

City of Maple Ridge

March 6, 2018

TO: Her Worship Mayor Nicole Read MEETING DATE:

and Members of Council

FROM: Chief Administrative Officer MEETING: Council Workshop

SUBJECT: Community Amenity Contribution Allocations to Affordable Housing

EXECUTIVE SUMMARY:

The creation of affordable, rental and special needs housing options in Maple Ridge is a key policy interest, as set out in our Official Community Plan and the City's Housing Action Plan. Based on a February 6, 2018 Council Workshop discussion that explored options to further utilise the City's existing Community Amenity Contribution (CAC) program to help foster affordable housing in the City, this report presents for Council's approval amendments to Council Policy No. 6.31 entitled Community Amenity Contribution Program. The proposed amendments reflect Council's direction to allocate community amenity contributions received from the previously exempted Town Centre area towards future affordable housing, up to a maximum of 20% of all CACs collected City-wide.

RECOMMENDATION:

That Council Policy No. 6.31 entitled "Community Amenity Contribution Program", as amended to allocate all CAC funds collected from the previously exempted Town Centre area to affordable housing until funding reaches a maximum of 20% of total CAC's collected City-wide, be adopted.

BACKGROUND:

On September 14, 2015 Council endorsed the Housing Action Plan (HAP) Implementation Framework. The HAP Implementation Framework builds from the key strategies recommended in the Housing Action Plan. Strategy #11 of the HAP encourages the use of community amenity contribution funding for affordable housing.

On December 12, 2017 following a discussion related to Community Amenity Contribution and affordable housing, Council expressed interest in receiving a report outlining options to facilitate the development of rental housing in the Maple Ridge.

On February 6, 2018, Council moved that, as a component of developing a Rental Housing Program, staff should bring forward an additional report outlining a Density Bonus approach that would optionally require, in exchange for bonus density, the provision of secured rental units, secured affordable rental units, and/or a cash-in-lieu contribution.

On February 6, 2018, Council also directed staff to amend Council Policy #6.31 - Community Amenity Contribution Program - in order to ensure that all CAC funds collected from the Town Centre area be allocated to affordable housing until such funding reaches a maximum of 20% of the total CAC's collected City-wide.

Specifically, R/2018-084 reads:

That, as a component of developing a Rental Housing Program, staff bring forward a report outlining a Community Amenity Contribution (CAC) approach that would maintain existing CAC contribution rates and allocate all CAC funds collected from the previously exempted Town Centre area to affordable housing until funding reaches a maximum of 20% of total CAC's collected city-wide.

DISCUSSION:

Based on Council's direction stemming from their February 6, 2018 workshop discussion, staff from the Planning and Finance Departments have prepared an amended Community Amenity Contribution Program Policy No. 6.31 to clarify how the City-Wide CAC program will support the creation of affordable, rental and special needs housing in the community.

Specifically, the policy as amended now requires that all CACs collected from rezonings in the Town Centre area be allocated towards the creation of future affordable housing. The extent to which such Town Centre generated CACs would be allocated to this goal is fixed; not to exceed 20% of the total of all CAC's collected. It is acknowledged that this resulting threshold figure, being derived from a percentage of all CACs collected, will increase with each new development application and its ensuing amenity contribution. To compensate for this variability, staff suggests that the contributions reserved for affordable housing be calculated annually, based on both the total contributions received City-wide and those specifically from the Town Centre area.

In summary, the proposed approach becomes a variable but continuing method to utilise CAC funding to support the future creation of affordable housing in the community. Going forward, constant affordable housing allocations will be dependent on both there being capacity within the maximum 20% threshold and that a portion of the total CAC collected is generated from the Town Centre.

An amended version of the Community Amenity Contribution Program Policy No. 6.31, establishing the above described arrangements, is attached in Appendix A.

ALTERNATIVE RECOMMENDATION:

Noting the Council discussion of February 6, 2018, staff also present two optional recommendations for Council's consideration should it wish to revisit previous recommendations proposed or offered as alternatives.

