

# **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:** 13.2675.05

**Item #:** 2022-234

**Subject:** Rezoning and Development Permit (616 - 640 6th Street) – Preliminary Report

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### **RECOMMENDATION**

**THAT** the Land Use and Planning Committee instruct staff regarding the optional approaches summarized in Section 8 of this report, and provide staff with any other feedback; and,

**THAT** the Land Use and Planning Committee endorse the review process included in the Application Review Process and Next Steps Section of this report, and instruct staff to proceed with next steps once feedback provided by the Committee has been addressed.

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### **EXECUTIVE SUMMARY**

The properties at 616 & 640 Sixth Street have recently been sold to PC Urban Properties. Prior to the sale the City approved an application for rezoning and issued a subsequent Development Variance Permit to allow a 29 storey mixed use development consisting 237 secured market rental units with retail at grade fronting Sixth Street.

The new owner has submitted an application to rezone the site which would generally maintain the previously approved site plan, including the height of the residential tower at 29 storeys and continue to provide grade level retail, a privately owned and publicly accessible plaza at the corner of Sixth Street and Seventh Avenue, and off-site improvements associated with the implementation the Sixth Street Great Street and also the Seventh Avenue Crosstown Greenway. The current proposal includes the following key revisions:

- increase the number of secured market rental housing units from 237 to 338 (increase of 101 units);
- increase in density from 6.46 FSR to 7.80 FSR (increase of 1.34FSR);
- an increase in the maximum tower floorplate size by 8.9% (from 689 square metres (7,414 sq. ft.) to 750 square metres/ 8,073 square feet); and
- increase in the height of podium from three to four storeys with the proposed fourth storey being setback 3 metres (10 feet).

The increased number of rental units would support Council's affordable housing priorities. The increased density would be appropriate to the Official Community Plan land use designation. The increase in the tower floorplate and podium height is not consistent with key principles which framed negotiation of the previous tower massing partially in exchange for a 29 storey building with is taller than adjacent buildings (22 to 24 storeys), but is consistent with Development Permit Area Design Guidelines. Staff is seeking LUPC instruction on whether to explore a taller tower to achieve the additional units rather than change the floorplate or podium height.

Since the original proposal, Rental Tenure Only Zoning (RTOZ) has been created by the Province, which protect a property for rental use in perpetuity, or until a future Council should choose to approve a change to the zoning on that site. The market rental housing in this proposal would need to be secured with either a Housing Agreement and Rental Tenure Only Zoning and staff would continue to assess these options thorough the application review process.

## **1. PURPOSE**

This report is intended to provide Council with preliminary information on the proposed rezoning of the properties at 616 and 640 Sixth Street, to seek direction on key optional approaches for the application which are not consistent with approaches previously negotiated and to outline the application review process for endorsement.

## **2.0 BACKGROUND**

### **2.1 Previous Applications**

#### **Previously Approved Rezoning and Housing Agreement (2019)**

The subject site was rezoned through the adoption of Zoning Amendment Bylaw No. 7997, 2019 on October 7, 2019 to facilitate the development of a 29 storey mixed use development consisting of 142 market strata residential units, 95 secured market rental units, and 1,150 square metres (12,384 sq. f.) of commercial retail at grade fronting Sixth Street. The 95 secured market rental units were secured by Housing Agreement Bylaw No. 8131, 2019 which was adopted by Council on September 20, 2019 and has been registered at the Land Title Office with a no-stratification covenant

### Previous Development Variance Permit and Housing Agreement Amendment (2020)

A Development Variance Permit and Housing Agreement Amendment were subsequently approved for the subject site to facilitate converting the previously approved development from a mix of condo and secured market rental units to a 100% secured market rental project with funding from the Canadian Mortgage and Housing Corporation (CMHC). Variances were approved by Council through DVP00685 to increase the maximum floorplate from 650.5 square metres (7,000 sq. ft.) to 689 square metres (7,414 sq. ft.) and regularize the parking requirements with the standard bylaw parking requirements for secured market rental housing units. Housing Agreement Amendment (616 - 640 Sixth Street) Bylaw No. 8242, 2020 was adopted November 30, 2020 to allow the conversion of all 237 units to secured market rental units.

### Development Permit

The previous applicant submitted a concurrent Development Permit at the time the initial rezoning application, which was never finalized and issued. This application has now transferred to the new owners.

## **2.2 Site Characteristics and Context**

The subject sites are two lots with frontages along Sixth Street, Princess Street and Seventh Avenue in the Uptown neighbourhood as shown in Figure 1 below. Additional site characteristics and context information is included in Attachment 1.

