

DIRECTOR'S MEMO

Climate Action, Planning and Development

To: Land Use and Planning Committee **Date:** May 30, 2022

From: Emilie K. Adin, MCIP **File:** PAR01425
Director, Climate Action, Planning and
Development

Item #: 2022-403

Subject: Pre-Application Review: 807-823 Sangster Place and 39 East Eighth Avenue

RECOMMENDATION

THAT the Land Use and Planning Committee endorse the recommendations summarized in Section 6 of this report, and instruct staff to advise the applicant that an Official Community Plan Amendment be considered, provided all the requirements outlined in this report are incorporated.

EXECUTIVE SUMMARY

A Pre-application Review (PAR) has been received for 807-823 Sangster Place and 39 East Eighth Avenue. An Official Community Plan (OCP) Amendment is being proposed to permit the development of two six-storey multi-unit residential buildings with a mix of market condo and market rental units. The application would need to address a number of technical challenges, if it were to proceed. This is Stage 1 of the PAR which seeks Land Use and Planning Committee's initial feedback on some big questions relating to the proposed OCP amendment. This initial discussion with the LUPC would need to be followed by a Stage 2 PAR outlining an approach to the technical challenges, prior to proceeding to a formal application.

1. PURPOSE

To elicit preliminary feedback from the Land Use and Planning Committee regarding the proposed OCP Amendment.

2. POLICY AND REGULATIONS

The subject properties are zoned RS-1 (Single Detached Residential Districts). 807-823 Sangster Place are designated RD (Residential – Detached and Semi-Detached Housing) which permits low density ground oriented residential uses including single detached dwellings and duplexes. Thirty-nine East Eighth Avenue is designated RGO (Residential – Ground Oriented Infill Housing) which permits ground oriented infill housing forms. As the proposed six-storey multi-unit residential buildings are not consistent with these land use designations, an OCP Amendment and rezoning would be required to facilitate the development. A summary of related City policies and regulations is included in Appendix A.

3. BACKGROUND

3.1 Site Characteristics and Context

The subject properties are six single detached dwelling lots located in the Massey/ Victory Heights neighbourhood. The properties front onto Sangster Place, with one being a corner lot on East Eighth Ave, which is classified as a collector road. The properties are located approximately 750 metres from McBride Boulevard, which is part of the Major Road Network. They have a combined area of approximately 4,344 sq.m. (46,765 sq. ft.).

Surrounding land uses include two public parks located directly north and east of the subject site, a seven storey apartment building from the 1960s to the northwest, single-family houses to the east, a four-storey condominium building from the early 2000s to the west and the Justice Institute of British Columbia to the south across East Eighth Avenue. A site context map is provided below (Figure 1).

