

REPORT

Land Use and Planning Committee

To: Mayor Cote and Members of Council **Date:** April 11, 2022

From: Land Use and Planning Committee **File:** REZ00200

Item #: 2022-263

Subject: Rezoning and Development Permit Applications for Market Rental
Building Renovation: 222 Ash Street

RECOMMENDATION

THAT Council provide staff with direction as outlined in the Options Section of this report.

PURPOSE

Feedback and instructions from Council are sought regarding an application to add 37 rental units (including 10 affordable units) in a three-storey addition to an existing rental building, which would require the existing 50 rental units be vacated for construction, 58% of which pay below market rent.

EXECUTIVE SUMMARY

Rezoning and Development Permit applications have been received to allow for a three storey addition to an existing purpose built three storey rental building. The addition would allow for the construction of 37 new rental units within the building, for a total of 87 units. Ten of the units (11.5%) would be affordable rental units, though the proposed rental rate has not been provided.

The applicant states that the 50 existing units would need to be vacated for the construction, but no tenant assistance plan has been provided at this time. Of these, 29 units (58%) are rented at less than the City's defined below market housing rates. Land Use and Planning Committee is seeking Council instruction regarding staff-identified options, to either:

- 1) advise the applicant that a tenant assistance plan needs to be provided which is both consistent with the provisions previously included in the City's Business Regulations and Licensing (Rental Units) Bylaw (i.e. temporary accommodation during construction and return to the original rental unit under the terms of the existing tenancy agreement, and rent control) for all units paying below market rents, and which offers assistance generally consistent with the City's Tenant Relocation Policy, for all units; or,
- 2) advise the applicant that the proposed application should not be advanced further, given the requirement that current tenants cannot remain in the 50 existing rental units through the construction period.

Should Council choose option #1 above, staff recommends:

- a) that the requirement for 10 secured affordable units be met by securing and leasing to a non-profit 10 of the 29 existing units rented at or below the City's below market rates, and including both one and two bedroom units;
- b) that Rental Tenure Only Zoning be applied for their application (rather than a requirement of rental for 60 years or the life of the building, which is the standard term in the City's Housing Agreements); and
- c) that the required comprehensive transportation review be provided by the applicant prior to proceeding with public consultation.

This application had been scheduled to present to the Land Use and Planning Committee on March 28, 2022. However, a majority of LUPC members identified the need to be recused from the item, given proximity of their residences to the site. As this would have impacted quorum for the LUPC, the item was instead tabled and forwarded to Council for direction. More detail on the application and discussion on the options is included in the staff Report to the Land Use and Planning Committee included in attachment 1.

APPLICATION REVIEW PROCESS

As noted in the report to the LUPC, and revised to reflect this Council review, the anticipated review steps for this application are:

1. Internal Circulation, Review and Applicant Revisions;
2. Preliminary Report to LUPC (March 28, 2022);
3. Preliminary Report to Council (April 11, 2022) (**we are here**);
4. Applicant Revisions responding to Council feedback;
5. Applicant-led public consultation, including dissemination of information through the local Residents Association;
6. Presentation to the New Westminster Design Panel;
7. City-led public consultation, including the creation of a Be Heard New West webpage and survey;

8. Council consideration of First and Second Readings of the project's Bylaws including Housing Agreement and issuance of notice of waiving Public Hearing (if applicable);
9. A Public Hearing (if Council does not waive) followed by Council's consideration of Third Reading and Adoption of the Rezoning Bylaw and Housing Agreement Bylaw;
10. Applicant Addresses Adoption Requirements;
11. Adoption of Zoning Amendment Bylaw;
12. Consideration of issuance of Development Permit by Director of Climate Action, Planning and Development.

The City uses a project-based team approach for reviewing development applications which includes staff from Engineering Services, Parks and Recreation, Electrical, Fire, Climate Action, and Planning.

OPTIONS

The following options are available for Council's consideration:

- 1) That Council endorse the next steps included in the Application Review Process Section of this report, and direct staff to advise the applicant that:
 - a. a Tenant Assistance Plan needs to be provided which is both consistent with the provisions previously included in the City's Business Regulations and Licensing (Rental Units) Bylaw (i.e. temporary accommodation during construction and return to the original rental unit under the terms of the existing tenancy agreement, and rent control) for all units paying below market rents, and which offers assistance generally consistent with the City's Tenant Relocation Policy, for all units; and
 - b. the requirement for 10 secured affordable units could be met by securing and leasing to a non-profit 10 of the 29 existing units rented at or below the City's below market rates, and including both one and two bedroom units; and
 - c. Rental Tenure Only Zoning would need to be applied to their application; and
 - d. that the required comprehensive transportation review be provided by the applicant prior to proceeding to next steps; or
- 2) That Council direct staff to advise the applicant that the proposed application should not be advanced further, given the requirement that current tenants cannot remain in the 50 existing rental units through construction; or
- 3) That Council provide alternative direction.

ATTACHMENTS

Attachment 1: Report to LUPC dated March 28, 2022

APPROVALS

This report was prepared by:

Mike Watson, Mike Watson, Acting Supervisor of Development Planning

This report was reviewed by:

Jackie Teed, Senior Manager of Climate Action, Planning and Development

This report was submitted on behalf of the Land Use and Planning Committee
and approved by:

Emilie Adin, Director of Climate Action, Planning and Development

Lisa Spitale, Chief Administrative Officer