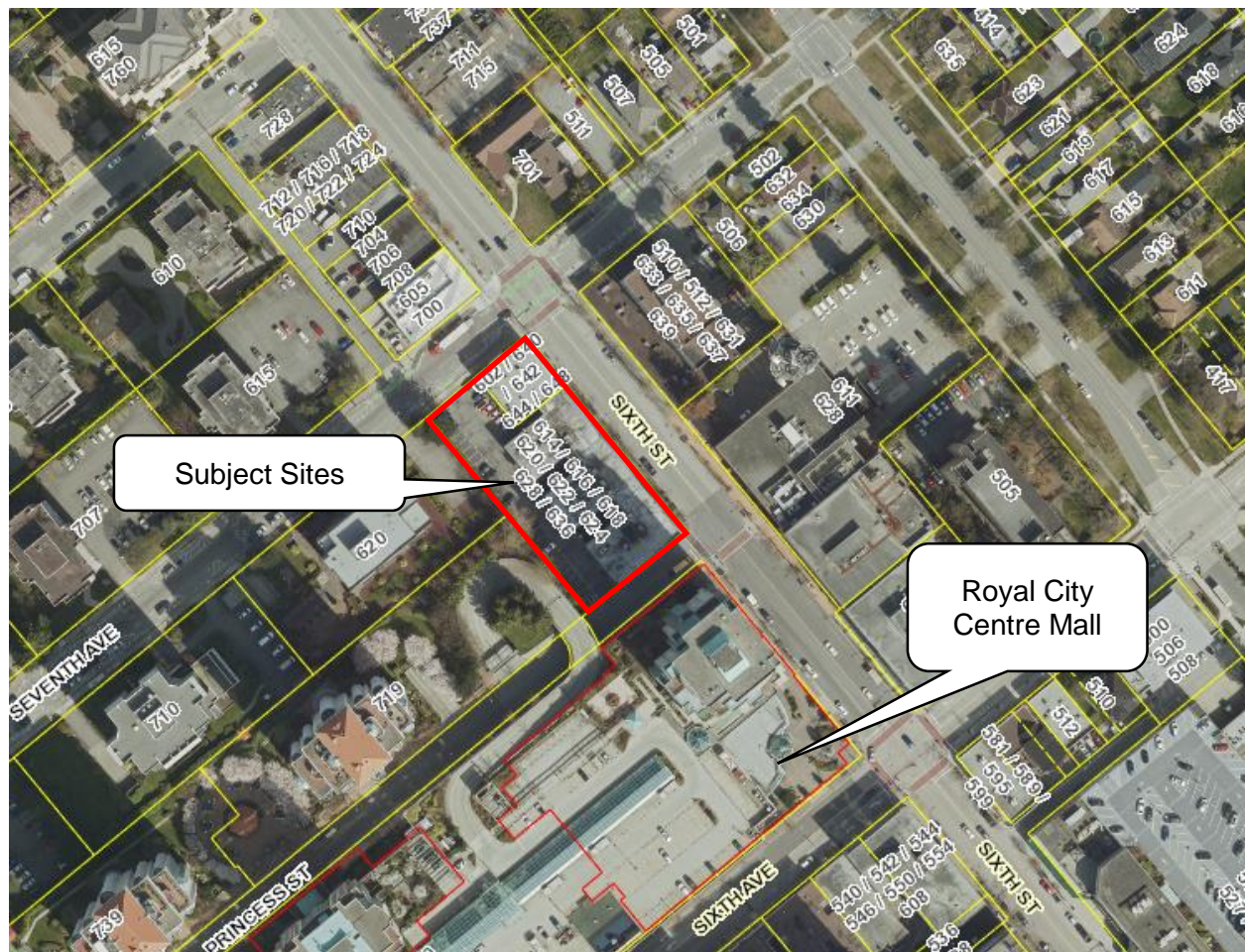


Figure 1: Site Location

### **3.0 POLICY AND REGULATIONS**

The current proposal is consistent with the Official Community Plan land use designation for the site: (MH) Mixed Use - High Rise. The current zoning is Comprehensive Development District (616 and 640 Sixth Street) (CD-80), which would need to be amended to accommodate the proposal through rezoning. A summary of related City policies and regulations, which includes the Official Community Plan (OCP) Land Use Designation, Development Permit Area (DPA), and Zoning, is included in Attachment 2.