In assessing how the above described use of CAC funding for affordable housing would be implemented, staff has identified that such an approach is dependant on Town Centre redevelopment activity. Directly relating the allocation of affordable housing funding to development in the Town Centre will be beneficial as it is anticipated that the majority of future affordable, rental and special needs housing will be constructed in the Town Centre area.

Staff notes though that the Town Centre Area Plan also identifies the need for future investments in civic facilities, parks and open space, and other amenities beyond affordable housing units. Staff also acknowledges that development in the Town Centre is increasing in scale and number of new dwelling units, and that the ensuing future residents from such development could raise the need for additional amenities in the Town Centre that would not otherwise be attainable through Development Cost Charges, and would need to rely on municipal taxes in lieu of amenity program funding.

As a result, alternative recommendation #1 is presented as an option whereby 20% of all CAC funds collected would be allocated towards affordable housing, without requiring that such contributions be limited to only those collected from Town Centre rezonings.

Alternative recommendation #2 is raised as staff also recall from the December 12th, 2017 Council discussion an interest in moving away from establishing a fixed percentage of CAC funds that would be allocated to affordable housing and instead directing that CAC contribution rates be increased to create additional contributions for future affordable housing.

1. That Council Policy No. 6.31 entitled "Community Amenity Contribution Program" be amended to maintain existing CAC contribution rates, but allocate 20% of all CAC funds received towards affordable housing.

OR

2. That staff be directed to report back on amendments to Council Policy No. 6.31 entitled "Community Amenity Contribution Program", to increase existing Community Amenity Contribution (CAC) rates in order to create a new Affordable, Rental and Special Needs Housing CAC.

FINANCIAL IMPLICATIONS:

The Local Government Act requires a Reserve Fund to be established for contributions from amenity zoning or community amenity contributions. Through the past CAC and Albion Density Bonus work, Council established a City-Wide CAC Reserve Fund and an Albion Area Reserve Fund.

To ensure that the CAC funding and its allocations to affordable housing is appropriately tracked, Finance staff suggest maintaining the City's existing City-Wide CAC Reserve Fund, without requiring the creation of a new Reserve Funds or the amendment to the existing Reserve Fund Bylaw.

INTERDEPARTMENTAL IMPLICATIONS:

The Planning and Finance Department collaborated in the development and assessment of the above described approaches to allocate CAC collected funds towards affordable housing. Going forward, and if the proposed amendments to Council Policy No. 6.31 are approved, Finance Department staff will monitor the City-wide CAC Reserve Fund and calculate the 20% allocation to be specifically reserved for future investments in affordable, rental or special needs housing. Interdepartmental discussions on future affordable, rental or special needs housing opportunities will be ongoing with future Council direction required prior to the spending of any such allocated affordable housing funds.

CONCLUSION:

As a further step towards the implementation of the City's Housing Action Plan, and based on Council direction from February 2018, staff has outlined amendments to the City's Community Amenity Contribution Policy No. 6.31 to allocate a portion of those amenity contributions raised through rezonings in the Town Centre directly towards an affordable, rental and special needs housing. Such allocations would provide the City with future funding that may foster additional investments in affordable housing in our community. Should Council wish to revisit its previous direction, alternative recommendations are also outlined.

"Original signed by Brent Elliott"

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Chief Administrative Officer

Attachment:

Appendix A: Amended Council Policy No. 6.31 - Community Amenity Contribution Program



