

REPORT

Climate Action, Planning and Development

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

From: Jackie Teed, Acting Director of Climate Action, Planning and Development
File: REZ00187
DP000792

Item #: 2024-247

Subject: **Zoning Amendment and Housing Agreement (51 Elliot Street) –
Bylaws for First, Second and Third Readings**

RECOMMENDATION

THAT Council consider Zoning Amendment Bylaw (51 Elliot Street) No. 8446, 2024 for First, Second and Third Readings.

THAT Council consider Housing Agreement Bylaw (51 Elliot Street) No. 8447, 2024 to secure seven below-market and six non-market rental residential units for First, Second and Third Readings.

THAT Council, should the Housing Agreement Bylaw No. 8447, 2024 be adopted, direct the Mayor and Corporate Officer to execute the Housing Agreement.

PURPOSE

This report provides Council with information on the development proposal for 51 Elliot Street, and requests that Council consider the Zoning Amendment and Housing Agreement bylaws for First, Second, and Third Readings.

EXECUTIVE SUMMARY

Applications have been submitted for a Rezoning, Development Permit and Housing Agreement for a residential high-rise of 37 storeys at 51 Elliot Street with an overall density of 7.25 floor space ratio (FSR). The proposal includes 287 strata residential units, seven below-market (2.3%) and six non-market (2.0%) inclusionary housing units, and a 392 sq. metre (4,220 sq. ft.) child care space which would be transferred to the City at no cost and operated by a not-for-profit operator.

This application was in the final steps of the City's review process and the amenity considerations had been established prior to new provincial legislation being put into place, which included economic analysis of the proposal consistent with the City's typical practice at that time. This established consideration of the affordable rental units and child care to be provided in lieu of a Voluntary Amenity Contribution (VAC), with no future density bonus or amenity cost charges to be applied to the application, which is consistent with the Council-adopted Interim Development Review Framework, as it applies to projects at this stage of review. The proposal was received prior to endorsement of the Inclusionary Housing Policy and while the number of affordable units proposed are below the requirements of the Inclusionary Housing Policy (20%), the units would be provided at no cost to a not-for-profit operator (Metro Vancouver Housing Corporation); would be larger sized two- and three-bedroom units; and would significantly exceed the affordability levels required in the Inclusionary Housing Policy.

The site is within a TOD Area and, as such, the City's standard residential vehicle parking space regulations do not apply. The applicant has proposed 232 residential vehicle parking spaces including ten spaces for inclusionary housing. The proposal includes two spaces for child care, which meets City parking requirements; two car share vehicles to be located in front of the subject site; and, exceeds the required number of bicycle parking requirements, providing 532 long-term bicycle parking spaces.

Applicant-led and City-led public consultation for the project has concluded and the applicant has responded to community and staff feedback. With the exception of the Inclusionary Housing Policy, the proposal is generally consistent with the Interim Development Review Framework, the Official Community Plan (OCP), other City policy and Council Strategic Priorities. As such, staff recommend that Council consider the Zoning Amendment and Housing Agreement bylaws for First, Second, and Third Readings.

BACKGROUND

Interim Development Review Framework

While the City implements changes required through Provincial legislation, an [Interim Development Review Framework](#) has been created (Attachment 1). This framework ensures development applications are consistent with the Provincial Policy Manual for Transit Oriented Areas, as well as transparent communication and streamlined application review.

Transit Oriented Development Area

In December 2023, the Province passed Bill 47, which prescribes minimum residential densities and heights within Transit Oriented Development (TOD) Areas, defined as areas within 800 metres of designated transit hubs. The legislation also prohibits

municipalities from requiring vehicle parking, save for accessible parking, for residential projects within TOAs. The City continues to be able to review and approve housing development which is consistent with other City policies and regulations.

The subject site is within the New Westminster SkyTrain Station TOD Area and exceeds the densities and heights prescribed by Bill 47.

Policy and Regulations

Policy background information, including information on the Official Community Plan, Inclusionary Housing Policy, Development Permit Area and Family Friendly Housing Requirements, is included in Attachment 2.

Site Character and Context

The subject site is 3,604 sq. metres (38,792 sq. ft.), is currently vacant and is located in the Family Friendly Precinct of the downtown neighbourhood adjacent to Albert Crescent Park and within a block of Qayqayt Elementary School. Additional site context information is included in Attachment 3.

