

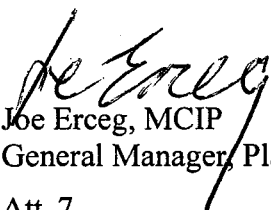


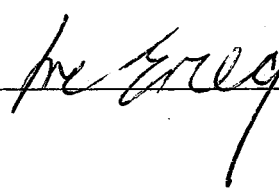
To: Planning Committee **Date:** April 16, 2008
From: Joe Erceg, MCIP **File:** 08-4045-20-10
 General Manager, Planning & Development
Re: **City Centre Area Plan (CCAP) Implementation Strategy Highlights**

Staff Recommendation

That staff bring forward for Council consideration:

- 1) the *City Centre Area Plan (CCAP) Bylaw* (which would include the final *CCAP Implementation Strategy*);
- 2) amendments to the *Development Cost Charge (DCC) Bylaw*; and
- 3) amendments to the Off-Street Parking and Loading provisions of the *Zoning & Development Bylaw*.


 Joe Erceg, MCIP
 General Manager, Planning & Development
 Att. 7

FOR ORIGINATING DEPARTMENT USE ONLY			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Transportation.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Engineering.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Parks Design, Construction & Programs.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Public Works Operations.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Budgets & Accounting.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Development Applications.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Recreation & Cultural Services.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Real Estate Services.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Law.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Facility Planning & Construction.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Economic Development.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Environmental Programs.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
Sustainability Office.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	REVIEWED BY CAO	
		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	

Staff Report

Origin

Background

On February 12, 2007, Council approved in principle the *City Centre Area Plan (CCAP) Concept* and instructed staff to prepare the *CCAP Bylaw* and *Implementation Strategy*. Based on this motion, Urban Systems Ltd. was contracted to help with the *CCAP Implementation Strategy* (and any required financial/*Development Cost Charge Bylaws*).

Purpose of this Report

The purpose of this report is to:

1. Summarize the *CCAP Implementation Strategy* highlights as drafted by Urban Systems Ltd.;
2. Obtain Council's approval to bring forward:
 - a) the *CCAP Bylaw* (which would include the final *CCAP Implementation Strategy*);
 - b) amendments to the *Development Cost Charge (DCC) Bylaw*; and
 - c) amendments to the Off-Street Parking and Loading provisions of the *Zoning & Development Bylaw*.

Consultation

Staff have consulted with the Urban Development Institute (UDI) and Greater Vancouver Home Builders Association (GVHBA). A letter of support is forthcoming from the UDI. It is expected the GVHBA will have philosophical concerns on the *CCAP Implementation Strategy* highlights.

Next Steps

At this time, the following steps/timing is anticipated regarding the *CCAP* and related bylaws:

TIMING	CCAP IMPLEMENTATION STRATEGY	CCAP BYLAW	DCC BYLAW	OFF-STREET PARKING AND LOADING BYLAW
Responsibility	<i>Policy Planning</i>	<i>Policy Planning</i>	<i>Finance</i>	<i>Transportation</i>
April 2008	1 Planning Committee (PC) consider <i>CCAP Implementation Strategy</i> highlights			
	2 Council directs staff to bring forward <i>CCAP Bylaw</i> , <i>DCC Bylaw</i> and <i>Off-Street Parking and Loading Bylaw</i>	Staff incorporate <i>Implementation Strategy</i> into <i>CCAP Bylaw</i>	Staff incorporate <i>Implementation Strategy</i> into new <i>DCC Bylaw</i>	Staff draft <i>Off-Street Parking and Loading Bylaw</i>
May 2008	1	PC recommends 1 st reading	PC recommends 1 st reading	PC recommends 1 st reading
	2	Council gives 1 st reading	Council gives 1 st reading	Council gives 1 st reading
June 2008	1		Public Meeting	
	2	Public Hearing Council gives 2 nd & 3 rd reading	Council gives 2 nd & 3 rd reading	Public Hearing Council gives 2 nd & 3 rd reading
	3		Bylaw sent to Province	
July – September 2008	1		Provincial approval	
	2	Council 4 th reading/ adoption	Council 4 th reading/ adoption	Council 4 th reading/ adoption

Findings of Fact

Supporting Studies

There are a number of supporting studies that fed into the *CCAP Implementation Strategy*. These are summarized as follows.

1. *City Centre Transportation Plan (CCTP) Update*

In order to update the *CCTP*, City staff retained the services of the IBI Group.

The first phase of their work was to undertake transportation demand forecast modelling and to develop a transportation vision for the City Centre. Council endorsed the *CCTP Vision* on December 10, 2007.

The second phase of work was to prepare a comprehensive *CCTP Implementation Strategy*. This strategy has been completed and, among other things, costs out the various transportation improvements needed to achieve the vision of “sustainable mobility for a liveable, appealing and viable downtown”.

Attachment 1 provides some of the background to the implementation strategy for transportation. One of the key cost savings that is being proposed is a reduction in the parking requirements for new developments in the City Centre. This would have the potential effect of totally off-setting the proposed increases in the DCC rates for City Centre developments. For example, each parking space a developer doesn't have to build in a structured parkade is a potential saving of approximately \$30,000.

2. *City Centre Utilities (Water, Sanitary and Drainage)*

To address the issue of utilities required for the CCAP, Earth Tech (Canada) Inc. was retained to update the existing water, sanitary and drainage models for the City Centre.

One of the key components of this update was to distinguish between the utility upgrades required to service existing development in the City Centre and those required to service new development. This is an important consideration in determining who pays for these utility upgrades and how those costs are paid for (e.g., utility upgrades to service existing development should not be incorporated into the *DCC Bylaw*).

Attachment 2 summarizes the background information related to the CCAP utilities.

3. *City Centre Parks and Open Space*

In order to assist in the determination of the cost of acquiring parkland in the City Centre, the Parks, Recreation and Cultural Services (PRCS) Department retained the services of G.P. Rollo Associates Ltd. Mr. Rollo's land values were then confirmed or adjusted by the City's Real Estate Services Division.

The cost of developing parkland in the City Centre was determined by Parks staff based on current construction costs. Together, the parkland acquisition and park development costs formed the basis for achieving a standard of 3.25 acres of park and open space for every 1,000 residents in the City Centre.

Attachment 3 provides the background for the City Centre parks and open space assumptions, costs, recommended approach, cost allocation and proposed DCC rates.

4. *City Centre Community Facilities*

A number of plans have been completed by staff or consultants and adopted or endorsed by Council relating to the PRCS community facilities in the City Centre (e.g., the *PRCS Master Plan for 2005-2015*, *City Centre Places and Spaces Study* and *PRCS Facilities Strategic Plan*).

These PRCS community facilities adopted or endorsed by Council were included in the *CCAP Concept* (i.e., four new community centres, an older adults activity centre, a new aquatic centre, a new visual/performing arts centre, a new museum and retrofitting or replacing the cultural centre).

The Richmond Public Library has also produced a *Library Facilities Plan* that Council has directed staff to include into the *Corporate Facilities Implementation Plan*. The concept of a main library and three branch libraries was adopted by Council as part of the *City Centre Places and Spaces Study* and was consequently included in the *CCAP Concept*.

Separate staff reports will be coming forward in the future on these PRCS community facilities, a new community safety building and upgrades to Fire Hall #1. Furthermore, feasibility studies are due to start shortly on three new City Centre facilities: a community centre, seniors centre and aquatic centre. These studies will recommend the location, timing of development and funding sources. Feasibility studies for the other proposed facilities will be conducted in the future.

Therefore, the *CCAP Implementation Strategy* does not specifically address how community facilities in the City Centre will be financed or phased, although it does provide commentary on potential funding mechanisms and the possibility of density bonusing.

The *Implementation Strategy* does address how affordable housing, child care and public art will be provided.

Process to Date

In preparing the *CCAP Implementation Strategy*, the following steps have been undertaken to date.

1. *Review of the Supporting Studies*

The first step in the process was for Urban Systems Ltd. to review all of the supporting studies to incorporate them into the *CCAP Implementation Strategy*.

2. *Draft Issues Paper*

Based on the review of these supporting studies, Urban Systems Ltd. identified a number of issues that had to be addressed as part of the *CCAP Implementation Strategy*.

These issues included land acquisition requirements, infrastructure funding options, the displacement of industrial lands and the phasing of the CCAP.

3. *Draft Discussion Paper re: Alternative Financing/Cost Recovery Methods and Phasing*

This draft paper established the guiding principles for the financing strategy and the phasing strategy. As the title implies, it also presented an overview of the various financing and cost recovery options available to the City.

4. *Draft Implementation Strategy and DCC Bylaw Consultation Process and Reporting*

Early in the process, Urban Systems Ltd. laid out a draft consultation process for the *CCAP Implementation Strategy* and a potential new *DCC Bylaw*. In order to satisfy the requirements of the Province, a separate public meeting is required regarding the proposed new *DCC Bylaw*. Staff believe sufficient consultation has taken place on the *CCAP Concept* (e.g., three public open houses; numerous meetings with stakeholders) and on the *CCAP Implementation Strategy* (e.g., meetings with the UDI and GVHBA).

5. *Draft Financing Strategy*

The next step in the process was to examine what financing strategy could be used in the *CCAP Implementation Strategy*. **Attachment 4** summarizes the guiding principles that are proposed to make this determination and which financing options are being recommended and which are not proposed to be utilized.

Generally speaking, the proposed financing strategy can be described as follows:

- Developers would pay for the transportation improvements and park and open spaces in the City Centre because these are required to service new development (e.g., “highway facilities” and parkland through DCCs and through works and services);
- Developers would also pay for water, sanitary and drainage (utility) upgrades through DCCs and/or works and services;
- DCCs would be used to help pay for items that normally are included in a DCC program by municipalities (e.g., major roads; parkland acquisition; park development; certain utilities required to service new development);
- The City would use the current 1% municipal assist factor in the DCC program, a 95% development benefit factor for transportation and parks, and a 100% development benefit factor for all the utilities (water, sanitary, drainage); and
- At this time, the *CCAP Implementation Strategy* is not resolving the financing options for community facilities. This will be addressed by a separate staff report, feasibility studies and process. This approach is beneficial because it enables Council to finalize the *CCAP Bylaw* in a timely manner, thus providing development certainty and enabling the financing strategies to be clarified over the next year or so.

6. *Preparation of the DCC Model*

Once the draft financing strategy was prepared, Urban Systems Ltd. undertook various DCC options for City staff consideration.

In the end, it is recommended that the new DCC program be extended from the current year 2021 to 2031. This timeline corresponds to when most of the City Centre growth will occur (e.g., the population will increase from approximately 45,000 in 2008 to approximately 90,000 in 2031). This will serve the City well.

Urban Systems Ltd. has also recommended that the costs of the transportation, utilities and parkland acquisition and development improvements in the City Centre be included in the City-Wide DCC program because they benefit the entire City. A new, separate DCC program for the City Centre is not recommended.

7. *Proposed Phasing Strategy*

With the draft financing strategy and proposed new DCCs clarified, a proposed phasing strategy was examined. **Attachment 5** summarizes the guiding principles and phasing approach that is proposed in the *CCAP Implementation Strategy*. A later section in this staff report analyzes this phasing strategy in more detail.

The preferred development areas in the City Centre:

- Facilitate the streetscape and road enhancements along No. 3 Road;
- Enable the completion of Lansdowne Road from No. 3 Road to the Richmond Oval;
- Facilitate the relocation of River Road to the CPR right-of-way;
- Reinforce the establishment and development of high density Village Centres within 200 m of the Canada Line Stations and Richmond Oval; and
- Envision the enhancement of the waterfront and the acquisition of key waterfront parks and amenities.

8. *Draft CCAP Implementation Strategy*

Attachment 6 is an *Executive Summary* of the final draft *CCAP Implementation Strategy* prepared by Urban Systems Ltd.

Analysis

Impact on the DCC Program

The draft *CCAP Implementation Strategy* requires changes to the existing DCC program. These are highlighted below.

1. *Transportation*

It should be noted that the transportation improvements being proposed do not just involve roads – they also include sidewalks, cycling lanes, greenways, pedestrian/cyclist crossing enhancements and traffic signal improvements.

It is quite common practice among B.C. municipalities (including Richmond) to include major roads in the DCC program. This practice was reinforced in the *CCTP Vision* which Council recently endorsed. Similarly, the staff report on the *CCTP Vision* identified that all the major thoroughfares and major streets in the CCAP are to be included in the City-Wide DCC program because all residents benefit from these major arterial improvements.

On the other hand, most municipalities do not include minor streets in the DCC program because they are needed for or benefit specific developments and as such should be completed and paid for by developers as part of their required works and services. An exception is being made in the *CCAP Implementation Strategy* for the proposed new DCC program which includes a few minor streets that are either in the existing DCC program or which are critical to the completion of the transportation network.

As a result of this approach, the proposed transportation DCC rates will increase by approximately 36% (see **Attachment 1** for details). Staff believe that this is acceptable and necessary because:

- The projected population over the next 23 years in the City Centre is approximately 25% higher than previously expected (in 1995);
- The standards and street patterns have been improved to support transit-oriented development (TOD) principles;
- The costs to construct the proposed works have increased because of rising construction costs and escalating land prices;
- The items proposed to be added to the DCC program are primarily for the benefit of new development and should be financed primarily by developers and only marginally by the existing taxpayers of Richmond;
- Since new development is the major driver behind the transportation improvements the only options are to:
 - include more items in the DCC program, which would increase the DCC rates but allow more developers in the City Centre to get DCC credits; or
 - put fewer items in the DCC program, which would lower the DCC rates but:
 - City Centre developers would still be required to build the transportation improvements at their expense under the City's works and services bylaw; and
 - this would be less equitable among developers in Richmond;
- As major thoroughfares and major roads are proposed to be included in the DCC program, developers will not receive design or density concessions as compensation for them but instead they will be required to dedicate and build these transportation items and will receive DCC credits.

It should be noted that the increased DCC costs will potentially be totally offset by the parking cost savings for some developments in the City Centre that take advantage of the proposed reductions in parking requirements and transportation demand measures discussed later in this report (e.g., saving approximately \$30,000 per parking space in a structured parkade).

2. *Utilities (Water, Sanitary, Drainage)*

Although a number of water, sanitary and drainage improvements are proposed to be added to the DCC program, the total impact on the DCC rates for utilities is not that significant (i.e., 4% to 18% increase in the different utility DCC rates). The primary reason for this is that the timeline for the DCC program is increasing from the current year 2021 to the proposed year 2031. In other words, the cost of the utility improvements is spread over more development – hence keeping the DCC rates down.

It should be noted that the sanitary and drainage upgrades identified in the *CCAP Implementation Strategy* do not at this time include efficiencies due to sustainability initiatives because the implications of these initiatives are not yet known. This will be addressed as information becomes available.

A 100% development benefit factor is proposed because the modelling work has been able to clearly distinguish those utility upgrades which are required to service new development and this is what is being included in the proposed new DCC program for the City Centre.

3. Parks

Parks was one of the more challenging components of the proposed new DCC program arising from the *CCAP Implementation Strategy*. Some of the reasons for this include:

- Parkland acquisition and park development combined are already the largest item in the current DCC rates (e.g., 40% - 44% of the current DCC rates go to parks);
- Land acquisition costs have escalated significantly in the City Centre (this is why staff retained the services of G.P. Rollo Associates Ltd. to get more accurate and current values to use in the DCC program);
- Market values for City Centre land in Richmond are significantly higher now than during the last DCC review and are also, on average, higher than other Metro Vancouver urban areas such as Surrey or areas where greenfield sites exist; and
- Other Metro Vancouver municipalities own more land that they can contribute to their parks program.

The appropriate amount, size and location of park and open space for the City Centre was based in part on the size of the resident population and is expressed as a ratio of acres to population (i.e., 3.25 acres per 1,000 residents). The use of this standard provides:

- A clear benchmark for determining the quantity of park and open space required;
- A tool to ensure that the acquisition and development of park and open space is achieved; and
- Enough park and open space to achieve an equitable distribution and diversity of the park and open space types within the boundaries of the City Centre.

The base level of public park and open space required to meet community need is defined as 3.25 acres per 1,000 residents which, at the year 2031, will add 42 hectares (103.5 acres) to the existing inventory of 76.5 hectares (189 acres).

The standard is specific to the City Centre and achieves equitably distributed and accessible park and open spaces that provide an appropriate level of service in a unique high density downtown.

Using this standard, the table on the following page describes the role, types, distribution, location and size of park and open spaces proposed in the City Centre.

