

# **REPORT**

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

**To:** Land Use and Planning Committee      **Date:** March 28, 2022

**From:** Jackie Teed, Acting Director, Climate Action, Planning and Development      **File:** PAR01407

**Item #:** 2022-205

**Subject:** **Proposed Six Storey Residential Building: 53 Fourth Street – Preliminary Application Review**

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### **RECOMMENDATION**

**THAT** the Land Use and Planning Committee endorse the recommendations summarized in Section 8 of this report, and instruct staff to include the recommendations and other feedback from the Land Use and Planning Committee in the preliminary application review letter to the applicant.

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### **EXECUTIVE SUMMARY**

A preliminary application review inquiry has been received for 53 Fourth Street, a downtown property at the corner of Carnarvon Street. Proposed is a six storey plus basement building, which would consist of 35 one bedroom rental units. The redevelopment would replace an existing, 10 unit purpose-built rental apartment building which is listed on the City's Heritage Resource Inventory. The existing building's heritage value was recently confirmed by the Community Heritage Commission.

#### **1. PURPOSE**

To elicit preliminary feedback from the Land Use and Planning Committee regarding the redevelopment proposal.

#### **2. POLICY AND REGULATIONS**

The subject property is designated for Residential – Low Rise Apartment in the City's Official Community Plan (OCP). The site is currently zoned Downtown Mixed Use

Districts (High Density) (C-4), which permits a range of commercial uses, along with residential units. A summary of these and other related City policies and regulations is included in Appendix A.

### **3. BACKGROUND**

#### **3.1 Site Characteristics and Context**

The subject property is located in the Downtown at the north-east corner of Fourth Street and Carnarvon Street with an approximate area of 410 sq. m. (4,413 sq. ft.). The steeply sloping site is an air space parcel that is part of the larger 335 Carnarvon Street 'base parcel', which wraps around the site to the north and east. There is an existing 10 unit, three storey purpose-built rental apartment building from 1927 on the subject site.

Surrounding land uses include apartment and condominium towers from the 1960s and 1980s to the west and south-west, a low-rise condominium building from the 1980s to the south-east, and a mixed-use condominium building from the 1990s to the north and east (on the 335 Carnarvon Street 'base parcel'). A site context map is provided below (Figure 1).



Figure 1. Site Context Map

#### **3.2 Proximity to Transit and Cycling Network**

Fourth Street and Carnarvon Street are designated as collector roads. Both street frontages have existing sidewalks. The BC Parkway and the Central Valley Greenway, comprised of on-street bike lanes along Columbia Street, are located two blocks south of the subject site. The site's proximity to transit service is highlighted in Table 1.

Table 1: Proximity to Transit Service

Transit Facility	Distance
<ul style="list-style-type: none"><li>• <b>Bus #103</b> (Victoria Hill / Quayside)</li><li>• <b>Bus #105</b> (Uptown / New Westminster Station)</li></ul>	91 m. (300 ft.) to northbound bus stop on Fourth Street; 73 m. (240 ft.) to southbound bus stop on Fourth Street
<ul style="list-style-type: none"><li>• <b>SkyTrain Station</b> (Columbia Station)</li></ul>	91 m. (300 ft.)

### 3.3 Community Heritage Commission Review

As the building is listed on the City's Heritage Resource Inventory, the Community Heritage Commission (CHC) was asked to review the building's heritage value in advance of potential redevelopment. At the March 3, 2022 Closed CHC meeting, the following motions were passed:

*THAT the Community Heritage Commission recommend the Director of Climate Action, Planning and Development direct staff to further explore retention options for the building at 53 Fourth Street;*

*THAT the Community Heritage Commission comments, this resolution, and the accompanying report related to 53 Fourth Street be released to the public on a future Land Use and Planning Committee meeting agenda.*

A copy of the released CHC report and an excerpt of the draft meeting minutes are attached as Appendices B and C.

### 3.4 Business Regulation and Licensing (Rental Units) Bylaw

On November 15, 2021, the City repealed Part 6 of the Business Regulation and Licensing (Rental Units) Bylaw because the new provincial regulations made this bylaw inoperable. As of July 1, 2021, if a landlord wants to end a tenancy for extensive renovations or repairs, they need to apply for an Order to End Tenancy and an Order of Possession from the Residential Tenancy Branch. The Branch will then schedule a proceeding where an arbitrator will decide if ending the tenancy is the only way to complete the renovation work. The City is currently reviewing the new Residential Tenancy Agreement provisions to determine what steps, if any, are needed.

As part of a rezoning application, the City has the authority to request the same, or similar, requirements as were previously included in Part 6 of the Business Regulation and Licensing (Rental Units) Bylaw.

## **4. PROJECT DESCRIPTION**

The proposed development consists of 35 rental units within a new six storey plus basement multi-unit residential building. This development is proposed to replace an existing 10 unit, three storey rental apartment building.

