

## WHISTLER

# REPORT ADMINISTRATIVE REPORT TO COUNCIL

**PRESENTED:** April 24, 2018 **REPORT:** 18-040

FROM: Resort Experience FILE: 7734

**SUBJECT:** PROCESS FOR EMPLOYEE HOUSING ANALYSIS

#### COMMENT/RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Resort Experience be endorsed.

#### RECOMMENDATION

**That** Administrative Report No. 18-040 regarding a process for moving forward with the Mayor's Task Force on Resident Housing Recommendation No. 6 (to allow for development of resident restricted rental housing on private lands that may be currently under-developed) be endorsed by Council.

#### **REFERENCES**

Appendix "A" - Guidelines for Evaluating Private Sector Rezoning Proposals for Employee Housing

Appendix "B" – Official Community Plan Criteria for Evaluating Proposals for OCP and Zoning Amendments

#### **PURPOSE OF REPORT**

The purpose of this Report is to provide Council with an overview of proposed next steps toward implementing Recommendation No. 6 of the Mayor's Task Force on Resident Housing, which is to allow for development of resident restricted rental housing on private lands that may be currently under-developed. Staff have developed a process for moving forward, which addresses concurrent evaluation of prospective developments relative to the target of 500 beds of new employee housing from this initiative over the next five years.

#### DISCUSSION

The Resort Municipality of Whistler (RMOW) initiated the Mayor's Task Force on Resident Housing ("Housing Task Force") in November 2016 with the objective of analyzing Whistler's employee housing needs and recommending housing initiatives to Council. The Housing Task Force and its sub committees convened over the course of 2017 and significant research on trends and conditions affecting housing in Whistler was carried out. The community provided input through a community survey on housing needs and a community engagement forum held on November 2, 2017. Seven final recommendations of the Housing Task Force were received and endorsed by Council on December 19, 2017:

1. enforce new legislation to ensure residential homes are not being used for tourist accommodations;

- 2. continue to pursue the Home Run program to match resort businesses with property owners;
- 3. ensure new developments provide employee housing or contribute cash-in-lieu to the employee housing fund;
- 4. RMOW to build more resident restricted inventory to meet the needs of the permanent resident workforce;
- 5. new and expanded infill program to address loss of market homes;
- 6. allow for development of resident restricted rental on private lands that may be currently underdeveloped; and
- 7. further refine the Whistler Housing Authority (WHA) resident restricted housing program to protect employee housing.

Council directed staff to implement the recommended actions of the Housing Task Force as a priority.

#### Recommendation No. 6

The public consultation process carried out by the Housing Task Force demonstrated that there are many permanent residents in the community, from front line staff through to middle level workers and professionals, looking for secure, long-term rental housing. The intent of Recommendation No. 6 is to provide the opportunity for privately owned, under-developed lands in the RMOW to be used for employee housing. This would include privately funded construction of rent-restricted rental properties for a broad range of Whistler's community workforce – from potential employer-provided dormitory style accommodations for seasonal staff housing through to multi-family homes. A target of 500 bed units of employee housing was established for proposed private sector employee housing developments over the next five years (2018-2023).

#### Guidelines for Evaluating Rezoning Proposals

On December 5, 2017, Council passed a resolution endorsing a set of guidelines for evaluating rezoning proposals for private sector employee housing developments (the "Guidelines", see Appendix "A"). The resolution directed staff to evaluate rezoning proposals for private sector employee housing developments relative to the Guidelines. Recommendations to Council regarding support for further review and processing would be based on these Guidelines, providing an equitable and comprehensive approach. Council also directed staff to communicate the Guidelines to potential applicants and to attach Canadian Mortgage and Housing Corporation Affordability Criteria to any report presenting a rezoning proposal for its consideration.

In addition staff have summarized applicable Official Community Plan policies. These are presented in Appendix "B".

#### Rezoning Proposals Received that Incorporate Employee Housing

On December 19, 2017 Council authorized further review and processing of Rezoning Application RZ1144, an application to create a new site specific zone for the lands at 2077 Garibaldi Way for an employee housing development (see Administrative Report No. 17-142). RZ1144 is a proposal to develop vacant lands in the Nordic Estates subdivision with three buildings containing a total of 74 rental units. All units would be price restricted and consistent with WHA eligibility criteria for employee occupancy. The existing bed unit allocation for this property is six bed units. This proposal would increase the allocation to 222.