In determining what needed to be included in the DCC program with regard to park and open space to the year 2031 in the City Centre, the following approach was taken:

- The land use maps proposed to be included in the *CCAP Bylaw* were reviewed in detail and together PRCS and Policy Planning staff were able to clearly locate the various park and open spaces required in the proposed new DCC program.
- Where appropriate, linear greenways were identified as POPAs for which the City did not need to use DCCs to acquire (i.e., POPAs are typically to be acquired as a right-of-way as part of the development approval process).
- Of the 42 hectares (103.5 acres) of new park and open space required to service a year 2031 population of 90,000 residents approximately:
 - 9 hectares (22 acres) is already owned by the City but is still being used for industrial, road or other purposes;

Park Type	Distribution/Location	Approximate Size
The specific purpose of each type of park and open space is defined in other City reports.		
Major Park and Open Space – approximately 40% of total		
Urban Waterfront Park	Middle Arm Waterfront	15 hectares (37 acres)
Community Park	Garden City Park	Minimum 3 hectares (8 acres)
Central Urban Park	Major crossroads of the Central Business District	4 hectares (10 acres)
Waterfront Natural Area	Where existing natural resources occur or developed in relation to existing & future resources	Optimum minimum 8 hectares (20 acres) of riparian and upland habitat but includes smaller patches of minimum 0.8 hectares (2 acres)
Neighbourhood Open Space – approximately 40% of total		
Residential Village	Primarily to serve residents within a 400 meter radius without crossing arterial roads or major streets	0.6 hectares to 3 hectares (1.5 acres to 8 acres)
Commercial Village	Primarily to serve businesses (e.g., office, retail, industrial) within a 400 meter radius without crossing arterial roads or major streets	0.2 hectares to 2 hectares (0.5 acres to 5 acres)
Plaza	At prominent crossroads within a village	Less than 0.2 hectares (0.5 acres)
Pocket Park	Primarily to serve residents or businesses within a 400 meter radius, may be located mid-block with at least one street edge	Less than 0.2 hectares (0.5 acres)
Greenways – approximately 20% of total		
Major Greenways	Along major streets and important recreational corridors	Minimum 30 meters (100 feet) wide
Green Links	Along minor streets or between developments	Minimum 10 meters (33 feet) wide
Natural Greenways	Integrated with major greenways, connecting natural areas	Minimum 30 meters (100 feet) wide

- 11 hectares (27.5 acres) can be acquired as POPAs or right-of-ways (e.g., at the time of development and do not need to be purchased by the City); and
 - 22 hectares (54 acres) needs to be added into the DCC Program.
- Approximately 17 hectares (43 acres) of the existing park and open space in the City Centre is currently owned by the School District. Should the School District propose to remove them, the City will consult with the School Board and consider equivalent replacement acreages. As well, the City will consider co-locating new City owned parks with school land where it is cost efficient and practical to do so.

Taking this approach, the parkland acquisition and park development DCCs are proposed to increase between 39% to 44%.

It should be noted that the DCC program is designed to deliver 7.66 acres of park and open space per 1,000 residents in the City as a whole. The 3.25 acres per 1,000 residents in the City Centre is part of this 7.66 acres per 1,000 residents (not in addition to it). Included in the DCC program are urban parks, community parks, neighbourhood parks, waterfront, natural areas, greenways and trails.

In addition to the parks and open spaces included in the DCC program as part of the 7.66 acres per 1,000 residents City-wide (3.25 acres per 1,000 residents in the City Centre), there will be other open space such as:

- Privately owned, publicly accessible areas (POPAs) in the form of plazas and public rights of passage through developments;
- Other government owned property and utility rights of way where public access can be secured through legal agreement; and
- Land owned by the City and used for additional purposes (e.g., private underground parking).

It should be noted that staff did consider other alternatives to increasing the DCC program but decided not to pursue them either because of their uncertainty or their negative impact to liveability. These rejected alternatives included:

- Acquiring the parkland voluntarily through the development approval process as the results are uncertain;
- Using a density bonus to acquire the parkland (staff would prefer to use the density bonus approach to obtain affordable housing and other community amenities);
- Exploring the concept of density transfers, where the density lost on a park area is transferred to an adjacent development (this requires further legal analysis); and
- Reducing the 3.25 acres per 1,000 residents park and open space standard in the City Centre, which is unacceptable.

DCC Comparison to Other Lower Mainland Municipalities

As a result of the aforesaid increases in the DCC program arising from the transportation, utilities and park requirements in the City Centre (which reflects more recent market information), the DCC rates in Richmond could move from being in the middle of other Lower Mainland municipalities, to being in the short term near the highest (i.e., comparable to the City of Surrey's new DCC Bylaw).

Attachment 7 provides a graphic comparison of residential DCCs in the Lower Mainland.

In preparing the *CCAP Implementation Strategy*, staff and Urban Systems Ltd. did review Richmond's new DCC rates in comparison to the new DCC rates in Surrey. As is the experience in all Lower Mainland municipalities, the City of Surrey recently increased its DCC rates because of rising construction costs for transportation and utility infrastructure. However, although Surrey has acknowledged that the rising cost of land will affect the parkland acquisition DCCs, it did not address this issue at this time in their new DCC Bylaw. This will be included in the next review of Surrey's DCC Bylaw. At that time, Surrey's DCC rates could become higher than Richmond's proposed new DCC rates.

City-Wide vs City Centre DCC Program

In order to reallocate the cost of the City-Wide DCC program, Urban Systems Ltd. did examine the implications of establishing a City Centre DCC (e.g., rather than all developers throughout the City having to pay the same DCC rates, certain items would be paid by only City Centre developers).

To explore this, the following distinctions were made:

- 1) DCC items that, by their nature and location, benefit the entire City, are intended or available for use by the population of Richmond at large and/or are physically or functionally interconnected so that they can not be assigned to a local area.

These items include the following, for which all developers would pay DCCs:

- Major Thoroughfares
- Major Streets
- All Utilities (water, sanitary, drainage)
- Major Park and Open Space (urban waterfront park; community park; central urban park; waterfront natural area)
- Major Greenways

- 2) DCC items that, by their nature and location, serve a significant local function.

The only items that could be considered for a local area DCC are the following, for which only City Centre developers would pay DCCs:

- Neighbourhood Park and Open Space (not pocket parks or plazas)
- Greenways and green links

It should be noted that the existing DCC program contains local park projects throughout the City and does not assign these parks to specific local areas, so it is not inequitable to include such projects in the program for the City Centre. Moving to a City Centre DCC program would be a new approach to the acquisition and development of local or neighbourhood parks and open spaces, and would necessitate extensive revisions to the existing program and bylaw.

Using this distinction, the approximate impact on a City-Wide DCC program is shown on the table on the following page. Note that the DCC rates in this table do not include the Metro Vancouver DCCs.

As can be seen, this option would produce higher DCC rates in the City Centre. A City Centre DCC is not recommended because:

- A City-Wide approach to the funding of local park acquisition and improvement DCCs has already been established in the existing City-Wide *DCC Bylaw*;

- The City does not restrict access to parks regardless of their size or location; and
- The proposed new *DCC Bylaw* will raise funds for parks of that type throughout the City with the result that the bylaw will be equitable in its effect.

Land Use	Current Recommended Option City-Wide DCC Program	Alternative Option – Not Recommended City Centre DCC Program	
	Total Proposed DCC Rate	Total Proposed DCC Rate	
	Development City-Wide	Development Outside The City Centre	Development In The City Centre
Single Family (per lot)	\$27,840	\$25,280	\$30,810
Townhouse (per ft ² building area excluding parking)	\$15.90 (e.g., 1,350 ft ² = \$21,470 unit)	\$14.22 (e.g., 1,350 ft ² = \$19,200 unit)	\$17.82 (e.g., 1,350 ft ² = \$24,060 unit)
Apartment (per ft ² building area excluding parking)	\$16.58 (e.g., 950 ft ² = \$15,760 unit)	\$14.85 (e.g., 950 ft ² = \$14,110 unit)	\$18.56 (e.g., 950 ft ² = \$17,630 unit)
Commercial (per ft ² building area)	\$12.17	\$11.84	\$12.54
Light Industrial (per ft ² building area)	\$9.85	\$9.51	\$10.21
Major Industrial (per acre gross site area)	\$102,501	\$101,238	\$103,950

Grandfathering DCCs

One of the requests that arose from discussions with the UDI and GVHBA was that the proposed new DCC rates be “grandfathered” so that the development community and builders have time to adjust. As can be appreciated, a 22% to 34% increase in the DCC rates can have a major impact on the pro forma of a proposal that may already be in-stream.

According to the *Local Government Act*, with certain exceptions, DCCs are payable on every person who obtains:

- Approval of a subdivision; or
- A building permit authorizing the construction, alteration or extension of a building or structure.

The *Local Government Act* also provides that where an application for subdivision has been submitted to an approving officer, with the applicable fees, fee increases do not apply for a period of 12 months.

It is proposed that the new *DCC Bylaw* have an effective date one year after its adoption (e.g., July – September 2009) in order to:

- Give the development community and builders throughout the City time to prepare for the proposed increase in the DCC rates; and

- Provide a similar “grandfathering” period for both subdivision applications and building permits.

The UDI and GVHBA support this proposal.

Proposed Parking Reductions and Incentives

In an effort to encourage less dependence on cars, Transportation staff are proposing to reduce the minimum parking requirements of new developments and to encourage transportation demand measures such as car pooling, transit passes and car co-ops, particularly around the Canada Line stations. These initiatives will provide the development community with incentives to focus in the City Centre core area, thereby supporting transit use and assisting developers in providing other alternative transportation modes and amenities including affordable housing.

For example, within 400 metres of a Canada Line station, staff are proposing a requirement of 1.0 parking stall per residential unit, versus the existing rate of 1.5 parking stalls per unit (approximately 35% reduction) not including the visitors parking requirement. The map included in **Attachment 1** indicates the proposed reductions in parking requirements within 400 metres, 400-800 metres and beyond 800 metres from the Canada Line corridor.

The cost savings for providing parking in a typical residential apartment in the above example would be \$15,000 per dwelling unit based on the assumption of \$30,000 per stall in unit cost for structured parking. This proposed reduced parking is in line with transit-oriented development (TOD) principles adopted by Council on December 10, 2007 as part of the *City Centre Transportation Plan Vision*.

The cost savings of a reduced parking requirement and transportation demand measures in the example of a development within 400 metres of the Canada Line station would more than off-set the proposed increase in the DCC program. It is proposed that a typical apartment unit would pay an additional \$4,015 in DCCs for transportation, utility and parkland acquisition and development in the City Centre; however the cost savings of the reduced parking requirement would be \$15,000 (the net benefit per typical apartment unit will be \$10,985). As described in the following section, the City envisions that this cost savings would off-set the developers' costs for affordable housing and child care, particularly in the area already zoned Downtown Commercial District (C7).

Further details regarding this proposed parking reduction and its cost savings to the development community will be articulated by Transportation Department when they bring forward the proposed amendment to the off-street parking and loading requirements in the Zoning and Development Bylaw.

Density Bonusing

Density bonusing is one of the primary ways which the *Local Government Act* allows municipalities to secure affordable housing and amenities (which could include environmental sustainability measures). Basically, density bonusing allows developers to build to a higher density (i.e., floor area ratio - FAR) in exchange for building or paying cash for affordable housing or amenities that benefit the community. Density bonusing is voluntary and an incentive rather than a compulsory zoning requirement.

Density Bonusing Priorities and Approach

The CCAP is striving to create a “complete community”, which involves providing both affordable housing and a range of other amenities.

The *CCAP Implementation Strategy* is proposing the following priorities based on Council’s approved policies and because of their need:

- First Priority - affordable housing as per the *Richmond Affordable Housing Strategy*; and
- Second Priority - child care as demonstrated to be required in the *Richmond Child Care Needs Assessment*.

Essentially, the density bonus space will be used and split as follows:

- To secure affordable housing first and child care second (or possibly community facility space*);
- To provide the developer with additional space to pay for the affordable housing and child care (or possible community facility space*); and
- To enable the developer to make a profit on the additional density and thus give an incentive.

* - There may be circumstances where it will be desirable to use density bonusing for community facility space rather than child care. Staff will identify these circumstances and provide options for Council at that time.

City Centre rezonings are to be encouraged to use the density bonusing approach.

The Land Use & Density map and Density Bonus map included in **Attachment 4** should be referred to help understand the density bonusing priorities, areas and approach.

Community Amenity Charge

At this time, there is no developer funded Community Amenity Charge being proposed in the *CCAP Implementation Strategy* (e.g., a voluntary developer contribution to community facilities). Separate staff reports and feasibility studies will be coming forward in the future with regard to a new community safety building, upgrades to Fire Hall #1 and specific PRCS community facilities (e.g., a new community centre, seniors centre and aquatic centre in Minoru Park/Civic Precinct).

It is not anticipated that developers will contribute funding to these community facilities. Instead, other funding options are being examined such as property taxes/reserves, public/private partnerships, joint ventures, debt financing (which would involve a referendum), intergovernmental funding and community contributions such as corporate sponsorship or fund raising.

As noted later in this report, the density bonusing approach is being fully utilized by the City to encourage developers to either provide a cash contribution towards or to build affordable housing, child care and community benefit items (e.g., artist studios; heritage initiatives; etc.).

Commercial, Office or Industrial Developments

Staff are not proposing to use density bonusing for affordable housing and amenities in the areas where new aircraft noise sensitive land uses are prohibited (e.g., north of Sea Island Way and generally between Cambie Road and Alderbridge Way). The aircraft noise sensitive land uses

prohibited in these areas are all residential uses (including affordable housing), licensed day care uses and hospitals (medical facilities which involve overnight stay).

Furthermore, staff are not proposing to require affordable housing and child care from commercial, office or industrial developments at this time for the following reasons:

- In order to make Richmond as attractive as possible for these land uses which are highly desired in the Metro Vancouver region;
- Because the proposed reduction in parking requirements and transportation demand measures recommended for new Non-Residential Developments are not as significant as those for new Residential Developments, therefore the proposed increase in DCCs is not necessarily totally offset by potential parking cost savings; and
- The City wants to encourage more mixed use developments in order to create complete communities (i.e., greater opportunities to live, work, shop and play in the same neighbourhood).

Affordable Housing

On May 28, 2007 Council adopted the *Richmond Affordable Housing Strategy*. This *Strategy* specifically identifies that the density bonusing provisions of the *Local Government Act* will be utilized to help meet the City's targets for affordable subsidized rental housing and affordable low end market rental housing.

In brief, the following density bonusing approach towards affordable housing was approved by Council for rezoning applications received after July 1, 2007:

- Apartment and mixed use developments involving more than 80 residential units are to make available at least 5% of their total residential building area (or a minimum of 4 residential units) for affordable low end market rental housing;
- All townhouse developments and apartment or mixed use developments involving 80 or less residential units are to provide a cash contribution for affordable housing as follows:
 - \$2 per square foot for townhouse developments; and
 - \$4 per square foot for apartment or mixed use developments; and
- Single-family residential developments are to include an affordable low end market rental secondary suite or coach house on at least 50% of any lots being rezoned and subdivided.

(Note that in most of the City Centre multiple-family housing is encouraged)

In order to achieve these affordable housing objectives, Council endorsed that four draft density bonus zones be considered for all multiple-family and mixed use rezoning applications involving a residential component and all single-family residential rezoning applications received after July 1, 2007. The draft zones endorsed by Council proposed the following base densities and density bonuses for affordable housing.

Type of Rezoning Application	Base Density (FAR)	Density Bonus (FAR)	Maximum Density (FAR)
High Rise Apartment	2.4	0.6	3.0
Townhouse	0.4	0.2	0.6
Single-Family	0.4	0.2	0.6
Coach House	0.4	0.2	0.6

It is proposed that the density bonuses recommended in the *Richmond Affordable Housing Strategy* be used as the basis for determining the base density, density bonus and maximum density for rezoning applications in all the areas of the *CCAP* where housing is not restricted due to aircraft noise. Additional draft zones will need to be developed for medium density sites to appropriately institute the density bonusing approach already in place as a shelf zone for high density sites.

It should be noted that in the proposed General Urban Transect (T4) and Urban Centre Transect (T5) areas of the City Centre (e.g., where a maximum density between 1.2 FAR and 2.0 FAR is permitted), the density bonusing approach would only result in the provision of affordable housing. In other words, there is not enough density being permitted to also enable a density bonus for child care (i.e., the maximum density includes the density bonus for affordable housing). Note that in the City Centre the densities may vary to achieve diverse neighbourhoods.

Child Care

It is proposed that in addition to providing affordable housing, the density bonusing approach also be used to obtain child care as an amenity in two instances in the *CCAP*:

1. *Urban Core Transect (T6 area along No. 3 Road from Alderbridge Way to Granville Avenue and along Westminster Highway from Elmbridge Way to Cooney Road)*

In the Urban Core Transect (T6) area, it is proposed that 1% of the total residential building area be made available to child care (in addition to 5% for affordable housing).

This being the case, if a maximum 3.0 FAR was proposed for residential purposes, a minimum of 0.15 FAR must be affordable housing and a minimum 0.03 FAR must be for child care.

There are only a few areas that can take advantage of this density bonus provision (e.g., the area north of Lansdowne Road; the west side of No. 3 Road from Lansdowne Road to Firbridge Way).

The reason for this is that the majority of the Urban Core Transect is zoned Downtown Commercial District (C7), which permits a 3.0 FAR but also exempts public amenity space from the FAR calculations. The Zoning and Development Bylaw defines public amenity space as “means space, registered in the name of the City of Richmond, provided in a building for the use of the general public in pursuing business, educational, cultural, social and recreational activities.” Therefore, child care space is already accounted for in the density of the C7 zone.

Rezoning applications which do not build the child care space but want to take advantage of the maximum 3.0 FAR in the Urban Core Transect could contribute \$0.80 per square foot towards the child care reserve fund. This figure is based on 1/5 of \$4.00 per square foot approved in the *Richmond Affordable Housing Strategy* (i.e., if 5% or

0.15 FAR of the maximum 3.0 FAR density = \$4.00 per square foot for affordable housing then 1% or 0.03 FAR of the maximum 3.0 FAR density = \$0.80 per square foot for child care).

