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STAFF REPORT TO THE COMMITTEE OF THE WHOLE

PRESENTED:	May 27, 2025	REPORT:	W25-006
FROM:	Planning Department - Projects	FILE:	3360-20-1173
SUBJECT:	RZ001173 - 4500 NORTHLANDS BOULEV	ARD REZON	ING UPDATE

RECOMMENDATION FROM THE ACTING CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the Director of Planning be endorsed.

RECOMMENDATION(S)

That the Committee of the Whole (COTW) receive COTW Report No. W25-006 regarding the 4500 Northlands Boulevard rezoning update; and

That the COTW recommend to Council that the community engagement process, substantially in the format outlined in COTW No. 25-006, be endorsed.

PURPOSE OF REPORT

The purpose of this report is to provide Council with an update on the rezoning application for land located at 4500 Northlands Blvd, including an overview of the community amenity contribution (CAC) process undertaken by Resort Municipality of Whistler (RMOW) staff and Beedie Living (Applicant), to share the output of this work and the resulting CAC offered by the Applicant, and to outline a proposed engagement process to receive public input on the CAC proposal, with reference to the Guiding Principles and Key Directions established through the Phase 1 and Phase 2 Northlands engagement events.

DISCUSSION

Background

The RMOW received a rezoning application for two contiguous parcels (5.2 hectares) of land located at 4500 Northlands Boulevard (Lot 1) and 4711 Settebello Drive (Lot B) (Northlands project) in October 2021. The application contemplates a change in use from the current TA10 hotel zoning (Lot 1) and RM43 zoning (Lot B) to a project-specific, residential-focused zoning including a combination of townhouse, low and mid-rise condominium development, and some amount of commercial space.

The Northlands project is comprised of three separate legal parcels:

- Lot 1 is the larger parcel and is located at 4500 Northlands Boulevard, north of Lorimer Road.
- Lot B is the small parcel at the northwest of the project site, located at 4711 Settebello Drive.
- Lot 2 is the large parcel located at 4700 Blackcomb Way on the east side of Blackcomb Way to the boundary of Fitzsimmons Creek.

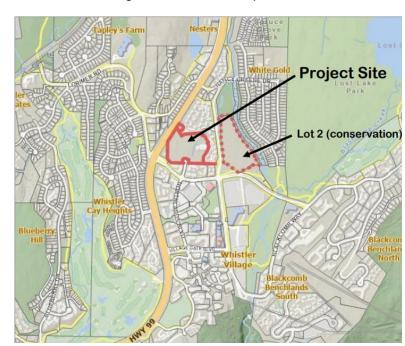


Fig.1: the Northlands parcels

The project site shown in Figure 1 (Lot 1 and Lot B) are the focus of the Northlands rezoning application. Lot 2 is located across Blackcomb Way from the Northlands project and is currently covenanted as a conservation area and no development or change in use is contemplated on Lot 2. It forms an important part of Whistler's floodplain and stormwater management network, is a vital wetland/habitat environment, and is part of the Applicant's CAC proposal.

The rezoning and future development of the Northlands project represents a significant opportunity for the RMOW. History of the site, including previous development proposals, is provided in <u>Administrative</u> <u>Report 21-027</u>.

Enhanced Rezoning Process

In 2021, Council endorsed an enhanced three-phase rezoning process with commitment to a high level of community and Council engagement (<u>Administrative Report 21-027</u>), in order to allocate bed units and achieve community amenities and other municipal priorities.

As endorsed by Council, the enhanced rezoning process entailed three phases:

- 1. Establish planning and development principles;
- 2. Identify and evaluate alternative concepts that address potential site development and associated community amenities; and
- 3. Develop a preferred development concept that addresses supported uses and community amenities, and subject to Council direction, commence preparation and consideration of an associated zoning amendment bylaw and related legal agreements.

Guiding Principles and Key Directions

This section provides a summary of the outputs of the first two phases of the enhanced rezoning process, including development of six Guiding Principles (Phase 1) and eleven Key Directions (Phase 2) with community input. The Guiding Principles and Key Directions establish a clear framework from

which to consider the CAC proposal and preferred rezoning concept.