Another application that has been received is RZ1146, an application to construct a 5-storey building for employee rental housing at 7104 Nancy Greene Drive. The existing allocation for this property is six bed units and the proposal would increase the allocation to 184 bed units.

In addition to the applications above, a number of land owners, developers, and others working in the industry have contacted staff to discuss proposals for privately constructed employee housing in various neighbourhoods across the RMOW. These proposals range in size from infill triplexes, to dormitories, to 300 dwelling unit multi-family developments. All of the proposals would require zoning amendments and would increase the subject parcel's bed unit count. To date, the interest expressed by prospective applicants is far greater than the target of 500 bed units of employee housing.

#### A Process for Implementing Recommendation No. 6

A number of the proposals referenced above may be viable options for achieving the target of 500 privately-constructed, employee-restricted bed units by 2023, and warrant further evaluation. Although the proposals are in different stages of conceptual development, staff recommend a process by which all proposals are given equal and consistent consideration through a comparative evaluation process. Through this process, proposals would be evaluated against both the OCP policies and guidelines, as well as the limited target of 500 bed units. The result of this process would be a report to Council, with recommendations for which, if any, proposals should be authorized for further review and consideration.

To initiate the process, staff propose to formally notify interested parties of the proposed process and a closing date of May 31, 2018 to submit a preliminary rezoning application. Any other parties who have not already contacted the RMOW, would also be eligible to submit an application within this time frame.

Staff will then complete a preliminary review of all applications received, and will provide comments back to each applicant on their proposed rezoning identifying any concerns and requirements for additional information. Applicants will be provided one opportunity to revise their submission to address any concerns and any additional information required. After that, all proposals will undergo further staff review and staff will prepare a report to Council with an evaluation of each proposal and recommendations for further review and processing of any of the applications. Any applications that receive approval by Council for further consideration would then follow the standard rezoning process. The two existing applications, for 2077 Garibaldi Way and 7104 Nancy Greene Drive, would also be part of the comparative evaluation brought before Council.

The following provides a summary of the proposed process and target dates for completion with an overview of the timeline for delivering on the target of 500 privately constructed employee housing bed units by 2023.

TARGET DATE	TASK
April 2018	Notification for Preliminary Rezoning Applications.
May 31, 2018	Application Deadline.
June 2018	<ul> <li>Staff completes review of preliminary applications against OCP policies and guidelines and provides comments to applicants.</li> </ul>
July 2018	Applicants provide revised application materials.

August 2018	<ul> <li>Staff complete evaluation of revised applications and prepare recommendations for Council.</li> </ul>
September 2018	<ul> <li>Council provides direction on which, if any, applications are supported for further review and processing.</li> </ul>
September 2018 – June 2019	<ul> <li>Processing of zoning amendment bylaw and development permit applications that receive approval for further consideration. This includes submission and review of further detailed information and studies. Timeline may vary depending on application.</li> </ul>
July 2019 – December 2023	Building permit application and construction.

Preliminary rezoning application submittals would be required to include the following information:

- Dimensioned site plan;
- Preliminary building massing;
- Number, type, and size of dwelling units;
- Site data including site area, and proposed useable site area, site coverage, gross floor area, building height, building setbacks, number of parking stalls;
- Written summary of how the development meets the applicable guidelines, and;
- Initial assessment of access and servicing options from a qualified professional.

#### **WHISTLER 2020 ANALYSIS**

W2020 Strategy	TOWARD  Descriptions of success that resolution  moves us toward	Comments
Built Environment	Continuous encroachment on nature is avoided.	Existing disturbed sites are preferred for development.
	Residents live, work and play in relatively compact, mixed-use neighborhoods that reflect Whistler's character and are close to appropriate green space, transit, trails, amenities and services	The proposals that best meet these guidelines will be invited for further review.
Natural Areas	A policy of no net habitat loss is followed, and no further loss is preferred	Existing disturbed sites are preferred for development.
	Developed and recreation areas are designed and managed to protect as much of the natural environment within and around them as possible	The proposals that best meet these guidelines will be invited for further review.
Partnership	Partners work together to achieve mutual benefit	The process proposed allows for private developers to contribute to Whistler's employee housing rental pool.
Resident Housing	Resident Restricted housing is affordable for permanent and short-term residents, through innovative and effective policy and financial models.	The proposals that best meet these guidelines will be invited for further review.
	The planned flexibility within neighbourhood design, housing form, and housing tenure enables the adaptability to meet changing	