2. *Four Village Centres (i.e., within 200 meters of No. 3 Road & Cook Road, No. 3 Road & Lansdowne Road, No. 3 Road & Capstan Way and Hollybridge Way & River Road)*

It is proposed that an additional density of 1.0 FAR be permitted for non-residential uses within 200 meters of the four Village Centres where aircraft noise sensitive land uses are not prohibited and which are in close proximity to the Richmond-Brighouse, Lansdowne and Capstan Way Canada Line Stations or the Richmond Oval.

Of this, it is recommended that at this time:

- 5% of the additional 1.0 FAR be provided as child care space; and
- 95% of the additional 1.0 FAR be used to help the developer finance the construction of the child care space and to encourage mixed use developments.

This being the case, the following densities would be possible:

No. 3 Road & Capstan Way and Hollybridge Way & River Road:

Maximum 2.0 FAR (of which 0.1 FAR must be affordable housing)

Additional 1.0 FAR (of which 0.05 FAR must be for child care).

No. 3 Road & Cook Road and No. 3 Road & Lansdowne Road

Maximum 3.0 FAR (of which 0.15 FAR must be affordable housing)

Additional 1.0 FAR (of which 0.05 FAR must be for child care)

Note : In certain instances, the provision of child care space may not be appropriate, in which case the City could consider using part or all of this area for community facility space.

Rezoning applications which do not build the child care space but want to take advantage of the additional 1.0 FAR non-residential density in the four Village Centres could contribute \$4.00 per square foot towards the child care reserve fund. This figure is based on the \$4.00 per square foot approved in the *Richmond Affordable Housing Strategy* (i.e., if 5% or 0.15 FAR of the maximum 3.0 FAR density = \$4.00 per square foot for affordable housing then 5% or 0.05 FAR of the additional 1.0 FAR density also = \$4.00 per square foot for child care).

Density Bonus – Urban Form Implications

Staff realize that increasing the maximum density at the Village Centres in the Urban Core Transect at No. 3 Road & Cook Road and at No. 3 Road & Lansdowne Road from 3.0 FAR up to 4.0 FAR could be difficult to achieve because:

- the airport restricts the height of buildings;
- soil conditions limit going underground with parking; and
- the City does not want to increase the size of the floor plate of these developments.

As part of the *CCAP Bylaw*, the IBI Group will be examining the form of buildings that want to take advantage of this 1.0 FAR non-residential density. Included in this analysis will be the implications that the proposed parking reduction has on the floor area, floor plate and building height of a typical development and the marketability of this additional density.

This should not be an issue at the Village Centres in the Urban Centre Transect at No. 3 Road & Capstan Way and at Hollybridge Way & River Road. In these areas, it is proposed to increase the maximum density from 2.0 FAR to 3.0 FAR – which does not pose any problems from an aircraft height limitation or design perspective (e.g., need for underground parking or increased floor plate).

Community Benefit Items

As noted above, staff are proposing that an additional density of 1.0 FAR be permitted for non-residential uses within 200 meters of the six Village Centres in the City Centre. The purpose of this is to encourage higher densities around the Canada Line Stations and Richmond Oval.

However, two of these Village Centres are located where aircraft noise sensitive land uses are prohibited. Consequently, affordable housing and child care are not permitted in these areas. Furthermore, since the City wants to encourage commercial or industrial uses in these areas, it is proposed to none of this additional density be used to obtain community amenities. Instead, the developer would be encouraged to use at least 5% of this additional 1.0 FAR for uses that benefit both the developer and City (e.g., artist studios; heritage initiatives; etc.).

Once again, should a rezoning applicant want to take advantage of the additional 1.0 FAR non-residential density but not want to build the community benefit item, a contribution of \$4.00 per square foot towards the leisure statutory reserves fund could be considered based on the total non-residential building area.

Voluntary Public Art

It is proposed that public art will continue to be a voluntary program. Therefore, the density bonusing approach will not be used for public art in the *CCAP Bylaw*.

Existing C7 Zone

The Downtown Commercial District (C7) zone poses a specific challenge with regard to the provision of affordable housing and child care. This zone is already in place for a significant portion of the Urban Core Transect (T6 area along No. 3 Road from Lansdowne Road to Granville Avenue and along Westminster Highway from Elmbridge Way to Cooney Road) and currently permits a maximum density of 3.0 FAR.

In order to address these challenges, staff are proposing the following with regard to the area that is already zoned Downtown Commercial District (C7):

- 1) The Real Estate Department is proposing to amend the C7 zone to include affordable subsidized rental housing and affordable low end market rental housing as a density bonus above the 3.0 FAR. This way a developer would not lose any permitted density if he/she built the affordable housing or made a cash contribution towards the affordable housing reserve funds. If an entire site was built for residential purposes at a 3.0 FAR, 5% of the residential building area would equal a density bonus of approximately 0.15 FAR for affordable housing.

This being the case, a maximum density of 3.15 FAR could be achieved in the Urban Core Transect (T6) area which is zoned Downtown Commercial District (C7). It should be noted that the C7 zone already permits a 0.20 FAR exemption for “public amenity space” (which would include child care) and a 0.10 FAR exemption for private “amenity space” (e.g., recreation facilities, meeting rooms and common space for the use of all the

occupants in the building). So, if each of these amenities was provided, C7 zoned sites can already build up to a 3.30 FAR. The Land Use & Density map included in **Attachment 4** does not factor these various density exemptions into the maximum FAR permitted in the General Urban Transect (T4), Urban Centre Transect (T5) and Urban Core Transect (T6).

- 2) The Transportation Division is proposing to exclude the C7 zoned area from the reduced parking requirement that would be incorporated in the Zoning and Development Bylaw. Instead, a developer will have to seek a variance as part of the Development Permit process. The reasons for this include:
 - Transportation staff need to review any proposed parking reduction in light of other transportation improvements such as the lane or road dedication requirements in the Downtown Commercial District (C7) zone/Urban Core Transect (T6 area) in order to ensure all necessary components are committed to support transit oriented developments. Other areas of the City Centre taking advantage of the proposed reduced parking requirement are being reviewed for similar items as part of the rezoning process and this needs to take place in the C7 area where only a development permit is involved.
 - Development Applications staff need to review the proposed parking reduction in light of the *Richmond Affordable Housing Strategy* and proposed new *CCAP Bylaw*. Since Council is expecting that affordable housing and child care will be provided near the Canada Line, both of these uses need to be reviewed on a case by case basis through the development permit process for any site specific parking requirements.

As previously noted, the potential cost savings of a reduced parking requirement and transportation demand measures are estimated to be approximately \$15,000 per dwelling unit in an apartment building based on a cost of \$30,000 per parking stall in a structured parkade. Since the DCCs are proposed to go up a total of \$4,015 for a typical apartment unit, there is a net benefit of approximately \$10,985 per dwelling unit to the developer in the City Centre for each parking stall he/she doesn't need to build. Staff believe that a portion of this benefit can be used for the following purposes in the Downtown Commercial District (C7) zone:

- 5% of the total residential building area as affordable low end market rental housing for apartment and mixed use developments involving more than 80 residential units or a cash contribution of \$4 per square for apartment and mixed use developments involving 80 or less residential units;
- 1% of the total residential building area as child care space or a cash contribution of \$0.80 per square foot for developments that do not build the child care space as part of their building; and
- Other community benefit items as agreed to by the City (e.g., lane dedications; mews statutory right-of-ways).

Community Planning Fee

The Planning and Development Department has identified the need to recover some of the costs of the City Centre planning work through an ongoing funding source. This is appropriate because most of the special community planning projects undertaken by the Policy Planning Division to complete the proposed CCAP support private sector growth and development and involve expenditures on consultants.

One of the ways for the City to recover some of its costs is to add a City Centre community planning fee to the *Development Applications Fee Bylaw*. This fee would be commensurate with the overall cost of administration and overhead of the City's planning function. Similar fees may be appropriate for community planning costs in the rest of Richmond.

Another way to recover the costs of community planning may be through phased development agreements on rezoning applications in the City Centre. A phased development agreement is a new tool that has been granted to municipalities under the *Local Government Act*. Essentially, it is an agreement between the developer (who agrees to certain items – in this case cost recovery for community planning by the City) and the City (who agrees that it will not change the zoning of the property for between 5 to 10 years). For example, if the rezoning applications in the City Centre in 2007 contributed \$0.25 per square foot of their total net building area (including retail/office space) towards community planning, it is estimated \$200,000 would be raised annually.

It is proposed that the latter option be used to partially offset existing City planning costs and to undertake new integrated planning.

Phasing Strategy

The purpose of the *CCAP* phasing strategy is to:

- Coordinate development and ensure that community infrastructure and amenities are provided in a timely manner;
- Maximize development around the Canada Line and transit stations to promote ridership;
- Enhance the use of the waterfront and the acquisition of the waterfront park/natural areas; and
- Enable flexibility as many areas of the City Centre may develop at the same time provided that services and community facilities are provided in a timely manner.

It should be noted that staff are not proposing to phase development in the traditional way (i.e., where development would not be permitted in one area until a higher priority phase was completed). Instead, it is proposed that development could proceed outside of the preferred development areas identified on the map included in **Attachment 5** if the developer assumes the responsibility for the provision and construction of the required City improvements.

This recommended approach has little implication to the developer who has to build the works and services anyway. Similarly, it is unlikely that the City would object to the provision of transportation or utility improvements ahead of schedule.

Where it does have an impact is regarding the acquisition and development of parkland that is not in the DCC program. If a developer wants to develop in an area where the parkland acquisition and/or development is not proposed by the City until after 2031, Council could:

Not Recommended:

- Consider denying the rezoning application as it is premature (which most Councils would find hard to do); or
- Allow the development to proceed but adjust the *DCC Bylaw* now (which could divert DCCs from other higher priorities) or in the future when sufficient development has occurred in that area (which would mean that some developments/neighbourhoods could initially be deficient of park and open space).

Recommended:

- Ask the developer to acquire and develop or contribute to the acquisition and development of all or a portion of the parkland in order to advance that particular park and open space ahead of the City's proposed DCC program (this is the option being proposed by City staff).

Consultation Process

Staff have met with the UDI and GVHBA. Where appropriate, changes have been made to the *CCAP Implementation Strategy* to address the concerns expressed by UDI. A letter of support is forthcoming from the UDI.

Staff have been told verbally that the GVHBA philosophically will not be able to support the *CCAP Implementation Strategy* highlights. A letter outlining the reasons for this position is expected from the GVHBA.

Staff have also advised representatives of small builders/developers in Richmond of the *CCAP Implementation Strategy*. If requested, staff are prepared to meet with these builders/developers individually or as a group. The point is to try to make them aware of the proposed increase in DCC rates, particularly for single-family dwellings.

As part of the process of considering a new *DCC Bylaw*, a public meeting will be held on the proposed new DCC rates. The public meeting will be advertised in the local newspapers and be the subject of a news release. Staff will also endeavour to advise as many developers and builders of the proposed new *DCC Bylaw* and public meeting as possible (e.g., selected mail out if appropriate).

Information regarding the *CCAP Implementation Strategy* and proposed new *DCC Bylaw* will be posted on the City's web site.

This level of consultation should satisfy the Province's requirements that the City consult with the development community and public regarding the proposed new *DCC Bylaw*.

The intent is hold the public meeting on the proposed new *DCC Bylaw* early in June 2008.

The development community, builders, property owners and public would also have the opportunity to provide their input on the *CCAP Bylaw* (which will include the final *Implementation Strategy*) at the required Public Hearing.

School District No. 38

On October 17, 2007, the Chairperson of the Board of Education advised the City that the following would accommodate the long-term accommodation needs for elementary aged students in the City Centre:

- expansion of the Tomsett Elementary School site;
- expansion of the Talmey Elementary School site; and
- addition of one new elementary school in the City Centre area.

In the same letter, School District No. 38 advised the City that the secondary aged students could be accommodated within the existing Cambie, Richmond and MacNeill Secondary Schools.

This position was based on demographics study by Urban Futures that was undertaken for the City last year and given to the School District. Thus far, the School District has not identified a specific location for the one new elementary school required as a result of the new CCAP.

At the April 10, 2008 City-School District Joint Management Committee meeting, School District staff agreed to contact City staff to prepare a discussion paper and schedule for the School District and City to collaborate to select a form, size, location and implementation plan for this school. The draft discussion paper will be brought to the Joint Management Committee by the Secretary/ Treasurer of the School District and Manager, Policy Planning from the City.

The *CCAP Implementation Strategy* identifies the school site acquisition charges as the appropriate funding mechanism for the expansion of the Tomsett and Talmeay Elementary School sites and the acquisition of one new elementary school site in the City Centre.

The School District has adopted new school site acquisition charges (SSAC). According to the School District, the school site acquisition charges are as follows and have doubled from the previous charges:

Density	New SSAC (per unit)
Low (< 21 units/ha)	\$700
Medium Low (21-50 units/ha)	\$630
Medium (51-125 units/ha)	\$560
Medium High (126-200 units/ha)	\$490
High (> 200 units/ha)	\$420

The UDI has been advised of this change by the School District and apparently had no comments to make on the new charges.

It should be noted that School District sets the charges and is responsible for consultation with the development community. The City acts as the collector of the school site acquisition charges and transfers all of the money collected to the School District.

Bylaw Process

It is anticipated at this time that the *CCAP Bylaw* (including the *Implementation Strategy*), *DCC Bylaw* and *Off-Street Parking and Loading Bylaw* could be given first reading at the end of May 2008.

This being the case, the *CCAP Bylaw* would go to Public Hearing in June 2008 and, subject to the public input, receive second and third reading. The *Off-Street Parking and Loading Bylaw* could go to the same Public Hearing and potentially receive second and third reading.

The *DCC Bylaw* would be given second and third reading at the next Council meeting after the Public Hearing (this would enable any amendments to be made to the *DCC Bylaw* based on the *CCAP Bylaw* Public Hearing).

The *DCC Bylaw* would then be forwarded to the Inspector of Municipalities for approval.

Subject to the timing of the Province's approval, the *CCAP Bylaw* (including the *Implementation Strategy*), *DCC Bylaw* and *Off-Street Parking and Loading Bylaw* could be adopted in either July or September 2008.

DCC Bylaw Considerations

In setting DCCs in a bylaw, the City must take the following into account:

- future land use patterns and development;
- the phasing of works and services;
- the provision of parkland described in the OCP;
- whether the charges:
 - are excessive in relation to the capital cost of prevailing standards of service;
 - will deter development; or
 - will discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land.

In preparing the draft *CCAP Implementation Strategy*, these considerations have been taken into account and will be elaborated upon when Council considers the *DCC Bylaw*.

Future Reviews

It is recognized that the *CCAP Implementation Strategy* will need to be reviewed periodically (e.g., every two years). Such reviews are necessary to ensure that costs are accurate, fully accounted for, and that the *Strategy* incorporates new City policies (e.g., community facilities studies; triple bottom line towards community sustainability).

Sustainability Considerations

Sustainability is an evolving process of learning and the integration of new ways of business which enable Richmond to be better for today and the future. Therefore, sustainability is not about any one or combination of initiatives (i.e., it is much more than LEED, Green Roofs and other specific directions such as geothermal heating and site permeability standards that are being considered for the *CCAP Bylaw*).

The *CCAP Implementation Strategy* has been developed to advance several sustainability elements (e.g., affordable housing; child care; reduced parking requirements; transportation demand measures such as car pooling, transit passes, car co-ops; etc.). However, there is more that could be done in the future from a sustainability perspective, including but not limited to addressing climate change, designing sustainable and more efficient infrastructure, developing long-term municipal financing strategies.

Key opportunities exist to better understand complete systems and pursue multi-objective approaches (i.e., use parks to support renewable energy sources as well as for recreation; increased opportunities for water harvesting; promoting urban agriculture as part of a whole interconnected system; etc.). The Sustainability Office is currently investigating these opportunities which could help advance Richmond from individual component and site level strategies to a complete systems approach where interconnections are understood and managed as a whole.

Delegation/Referral Regarding Tax Increase In The Brighthouse Area

At the April 8, 2008 Finance Committee meeting, a number of businesses appeared as a delegation expressing concerns about increased property assessments and taxes in the Brighthouse area of the City Centre.

As a result, a referral motion was passed by Committee that staff consider options and solutions to these tax increases as soon as possible. The Finance Department will lead the response to this referral. They are proposing to do so by the next Finance Committee meeting (expected to be in May 2008), which will coincide with when the *CCAP Bylaw* will be considered by Planning Committee and Council for first reading.

One component of the referral motion that Policy Planning staff will help respond to is that staff “analyse the effect that the City Centre Area Plan process has had on the situation and whether adjustments are needed as a result”.

In the meantime, there is nothing in the *CCAP Implementation Strategy* that directly affects property assessments or taxes in the Brighthouse area, nor are any adjustments to the proposed DCC program, density bonusing approach, phasing strategy or parking reductions needed at this time.

Financial Impact

The table on the next page summarizes the proposed financial impact of the CCAP to year 2031.

The initial estimate of the financial impact on the City by way of its contribution to the CCAP cost is \$35,777,000 over the next 23 years. This is essentially the 1% municipal assist factor and typically 5% of the DCC costs being allocated to existing development (i.e., 95% development benefit factor). The DCC program analysis establishes the percentage which the proposed works benefit the existing population and businesses, or are for the needs of future growth. The funding of the City's contribution will be through increased tax revenues or utility rates and/or external borrowings.