### **4.0 CURRENT PROPOSAL**

The current proposal consists of 29 storey building with 338 secured market rental housing units (increase of 101 units), 10,442 square feet (970.09 square meters) of commercial retail along Sixth Street (decrease of 1,942 square feet / 180 square meters). The building would have an overall density of 7.80 FSR (increase of 1.34 FSR), and a floorplate of 750 square metres / 8,073 square feet (increase of 61 square metres / 659 square feet). The applicant proposes 10 units (2.9%) would be offered at 10% (or more) below CMHC median rents all years for New Westminster, and that all

units would be secured with a Housing Agreement for a period of 60 years or the life of the building. the proposal continues to include a privately owned, publicly accessible plaza and off-site improvement associated with Sixth Street Great Street and the Seventh Avenue Greenway. The application includes 60 studio (18%), 158 one-bedroom (47%), 92 two-bedroom (27%) and 28 three-bedroom (8%) units, which is consistent with the requirements of the City's Family Friendly Housing requirements.

The form and character of the project would generally be consistent with what was approved by Council through the earlier rezoning application other than the noted changes. The entire building would be owned and managed by one entity; would no longer have separate entrances, lobbies, or elevators; and all shared amenity areas would be available to all residents. The revisions to the proposal are summarized in the table below.

	<b>Proposed</b>	<b>Previous</b>	<b>Difference</b>
<b>Residential Units</b>	338 Secured Market Rental Units	237 Secured Market Rental Units	101 unit increase
<b>Density</b>	7.80 FSR	6.46 FSR	1.34 FSR increase
<b>Height</b>	29 storeys	29 storeys	No change
<b>Tower Floorplate</b>	750 square metres (8,073 square feet)	689 square metres (7,414 sq. ft.)  <u>Prior to DVP:</u>  650.5 square metres (7,000 sq. ft.)	61 square metres (657 sq. ft.)  <u>Prior to DVP:</u>  99.5 square metres (1,071 sq. ft.)
<b>Off-Street Parking</b>	271 spaces*	313 spaces	42 space decrease

\*Does not comply with bylaw requirements and requires staff review

The applicant has provided a project rationale letter, drawings submission, and project statistics, which have been included in Attachment 3.

## **5.0 DISCUSSION**

### **5.1 Density**

The current application proposes to increase the density from 6.46 to 7.80 FSR (increase of 1.34 FSR / 21%). The proposed density is considered reasonable as the subject site is located in the Residential High-Rise designated area of the Uptown Local Centre, as identified in the Official Community Plan.

## 5.2 Tower Floorplate, Podium and Building Height

Generally, the City seeks to negotiate for taller buildings with smaller floorplates and shorter podiums than permitted by design guidelines to support livability and a highly walkable, pedestrian-scale streetscape (e.g. ensuring light and air to the public streets, open space, residential units; creating pedestrian scale at the street, etc.). This was the case for the building originally approved for this site in 2019, which was negotiated and approved by Council to be taller than adjacent buildings (29 storeys vs. 22 to 24 storey adjacent buildings), partially in exchange for having a smaller tower floorplate of 650.3 square metres (7,000 sq. ft.) and podium height of three storeys. This negotiated outcome supported the Sixth Street Great Street and responded to livability comments provided by adjacent residents.

In 2020 the City subsequently supported a variance of the floorplate size to 689 square metres (7,414 sq. ft.) in support of converting the building to 100% rental units. Staff considered that the 6% increase in size would still realize the streetscape/livability principles, while achieving over 200 new rental units.

The current proposal is for a four storey podium with a three metre / 10 foot setback for the top floor, and a tower floorplate of 750 square metres (8,073 sq. ft.). These are permitted by the design guidelines, and would be a cost effective way of adding density. As the tower would remain at 29 storeys, with a higher podium and a floorplate that is 15% larger than originally approved, staff considers that the changes no longer meet the intent of the previously approved project: i.e. to allow 29 storeys partially in exchange for a smaller podium and floorplate to achieve goals related to the Sixth Street Great Street and liveability.

An optional approach to achieve the additional 101 new rental units, as well as the streetscape/livability goals, would be to add additional storeys to the tower, with a three storey podium, and floorplate around the currently approved size of 689 square metres (7,414 sq. ft.).

***Either:*** Does the LUPC support that staff work with the applicant to reduce the floorplate close to the currently approved 689 sq.m./7,414 sq.ft. and the podium to three storeys, and instead increase the building height to achieve additional rental units, prior to proceeding to public consultation; or,

***Or:*** Does the LUPC support that the application proceed to next steps with the proposed 750 square metres (8,073 sq. ft.) floorplate, four storey podium, and 29 storey tower?



