

# **REPORT**

## ***Climate Action, Planning and Development***

**To:** Mayor Johnstone and Members of Council  
**Date:** April 22, 2024

**From:** Jackie Teed, Director, Climate Action, Planning and Development  
**File:** EDMS #2458148  
REZ00245

**Item #:** 2024-223

**Subject:** **Zoning Bylaw Text Amendment: 408 East Columbia Street – Bylaw for Three Readings**

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### **RECOMMENDATION**

**THAT** Council consider Zoning Amendment Bylaw No. 8451, 2024 For First, Second, and Third Readings.

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### **PURPOSE**

To provide Council with information on the proposal at 408 East Columbia Street and to request that Council consider the proposed by-law for Three Readings.

### **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 (CRU) on the ground level of a recently constructed six-storey mixed-use development.

In December 2023, Council considered a Preliminary Report for the proposed dental clinic and directed staff to work with the applicant to prepare a Zoning Amendment Bylaw for consideration of First, Second, and Third Readings. Based on this direction, staff review and City-led consultation have been undertaken for the proposed project.

## **BACKGROUND**

### **Policy and Regulations**

The property's *Comprehensive Development (CD-79)* zone permits retail uses on the ground floor, with a limited amount of business and professional offices. The zoning limits non-active ground floor uses to 30 percent of the net floor area, each CRU frontage must not exceed 7.92 m. (26 ft.), and shops are to be designed with "eyes on the street". The intent of these limitations is to encourage active uses with high pedestrian interest along the street frontage.

The subject site is designated *Mixed Use – Low Rise (ML)* and falls within the East Columbia Street Development Permit Area (DPA 3.2) in the City's Official Community Plan. The designation and guidelines are intended to facilitate new commercial and mixed-use development, including active commercial spaces oriented towards East Columbia Street.

The City's Retail Strategy aims to maintain the strong proportion of service commercial in Sapperton, while achieving growth in convenience retail and restaurants in the area. One of the key principles and priorities for the neighbourhood is requiring active uses at-grade along East Columbia Street, between Sherbrooke and Braid Streets.

East Columbia Street is a designated Great Street in the City's Master Transportation Plan which are to include places for leisure and street activities, and transparency in the form of street-level windows to engage pedestrians.

A summary of related City policies and regulations is included in Attachment 2.

### **Site Characteristics and Context**

Located within the Sapperton neighbourhood, the subject site is on the east side of East Columbia Street, north of Sherbrooke Street. The site contains a six-storey mixed-use development that was completed in 2022. The development includes six stratified CRUs on the ground level and additional office space on the second floor. Four of the six ground level CRUs are currently occupied.

Surrounding land uses include commercial and mixed-use buildings along East Columbia Street to the north, single detached dwellings to the east, the Elizabeth Fry Society to the south, and the Knox Presbyterian Church to the west. Sapperton Park and the Royal Columbian Hospital are also located near the subject site. Additional information including a site location map is provided in Attachment 2.

## **PROJECT PROPOSAL**

The proposed application is to amend the site-specific *Comprehensive Development (CD-79)* zone to allow a dental clinic to be located within one of the two remaining vacant commercial retail units (CRUs) (Figure 1). The applicant has indicated this is to align with current market trends that prioritize health and wellness services. The CRU

has a floor area of 152.82 sq. m. (1,645 sq. ft.). The applicant's initial proposal was to convert both remaining CRUs to business and professional office uses. However, after failing to secure tenants and through discussions with staff, the proposal was revised to only one CRU, with the remaining vacant CRU requiring an active use.

Two business and professional office uses (medical pharmacy and clinic) currently operate within two of the six ground floor CRUs. Combined, these uses occupy 33.4 percent of the net ground floor area, exceeding the 30 percent maximum because the CRUs are slightly varied in size. The proposed dental clinic would increase the net floor area for business and professional office uses to 50 percent.



*Figure 1. Existing commercial unit for proposed dental clinic*

A copy of the applicant's project summary letter is provided as Attachment 3.

## **DISCUSSION**

### **General Considerations**

General considerations in favour and counter to the proposal are discussed in the sections below, as summarized here:

Considerations in Favour of the Proposal	Considerations Counter to the Proposal
<ul style="list-style-type: none"> <li>The proposed dental clinic would occupy one of two CRUs that have been vacant since 2022</li> <li>Design measures to maintain visual interest on the street will be secured</li> <li>Active uses would remain permitted and may be provided in the future</li> </ul>	<ul style="list-style-type: none"> <li>Increasing non-active street level uses on East Columbia Street is counter to objectives of City land use, economic development and transportation policies</li> </ul>

## Alignment with Policies and Objectives

The Retail Strategy notes that Sapperton is generally balanced in its offerings, with only modest recommended shifts in commercial mix by category as noted in Figure 2 below.

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 2. Chart highlighting commercial tenant mix by category in Sapperton

The current proportion of service commercial uses, which include business and professional offices, in Sapperton is 50 percent, indicating a modest surplus of this type of use and a modest shortage of restaurant food and beverage and convenience retail.