Phase 1 led to the establishment of six Guiding Principles (see Table 1), endorsed by Council on August 17, 2021 (<u>Administrative Report 21-093</u>). The Guiding Principles were informed by community input, and draw on important municipal policies, including the Official Community Plan (OCP) and the Climate Action Big Moves Strategy (Big Moves Strategy) to provide a clear framework from which to consider the Applicant's development concept and potential amenities associated with a rezoning of Lot 1 and Lot B.

Phase 2 included iterative design development and review of site development concepts. Using the framework created during Phase 1, the Applicant submitted two alternative development concepts that describe their vision for development of the site and include site analysis, response to the Guiding Principles and RMOW policies, and rezoning rationale. The community provided input on the development concepts, helping to create the Key Directions (see Table 1). The engagement and analysis is described in <u>Administrative Report 23-023</u>.

Phase 3 was ultimately to use the preferred development concept and supported density and uses to determine the value that would support additional amenities and uses to the benefit of the community. This is the development of a CAC and is explained in more detail below.

Guiding Principle	Key Direction	
Balance Resort and Community Needs	Support the rezoning request for a change in the market accommodation component of the development from Hotel to Phase 1 covenanted residential and tourist accommodation use.	
	Support a range of targeted employee housing on site and pursue an increase in the amount of employee housing beyond that proposed in the Phase 2 development concept alternatives.	
	As part of the Community Amenity Contribution potential, support further investigation of a "right-sized" destination indoor/outdoor recreation facility with tennis and pickleball that also serves as a social hub for the local community and visitors.	
	Other uses and programming on site should complement the new neighbourhood development and not replicate the offerings of the adjacent Whistler Village.	
Strengthen Sense of Place and Social Connections	Explore a bold, innovative, and forward-thinking design character that evolves Whistler's sense of place, in a way that embodies the community's values and respects Whistler's mountain context, culture, and heritage.	
	The overall character should predominantly reflect the residential nature of the development, as an inclusive, liveable neighbourhood, with complementary community uses, that is also welcome to visitors and passersby.	
	Support the overall density of development with a diversity of building forms, types, and heights, with further investigation of the scale of the tallest buildings and distribution of density across the site.	
Provide Diverse Housing Opportunities	Explore the range of opportunities for market and employee-restricted housing on site, and develop a targeted mix and program that maximizes housing opportunities best suited to the site location and context.	

Table 1. Guiding Principles and Key Directions

Enhance Connectivity and Mobility	Emphasize active transportation and prioritize walkability and cycling with enhanced connections to the Valley Trail, Whistler Village, and surrounding natural areas.
Accelerate Climate Action and Address Resource Use	Showcase and demonstrate design solutions that advance Whistler's Climate Action Big Moves Strategy and Green Building Policy.
Integrate and Enhance Nature	Site development should reflect and incorporate Whistler's natural character preserving and enhancing existing and natural features of the site, integrating open space ideas and being responsive to views and solar access.

Community Amenity Contribution

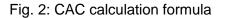
In British Columbia, a CAC is a voluntary contribution agreed to by an applicant and municipality when a municipal council grants a change of use and increased development rights through rezoning that add value to the potential development. CACs are negotiated by the local government, and can take several forms, often either as Value-In-Kind (VIK) or cash contributions to community facilities, affordable housing or financial contributions towards infrastructure or community facilities.

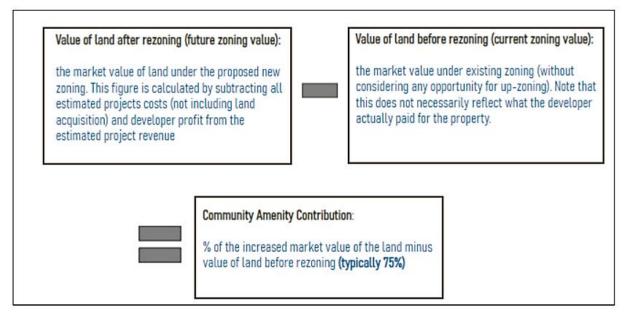
The goal of CACs is to ensure that the community benefits from the new development and that the necessary infrastructure and services are in place to support it. The applicant is typically obligated to provide basic amenities, public realm, and services that would support the additional population they are supporting, but a CAC provides for amenity to the greater benefit of the community.

