

REPORT Planning and Development

To: Mayor Johnstone and Members of **Date**: June 23, 2025

Council

File: #2700350

From: Jackie Teed, Director, Planning and RZ000189

Development SDP00237

Item #: 2025-180

Subject: Rezoning and Special Development Permit Applications: 611 Agnes

Street - Preliminary Report

RECOMMENDATION

- 1. THAT staff to process the application as outlined in the report titled "Rezoning and Special Development Permit Applications: 611 Agnes Street Preliminary Report" dated June 23, 2025 from the Director of Planning and Development.
- THAT the application continue to include a minimum of two storeys, approximately 2,996 square metres (32,250 sq. ft.), of replacement office floor space.

PURPOSE

To provide Council with information regarding Rezoning and Special Development Permit Applications for 611 Agnes Street and seek direction to review the applications as outlined in the report.

SUMMARY

Rezoning, and Special Development Permit applications have been received for a 37-storey mixed-use development at 611 Agnes Street. The site is located at the north-west corner of Sixth and Agnes Street and is currently improved with a four storey commercial (retail and office building). The applications propose 299 secured market rental units, a 37-space not-for-profit childcare facility, two levels of office and grade level retail. The proposal has an overall Floor Space Ratio (FSR) of 11.16 of which 9.17 FSR is residential, 1.23 FSR is office, 0.41 FSR is retail and 0.24 FSR is childcare.

The site is located within Transit Oriented Development Area, Tier 2 and is approximately 250 metres from Columbia Street SkyTrain Station. Preliminary drawings indicate 226 off-street vehicle parking spaces with 120 of those allocated to residential units, 15 spaces allocated for visitor parking, 83 allocated to the commercial uses (retail, office) and 9 allocated to childcare.

The proposed development is consistent with key City policies; addresses projected housing, office and childcare needs; generally aligns with previous feedback provided by the Planning Committee; and is consistent and with the Interim Development Review Framework.

Staff recommend that the application be reviewed as outlined in the Application Review Process section of this report including a valuation of the primary public benefits provided through the application. The applicant has expressed some concerns regarding the economic viability of market office, however staff maintain that the office space should be included to support the City's continuing economic development objectives. As such staff have also recommended that Council support a motion to clarify the expectation that the proposed two storeys of replacement office floor space (approximately 2,996 square metres (32,250 sq. ft.) be retained in the proposal as a minimum.

BACKGROUND

Application Review History

A Pre-Application Review (PAR) was brought forward for consideration by the Land Use and Planning Committee ("Planning Committee") on May 7, 2018 for initial feedback and direction. At this meeting the Planning Committee directed that a proposal on this site would need to include:

- a maximum height of 28 or 29 storeys;
- 100% secured market rental development;
- not-for-profit childcare:
- a minimum of two storeys of replacement office; and
- a corner plaza at Sixth and Agnes Streets.

A subsequent rezoning application for this property was received in 2019 which was consistent with the direction provided by the Planning Committee except the proposal was 37 storeys rather than 28 or 29 storeys. On August 26, 2019 an initial rezoning report was provided to the Planning Committee outlining the proposed application and indicated that the additional density would likely be needed to support secured market rental, office and not-for-profit childcare. The Planning Committee resolved:

THAT the LUPC consider increased density and height in the scale proposed as generally acceptable as the basis for further public consultation, considering the provision of secured market rental housing, office space and not-for-profit childcare as amenities; and,

THAT the LUPC direct staff to report to Council on further financial analysis of the proposed heights and densities in relation to proposed amenities before proceeding to public consultation.

Following that direction, the applicant and staff initiated work on additional review and analysis. However, with the COVID 19 pandemic in early 2020, the applicant decided to put the application on pause. Submissions and payments have been received for application extensions since that time.

Policy and Regulations

The subject site is designated *Mixed Use High Density* in the Official Community Plan (OCP) which anticipates high-density development with a mix of uses including retail, office and residential. Existing zoning is C-4 (Downtown Mixed Use Districts – High Density) which permits an overall Floor Space Ratio (FSR) of 5.2 of which a maximum 3.0 FSR residential would be permitted. The Economic Development Plan seeks to ensure diverse and available supply of office space to target key growth sectors including technology, creative, education and healthcare industries.