Proposed Financial Impact of the CCAP to 2031				
Infrastructure Type	Financed by City-Wide DCCs	Financed by Works and Services*	Financed by City Contributions	Total Cost
Transportation	\$247,396,000	\$299,029,000	\$15,651,000	\$562,076,000
Utilities	\$107,368,000	\$55,094,000	\$1,085,000	\$163,547,000
Parkland acquisition	\$223,555,000	\$0	\$14,143,000	\$237,698,000
Parkland development	\$77,427,000	\$0	\$4,898,000	\$82,325,000
Total	\$655,746,000	\$354,123,000	\$35,777,000	\$1,045,646,000

* These are the works and services that the City may require developers to dedicate and build with no compensation. In addition, some other works are required to address existing servicing issues and may be paid by utility fees and/or utility reserves.

UDI has requested that the City increase the municipal assist factor from 1% to 5% in order to redistribute the financial impact of the proposed new *DCC Bylaw*. Urban Systems Ltd. did examine this and has advised that most other Lower Mainland municipalities have a 1% municipal assist factor (e.g., Coquitlam, New Westminster, Langley Township). Surrey's new *DCC Bylaw* for transportation and utilities uses a 5% municipal assist factor.

A 5% municipal assist factor would have the following affect:

- It would decrease the proposed new City-Wide DCCs by \$1,150 for a single-family dwelling, \$890 for a 1,350 ft² townhouse and \$640 for a 950 ft² apartment;
- The City-Wide DCCs would still increase between 17% to 29% (as opposed to a 22% to 34% increase if the municipal assist factor is 1%); and
- An additional \$26,496,000 contribution would be required from the City over the next 23 years.

Finance staff do not believe that the City should increase the municipal assist factor from 1% to 5% as requested by UDI for the following reasons:

- The additional \$26,496,000 contribution from the City over the next 23 years would require the need to increase taxes or utility rates and/or the possibility of borrowing from external funding sources; and
- Increasing taxes or utility rates would be difficult for the taxpayers to accept since most of the items in the proposed new *DCC Program* will be perceived to benefit new development (i.e., "why should existing taxpayers pay for growth in the City Centre?") and the development community has a mechanism to recover their expenditures and costs.

It should be noted that the appropriate municipal assist factor will be reviewed periodically as part of updating the *DCC Bylaw* in the future.

The final costs to the City proceeding with the *CCAP Bylaw* (including the *Implementation Strategy*) and amended *DCC Bylaw* will be reported in future staff reports when these bylaws are brought forward for Council consideration.

Conclusion

Urban Systems Ltd. have prepared a draft *CCAP Implementation Strategy*. The *Strategy* proposes an increase in the *DCC program* for transportation, utilities (water, sanitary, drainage) and parkland acquisition and development. All of this increase will potentially be offset in the City Centre by the proposed reduced parking requirements.

As well, staff are proposing to utilize the density bonusing approach in the *Richmond Affordable Housing Strategy* for affordable housing. Density bonusing is also proposed to be used to secure child care in the Urban Core and within four Village Centres. Furthermore, a community planning fee is proposed for the City Centre.

Staff have consulted with the UDI and GVHBA. The UDI will be submitting a letter supporting the *CCAP Implementation Strategy*. The GVHBA will be submitting a letter indicating that they can not support the *CCAP Implementation Strategy* for philosophical reasons.

The next steps in the process are for staff to bring forward the *CCAP Bylaw* (which will include the final *Implementation Strategy*), amendments to the *DCC Bylaw* and an amended *Off-Street Parking and Loading Bylaw* for Council consideration.

A handwritten signature in black ink that reads "H. Burke". The letters are cursive and somewhat stylized.

Holger Burke, MCIP
Development Coordinator
HB:cas

CCAP IMPLEMENTATION STRATEGY
Transportation Background

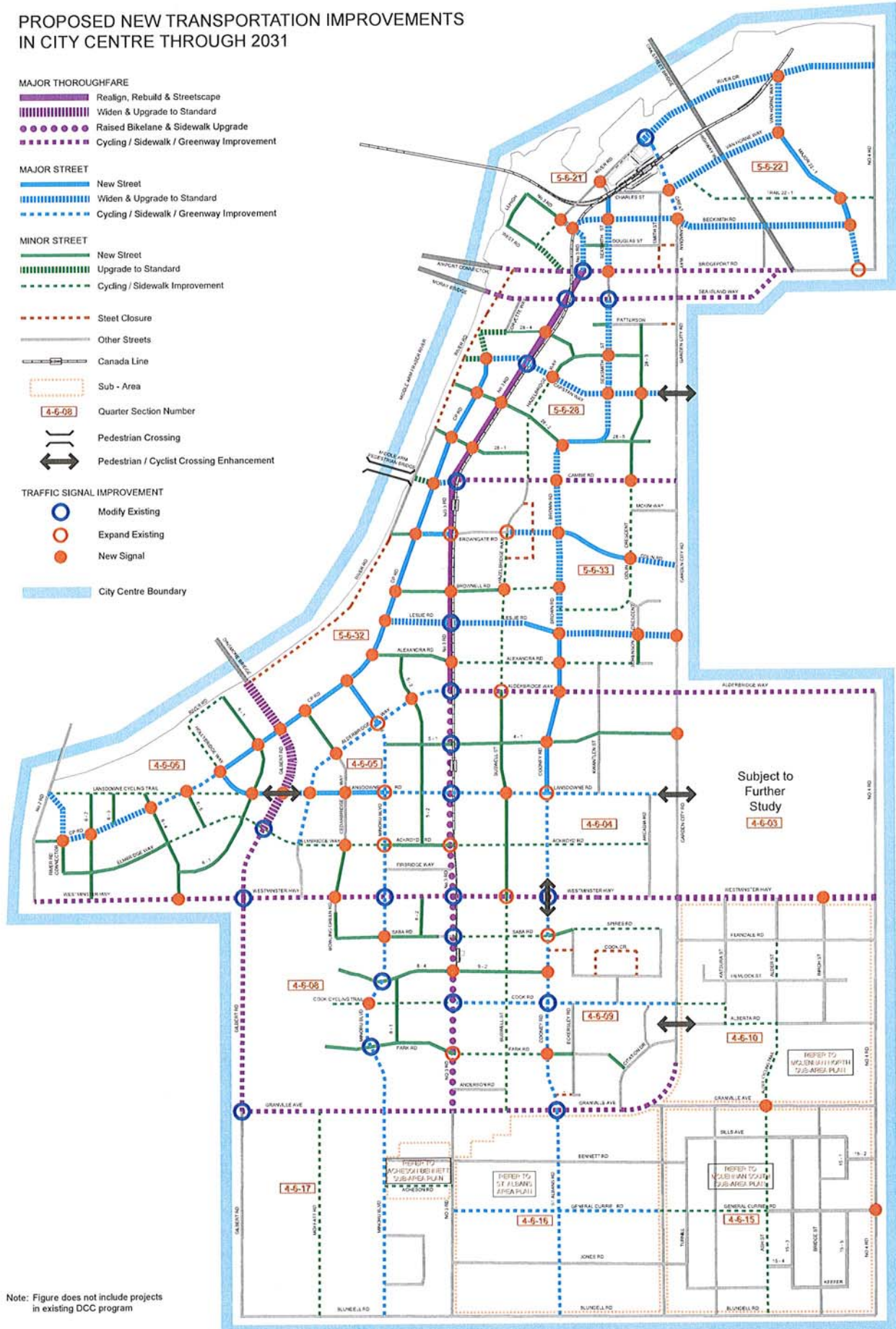
Item	Summary			
Consultant	IBI Group			
Reports	1. City Centre Transportation Plan Update: Creating a Transportation Vision (December 2007) 2. City Centre Transportation Plan Update: Implementation Plan (October 2007)			
Assumptions	That the majority of the new transportation components are required to service development and should be completed by 2031 when a residential population of 90,000 people is projected for the City Centre			
Unit Costs (2007)	Construction*: - \$5,000/m (\$1,524/ft) to \$10,000/m (\$3,048/ft) for new streets - \$500/m (\$152.40/ft) to \$3,000/m (\$914.40/ft) for upgrades Land*: - \$1,600/m ² (approximately \$150/ft ²) for residential property - \$800/m ² (approximately \$75/ft ²) for commercial/lower density residential property * - Includes a 30% contingency and 15% for design/administration			
Estimated Costs (2007)	Type	Land Cost	Construction Costs	Total
	Major Thoroughfare	\$3,700,000 ¹	\$23,283,000 ¹	\$26,983,000 ¹
	Major Street	\$83,186,000	\$101,287,000	\$184,473,000
	Minor Street	\$235,425,000	\$84,825,000	\$320,250,000
	Lanes and Mews	To Be Determined ²	To Be Determined ²	To Be Determined ²
	Trails and Paths	\$0	\$370,000	\$370,000
	Pedestrian/Cyclist Crossing Enhancements	\$0	\$30,000,000	\$30,000,000
	TOTAL	\$322,311,000	\$239,765,000	\$562,076,000
	Notes: ¹ - Urban greenways located on private property are not included in the above-noted costs because they form part of a development's landscaping and on-site improvements. The City will secure public access to these greenways through a statutory right-of-way. ² - Lanes and Mews are not included in the Transportation costs because they have only been defined conceptually and will form part of a development's required access improvements. Wherever possible, the City will secure lanes through road dedications. The City would typically secure public access to mews through statutory rights-of-way.			
Recommended Approach	Developers be required to pay for the majority of the transportation costs because they are needed and are primarily for the benefit of new development.			

**CCAP IMPLEMENTATION STRATEGY
Transportation Background (con't)**

Item	Summary			
Cost Allocation	Tool		Total Estimated Cost	
	Works and Services		\$299,029,000	
	City-Wide DCCs		\$247,396,000	
	City's Contribution To DCCs		\$15,651,000	
	TOTAL		\$562,076,000	
DCC Impact	Land Use	Current DCC Rate – Rounded \$	Proposed DCC Rate – Rounded \$	% Increase
	Single Family (per lot)	\$4,680	\$6,380	36%
	Townhouse (per ft ² building area excluding parking)	\$2.24 (e.g., 1,350 ft ² = \$3,030 unit)	\$3.06 (e.g., 1,350 ft ² = \$4,130 unit)	36%
	Apartment (per ft ² building area excluding parking)	\$3.00 (e.g., 950 ft ² = \$2,845 unit)	\$4.08 (e.g., 950 ft ² = \$3,880 unit)	36%
	Commercial (per ft ² building area)	\$5.97	\$8.13	36%
	Light Industrial (per ft ² building area)	\$4.26	\$5.81	36%
	Major Industrial (per acre gross site area)	\$22,290	\$30,350	36%

PROPOSED NEW TRANSPORTATION IMPROVEMENTS
IN CITY CENTRE THROUGH 2031




- MAJOR THOROUGHFARE**
- Realign, Rebuild & Streetscape
 - Widen & Upgrade to Standard
 - Raised Bikeline & Sidewalk Upgrade
 - Cycling / Sidewalk / Greenway Improvement
- MAJOR STREET**
- New Street
 - Widen & Upgrade to Standard
 - Cycling / Sidewalk / Greenway Improvement
- MINOR STREET**
- New Street
 - Upgrade to Standard
 - Cycling / Sidewalk Improvement
- Street Closure
 - Other Streets
 - Canada Line
 - Sub - Area
 - Quarter Section Number
 - Pedestrian Crossing
 - Pedestrian / Cyclist Crossing Enhancement
- TRAFFIC SIGNAL IMPROVEMENT**
- Modify Existing
 - Expand Existing
 - New Signal
- City Centre Boundary



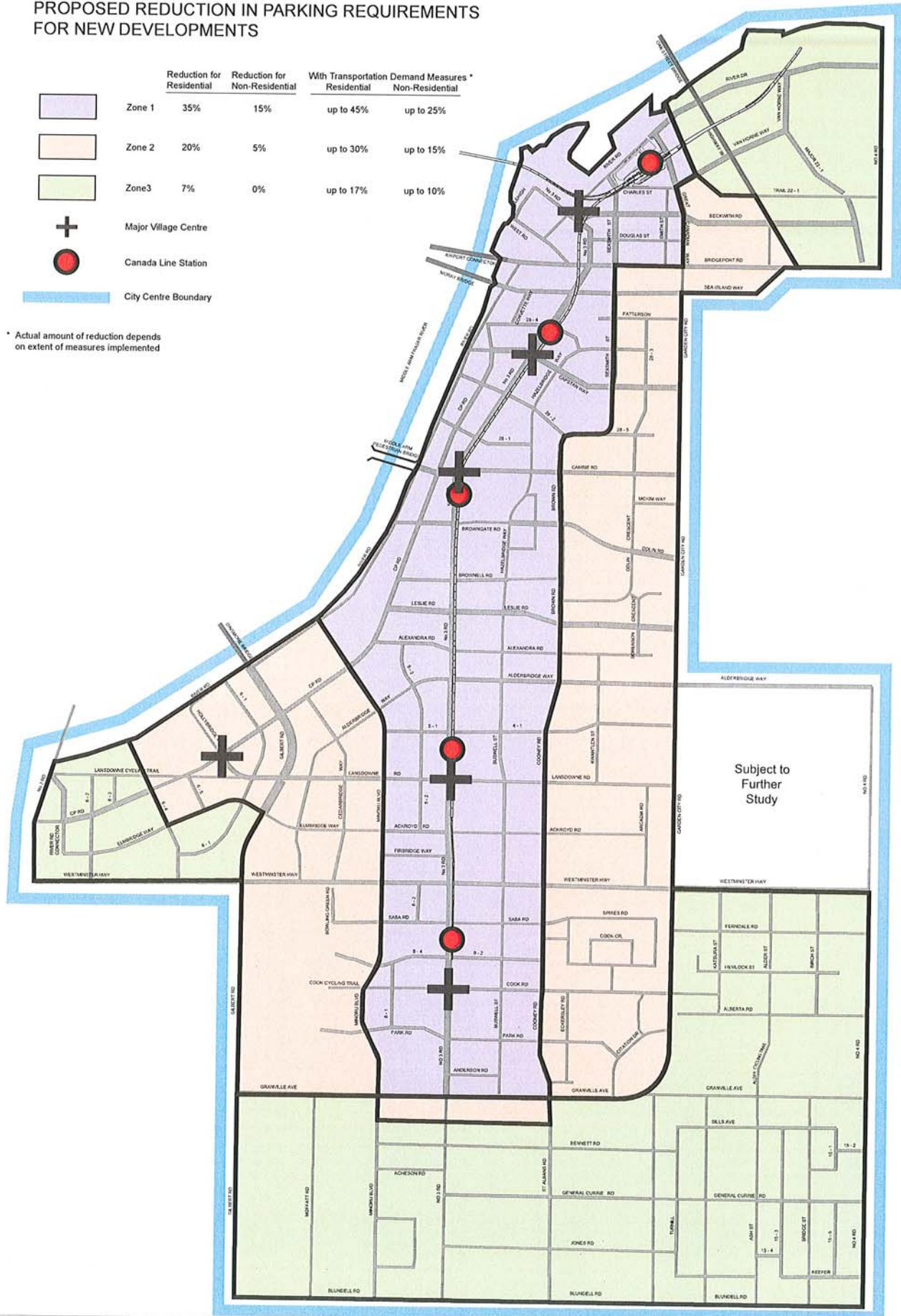
Note: Figure does not include projects in existing DCC program

PROPOSED REDUCTION IN PARKING REQUIREMENTS FOR NEW DEVELOPMENTS

	Reduction for Residential	Reduction for Non-Residential	With Transportation Demand Measures * Residential	With Transportation Demand Measures * Non-Residential
Zone 1	35%	15%	up to 45%	up to 25%
Zone 2	20%	5%	up to 30%	up to 15%
Zone 3	7%	0%	up to 17%	up to 10%

	Major Village Centre
	Canada Line Station
	City Centre Boundary

* Actual amount of reduction depends on extent of measures implemented



CCAP IMPLEMENTATION STRATEGY
Utilities Background

Item	Summary			
Consultant	Earth Tech (Canada) Inc.			
Reports	1. Water Model Update (September 2007) 2. Sanitary Model Update (September 2007) 3. Drainage Model Update (October 2007)			
Assumptions	1. Existing (2006) residential population of 43,200 people and industrial, commercial and institutional (ICI) equivalent population of 27,545 2. Theoretical zoning map (2021) residential population of 91,770 and an ICI equivalent population of 38,340 3. CCAP ultimate build out (2100) residential population of 120,105 and an ICI equivalent population of 44,440			
Unit Costs (2007)	Type			Unit Cost (\$/m)*
	Water Pipes: 200 – 350 mm diameter			\$1,006 - \$1,438
	Water Tie-ins			\$21,563
	Gravity Sewer Pipes: 200 – 600 mm diameter			\$1,397 - \$10,479
	Forcemain Pipes: 200 – 600 mm diameter			\$1,150 - \$2,013
	Minor Pump Station Upgrades			\$776,250
	Major Pump Station Upgrades			\$2,328,750
	Drainage Pipes: 300 – 1200 x 2400 mm			\$1,126 - \$8,539
	Ditch Re-grading			\$180
	Pump Station Upgrades			\$2,156,250
	* - Includes a 25% - 35% contingency and 15% for engineering			
Estimated Costs (2007)	Type	Cost to Service Existing Development	Cost to Service New Development	Total Cost to Service Existing & New Development
	Water	\$0	\$16,771,000	\$16,771,000
	Sanitary	\$4,727,000	\$57,965,000	\$62,692,000
	Drainage	\$55,336,000	\$28,748,000	\$84,084,000
	TOTAL	\$60,063,000	\$103,484,000	\$163,547,000
Notes: Earth Tech (Canada) Inc. models did not identify and cost out all of the water, sanitary and drainage upgrades required to be built by developers through works and services \$13,460,000 in Drainage projects were recommended to service the existing land use scenario but are identified to replace projects in the current DCC program				
Recommended Approach	Developers pay for utilities through DCCs and/or works and services. City use utility charges and utility reserves to upgrade utilities required to service existing development not funded by developers.			

