

REPORT

Climate Action, Planning and Development

To: Land Use and Planning Committee **Date:** January 31, 2022

From: Emilie K. Adin, MCIP
Director, Climate Action, Planning and
Development **File:** PAR01405

Item #: 2022-48

Subject: Pre-Application Review: 2342 – 2346 Marine Drive

RECOMMENDATION

THAT the Land Use and Planning Committee endorse the recommendations summarized in the Feedback Section of this report (Section 6) and instruct staff to include these, and other feedback from the Committee, in the Pre-Application Review letter to the applicant.

EXECUTIVE SUMMARY

A Pre-Application Review (PAR) has been received for 2342 - 2346 Marine Drive from congregation Schara Tzedek for the development of an 8.7 FSR mixed use 30 storey building which includes 185 market rental residential units (80% of units) which would be rented slightly below market rents (10% below market rents) and 45 below- and non-market units (20% of units). The proposal also includes 192 sq. m. (2,066 sq. ft.) of retail commercial, 295 sq. m. (3,180 sq. ft.) childcare and a 425 sq. m. (4,574 sq. ft.) community use space. The applicant submission package is included in Attachment 1.

The subject sites are located in close proximity to the 22nd Street Station Area, which has been identified as an area intended to potentially accommodate higher density development with good transit and amenities access. In order to accommodate such densities and meet Council's climate objectives, a neighbourhood planning process has been initiated, to create a "bold vision" for an eco-neighbourhood.

The proposal aligns with City affordable and market rental housing objectives. However, proceeding in advance of the 22nd Street Station area visioning and implementation is likely to put additional cost burdens and risks on the applicant, such as bearing all costs

related to adequately servicing to the site and undertaking transportation network studies. It would also likely limit opportunities for the application to participate in potential neighbourhood-wide climate action and sustainable transportation 'big moves' identified through this planning process. It is recommended that staff engage with the applicant to integrate their site into the 22nd Street Area Bold Vision process to address cost burdens and risks and to align a proposal with 'big moves' developed through this process. This has been discussed with the applicant who has expressed general interest.

1. PURPOSE

The purpose of this report is to request LUPC support for staff to work with the applicant to integrate their site into the 22nd Street Area Bold Vision process.

2. POLICY AND REGULATIONS

The subject site is designated RT – Residential Infill Townhouse in the Official Community Plan (OCP). The purpose of this designation is to consider small scale, side-by-side townhouses and rowhouses which are compatible within areas of single detached housing and other lower density ground oriented housing. The proposed 30-storey mixed use development is not consistent with the OCP or the existing zoning and amendment applications for both would be required.

Additional information on policies and regulations are included in Attachment 2.

2.1 Bold Vision for 22nd Street Station Area

The subject site is located 120 metres (394 feet) outside the 22nd Street Station Area (Station Area). Council has directed that a neighbourhood planning process be undertaken for the Station Area to create a Bold Vision for a climate friendly future, showing how the area can transform into an eco-neighbourhood designed to adapt to climate impacts and achieve a net zero or positive climate impact. The Station Area will accommodate transit-accessible, higher-density development, ranging from townhouse to high-rise, with community serving amenities and a commercial main street at the station core. Once the Bold Vision is adopted by Council, an implementation process will be launched. This process will also include the creation of development permit guidelines, and the adoption of updated land use designations in the Official Community Plan.

The current OCP designation for the Station Area identifies a number of key considerations needing further review through the Bold Vision and implementation process, prior to any development applications proceeding, including:

- identify appropriate changes for all modes of transportation with the purpose of improving access to and circulation throughout the neighbourhood;
- develop a Facility Integration Plan with TransLink;

- identify appropriate neighbourhood and city serving community amenities;
- determine the financing growth program to help fund community amenities; and
- create design guidelines for private and public realm to ensure a high standard of architecture and urban design.

The current OCP designation, and the draft land use concept signaling this general intent are included in Appendix A.

3. BACKGROUND

3.1 Site Characteristics and Context: Information on the site characteristics and context is provided in Attachment 3.

4. PROJECT DESCRIPTION

4.1 Overview

The proposal is for an 8.7 FSR mixed-use 30-storey building with 230 residential units (including four, two-level ground-oriented townhouses), 192 sq.m. (2,066 sq. ft.) of retail commercial, 295 sq. m. (3,180 sq. ft.) childcare and a 425 sq. m. (4,574 sq. ft.) community use space.

