

Policy

Community Amenity Contributions Policy for Rezoning

Approved by Council January 28, 1999

Last amended October 17, 2023

UPDATES:

CAC Target Review

On April 11, 2023, Council approved the CAC Target rate recalibration that includes five rate increases effective September 30, 2023 with in-stream rate protection available. To view the rates, see Table 1: CAC Targets and Eligibility Criteria. In recognition of the CAC Target recalibration, the City will not apply the 2023 annual inflationary rate adjustment to CAC Targets.

If you have any questions or would like more information, please visit vancouver.ca/financegrowth or email financegrowth@vancouver.ca.

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Background and Context

Vancouver is supported by an extensive network of public benefits (i.e. amenities and infrastructure). These public benefits play a large role in making Vancouver one of the most livable cities in the world and help attract new residents, employees, and visitors to the city.

The City strives to maintain its existing assets in an appropriate state of repair, and expanding its network of public benefits to address population and employment growth. The City uses the following sources to achieve this:

- **City contributions** – Property tax, user fees (e.g. water and sewer utility fees) and parking revenue, and other operating revenue funds. City contributions primarily fund the maintenance and renewal of existing infrastructure and amenities.
- **Development contributions** – Community Amenity Contributions ('CACs'), Development Cost Levies ('DCLs'), Density Bonus Zoning contributions, connection fees, and other conditions of development. Development contributions primarily fund the provision of new, expanded, or upgraded infrastructure and amenities.
- **Partnership contributions** – External funding from senior governments (i.e. federal, provincial, and regional) or senior government agencies (e.g. Translink), non-profit agencies, foundations, and philanthropists. Partnership contributions help to fund existing or new infrastructure and amenities.

Long-range plans developed by the City (e.g. community plans) “plan ahead” when considering the use of these funding sources. These plans contain detailed expectations on the types of public benefits that will be delivered through the various funding sources used by the City, often summarized in a Public Benefit Strategy. These Public Benefit Strategies are developed through public input and needs assessments, and outline the development contributions anticipated to deliver the growth-related public benefits. The implementation and delivery of these public benefits is done through the City’s capital plan and annual budget processes, or through in-kind contributions provided on-site as part of a development.

Intent

The Community Amenity Contributions Policy for Rezoning ('the Policy') sets out the City’s policies around how Community Amenity Contributions ('CACs') are determined, allocated and spent.

Community Amenity Contributions ('CACs') are voluntary contributions toward public benefits that are provided by rezoning applicants as in-kind or cash contributions when Council grants additional development rights through the enactment of rezonings. All CACs are negotiated between the applicant and the City (on behalf of Council) with Council as the approving authority and secured as conditions of by-law enactment. CACs come in two forms:

- **In-kind CACs** – A form of CAC where land and/or capital facilities are provided by applicants, typically as an on-site public benefit;
- **Cash CACs** – A form of CAC where a cash payment is provided by applicants in-lieu of providing land and/or capital facilities as a public benefit. Cash CACs are deposited into dedicated reserves and invested through Council approval on public benefits through the City’s capital planning and annual budget processes.

Principles

The following principles for a CAC system were established by the City's Financing Growth (2004) policy:

- Secure amenities through rezoning to help maintain the livability of the city and its neighbourhoods as redevelopment occurs;
- Provide a fair exchange between the amenities being provided, and the new density (or development rights) being granted, so that desired redevelopment occurs and housing affordability is maintained;
- Provide consistency and predictability in the application of CAC Policy, so that developers can anticipate the amenity contributions being sought, and community can expect appropriate amenities that meet local needs when rezoning occurs;
- Be consistent with other City policies;
- Be developed with informed input from stakeholders;
- Be separate from other development charge requirements, to ensure there is not double payments being made for amenity items.

Policies

1 Application of the Policy

- 1.1 CACs will apply to rezoning applications unless it is exempt under policy 8.1 or policy 8.2.
- 1.2 CACs will be negotiated either:
 - (a) based on target contributions ('CAC Targets') provided that the rezoning application meets the locational criteria and eligibility criteria in the [Appendix](#) and is not exempt under policy 8.1 or policy 8.2.
 - (i) CACs determined through CAC Targets under policy 1.2(a) will be restricted in their allocation and use, as summarized in the [Appendix](#), unless otherwise allowed through policy 2.1; or
 - (b) based on negotiations if the rezoning application does not meet the locational criteria and eligibility criteria in the [Appendix](#) and is not exempt under policy 8.1 or policy 8.2.
 - (c) CACs determined through negotiations under policy 1.2(b) will target a minimum of 75%¹ of the increase in land value based upon the rezoning application.

2 Eligible Allocation and Use of CACs

- 2.1 The specific amenity to be provided will be determined based on the following criteria:
 - (a) CACs should be growth-related (i.e. serving population and/or employment growth);
 - (b) CACs should be consistent with services provided by the City (i.e. a type of service normally provided or supported by the City and at a service level supported by City policy);

¹ Except for the addition of penthouse storeys being added in Southeast False Creek where 85% of the increase in land value is targeted as the CAC.

