

Attachment 1

Staff Memo

MEMO
Climate Action, Planning and Development

To: Emilie K. Adin, MCIP
Director, Climate Action, Planning and Development
Date: July 11, 2022

From: Jackie Teed,
Senior Manager, Climate Action,
Planning and Development
File: REZ00223
DPU00065

Item #: [Report Number]

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

RECOMMENDATION

Staff recommends that the Director forward this memo and the following resolution to Council for consideration:

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THAT First, Second, and Third Readings of Zoning Amendment Bylaw No. 8348, 2022 be rescinded.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with the Local Government Act; and, 3) First, Second and Third readings of Zoning Amendment Bylaw No. 8348, 2022 be rescinded.

BACKGROUND

Council Consideration

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.

Land Use and Planning Committee Review

The application was presented to the Land Use Planning Committee (LUPC) on March 28, 2022 for discussion and feedback. The Committee passed the following motion, and endorsed the proposed application review process:

THAT the Land Use and Planning Committee instruct staff to advise the applicant that their application proceed to next steps with the proposed 750 square metres (8,073 sq. ft.) tower floor plate, four storey podium, and 29 storey tower as outlined in the March 28, 2022 report titled, “Rezoning and Development Permit (616-640 6th Street) – Preliminary Report.”

The minutes of this meeting are available at the City’s website: <https://pub-newwestcity.escribemeetings.com/FileStream.ashx?DocumentId=6641>

Policy and Site Context

The application is consistent with the Official Community Plan (OCP) land use designation of “Mixed Use – High Rise.” The lots are zoned Comprehensive Development District (616-640 Sixth Street) (CD-80). A text amendment to the site’s existing zoning is required to permit the proposed form of development. Additional policy and background information is included in Attachment 4.

Previous Applications

Previously Approved Rezoning, Housing Agreement, and Development Variance Permit

Zoning Amendment Bylaw No. 7997, 2019 was approved by Council on October 7, 2019. The Rezoning application changed the subject property to a new Comprehensive Development (CD) zone, and permitted a 29 storey, mixed-use development with a total FSR of 6.46, at-grade commercial space, 142 strata units, and 95 secured market rental

units. The rental units were secured by Housing Agreement Bylaw No. 8131, 2019, adopted by Council on September 20, 2019 and registered on title.

A Development Variance Permit (DVP) was approved by Council on December 14, 2020. The DVP facilitated conversion of all previously approved residential units to 100% secured market rental, and permitted variances to increase the maximum tower floorplate from 650.5 square metres (7,000 square feet) to 689 square metres (7,414 square feet), and regularize the proposed parking with rates permitted for secured market rental units. The original Housing Agreement was amended by Council on November 30, 2020 to secure all units as market rental. However, the DVP was not issued or registered on title.

PROJECT PROPOSAL

The overall site design concept, site access, and open space is generally consistent with the proposal reviewed by Council as part of the 2019 rezoning. The applicant is proposing the following amendments to the CD-80 Zoning for the site:

	Current Proposal	Previously Approved Applications	Difference
Residential Units	338 Secured rental units (including 10 below-market units)	<u>DVP (2020)</u> 237 secured market rental units <u>Rezoning (2019)</u> 95 secured market rental units 142 strata residential units	101 secured market rental unit increase
Density	7.41 FSR	6.46 FSR	0.95 FSR increase
Tower Height	29 storeys	29 storeys	-
Podium Height	4 storeys - fourth storey set back 3 metres (10 feet)	3 storeys	1 storey increase
Tower Floorplate	750 square metres (8,073 square feet)	<u>DVP (2020)</u> 689 square metres (7,414 square feet) <u>Rezoning (2019)</u> 650.5 square meters (7,000 square feet)	61 square metres (657 square feet)
Off-Street Parking	271 spaces (with TDM Strategy)	313 spaces	42 resident space decrease + TDM Strategy

In exchange, the applicant proposes the following:

- Two and three bedroom units in excess of the City’s Family Friendly Housing Policy;
- 10 below-market rental units, to be secured on title by a future Housing Agreement or another covenant, to the City’s satisfaction;
- 46.4 square metres (500 square feet) of below-market commercial space, to be leased and operated by a non-profit organization, and secured by a future agreement registered on title; and,
- A TDM Strategy including provision of long-term bicycle storage and infrastructure in excess of Zoning Bylaw requirements.

The existing CD zone would be amended to limit all residential units to rental tenure in perpetuity. As a result, staff are requesting that Council rescind the existing Housing Agreement Bylaws relevant to this project.