	housing needs and future affordability considerations.	
	Residents enjoy housing in mixed-use neighbourhoods that are intensive, vibrant and include a range of housing forms.	
	Housing has been developed close to transit, pedestrian and bicycle routes, and amenities and services to reduce auto dependency.	
	Whistler has a sufficient quantity and appropriate mix of quality housing to meet the needs of diverse residents.	This initiative and the recommended process will assist in most effectively achieving the Housing Task Force target of 500 units by 2023.
Transportation	Whistler policy, planning and development prioritizes preferred methods of transportation in the following order: 1. pedestrian, bicycle and other non-motorized means, 2. transit and movement of goods, 3. private automobile (HOV, and leading low-impact technologies), 4. private automobile (SOV, traditional technology)	The proposals that best meet these guidelines will be invited for further review.

W2020 Strategy	AWAY FROM  Descriptions of success that resolution moves away from	Mitigation Strategies and Comments
Built Environment	Limits to growth are understood and respected.	The 500 units of privately constructed employee housing rental units does represent additional accommodation capacity subject to OCP policies.

#### OTHER POLICY CONSIDERATIONS

Compliance with "Zoning and Parking Bylaw No. 303, 2015" regulations and other RMOW policies will be assessed as part of the zoning amendment process.

#### **BUDGET CONSIDERATIONS**

All costs associated with individual rezoning applications, including staff review time, public meetings, notices, and legal fees will be paid by the applicant.

#### COMMUNITY ENGAGEMENT AND CONSULTATION

There will be a formal notification to all parties who have expressed interest in submitting a proposal related to this initiative. The deadline for any application to be received and considered through this process will be May 31, 2018. At the time a rezoning application is submitted and received by the Planning Department, a rezoning application sign must be posted on the property within seven days. Staff will also prepare a report to Council that identifies all applications received and these will be posted to the municipal website.

Any correspondence received from members of the public becomes part of the rezoning application file for staff and Council consideration.

Process for Employee Housing Analysis April 24, 2018 Page 6

For any proposals that are recommended for further review and processing staff also recommend a public information meeting be held respecting each, in advance of bringing forward a zoning amendment bylaw for consideration of first and second readings by Council. Any proposed zoning amendment bylaw would be also be subject to a Public Hearing, adhering to statutory public notice requirements, prior to Council consideration of third reading of the Bylaw.

#### **SUMMARY**

The purpose of this Report is to provide Council with an overview of next steps toward implementing Recommendation No. 6 of the Mayor's Task Force on Resident Housing, which is to allow for development of resident restricted rental housing on private lands that may be currently under-developed. Staff have developed a process for moving forward, which provides for a concurrent evaluation of alternative proposals, and this report seeks Council's endorsement of this process.

Respectfully submitted,

Amica Antonelli PLANNER for Jan Jansen GENERAL MANAGER OF RESORT EXPERIENCE Appendix "A" - Guidelines for Evaluating Private Sector Rezoning Proposals for Employee Housing

#### **Employee Housing Requirements - Occupancy and Rent Restrictions**

- 1. Projects shall be 100 percent employee housing with occupancy and rent restrictions registered through a Housing Agreement Bylaw and Housing covenant registered on title in favour of the Resort Municipality of Whistler. Rezonings proposing new unrestricted market accommodation as part of the project are not supported.
- 2. To secure on-going availability and utilization by employees actively working in the local economy, 100 percent of the housing shall be rental housing.
- 3. Occupancy eligibility is restricted to Whistler Employees as defined by the Whistler Housing Authority.
- 4. Projects shall seek to achieve housing affordability objectives, with an allowance for reasonable returns on investment. Projects that are easily serviced and require minimal site disturbance, alteration and preparation are expected to have lower capital costs and are best-suited for further consideration. High cost projects that do not meet affordability objectives will not be supported.
- 5. For a project to be considered, proposed rents must be less than unrestricted market rents for comparable housing. The project proponent will be required to submit a confidential project pro forma that identifies the proposed unit mix, rents per unit, land cost, capital costs, revenues, operating costs, financing costs, equity contributions, cash flow projections and return on equity for review. Proposed monthly rents will be evaluated relative to the proposed unit mix and median incomes of targeted employee occupants.
- 6. Initial maximum monthly rents will be established prior to project approval and secured through the Housing Agreement Bylaw and Housing Covenant. Rents will be permitted to increase on an annual basis commencing after the first year of occupancy by up to the maximum allowable rent increase published for each calendar year on the Province of BC's website for residential tenancies (BC Residential Tenancy Office).
- 7. Rental agreements, rent rolls, and unit occupancy must be submitted by the project owner/agent to the RMOW/WHA on an annual basis so that employee occupancy, rent restrictions and rates are verified. Failure to submit this documentation on an annual basis will result in enforceable penalty.
- 8. Proposed housing types, unit mixes and sizes shall meet identified housing needs in consultation with the RMOW/WHA. 9. Current priorities for private sector employee housing are for rental tenancies that include dormitory style housing for seasonal employees located in close proximity to location of work and amenities; apartments and/or townhomes for permanent resident employees n underdeveloped sites within existing neighbourhoods; and projects that provide opportunities for employers to participate in securing housing for their employees.