The subject site is located in within 250 metres of the Columbia SkyTrain Station and is located in Tier 2 of the Transit Oriented Development (TOD) Area. In TOD Areas, residential vehicular parking cannot be required.

Interim Development Review Framework

As outlined in the Interim Development Review Framework (section 2.a.ii), and consistent with past practice, amenity charges and inclusionary housing do not apply to development proposals which are 100% secured market rental.

Further policy and regulation context is provide in Attachment 1.

Site Characteristics and Context

The subject site is located in the Downtown neighbourhood, at the northwest corner of Sixth and Agnes Streets and is 250 metres from Columbia Street SkyTrain station and 350 metres from New Westminster SkyTrain Station. It is currently occupied by a four storey commercial office and retail building of 5,921.64 square metres (63,740 square feet) and slopes approximately 6 metres (19.68 feet) from the high point (northeast corner) to the low point (southwest corner). It fronts onto Sixth Street which is part of the Frequent Transit Network and has been identified as a Great Street in the Master Transportation Plan. The Agnes Street Greenways is located on the south side of Agnes Street on the south side of the site.

To the north of the site are two to three storey commercial buildings, one of which is used for childcare. To the west of the site is a four storey commercial retail and office building. To the south of the site is a mixed use building with commercial retail at grade and three storeys of residential above, a lot being improved for 52 homes with supports funded by BC Housing and operated by Lookout Society and a lot used for automobile

repair. To the east of the subject site across Sixth Street are one and two storey commercial retail buildings and a two storey commercial office building. The site is proximate to key institutional uses including Douglas College and the Provincial Law Courts.

PROPOSAL

The proposed building is 37 storeys and has a total FSR of 11.16, of which 9.17 FSR would be secured market rental residential, 0.24 FSR would be not-for-profit daycare space, 1.23 FSR would be office space, and 0.41 FSR would be retail commercial space. The building would include 299 market rental units, 37 childcare spaces (12 infant toddler and 25 pre-school age spaces) in a 585 square metres (6,300 sq. feet) facility, 2,996 square metres (32,250 sq. ft.) of new office space and 995 square metres (10,710 sq. ft.) of retail space including 470 square metres (5,067 sq. ft.) specifically for a restaurant space. A privately owned public space is also proposed at the corner of Agnes and Sixth Street (approximately 60 square metres / 645 sq.ft.).

The building would consist of a three and four storey podium (from Cunningham and Agnes Streets respectively) with retail fronting Agnes and Sixth Streets and childcare fronting Cunningham Street. Restaurant patio space and childcare play area would be located on a rooftop on the south side of the site above Agnes Street. Office would be on the third and fourth levels accessed by a lobby on Agnes Street. Residential is proposed in a tower format on the eastern side of the site with a tower floorplate of 659 square metres (7,095 square feet). The proposed floorplates and tower separation are within the range anticipated through the Downtown Building and Public Realm Design Guidelines and Master Plan. Residential outdoor amenity space is proposed on the office rooftop adjacent to interior amenity space.

Off-street parking access for the building has been proposed off of Agnes Street. Preliminary drawings indicates 226 parking spaces with 120 of those allocated to residential units, 15 spaces allocated for visitor parking, 83 allocated to the commercial uses (retail, office) and 9 allocated to childcare. A Transportation study is would be completed to identify required Transportation Demand Management measures to off-set any parking reductions and promote alternate forms of transportation. Preliminary development statistics are in Attachment 2.

DISCUSSION

Overall Evaluation

As further detailed in the following sections, the proposed development is consistent with key City policies; addresses projected housing, office and childcare needs; aligns with feedback provided by the Planning Committee; and is consistent and with the Interim Development Review Framework. Staff recommend that the application be further reviewed as outlined in the Application Review Section of this report.