Each of the proposed units would contain one bedroom and have a minimum area of 32.5 sq. m. (350 sq. ft.). Preliminary drawings show an amenity room, bicycle storage, a garbage and recycling room, and a utility room on the basement level. No vehicle parking spaces are currently proposed.

The applicant's project summary letter and select preliminary drawings are included in Appendix D.

## **5. DISCUSSION**

### **5.1 Heritage Value and Condition of Existing Building**

As highlighted in the Community Heritage Commission report (Appendix B), the heritage assessment provided indicates that the existing building has historic value for its age, being one of the earliest surviving apartment buildings constructed adjacent to the Downtown core. It is also considered to have modest aesthetic value for its form and balanced design elements. The building's architectural form and pattern is intact, but the heritage assessment notes that the south side of the building is displaying signs of structural compromise. Assessments from professional engineers note that the building has subsided on the south side but that, based on regular required monitoring reports, the settlement has stabilized with no immediate safety implications.

*Does the LUPC support that staff advise the applicant to further explore retention options for the existing building, consistent with the recommendation from the Community Heritage Commission?*

### **5.2 Density**

The preliminary drawings provided do not include proposed density calculations, which would need to be provided as part of a full application. Considering the subject site is within Downtown, additional density on the site would be supportable.

Since 53 Fourth Street is an air space parcel, existing density entitlement for the site would be calculated in combination with the 335 Carnarvon Street 'base parcel'. With a maximum permitted residential density of 3.0 FSR under the C-4 zone for the overall site, there is expected that some density remaining on the 'base parcel' that could potentially be used by 53 Fourth Street. However, the use and allocation would require authorization from the owners of 335 Carnarvon Street. The applicant would be required to closely consult and involve the owners of the base parcel and/or receive authorization from them, should formal applications be submitted.

To appropriately achieve this, the applicant would need to apply for a rezoning or Heritage Revitalization Agreement, which would enable the entitlements of the air space parcel to be separated from those of the base parcel.

### 5.3 Existing Affordable Units and Tenant Assistance

Redevelopment of the subject property would result in the demolition of an existing, purpose-built rental building. The applicant has provided a current tenant profile. Based on the information provided, two of the total 10 units have tenants who have been paying from \$224 (18%) to \$335 (27%) below Canada Mortgage and Housing Corporation (CMHC)'s current private apartment median rent by unit type for New Westminster (the City's definition of below market rental rates is 10% below the CMHC rate, all years). For the other eight units, the tenants have been paying from \$65 (5%) to \$115 (9%) above CMHC's current private apartment median rent by unit type for New Westminster.

Based on the tenant profile, it is anticipated that some of the tenants will likely experience housing affordability challenges in locating comparable purpose-built market rental housing. A proposed Tenant Assistance Plan would need to be provided by the applicant as part of a formal application. Staff recommends that, because there are existing units that would qualify as "affordable", the Tenant Assistance Plan would need to:

1. Meet the general requirement of the City's Tenant Relocation Policy for all units; and,
2. Provide, for all units currently paying rents less than or equal to the City's definition of below market rents, the following benefits which were previously included in Part 6 of the City's Business Regulations and Licensing (Rental Units) Bylaw, protecting tenants who are being evicted due to construction in their building and/or unit:
  - a. Relocation: Making arrangements for the tenant's temporary accommodation at a similar rental rate and in a similar unit during the full term of construction, and at the completion of construction for their return to the original rental unit under the terms of the existing tenancy agreement.
  - b. Rent Control: Prohibition from increasing the rent payable by the tenant upon return to their unit except as an inflationary rent increase permitted by the RTA.

*Does the LUPC support that staff advise the applicant that, as part of a formal application, a Tenant Assistance Plan be provided which is consistent with both the provisions previously included in the City's Business Regulations and Licensing (Rental Units) Bylaw for those tenants currently paying below market rents per the New Westminster definition, and generally consistent with the City's Tenant Relocation Policy for all tenants?*

### 5.4 Rental Replacement Policy

Further information would be required to determine whether the draft Rental Replacement Policy requirements have been taken into consideration in the proposal,

particularly the requirement for provision of 10% below-market rental units (consistent with the definition in the Inclusionary Housing Policy).

*Does the LUPC support that staff advise the applicant that the Rental Replacement Policy provisions would need to be met for the project, should formal applications be submitted?*

## **5.5 Unit Type and Size**

The proposed development does not meet the Family-Friendly Housing requirements since all of the units are proposed to be one bedroom at 32.5 sq. m. (350 sq. ft.), which is the City's minimum size for studio units. Should this proposal proceed to formal applications, the unit mix would need to be revised to provide the required two and three bedroom units as per the Family-Friendly Housing Policy. This includes a minimum of 25% two and three bedroom units, of which at least 5% of the overall number of units would need to contain three bedrooms or more. In the Zoning Bylaw, a minimum of 40% of all single-storey dwelling units in multiple unit residential occupancy buildings must also be constructed as adaptable dwelling units in accordance with the BC Building Code.