The *Comprehensive Development (CD-79)* zone limits the amount of non-active uses permitted on the ground floor, consistent with the directions established in the Retail Strategy and other City policy. An increase in the allowable floor area to 50 percent for to accommodate a dental clinic as proposed would further increase service commercial uses in Sapperton, beyond the optimal proportion identified in the Retail Strategy.

The East Columbia Street DPA encourages at grade CRUs to present active uses along primary and secondary streets with ample glazing. As a non-active use, the proposed dental clinic would be required to be designed with transparent glazing to enhance interaction with the streetscape.

Active commercial uses are required on principal street frontages per the *Mixed-Use – Low Rise* designation in the Official Community Plan. East Columbia Street is a principal street in Sapperton and the dental clinic as proposed would not be considered an active use along this frontage.

Ensuring active retail uses on the subject site is of particular importance from a Great Street 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 and retail continuity 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

There are several factors that may be impacting retail interest in the development at this time. It is recognized that post-COVID economic challenges persist in the market. In addition, the CRUs 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.

The applicant has indicated that they have had difficulty retaining a restaurant food or beverage and convenience retail. As part of their outreach, over 300 local retail tenants were contacted by the applicant to occupy the remaining vacant CRUs.

Consideration should be given to impact that the presence of vacant CRUs along East Columbia Street would have on the vibrancy of the Sapperton commercial streetscape. It is also noted that active retail uses would not be precluded from occupying the CRU in the future.

## Design Measures

To mitigate the impact of locating a non-active dental clinic use at the ground level, the following design measures be implemented for CRU #104:

- **Reception Area:** The front reception desk and waiting area shall be positioned at the front of the CRU facing the East Columbia Street entrance to enhance visibility from the street. Patient treatment areas are to be located behind so that they are not visible from the street frontage.
- **Window Glazing:** To maximize visual interest along East Columbia Street and for compliance with zoning provisions and applicable DPA guidelines for creating “eyes on the street”, the glazing of the CRU shall be fully transparent. Windows are not to be covered with advertising, signs, and vinyl wraps/screens.
- **Streetscape Enhancements:** Outdoor seating shall be provided in front of the CRU to enhance the public realm per the applicable DPA guidelines. Additional landscaping in the form of planters is also encouraged.

These additional design measures will be secured through a covenant to be registered on the property.

## CONSULTATION

### City-led Consultation

City-led consultation included a project website and online survey, published on Be Heard New West and was open between January 26 and February 15, 2024. Residents located within 100 metres of the project were notified of the survey and received a

notification by mail. A total of four survey responses were received, which were generally not supportive of the proposal. All feedback received are included in Attachment 3, with the following key themes:

- Need for vibrant, unique storefronts along East Columbia Street.
- Importance of retail businesses that operate into the evening hours to encourage pedestrian traffic.
- A surplus of dental offices already operate within the area.

### **Applicant Response**

The applicant has reviewed the feedback received during City-led consultation and provided a letter in response. The response letter indicates that health and wellness providers including medical, dental and para-medical service providers generate high foot traffic to support street front businesses and that the proposed dental clinic would address the challenge of vacant retail spaces within Sapperton.

The design of the dental clinic with the reception area at the front of the unit would locate more active components of the business towards the street, as noted above.

### **FINAL ADOPTION REQUIREMENTS**

Prior to adoption of Zoning Amendment Bylaw No. 8451, 2024, the following would need to be completed:

- Registration of a covenant to secure minimum design requirements for CRU #104 as described in the above Design Measures section; and,
- Any other documentation, as required.

### **FINANCIAL IMPLICATIONS**

A reduction in the number of vacant CRUs along East Columbia Street would be beneficial to the local economic growth of Sapperton and New Westminster as a whole. The property is classified as Class 6 Business and Other with a 2024 assessment value of \$1.7M per the 2024 BC Assessment Completed Roll.

### **INTERDEPARTMENTAL LIAISON**

The City has a team-based approach for reviewing development applications. 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.

## **APPLICATION REVIEW PROCESS AND NEXT STEPS**

The following steps have been completed in the application review process:

1. Preliminary Report to Council (December 11, 2023);
2. City-led consultation, including creation of a Be Heard New West webpage and survey (January 26 to February 15, 2024);
3. Public notification of Public Hearing not held (April 12 to April 22, 2024);

The next steps in the review process include:

4. Council consideration of First, Second, and Third Readings of proposed Zoning Amendment Bylaw – **WE ARE HERE**;
5. Completion of adoption requirements by applicant;
6. Council consideration of adoption of Zoning Amendment Bylaw.

## **OPTIONS**

1. **THAT** Council consider Zoning Amendment Bylaw No. 8451, 2024 For First, Second, and Third Readings.
2. **THAT** Council provide other direction.

Staff recommend Option 1.

## **ATTACHMENTS**

Attachment 1: Zoning Amendment Bylaw No. 8451, 2024

Attachment 2: Background Information

Attachment 3: Applicant's Project Summary Letter

Attachment 4: City-led Consultation Summary

## **APPROVALS**

This report was prepared by:

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