

REPORT

Planning and Development

To: Mayor Johnstone and Members of Council
Date: May 13, 2024

From: Jackie Teed,
Director, Planning and Development
File: PAR01448

Item #: 2024-291

Subject: **Preliminary Application Review: 529 Queens Avenue – Proposed Affordable Housing Project**

RECOMMENDATION

THAT Council endorse the recommendations summarized in the Feedback section of this report.

THAT Council instruct staff to provide feedback to the applicant, as provided by Council and as summarized in the Feedback section of the report, in the Pre-Application Review letter.

PURPOSE

This report provides Council with information on the Preliminary Application Review for a proposed affordable housing project at 529 Queens Avenue, and requests endorsement of the provided recommendations.

EXECUTIVE SUMMARY

A Pre-Application Review (PAR) inquiry has been submitted on behalf of an affiliate of the United Church of Canada, Qayqayt First Nation, and the North Fraser Métis Association for 529 Queens Avenue, in the Queen's Park neighbourhood. A six-storey affordable housing apartment building containing 91 units is proposed. Project affordability is set to meet BC Housing's Indigenous Housing Fund requirements, with 100% of units provided at Rent Geared to Income rates. The project would provide housing for urban Indigenous middle- and low-income families, elders and individuals. Formal rezoning and Development Permit applications would be required to facilitate the proposed form of development.

Staff are seeking feedback from Council with respect to the following items:

1. Support in principle for a future Zoning Bylaw Amendment to facilitate the proposed affordable housing project;
2. Heritage considerations for Queens United Church;
3. Child care considerations;
4. Sixth Street urban design considerations; and,
5. Transportation Demand Management measures.

Council and staff feedback would be formally provided to the applicant in a PAR Letter. This feedback would inform the applicant’s forthcoming application to BC Housing’s Indigenous Housing Fund.

BACKGROUND

Land Use Policy and Regulations

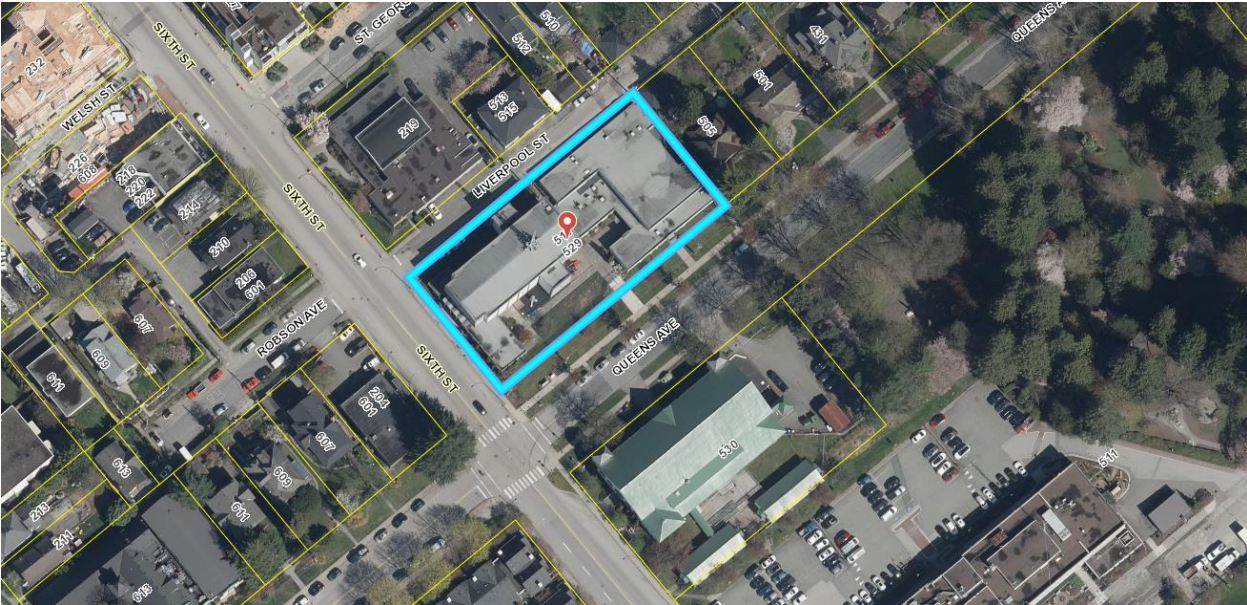
The Official Community Plan (OCP) designates the subject site Residential – Multiple Unit Buildings (RM). This designation supports low-rise residential apartment buildings, with five- to six-storey buildings considered if sufficient community amenities are proposed. Given provision of affordable housing, the proposed project is generally consistent with this designation. The project is not consistent with the existing Community Commercial Districts (Low Rise) (C-2) zoning, and thus a rezoning would be required. A summary of these and other related City policies are included in Attachment 1.

