



## NAIOP VANCOUVER ADVOCACY UPDATE

NAIOP's Development and Government Relations Committee has been advocating for our members interests extensively throughout 2017.

As part of this process, we are consistently passing on the message that the NAIOP membership is concerned about the complexity of approvals and the ever increasing approval timelines for projects. At every opportunity, we encourage municipalities to reduce complexity, eliminate overlapping or conflicting policies, reduce costs, increase transparency and improve predictability for our members.

While the committee has addressed numerous issues throughout 2017, we have focused on several key issues that we believe would have a meaningful impact to our membership. These included:

- Improving the City of Vancouver's CAC negotiations process for office developments
- False Creek Flats Plan
- Vancouver, Richmond and Translink DCC policy reviews incorporating new and/or increased costs on commercial real estate development
- Metro Vancouver's sewer levy increase

### OFFICE CACs

In 2015, NAIOP Vancouver spearheaded discussions with the City of Vancouver regarding the CAC contributions for large scale office projects. The existing process is time consuming, lacks transparency and is not predictable. In NAIOP's opinion, the current system restricts office supply as it acts as a deterrent to investment in office development within the City of Vancouver. To support this point, we commissioned a study by Altus to determine the economic impact of a new office building in Vancouver. The report found that a typical downtown office project generates (during the initial construction and the first 10 years of operations) approximately \$180M in direct economic activity and \$29M in property tax. Any delay in delivery or restriction in the supply of new office space only serves to delay these benefits and encourage tenants to look to other markets where their new space requirements can be addressed in a timely manner.

This spring, our advocacy work paid off. The City of Vancouver advised us that they would present a revised CAC policy to Council for consideration this fall. On November 28th, Planning Staff will present Council with a revision to the CAC Policy that will replace the site by site CAC negotiations for office development with a 'linkage fee'. This change, if implemented properly, will significantly improve transparency, simplify approvals and expedite the rezoning process for our membership. At this time, we would like to thank the Planning Staff and Council for taking the time to consider NAIOP's perspective and working with us to find a solution that improves the City as a whole.



## **FALSE CREEK PLANNING INITIATIVE**

NAIOP Vancouver has been instrumental in providing the City of Vancouver the industry's perspective and concerns regarding the False Creek Flats planning initiative.

NAIOP assembled a committee of 15 industry executives regarding the City's proposals. As well as attending all public events, the committee had several direct meetings with the City of Vancouver planners and the Vancouver Economic Commission.

The City did make minor modifications to the final FCF plan to address our concerns related to lack of retail space in the Flats. However, NAIOP considers this a significant missed opportunity in terms of creating a vibrant neighbourhood adjacent to downtown that fully capitalizes on rapid transit infrastructure and provides the retail and residential rental amenities required throughout the Flats to attract market leading employers to the area.

## **DEVELOPMENT COST CHARGES & LEVIES**

TransLink is working on a proposed region-wide DCC and has consulted with NAIOP during the early stages of this process. The City of Vancouver and Richmond have also consulted with NAIOP related to their proposed DCC increases. The Metro Vancouver Sewer Levys are also set to increase by over 300% on average across the region. NAIOP are requesting a cumulative analysis of all DCC rate increases and its effect on the development industry and end users be contemplated in these decisions.