

R E P O R T Climate Action, Planning and Development

То:	Mayor Johnstone and Members of Council	Date:	February 26, 2024
From:	Jackie Teed, Director of Climate Action, Planning and Development	File:	EDMS #2408397 REZ00240 DP001040
		Item #:	2024-81

Subject: Rezoning and Housing Agreement: 145-209 East Columbia Street – Bylaws for First, Second and Third Readings

RECOMMENDATION

THAT Council consider Zoning Amendment Bylaw (145-209 East Columbia Street) No. 8429, 2024 for First, Second, and Third Readings.

THAT Council consider Housing Agreement Bylaw (145-209 East Columbia Street) No. 8434, 2024 for First, Second, and Third Readings.

PURPOSE

This report provides Council with information on the development proposal for 145-209 East Columbia Street, and requests that Council consider the rezoning and Housing Agreement bylaws for First, Second, and Third Readings.

EXECUTIVE SUMMARY

Rezoning and Development Permit applications have been received to develop a sixstorey, mixed-use building at 145-209 East Columbia Street. The proposal includes atgrade retail, second storey office use, and 99 market rental housing units, which would be secured through the Housing Agreement and rental tenure only zoning. The proposed comprehensive development (CD) zone (Attachment 1) would limit medical and dental office use to 5 of 8 commercial units, to support more active at-grade uses. The applicant has agreed to these restrictions, however they have submitted a letter (Attachment 11) expressing concerns. Notwithstanding, staff note that the restriction is limited in comparison to other East Columbia Street CD zones, and feel that the proposed zoning strikes an appropriate balance between the applicant's concerns and the City's desire for active uses on Great Streets.

Applicant-led and City-led public consultation has been undertaken for the project. The proposal is considered to be consistent with City policy, Council Strategic Priorities and the Official Community Plan (OCP), and the applicant has responded to community and staff feedback. The statutory requirement for public notification has been met. As such, staff recommend that Council consider the rezoning and Housing Agreement bylaws for First, Second, and Third Readings. Should Council wish to make changes to the proposed zoning, the application could not receive readings at this time, as renotification to the public would be required per the *Local Government Act*.

BACKGROUND

Policy and Regulations

The OCP designates the subject site Mixed Use – Low Rise, within the Special Employment Area. The Area is intended to align with development of an economic healthcare cluster around Royal Columbian Hospital (RCH). The site is located within Development Permit Area (DPA) 3.2 East Columbia Street. The project is generally consistent with the OCP land use and Area designation, and the DPA design guidelines. The project is not consistent with existing zoning, and thus a rezoning to a site-specific CD zone is required. A summary of these and other related City policies and regulations are included in Attachment 4.

Site Characteristics and Context

The vacant subject site is 2,481.0 sq. m. (26,705.3 sq. ft.) and is located in the Sapperton neighbourhood, approximately 350 m. (1,148 ft.) from RCH and 310 m. (1,017.1 ft.) from Sapperton SkyTrain Station. It is bounded by Alberta Street, Strand Avenue, the rear lane and East Columbia Street (a designated Great Street). East of the site is the Brewery District and west of the site are single-detached and duplex houses, the majority of which are designated Residential – Ground Oriented Housing, save for 308 Alberta Street, which is designated Mixed Use – Low Rise. In support of the application, the site has been consolidated and re-addressed as 302 Alberta Street. Additional site context information is included in Attachment 4.

PROPOSAL

The development would include a mix of commercial, office, and secured market rental housing. The proposed six-storey building includes approximately 1,224.0 sq. m. (13,174.9 sq. ft.) of ground level commercial space, 1,700.9 sq. m. (18,308.3 sq. ft.) of second storey office space, and 99 secured market rental housing units (4 storeys). Drawings indicate an overall proposed density of 3.92 FSR. Off-street vehicle and bicycle parking are proposed in an underground parkade, with access from Alberta

Street. Four designated off-street loading spaces are proposed. Short-term bicycle stalls would be provided at key building entrances.

Commercial units would front and be accessed from East Columbia Street, with residential access from Strand Avenue and office access from Alberta Street. Consistent with the recommendations of the Retail Strategy, the proposed CD zone (Attachment 1) would restrict medical and dental office use to 5 of 8 commercial units (62.5% of CRUs), in support of more active at-grade uses. The applicant has indicated their preference for no at-grade use restrictions (Attachment 11), which would not be consistent with the approach for other East Columbia Street CD zones. Staff feel the proposed zoning strikes an appropriate balance between the applicant's concerns and the City's desire for active, pedestrian-oriented Great Streets, and is reflective of the project's location beyond the core Great Street area (defined by the Retail Strategy as between Knox and Braid Streets).

Additional project statistics are included in Attachment 4, and the applicant's submission materials in Attachment 6.

DISCUSSION

Overall Evaluation

Through the Mixed Use – Low Rise designation, the OCP anticipates development of four- to six-storey buildings along much of the west side of East Columbia Street. Per the OCP, six-storey buildings will only be considered if appropriate community benefits are provided.

A total of 99 secured market rental housing units are proposed, including 22 twobedroom and six three-bedroom units, which exceeds Family Friendly Housing Policy requirements. Consistent with the City's typical process, residential use would be secured as rental tenure through the site's zoning. Conditions for management of rental housing, including provision of active cooling for all units, would be secured through the Housing Agreement (Attachments 2 and 3). In addition, office uses have been secured on the second floor in support of the Special Employment Area.

Given provision of secured market rental housing and office space in support of adjacent healthcare uses, the application is considered to be consistent with the OCP. Additional project discussion and analysis is provided in Attachment 5.