- (c) CACs should be based on public benefits needed by the community as summarized in City/Community Plans or through a site-specific needs assessment where appropriate;
 - (d) CACs should be prioritized to be located in the neighbourhood in which the rezoning takes place and/or serve the site. CACs may also be directed to public benefits that are located outside of the neighbourhood provided that there will be a demonstrable benefit to the community in which the rezoning takes place; and
 - (e) CACs should have long-term operational viability (i.e. long-term operating and maintenance costs are supportable).
- 2.2 Cash or in-kind contributions toward the following categories of public benefits may be considered as CACs, subject to policy 2.1:
- (a) Affordable housing;
 - (b) Childcare;
 - (c) Transportation and public realm;
 - (d) Community facilities (e.g. community/recreation centres; libraries; social facilities such as family/youth/seniors' centres, neighbourhood houses, indigenous-serving spaces, and social non-profit office spaces);
 - (e) Public safety (e.g. fire halls; police stations);
 - (f) Parks and open spaces;
 - (g) Arts and culture spaces (e.g. artist studios; rehearsal spaces; cultural and social hubs; cultural non-profit office spaces; presentation spaces such as theatres, galleries, and music spaces);
 - (h) Heritage conservation
- 2.3 Furnishing, fit-out, and equipment associated with in-kind contributions may be considered as CACs for initial occupancy of affordable housing, childcare, community facilities and arts and culture spaces.
- 2.4 Capital renewal² and/or capital renovation³ costs for any public benefits from policy 2.2 may only be considered as CACs to the extent it can be demonstrated that it provides an incremental benefit beyond what is currently provided to the public and is related to population and/or employment growth.
- 2.5 Reserve funds to support City-owned social facilities, childcare, and cultural spaces may be considered as CACs provided that they be used for major capital maintenance⁴ specifically of the following base building components:
- (a) Structure (foundations, basement construction);
 - (b) Shell envelope (superstructure; exterior enclosures; roofing); and/or
 - (c) Electrical and mechanical systems (electrical; elevators; plumbing; HVAC; fire protection)
- 2.6 Capital projects funded through Development Cost Levies ('DCLs') may also be funded through CACs provided they assist in bridging the gap between what DCLs pay for and full cost recovery.

² Capital renewal means the complete replacement or rehabilitation of an existing building/structure.

³ Capital renovation means additions, expansions, or upgrades that provide improved functionality to an existing building/structure.

⁴ Capital maintenance means the replacement of building/structure components that provide no improved functionality to an existing building/structure.

3 Ineligible Allocation and Use of CACs

3.1 Any contributions toward the following will not be considered as CACs:

- (a) Capital renewal and/or capital renovation that does not offer an incremental benefit beyond what is currently provided to the public;
- (b) Capital maintenance unless otherwise allowed under policy 2.5;
- (c) Operating, programming, and non-capital maintenance, including:
 - (i) Operational and administration costs (e.g. utility costs; salaries; program development; office supplies);
 - (ii) Non-capital maintenance and service fees (e.g. janitorial services; parking; landscaping; fire monitoring);
 - (iii) Office equipment and furnishings unless otherwise allowed under policy 2.3;
- (d) Disbursement of cash to a non-City entity unless it is directed to non-profit, indigenous, or senior government organizations for the purpose of constructing new capital facilities or capital renovation and is secured for long-term use through legal agreements with the City;
- (e) Contributions under the categories of public benefits in policy 2.2 that are not secured for long-term use through legal agreements with the City;
- (f) Seismic upgrades for existing, non-City-owned buildings and structures unless it is eligible under the City's *Heritage Incentive Program Policies and Procedures*.

4 Ownership of In-kind CACs

4.1 In-kind CACs from policy 2.2 (except for heritage conservation) may be owned by the City, senior levels of government, or Indigenous or non-profit organizations that have a demonstrated organizational, operational, and financial capacity to run a facility with the programs and services to the satisfaction of the City.

- (a) In-kind CACs owned by the City will be sought as a first priority and will be subject to the following conditions:
 - (i) Applicants will be responsible for constructing, finishing, furnishing, and equipping the in-kind CAC as well as for payment of all applicable up-front development costs;
 - (ii) The size, location, materials, and design of the in-kind CAC will be to the satisfaction of the City and in accordance with applicable guidelines; and
 - (iii) The City will select a non-profit operator if necessary.
- (b) In-kind CACs that are not owned by the City will be subject to the following conditions:
 - (i) The in-kind CAC must provide amenities, programs, and services that align with the City's priorities, goals, and services that the City is responsible for;
 - (ii) The in-kind CAC must meet a demonstrated community need;
 - (iii) The in-kind CAC must provide community access that is affordable, equitable and accessible;
 - (iv) The in-kind CAC must be secured through legal agreements with the City for ongoing long-term use and availability as if it were a City-owned and operated facility;