The project would continue to include the following components, which were part of the 2019 rezoning wherein Council approved additional condo and market rental density for the site:

- A privately owned, publicly accessible plaza at Sixth Street and Seventh Avenue;
- At-grade retail fronting Sixth Street;
- Off-site improvements in support of the Uptown Streetscape Vision;
- Provision of a \$911,475 Voluntary Amenity Contribution previously deposited by the applicant (not required for projects proposing 100% secured market rental units);
- Provision of a public art piece for the Sixth Street at Seventh Avenue plaza; and,
- Maximum building height of 29 storeys.

Additional site context information and project statistics are included in Attachment 4. The applicant’s design rationale and project drawings are included in Attachment 3.

DISCUSSION

Proposed Density Change and Unit Mix

The additional density of 0.95 FSR would be applied to the podium and tower, which is approximately 14.7% more than currently permitted on site. The proposed density is considered reasonable given:

- The proposed density is consistent with the OCP, and with the Secured Market Rental Housing Policy, which both allow for consideration of additional density in exchange for secured market rental units;

- The CD-80 zone would be amended to limit all residential units to rental tenure in perpetuity, using the Residential Rental Tenure Zoning tool recently created by the Province;
- The applicant would voluntarily provide 10 below-market units, secured through a future agreement registered to title, as well as 46.4 square metres (500 square feet) of below-market commercial space, as a condition of the additional density, as secured in the Zoning Bylaw;
- Purpose-built rental housing near Frequent Transit Networks is an identified need throughout the region, the securing of which would be consistent with the City's Official Community Plan, Council's 2019-2022 Strategic Plan, and other municipal and regional housing policies;
- The unit mix exceeds the City's Family Friendly Housing policy, proposing 92 two-bedroom units (27%) and 28 three-bedroom units (8%).

Drawings indicate that an overall FSR of 7.38 is proposed. As per standard practice, the CD-80 zone would be amended to allow up to 7.41 FSR, in order to accommodate minor changes in floor area that may occur through project refinement.

Proposed Tower Floorplate, Podium and Building Height

The proposed tower floorplate is approximately 8.9% greater in area than that currently permitted on the site, and would allow for additional units and improved unit layouts. The increased podium height would be set back by 3 metres (10 feet) to allow additional light access at the street level, minimizing changes to the walkability and pedestrian scale of Sixth Street. These changes are consistent with the Development Permit Area Design Guidelines, and were supported by the Land Use Planning Committee, who indicated that the larger floorplate and minor change to the podium was acceptable if better and more efficient living spaces could be provided for residents.

Existing Commercial Tenants

The existing commercial building on site is currently leased at a 24% occupancy rate (9 commercial tenants). In December 2021, PC Urban approached tenants with an opportunity to extend their existing leases by 12 months or to move to a month-to-month lease, at discounted lease rates that are approximately 50% of comparable market rates. While both the previous and current property owners have been in communication with tenants regarding redevelopment, the City is also securing a requirement for the property owner to develop a Tenant Relocation Strategy that is to the satisfaction of the City. Additional detail on the applicant's engagement with commercial tenants is in Attachment 5.

Transportation Considerations

Off-Street Parking

Given the site is bounded by Sixth Street Great Street on one side, and Seventh Avenue Greenway on the other, future access to the building must be from Princess Street. Princess Street provides access to other residential towers, as well as loading access to Royal City Centre mall, including access for large transport trucks. A Level 1 transportation study was completed and accepted by the City engineering department for the previous rezoning of 237 units and 313 parking spaces.

The applicant is proposing a four-level underground parking structure with a total of 271 parking stalls. This represents a 27% reduction compared to that required by the Zoning Bylaw. This relaxation is considered reasonable given:

- All required accessible parking spaces would be provided, including those sized to accommodate an accessible van;
- The site is very proximate to frequent transit, cycling and walking infrastructure; and,
- The proposed TDM Strategy, described below, would encourage use of alternative transportation modes and support Council's commitment to a car light community.

Bicycle Parking

The project currently proposes 18 short-term bicycle parking stalls and a minimum of 526 long-term bicycle parking stalls, for a total of 544 bicycle parking spaces. The total number of long-term bicycle parking stalls is an increase of 224 spaces above that which was previously approved through a Development Variance Permit (i.e., 302 long-term spaces). The proposed number of long-term bicycle parking stalls also exceeds that required by the recently updated Zoning Bylaw by 17 spaces.