#### **Community Planning Considerations**

- 10. Proposed developments shall be located within an area designated for development of residential accommodation.
- 11. The community supports an increase in Whistler's development capacity for additional employee housing, which is considered to provide clear and substantial benefits to the community and resort. A target of 500 bed units of employee housing has been established for proposed private sector employee housing developments over the next five years (2018-2023).
- 12. Sites that are located within or adjacent to existing neighbourhoods and developed areas are preferred. Proposed densities and scale of development should be appropriate for the site context.

- 13. Proposed developments shall be within a comfortable walking distance to a transit stop, and in close proximity to the valley trail, parks and community facilities, convenience goods and services and places of work.
- 14. Proposed developments must be capable of being served by Municipal water, sewer and fire protection services, and must be accessible via the local road system. Sites that are located in close proximity to, and are easily served by existing infrastructure and services, are preferred.
- 15. Previously disturbed sites, and sites that require minimal alteration and disruption are supported.
- 16. An Initial Environmental Review must be conducted. The proposed development shall not have unacceptable negative impacts on any environmentally sensitive lands, and shall adhere to all development permit guidelines for protection of the natural environment and applicable provincial and federal regulations.
- 17. Additional traffic volumes and patterns shall not exceed the service capacity of adjacent roadway.

#### Development Standards

- 18. Proposed developments shall achieve a quality of design, construction, finishing, and livability consistent with WHA standards for similar developments. Outdoor spaces and amenity areas should be integrated within site planning. Individual units should have access to outdoors through patios, balconies or common spaces, and should have adequate storage.
- 19. Proposed developments must meet RMOW green building standards.
- 20. Parking shall be provided on site and shall meet the requirements specified in Zoning and Parking Bylaw 303. 2015.

### Appendix "B" - Official Community Plan Criteria for Evaluating Rezoning Proposals

Policy No.	Policy
4.1.1	The lands outlined in Schedule B are designated for development of accommodation.
4.2.2	Where there is a demonstrated need, the RMOW will encourage affordable housing to accommodate permanent residents and employees
4.13.2	Proposed rezonings that increase the bed-unit capacity will only be considered if there is a clear and substantial benefit to the community, is supported by the community in the opinion of Council, does not cause unacceptable impacts, and meets all applicable criteria of the OCP.
4.13.3	Meets the mandatory conditions of:
	meets all applicable policies of the OCP,
	serviceable by municipal services,
	accessible via local road system,
	<ul> <li>satisfactory evaluation of impacts on:</li> <li>traffic volumes and patterns on Highway 99,</li> </ul>
	<ul> <li>traffic volumes and patterns on the local road system,</li> </ul>
	<ul> <li>overall patterns of development of the community and resort,</li> </ul>
	Municipal finance,
	o views and scenery,
	existing community and recreational facilities,
	o employee housing,
	o community greenhouse gas emissions and heritage resource,
	must exhibit high standards of design, landscaping, and environmental sensitivity.
4.13.7	Additional criteria for proposed resident housing;
	<ul> <li>infill sites preferred</li> <li>appropriate to development and neighbouring uses</li> <li>measures to minimize operating and maintenance costs</li> <li>have adequate storage and parking</li> <li>employee use restrictions</li> <li>Close proximity to Whistler Village or Whistler Creek</li> </ul>
4.13.8	Proposal cannot negatively impact RMOWs trails, rec. areas, or open spaces.