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Coquitlam

For Committee

June 29, 2012

Our File: 13-6480-20/11/1

Doc #: 1266081.v2

To: City Manager

From: General Manager Planning and Development

Subject: **Transit-Oriented Development Strategy (TDS) – Open House Consultation Summary and Project Update Report #2**

For: **Council-in-Committee**

Recommendation:

That the Committee receive the report dated June 29, 2012, of the General Manager Planning and Development, entitled “Transit-Oriented Development Strategy (TDS) – Open House Consultation Summary and Project Update Report #2” as a status update on the TDS initiative and provide feedback to staff regarding proposed rental housing policy options.

Report Purpose:

To provide Council with a summary of public feedback from the June 21 and 23, 2012 TDS Open Houses and obtain Council feedback on rental housing policy options in Burquitlam.

Strategic Goal:

This report supports the corporate objectives of supporting neighbourhoods, enhancing economic opportunities, innovating to meet changing needs, and continually improving processes, policies and services.

Executive Summary:

In June 2012, the City conducted two Open Houses to seek public input on TDS work to-date. Feedback indicates support for TDS objectives and high level policy, and also identified concerns that need further consideration, including redevelopment pressure on rental housing sites, community amenity provision and appropriate building height and density transitions.

This report also includes proposed policy options that respond to rental housing issues in the Burquitlam neighbourhood. Following Council feedback, a more detailed policy response will be developed.

Staff will incorporate public and Council feedback and prepare a draft TDS for Council consideration in the near future.

POS

Background:

On April 23, 2012 Council directed staff to develop a Transit-Oriented Development Strategy (TDS), which will include broad policies to shape transit-oriented development around Evergreen Line stations and leverage the benefits of this major rapid transit investment.

Staff reported back to Council on June 11, 2012 and outlined preliminary TDS components, including definition of study areas, proposed strategy objectives, and a policy framework. Following this check-in with Council, staff proceeded to public consultation to share work completed to-date and obtain feedback on TDS directions. Feedback obtained from this consultation is detailed below.

The June 11, 2012 report to Council also identified the potential for increased redevelopment pressure on rental housing properties near the Burquitlam Evergreen Line station. This report provides additional detail on this issue and proposes policy options for Council feedback.

TDS Public Consultation (Open Houses)

In an effort to create opportunities for broad public consultation, two separate Public Open Houses were held in key Evergreen Line TOD areas:

1. June 21, 2012 from 5:00 p.m. to 8:00 p. m. at Mountain View Elementary in Burquitlam (Burquitlam-Lougheed); and
2. June 23, 2012 from 10:00 a.m. to 1:00 p.m. at Coquitlam City Hall in City Centre (City Centre).

The Open Houses aimed to raise awareness of the TDS process, share work completed to-date and gain feedback on draft TDS directions. Display panels and video clips were available for review and City staff were present to discuss the draft TDS components and listen to feedback.

Key Open House topic areas included:

- » Proposed Core TDS Objectives;
- » High level policy areas/directions to achieve the Core Objectives;
- » Identification of the Core and Shoulder station areas; and
- » Streetscape improvement possibilities under exploration by the Strategic Initiatives Department.

Outreach and Awareness

In addition, several steps were taken to raise awareness of the TDS process and Open Houses. Initiatives included, newspaper advertisements, notices on the City webpage, bulletins via the project email list-serve, social media posts, direct mail letters to external agencies (including Community Associations) and email contact with Burquitlam area developers engaged in the pre-application process. See Attachment 1 for details.

Outreach and Awareness cont'd/

The Open Houses also incorporated short video segments explaining the TDS process and the overall benefits of transit-oriented development. An example is available on the TDS project webpage (www.coquitlam.ca/TDS).

Open House Attendance

The two Open Houses were well attended, with over 150 recorded attendees in total. Seventy-five TDS comment forms and additional emails were received. Some attendees also provided a broad range of written TDS related input through comment sheets for the *Streetscape Enhancement* component of the Open Houses.

Copies of submitted comment forms, written feedback, emails and the Open House panels are available in the Councillor's office for information. The Open House panels are also available on the project webpage.