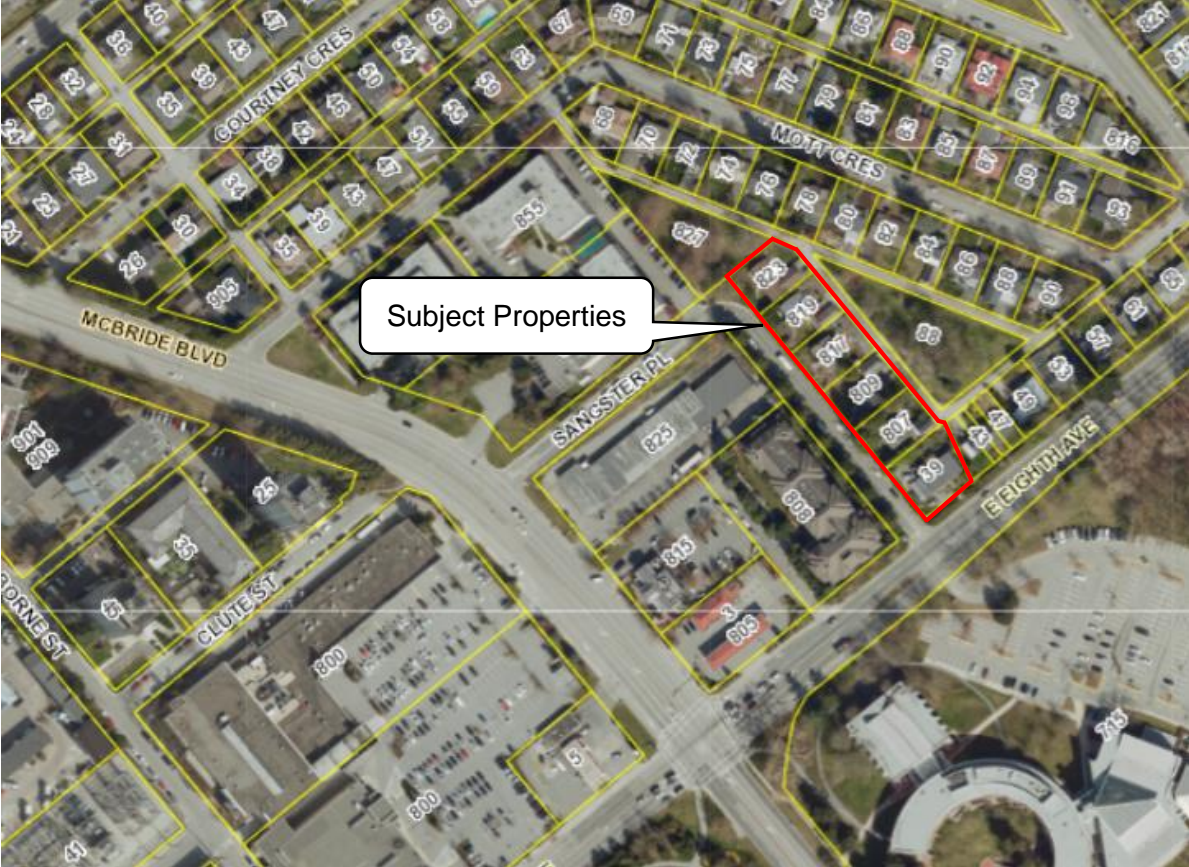


Figure 1 - Site Context Map

3.2 Proximity to Transit Service

Transit Network	Frequency	Distance
Bus Service (#105 Uptown & #128 Braid Station)	Approximately 20 minutes	130 metres (426 feet) to the Westbound bus stop E. Eighth Ave. @ Cumberland St; 67 metres (220 feet) to the Eastbound bus stop E. Eight Ave. @ McBride Ave.

4. PRELIMINARY DEVELOPMENT PROPOSAL

The applicant is proposing to construct two six-storey multi-unit residential buildings, one building with market condo units and the other with rental units. Two-storey townhome units fronting Sangster Place are proposed to provide ground-oriented units geared towards families. The development physically resembles what is being built along West King Edward Avenue and Cambie Street in Vancouver. The two buildings would have a total of 187 units, a total floor area of 10,778 sq. m (116, 013 sq. ft.), and a floor space ratio (FSR) of approximately 2.5. Approximately 500 sq. m. (5,381 sq. ft.) of outdoor amenity space and 540 sq. m. (5,812 sq. ft.) of indoor amenity space are

being proposed to encourage social interaction. The proposal also contemplates improving the two adjacent parks, although more information would be required for staff to evaluate as part of a Stage 2 PAR application.

The applicant is proposing to align their proposal with Option 1 of the Inclusionary Housing Policy, for which 20% of the units or floor space are required to be affordable rental. Note that Option 1 of the Inclusionary Housing Policy is strongly encouraged whenever an OCP Amendment is being requested.

In City policy, the affordable rental units must conform to the City's affordability definitions. However, the applicant is currently proposing lower affordability levels than the City's affordability definition provides for.

The applicant's preliminary project proposal is included in Appendix B.

5. DISCUSSION

5.1 Official Community Plan Amendment

The subject sites were designated for low density, ground-oriented land uses in the Official Community Plan in light of site conditions which make higher density development challenging, including slope and lot depth. The properties have a relatively shallow average lot depth of approximately 30 metres (100 feet), sloping up roughly 10-18% from Sangster Place to a substandard lane, and then back onto Mott Triangle Park. In addition, it is likely that dedications would be required for both the lane and Sangster Place, which would further reduce the lot depth. These conditions make the properties more suited for ground-oriented infill uses (e.g. duplexes, triplexes, infill townhouses) contemplated under the current land use designations.

While amendments may be considered, particularly given that the OCP is now five years old, staff generally supports amendments which are either: 1) minor and resulting in development that is relatively in alignment with the intent of the OCP; or, 2) providing benefits that are significantly over-and-above in relation to Council priorities. Using this as a guiding principle, an OCP amendment could be explored, provided the proposal is consistent with City policy, provides significant benefits, and appropriately transitions to neighbouring uses, as outlined in the sections below.

Does the LUPC support staff advising the applicant that an Official Community Plan Amendment could be explored, provided all the requirements outlined in this report are incorporated?

5.2 Inclusionary Housing Policy

The rent levels for the 20% affordable units proposed are 39% (\$401) to 68% (\$1,293) higher than those defined in the Inclusionary Housing Policy, as detailed in Table 1. However, based on a cursory review of available data for rental buildings built since 2017, the applicant's proposed near market rents for studio, one and two-bed units generally ranged from 15% to 42% lower than current asking rents.

As proposed, these units would not qualify as affordable housing under this program. Having said that, staff are currently working to look at the affordable housing definitions more closely, given that there is not alignment between the City’s definitions and those utilized by senior levels of government. It is also worth noting that no other developers have yet to pursue Option 1 of the City’s Inclusionary Housing Policy. The City’s land economist had found that Option 1 is not possible to achieve without a considerable increase in density and/or with senior government funding assistance.