PUBLIC CONSULTATION

Applicant-led Consultation

Applicant-led consultation included an online survey, in-person open house, and a project website. Residents within 100 metres of the project were notified of feedback opportunities; 19 people attended the open house and 18 survey responses were received. The majority of survey responses stated the location is appropriate for a mixed-use development (61%). Common response themes included support for

additional rental housing and retail space in Sapperton, and concern regarding the proposed loading scheme and potential traffic and parking impacts. Attachment 7 includes a description of the consultation process and all received feedback.

City-led Consultation

City-led consultation included a project website and online survey, published on Be Heard New West. Residents within 100 metres of the project were notified of the survey and 25 responses were received. Approximately eight respondents felt the development would fit well or somewhat well into Sapperton, 12 felt it would not fit well, and five were neutral. Feedback was mixed regarding the proposed building height, and concern was expressed regarding removal of the temporary Alberta Street diverter and potential traffic and parking impacts.

Staff note that the project would support Council's strategic priority of locating more homes near transit. The project also exceeds Zoning Bylaw off-street parking requirements and the proposed traffic calming initiatives, including removal of the diverter, are consistent the Sapperton/Massey-Victory Heights Transportation Plan.

New Westminster Design Panel

The application was presented to the New Westminster Design Panel (NWDP) on September 26, 2023. After reviewing the proposal and providing comments, the NWDP passed a motion of support with consideration of the Panel's comments (minutes in Attachment 9). Comments focused largely on pedestrian safety considerations and the suitability of proposed plantings. These have been addressed by the applicant, with the applicant's response included in Attachment 7.

Applicant Response and Revisions

In response to feedback from the community, the applicant has developed a Loading Management Plan (LMP), to be secured through a restrictive covenant as a condition of adoption. Among other measures, the LMP limits the size of loading vehicles; includes an inbound and outbound loading route; and, requires the property owner employ a Loading Manager, responsible for LMP compliance. A telephone number for community enquiries, comments and concerns would be posted on the building, and the Loading Manager required to respond to feedback within one business week.

The applicant's complete response to feedback is included in Attachment 7.

REVIEW PROCESS

The development application review process for this application is as follows:

- 1. Preliminary report to Council (June 12, 2023);
- 2. Applicant-led public consultation, including dissemination of information through the Sapperton Residents Association (September to October 2023);
- 3. Presentation to the New Westminster Design Panel (September 26, 2023);

- 4. City-led public consultation, including creation of a Be Heard New West webpage and survey (November 2023);
- 5. Public notification that no Public Hearing held (February 16-26, 2024);
- 6. Council consideration of First, Second and Third Readings of the zoning amendment and Housing Agreement bylaws (WE ARE HERE);

Anticipated next steps:

- 7. Completion of adoption requirements;
- 8. Council consideration of adoption of the bylaws;
- 9. Issuance of the Development Permit by the Director of CAPD.

Per changes to the *Local Government Act* which took effect on November 30, 2023, under Section 464(3), municipalities are now prohibited from holding Public Hearings for projects that are consistent with the Official Community Plan, and in which the residential component of the project accounts for at least half of the proposed gross floor area. As this project satisfies these conditions, a Public Hearing must not be held.

Should Council wish to make changes to the proposed Zoning Amendment Bylaw, the Bylaw could not receive three readings at this time, as re-notification would be required per the *Local Government Act*.

FINAL ADOPTION REQUIREMENTS

Prior to adoption of Zoning Amendment Bylaw No. 8429, 2024, the following would be required to be completed:

- Finalization of the Housing Agreement for the secured market rental housing units;
- Registration of a Section 219 Restrictive Covenant (Parking and Loading Covenant) to secure off-street parking requirements and the LMP; and,
- Any other required documentation.

FINANCIAL CONSIDERATIONS

The project proposes significant improvements to a largely vacant site. It would support growth of the City's economic health care cluster initiative through provision of additional office space, commercial amenities along East Columbia Street, and rental units in close proximity to the hospital and transit. The overall scope of improvements would be expected to increase the property's value, which would be anticipated to increase property tax revenue.

Consistent with the City's approach for secured market rental projects, a Voluntary Amenity Contribution (VAC) would not be secured for this project. Development Cost Charges (DCCs) would be calculated and collected prior to Building Permit issuance. The project is also required to contribute off-site infrastructure upgrades (Attachment 10). The full scope of upgrades would be determined prior to Building Permit issuance.

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.

OPTIONS

The following options are available for Council's consideration:

- 1. That Council consider Zoning Amendment Bylaw (145-209 East Columbia Street) No. 8429, 2024 for First, Second, and Third Readings.
- 2. That Council consider Housing Agreement Bylaw (145-209 East Columbia Street) No. 8434, 2024 for First, Second, and Third Readings.
- 3. That Council provide staff with alternative direction.

Staff recommends Options 1 and 2.

ATTACHMENTS

Attachment 1: Zoning Amendment Bylaw (145-209 East Columbia Street) No. 8429, 2024 Attachment 2: Housing Agreement Bylaw (145-209 East Columbia Street) No. 8434, 2024 Attachment 3: Housing Agreement Principles Letter Attachment 4: Background Information Attachment 5: Additional Project Discussion and Analysis Attachment 6: Applicant Submission Materials Attachment 7: Applicant-led Consultation Summary and Response Attachment 8: City-led Consultation Summary Attachment 9: Extract of September 26, 2023 NWDP Meeting Minutes Attachment 10: Engineering Servicing Memo Attachment 11: Applicant's Letter to Council Regarding Use Restriction

APPROVALS

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