- a. The in-kind CAC will be secured on title in perpetuity to the satisfaction of the City, including pursuant to Section 219 covenants and statutory rights of way, and the type of public benefit will be reflected in the applicable zoning by-laws;
 - b. The City will have the option to purchase the in-kind CAC for a nominal amount if a senior level of government, indigenous, and/or non-profit organization is unable to continue ownership of the in-kind CAC;
 - c. The City will have the option to lease the in-kind CAC for a nominal amount if a senior level of government, indigenous, and/or non-profit organization is unable to continue operation of the in-kind CAC;
 - d. Applicants may receive a CAC credit for CACs determined through policy 1.2(b) depending on the amount and degree of affordable community access secured for the in-kind CAC as well as the degree of security related to tenure.
- (v) The in-kind CAC must not be mortgaged or financed for any reasons other than for reasonable on-site capital renewal and improvement of the asset subject to Council approval;
- (vi) Applicants must inform the City of any financial or other agreements in place with respect to the delivery, ownership, or operation of the in-kind CAC in the case of private development partnerships with non-profit organizations;
- (vii) Applicants will be responsible for constructing, finishing, furnishing, and equipping the in-kind CAC as well as for payment of all applicable up-front development costs; and
- (viii) The City will lead the selection of a non-profit operator, if necessary.

5 Timing of Payment

5.1 CACs will be secured as conditions of by-law enactment.

- (a) Cash CACs must be paid prior to by-law enactment, except that a portion of cash CACs valued over \$20 million may be deferred on terms and conditions in the City's sole discretion, subject to approval by the City's Risk Management Committee.

6 Refunding/Altering CACs

- 6.1 CACs for rezoning applications that have been approved in principle by Council at Public Hearing, but not yet enacted, cannot be changed without withdrawal of the existing application and submission of a new rezoning application.
- 6.2 CAC payments made to the City will not be refunded after the relevant rezoning application has been enacted.

7 Annual Inflationary Adjustments and Updates of CAC Targets

- 7.1 CAC Targets as shown in the Appendix will be reviewed for inflationary adjustments on an annual basis to be effective on September 30 of each year.
- 7.2 CAC Targets will be reviewed comprehensively (recalibrated) as part of the City's 4-year capital planning process or, pursuant to Council approval, at an earlier date based upon the recommendation of the Director of Planning.
- 7.3 Increases to CAC Targets under policy 7.1 or policy 7.2 will have no effect if a rezoning application has been submitted prior to the adjustment (in-stream rate protection).

8 Exemptions

- 8.1 Rezoning applications that meet any of the following conditions will be exempt from the application of CACs only to the extent that the following uses comprise a portion of the floor area of the proposed development:
- (a) Social housing that meets the DCL By-law definition;
 - (b) Heritage where existing floor area and bonus floor area is related to heritage conservation;
 - (c) Public schools for Kindergarten to Grade 12;
 - (d) Places of worship that are tax exempt;
 - (e) Community facilities that meet the following criteria:
 - (i) Provides City-related social and/or cultural services;
 - (ii) Operated by a non-profit society;
 - (iii) Open and accessible to all;
 - (iv) Accepted by Council as a public benefit under policy 2.2, policy 2.3, policy 2.4, policy 2.5, or policy 2.6;
 - (v) Secured for long-term use through legal agreements with the City and/or City land ownership.
- 8.2 Rezoning applications that meet any of the following conditions will be exempt from CACs:
- (a) Certain rezonings initiated by the Director of Planning;
 - (b) Rezoning for changes of use, except for changes of use from industrial to commercial, where:
 - (i) the proposed development includes no residential use; and
 - (ii) there is no increase in total floor area;
 - (c) Rezoning to District Schedules that include provisions for 'affordable housing shares' and/or 'amenity shares' as identified in Schedule F of the Zoning and Development By-law;
 - (d) Rezoning for 100% non-strata commercial developments within the South Vancouver Industrial Area as shown in the [Appendix](#) that are not deemed a large site as per the Rezoning Policy for Sustainable Large Developments;
 - (e) Rezoning for routine, lower density secured market rental that comply with the City's rental policies as shown in Table 1.

Table 1: Exemptions for Routine, Lower Density Secured Market Rental Rezoning Applications^(a)

Areas	Zoning District	Rezoning to Specific Height
Mixed-Use Commercial/ Residential Areas	C-1	<= 4 storeys
	C-2 zones	<= 6 storeys
	C-3A	Refer to local height maximums in C-3A guidelines
	MC-1	<= 6 storeys
Residential Areas		<= 5 storeys
	R1-1/RT zones	<= 6 storeys with 20% of residential floor area at below-market rents ^(c)
	R1-1/RT zones (in community plan areas) ^(b)	<= 6 storeys
	RM zones (applicable to infill projects where existing rental units are not demolished)	<= 6 storeys

Notes:

- a. Table excludes the Oakridge Municipal Town Centre area in the Cambie Corridor
- b. R1-1/RT applies to Cambie Corridor, Marpole, Grandview-Woodland, and Joyce-Collingwood Station Precinct
- c. As per the Secured Rental Policy

9 Annual Reporting

- 9.1 A report to Council on CACs will be produced on an annual basis and be made available to the public.