Other Outreach

Consultation with a number of developers active in the Burquitlam and City Centre areas was also undertaken, to raise awareness of the TDS project and obtain feedback on specific TDS objectives and high-level policy areas.

Discussion/Analysis:

Open House Feedback and Findings

The Open House comment form (see Attachment 2) requested feedback on key TDS areas: (A) Core Objectives, (B) Density and Building Form, (C) Amenities, (D) Rental Housing, and (E) Design Look and Feel. The findings below are based on a generalized tabulation of comment form responses.

- A. **Core Objectives** – A majority of Open House respondents (close to 60 percent) indicated support for the high level directions set out under the TDS Core Objectives, and minimal opposition was noted. Respondents identified the following three Core Objectives as most important:
- » Create Compact, Complete Communities (i.e. mixed-uses)
 - » Create Great Places (i.e. destinations with amenities); and
 - » Promote Sustainable Transportation Choices.

B. **Density and Building Form**

Core Station Areas: A majority of respondents (close to 60 percent) indicated support for higher density mixed-use commercial and residential development (high-rise) as the focus in Core Station areas.

Shoulder Station Areas: Respondents were also asked to identify building types they feel are appropriate for areas located a 5 to 10 minute walking distance from stations, in the Lougheed and Burquitlam neighbourhoods, recognizing that building heights and density will transition lower moving away from the Core.

C. Density and Building Form cont'd/

Shoulder Station Areas cont'd/

Generally, feedback indicated support for a range of housing options and building forms in the shoulder areas, including high-rise/mid-rise closest to the core and transitioning to lower density housing forms further from the station.

- D. **Amenities** – A majority (58 percent) of respondents indicated support for allowing higher-density development in exchange for developer contributions to fund community amenities. Staff note that while thirty-one percent disagreed with this approach, numerous verbal and written statements at the Burquitlam Open House indicate a strong demand for amenities in that area. It is important to note that this tool is a key strategy to match increased density with supporting amenities.

To better understand the community's amenity needs in each area of the transit corridor, respondents were asked to rank the order of importance for the high-level categories of park space, recreation facilities, and cultural facilities. In order of preference, responses for City Centre indicated park space and recreation facilities as leading priorities, followed by cultural facilities. Findings for Burquitlam positioned recreation facilities slightly higher in priority than park space.

- E. **Rental Housing** – Over half of respondents (53 percent) indicated support for the City playing a role in retaining or creating rental housing in station areas. Staff note that approximately 30 percent of respondents disagreed with this approach.
- F. **Design, Look and Feel** – To support future neighbourhood and station area planning, respondents were asked to identify regional examples of mixed-use development to consider when planning Coquitlam's station areas. In order of preference, Newport Village/Suterbrook, False Creek/Yaletown, and Lonsdale Quay were the most common responses.

Rental Housing in Burquitlam:

The June 11, 2012 TDS report to Council identified the issue of increased redevelopment pressure on existing rental housing properties in Burquitlam. Preliminary actions, including developing interim policies to guide the retention or replacement of rental units as a part of rezonings, were presented for Council feedback. Staff have since investigated this issue further and have developed some preliminary, proposed policy options for Council feedback, as set out below.

Issue: Potential Loss of Rental Housing in Burquitlam¹

Burquitlam contains 1252 purpose-built, 'market' rental units on properties located near the Burquitlam Evergreen Line station. This is 23 percent of the 5380 purpose-built rental units² (not including strata rentals or secondary suites) in the City. Most of these units are 40+ years old and considered affordable for low to moderate income earners.

These properties are 'at risk' of redevelopment, due to these factors:

- improvement value vs. property value: 362 units (29%) are in buildings (improvements) valued less than 20 percent of property value. According to Metro Vancouver, units in this situation are at increased risk of redevelopment relative to other rental units;
- building age: 1154 units (92%) are in buildings over 40 years old, which are at increased risk of redevelopment relative to newer ones; and
- proximity to rapid transit: 1188 units (95%) are within a 10 minute walk of the Burquitlam station. Properties with higher density development potential and within walking distance of rapid transit are more likely to be redeveloped relative to others further away.

