6. And that the applicant work with the City to enhance the safety, comfort, convenience and quality of pedestrians and cyclists facilities along Fell, Bewicke and Mackay, between the site and Marine Drive in order to support access to more frequent Transit and the shops and services along Marine Drive;**
- 7. And to improve the rail crossing safety for all transportation modes at the Bewicke crossing.**
- 8. And that the applicant provide intersection enhancements at Fell & Marine, and Bewicke & Marine, that will accommodate anticipated demand of all modes of transportation; and where added vehicle capacity is required, special attention should be paid to preserving or enhancing the quality of the pedestrian/bike facilities and the quality of streetscaping.**

ISSUES FOR CONSIDERATION:

Previously the concept for adding residential uses to these lands was divided into two applications. The first, now under consideration, is the OCP Amendment. The second would be a rezoning application.

As a higher level decision, there typically is less detailed information available for consideration in an OCP (only) amendment process. This means that not all answers to the public can be given at this time. More detailed information would be available at the rezoning stage. Most of the City's previous OCP Amendments have combined the OCP and rezoning so that full information is available for a single decision on both Bylaws.

At this point, the applicant has the following responses to concerns raised:

Industrial Interface: Seaspan appeared as a delegation to Council and indicated support for residential uses at Harbourside provided that a commercial building was used as a buffer. Port Metro Vancouver has written (Attachment # 2) and reiterated their long term interest in industrial port lands and requesting notice to any residential units of the industrial context. They have not opposed the application. The Burrard Yacht Club (BYC) has also expressed their concern over industrial interface. The BYC has made an OCP Amendment application seeking transferable development rights for residential use. The Deputy Director is reporting on that application separately.

The applicants have agreed to provide a commercial building along the western end of their lands to address Seaspan's request. They have also agreed to modify the easterly site planning to assist with industrial interface with the BYC. A modified conceptual site plan is attached (Attachment # 3). This would be vetted and revised as necessary in a future rezoning stage.

The applicants have previously agreed to placing a notice on title for all future residential units advising new owners of the industrial context. In addition, they previously agreed to having residential buildings designed to the specifications of a Noise Consultant to mitigate potential noise.

Traffic: The applicants' consultant has studied this issue, anticipated traffic changes and identified a variety of responses. Further analysis and firm commitments would be made at the rezoning stage. Essentially, the previous study concludes that residential uses generate less traffic than commercial uses; that the direction of most residential traffic will be in the opposite direction to commercial traffic and that there is surplus capacity in that direction; that this balance of traffic flow will help make transit service viable in the future; that extraordinary Traffic Demand Management (TDM) measures can limit both traffic and parking.

Proposed TDM measures have been expanded upon in Attachment #3 from Bunt & Associates. This includes:

- Commitment to a free 15/30 minute shuttle service to Lonsdale Quay
- Enhanced pedestrian connections
- Provision of co-op cars
- Bike share program
- Parking and parking management program
- Potential water taxi service
- Ongoing monitoring

The transportation response goes farther than previously submitted but still requires more analysis, followed by firm, covenanted commitments. That would occur at the rezoning stage, should Council approve the OCP amendment. At that time staff will be considering a phased development of the lands contingent on TDM performance. This would be secured by covenant.

Parking: The applicants' response to the parking situation is contained in their previous Traffic Study from Bunt. This is now expanded upon in Attachment #3. They are expecting that Traffic Demand Measures, additional parking, time shared parking, co-op cars, free shuttle service, water taxi service and eventually improved transit will address this issue. They are also proposing 50 additional at grade public stalls on their lands. This would need to be investigated in more detail at a rezoning stage.

Overall, the City's policy on transportation strives to reduce the use of single occupant vehicles. The proposed parking/transportation response in the Harbourside Waterfront is consistent with this direction. The ability to achieve this, however, would need to be validated at the time of rezoning.

Park Impacts: There was concern that the proposed change to the development of these lands would negatively impact Kings Mill Walk Park. The applicants have modified their conceptual site plan to clarify that this is not the intent. This includes removing the proposed road realignment at the Foot of Fell and a commercial building from the water's edge. They advise that they are aspiring to an increase in park land, and extension of the Spirit Trail eastward along the waterfront through the Knightsbridge property. The Spirit Trail and off-leash dog area, currently under construction, has always been planned to be retained.

Some residents have suggested that the City acquire some or all of these sites as parkland. The City obtained the most critical waterfront frontage as the existing Kings Mill Walk Park through the original Harbourside Business Park rezoning, with the remaining waterfront public access across the Knightsbridge property to be secured through a right-of-way. It will be expanded as part of this revised development to accommodate the Spirit Trail. Continuous waterfront

access is therefore assured and acquisition, as is occurring in West Vancouver, is not required. The original Harbourside rezoning also included a contribution towards the construction of the artificial turf playing field at Carson Graham School.

This is not a park deficient neighbourhood. Bewicke Park, situated on the waterfront to the east of the BYC, will be improved and expanded this year as part of the Spirit Trail project on Bewicke Avenue. Heywood Park has gone through a recent upgrade and may be enlarged in the near future. Mosquito Creek is another significant park serving this part of the City, and will be expanded south of Marine Drive to Bewicke Avenue with an enhanced trail system as part of the Operations Centre redevelopment. There is also Lower Mackay Creek Park, situated in the District of North Vancouver, connected to Harbourside by the new Spirit Trail bridge. As identified in the Parks Master Plan, other parts of the City have park deficiencies, particularly Central Lonsdale. Further park acquisition in the Harbourside area is therefore not considered a priority by Parks staff.