PROJECT PROPOSAL

The applications propose a residential high-rise of 37 storeys at 51 Elliot Street with an overall density of 7.25 FSR. It includes 287 market strata residential units, seven below-market (2.3%) and six non-market (2.0%) non-profit operated residential units (exceeding affordability levels defined in the Inclusionary Housing Policy). These units would be constructed by the applicant and transferred at no cost to Metro Vancouver Housing Corporation (MVHC) to operate. There would be a common building entrance, lobby and amenity areas shared between the strata and the rental portions. The proposal also includes a 392 sq. metre (4,220 sq. ft.) child care space to be transferred to the City, and would improve pedestrian connections to Albert Crescent Park. The building would be constructed to Level 3 of the BC Energy Step Code and Level 4 and EL-4 Zero Carbon Step Code and would be fully electrified.

Vehicular access would be from Elliot Street, with an on-site drop-off and pick-up area for the child care. The applicant has proposed 232 off-street vehicle parking spaces. Of these, most are not required per the new TOD Area legislation, with the exception of two required for the child care, ten required for the inclusionary housing units and those required for persons with a disability. To support Transportation Demand Management measures, the application includes two on-street car share spaces and additional off-site works including intersection and crosswalk improvements, raingarden and bio swale work adjacent to the site. A selection from the architectural and landscape drawings are included in Attachment 4.

Application Revisions

While the general site plan for the proposal has remained similar to the initial proposal, there have been revisions to proposal details through discussions with inclusionary housing operators and as market conditions have changed. Considering the location of the site in the Family Friendly Precinct of the Downtown and in close proximity to schools and parks, staff have been working with the applicant to realize units which are both more highly subsidized and would provide larger family-friendly units.

To achieve these changes, coordination with inclusionary housing operators, the applicant and staff was required to ensure ongoing operational and financial feasibility of the inclusionary housing units and financial feasibility of the development overall in delivering child care and housing amenities and changing market conditions. Larger units and greater affordability were balanced with a reduction of overall inclusionary units and an increase in the building height and densities from 34 to 37 stories and 6.68 to 7.25 FSR (floor space ratio) respectively. A summary of the application revisions is included in Attachment 5.

DISCUSSION

Overall Evaluation

The proposal is consistent with the Official Community Plan and the overall design is supported by staff as it is consistent with key tower planning principles such as tower separation, tower floorplate sizes, and minimizing shadow and view impacts in public spaces.

The application proposes two key in-kind amenities: inclusionary housing units and a not-for-profit child care facility, both of which support the Council Strategic Priorities Plan (2023-2026) and community needs. As supported by an economic analysis, the value of the in-kind amenities are of commensurate value to the value created through the increased building height and density.

The subject site is within the New Westminster SkyTrain Station TOD Area and exceeds prescribed TOD densities and heights. The application is consistent with the Interim Development Application Review Framework, including the Voluntary Amenity Contribution (VAC) evaluation. As the VAC evaluation was completed prior to the new provincial legislation related to development approvals the application is being considered under the City's previous VAC program.

The application also includes improvements to access to Albert Crescent Park, off-site works including intersection and crosswalk improvements, raingarden and bioswale work and the provision of two car share vehicles which would have parking allocated on Elliot Street.

Inclusionary Housing

This proposal would provide 13 (4.3% of total units) inclusionary housing units which would be constructed by the applicant and transferred at no cost to Metro Vancouver Housing Corporation (MVHC) to operate. The number of inclusionary housing units is less than would be expected through the Inclusionary Housing Policy, however is supportable considering the units are:

- larger family-oriented units in response to the location within the family friendly precinct within the downtown adjacent to parks and schools;
- would significantly exceed the affordability levels defined in the Inclusionary Housing Policy;
- inclusionary units would be provided at no cost to the operator; and
- the development also includes an additional key amenity in the provision of a child care facility to the City at no cost.