The redevelopment of purpose-built rental properties will likely result in new strata buildings on these properties, which could result in the loss of purpose-built rental units and potential displacement of renters. Staff also anticipate that rezoning applications, involving purpose-built rental properties in Burquitlam, may come forward once the TDS is complete. This scenario calls for a policy response that is based on Coquitlam's appropriate role in addressing this issue, along with other parties, and supports TDS objectives.

Coquitlam's Role in Responding to This Issue

The City's Official Community Plan (OCP) acknowledges the need for rental housing options, and encourages the City to 'work with other agencies and stakeholders' to provide these options. The Affordable Housing Strategy (AHS) also contains more specific rental housing policies:

- protect against the loss of affordable rental housing and assist displaced tenants; and
- encourage the development of new rental housing.

¹ Staff recommend developing and implementing rental housing policy for the Burquitlam-Lougheed corridor on a trial basis. The effectiveness of this policy will be monitored, modifications may be recommended accordingly, and it may be considered for wider application in the City.

² Source: City of Coquitlam, Metro Vancouver and Statistics Canada

Coquitlam's Role in Responding to This Issue cont'd/

Based on City policy, Coquitlam has a role in responding to this issue. However, it is also clear that the City can not 'go it alone' in resolving rental housing issues. Other partners are needed and it is recommended that through collaboration between developers, senior governments and other organizations, actions can be pursued to find new rental housing solutions.

The City also has a role, through the rezoning process, to ensure there is an ability to develop new rental units through redevelopment of existing rental properties. Conceptually this could mean utilizing a portion of the 'land lift', from rezoning a rental property to a higher density, to assist in part in achieving new rental housing.

However, this needs to be approached in a reasonable and balanced manner, where creating new rental housing units does not jeopardize the viability of transit-oriented development around the Evergreen Line. It is also reasonable to expect developers of rental properties will be proactive and create solutions for housing or relocating existing renters.

Recommended Approach and Proposed Policy Options

Based on this context, a pragmatic and flexible approach to this issue is recommended, where developers, the City and other agencies work together to find rental housing solutions. This could be achieved through a policies suite that balances property rights and tenant needs, reflects local rental market characteristics, development economics and 'best practices', and helps the City respond to different development application scenarios.

Staff propose these policy options for further investigation and feedback:

- » 'rental housing strategy': developers seeking to rezone properties with purpose-built rental units would need to submit a strategy that details their proposed rental replacement / relocation approach (i.e., how many new on-site and/or off-site rental units, how many renters need relocation), proposed relocation assistance and other items (to be defined). This is similar to the City's policy for mobile home park redevelopment;
- » housing agreements: through discussion and agreements made with developers, these could be used for new rental units and/or buildings, to protect them as long-term rental stock;
- » flexible rental housing solutions: involves developers and the City working together to create new on-site and/or off-site rental units, through:
 - utilizing land lift, from rezoning to higher density uses, to help fund new rental units. This could be done through using a portion of density bonusing contributions (recognizing that bonusing contributions are also necessary to fund other amenity needs), or using a portion of land lift from the conversion of rental units to strata units;

- working with developers to create new on-site rental units, with an emphasis on creating stand-alone, purpose-built rental buildings on sites large enough to host multiple buildings (i.e., strata and rental). If rental units are provided on-site, a portion of the land lift contribution (i.e., the portion that would be used to help fund rental units) could be waived and rental floorspace could be exempted, subject to servicing, traffic and design review;
- securing other sites, in partnership with other parties, to develop new purpose-built rental buildings;
- » reduced parking requirements: applying to rental units, to encourage new rental unit creation through reduced development costs; and
- » partnerships: with senior governments to help fund new rental units.

Other policy options were considered, including waiving Development Cost Charges (DCCs) and development fees, utilizing Community Amenity Contributions (CACs) to fund new rental units and accelerating processing times for rental property rezonings. However staff do not support these options, as they may negatively impact other City objectives and operations and may not be effective incentives.

Key Questions Requiring Further Investigation

Staff note there are key questions that need to be answered before specific policies can be brought forward to Council, including:

- should there be specific targets for achieving new rental housing in Burquitlam (one-to-one replacement or another standard)?
- what kinds of new rental housing are needed in Burquitlam (low income, non-market, market, other)?

Staff will undertake a rental supply / demand analysis, and consult with property owners, to answer these questions and inform forthcoming policy.