Height and Density

The proposed 37 storey tower would exceed current zoning requirements and Provincial TOD Area height and density provisions (12 storeys / 4.0 FSR). Direction provided by the Planning Committee in 2019 indicated support for increased height and density on the site beyond previous proposals and general urban design considerations. This support was contingent on the community benefits being provided and City objectives being addressed through provision of secured market rental housing, childcare and office spaces on site in particular.

The current submission is largely consistent with the height and building massing of the previous submission. Drawings indicate the proposed height is consistent at 37 storeys and approximately 112 metres (368 feet) and the tower floorplate has been decreased slightly (from 671 square metres / 7,227 sq. ft. to 659 square metres / 7,095 sq. ft.) to be consistent with Design Guidelines. The submission also indicates a small increase in residential density of 0.38 FSR (from 8.79 to 9.17 FSR / 4.3%) and a reduction of overall units from 303 to 299 to accommodate family friendly housing requirements. The massing and community benefits appear to be generally consistent with previous direction, and will be further evaluated reviewed through the application review process.

Housing

As per the <u>City of New Westminster Interim Housing Needs Report (2024 – 2044)</u> ("Housing Needs Report"), to meet the 5 year housing need, 3,280 market rental housing units (656 units per year) need to be delivered by 2029. This is about twice the need when compared to market ownership units (1,647 units / 330 units per year) over the same period. The proposed development would provide 299 units (9.1%) towards the projected need.

The proposed development meets the updated family friendly housing requirements in regards to number of two- and three-bedroom units with 59 two-bedroom and 31 three-bedroom units for a total of 90 family friend units (30%).

Office and Employment Space

The Economic Development Plan seeks to target technology, creative, education and healthcare businesses in these growth sectors and notes ensuring a diverse and available supply of office space is critical for attracting these businesses. The Official Community Plan (OCP) encourages office development in the Downtown and Uptown areas to promote mixed use neighbourhoods and includes policy to support office growth as it projects the city to need both local- and regional-oriented office space and anticipates up to two million square feet (186,000 square metres) of new office space by 2041. Metro Vancouver 2024 Growth Projections (medium growth scenario) forecasts the need for 44,610 jobs in New Westminster by 2030. This is an increase of 9,950 jobs (28.7%) from 2021 census data which indicates 34,660 current jobs in New Westminster.

The Planning Committee supported further consideration of an application where two levels of office were provided (equating to approximately 2,996 square metres / 32,250 sq. ft.). There is approximately 5,100 (55,000 sq. ft.) of office space within the 1973 building located on site. The application proposes to provide 2,996 square metres (32,250 sq. ft.) of new office space on two levels consistent with the objectives of the OCP and with Planning Committee direction. This would be a 59% replacement of existing space, with newer space that would be considered a higher class of office space. Economic Development Staff have reviewed the proposal and indicated the importance of office space at this location particularly given its proximity to key regional institutional users such as the provincial courthouse and Douglas College.

The applicant has expressed some concerns regarding the economic viability of market office. However staff recommend the proposal retain a minimum of two storeys (approximately 2,996 square metres (32,250 sq. ft.) / 58% replacement) of the office floor space, for the following reasons:

- the proposal includes increased residential density;
- the proposal represents a decrease in office space on site (58% replacement);
- provision of office would be consistent with City policy expectations;
- provision of office would contribute towards meeting City and Metro Vancouver office need forecasts:
- provision of office could help address demand from proximate key regional institutional users; and
- the provision of office would be consistent with direction and feedback provided by staff and the Planning committee since initial application review.

As such, staff recommend that Council support a motion to clarify the expectation that a minimum of two storeys, approximately 2,996 square metres (32,250 sq. ft.), of replacement office floor space be included in the proposal.

Child Care

The applicant has proposed a 585 square metre (6,300 square foot) child care facility which would provide 37 spaces (12 infant/toddler and 25 three to five year old spaces) and which would is proposed to be leased to a not-for profit operator.