CCAP IMPLEMENTATION STRATEGY
Utilities Background (con't)

Item	Summary			
Cost Allocation	Type	Tools	Estimated Cost to Service Existing Development	Estimated Cost to Service New Development
	Water	Works and Services Utility Charges Etc.	\$0	\$8,491,000
		City-Wide DCCs	\$0	\$8,197,000
		City's Contribution (DCCs; Utilities; etc.)	\$0	\$83,000
	Sanitary	Works and Services Utility Charges Etc.	\$4,727,000	\$0
		City-Wide DCCs	\$0	\$57,385,000
		City's Contribution (DCCs, Utilities, etc.)	\$0	\$580,000
	Drainage	Works and Services Utility Charges Etc.	\$41,876,000	\$0
		City-Wide DCCs	\$0	\$41,786,000
		City's Contribution (DCCs; Utilities; etc.)	\$0	\$422,000
	TOTAL	Works and Services Utility Charges Etc.	\$46,603,000	\$8,491,000
		City-Wide DCCs	\$0	\$107,368,000
		City's Contribution (DCCs; Utilities; etc.)	\$0	\$1,085,000
		TOTAL	\$46,603,000	\$116,944,000

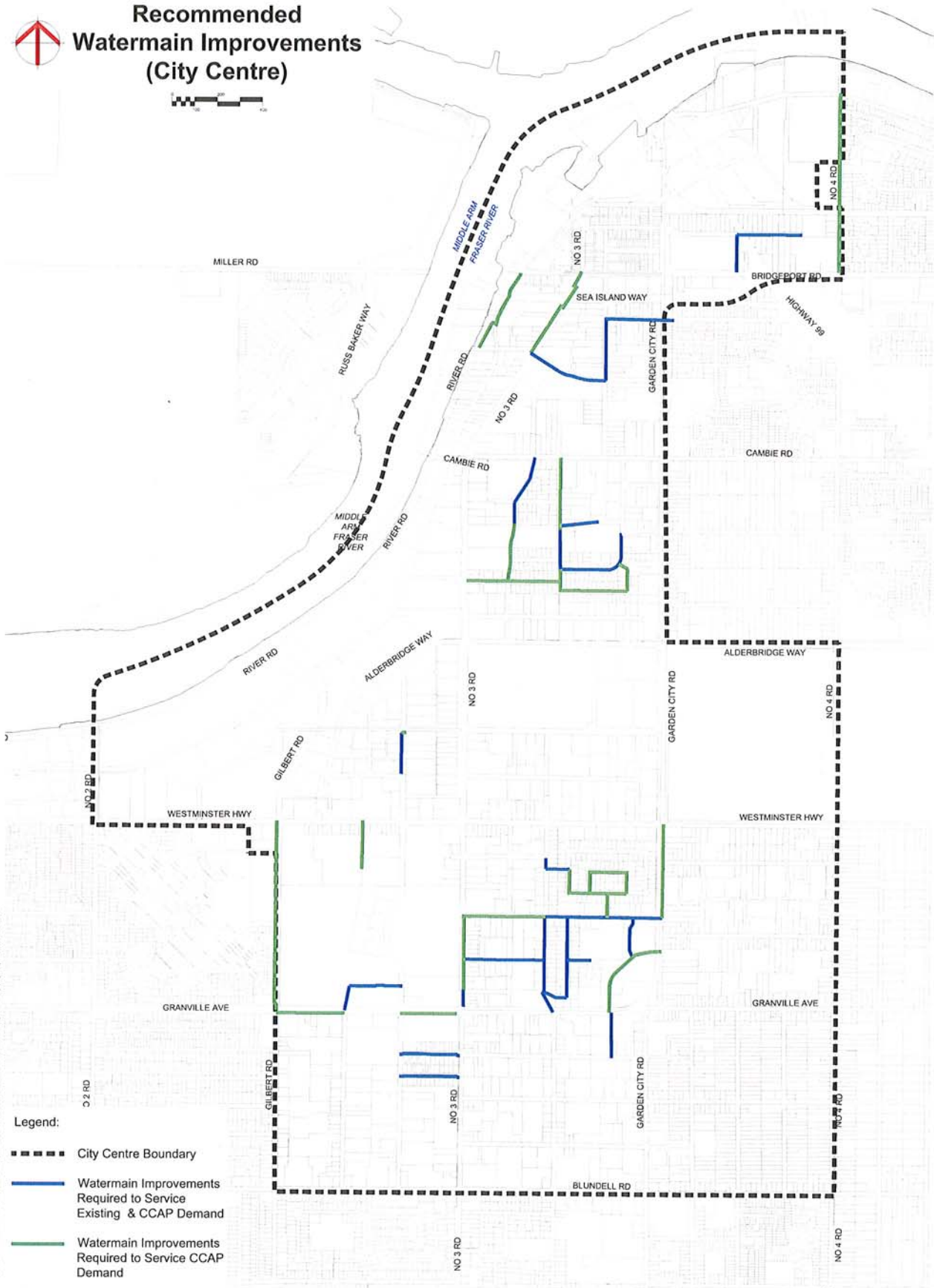
**CCAP IMPLEMENTATION STRATEGY
Utilities Background (con't)**

Item	Summary			
DCC Impact	Water			
	Land Use	Current DCC Rate – Rounded \$	Proposed DCC Rate – Rounded \$	% Increase
	Single Family (per lot)	\$770	\$800	4%
	Townhouse (per ft ² building area excluding parking)	\$0.49 (e.g., 1,350 ft ² = \$655 unit)	\$0.53 (e.g., 1,350 ft ² = \$710 unit)	8%
	Apartment (per ft ² building area excluding parking)	\$0.50 (e.g., 950 ft ² = \$475 unit)	\$0.54 (e.g., 950 ft ² = \$510 unit)	7%
	Commercial (per ft ² building area)	\$0.19	\$0.20	5%
	Light Industrial (per ft ² building area)	\$0.19	\$0.20	5%
	Major Industrial (per acre gross site area)	\$4,115	\$4,427	8%
	Sanitary			
	Single Family (per lot)	\$2,315	\$2,650	14%
	Townhouse (per ft ² building area excluding parking)	\$1.46 (e.g., 1,350 ft ² = \$1,975 unit)	\$1.73 (e.g., 1,350 ft ² = \$2,330 unit)	18%
	Apartment (per ft ² building area excluding parking)	\$1.51 (e.g., 950 ft ² = \$1,430 unit)	\$1.77 (e.g., 950 ft ² = \$1,680 unit)	17%
	Commercial (per ft ² building area)	\$0.57	\$0.67	18%
	Light Industrial (per ft ² building area)	\$0.57	\$0.67	18%
	Major Industrial (per acre gross site area)	\$12,401	\$14,605	18%
	Drainage			
	Single Family (per lot)	\$4,460	\$5,140	15%
	Townhouse (per ft ² building area excluding parking)	\$1.92 (e.g., 1,350 ft ² = \$2,585 unit)	\$2.21 (e.g., 1,350 ft ² = \$2,980 unit)	15%
	Apartment (per ft ² building area excluding parking)	\$1.36 (e.g., 950 ft ² = \$1,295 unit)	\$1.57 (e.g., 950 ft ² = \$1,490 unit)	15%
	Commercial (per ft ² building area)	\$1.33	\$1.53	15%
	Light Industrial (per ft ² building area)	\$1.33	\$1.53	15%
Major Industrial (per acre gross site area)	\$40,609	\$46,801	15%	

CCAP IMPLEMENTATION STRATEGY
Utilities Background (con't)

Item	Summary			
DCC Impact	TOTAL			
	Single Family (per lot)	\$7,545	\$8,590	14%
	Townhouse (per ft ² building area excluding parking)	\$3.87 (e.g., 1,350 ft ² = \$5,215 unit)	\$4.46 (e.g., 1,350 ft ² = \$6,020 unit)	15%
	Apartment (per ft ² building area excluding parking)	\$3.37 (e.g., 950 ft ² = \$3,200 unit)	\$3.88 (e.g., 950 ft ² = \$3,680 unit)	15%
	Commercial (per ft ² building area)	\$2.09	\$2.40	15%
	Light Industrial (per ft ² building area)	\$2.09	\$2.40	15%
	Major Industrial (per acre gross site area)	\$57,125	\$65,835	15%

**Recommended
Watermain Improvements
(City Centre)**

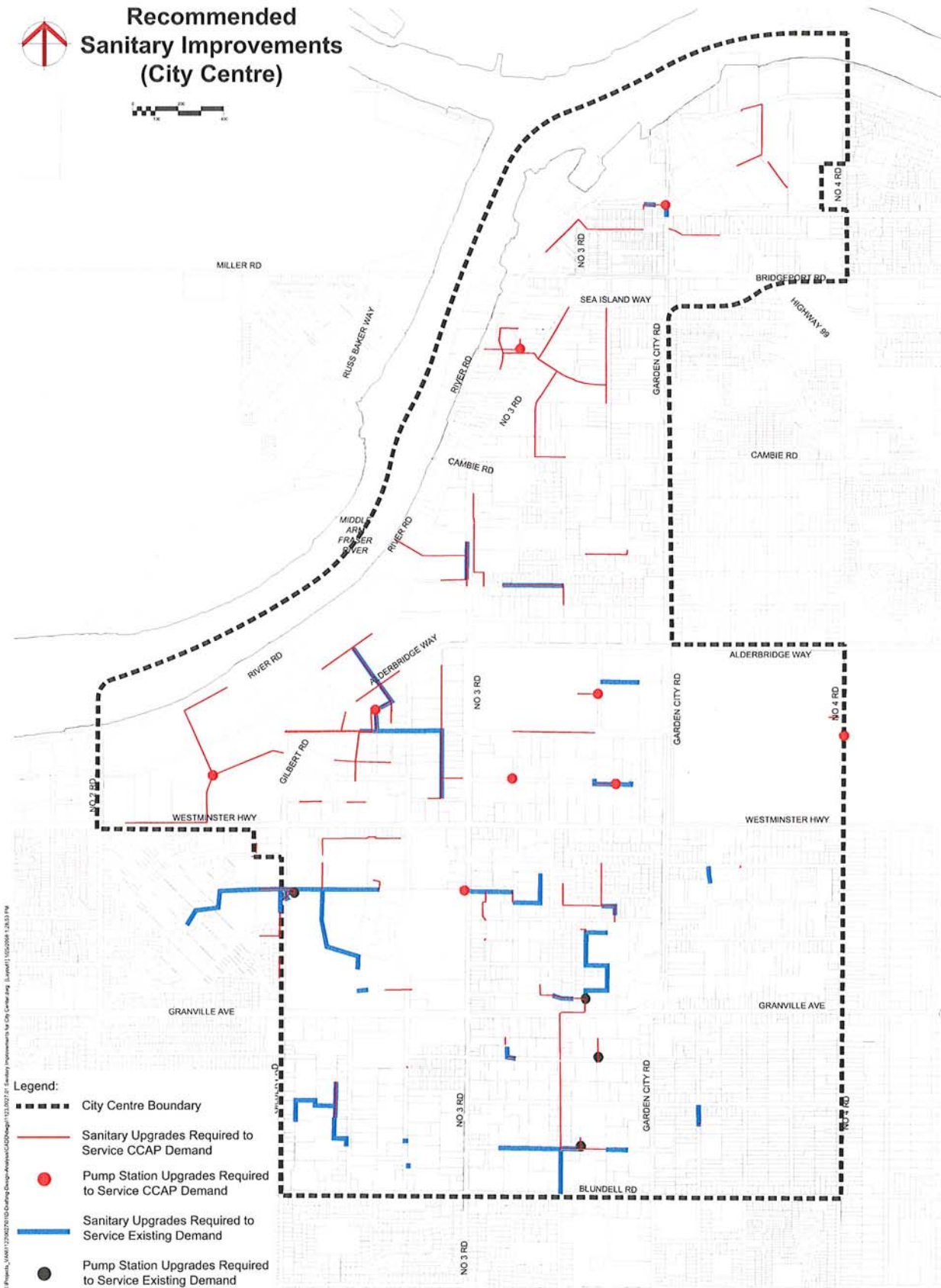


- Legend:**
- City Centre Boundary
 - Watermain Improvements Required to Service Existing & CCAP Demand
 - Watermain Improvements Required to Service CCAP Demand

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Recommended Sanitary Improvements (City Centre)

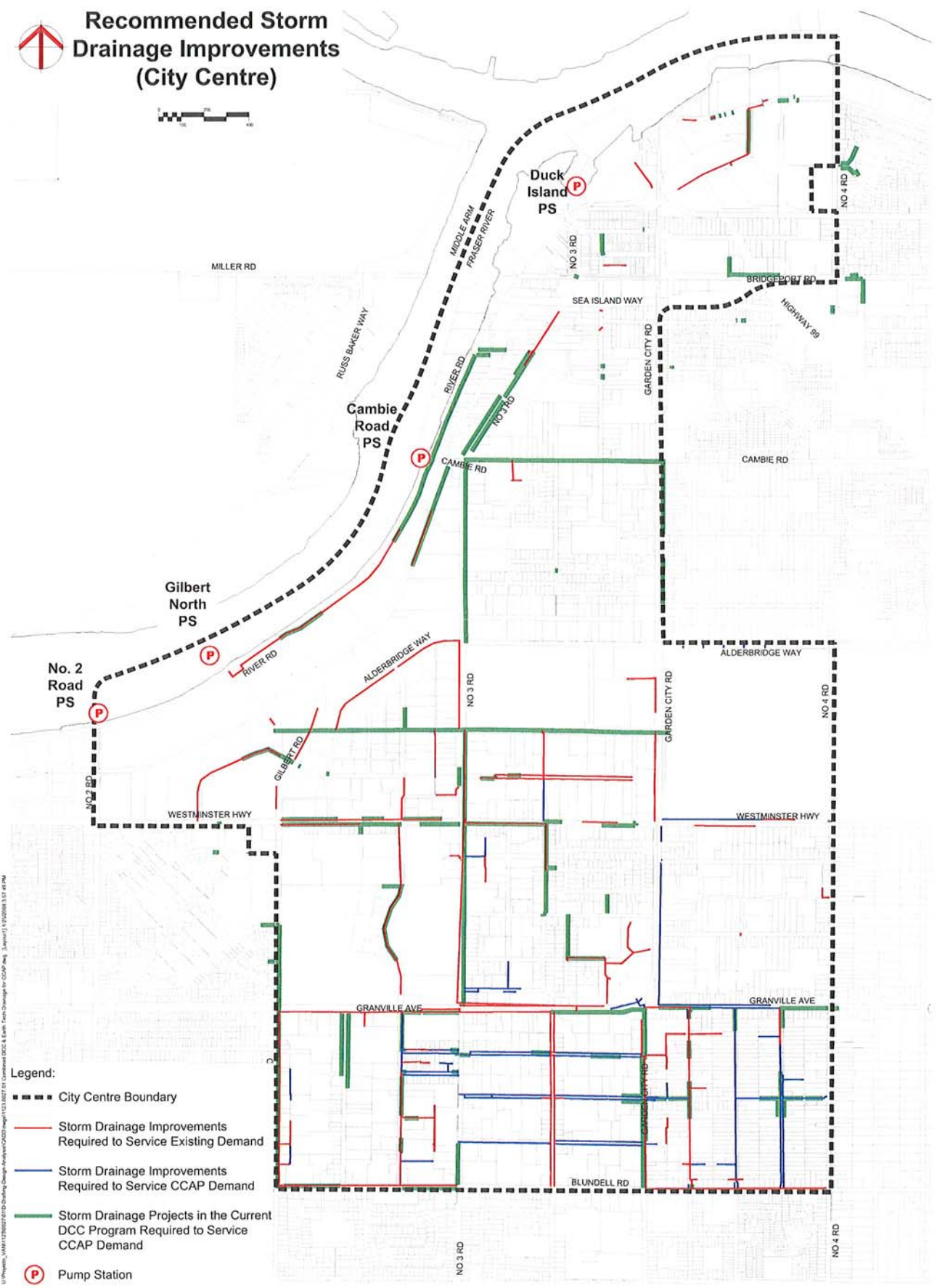


Legend:

- City Centre Boundary
- Sanitary Upgrades Required to Service CCAP Demand
- Pump Station Upgrades Required to Service CCAP Demand
- Sanitary Upgrades Required to Service Existing Demand
- Pump Station Upgrades Required to Service Existing Demand

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Recommended Storm Drainage Improvements (City Centre)