The enhanced rezoning process will inform a CAC package. As part of the rezoning process, the public amenity needs will be assessed with public input, taking into consideration existing amenities and infrastructure in and near the surrounding community. Community benefits are negotiated and evaluated by staff considering the increase in land value expected to result from rezoning approval and are reported to Council as part of the rezoning application.

The amount of the expected CAC is negotiated in relation to the increase in land value expected to result from rezoning approval. CACs are typically determined based on an agreed-upon percentage of the estimated increase in market value of the land arising from rezoning after development costs and developer profit are factored in. The Northlands project would create an increase in market value of the land (and therefore a CAC) due to a change in use from hotel, spa, and recreation facilities to residential/tourist accommodation.

To determine this value, the Applicant and the RMOW created two development scenarios – one based on the existing development rights (zoning entitlements, encumbrances) and the other based on the desired rezoning scenario. The two scenarios establish bookends for the calculation of the CAC amount that the project can yield. The spread between the bookends establishes the increase in the value of the land created by the rezoning (called the land lift); municipalities typically expect 75 per cent of this amount (the lift) to be offered as a CAC, either in cash, VIK, or a combination.





Once a CAC value has been agreed upon, the allocation is guided by existing policy, needs assessments, good planning principles, and community and partner input, to enable a suitable contribution that provides lasting and meaningful benefit to the community.

Existing Zoning Scenario

The existing zoning allows a 367-room, nine-storey hotel including 39 residential-tenure units on the top two floors, with convention and meeting space, food and beverage services, a spa, as well as 27 employee housing units, meeting the minimum required floor area required by covenant. The base case contemplates renovating and retaining the existing tennis facility, which was constructed in the mid-1990s. The existing zoning scenario is intended to establish the lower bookend.

Rezoning Scenario

The rezoning scenario, created to establish the CAC upper bookend, presents a development program of 359,000 square feet of total gross floor area comprised of 64 townhouse units, 168 low-rise apartment units, 85 mid-rise apartment units, and 12,000 square feet of commercial space, along with strata amenity space (representative site plan included as Fig. 3). The accommodation units would permit both unrestricted residential use and tourist accommodation that allows short-term rental for visitors. RMOW staff and the Applicant are generally in agreement that the proposed rezoning scenario presents a reasonable and viable upper bookend.

The preferred rezoning concept will be developed based on the CAC rezoning scenario. Preliminary urban design concepts are provided (attached as Appendix A). This is not a full drawing package but represents a proposed architectural character for the site.



Fig. 3: Preliminary site plan

<u>Analysis</u>

The RMOW engaged a consultant to assist with analyzing and evaluating the Applicant's scenarios and financial viability, the determination of land value under existing development rights and under the rezoning scenario, and subsequently, the value of amenities and/or affordable housing that can be supported by the rezoning. Our consultant's models of financial performance of existing zoning and rezoning scenarios (using assumptions and inputs agreed to with the Applicant) produce an estimated land value increase of \$77,100,000 supporting a CAC value of \$57,825,000, based on 75 per cent of the land value increase.

The Applicant has offered a CAC proposal comprised of a combination of cash (\$17M) and VIK (see Table 2). The VIK component was valued by the Applicant at \$30M and assessed by staff at \$21.6M for a total package value between \$47.1M and \$38.6M. While the package includes VIK items that are of interest, including construction and delivery of on-site employee housing, childcare spaces, community space, commercial retail units (CRUs) and public art, it includes components that staff feel are overvalued and/or not appropriate, including the value of 4700 Blackcomb Way¹ and a proposed donation of their sales centre to Vancouver Coastal Health (VCH) after pre-sales are complete.²

¹ While 4700 Blackcomb Way is encumbered with covenants that restrict development due to both sensitive ecosystems (wetlands) and flood hazard from Fitzsimmons Creek, there is a benefit to the RMOW owning the land as it secures the use in perpetuity and provides ongoing ease of access for restoration or flood mitigation.