Next Steps

Based on Council feedback, staff will undertake further work on the proposed policy options and develop specific rental housing policies for the Burquitlam area. Staff will present these draft policies at a future Council meeting for consideration.

This work may also inform rental housing approaches elsewhere in the City. The provision of new rental housing options will support City growth, and new rental unit development in TDS core and shoulder areas would provide better housing choice and support 'affordable living' (affordable housing with lower living expenses, such as transportation) for Coquitlam citizens.

Feedback Summary and Next Steps:

Feedback and findings from the June 21 and 23, 2012 Open Houses indicate support for the TDS elements developed so far. However, it is important to note key concerns that were raised at the Open House, including:

- » development pressure on rental housing sites in Burquitlam;
- » amenity needs in neighbourhoods around stations; and
- » building form transition in areas experiencing redevelopment and potential increases in height and density.

Staff note that these concerns will be considered as a part of future policy development in TDS areas, including updates to the Burquitlam, Lougheed and City Centre Neighbourhood/Area Plans.

Next steps in the TDS process include:

- » Completing the draft TDS based on feedback to-date;
- » Present the draft TDS to Council and determine if any additional policy development or consultation is required prior to TDS adoption;
- » Present supporting policies (e.g., rental housing, parking, density bonusing) for Council consideration.

Staff are working to present the draft TDS to Council in the near future. Staff are also working on parallel policy components that complement and support the TDS. This includes the RM (high density apartment zones) and C-7 zone review and Community Amenity Contribution (CAC) policy development, and both of these initiatives involve consultation with the development industry. The zone review also involves consultation with Community Associations.

Financial Implications:

Given the high level nature of the TDS, at this point there are no immediate financial implications associated with this report. As policy options are explored in greater detail with Council, any financial implications associated with the implementation of TDS policies will need to be considered and balanced with other community priorities.

Conclusion:

The Evergreen Line will improve transportation choice and significantly shape future growth in the City. The TDS is being developed to guide transit-oriented development around Evergreen Line Stations and ensure the benefits of this major transit investment are realized.

The June 2012 Open Houses provided feedback that indicates support for TDS objectives and policy framework, and this feedback will be used to inform the development of a draft TDS.

Conclusion cont'd/

Council's feedback regarding rental housing policy options will also enable staff to prepare appropriate policies that respond to anticipated rental property redevelopment in the Burquitlam area.



J.L. McIntyre, MCIP

RP/lmc

Attachments:

1. – Open House Notification Summary (Doc# 1269889)
2. – Sample Open House Comment Form (Doc# 1268735)

This report was prepared by Ryan Perry, Community Planner and Robyn Newton, Social Planner and reviewed by Carl Johannsen, Manager Community Planning, Raul Alleuva, Manager Development Services and Bruce Irvine, Project Consultant.

ATTACHMENT 1

OPEN HOUSE NOTIFICATION SUMMARY: TRANSIT-ORIENTED DEVELOPMENT STRATEGY (TDS)

Open Houses:

Thursday, June 21, 2012 at Mountain View Elementary, Burquitlam; and
Saturday, June 23, 2012 at Coquitlam City Hall, City Centre

In preparation for this Open House series, staff applied a range of communication efforts to raise awareness of the event, including the following:

- » Five Newspaper Advertisements:
 - Tri-City News on June 13, 15, and 20, 2012; and
 - The Now on June 15 and 22, 2012;
- » Information bulletins on the City's webpage, Facebook and Twitter
- » Notifications via the TDS project email list-serve
- » Direct mail letters to all Community Associations in Coquitlam;
- » Direct mail letters to:
 - Metro Vancouver
 - TransLink
 - Kwikwetlem First Nation
 - Urban Development Institute
 - Provincial Evergreen Line Project Office
 - School District 43
 - Real Estate Board of Greater Vancouver
 - Home Builders Association
 - BC Hydro (e-mail), and
 - Municipalities of Port Moody, Port Coquitlam, and Burnaby.
- » Direct e-mail contact with developers engaged in the Pre-Application process in Burquitlam.

DESIGN LOOK & FEEL

What neighbourhoods do you think are good examples for Coquitlam to look at when planning transit-oriented development?