The building would have: 185 units (80%) with near-market rents (10% below market; approximately \$1,481/1-bedroom, \$2,160/3-bedroom) which would not meet the City's affordability definitions. These units would be consistent with the family friendly housing policies and requirements. The proposal also includes 30 (13%) below- and 15 (6.5%) non-market units which would meet the City's affordability criteria and be considered affordable rental housing units. All units would be secured for 60 years or life of the building, whichever is longer. The breakdown of units is summarized in the table below:

Description	Units
Near-market Rental (10% below market)	185 units (80.4%)
Below-Market	30 units (13%)
Non-Market	15 units (6.5%)

The proposal also includes retail commercial space (192 sq. m. /2,066 sq. ft.) which would be located at grade. This use would face a small plaza area shared with a market child care space (295 sq. m./3,180 sq. ft.) with 24 infant/toddler spaces and 20, 3-5 year old spaces. Above these spaces would be a community amenity space (425 sq. m./4,574 sq. ft.) which the applicant states will be rented at a subsidized rate to a range of community groups for uses such as place of worship or meeting hall. More information on these proposed elements is included in Attachment 4.

The proposal includes 290 long-term bicycle parking space and 18 short-term bicycle parking spaces which would meet the Zoning Bylaw requirements, and 246 vehicle parking spaces which is generally consistent with Zoning Bylaw requirements.

5. DISCUSSION

5.1 Integration of Project into 22nd Street Station Area Bold Vision

Although this application proposes more density than anticipated under the existing OCP designation, further consideration may be warranted considering the proposal's type and amount of amenities, including the affordable rental and near-market rental housing, and due to the site's close proximity to the 22nd Street SkyTrain Station Area. However, proceeding in advance of the 22nd Street Station area visioning and implementation is likely to put additional cost burdens and risks on the applicant, such as bearing all costs related to adequately servicing the site and undertaking transportation network studies, at a scale beyond the typical scope required for development applications. This site bearing these costs on its own would make delivery of the application, as proposed, unlikely.

Staff has suggested, and the applicant is generally interested in, integrating the subject site into the 22nd Street Station area visioning and implementation work. The subject site, and possibly the other properties around it, would be considered as part exploring required servicing and transportation needs, and related cost-sharing, for the Station Area. Additional benefits to integrating the subject site include: 1) aligning with the climate action Bold Vision; 2) supporting transportation 'big moves' in the area, which could otherwise be hindered by the subject site developing in advance; 3) greater understanding of neighbourhood needs that development such as the subject site should support; and, 4) consistency with the approach to other applicants just outside the current Station Area, which have been advised their site could be integrated into the visioning and implementation process. A detailed discussion of these benefits is included in Attachment 5. Additionally, there are not any affordable housing funding deadlines associated with the project.

Does the LUPC support staff working with the applicant to integrate their site, and potentially other adjacent sites, into the 22nd Street Area Bold Vision process, which would result in the application review slowing to align with visioning and implementation timelines?

5.2 Near-Market Rental Units

The proposal includes 185 near-market rental units, offered at 10% below current market rental rates, and secured for 60 years or the life of the building through a Housing Agreement and/or rental tenure zoning. These units would be consistent with the Secured Market Rental Housing Policy and provide the benefits associated with market rental tenure units, however would not be considered affordable housing as defined by the City's Inclusionary Housing Policy.

Staff have estimated that based on today's current market rental rates that the units would rent from \$1,481 for one bedroom units to \$2,160 for three-bedroom units. Current market rates for studio units / bachelors was not readily available. A comparison of the proposed rates to current market rental rates is included in the table below. These rates are based on staff calculations and have not be verified with the applicant.

	Market Rates	Near Market (Proposed) Rates
Studio / Bachelor	n/a	n/a
1 Bedroom	\$1,645	\$1,481
2 Bedroom	\$2,120	\$1,908
3 Bedroom	\$2,400	\$2,160

5.3 Below- and Non-Market Rental Units

The proposal includes 45 (20%) below- and non-market units which would meet the City affordability criteria and be considered affordable rental housing units. Of these, two-thirds (30) would be between 20% to 33% below the CMHC Average Market Rent for New Westminster Private Apartments. This would be consistent with the definition of "below-market rental units" in the Inclusionary Housing Policy.

The remaining one-third (15) would be set at the maximum shelter portion of Income Assistance rates based on BC Government Income Assistance Rate Table and the expected number of occupants. This would be consistent with the definition for "non-market rental units" in the Inclusionary Housing Policy. These rates are summarized in the table below and compared with the near market rental component of the proposal.

Unit Type / Amount	Rental Rates Principle	Rental Rate Amounts (monthly)	Population Target
Near Market Rental Units 185 units (80%)	10% below market rates	1 BR: \$1,481 2 BR: \$1,908 3 BR: \$2,160	n/a
Below Market Units 30 units (13%)	20% - 33% below CMCH average rents for New Westminster	Studio: \$750 1BR: \$975 2BR: \$1,200 3BR: \$1,400	Less than 70% of HILS (Vancouver)
Non-Market Units 15 units (6.5%)	Shelter maximum of income assistance	Studio: \$375* 1BR: \$375* 2BR: \$570*He	Income Assistance / Person with Disability / Single parent with dependent(s)

*As determined by BC Government Income Assistance Rate Table

The affordable rental units would be constructed by the applicant at their cost and sold to a non-profit operator (NPO) at a subsidized amount based on a financial sustainable mortgage. The NPO could also seek construction financing from senior governments.