POLICY MANUAL

			Policy No: 6.31
Title:	Com	munity Amenity Contribution Program	Supersedes:
			AMENDED
			March 6, 2018
Authority:		Legislative	Effective Date:
Approval:	\boxtimes	Council CMT	<u>TBD</u>
		General Manager	Review Date:
			TBD
Policy Statement:			
The City of Maple Ridge is committed to providing a variety of amenities throughout the municipality, including the provision of affordable and special needs housing, in a financially sustainable manner.			
The Community Amenity Contribution Program (CAC Program) is comprised of the following components:			
1. The CAC Program will apply city-wide.			
2. Each CAC will be based on a contribution rate as follows:			
	a)	\$5100 per single family lot created;	
	b)	\$4100 per townhouse or other attached ground-o	riented dwelling unit;
	c)	\$3100 per apartment dwelling unit.	
3. The CAC Program applies to the development of all residential dwellings, including those that are included in a mixed-use development (such as commercial and residential) with the following exceptions:			
	a)	Affordable and special needs housing that are sec Agreement as established in Section 483 of the Lo	
	b)	Rental housing units that are secured through a H under Section 483 of the <i>Local Government Act</i> w enacted under Section 219 of the <i>Land Titles Act</i> ;	
	c)	Single family residential subdivisions proposing fellot is exempt, after which the CAC program applies	
	d)	Accessory dwelling units, such as a secondary suit	e or detached garden suite;
	e)	Duplex, triplex and fourplex dwelling units, where constructed - only the first dwelling unit is exempt	

applies to each additional dwelling unit;

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- f) Courtyard dwelling units, located on a single property only the first dwelling unit is exempt, after which the CAC program applies to each additional dwelling unit.
- 4. The Density Bonus Framework established in the Albion Area Plan will continue to apply, in addition to the city-wide CAC Program.
 - a) For developments that take advantage of the density bonus provisions included in the Maple Ridge Zoning Bylaw for the Albion Area Plan, the amenity contribution rate will be:
 - i) \$5100 per single family lot created;
 - ii) \$4100 per townhouse or other attached ground-oriented dwelling unit;
 - iii) \$3100 per apartment dwelling unit;

in addition to the \$3100 density bonus rate.

- b) For developments that do not take advantage of the density bonus provisions included in the Maple Ridge Zoning Bylaw, the CAC rate will be the rate established in Section 2 of this policy.
- 5. The Official Community Plan may also establish additional or alternative community amenity contribution policies, guidelines and density bonus provisions for each Area Plan.
- 6. Development applications that are in process (in-stream) at the time of enactment of the CAC Program Council Policy, will:
 - a) be subject to the provisions of this Policy unless the applicable Official Community Plan or Zoning Bylaw amending bylaw has received Third Reading; OR
 - b) be subject to the provisions of this Policy if a condition for the Policy to apply was included in the first or second reading report of the applicable Official Community Plan or Zoning Bylaw amending bylaw.
- 7. All development applications that are seeking an extension under Development Procedures Bylaw No. 5879-1999 (as amended), may be subject to the city-wide community amenity contribution program at the discretion of Council.
- 8. Council will establish one or more Reserve Funds and identify those amenities that may benefit from the community amenity contributions.
- 9. Community Amenity Contribution funds received will contribute to any of the following eligible amenities:
 - a) Civic facility;
 - b) Public art;
 - c) Acquisition of land for the provision of:
 - Affordable or special needs housing;
 - Parks
 - o Trails
 - Significant ecological features
 - d) Park or trail construction and/or maintenance;
 - e) Affordable, rental or special needs housing;
 - f) Heritage conservation; or
 - g) Conservation of significant ecological features.

- 10. Notwithstanding Section 9 above, Community Amenity Contribution funds collected from those properties within the Town Centre Area Plan boundaries will be contributed only to affordable, rental, or special needs housing until such funding reaches a maximum of 20% of the total Community Amenity Contribution funds collected City-wide.
- 11. The provision of a specific amenity, rather than a cash-in-lieu contribution may also be considered by Maple Ridge Council. If Council determines that the provision of an amenity is more desirable, the following list is to be used as a general guide for determining the type of community amenity:
 - a) Public art;
 - b) Heritage conservation;
 - c) Land for the provision of:
 - Affordable or special needs housing;
 - o Parks
 - o Trails
 - Significant ecological features
 - d) Affordable or special needs housing units; or
 - e) Park or trail construction or improvements.

Purpose:

To provide direction on the implementation of a city-wide community amenity contribution (CAC) program, including the process to determine the contribution amount.

Definitions:

"Community Amenity" means any public amenity that provides a benefit to the residents of the city or a specific neighbourhood as the result of increased residential density.

Policy 6.31