² If a donation were to be made to VCH, it would have to be in consultation with them and address the VCH priority list for Whistler and the Sea to Sky region. Further, Council would need to support RMOW CAC value going to a use that is not specifically tied to the RMOW.

Applicant CAC proposal	Claimed value	RMOW assessment	RMOW assessed value
Equity for 70 units of employee housing.	\$14.5M	Appropriate component of CAC proposal.	\$14M
Contribution for off-site recreation facilities.	\$10M	Cash contribution is an appropriate component of CAC proposal. Allocation of cash is responsibility of Council/ community.	\$10M
Donation of sales centre to be repurposed as healthcare facility.	\$5M	Not considered an appropriate component of CAC.	\$0
"Community Investment Fund".	\$5M	Cash contribution is an appropriate component of CAC proposal. Allocation of cash is responsibility of Council/ community.	\$5M
Donation of 4700 Blackcomb Way (Lot 2).	\$4M	Appropriate component of CAC proposal. Assessed value of land is \$941,000.	\$1M
Construction of childcare facility (28 spaces).	\$1.7M	Appropriate component of CAC proposal.	\$1.7M
Construction of community space.	\$1.7M	Appropriate component of CAC proposal.	\$1.7M
Construction of small CRUs.	\$1.7M	Appropriate component of CAC proposal.	\$1.7M
Contribution to complete Cultural Connector.	\$2M	Appropriate component of CAC proposal.	\$2M
Public Art.	\$1.5M	Appropriate component of CAC proposal.	\$1.5M
Total proposed value	\$47.1M		\$38.6M

Table 2: Applicant CAC proposal

Project Buildout and Timing of delivery of CAC elements

The Northlands project will build out in several phases over an estimated 10- to 20-year horizon. CAC payments and delivery of VIK elements are typically delivered as the project builds out. The Applicant proposes to deliver the CAC in five parts, aligned with five construction phases:

- **Phase 1**: \$2.5M towards an off-site recreation facility and donation of 4700 Blackcomb Way with issuance of Building Permit for the first phase construction of townhouses.
- **Phase 2**: \$2.5M towards an off-site recreation facility and \$2M for completion of the Cultural Connector with issuance of Building Permit for the second phase construction of more townhouses.
- **Phase 3**: \$5M, partial contribution of public art, and \$2.5M towards an off-site recreation facility would be contributed with issuance of Building Permit for the third phase construction of the first condominium buildings.
- **Phase 4**: \$2.5M towards an off-site recreation facility would be contributed with issuance of Building Permit for the fourth phase construction of the first condominium buildings.
 - **Phase 4b**: Donation of used sales centre building to VCH with occupancy of condominium buildings, contingent on completion of pre-sales.

- **Phase 5**: \$2.5M towards an off-site recreation facility would be contributed with issuance of Building Permit for the fifth phase construction of the condominium buildings and community building.
 - **Phase 5b**: up to 70 units of employee housing, daycare, community space, CRUs, and the rest of the public art donation with occupancy of the final condominium buildings.

The proposed timing backloads amenity delivery, with significant components, including employee housing, aligned with the final phase. The proposed payment timing also creates a higher valuation than is realistic, as the value of cash and VIK components to be delivered with later phases would either be discounted or assigned an inflation index to ensure fair value at the time of delivery. Backloading amenity delivery adds risk to the RMOW, should the project slow down or cease altogether. A Development Agreement would bind the Applicant to these obligations, along with forms of security (letters of credit, security deposit and other tools), however should the Applicant choose to simply halt on the Northlands project before completion, collecting amenity or cash value would be challenging and complex.

The current development climate is somewhat subdued in our region. The Applicant has argued that Whistler has seen a softening of the multi-family residential market over the past year and suggest a discount to the calculated CAC value. The Northlands project is expected to take between 10 and 20 years for full delivery depending on market conditions, so it may not be appropriate to rely on short-term fluctuations to set CAC values.