Transportation Demand Management (TDM)

In support of the proposed 27% reduction to the off-street parking requirements for residents, the applicants have developed a preliminary TDM Strategy. This strategy proposes the following TDM measures, which have been reviewed by the City's Transportation Division and require further refinement in order to obtain final support from staff:

- Upgrades to the Rotary Crosstown Greenway (Seventh Avenue), in accordance with the City's Master Transportation Plan;
- Provision of 5 MODO car share spaces and vehicles provided in the parkade and secured for the building;
- Inclusion of MODO car share memberships for each rental unit (to be tied to each unit and transferred to new tenants);

- Multi-modal wayfinding signage at the main pedestrian entrance to the site;
- Developer contribution to monthly transit passes for units without access to a parking space;
- Real time transportation information screen located in a prominent location at the building's main entrance;
- Close proximity to southbound and northbound FTN bus stops (approximate 1 minute walk from the main building entrance);
- A minimum of 17 additional long-term bicycle parking spaces (representing an approximate 3.7% increase above that required by the recently updated Zoning Bylaw);
- A portion of long-term bicycle parking spaces would be provided as bicycle lockers to deter theft;
- Indoor and outdoor bicycle maintenance facilities equipped with repair stands, essential tools, bike pump, and wash station;
- Commitment to host a semi-annual tenant appreciation day with on-site bicycle maintenance services, with the building owner to cover 100% of maintenance labour costs.

The applicant would secure finalization of the TDM Strategy, to the satisfaction of the Director of Engineering Services, prior to issuance of the Development Permit.

CONSULTATION

Public Consultation

Applicant-led Consultation

Applicant-led consultation included an online comment form, two virtual open houses, and a project website. Residents within 100 metres (328 feet) of the project were notified of opportunities to submit feedback, and advertisements were placed in the New West Record advising the community of the proposal and engagement events. A total of 27 community members attended the virtual open houses and 8 comment forms were received. Attachment 5 includes a description of the consultation process, all received feedback, and the applicant's response to feedback.

Feedback indicated that most respondents feel neutral about the project. Comments were focused on the project's potential neighbourhood traffic impacts, proposed off-street parking and provision of electric vehicle infrastructure, and the construction timeline (should the project move forward).

Several letters of support for the project were also submitted to the City, including a letter from the Uptown Business Association of New Westminster. These are included in Attachment 5.

Committee Consultation

New Westminster Design Panel

The proposed development has been reviewed against the Uptown Development Permit Area design guidelines. The application was presented to the New Westminster Design Panel (NWDP) on May 24, 2022. Overall, the NWDP reacted positively to the increased density, size of the podium, and floorplate, and supported the proposal with the recommendation that some identified design-related items be addressed to the satisfaction of Planning staff. These items are included as Attachment 6 and will be addressed through the Development Permit form and character review process.

INTERDEPARTMENTAL LIAISON

The City has a project-based team approach for reviewing development applications. A staff-led project team was assigned for reviewing this project consisting of staff from Engineering (Servicing and Transportation), Fire, Electrical, Parks and Recreation, and Climate Action, Planning and Development (Building, Planning, Trees, and Heritage) Departments who provided comments throughout the development review process.

APPLICATION REVIEW PROCESS AND NEXT STEPS

Staff considers that the applicant has reasonably addressed public feedback. Given this, the development application review process is as follows:

1. Preliminary Report to Land Use and Planning Committee;
2. Report to Council from Land Use and Planning Committee;
3. Applicant-led public information / consultation on updated project design;
4. New Westminster Design Panel Review of revised design;
5. Council consideration of the Zoning Bylaw text amendment application and issuance of notice of waiving the Public Hearing **(WE ARE HERE)**;
6. Council consideration of First, Second, and Third Reading;
7. Council consideration of Adoption of the Bylaw; and,
8. Issuance of the Development Permit by the Director of Climate Action, Planning and Development.

Public Hearing Requirement

As the project is consistent with the Official Community Plan, staff recommend that Council waive the Public Hearing, in accordance with the *Local Government Act*. To date, the project has gone through three public processes:

- Applicant-led consultation and a Public Hearing through consideration of the original Rezoning application in 2019;
- Public notification and Opportunity to be Heard through consideration of issuance of the Development Variance Permit in 2020;

- Completion of applicant-led consultation activities through consideration of the current application.

Throughout these processes, the current and previous applicants have responded to community feedback. During the most recent consultation events, no significant opposition was expressed and several letters of support for the project have been received, including a letter from the Uptown Business Association of New Westminster (Attachment 5).

The project is strongly aligned with Council's priorities. It proposes a mixed-use, 100% secured market rental building, inclusive of 10 below-market units and 46.4 square metres (500 square feet) of below-market non-profit commercial space, both of which the applicant has voluntarily offered, and is located in a highly-walkable and transit-central neighbourhood. The project would also be the first high-density development of its kind to secure rental housing via rental tenure zoning in perpetuity, rather than for 60 years or the life of the building. Given the specific characteristics and history of this project, staff considers waiving the Public Hearing to be appropriate in this instance.

ADOPTION REQUIREMENTS

A number of items which would form adoption requirements have been identified throughout this memo, 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