*Does the LUPC support that staff advise the applicant that they will be required to meet the Family-Friendly Housing Policy requirements and the adaptable dwelling requirements, as well as increase the one bedroom unit size, should formal applications be submitted?*

## **5.6 Rental Tenure Only Zoning**

The applicant has not indicated their proposal for securing the rental units in the new building. Staff recommends that rental only zoning be applied, which would protect the property for rental use in perpetuity, or until a future Council should choose to approve a change to the zoning on the site. As an alternative, a Housing Agreement could be registered on title, protecting the units for 60 years or the life of the building, whichever is longer, after which non-rental housing could be constructed without any rezoning required. A Housing Agreement would be required to secure the affordable units.

*Does the LUPC support that staff advise the applicant that they will be required to apply for rental tenure only zoning, should formal applications be submitted?*

## **5.7 Off-Street Vehicle and Bicycle Parking**

The applicant is currently proposing zero off-street parking spaces for the development. Based on the parking rates for secured rental units located within Downtown, 0.6 space per bachelor or one bedroom unit, 0.8 space per dwelling unit with two or more bedrooms, and 0.1 visitor space per dwelling unit would be required. Accessible parking requirements would also need to be met. Given that the site is located within 250 metres from Columbia SkyTrain Station, the minimum required off-street parking spaces may be reduced to a maximum of 5%.

Any requested reductions/variances to the off-street parking space requirements will require rationale and mitigation measures, including an assessment of potential parking demand by future renters, and provision of transportation demand management (TDM) measures that facilitate non-vehicle modes of travel. Preliminary plans also do not show adequate provision of both long-term and short-term bicycle parking spaces per zoning requirements, which would need to be addressed in formal applications.

*Does the LUPC support that staff advise the applicant to provide the required parking or a rationale and Transportation Demand Management (TDM) measures as part of an overall Transportation Study for consideration of reduction to the required parking, consistent with the comments in this report, should formal applications be submitted?*

## **6. REVIEW PROCESS**

This preliminary application review (PAR) inquiry has been circulated to various City departments for review and comment. Feedback from the Land Use and Planning Committee (LUPC) and staff will be incorporated into a PAR letter that would be forwarded to the applicant. The PAR letter would also outline the application requirements from other City departments. Should the applicant choose to proceed with formal applications, the proposed project will be reviewed in accordance with the City's development review process.

## **7. INTERDEPARTMENTAL LIAISON**

The City has a team-based approach for reviewing development proposals. Staff from various departments, including Climate Action, Planning and Development; Engineering Services; and Parks and Recreation, has conducted an initial review of this preliminary application review inquiry.

## **8. FEEDBACK FROM THE LAND USE AND PLANNING COMMITTEE**

Staff is seeking general feedback and direction from the Land Use and Planning Committee (LUPC) on the proposal, as well as support from the LUPC on the following recommendations:

*That the LUPC direct staff to:*

- 1. Advise the applicant to further explore retention options for the existing building, consistent with the recommendation from the Community Heritage Commission;*
- 2. Advise the applicant that, as part of a formal application, a Tenant Assistance Plan be provided which is consistent with both the provisions previously included in the City's Business Regulations and Licensing (Rental Units) Bylaw for those tenants currently paying below market rents per the New Westminster definition, and generally consistent with the City's Tenant Relocation Policy for all tenants;*
- 3. Advise the applicant that the Rental Replacement Policy provisions would need to be met for the project, should formal applications be submitted;*

4. *Advise the applicant that they will be required to meet the Family-Friendly Housing Policy requirements and the adaptable dwelling requirements, as well as increase the one bedroom unit size, should formal applications be submitted;*
5. *Advise the applicant that they will be required to apply for rental tenure only zoning, should formal applications be submitted;*
6. *Advise the applicant to provide the required parking or a rationale and Transportation Demand Management (TDM) measures as part of an overall Transportation Study for consideration of reduction to the required parking, consistent with the comments in this report, should formal applications be submitted.*

## **9. OPTIONS**

The following options are offered for consideration of the Land Use and Planning Committee:

1. That the Land Use and Planning Committee endorse the recommendations summarized in Section 8 of this report, and instruct staff to include the recommendations and other feedback from the Land Use and Planning Committee in the preliminary application review letter to the applicant.
2. That the Land Use and Planning Committee provide staff with alternative feedback.

Staff recommends Option 1.

## **ATTACHMENTS**

Appendix A: Summary of Related City Policies and Regulations

Appendix B: Community Heritage Commission Report

Appendix C: Excerpt of Draft Community Heritage Commission Meeting Minutes

Appendix D: Applicant's Letter of Intent and Preliminary Drawings (Select)

## **APPROVALS**

This report was prepared by:

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