As noted, the inclusionary housing units would exceed the affordability levels defined in the Inclusionary Housing Policy with six of the units that would meet the highly subsidized non-market rental unit rates in the inclusionary housing Policy and are intended for families on income assistance. Rental rates would be established based on the shelter allowances dictated by the Act under which the residents receive assistance and would be based on family/household size. Seven units would exceed the requirements of below market rental units, having rents at or below 60% of Housing Income Limits (HILs) which is lower than the Inclusionary Housing Policy (IHP) maximum of 80% of HILs. Based on 2023 data, a two bedroom unit would rent for \$1,080 per month (30.4% below IHP requirements) and a three bedroom unit would rent for \$1,290 per month (38.5% below IHP requirements).

These units, the rents and other key housing principles would be secured by Housing Agreement Bylaw No. 8447, 2024 included in Attachment 7. The transfer of the units to the operator (MVHC) would be secured through the Development Agreement Covenant.

Child Care

The applicant has proposed to construct a 392 sq. metre (4,220 sq. ft.) child care facility with a directly adjacent exterior play space fronting Albert Crescent Park. This space would be transferred to the City at no cost as an airspace parcel to lease to a not-for-profit operator. This space is intended to support a total of 37 childcare spaces with 25 spaces for children aged 30 months to 5 years and 12 spaces infant/toddler (0 to 36 months) in close proximity to Qayqayt Elementary School and parks. The facility would include two on-site parking spaces and three drop-off and pick-up spaces along the entry driveway into the site.

Through a Request for Services, YMCA BC has been selected as the non-profit operator for the child care space. They would work with the applicant, the City and Fraser Health Community Care and Facilities Licensing to refine the configuration of the

space through Building Permit submission. To assist in alleviating the impact of additional budget and staff resources for Civic Buildings and Properties staff, the City has submitted an application to the Child Care BC New Spaces Fund to cover costs for the development of the child care related to: 1) \$100,000 for a project manager to represent the City in reviewing and revising the detailed drawings and identifying and addressing deficiencies; 2) \$75,000 for items not provided by the developer such as interior furnishings and outdoor play equipment; and 3) \$17,500 as a contingency. Initial feedback from the funder have expressed the desire for zoning approvals and timeline certainty. Staff will continue to advance and revise the grant application through the rezoning consideration and the building permitting process.

Off-site works and Pedestrian Connections

The development would provide various new or upgraded pedestrian facilities around the perimeter of the site. Along Elliot Street there would be installation of a 2 metre wide sidewalk and 2 metre wide boulevard including street trees and lighting. In addition there would be completion of intersection and pedestrian crossing upgrades at Elliot and Carnarvon Streets including extended curb bulges and installation of bioswales / raingardens. The Engineering Servicing Requirements Memo is included in Attachment 8.

There would be improved public connections around the site through to Albert Crescent Park secured by legal agreements. The existing connection along the north edge of the property and shared with the adjacent development at 188 Agnes Street would be widened from 2 to 3 metres, include improved pedestrian level lighting, and see replacement of young trees which were planted in poor conditions, with native and drought tolerant species with adequate soil volume and growing conditions. A second new accessible pedestrian connection from the Carnarvon and Elliot Street intersection to Albert Crescent Park would also be provided. New wayfinding would be provided for both connections. Finally, the applicant would repair or replace the existing pedestrian connection adjacent to the site within Albert Crescent Park.

Tree Retention

The applicant has proposed to remove 12 trees which are either located on the subject site or are shared trees with adjacent properties near property lines. Two trees (1 maple/Acer Ssp. and 1 Elm/Ulmus spp.) within adjacent Albert Crescent Park would be retained as a result of meaningful reductions to the extent of the underground parking structure at the south east corner of the site.

Six of the trees proposed for removal are located on the adjacent property to the north (188 Agnes St) and were installed as part of a pedestrian connection to Albert Crescent Park. City arboricultural staff and the applicant arborist have recommended removal as they show incomplete and/or improper establishment and are growing in shallow and

compacted growing medium which has resulted in girdling roots and a weakened root system. Additionally, this removal would allow widening of the pedestrian connection including new trees with adequate soil volume and growing conditions.

Parking and Transportation Demand Management Measures

The subject site is located within the Columbia Station Transit Oriented Development (TOD) Area as designated by the Province. This provincial legislation limits the City from using zoning powers to require parking for residential uses, except spaces for those with a disability.