While initial assumptions have been made about the unit mix and unit size, these would be further reviewed and refined in coordination with a NPO as part of a formal application.

The proposal would be consistent with the requirements of Option 1 in the City's Inclusionary Housing Policy which is required for applications involving an OCP amendment, such as this one.

Does LUPC support the proposed affordable housing approach as a basis for further exploration pending outcomes of integrating the subject site into the 22nd Street Area Bold Vision and Comprehensive Master Plan work?

5.4 Retail Use

The subject site is separated from the 22nd Station Area core, so any commercial retail uses included in the proposal would not have the benefit of the draw and activity clustering that other future retail uses at the station would. As such staff are concerned about viability of commercial retail space on the site. Staff recommend that the applicant consider the viability of retail space closely as part of their site's integration in the Station Area visioning and implementation, including continuing discussions with the Economic Development Division and considering any upcoming recommendations from the Retail Strategy currently under development.

Does LUPC support further review of small scale retail at this location pending outcomes of integrating the subject site into the 22nd Street Area Bold Vision and Comprehensive Master Plan work?

5.5 Transportation Demand Management Opportunities

The application has currently proposed an amount of vehicle parking which is consistent with the standard Zoning Bylaw requirements. As the subject site is located within an approximately five minute walk to 22nd Street SkyTrain Station (420 metres / 1,375 feet) and adjacent / within a future eco-friendly neighbourhood, there is an opportunity to: highlight and encourage eco-friendly modes of transportation and transportation demand management measures; reduce the overall amount of parking for private vehicles; and, set parameters and objectives for those reductions through the 22nd Street Area Master Plan process.

Does LUPC support further consideration of eco-friendly modes of transportation, transportation demand management measures, and reduction of the overall amount of parking for private vehicles at this location pending outcomes of integrating the subject site into the 22nd Street Area Bold Vision and Comprehensive Master Plan work?

5.6 Adjacencies and Transition to Surrounding Land Uses

A number of other properties around the subject site, which are also zoned for singled detached dwellings and designated RT – Residential Infill Townhouse, could also benefit from being integrated into the Station Area visioning and implementation process. Should they not be integrated, transition from the 30 storey tower proposed on the subject site, to these adjacent lots, would require careful consideration of massing and building and site design.

Does the LUPC support staff engaging with the owners of sites adjacent to the subject site regarding potential integration into the 22nd Street Area Bold Vision and Comprehensive Master Plan work?

6. FEEDBACK FROM THE LAND USE AND PLANNING COMMITTEE

Staff is seeking feedback from the LUPC on the revised development proposal. In addition, staff seeks LUPC endorsement of the following recommendations, specifically that the LUPC support:

- A) *staff working with the applicant to integrate their site, and potentially other adjacent sites, into the 22nd Street Area Bold Vision process, which would result in the application review slowing to align with visioning and implementation timelines;*
- B) *the proposed affordable housing approach as a basis for further exploration pending outcomes of integrating the subject site into the 22nd Street Area Bold Vision and Comprehensive Master Plan work;*
- C) *further review of small scale retail at this location pending outcomes of integrating the subject site into the 22nd Street Area Bold Vision and Comprehensive Master Plan work;*
- D) *further consideration of eco-friendly modes of transportation, transportation demand management measures, and reduction of the overall amount of parking for private vehicles at this location pending outcomes of integrating the subject site into the 22nd Street Area Bold Vision and Comprehensive Master Plan work; and*
- E) *staff engaging with the owners of sites adjacent to the subject site regarding potential integration into the 22nd Street Area Bold Vision and Comprehensive Master Plan work.*

7. INTERDEPARTMENTAL LIAISON

These applications are currently being reviewed by staff from a number of City departments including Engineering, Parks and Recreation, Electrical, and Development Services.

8. OPTIONS

The following options are offered for consideration of the LUPC:

1. That the Land Use and Planning Committee endorse the recommendations summarized in the Feedback Section of this report (Section 6) and instruct staff to include these, and other feedback from the Committee, in the Pre-Application Review letter to the applicant.
2. That the Land Use and Planning Committee provide staff with alternative direction.

ATTACHMENTS

Attachment 1: Applicant Submission Package

Attachment 2: Policy and Regulation Context

Attachment 3: Site Characteristics and Context

Attachment 4: Applicant Proposed In-Kind Community Amenities

Attachment 5: Benefits of Integration with 22nd Bold Vision Process

APPROVALS

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