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- Legend:**
- City Centre Boundary
 - Storm Drainage Improvements Required to Service Existing Demand
 - Storm Drainage Improvements Required to Service CCAP Demand
 - Storm Drainage Projects in the Current DCC Program Required to Service CCAP Demand
 - (P) Pump Station

CCAP IMPLEMENTATION STRATEGY
Parks and Open Space Summary

Item	Summary			
Consultant	GP Rollo Associates Ltd.			
Reports	Confidential report from GP Rollo Associates Ltd.			
Assumptions	<ol style="list-style-type: none"> 1. At present, there is approximately 76.5 hectares (189 acres) of park and open space in the City Centre 2. A standard of 3.25 acres of parkland for every 1,000 residents is to be used in planning the future of the City Centre 3. In order to meet this standard, an additional 42 hectares (103.5 acres) of park and open space is required by 2031 and a total of 158 hectares (390 acres) is required at the ultimate build out 			
Unit Costs (2007)	<p>Land Acquisition: - As determined by GP Rollo Associates Ltd and reviewed/agreed to by PRCS and Real Estate Services staff</p> <p>Park Development: - Based on current construction costs</p> <p>Contingency - Varies and has been factored into Land Acquisition and Park Development costs</p>			
Estimated Costs (2007)	Type	Park Acquisition Costs to 2031	Park Development Costs to 2031	Total Park Costs to 2031
	Urban Waterfront Park	\$90,975,000	\$36,140,000	\$127,115,000
	Urban Waterfront Park/Waterfront Natural Area	\$11,787,450	\$13,400,000	\$25,187,450
	Community Park	\$5,800,000	\$1,425,000	\$7,225,000
	Urban Park	\$57,000,000	\$10,524,000	\$67,524,000
	Commercial Neighbourhood	\$8,269,600	\$5,970,000	\$14,239,600
	Residential Neighbourhood	\$63,865,950	\$14,866,000	\$78,731,950
	TOTAL	\$237,698,000	\$82,325,000	\$320,023,000
	<p>Note: The Land Costs to 2031 are to acquire approximately 22 hectares (54 acres) of parkland. The City already owns approximately 9 hectares (22 acres) of land that is currently being used for industrial, road or other purposes. Approximately 11 hectares (27.5 acres) will be obtained as rights-of-way or publicly accessible private owned areas (POPAs).</p>			
Recommended Approach	<p>Developers be required to pay DCCs for the acquisition and development of parkland because it is needed for and benefits new development. Linear greenways be obtained as rights-of-way or publicly accessible privately owned areas (POPAs) rather than through the DCC program.</p>			

**CCAP IMPLEMENTATION STRATEGY
Parks and Open Summary (con't)**

Item	Summary	
Cost Allocation	Tool	Total Estimated Cost
Park Acquisition	City-Wide DCCs	\$223,555,000
	City's Contribution To DCCs	\$14,143,000
	TOTAL	\$237,698,000
Park Development	City-Wide DCCs	\$77,427,000
	City's Contribution To DCCs	\$4,898,000
	TOTAL	\$82,325,000
Combined Park Acquisition + Park Development	City-Wide DCCs	\$300,982,000
	City's Contribution To DCCs	\$19,041,000
	TOTAL	\$320,023,000

Item	Summary			
DCC Impact	Land Use	Current DCC Rate – Rounded \$	Proposed DCC Rate – Rounded \$	% Increase
Park Acquisition	Single Family (per lot)	\$5,245	\$9,040	72%
	Townhouse (per ft ² building area excluding parking)	\$3.31 (e.g., 1,350 ft ² = \$4,475 unit)	\$5.89 (e.g., 1,350 ft ² = \$7,950 unit)	78%
	Apartment (per ft ² building area excluding parking)	\$3.41 (e.g., 950 ft ² = \$3,240 unit)	\$6.06 (e.g., 950 ft ² = \$5,760 unit)	78%
	Commercial (per ft ² building area)	\$0.65	\$1.15	77%
	Light Industrial (per ft ² building area)	\$0.65	\$1.15	77%
	Major Industrial (per acre gross site area)	\$2,498	\$4,435	78%
Park Development	Single Family (per lot)	\$3,985	\$3,830	-4%
	Townhouse (per ft ² building area excluding parking)	\$2.52 (e.g., 1,350 ft ² = \$3,400 unit)	\$2.50 (e.g., 1,350 ft ² = \$3,370 unit)	-1%
	Apartment (per ft ² building area excluding parking)	\$2.59 (e.g., 950 ft ² = \$2,460 unit)	\$2.57 (e.g., 950 ft ² = \$2,440 unit)	-1%
	Commercial (per ft ² building area)	\$0.49	\$0.49	0%
	Light Industrial (per ft ² building area)	\$0.49	\$0.49	0%
	Major Industrial (per acre gross site area)	\$1,897	\$1,880	-1%

**CCAP IMPLEMENTATION STRATEGY
Parks and Open Summary (con't)**

Item	Summary			
	Land Use	Current DCC Rate – Rounded \$	Proposed DCC Rate – Rounded \$	% Increase
Combined Park Acquisition + Park Development	Single Family (per lot)	\$9,230	\$12,870	39%
	Townhouse (per ft ² building area excluding parking)	\$5.83 (e.g., 1,350 ft ² = \$7,875 unit)	\$8.39 (e.g., 1,350 ft ² = \$11,320 unit)	44%
	Apartment (per ft ² building area excluding parking)	\$6.00 (e.g., 950 ft ² = \$5,700 unit)	\$8.63 (e.g., 950 ft ² = \$8,200 unit)	44%
	Commercial (per ft ² building area)	\$1.14	\$1.64	44%
	Light Industrial (per ft ² building area)	\$1.14	\$1.64	44%
	Major Industrial (per acre gross site area)	\$4,395	\$6,315	44%


Park & Open Spaces

At present, there is approximately 76.5 hectares (189 acres) of existing park and open space in the City Centre. This figure includes approximately 17 hectares (43 acres) that are existing school sites.

This being the case:

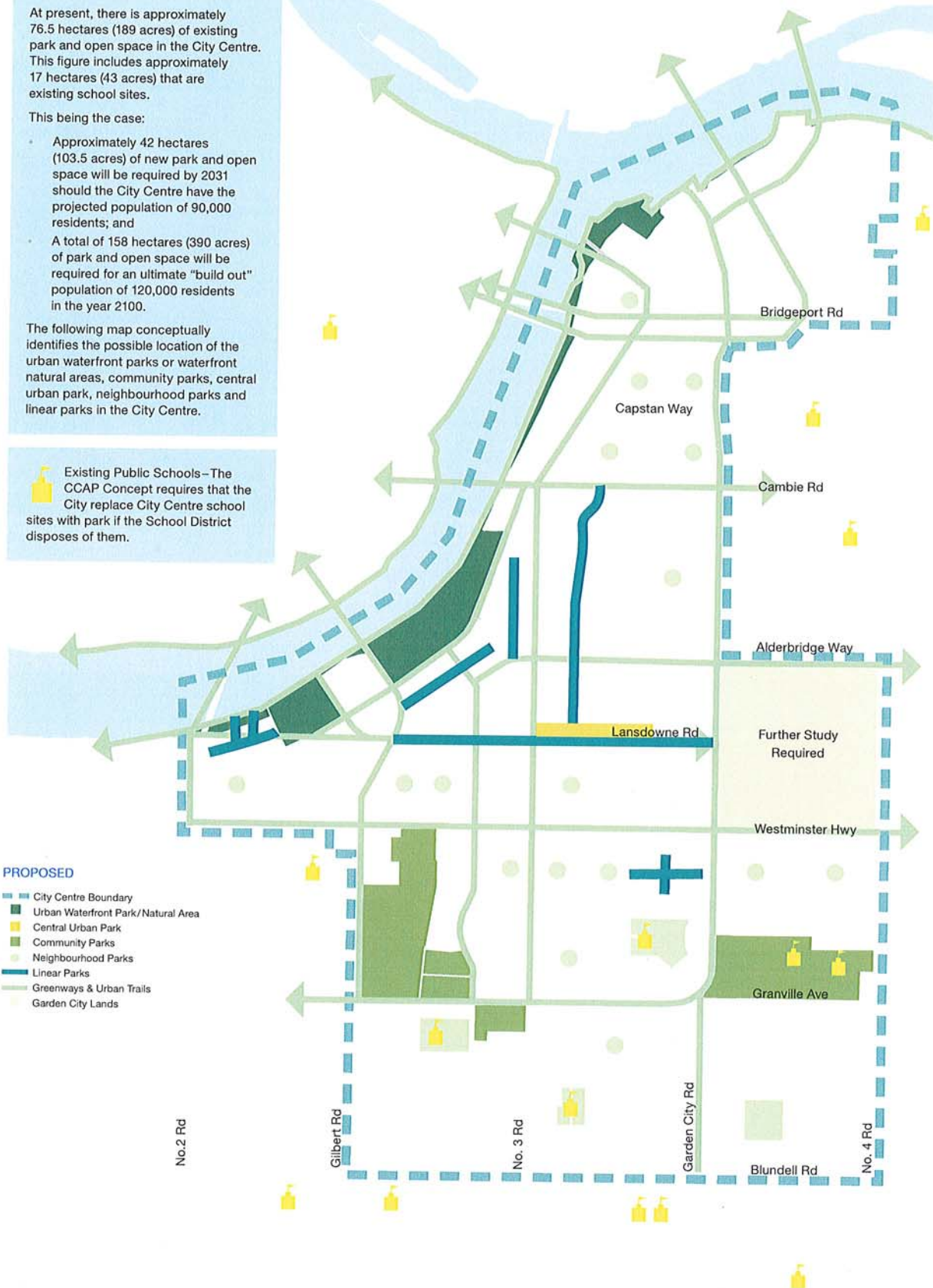
- Approximately 42 hectares (103.5 acres) of new park and open space will be required by 2031 should the City Centre have the projected population of 90,000 residents; and
- A total of 158 hectares (390 acres) of park and open space will be required for an ultimate "build out" population of 120,000 residents in the year 2100.

The following map conceptually identifies the possible location of the urban waterfront parks or waterfront natural areas, community parks, central urban park, neighbourhood parks and linear parks in the City Centre.

 Existing Public Schools – The CCAP Concept requires that the City replace City Centre school sites with park if the School District disposes of them.

PROPOSED

-  City Centre Boundary
-  Urban Waterfront Park/Natural Area
-  Central Urban Park
-  Community Parks
-  Neighbourhood Parks
-  Linear Parks
-  Greenways & Urban Trails
-  Garden City Lands



CCAP IMPLEMENTATION STRATEGY
Financing Strategy Summary

Guiding Principles*	
1.	The <i>Implementation Strategy</i> is based on applicable legislation.
2.	The <i>Implementation Strategy</i> distinguishes between costs to service existing development and new growth.
3.	The <i>Implementation Strategy</i> will meet the City’s triple bottom line policy of financial, environmental and social sustainability.
4.	The <i>Implementation Strategy</i> is based on the achievement of equity.
5.	The “benefitter pay” principle is in effect.
6.	The <i>Implementation Strategy</i> will ensure a balance between the principle of equity and the principle of administrative efficiency.
7.	Financing and cost recovery strategies should be developed to limit financial risk to the City and its taxpayers.
8.	Financing strategies will be developed to reflect a “pay as you go approach” to financing capital projects.
9.	The <i>Implementation Strategy</i> will foster certainty and clarity for development and investment in the community.
10.	The <i>Implementation Strategy</i> will serve to create accountability to residents, taxpayers and investors.
11.	The <i>Implementation Strategy</i> will provide for flexibility.
12.	The <i>Implementation Strategy</i> will support the development of “complete communities” and encourage early implementation of transit oriented development.
13.	The <i>Implementation Strategy</i> will be based on current costs and will ensure no double counting or charges.
14.	The <i>Implementation Strategy</i> will focus on providing a detailed implementation plan to 2031. Implementation steps for development beyond 2031 will be determined in the future.
* - Note: these guiding principles are not listed in any priority.	

**CCAP IMPLEMENTATION STRATEGY
Financing Strategy Summary (con't)**

Financing Options	
Principal Means to Finance the CCAP Implementation Strategy*	Not Considered As Principal Means to Finance the CCAP Implementation Strategy*
Works and Services (e.g., roads and utilities built by developers through a servicing agreement)	Gifts (e.g., developer contributions through phased development agreements)
City-Wide Development Cost Charges (e.g., paid by developers throughout the City)	Area Specific Development Cost Charges (e.g., paid by developers in City Centre only)
General Revenues (e.g., municipal taxes; gaming revenues)	Local Service Taxes (e.g., local service areas)
Utility Charges (e.g., charges paid by property owners and businesses)	Community User Fees* (e.g., fees paid by property owners, user groups, etc.)
	Short and Long Term Borrowing (e.g., municipality borrows money – typically requires a referendum)
Density Bonusing (e.g., additional density in exchange for amenities such as affordable housing and child care)	Public-Private Partnerships and Joint Ventures* (e.g., co-operative ventures between the municipality and private sector)
	Grants* (e.g., from Provincial or Federal Governments)
* Note: The <i>CCAP Implementation Strategy</i> is <u>not</u> considering the financing options for community facilities. This will be addressed by a separate staff report and feasibility studies. During this process, financing options such as community user fees, public-private partnerships and joint ventures, and grants will be considered.	

Land Use & Density

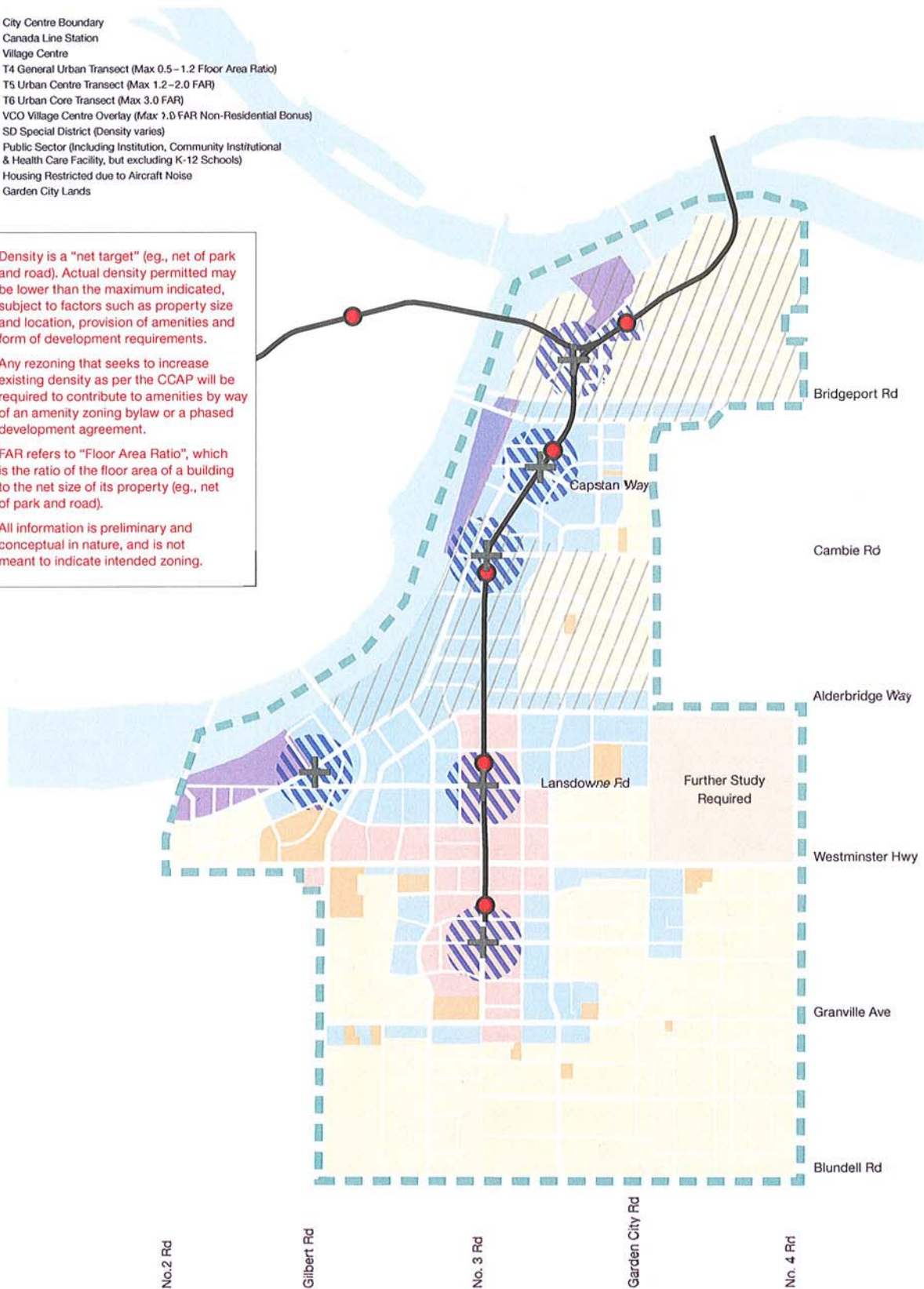
- City Centre Boundary
- Canada Line Station
- Village Centre
- T4 General Urban Transect (Max 0.5 – 1.2 Floor Area Ratio)
- T5 Urban Centre Transect (Max 1.2 – 2.0 FAR)
- T6 Urban Core Transect (Max 3.0 FAR)
- VCO Village Centre Overlay (Max 7.0 FAR Non-Residential Bonus)
- SD Special District (Density varies)
- Public Sector (Including Institution, Community Institutional & Health Care Facility, but excluding K-12 Schools)
- Housing Restricted due to Aircraft Noise
- Garden City Lands

Density is a "net target" (eg., net of park and road). Actual density permitted may be lower than the maximum indicated, subject to factors such as property size and location, provision of amenities and form of development requirements.