Site Characteristics and Context

The subject site is approximately 3,235.1 sq. m. (34,822.3 sq. ft.) and located in the Queen’s Park neighbourhood, roughly 500 m. (1,640.4 ft.) from Columbia SkyTrain Station. It is bounded by Queens Avenue, Liverpool Street, and Sixth Street, a designated Great Street and Frequent Transit Network route. Queens Avenue United Church and annex, built in 1958, is located on-site, and the site is excluded from the Queen’s Park Heritage Conservation Area due to its institutional use. Demolition of the church and annex would be required to facilitate the proposed form of development.

Surrounding the site are largely low-density commercial and residential uses. Properties fronting Sixth Street are designated for four- to six-storey (east side) and high-density (west side) residential uses.

Figure 1: Site Context Map with 529 Queens Avenue highlighted in blue



Columbia SkyTrain Station Transit Oriented Area

In December 2023, the Province passed Bill 47, which proscribes minimum residential densities and heights within Transit Oriented Development (TOD) Areas, defined as areas within 800 m. of designated transit hubs. The legislation also prohibits municipalities from requiring vehicle parking, save for accessible parking, for residential projects within TOD Areas. The City continues to be able to review and approve housing development for consistency with other City policies and regulations.

The subject site is within the Columbia SkyTrain Station TOD Area and the proposed density and height are within Bill 47 maximum allowances.

Housing Needs

On July 12, 2021 Council endorsed the *Understanding Housing and Housing Needs in New Westminster: Housing Needs Report 2021-2031*. This report estimates the number of additional market and affordable housing units needed to meet the City’s demands over the next 10 years. The report estimates that 208 units of below- and non-market rental housing are required per year to meet demand. As identified in a June 12, 2023 report to Council, over 2021-2022 the City approved or issued building permits for a net average of 158 affordable rental units per year, well below the City’s target. A key reason is the necessity of senior government funding for these units.

PROPOSAL

The preliminary application drawings indicate a six-storey affordable housing building, stepped down to four storeys to the east, and a single-storey amenity building with an FSR of 2.3. The principal building would be built to Step 4 of the BC Energy Step Code, in excess of City requirements. A total of 91 units are proposed, of which 55% would contain two and three bedrooms. The project is intended to house multi-generational members of the Indigenous community, including elders, families, and individuals. The amenity building would be approximately 297.3 sq. m. (3,200 sq. ft.) in size, and comprise a large meeting space, small meeting rooms, washrooms and a commercial kitchen. The building would be used for faith-based, community, and ceremonial purposes and be shared between the three project partners.

The project proposes to meet BC Housing’s Indigenous Housing Fund affordability requirements. Through this program:

- 1. Rents for all units (100%) must be Rent Geared to Income (RGI) per the BC Housing rent scale, and all households must have incomes below Housing Income Limits; and,
- 2. Eligible residents must be selected from BC Housing’s Housing Registry, with some exceptions considered for First Nations partners.

Vehicle and long-term bicycle parking would be provided in a single level, below-grade parkade, with access proposed from Queens Avenue. Preliminary project statistics are provided in Attachment 2. A preliminary project rendering is included in Attachment 3.

DISCUSSION

Affordable Housing and Financial Model

The project would deliver much needed affordable housing units for Indigenous community members, and would be funded by senior levels of government. As such, it is strongly aligned with the City’s reconciliation initiative and Council’s 2023-2026 Strategic Priorities Plan, which strives to “collaborate with senior government on affordable housing projects.”

The Qayqayt First Nation and North Fraser Métis Association would make a joint application to BC Housing’s Indigenous Housing Fund (IHF) through the current request for proposals. The project team would also apply for a capital grant and construction financing through Canada Mortgage and Housing Corporation’s National Housing Co-Investment Fund, and seek financial support from the City through the Affordable Housing Reserve Fund.

Does Council support staff advising the applicant that this proposal, which would include Rent Geared to Income units as directed by the BC Housing Indigenous Housing Fund, and would house multi-generational members of the Indigenous community, is supported in principle subject to Council consideration as a formal development application?

Heritage Considerations

The Queens United Church (and annex) is not a protected heritage building, nor is it listed on the City’s Heritage Register or Inventory. However, as the building is older than 50 years (built in 1958) and demolition is contemplated, its heritage value has been explored and considered by staff. With respect to the annex, little heritage value has been identified and staff support its demolition.

A heritage assessment was conducted for the main church, which was determined to have some heritage value (especially related to its mid-century modern architecture). However, similar values and stories are already well represented in New Westminster’s heritage building stock. Given this, and that the proposal is intended to provide alternative and much needed community benefits, staff recommend not pursuing any heritage retention as part of this project. Staff consider that it would be very challenging to retain the existing church in the context of an affordable housing project.