Appendix

This Appendix consolidates select Council-approved CAC policies into this Policy. If there is any discrepancy between other Council-approved CAC policies and this Policy, the latter will prevail.

The City's VanMap application contains information on development contributions. If there is any discrepancy between VanMap and this Policy, the latter will prevail.

Table 1: CAC Targets and Eligibility Criteria

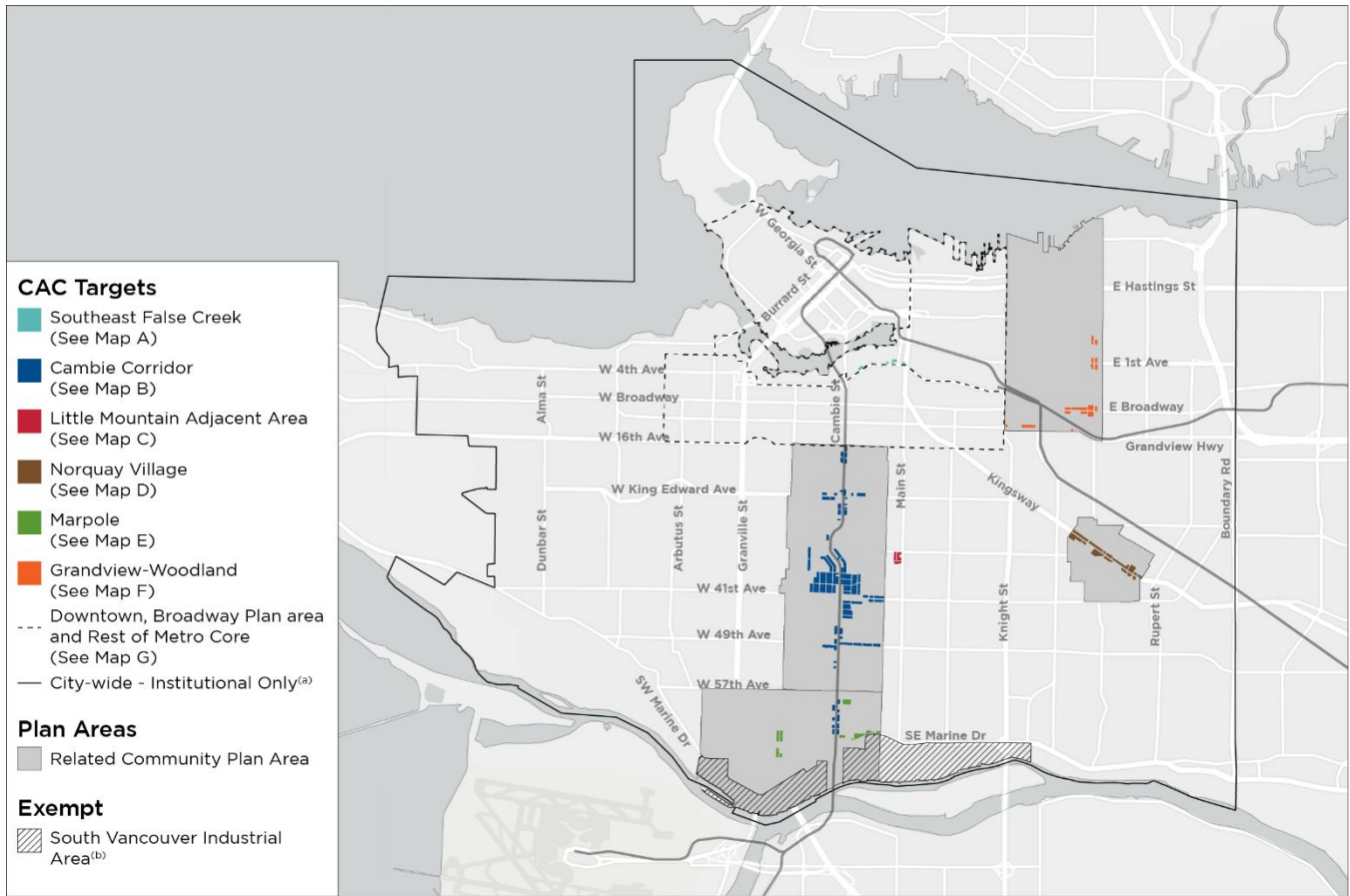
Map	CAC Target Area and Eligibility Criteria ^(a)	CAC Target ^(b) (effective Sept 30, 2023)	Allocation of CAC ^(c)
Map A (Southeast False Creek)	Rezoning applications on sites zoned M-2 up to 3.5 FSR as shown in Map A. Additional CAC will be negotiated > 3.5 FSR.	\$1,022.57/m ² (\$95.00/ft. ²)	Affordable housing in Southeast False Creek
Map B (Cambie Corridor)	Rezoning applications for 4-storey residential as shown in Map B	\$846.43/m ² (\$78.64/ft. ²)	As per the Cambie Corridor Public Benefits Strategy
	Rezoning applications for 4-storey mixed-use as shown in Map B	\$322.92/m ² (\$30.00/ft. ²)	
	Rezoning applications for 6-storey residential as shown in Map B	\$1,210.85/m ² (\$112.49/ft. ²)	
	Rezoning applications for 6-10 storey mixed-use (R1-1/RT) as shown in Map B	\$1,316.60/m ² (\$122.32/ft. ²)	
	Rezoning applications for 6-10 storey mixed-use (C-2) as shown in Map B	\$1,991.32/m ² (\$185.00/ft. ²)	
Map C (Little Mountain Adjacent Area)	Rezoning applications for 4-6 storey apartments as shown in Map C	\$557.18/m ² (\$51.76/ft. ²)	Affordable housing on the Little Mountain site or projects in or around the Riley Park/South Cambie neighbourhood