- Newport Village / Suterbrook, Port Moody
- Brentwood/Gilmore Station Areas, Burnaby
- False Creek / Yaletown, Vancouver
- Broadway Corridor, Vancouver
- Lonsdale Quay, North Vancouver
- Downtown, New Westminster
- Metrotown, Burnaby
- Surrey City Centre
- Other _____

Comments (what do you like about those selected?):

Please return by noon, Monday June 25, 2012:

In person: Planning and Development Department
3000 Guildford Way,
Coquitlam, B.C. V3B 7N2

By Fax: 604.927.3535

By Email: planninganddevelopment@coquitlam.ca
(please note TDS in the subject line)

For more information, visit us at www.coquitlam.ca/TDS

Please Note: Personal information collected on this form is done so under the authority of Section 8(3) of the Community Charter. Personal information will only be used by authorized staff for the purpose of the Transit Oriented Development Strategy. If you have any questions about the collection, use or disclosure of your personal information please contact Ryan Perry at 604-927-3400.

All comments received in response to this consultation, including names and addresses of the party, will become part of the public record which includes the submissions being made available for public inspection at Coquitlam City Hall and on our website at www.coquitlam.ca. If you require more information regarding this process please call the City Clerk's Office at 604-927-3010.

**Your feedback & suggestions
are important to us.**

Transit-Oriented Development Strategy COMMENT FORM

Name (required): _____

Address(required): _____

Postal Code (first three digits): _____

Phone Number: _____

If you would like to be added to the project email list-serve:

Email: _____

ATTACHMENT 2

Coquitlam

CORE OBJECTIVES

Which do you feel are the **most important Core Objectives** for the Transit-Oriented Development Strategy (TDS)?

Please rank 1 (highest) to 6 (lowest) in order of importance.

- _____ Create Compact, Complete Neighbourhoods (mix of uses)
- _____ Develop Transit Supportive Density
- _____ Implement High Quality Urban Design
- _____ Create Great Places (i.e. community amenities)
- _____ Promote Sustainable Transportation Choices
- _____ Manage Parking

Do you agree with the **directions** set out under the CORE OBJECTIVES?

- Strongly Agree
 Agree
 Neutral
 Disagree
 Strongly Disagree
 Don't Know

DENSITY & BUILDING FORM

CORE AREAS: Do you agree that high-density residential and commercial buildings (high-rise) should be the focus near stations (blue area on maps)?

- Strongly Agree
 Agree
 Neutral
 Disagree
 Strongly Disagree
 Don't Know

SHOULDER AREAS: Which building types do you feel are appropriate for areas located a 5 minute to 10 minute walking distance from stations (green area on maps)?

Please tick all that apply, assuming that building types will transition moving away from the CORE AREAS.

Burquitlam Lougheed

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | High-rise to mid-rise (12 to 20+ storeys) |
| <input type="checkbox"/> | <input type="checkbox"/> | Mid-rise to low-rise (4 to 12 storeys) |
| <input type="checkbox"/> | <input type="checkbox"/> | Low-rise to townhouse (3 to 4 storeys) |
| <input type="checkbox"/> | <input type="checkbox"/> | Townhouse to single-family |
| <input type="checkbox"/> | <input type="checkbox"/> | I like all options, provided there is good transition |
| <input type="checkbox"/> | <input type="checkbox"/> | Other: _____ |

AMENITIES

Do you agree the City should consider allowing higher density buildings in exchange for developer contributions to fund community amenities?

- Strongly Agree
 Agree
 Neutral
 Disagree
 Strongly Disagree
 Don't Know

When thinking about an increasing population, what do you feel are the most important amenity needs in each area? Please rank in order of importance (1-3):

City Centre

What kind of amenity/service is needed?

- _____ Park space: _____
- _____ Recreation Facilities: _____
- _____ Cultural Amenities: _____

Burquitlam/Lougheed

- _____ Park space: _____
- _____ Recreation Facilities: _____
- _____ Cultural Amenities: _____

RENTAL HOUSING

Do you agree that the City should play a role in retaining or creating rental housing in neighbourhoods close to stations?

- Strongly Agree
 Agree
 Neutral
 Disagree
 Strongly Disagree
 Don't Know

Comments:
