

REPORT

Climate Action, Planning and Development

To: Mayor Cote and Members of Council **Date:** July 11, 2022

From: Emilie K. Adin, MCIP **File:** REZ00223
Director, Climate Action, Planning and DPU00065
Development

Item #: 2022-545

Subject: **Zoning Bylaw Text Amendment for Secured Market Rental Housing:
616-640 Sixth Street – Comprehensive Report**

RECOMMENDATION

THAT the application to amend the text of the Comprehensive Development zoning of 616-640 Sixth Street be considered and no Public Hearing held, in accordance with the *Local Government Act*.

THAT notification be circulated in accordance with the *Local Government Act*.

THAT First, Second, and Third Readings of Zoning Amendment Bylaw No. 8348, 2022 be rescinded.

PURPOSE

To request that: 1) the application to amend the text of the Comprehensive Development zoning of 616-640 Sixth Street be considered and no Public Hearing held, in accordance with the *Local Government Act*; 2) notification be circulated in accordance with the *Local Government Act*; and, 3) First, Second and Third readings of Zoning Amendment Bylaw No. 8348, 2022 be rescinded.

EXECUTIVE SUMMARY

Recently, the properties at 616 and 640 Sixth Street were sold. Prior to the sale, the City had approved an application for rezoning and issued a subsequent Development Variance Permit to allow a 29 storey, mixed-use development consisting of 237 secured market rental units with retail at grade fronting Sixth Street.

Under the new ownership, an application to amend the text of the Comprehensive Development (CD) zoning of the site has been received by the City. The proposal is to generally maintain the previously approved site plan, with the following key revisions:

- Increase in the number of market rental housing units from 237 to 338 (increase of 101 units);
- Increase in density from 6.46 FSR to 7.41 FSR (increase of 0.95 FSR);
- Increase in the maximum tower floorplate size by 8.9%, from 689 square metres (7,414 square feet) to 750 square metres (8,073 square feet);
- Increase in the height of the podium from three to four storeys, with the proposed fourth storey being set back 3 metres (10 feet); and,
- Decrease in the off-street parking from 313 to 271 parking stalls.

In addition to the revisions above, the applicant has proposed the inclusion of the following:

- 10 below-market rental units;
- 46.4 square metres (500 square feet) of below-market commercial space for lease by a non-profit organization; and,
- A Transportation Demand Management (TDM) Strategy.

Remaining unchanged from applications previously approved by Council:

- The proposed building height;
- At-grade retail along Sixth Street;
- Publicly accessible plaza at Sixth Street and Seventh Avenue;
- Off-site improvements; and
- A Voluntary Amenity Contribution that had been provided to the City in 2019 as a secured condition of a prior rezoning application.

The proposal supports Council's affordable housing and economic development priorities, and the proposed density is consistent with the Official Community Plan land use designation for the site. The applicant has agreed to limit all residential units to rental tenure, using Residential Rental Tenure Zoning as an amendment to the current CD-80 zone. Staff are advising Council to rescind the existing Housing Agreement Bylaws in order to be able to remove the housing agreements and their amendments from title. Operation and maintenance of the secured market and below-market units will be secured through a combination of zoning and another agreement which will be registered to title prior to issuance of a Development Permit (DP).

Given the project's alignment with key Council priorities, the application has been processed under a constrained timeline, and more fulsome consideration of the DP application would occur following adoption of the Bylaw. As such, there are a number of unresolved items outlined within this report, the resolution of which would be secured as conditions of a no build covenant that would be registered on title prior to Council's consideration of adoption.

Staff recommends Council consider the application to amend the text of the Comprehensive Development zoning of 616-640 Sixth Street and no Public Hearing held, in accordance with the *Local Government Act*, given the following:

- Project is consistent with the City’s Official Community Plan and exceeds the requirements of the Secured Market Rental Housing Policy;
- Project is strongly aligned with Council priorities in that it is a mixed-use, 100% secured market rental building with 10 below-market units in a highly walkable and transit-central location;
- Project has gone through two previous public processes through the original Rezoning application in 2019 and consideration of the Development Variance Permit in 2020;
- It is the first high-density development of its kind in New Westminster to secure rental housing via rental tenure in perpetuity, rather than for 60 years or the life of the building; and,
- There has been no significant opposition expressed during applicant-led engagement events for the current application and several letters of support for the application have been received, including a letter from the Uptown Business Association of New Westminster (Attachment 5).

This rezoning application was initially put before Council for a waived public hearing on June 13, 2022. It received Third Reading on June 30, 2022. The City in June 2022 realized that it has made an administrative error in the timing of the public notifications due to changes in the *Local Government Act*. To correct this error, the City is repealing all three readings of the bylaw and this report is placed before Council to begin the new approval process. This process will correct the administrative error, and no changes have been made to the content of the zoning bylaw, or the proposed project. Given this, the City is not requiring the applicant to complete any additional steps in the rezoning process, as all required steps were completed previously.

ADOPTION REQUIREMENTS

A number of items that would form adoption requirements have been identified throughout this report, and have been summarized in Attachment 8.

OPTIONS

The following options are provided for Council’s consideration:

1. That the application to amend the text of the Comprehensive Development zoning of 616-640 Sixth Street be considered and no Public Hearing held, in accordance with the *Local Government Act*.
2. That notification be circulated in accordance with the *Local Government Act*.
3. That First, Second, and Third Readings of Zoning Amendment Bylaw No. 8348, 2022 be rescinded.

4. That Council provide staff with alternative direction.

Staff recommends Options 1, 2, and 3.

ATTACHMENTS

Attachment 1: Staff Memo

Attachment 2: Zoning Amendment Bylaw (616 and 640 Sixth Street – Text Amendment)
No. 8348, 2022

Attachment 3: Drawing Package and Applicant's Design Rationale

Attachment 4: Background Information

Attachment 5: Applicant-led Consultation Summary and Response

Attachment 6: Extract of May 24, 2022 New Westminster Design Panel (NWDP)
Meeting Minutes

Attachment 7: Engineering Servicing Memo

Attachment 8: Adoption Requirements

APPROVALS

This memo was prepared by:

Wendee Lang, Development Planner

This memo was approved by:

Emilie K. Adin, A/Manager and Director of Climate Action, Planning and Development

Lisa Spitale, Chief Administrative Officer