Map D (Norquay Village)	Rezoning applications on sites zoned C-2 along Kingsway that are less than 1 acre as shown in Map D	\$322.92/m ² (\$30.00/ft. ²)	As per the Norquay Village Public Benefits Strategy
Map E (Marpole)	Rezoning applications for 6-storey residential as shown in Map E	\$925.18/m ² (\$88.46/ft. ²)	As per the Marpole Public Benefits Strategy
Map F (Grandview-Woodland)	Rezoning applications in Nanaimo St./ E 12 th Ave. shopping nodes as shown in Map F	\$826.99/m ² (\$76.83/ft. ²)	As per the Grandview-Woodland Public Benefits Strategy
	Rezoning applications in the Midrise Multi-Family areas as shown in Map F	\$430.56/m ² (\$40.00/ft. ²)	
Map G (Downtown, Broadway Plan area and Rest of Metro Core)	Rezoning applications for 100% non-strata commercial developments in the Downtown area as shown in Map G	\$185.53/m ² (\$17.24/ft. ²)	Affordable housing and childcare in the Metro Core (Downtown and Rest of Metro Core)
	Rezoning applications for 100% non-strata commercial developments in the Broadway Plan area as shown in Map G	\$123.65/m ² (\$11.49/ft. ²)	As per the Broadway Plan Public Benefits Strategy
	Rezoning applications for 100% non-strata commercial developments in the Rest of Metro Core area as shown in Map G	\$123.65/m ² (\$11.49/ft. ²)	Affordable housing and childcare in the Metro Core (Downtown and Rest of Metro Core)
Key Map (City-wide)	Rezoning applications for 100% institutional developments (i.e. hospitals, community care facilities, and post-secondary schools)	\$35.21/m ² (\$3.27/ft. ²)	