Any rezoning that seeks to increase existing density as per the CCAP will be required to contribute to amenities by way of an amenity zoning bylaw or a phased development agreement.

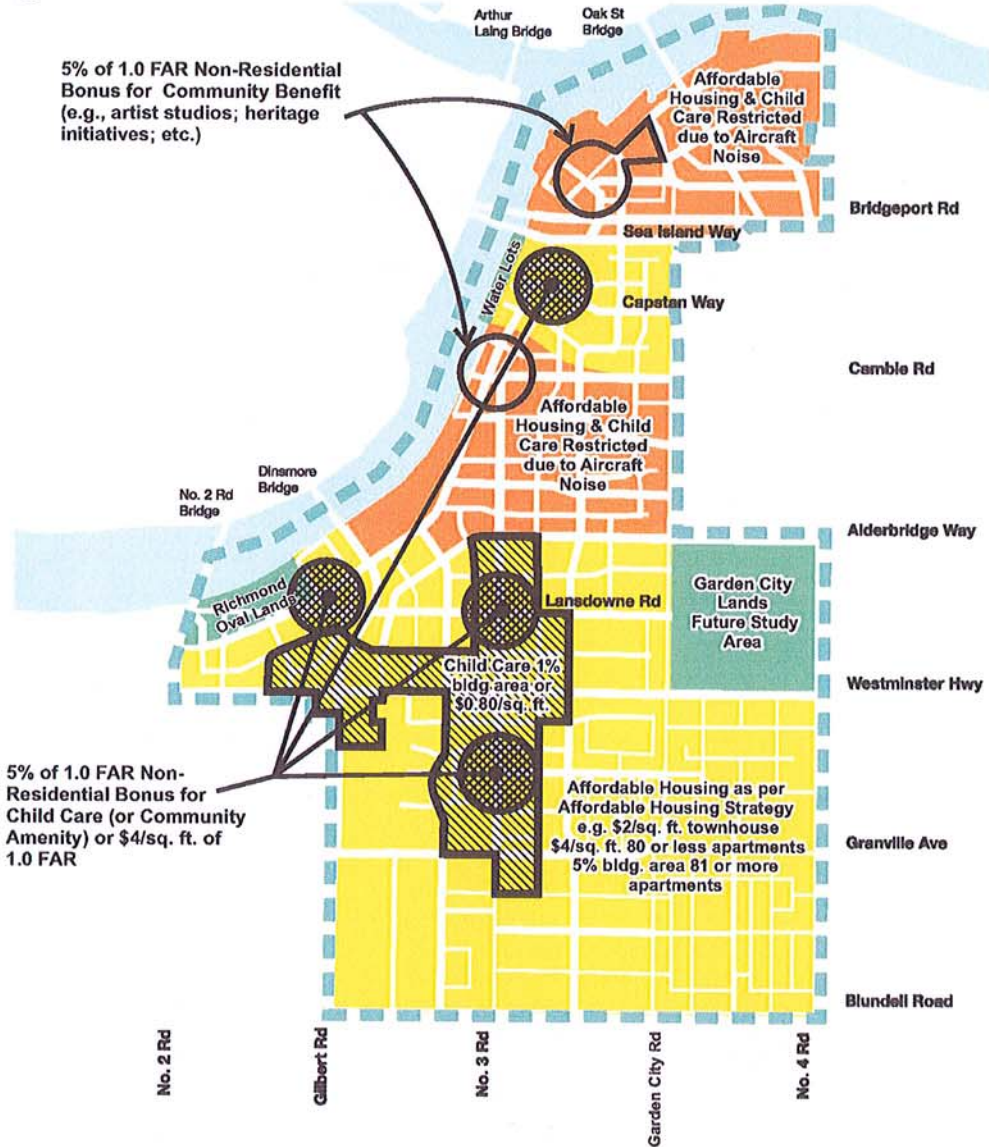
FAR refers to "Floor Area Ratio", which is the ratio of the floor area of a building to the net size of its property (eg., net of park and road).

All information is preliminary and conceptual in nature, and is not meant to indicate intended zoning.



DENSITY BONUS MAP

- T4 General Urban Transect (Max. 0.5 - 1.2 FAR including Affordable Housing)
- T5 Urban Centre Transect (Max 1.2 - 2.0 FAR including Affordable Housing)
- T6 Urban Core Transect (Max. 3.0 FAR including Affordable Housing & Child Care)
- C7 Downtown Commercial District (Max. 3.0 FAR excluding Affordable Housing & Child Care)
- Village Centre Overlay (Max. 1.0 FAR Non-Residential Bonus)

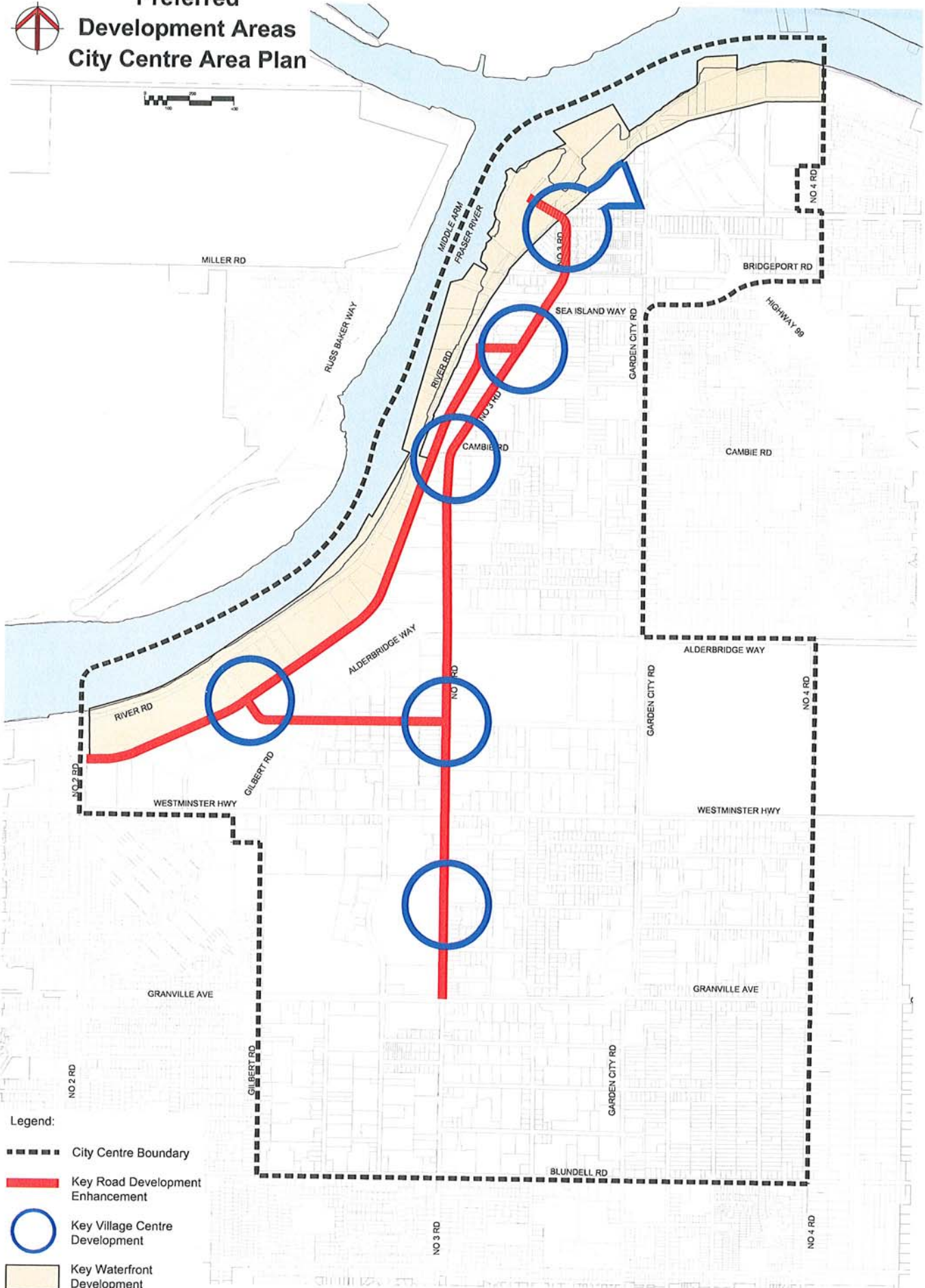




CCAP IMPLEMENTATION STRATEGY
Phasing Strategy Summary

Guiding Principles*	
1.	The <i>Phasing Strategy</i> identifies the preferred development areas in the City Centre.
2.	The <i>Phasing Strategy</i> considers the City’s priorities for providing transportation, utilities and park improvements.
3.	The <i>Phasing Strategy</i> factors in the potential location and development of community facilities.
4.	The <i>Phasing Strategy</i> supports the planning objectives of the CCAP Concept to create a “complete community”.
5.	The <i>Phasing Strategy</i> co-ordinates phasing for growth with phasing required City investments/infrastructure.
6.	The <i>Phasing Strategy</i> emphasizes development around the Canada Line and the Richmond Oval.
7.	The <i>Phasing Strategy</i> encourages high density transit villages around the Canada Line and enhances the use of the waterfront.
8.	The <i>Phasing Strategy</i> recognizes that development will continue in areas that have already been pre-planned or pre-zoned (e.g., McLennan North and South Sub-Area Plans; Downtown Commercial (C7) District; etc.).
9.	The <i>Phasing Strategy</i> enables the early acquisition of strategic parcels to minimize the impact of escalating land values.
10.	The <i>Phasing Strategy</i> encourages development in proximity to parks and community facilities.
11.	The <i>Phasing Strategy</i> enables development to proceed ahead of a planned phase if the developer pays all the costs, particularly advancing parkland acquisition and parkland development that is not on the DCC program (i.e., beyond 2031).
12.	The <i>Phasing Strategy</i> will be clear and simple to understand for all stakeholders.
13.	The <i>Phasing Strategy</i> is based on the projected population growth in the City Centre.
14.	The <i>Phasing Strategy</i> ensures the financial sustainability of each phase for the City and developers.
* - Note: these guiding principles are not listed in any priority.	

Preferred Development Areas City Centre Area Plan



Legend:

- City Centre Boundary
- Key Road Development Enhancement
- Key Village Centre Development
- Key Waterfront Development

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Executive Summary

Introduction

In 2006, Richmond City Council initiated a strategic update of the City Centre Area Plan (CCAP). This update included a series of public consultation processes and a variety of other studies. In February 2007, Council approved in principle the CCAP CONCEPT. The CONCEPT uses a capacity based framework of what the ultimate build out could be for development in Richmond's city centre. Over the past year, City staff and consultants have been refining the CCAP CONCEPT in order to prepare a new CCAP Bylaw (which would include an *Implementation Strategy*).

To ensure that the City Centre Area Plan develops in an orderly, sustainable and financially sound manner, the City requires an *Implementation Strategy*. The *Implementation Strategy* is a comprehensive financing and phasing strategy that:

- ◆ Identifies which transportation, utilities, parks and community facilities are needed to support development in the City Centre
- ◆ Determines how the transportation, utilities and parkland acquisition & improvements should be financed (the financing of new community facilities will be the subject of a separate process)
- ◆ Establishes a financing and phasing strategy for development in the City Centre to the year 2031

Guiding Principles

In order to determine the most appropriate financing strategy for development in the City Centre, the City has identified 14 guiding principles, which form the basis of the *Implementation Strategy*. The guiding principles are as follows (these guiding principles are not listed in any priority):

The CCAP financing strategy should:

1. Be based on applicable legislation
2. Distinguish between costs to service existing development and new growth
3. Meet the City's triple bottom line policy of financial, environmental and social sustainability
4. Strive for equity
5. Allocate costs according to the "benefiter pay" principle
6. Balance equity and administrative efficiency



7. Limit financial risk to the City and its residents
8. Be based on a "pay as you go" approach
9. Foster certainty and clarity for development/investment in the community
10. Create accountability to residents, taxpayers and investors
11. Provide for flexibility
12. Support the development of complete communities and encourage the early implementation of transit oriented development
13. Be based on current costs and should ensure no double counting or charges
14. Focus on developing a financing and cost recovery strategy to the year 2031 (the costs to the ultimate build out year of 2100 will be the subject of future reviews)

Recommended Improvements

The City and its consultants have recently completed several engineering studies to identify infrastructure upgrades as well as parkland and improvements that will be required to service the future CCAP population. The City commissioned the following studies as part of the CCAP:

- ◆ City Centre Transportation Plan Update – Implementation Plan (IBI, 2007)
- ◆ Water Model Update (Earth Tech, 2007)
- ◆ Drainage Model Update (Earth Tech, 2007)
- ◆ Sanitary Model Update (Earth Tech, 2007)
- ◆ Park cost estimates prepared by the City of Richmond (2007)
- ◆ PRCS Facilities Strategic Plan (PERC, June 2007)
- ◆ Library Facilities Plan (Richmond Public Library, 2007)

These studies have determined what transportation, utilities, parks and new community facilities are needed for a total population of 120,000 residents by the year 2100 or earlier. Recommended transportation and utility upgrades, and parkland acquisition and development costs total over \$1 billion. Costs for community facilities will be finalized by the City in upcoming reports on the Corporate Facilities Implementation Plan, but have been estimated to be approximately \$235 million (excluding land and parking).



It should be noted that when the City builds new infrastructure, DCC related or not, there are on-going operation and maintenance (O&M) costs. These O&M costs and ultimately the replacement cost of these works will be the responsibility of the City. The on-going costs are typically funded through utility fees and general revenue funds.

Table E.1: Total Costs the CCAP Area (2031)

<i>INFRASTRUCTURE TYPE</i>	TOTAL COST
Transportation	\$562,076,000
Water	\$16,771,000
Sanitary	\$62,691,000
Drainage	\$84,085,000
Parkland Acquisition (2031)	\$237,698,000
Parkland Development (2031)	\$82,325,000
<i>Sub Total</i>	<i>\$1,045,646,000</i>
Community Facilities:	
PRCS Community Amenities	\$235,000,000 (estimated)
Community Safety Building and Fire Hall #1	To be confirmed through future staff reports
TOTAL COST	TBD

Financing Options

Based on the guiding principles, the City plans to finance CCAP related costs through development cost charges (DCCs) as well as through other funding sources such as works and services, utility charges and reserves, density bonusing, and general revenues. The following table summarizes how the various costs will be recovered (the financing of new community facilities will be the subject of a separate process). Each of these approaches is consistent with past practices in Richmond and is common among B.C. municipalities.



Table E.2: CCAP Financing Strategy (2031)

<i>INFRASTRUCTURE TYPE</i>	<i>CCAP COSTS TO BE FINANCED THROUGH CITY-WIDE DCCS (DCC recoverable costs)</i>	<i>CCAP COSTS TO BE FINANCED THROUGH OTHER MEANS (e.g., Works and Services; Utility Charges; General Revenues; etc.)</i>	<i>TOTAL COST</i>
Transportation	\$247,396,000	\$314,680,000	\$562,076,000
Water	\$8,197,000	\$8,574,000	\$16,771,000
Sanitary	\$57,385,000	\$5,306,000	\$62,691,000
Drainage	\$41,786,000	\$42,299,000	\$84,085,000
Parkland Acquisition (2031)	\$223,555,000	\$14,143,000	\$237,698,000
Parkland Development (2031)	\$77,427,000	\$4,898,000	\$82,325,000
<i>Sub Total</i>	<i>\$655,746,000</i>	<i>\$389,900,000</i>	<i>\$1,045,646,000</i>
Community Facilities	To be confirmed through future staff reports	To be confirmed through future staff reports	To be confirmed through future staff reports
TOTAL COST	TBD	TBD	TBD

The applicable CCAP costs will be added to the CC program. The DCC program will be based on a new time horizon to 2031. A specific, City Centre DCC program is not contemplated.

The approximate proposed impact on City-Wide DCCs is summarized in the following table.

Table E.3: Approximate Proposed Impact on City-Wide DCC Rates

LAND USE	Units	PROPOSED TRANSPORTATION DCC	PROPOSED WATER DCC	PROPOSED SANITARY DCC	PROPOSED DRAINAGE DCC	PROPOSED PARK ACQUISITION DCC	PROPOSED PARK DEVELOPMENT DCC	TOTAL PROPOSED DCC	TOTAL CURRENT DCCS	% CHANGE
Single Family	per lot	\$6,380	\$800	\$2,650	\$5,140	\$9,040	\$3,830	\$27,840	\$21,457	30%
Townhouse	per 1,350 ft ² unit	\$4,130	\$710	\$2,330	\$2,980	\$7,950	\$3,370	\$21,470	\$16,120	33%
Apartment	per 950 ft ² unit	\$3,880	\$510	\$1,680	\$1,490	\$5,760	\$2,440	\$15,760	\$11,746	34%
Commercial	per sq. ft. of building area	\$8.13	\$0.20	\$0.67	\$1.53	\$1.15	\$0.49	\$12.17	\$9.20	32%
Light Industrial	per sq. ft. of building area	\$5.81	\$0.20	\$0.67	\$1.53	\$1.15	\$0.49	\$9.85	\$7.49	32%
Major Industrial	per acre of gross site area	\$30,351	\$4,427	\$14,605	\$46,801	\$4,435	\$1,882	\$102,501	\$83,812	22%

The following financing options were not considered as principal means to finance transportation, utility and parkland acquisition and improvements. Relying on these options other than in limited circumstances is inappropriate because it places the burden of financing growth on the existing tax base or involves funding sources that are too insecure.