There is a need for pre-school age child care spaces in the Downtown as more and more families are residing in multi-unit dwellings, the primary housing form in the Downtown. This is evident by the increasing enrollment at École Qayqayt Elementary School and Fraser River Middle School, which given the need for additional classroom spaces, resulted in the relocation of two on-site child care facilities with 74 spaces to sub-areas outside the Downtown. As a result, between December 2023 and December 2024, the Downtown was the only sub-area in New Westminster to experience a decrease in child care spaces.

In December 2024, there were 513 child care spaces in the Downtown and 1,200 and 773 child care spaces in the Uptown and East End sub-areas of the city respectively. Given the built-up nature of the Downtown, realizing new child care spaces can be challenging given land costs and scarcity related of outdoor play space. As such, redevelopment is often the only means of realizing new child care spaces.

Parking and Access

Off-street parking access for the building has been proposed from Agnes Street which is the low side of the site. Preliminary drawings indicate 226 parking spaces with 120 of those allocated to residential units, 15 spaces allocated for visitor parking, 83 allocated to the commercial uses (83 required) and 9 allocated to childcare (8 required). Section 525.1 of the Local Government Act limits local governments from creating land use regulations which would require off-street parking spaces for residential land uses. Childcare drop off and pickup is proposed to occur on the first level of the below grade parking structure and would connected to the childcare space by an elevator. A Transportation study is would be completed to identify required Transportation Demand Management measures to off-set any parking reductions and promote alternate forms of transportation.

APPLICATION REVIEW PROCESS

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

- 1. Interdepartmental staff review;
- 2. Preliminary report to Council (June 23, 2025) (WE ARE HERE);
- 3. Valuation of primary public benefits;
- 4. Applicant-led public consultation:
- 5. Presentation to the New Westminster Design Panel;
- 6. City-led public consultation, including creation of a Be Heard New West webpage and survey;
- 7. Public notification that no Public Hearing will be held;
- Council consideration of first, second, and third readings of the proposed Zoning Amendment and Housing Agreement Bylaws;
- 9. Completion of adoption requirements;
- 10. Council consideration of adoption of bylaws;
- 11. Issuance of the Special Development Permit by Director of Planning and Development;

INTERDEPARTMENTAL LIAISON

The City has a project-based team approach for reviewing development applications, which facilitates interdepartmental review, providing comments to the applicant throughout the development review process. This project-based team includes staff from Engineering; Climate Action, Planning and Development; Parks and Recreation, Electrical and Fire Departments.

FINANCIAL IMPLICATIONS

Consistent with the Interim Development Review Framework ("Interim Framework") and Interim Density Bonus Policy, the secured market rental housing proposed in this development would be exempt from Density Bonus contributions. The application exceeds City policy by including the public benefits as discussed above, which are provided in support of the additional proposed height. Prior to reporting to Council for consideration of bylaw readings, staff would complete a valuation of the proposed public benefits on the site.

The application would be exempt from any new Amenity Cost Charges as it qualifies as an in-stream application, but the applicant would be required to provide \$2.05M in Development Cost Charge contributions (based on current Development Cost Charge bylaw rates and prior to any non-residential credits) as rental projects are not exempted from such charges. Other external agency charges would also apply including School Site Acquisition Charges and Metro and Translink Development Cost Charges.

OPTIONS

The following options are available for Council's consideration:

- That staff to process the application as outlined in the report titled "Rezoning and Special Development Permit Applications: 611 Agnes Street – Preliminary Report" dated June 23, 2025 from the Director of Planning and Development.
- 2. That the application continue to include a minimum of two storeys, approximately 2,996 square metres (32,250 sq. ft.), of replacement office floor space.
- 3. The Council provide alternative direction.

Staff recommends options 1 and 2.

ATTACHMENTS

Attachment 1: Policy Context

Attachment 2: Preliminary Development Statistics

<u>APPROVALS</u>

This report was prepared by: Mike Watson, Supervisor, Development Planning

This report was reviewed by:
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This report was approved by: Rupinder Basi, Deputy Director, Planning Lisa Spitale, Chief Administrative Officer