Notes:

- Secured market rental rezoning applications located within CAC Target areas may be subject to a negotiated CAC as per 1.2(b) of the CAC Policy provided it is not already exempt under Section 8.2(e) of the CAC Policy.

- b. Calculation based on net additional floor area in excess of the maximum permissible under current zoning. In circumstances where the total floor area is not being increased but involves a conversion of use from industrial to commercial, or non-residential to residential, the CAC will be based on the converted floor area.
- c. CAC Targets may be directed to public benefits located outside of the community provided that the public benefit meets the criteria in policy 2.1.

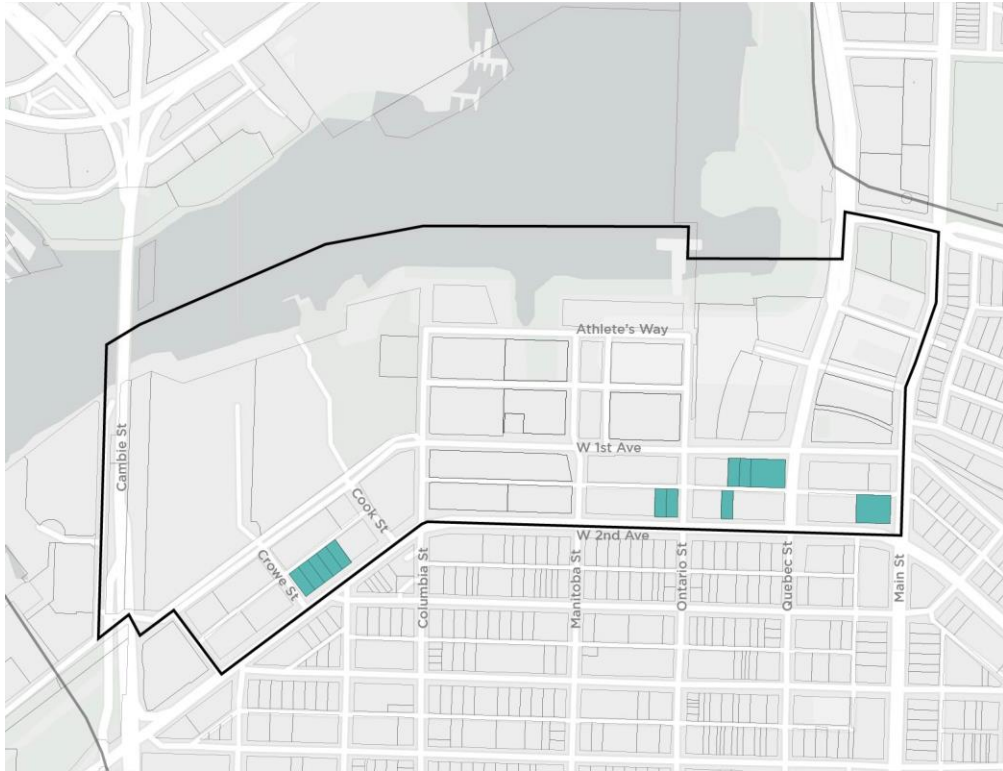
Key Map



Notes:

- Applies to 100% institutional developments (i.e. hospitals, community care facilities, and post-secondary schools).
- Applies to rezoning applications that are exempt under policy 8.2(d).

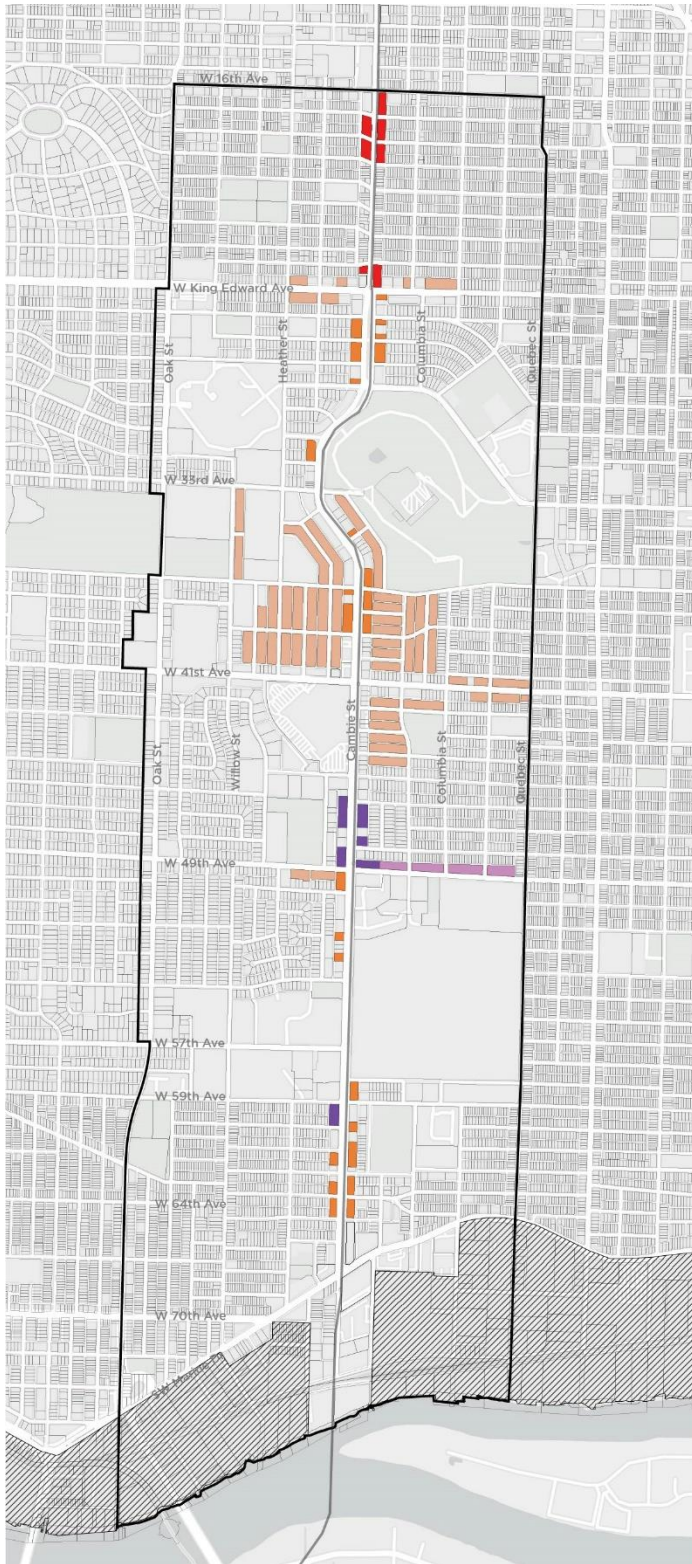
Map A: Southeast False Creek



CAC Target

- Remaining private M-2 sites (up to 3.5 FSR; additional CAC negotiated above 3.5 FSR)

