

DISTRICT OF SAANICH

INTERIM COMMUNITY AMENITY CONTRIBUTION (CAC) POLICY

Endorsed August 9, 2021

1. PURPOSE

The purpose of the Interim Community Amenity Contribution Policy (the “Policy”) is to provide guidance for Council, staff, developers, and the public for the negotiation of CACs as part of applications for rezoning and/or additional height in the District of Saanich.

A process is underway to develop a comprehensive Community Amenity Contribution and Inclusionary Housing program, which will provide more detailed direction for obtaining amenity contributions. The Policy is intended to be used in the short-term and would be replaced at such time that a structured community contribution program is in place.

2. OVERVIEW

Community Amenity Contributions (CACs) are cash or in-kind contributions provided, through negotiations, by developers when additional density and/or a change in land use is achieved through a rezoning process. The value of the contribution is negotiated and is a means to receive a public benefit from new developments. Typically, contributions include amenities such as affordable and supportive housing, daycare facilities, community facilities, park/plaza space, connections for pedestrians and cyclists, protection of natural areas, public art, public realm improvements, or cash contributions towards local improvements.

Amenities are an important component of creating complete communities. When communities change and grow with new development and increased densities, there is an increased need for infrastructure and amenities to support new and existing residents and employees in the area and offset potential impacts. The process of negotiating CACs is separate from other District requirements that are provided by applicants when additional density and/or a change in land use is achieved through a rezoning process; CACs are distinct from Development Cost Charges (DCCs) and other required servicing costs.

3. DISTRICT OF SAANICH CONTEXT

The District’s Official Community Plan (OCP) identifies a broad range of potential CACs that could be considered as part of the application review process (see OCP Policy 7.1.4). Potential CACs currently considered as part of development applications include not-for-profit housing or projects with an affordable housing component.

Currently, Saanich administers CACs through application-specific negotiations as part of the rezoning process, with negotiations based on the OCP and Local Area Plan policies, defined

Council objectives, community input, and assumed local need. Establishing a structured Program will enable staff to effectively negotiate public benefit commitments, achieve many of the District's objectives, and provide clarity for Council, developers and the community.

4. LEGISLATIVE CONTEXT

Provincial legislation enables local governments to require services, collect fees and/or obtain land from new development to address certain impacts of new growth. The following sections of the "Local Government Act" enable local governments to require new development to provide:

- Divide, limit and regulate land use (s. 479);
- Residential rental tenure (s. 481.1);
- Density benefits for amenities, affordable housing and special needs housing (s. 482);
- DCCs for off-site services (s. 559);
- Money towards acquiring school sites (s. 572);
- On-site services related to subdivision (s. 506);
- Excess capacity or extended services (s. 507);
- Up to 5% of land being subdivided for park land, or cash-in-lieu (s. 510); and
- Land for roadways (s. 513)

Not all impacts of developments are covered by these legislative provisions. The District of Saanich, along with many other local governments, believes that new development should not be a burden on local taxpayers and supplement the above requirements with negotiated Community Amenity Contributions, which address items that fall outside those that are legislatively mandated.

5. RELATED BYLAWS & POLICY

- Development Cost Charge Bylaw (Bylaw No. 9553)
- Development Cost Charge Reduction Bylaw (Bylaw No. 9607)
- Local Area Plans and Centre/Corridor Plans, including:
 - Shelbourne Valley Action Plan (Appendix "O" to Bylaw No. 8940)
 - Uptown-Douglas Plan (Endorsed, in Principle)
- Sustainable Saanich Official Community Plan (Bylaw No. 8940)
- Zoning Bylaw (Bylaw No. 8200)

6. POLICY

The Policy, its approach, and the community amenities to which the District considers desirable, seeks to balance the need for affordable housing and localized amenities. The Policy is subject to change over time and in response to evolving community needs, priorities, and benefits.

6.1. PROCESS

- i. District staff will lead negotiations for CACs on an application-specific basis and as guided by this Policy.
- ii. CACs will be negotiated for applications that include three or more units and where a rezoning is required or height beyond Zoning Bylaw allowances is requested.
- iii. CACs for applications for residential or mixed-use development will be evaluated based on targets and approaches described in Section 6.3 and 6.4 of this policy.
- iv. CACs for commercial and Industrial applications will be evaluated and negotiated on a site specific basis.
- v. For applications where a land lift analysis is required (See Section 6.3), the land lift evaluation will be conducted by a qualified, independent consultant at the cost to the applicant. The District retains the right to request a review of the submitted analysis.
- vi. The District has discretion to request an independent appraisal, at the cost of the applicant, to determine the value of Community Amenity Contributions that have been offered.
- vii. Rezoning applications that include negotiated Community Amenity Contributions will be secured via covenant and/or a housing agreement, and prior to acceptance/ issuance of the Building Permit.