The Applicant's CAC proposal includes a cash component of \$17M over the duration of the Northlands project. For context, staff provide recent cost estimates for an employee housing project and an exploration of the cost for a new recreation facility.

- The equity required to finance construction of the most recent employee housing project in Cheakamus Crossing Phase 2 is approximately \$16M, for a 125-unit employee-restricted housing development.
- Preliminary estimates for construction of an all-season, four-court tennis facility range between \$12.6M-\$18.1M (not including land).

Engagement

The Northlands project has been of interest to the Whistler community for many years and there was robust participation in the engagement process in 2021 and 2022. Our objective in the next round of engagement is to engage broadly across the community because the size and importance of the proposed rezoning and the potential CAC is relevant to the entire community.

In 2021 and 2022, two community engagement events were held for the Northlands rezoning, aligned with the first and second phases of the enhanced rezoning process.

- The first engagement process, held in June of 2021, presented six guiding principles for refinement through thoughtful and robust community input. Draft principles were drawn from the OCP, intended to inform and evaluate rezoning concepts and design options (see <u>Administrative Report 21-059</u>).
- The second engagement took place in June 2022, and sought input on two preliminary site development concepts, using the Guiding Principles established in Phase 1 as a framework (see <u>Administrative Report 22-080</u>).

Following Phase 1 and Phase 2 engagement, staff propose an engagement series to educate, inform, and seek input from the community on the Applicant's CAC proposal and initial architectural character studies.

Like previous Northland engagement and using the RMOW's new community engagement design principles as a guide, staff propose an engagement program comprised of in-person and online events, with targeted outreach to partners including the Housing and Strategy Select Committee (HASC) and the Advisory Design Panel (ADP). Typically, engagement is paused during the summer when participation is expected to be lower, so the Northlands engagement is proposed for September 2025. To ensure success, staff suggest using RMOW social channels and other means to share educational information about the Northlands project and the CAC process leading up to the September engagement.

Open houses will be structured as informal meetings, with municipal and applicant information posterpanels on display, and RMOW staff and the Applicant team on hand to speak with attendees. Engagement materials will provide information from the RMOW (relevant policy, Guiding Principles and Key Directions, CAC principles and process) and from the Applicant team (details of CAC proposal, preliminary urban design concepts and style, information regarding legal covenants and obligations, and alignment with Guiding Principles and Key Directions). In addition to scheduled open houses, staff will investigate opportunities for online, drop-in, and pop-up events to provide opportunities to receive broad input. These events will be supplemented with online information and a questionnaire and comment form using the RMOW's Social Pinpoint platform (engage.whistler.ca).

Staff will share the engagement summary with Council at that time, Council will have an opportunity to decide whether the CAC proposal is adequate and direct staff to move forward with the rezoning, or whether the CAC proposal needs further work, and direct staff to work with the Applicant to refine it.

Next Steps

Following the proposed engagement, Staff will provide Council with a summary of community input and outline next steps which could include finalizing agreement on the CAC proposal or additional work on the CAC value, direction to the Applicant to undertake further design work to create the preferred rezoning concept, and possible preparation of zoning amendment bylaw and related legal agreements.

POLICY CONSIDERATIONS

Relevant Council Authority/Previous Decisions

<u>March 16, 2021</u>: <u>Administrative Report No. 21-027</u>, 4500 Northlands Rezoning Application – Proposed Planning, Community Engagement and Amenity Zoning Process

<u>June 1, 2021</u>: <u>Information Report No. 21-059</u>, 4500 Northlands Rezoning Application – Phase 1 Update – Community Engagement Activities and Draft Guiding Principles

<u>August 17, 2021</u>: <u>Administrative Report No. 21-093</u>, 4500 Northlands Rezoning Application – Phase 1 Community Engagement Summary

June 7, 2022: Information Report No 22-080, 4500 Northlands Rezoning – Phase 2 Introduction

<u>February 21, 2023</u>: <u>Administrative Report 23-023</u>, 4500 Northlands Rezoning – Phase 2 Community Engagement Summary

2023-2026 Strategic Plan

The 2023-2026 Strategic Plan outlines the high-level direction of the RMOW to help shape community progress during this term of Council. The Strategic Plan contains four priority areas with various associated initiatives that support them. This section identifies how this report links to the Strategic Plan.

Strategic Priorities

⊠ Housing

Expedite the delivery of and longer-term planning for employee housing

☑ Climate Action

Mobilize municipal resources toward the implementation of the Big Moves Climate Action Plan

⊠ Community Engagement

Strive to connect locals to each other and to the RMOW

□ Smart Tourism

Preserve and protect Whistler's unique culture, natural assets and infrastructure

□ Not Applicable

Aligns with core municipal work that falls outside the strategic priorities but improves, maintains, updates and/or protects existing and essential community infrastructure or programs

Community Vision and Official Community Plan

The OCP is the RMOW's most important guiding document that sets the community vision and longterm community direction. This section identifies how this report applies to the OCP.

Lot 1, which represents the bulk of the lands comprising the potential development area, is designated as part of the Whistler Village Core Commercial area. This designation, and the associated policies of the OCP, provide for a wide range of accommodation (residential, visitor accommodation and employee housing), commercial, institutional, community facilities, parks, recreation and leisure uses, that may be considered through the rezoning process.

Criteria for evaluating proposed rezonings are specified under Policy 4.1.6.1. These criteria cover a broad range of considerations in support of the goals and objectives of the OCP. The criteria will be applied to the proposed rezoning as it proceeds through the recommended rezoning process. A full OCP rezoning evaluation will be completed for the preferred concept. The Guiding Principles and Key Directions for the Northlands project reflect policy goals and objectives of the OCP.

The OCP also establishes DP area designations and associated guidelines for evaluation of future development through the DP process. These guidelines will be considered through the rezoning process and the design of proposed development and applied at the time of DP approval.

BUDGET CONSIDERATIONS

Costs associated with this rezoning application are recovered through the complex site rezoning application fee.

LÍĽWAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the Lílwat People, known in their language as L'il'wat7úl and the Squamish People, known in their language as the Skwxwú7mesh Úxwumixw to create an enduring relationship; establish collaborative processes for planning on unceded territories, as currently managed by the provincial government; achieve mutual objectives; and enable participation in Whistler's resort economy.

Staff have shared information about previous phases of the project with the Squamish Nation and Lílwat Nation. Staff will continue to share updates on the progress of the rezoning project. This is consistent with a commitment to advancing cooperative and mutually beneficial relations, as outlined in Chapter 3 of the OCP.

COMMUNITY ENGAGEMENT

Level of community engagement commitment for this project:

 \Box Inform \boxtimes Consult \Box Involve \Box Collaborate \Box Empower

Staff propose an engagement process culminating in an in-person open house in September 2025, to gauge community response to the Applicant's CAC proposal, preliminary architectural character including proposed form of development, and land uses.

The engagement will include broad community-wide engagement, with opportunities for in-person and online participation, and targeted engagement with partners including the HASC and ADP. The engagement will align with the RMOW's six engagement design principles:

- Host and connect;
- Listen with curiosity;
- Bravery and belief;
- Create choice and agency;
- Actively seek diversity of input; and
- Use right size of process, with the right people, at the right time.

REFERENCES

Appendix A – Preliminary Urban Desing Concepts

SUMMARY

This report provides an overview of the CAC process undertaken by RMOW staff and the Applicant, the resulting CAC estimate, and the CAC proposal offered by the Applicant. The CAC is presented from both the Applicant and the staff perspective and outlines value in both cash and VIK amounts. The report also provides an overview of previous Northlands project engagement, including development of the Guiding Principles and Key Directions which form a framework to assess the rezoning proposal, as well as considerations for the next round of engagement.

Staff propose an engagement process to create a forum for community members and partners to review and provide input on the Applicant's CAC proposal and preliminary architectural character, to

inform the next steps, including possible agreement on the CAC proposal, design work to create the preferred rezoning concept, and preparation of a zoning amendment bylaw and related legal agreements if the project proceeds under Council's direction.

SIGN-OFFS

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