Map B: Cambie Corridor



CAC Targets

- 4-storey residential
- 4-storey mixed-use
- 6-storey residential
- 6-10-storey mixed-use
- 6-10-storey mixed-use (C-2)

Exempt

- South Vancouver Industrial Area (under Policy 8.2(d))

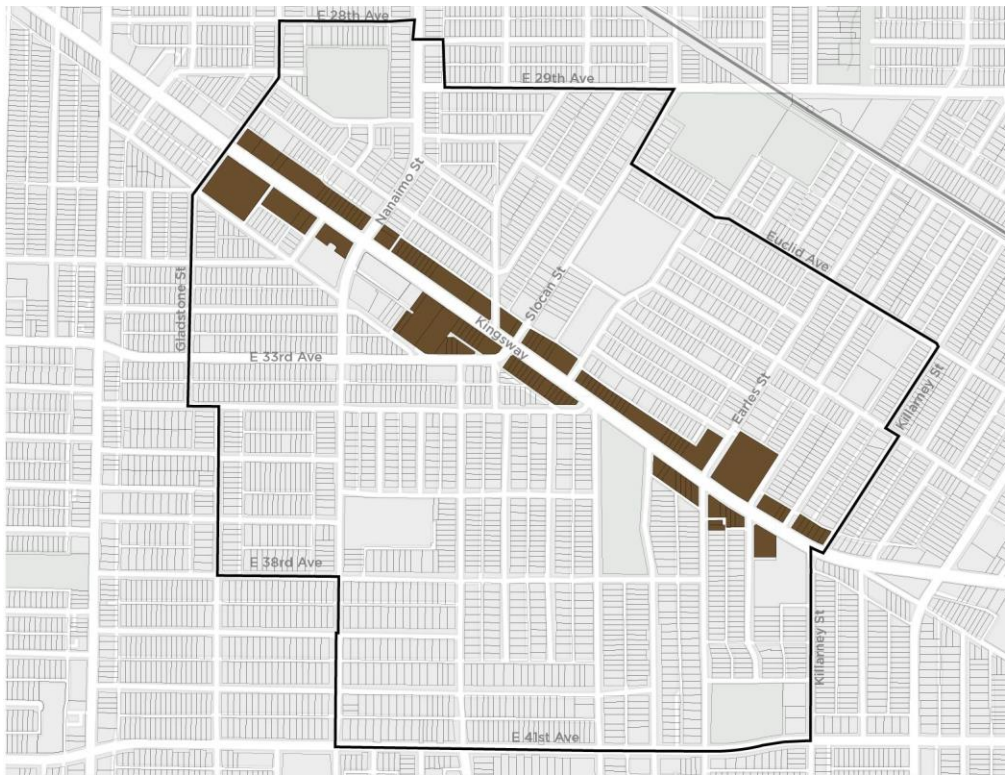
Map C: Little Mountain Adjacent Area



CAC Target

■ All rezoning applications for 4-6 storey apartments (up to 2.3 FSR)