### **5.3 Secured Market and Affordable Rental Housing**

Consistent with the previous proposal authorized by Council through the Development Variance Permit in 2020, this project would be 100% secured market rental housing. The applicant has proposed an increase in the number of units from 237 to 338, and increase of 101 (30%) units, supporting Council's affordable housing priorities. The entire building would be owned and managed by one entity. All entrances, lobbies, elevators, and amenity areas would be available to all residents.

The applicant proposes 10 units (2.9%) would be offered at 10% (or more) below CMHC median rents all years for New Westminster. The applicant has not indicated whether or not they are working through CMHC's Rental Construction Financing Initiative (RCFi) as the previous owners were. The RCFi would offer low interest loans for development of projects which achieve social outcomes in relation to affordability, accessibility, and energy efficiency.

The applicant proposes the units continue to be secured through the current Housing Agreement registered on title, which would be amended to cover all 338 units, securing them for 60 years or the life of the building, after which non-rental housing could be constructed without any rezoning required. Since the time of the original application, Rental Tenure Only Zoning has been created by the Province. This option is open to the City for all rental zoning applications, and 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. Market rental housing would need to be secured with either a Housing Agreement and Rental Tenure Only Zoning and staff would continue to assess these options thorough the application review process.

### **5.4 Transportation and Off-Street Parking**

Given the site is bounded by Sixth Street Great Street on one side, and Seventh Avenue Greenway on the other, access must be taken from Princess Street. Princess Street provides access to a number of other residential towers, as well as loading access to the Royal City Centre mall, including for very large transport trucks. As such, a comprehensive transportation review including bicycle and vehicle parking, transportation demand management measures, and loading configuration and functionality was required to be produced and accepted by the City for the previous rezoning to add 237 new units.

Adding an additional 101 units will require a similar level of analysis, and a fully updated review under the current proposal would be required which would need to take into account significant proposed reductions from existing general Zoning Bylaw requirements for market rental housing as well as walking proximity to transit, cycling routes, services and amenities.

## **6.0 REVIEW PROCESS AND NEXT STEPS**

Since the initial intake of this application, the City has formalized a streamlined interim review process. The anticipated next steps for review of this project are outlined below:

1. Staff Review and Internal Circulation (on-going);
2. Land Use and Planning Committee Report (**WE ARE HERE**)
3. Report to Council from Land Use and Planning Committee;
4. Applicant-led public information / consultation on updated project design;
5. New Westminster Design Panel Review of revised design;
6. City-led public consultation, including the creation of a Be Heard New West webpage and survey;
7. Council consideration of First and Second Readings of Rezoning and Housing Agreement Bylaws and issue notice of waiving Public Hearing;
8. Public Hearing (if Council does not waive);
9. Council consideration of Third Reading and Adoption Rezoning and Housing Agreement Bylaws.
10. Adoption of Zoning Amendment Bylaw
11. Issuance of Development Permit by Director of Development Services

## **7.0 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.

## **8.0 FEEDBACK FROM THE LAND USE AND PLANNING COMMITTEE**

Staff is seeking general feedback from the Land Use and Planning Committee (LUPC) on the proposal, as well as instruction from the LUPC on the following optional approaches:

*That the LUPC instruct staff to:*

1. *Either: Work with the applicant to reduce the floorplate close to the currently approved 689 sq.m./7,414 sq.ft. and the podium to three storeys, and instead increase the building height to achieve additional rental units, prior to proceeding to public consultation; or,*

*Or: Advise the applicant that their application proceed to next steps with the proposed 750 square metres (8,073 sq. ft.) tower floor plate, four storey podium, and 29 storey tower.*



## **9.0 OPTIONS**

The following options are available for the Land Use and Planning Committee's consideration:

1. That the Land Use and Planning Committee instruct staff regarding the optional approaches summarized in Section 8 of this report, and provide staff with any other feedback; and,
2. That the Land Use and Planning Committee endorse the review process included in the Application Review Process and Next Steps Section of this report, and instruct staff to proceed with next steps once feedback provided by the Committee has been addressed.
3. That the Land Use and Planning Committee forward the application to Council for their feedback on the options provided in Section 8 of this report.
4. That the Land Use and Planning Committee provide staff with alternative instructions.

Staff recommends Options 1 and 2.

## **ATTACHMENTS**

Attachment 1 – Policy and Regulation Context  
Attachment 2 – Site Characteristics and Context  
Attachment 3 – Preliminary Project Drawings

## **APPROVALS**

This report was prepared by:  
Michael Watson, Acting Development Planning Supervisor

This report was reviewed by:  
Jackie Teed, Senior Manager of Climate Action, Planning and Development

This report was approved by:  
Jackie Teed, Acting Director, Climate Action, Planning and Development