Where the City (Residents/Businesses) pay through:

- ◆ Local service taxes under the Community Charter (taxes from a specific area of the City Centre)
- ◆ Community user fees under the Community Charter (paid by the users for services and amenities)
- ◆ Short or long-term borrowing (which typically involves a public referendum and can be paid back in a variety of ways including through municipal taxes)

Where others help pay through:

- ◆ Grants (e.g., from the Federal and Provincial governments)
- ◆ Public-private partnerships (cooperative or joint ventures between the private and public sectors)

Phasing Approach

The vision of growth presented at various CCAP open houses over the past two years included a varied density and included new parks and open space, high rise residential development, mixed-use development (high rise) and mixed-use development (mid-rise) development. This growth is projected to ultimately reach a population of 120,000 people, 36,000 jobs and 390 acres of parkland. Growth is to occur through a set of high density urban villages. To achieve the village concept the City Centre should develop based on the principles of transit-oriented development (TOD). To reach this vision the growth will be phased.

The most rapid growth in the City Centre is to occur between 2008 and 2021. The next period from 2022 to 2031 and beyond will see the composition of the population grow significantly in older adults. Beyond 2031, the growth will continue but at a slower pace. By 2031, 50,000 of the projected 80,000 additional people will be part of the City Centre population. This significant growth in the 2008 to 2031 period will drive the need for the majority of the infrastructure, parkland and many of the new amenities.

The fundamental planning and development priorities for the City Centre, as stated in the CCAP concept, include:

- ◆ Establishment of high-density transit villages
- ◆ Enhancement of the waterfront

- ◆ Acquisition of well-located, high amenity public parks and amenities

The following policies are based on the suggested preferred development areas and the need for immediate policies to help facilitate growth over the next five to ten years. New policies to support the completion of the City Centre plan beyond the next ten years will be developed as the CCAP evolves.

- ◆ **Phasing Policy #1:** Focus the investment of City Centre monies on infrastructure, parkland and development and amenities that promote development within 200m of the six village centres.
- ◆ **Phasing Policy #2:** Purchasing significant parkland and future facility lands within the next 10 – 15 years to reduce the impact of rising land costs in the City Centre. This may require an aggressive monetary borrowing plan to achieve any significant results.
- ◆ **Phasing Policy #3:** Prioritize the DCC program to focus attention on ensuring that any municipal funding in support of City Centre DCC projects is in place as development occurs.
- ◆ **Phasing Policy #4:** Encourage subdivision, rezoning, DP and building permit applications to facilitate development within 200m of the village centres.
- ◆ **Phasing Policy #5:** If a developer wishes to develop outside of the above priority phasing areas and policies, the City will require that the developer assume all infrastructure costs related to the development. The City will not allocate City resources to support development that occurs outside of this phasing framework; however, if the developer will cover all infrastructure costs, the City will consider development outside of this phasing framework and give DCC credits for items on the DCC program.

Next Steps

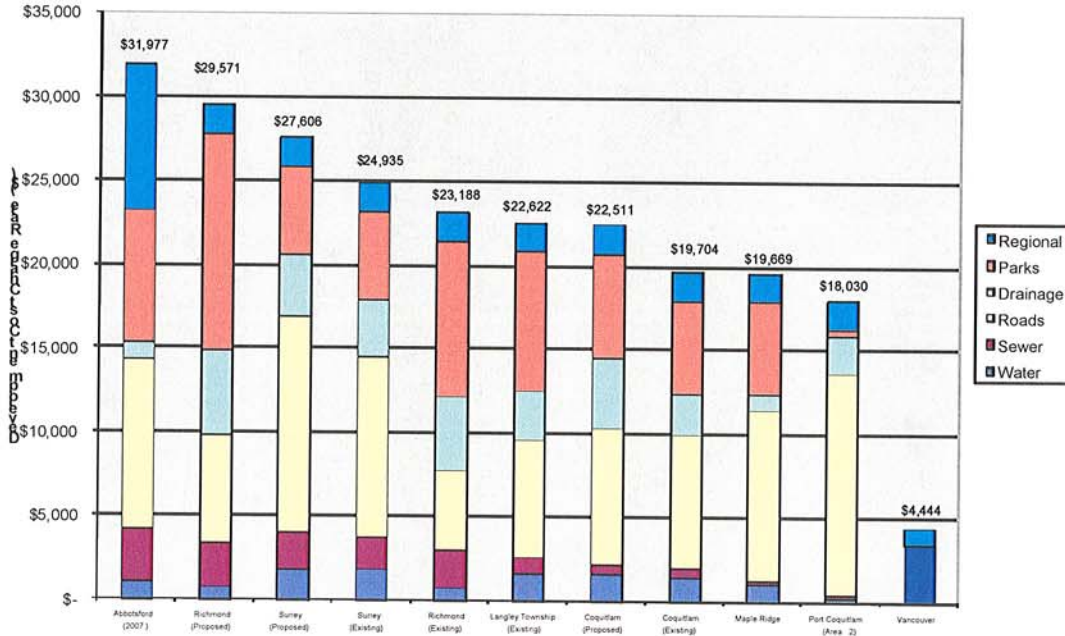
To complete the CCAP and begin implementing this strategy, the City will:

1. Prepare the City Centre Area Plan (CCAP) Bylaw (which would include the *CCAP Implementation Strategy*)
2. Prepare a new Development Cost Charge (DCC) Bylaw, with the proposed new DCC rates to partially pay for the costs associated with the CCAP
3. Prepare the Off-Street Parking and Loading Bylaw (these provisions are in the Zoning and Development Bylaw) to reduce the parking requirements within transit village areas.

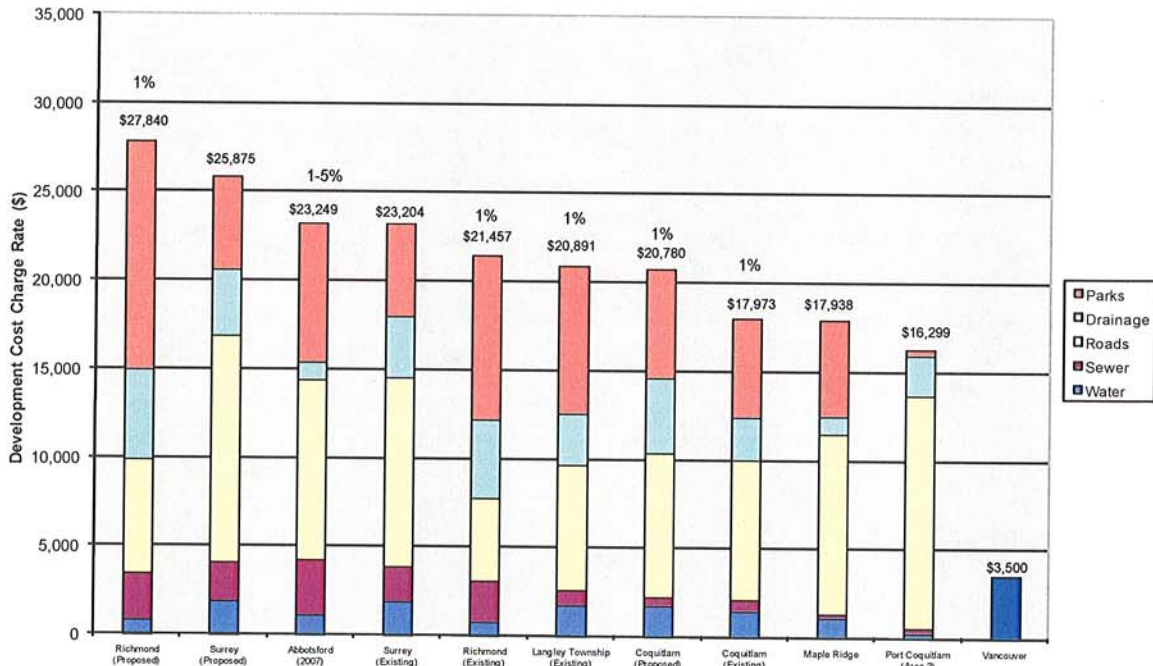
4. Present the CCAP Bylaw (including the *Implementation Strategy*), the amended Off-Street Parking and Loading Bylaw, and new DCC Bylaw to Planning Committee (a subcommittee of Council) and Council for first reading (the public and interested stakeholders can appear as a delegation to these meetings)
5. Have a public meeting on the proposed new DCC Bylaw.
6. Hold a Public Hearing for the public and interested stakeholders to comment on the new CCAP Bylaw (including the *Implementation Strategy*) and the proposed Off-Street Parking and Loading Bylaw (which is an amendment to the Zoning and Development Bylaw)
7. Give second and third reading to the CCAP Bylaw (including the *Implementation Strategy*), the amended Off-Street Parking and Loading Bylaw and the new DCC Bylaw
8. Send the new DCC Bylaw to the Province for approval
9. Once the Province has approved the new DCC Bylaw, Council will adopt the CCAP Bylaw (including the *Implementation Strategy*), the amended Off-Street Parking and Loading Bylaw and the new DCC Bylaw.



Development Cost Charge Comparison Single Family Residential (per lot)
(Lower Mainland including Regional DCCs)

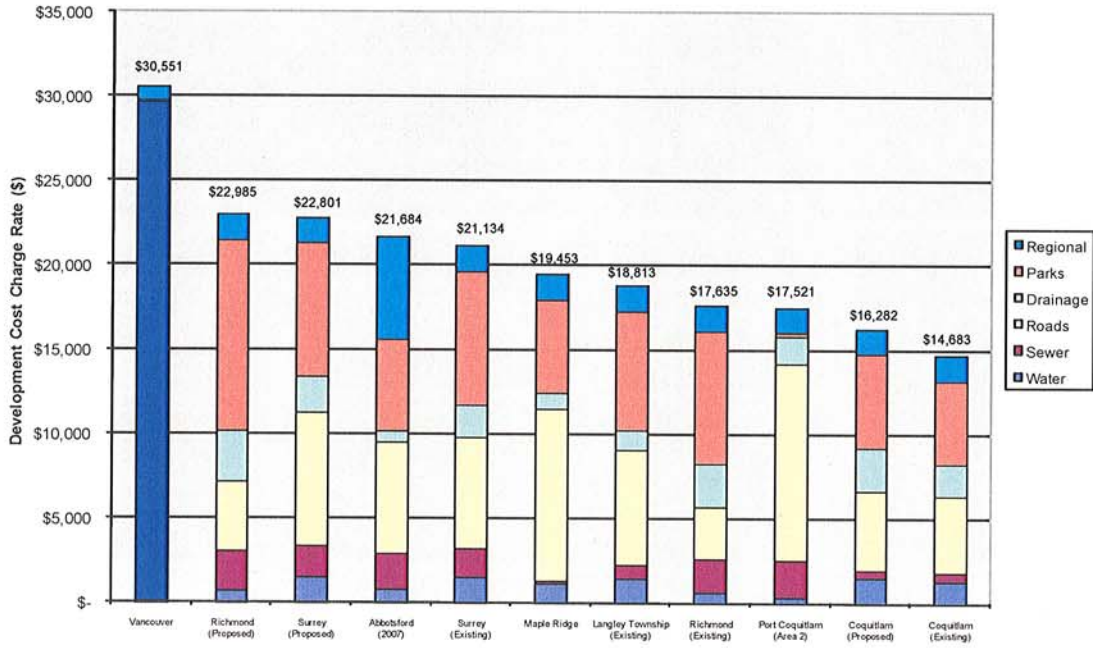


Development Cost Charge Comparison - Single Family Residential
(Lower Mainland - not including Regional DCCs)

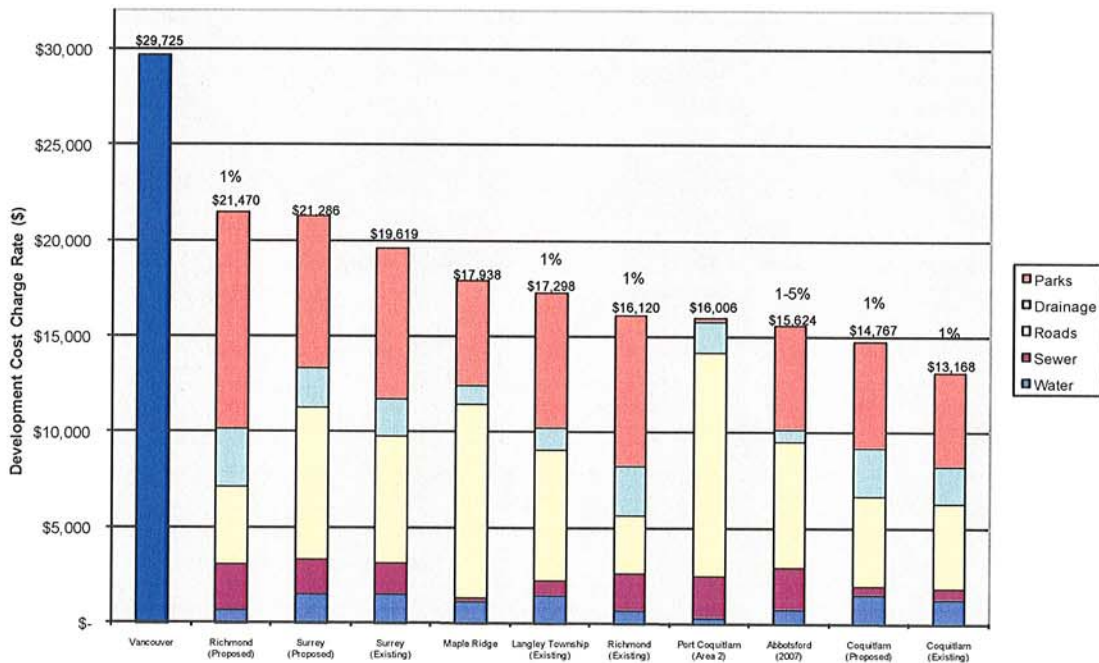




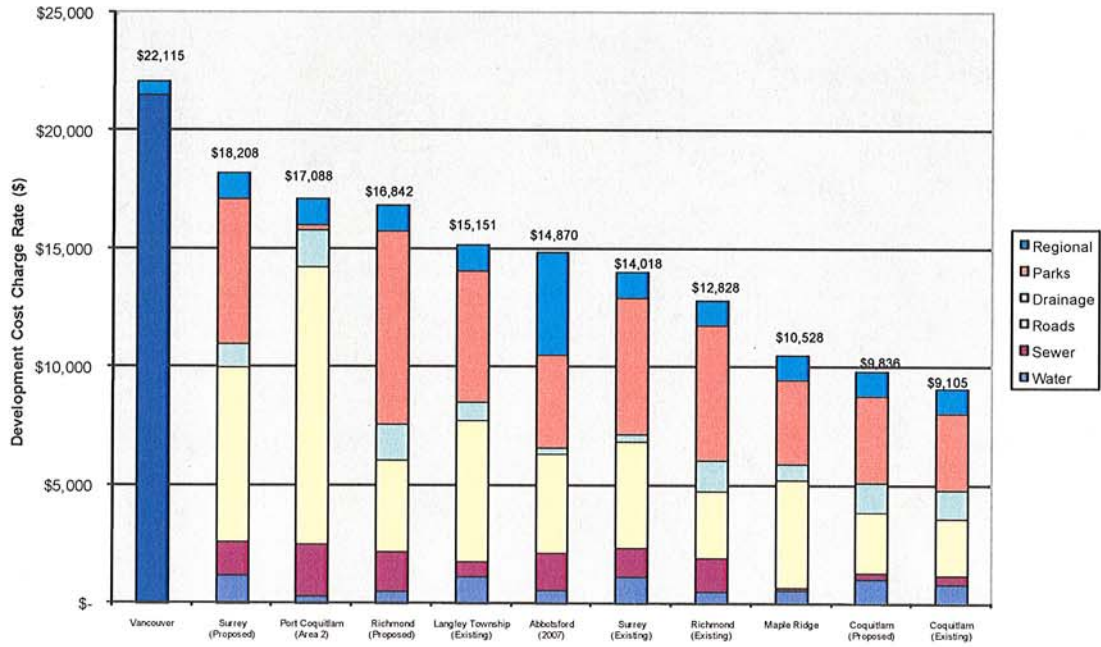
Development Cost Charge Comparison - Townhouse (per unit)
(Lower Mainland - including Regional DCCs)



Development Cost Charge Comparison - Townhouse (per unit)
(Lower Mainland - not including Regional DCCs)



Development Cost Charge Comparison - Apartment (per unit)
(Lower Mainland - including Regional DCCs)



Development Cost Charge Comparison - Apartment (per unit)
(Lower Mainland - not including Regional DCCs)