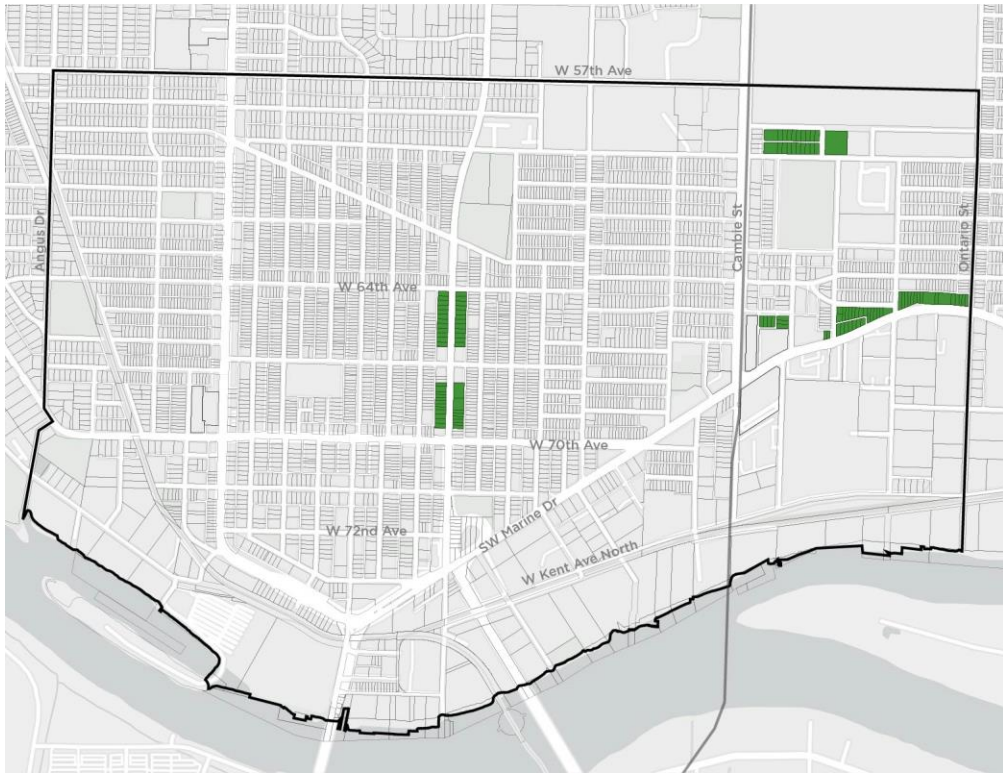
Map D: Norquay Village



CAC Target

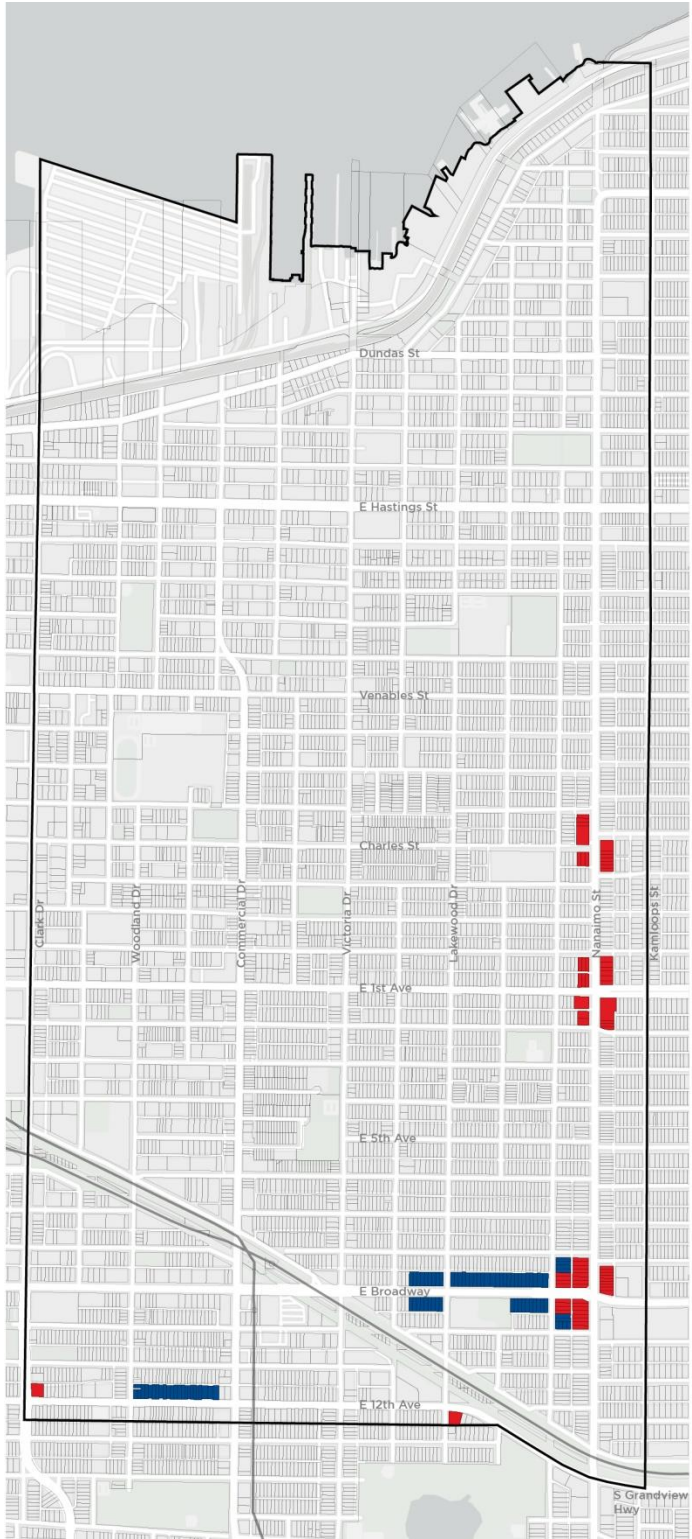
■ C-2 sites (only applies to sites < 1 acre)

Map E: Marpole



CAC Target
■ 6-storey residential

Map F: Grandview-Woodland



- CAC Targets**
- Nanaimo/E 12th Ave Shopping Nodes
 - Midrise Multi-Family

Map G: Downtown, Broadway Plan area and Rest of Metro Core