6.2. PRIORITIES

- i. Community Amenity Contributions offered as part of an application should reflect priorities of the District, align with bylaw and policy direction, and include consultation with the local community association, groups and/or organizations.
- ii. Community Amenity Contributions offered to the District should reflect policy and associated priority items, as identified in the Official Community Plan and relevant Local Area Plans or Centre/Corridor Plans.
- iii. Community Amenity Contributions may take the form of affordable or supportive housing units or support for affordable housing through financial contributions to the Saanich Affordable Housing Fund.
- iv. Community Amenity Contributions should seek to balance localized amenities that provide benefit to immediate area (i.e. park improvements) with contributions that address affordable housing.

6.3. CONTRIBUTIONS

- i. A Community Amenity Contribution (CAC) statement is expected for all rezoning applications to which CACs are applicable. The statement must outline:
 - a. Relevant policy guiding the contribution;
 - b. Input received, including from staff, community associations, groups and/or organizations, which supports the CAC that has been offered;
 - c. Current financial value and future value of the CAC; and
 - d. Considerations for operating and full life-cycle costs.
- ii. Community Amenity Contributions should be commensurate with the scale and density of a proposed development.
- iii. Community Amenity Contributions must demonstrate a community benefit that is relevant and valued by the community.
- iv. Development servicing, frontage improvements or other standard requirements will not be considered a Community Amenity Contribution.
- v. Community Amenity Contributions may be refused should the District consider the offer to not be in the best interest of the District, in the short or long term.
- vi. For residential and mixed use applications within prescribed Official Community Plan height limits, the target CAC rate is \$3,000 - \$5,000 per unit (see Table 1).
- vii. For residential and mixed use applications beyond prescribed Official Community Plan height limits, CACs will be evaluated based on the approaches and target rates identified in Table 1.

Table 1: Established Base Heights, Amenity Contribution Targets and Land Lift Analysis Requirements

OCP Section	OCP Designation and Height Maximum	Application Type	CAC Contribution
4.2.3 (7)	Major and Neighbourhood "Centres" Up to 8 storeys	Up to 8 storeys	\$3,000-\$5,000 per unit target rate
		Above 8 storeys	Land Lift Analysis targeting 50-75% of the land lift as a CAC
4.2.3 (9) & 4.2.4 (3)	"Villages" and Neighbourhoods Up to 4 storeys	Up to 4 storeys	\$3,000-\$5,000 per unit target rate
		above 4 storeys to a max of 6 storeys	\$5,000 per unit target rate

		Above 6 storeys	Land Lift Analysis targeting 50-75% of the land lift as a CAC
4.2.3	Uptown Major Centre	All	See Table 2

- viii. For residential or mixed-use applications beyond prescribed (zoned) height limits in the Uptown Douglas Plan (UDP) area, CACs will be evaluated based on the approaches and target rates identified in Table 2.

Table 2: Uptown-Douglas Plan Area Community Amenity Contribution Guidelines

Application Type	CAC Contribution
Up to Base Height identified in Map 5.1	\$3,000-\$5,000 per unit target rate
Greater than Base Height identified in Map 5.1	\$5,000 per unit target rate
Greater than 18 storeys	Land Lift Analysis targeting 75% of the land lift as a CAC

6.4. EXEMPTIONS

- i. Community Amenity Contributions will be waived for secured not-for-profit rental housing, as defined in the Development Cost Charges Reduction Bylaw.
- ii. A 100% reduction in the targeted CAC will be applied to purpose built rental units where the rental tenure is secured for a period of greater than 60 years or the life of the building.
- iii. A 50% reduction in the targeted CAC will be applied to purpose built rental units where the rental tenure is secured for a period of at least 10 years. **This exemption would only apply to developments or portions of developments that are within the OCP height maximum (see Table 1) and Uptown Douglas Plan “Base” building height.**
- iv. A 50% reduction in the targeted CAC will be applied to projects where a minimum of 10% of the residential units are sold at a minimum of 10% less than the current median market rates and this price reduction is secured for the life of the building. **This exemption would only apply to developments or portions of developments that are within the OCP height maximum (see Table 1) and Uptown Douglas Plan “Base” building height.**

DEFINITIONS

Affordable housing is housing that does not exceed 30% of household income, as per general guidelines for social and subsidized housing in B.C. and an industry standard for lenders in determining feasibility of purchasing a home.

Community Amenity Contributions (CACs) are amenity contributions agreed to by the applicant/developer and the District of Saanich as part of a rezoning process and initiated by the applicant/developer. CACs can take several forms, including built assets, affordable housing units, and/or financial contributions towards infrastructure that cannot be obtained through Development Cost Charges.

Community Associations are independent groups that are guided under the Societies Act and not managed by the District of Saanich. They are comprised of local area residents who can provide valuable localized input to Council and staff on items of interest, such as land use planning and proposals.

Community Groups and Organizations can have an interest in parks, specific neighbourhoods or groups within the District of Saanich and work closely with Saanich Departments and Council.

Community Benefit is a benefit that is directly enjoyed by residents of the District of Saanich. For example, achieving a higher energy rating for a building that improves the physical and financial comfort of a building user is not considered a community benefit; a public plaza would be considered a community benefit