

REPORT

Climate Action, Planning and Development

To: Mayor Johnstone and Members of Council
Date: December 11, 2023

From: Jackie Teed, Director, Climate Action, Planning and Development
File: #2375763
REZ00245

Item #: 2023-797

Subject: Rezoning (408 East Columbia Street) – Preliminary Report

RECOMMENDATION

THAT Council direct staff to work with the applicant to prepare a Zoning Amendment Bylaw for the subject property suitable for consideration of First, Second, and Third Readings, as outlined in the “Application Review Process” section of this report.

PURPOSE

To seek Council’s approval to process the rezoning application for a proposed dental clinic at 408 East Columbia Street as outlined within this report.

EXECUTIVE SUMMARY

An application for a site-specific Zoning Bylaw text amendment has been received to facilitate a proposed dental clinic to be located within an existing commercial retail unit on the ground level of a recently constructed six-storey mixed-use development. The proposed use would exceed maximum required area allowed for non-active uses within the current Comprehensive Development (CD-79) zone, requiring a rezoning text amendment to proceed.

City policies, such as Official Community Plan, Development Permit Area Design Guidelines and the Retail Strategy, look to promote opportunities for active retail uses at grade which are optimal generators of street-level activity and vitality and key contributors in creating walkable, engaging, safe and lively urban environments. While service commercial uses may not be consistent with these objectives, the impacts of post-COVID economic challenges and long-term commercial vacancies on East Columbia Street are also recognized.

A compromised approach has been proposed where one of the two remaining vacant units would be permitted to convert to non-active commercial with additional design controls to maximize store front transparency and locate more active components of the business (e.g. reception) at the front of the business.

Staff consider this a reasonable compromise, balancing the need for active uses with the need to address vacancy and encourage new business in Sapperton.

BACKGROUND

Site Characteristics

Located in the Sapperton neighbourhood, the subject site is on the east side of East Columbia Street, slightly north of Sherbrooke Street. The site contains a six-storey mixed use development that was completed in 2022. The development contains six commercial units on the ground level and office space on the second floor. Four of the six commercial retail units are occupied with the following tenants:

- **CRU #1:** Barcelos Chicken
- **CRU #2 & #3:** Manhas Pharmacy/Clinic
- **CRU #4:** Vacant (proposed unit for dental clinic)
- **CRU #5:** Vacant
- **CRU #6:** Subway



Figure 1. Site Context Map

The commercial retail unit that the proposed dental clinic would be located within is on the ground level of the building and has an approximate area of 152.82 sq. m. (1645 sq. ft.).



Figure 2. Existing vacant commercial unit for proposed dental clinic

Policy and Regulations

The subject site is designated *Mixed Use – Low Rise (ML)* in the Official Community Plan, which is intended to provide low-rise commercial or commercial and residential mixed use buildings to create active and engaging principal streets.

The property’s current *Comprehensive Development (CD-79)* zone does not permit business and professional offices on the ground floor unless they occupy less than 30 percent of the net ground floor area and occupy a frontage on East Columbia Street less than 7.92 m. (26 ft.). A Zoning Bylaw text amendment is required as the proposed dental clinic use would exceed these provisions. A medical pharmacy and clinic currently operates within two of the existing ground level commercial retail units, occupying 33.4 percent of the net ground floor area.

The subject site is located within the East Columbia Street Development Permit Area (DPA) design guidelines. The intent of these guidelines is to facilitate new commercial and mixed use development, with active commercial spaces oriented towards East Columbia Street. These guidelines note that north of Sapperton Park, new development should build on the small-scale retail focused success of the neighbourhood.

The proposed dental clinic use falls under the category of Service Commercial in the City’s Retail Strategy. Service Commercial is defined as all types of personal, professional, health, financial and other consumer services. The Retail Strategy aims to maintain the strong proportion of Service Commercial in Sapperton, while achieving growth in convenience retail and restaurants in the area.

DISCUSSION

Active Retail Uses in Sapperton

The City’s Retail Strategy defines active retail uses as uses that are considered to be optimal generators of street-level activity and vitality, including restaurants, retail and specialty food stores, specialty retail stores, arts culture and entertainment uses, and personal service-oriented businesses that generate frequent traffic.

The Retail Strategy findings further note that Sapperton is generally balanced in its offerings, with only modest recommended shifts in commercial mix by category as noted in Figure 3 (below). The Retail Strategy findings note that the current proportion of Service Commercial in Sapperton is 50 percent, which indicates a modest surplus of this type of use.