Notwithstanding, the application proposes 232 vehicle parking spaces inclusive of ten vehicle parking spaces reserved for the inclusionary housing units, two spaces for the child care space and 15 visitor parking spaces. The remaining 205 spaces would be available for the strata residential units. Purchase and sale agreements for both the inclusionary housing and child care elements will require ownership transfer of specified parking.

As per the Interim Development Review Framework, developments proposing residential parking below current bylaw standards are still required to provide Transportation Demand Management measures in-line with current practice. The applicant has proposed to provide two car share spaces (located on street along the building frontage) and exceeds the required number of bicycle parking spaces (462 spaces) providing 532 long-term bicycle parking spaces. They would also complete additional off-site works including intersection and crosswalk improvements, raingarden and bio swale work adjacent to the site which has been supported by Transportation and included in the Engineering Servicing Requirements (Attachment 8).

PUBLIC CONSULTATION

Consultation has been completed for this application consisting of applicant-led consultation, direct engagement with an adjacent strata building, presentation to the New Westminster Design Panel (NWDP) and City-led consultation. An overall summary of consultation is included in Attachment 9, an applicant summary of application-led consultation is included in Attachment 10, NWDP minutes are included in Attachment 11 and a City-led consultation summary report is included in attachment 12.

APPLICATION REVIEW PROCESS AND NEXT STEPS

Below is an overall outline of the development review process for this project.

1. Preliminary Report to Land Use and Planning Committee (January 9, 2019);
2. Preliminary Report to Council (September 9, 2019);
3. Applicant-Led Consultation - Online (June, 2020);
4. Presentation to New Westminster Design Panel (June 23, 2020);
5. Affordable Housing Operator Partnerships Review and Refinements;

6. City-led Public Consultation (October 12 to 30, 2024);
7. Report to Council for consideration of First, Second and Third Readings of the proposed Zoning Amendment and Housing Agreement Bylaws (**We are here**)

Anticipated Next Steps:

8. Completion of Adoption Requirements;
9. Adoption of Zoning Amendment Bylaw and Housing Agreement Bylaws;
10. Issuance of Development Permit by Director of Climate Action, Planning and Development.

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 bylaws, the bylaws 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 requirements listed in Attachment 13 would be required to be completed.

FINANCIAL CONSIDERATIONS

The project proposes significant improvements to a vacant site. The proposal would provide 300 units, including inclusionary housing units, and a not-for-profit child care facility, all within close proximity to rapid transit. The overall scope of improvements would be expected to increase the property's value, which is anticipated to increase property tax revenue.

Child care and inclusionary units are proposed and supported in-lieu of a Voluntary Amenity Contribution (VAC). Development Cost Charges (DCCs) would be calculated and collected prior to Building Permit issuance. Grant funding of \$192,500 is being sought for project management and interior furnishings and outdoor play equipment. Should grant funding not be available, implications for Civic Buildings and Properties work plan and budget would need to be addressed. The project is also required to contribute off-site infrastructure upgrades as outlined in the Engineering Servicing Memo (Attachment 8).

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, Transportation and Civic Buildings and Properties), 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 (51 Elliot Street) No. 8446, 2024 for First, Second and Third Readings;
2. That Council consider Housing Agreement Bylaw (51 Elliot Street) No. 8447, 2024 to secure seven below-market and six non-market rental residential units for First, Second and Third Readings;
3. That Council, should the Housing Agreement Bylaw No. 8447, 2024 be adopted, direct the Mayor and Corporate Officer to execute the Housing Agreement.
4. That Council provide staff with alternative direction.

Staff recommends Options 1, 2 and 3.

ATTACHMENTS

Attachment 1 – Interim Development Review Framework
Attachment 2 – Policy and Regulation Background
Attachment 3 – Site Context and Characteristics
Attachment 4 – Architectural Drawings
Attachment 5 – Summary of Application Revisions
Attachment 6 – Zoning Amendment Bylaw No. 8446, 2024
Attachment 7 – Housing Agreement Bylaw No. 8447, 2024
Attachment 8 – Engineering Servicing Requirements Memo
Attachment 9 – Overall Consultation Summary
Attachment 10 – Applicant-led Consultation Summary
Attachment 11 – New Westminster Design Panel Minutes
Attachment 12 – City-led Consultation Summary
Attachment 13 – Initial Construction Management Plan
Attachment 14 – Zoning Amendment Adoption Requirements

APPROVALS

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