

2004 FEBRUARY
REFERENCE: COUNCIL

PLANNING - No. 804

POLICY: DENSITY BONUS POLICY

Purpose:

The purpose of a density bonus system is to allow developers to increase density in exchange for providing a community amenity or affordable housing. Variables such as location, land value, lot size, building costs and market conditions affect the feasibility of a density bonus at a particular site. If these variables allow worthwhile economic gains to a developer above the costs of providing the community amenity, density bonusing is a realistic way of acquiring a benefit for the City.

As per Policy 8G of the 2001 Official Community Plan, the community amenities eligible for consideration in an application for a density bonus include the following:

- land or improvements for a Town Square;
- a building or space within a building to accommodate a new public Town Centre Hall facility;
- the provision and improvement of publicly accessible open space and/or pedestrian routes, either through dedication, easement, or covenant;
- underground publicly accessible parking;
- outdoor public art;
- off-site street landscaping, including but not limited to the “green cross” green linkages extending from Bryant Park;
- road dedications;
- meeting or convention space;
- public observation deck;
- transportation/bus station;
- road or lane dedication; or
- special needs or affordable housing.

Process:

All applications for rezoning to permit greater height or density than currently permitted on a site will be dealt with through Comprehensive Development (CD) zoning with provisions for density bonusing. CD zoning would make it possible to determine appropriate site densities and building heights on a case-by-case basis.

Should Council proceed with the rezoning the CD zoning amendment will set out the site density, building height, and other zoning matters. The community amenity or affordable housing to be provided will be secured through a development agreement, covenant, letter of credit, and/or other necessary documentation, prior to adoption of the CD zoning amendment. The type of amenity will be determined through discussion and negotiation between the City and the developer, and will be subject to public comment in accordance with Policy 8M of the Official Community Plan. Where required, public access to the amenity will be secured through a legal agreement or covenant registered prior to adoption of the CD zoning bylaw amendment.

Unless otherwise decided by City Council, all amenity contributions will be in the form of payment-in-lieu. A reserve account will be created for these funds. The funds within that account may only be expended upon those amenities described in this policy, for the general benefit of the Town Centre area.

Calculation of value of amenity to be provided:

For every rezoning, this policy requires an amenity contribution equivalent in value to \$20.00 per square metre for the total residential gross floor area or non-residential gross floor area, as defined in the Zoning Bylaw. This excludes areas used for vehicular access, parking and loading, storage, building mechanical services, or amenity space.

Eligible Amenity Costs:

In establishing the value of a proposed amenity, the following will be considered to be eligible costs:

- i) hard costs - all material and labour costs required for the construction of the amenity.
- ii) soft costs - fees and costs required for the design of the amenity.
- iii) Land costs - eligible where the land containing the amenity is to be transferred to the City or other agency.

In order to accurately determine the value of amenities proposed as part of a development, and land costs, if applicable, a third party appraisal will be used.

Examples:

The following examples illustrate the application of the density bonus policy:

1. Typical small site:

a.	site area:	1,190 m ²	
b.	proposed gross floor area:	4,760 m ²	(6 storeys, 4.0 FSR)
		5950 m ²	(9 storeys, 5.0 FSR)
c.	amenity contribution: (b) x \$20.00 =	\$95,200	(6 storeys, 4.0 FSR)
		\$119,000	(9 storeys, 5.0 FSR)

2. Typical large site:

High density apartment/commercial development:

a.	site area:	9,000 m ²	
b.	proposed gross floor area:	27,000 m ²	(3.0 FSR)
c.	amenity contribution: (b) x \$20.00 =	\$540,000	

Medium-density, apt/townhouse development:

a.	site area:	9000 m ²	
b.	gross floor area	15,750 m ²	(1.75 FSR)
c.	amenity contribution: (b) x \$20.00 =	\$315,000	