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	2%	3-4%	Opportunities to integrate more arts spaces
Comparison Retail	13%	10-12%	Specialty retail focus
Convenience Retail	19%	23-25%	Opportunities for significantly expanded convenience retail uses (including new grocery)
Restaurant Food & Beverage	13%	15%	Opportunities for growth – focus on specialty restaurants with outdoor seating areas
Service Commercial	50%	45%	Maintain strong proportion, allowing for growth in convenience retail and restaurants
Vacancy*	3%	3-5%	Healthy vacancy range to allow for new business entries, relocations

Figure 3. Chart highlighting commercial tenant mix by category in Sapperton

The intent of the property’s Comprehensive Development (CD-79) zone is to designate retail uses, with a limited amount of service commercial uses, on the ground floor of the mixed-use development. This is to activate a portion of East Columbia Street between Knox Street and Braid Street, which is designated as a Great Street.

As the proposed dental clinic is not an active retail use, the proposal is not consistent with the East Columbia Street Development Permit Area design guidelines. The designation and guidelines encourage at-grade commercial units to contain active uses along primary and secondary streets.

The subject site is also located proximate to the corner of East Columbia Street and Sherbrook Street which is a key gateway location to the ‘upper’ portion of East Columbia Street located north of Sherbrooke Street. This site is of particular importance from an East Columbia Street gateway perspective as the other three corners at Sherbrooke Street are occupied by institutional uses (Royal Columbian Hospital,

Sapperton Park and Knox Presbyterian Church). Maintaining active uses is an important consideration in creating a welcoming gateway and encouraging exploration of the retail area beyond the intersections of East Columbia and Sherbrooke Streets.

Importance of New Businesses in Sapperton

The applicant submitted a Market Outreach Summary to confirm that over 300 local retail tenants had been contacted to occupy the remaining vacant CRUs. After failing to secure a retail tenant for the CRU spaces, the applicant approached staff with a proposal to occupy the last two vacant commercial units with a commercial service use. After discussions with staff, the applicant has revised their proposal to only one commercial unit, with the remaining vacant unit to comply with the original zoning intent (e.g. remaining unit would continue to require an active use).

It is important to also note that the units of this development are stratified and not leased, which may be impacting the demand side through increased borrowing costs for those businesses looking to expand or move from lease to ownership, especially in the current financial climate.

Economic Development staff anticipate further community engagement on changes to the Zoning Bylaw in relation to the recommendations of the Retail Strategy, pending staff resources.

It is recognized that post-COVID economic challenges may be impacting retail interest at this time. Staff also acknowledge that the presence of vacant commercial units along East Columbia Street diminish the vibrancy of Sapperton commercial streetscape.

To maintain visual interest along East Columbia Street, the dental clinic storefront should be designed to maximize transparency into the commercial unit by locating the reception near the front entrance, and limiting the use of tinted or opaque glass windows. Staff feel that these design measures will help to mitigate the impact of locating non-active retail uses on the ground floor.

Staff consider this request a reasonable compromise for Council's consideration, in advance of additional community engagement on the Retail Strategy, and given that the financial hardships of post-COVID are still impacting businesses, as reflected by the applicant's prolonged attempt to find a suitable purchaser. The addition of a dental clinic would also exceed the CD-79 zone provisions for professional office space and street frontage, requiring a text amendment for the proposal to proceed.

APPLICATION REVIEW PROCESS AND NEXT STEPS

Should Council instruct staff to proceed with the review of this Zoning Bylaw amendment application, the anticipated next steps in the review process include:

1. Preliminary Report to Council (December 11, 2023) – **(WE ARE HERE)**;
2. Interdepartmental review (ongoing);
3. Creation of a Be Heard New West webpage and survey;

4. Comprehensive Report to Council and Council consideration of Public Hearing Not Held;
5. Council consideration of First, Second, and Third Readings of proposed Zoning Amendment Bylaw following issuance of Notice of Public Hearing Not Held;
6. Council consideration of adoption of Zoning Amendment Bylaw.

INTERDEPARTMENTAL LIAISON

The City has a project-based team approach for reviewing development applications, which facilitates interdepartmental review. This proposal has been circulated to staff from various departments, including Climate Action, Planning and Development; Economic Development; Engineering Services; Parks and Recreation; Fire; and Electrical Operations.

FINANCIAL IMPLICATIONS

Financial considerations will be evaluated as part of the application review process and any relevant details will be included in the comprehensive report.

APPROVALS

This report was prepared by:
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This report was reviewed by:
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