Does Council support staff advising the applicant that retention of Queens United Church and annex does not need to be considered as part of a formal development application?

Child Care Considerations

Frog Hollow Montessori, a for-profit child care, currently operates on the site and provides care to children aged 30 months to school age. In 2022, Queens Avenue Daycare, a not-for-profit child care, ended operations at the site. The applicant has expressed interest in expanding the proposed amenity building to accommodate on-site child care, however child care-specific construction and operating funding would be required to do so.

The City continues to pursue options for development of not-for-profit child care facilities. Applications to the Province under the Child Care BC New Spaces Fund, which provides funding for new, licensed not-for-profit child care facilities, offers an avenue through which spaces have been developed. Staff support further exploration of child care on the site, while recognizing that a different senior government funding source would likely be needed.

Does Council support staff advising the applicant that the City supports further exploration of capital and operational funding opportunities, to help support an on-site not-for-profit child care?

Urban Design

The density and height of the proposed building are consistent with the scale of development anticipated by the current Residential – Multiple Unit Buildings designation, and the proposed affordable housing is considered a significant community benefit. While the massing and articulation is typical of six-storey wood-frame developments, the Sixth Street Development Permit Area (DPA) design guidelines

direct developments to appropriately activate Sixth Street in accordance with Great Street urban design best practices. Additional design work would be required to comply with the DPA guidelines.

Does Council support staff advising the applicant that the six-storey massing is supported by current policy provided that activation of Sixth Street can be achieved?

Off-Street Parking and Transportation Demand Management

The application proposes 40 off-street resident and five visitor parking spaces. Given that the property is located with the TOD Area, off-street resident and/or visitor parking is not required, aside from accessible parking.

In keeping with TOD Area requirements, the City maintains the ability to require accessible parking, bicycle parking and Transportation Demand (TDM) measures. The preliminary drawings indicate bicycle parking that is below current bylaw requirements and the applicant has not provided detail regarding TDM measures. Staff would work with the applicant to include such measures while carefully considering any related impacts on affordability and project viability.

Does Council support staff advising the applicant that the City’s off-street accessible parking and long- and short-term bicycle parking requirements should be considered, and that Transportation Demand Management measures be explored, provided the project can remain a viable affordable housing project?

CONSULTATION AND REVIEW PROCESS

Feedback from Council and staff will be incorporated into a PAR letter, which would be forwarded to the applicant. Should the applicant proceed with formal development applications, it is likely that a streamlined application process would be required to achieve future timelines. However, the project would be required to undertake public engagement. The consultation and review process may include applicant-led and/or City-led consultation.

FEEDBACK FROM COUNCIL

Staff is seeking feedback from Council on the proposed development, to inform the applicant’s BC Housing Indigenous Housing Fund proposal. In addition, staff seek Council endorsement of the following recommendation that staff advise the applicant that:

1. This proposal, which would include Rent Geared to Income units as directed by the BC Housing Indigenous Housing Fund, and would house multi-generational Indigenous community members, is supported in principle subject to Council consideration as a formal development application;
2. Retention of Queens United Church and annex buildings do not need to be considered as part of a formal development application;

- 3. The City supports further exploration of capital and operational funding opportunities to help support on-site not-for-profit child care;
- 4. The proposed six-storey massing is supported by current policy provided that activation of Sixth Street can be achieved; and,
- 5. The City’s off-street accessible parking and long- and short-term bicycle parking requirements should be met, and that Transportation Demand Management measures be explored, provided the project can remain a viable affordable housing project.

FINANCIAL IMPLICATIONS

Should the application advance to a formal submission, the City may consider a contribution from the Affordable Housing Reserve Fund, up to \$500,000. Such a contribution would be subject to senior government funding, receipt of formal development applications, and review of the affordable housing financial model.

INTERDEPARTMENTAL LIAISON

The City has a team-based approach for reviewing development proposals. Staff from appropriate departments, including Planning and Development; Engineering Services; Fire; and Parks and Recreation, has conducted an initial review of the PAR inquiry.

OPTIONS

The following options are available for Council’s consideration:

- 1. That Council endorse the recommendations summarized in the Feedback section of this report.
- 2. That Council instruct staff to provide feedback to the applicant, as provided by Council and as summarized in the Feedback section of the report, in the Pre-Application Review letter.
- 3. That Council provide staff with alternative feedback.

Staff recommends Options 1 and 2.

ATTACHMENTS

- Attachment 1: Policy and Regulations Summary
- Attachment 2: Preliminary Project Statistics
- Attachment 3: Preliminary Project Rendering

APPROVALS

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