The exact nature of the park configuration and enhancement would be resolved at the rezoning stage.

Amenity Contributions: The applicants have proposed a method of calculating community amenity contributions related to this development. This is based upon a pro forma approach resulting in a “residual land value” for the residential condominiums through an estimation of final sales prices less development costs.15% profit. Conservatively, this is estimated to generate approximately \$16 million of amenity contribution. Some of this would provide enhancements to the local area and the rest would be a cash amenity contribution. This would be finalized in the rezoning process when prices, both construction and sales, became more clear.

Employment Generation: The Harbourside development has been a significant employment generator for the City. The intention of this application is to continue with this, while also adding residential uses. The Seaspan Federal contract could provide a kick-start to that commercial development.

If this project proceeds to the rezoning stage, staff would be securing phasing that put a priority on the construction of employment generating commercial space. The applicants have responded to this in Attachment #3.

BYLAW 8157 REVISIONS:

If Council wishes to proceed with the consideration of Bylaw 8157, the following revisions should be considered:

Building Height: In order to respond to industrial interface issues, a revised site plan is required. A revised preliminary site plan has been prepared (Attachment #3). This will be finalized during the rezoning process. To provide some flexibility, the applicants have requested that the base height be increased from 19.8 metres (65 ft) to 21.4 metres (70 ft). The maximum number of buildings that could be up to 27.6 metres (90.5 ft) would remain unchanged at four. This change to the base height is intended to allow for more flexibility to adjust the site plan. The actual height of buildings would be determined during the rezoning process, up to these maximum limits.

Development Permit Control: Most municipalities commonly zone sites and retain more detailed design control through a Development Permit process. Development Permits are a form of design control that does not change use or density. They are issued based upon compliance with approved Design Guidelines.

It is expected that, if approved, these lands would be developed over the next decade. As such it is not practical to receive detailed plans for all buildings at the OCP stage. A way to resolve this is to impose design control for individual buildings through a Development Permit process. The Guidelines are then approved at the time of rezoning and form part of the Zoning Bylaw. At this point, the OCP Bylaw would need to simply identify this area as a Development Permit area pursuant to the Local Government Act with the detailed Design Guidelines to be included in the Zoning Bylaw at a later date. This change to the OCP Bylaw is now proposed.

OPTIONS:

Council has already given Bylaw 8157 First Reading and referred it to a Public Hearing. Council has now received new input prior to such a Public Hearing. At this point, two Bylaw revisions have been suggested. Options for Council at this time are as follows:

Option 1: Revise OCP Amendment Bylaw at 2nd Reading and schedule the Public Hearing.

Since there is considerable interest in this application, it is suggested that a non-Council meeting evening be scheduled. Tuesday June 26th is suggested. Alternatives would be Monday June 18th, Tuesday June 19th, Monday June 25th, Monday July 9th or Tuesday July 10th. After July 10th, staff suggests that a Public Hearing not be held later in the summer and instead be held over until September.

With this option, staff are including a covenant requirement to confirm that considerable more detail and firm commitments will be required to address outstanding issues at rezoning. In addition, a phased development plan will be required ensuring that the development occurs as specified at the time of rezoning and with effective transportation solutions and monitoring during build out.

Option 2: Direct the applicant to submit a rezoning application to be considered jointly with the OCP application.

This would result in a single Public Hearing for both the OCP and Zoning Bylaw. This would allow for more detailed designs, development impacts, remediation measures and amenity contributions to be available prior to any Bylaw changes being made. In this way more certainty would exist for Council, the public and the developer. It is possible that a Public Hearing might then occur in November for both Bylaws. Staff has discussed the merits of this option with the applicants, however, they prefer Option 1.

Option 3: Reject the application.

With the new input, if Council no longer feels that residential uses are worthy of subsequent consideration through a rezoning application, the OCP application could be rejected.

INTER-DEPARTMENTAL IMPLICATIONS:

Staff from Engineering, Parks and Environment (EPE), Waterfront Office and Community Development have been involved and have contributed to this report. EPE comments are shown in Attachment #4. Traffic is the most significant outstanding issue for staff. Any future rezoning application would have to demonstrate firm commitments to realize TDM and other improvements. Community amenity contributions will also require scrutiny at the rezoning stage. This report has also been reviewed by the Civic Projects Team and the Directors Team.

SUSTAINABILITY COMMENTS:

As per the previous report.

FINANCIAL IMPLICATIONS:

As stated in the previous report, this proposed OCP change will enable considerably more development to occur through mixed-use rezoning on this Waterfront site. The previous report addresses this in considerable detail indicating that at build out up to

\$2 million in additional general purpose tax revenue will be achieved, more than 2,100 permanent jobs created, park upgrades, road upgrades and a significant community amenity contribution. There is also estimated to be close to 5,000 construction jobs.

CORPORATE PLAN AND/OR POLICY IMPLICATIONS:

As per the previous report.

STRATEGIC PLAN IMPLICATIONS:

As per the previous report.

RESPECTFULLY SUBMITTED:

Gary C. Penway
Director

Attachments

GP:eb