Unit Type	City of New Westminster Below-Market Rents	Applicant Proposed Affordable Rents	Variance (\$)	Variance (%)
Studio	\$1,035	\$1,436.50	+\$401.50	39%
1-bed	\$1,112	\$1,592.10	+\$480.10	43%
2-bed	\$1,407	\$2,010.60	+\$603.60	43%
3-Bed	\$1,902	\$3,195.15	+\$1,293.15	68%

Table 1 – 2021 Monthly Rental Rates Comparison Table

Staff do not have enough information to evaluate the feasibility of developing affordable rental units on the site that meet the Inclusionary Housing Policy requirements. A proforma, inclusive of an operating budget, expected development costs and capital budget to confirm the financial viability of the project, would need to be provided as part of a subsequent application.

The Inclusionary Housing Policy requires affordable units to be sold to a non-profit or BC Housing at below-market value. The applicant would be required to work with the City and BC Housing to identify a non-profit partner should a formal application be submitted.

Does the LUPC support that staff advise the applicant that their proposal would be expected to meet the requirements of the Inclusionary Housing Policy, including related rental rate definitions, and that any subsequent application needs to include information for staff to evaluate the feasibility of providing affordable rental housing including in relation to the City’s Inclusionary Housing Policy definitions?

5.3 Building Massing and Transition

The OCP contemplates permitting buildings of six storeys where there is a sizable community benefit (in this case, 20% inclusionary) and they are able to make an appropriate transition in massing to adjacent open space and lower density uses. The proposed six storey buildings will need to provide this transition to Mott Triangle Park and the existing single-family neighbourhood. This will be challenging technically, given that the subject site is very constrained with the limited lot depth, significant slope, and expected dedication requirements. This makes façade articulation and stepping back at upper storeys key to transitioning the building into the surrounding context. Special attention would need to be paid to the massing at the rear of the property to reduce bulk and overshadowing.

Does the LUPC support that staff advise the applicant that six storey massing could be further explored as part of a subsequent Stage 2 PAR application, provided the proposal meets the OCP design guidelines for six storey buildings?

5.4 Unit Type and Size

As this application is very preliminary, staff does not have enough information to fully evaluate consistency with the requirements of the Family-Friendly Housing Policy. However, the application is expected to meet the following requirements:

- A minimum of 25% two and three bedroom units for the market rental portion, of which at least 5% of these units would need to contain three bedrooms or more.
- A minimum of 30% of the market condo units are required to be two and three bedroom units, of which at least 10% need to be three bedroom or more.
- The unit type and size of any affordable units would be determined working with BC Housing and the non-profit housing provider.

The applicant would need to provide a full unit breakdown by type and size to demonstrate compliance with both the Family-Friendly Housing Policy and the City's adaptability requirements, should they submit a subsequent Stage 2 PAR application.

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?

5.5 Transportation Study

The applicant's preliminary proposal indicates a request to vary the number of required off-street parking stalls. However, a full breakdown of the number of proposed units by type is required to fully evaluate the proposed reduction against the minimum Zoning Bylaw requirements.

This area is not as well served by transit compared to other areas in the City. As such, any requested variances to the off-street parking requirements will require rationale and mitigation measures, including an assessment of potential parking demand by future owners and renters, and provision of transportation demand management (TDM) measures that facilitate non-motorized-vehicle modes of travel. This information would be subject to approval by Council, as part of a subsequent Stage 2 PAR application.

Does the LUPC support that staff advise the applicant that they will be required to provide a rationale and mitigation measures, including the provision of TDM measures, should they request to vary the number of required off-street parking stalls as part of a subsequent Stage 2 PAR application?

5.6 Required Road Dedication

The applicant would be required to provide any road dedications and statutory right of ways that may be required along all frontages to meet the capacity, functionality and design objectives for all modes of transportation in the City including access to the proposed development. As this is a preliminary application, this would be confirmed through a complete review of a full application with required technical information, studies and analysis. At a minimum, the City would likely be requiring the following:

- Dedication along the Sangster Place frontage (approximately 0.85 m)
- Dedication along the Lane frontage (approximately 0.56 m)

Staff note that the provision of any required road dedication could further constrain the developable site area. To mitigate the challenges associated with the shallow lot depth, the proposal contemplates closing the portion of Sangster Place that is accessed from East Eighth Avenue to create a pedestrian thoroughfare (note that this is the portion of Sangster Place where the City contemplates requiring a road dedication), and one of the following two options: closing the rear lane; or, acquiring a portion of Mott Triangle Park to achieve the required lane width. More information would be required as part of a subsequent Stage 2 PAR application in order for the City’s Engineering, Fire, Parks and arborist staff to properly evaluate any such proposals.

5.7 Heritage Value of Existing Single-Family Houses

The proposal would require the assembly of the six lots and subsequent demolition of the existing six single-detached houses. As outlined in Table 2, five of the buildings are over 50 years old and one building is over 100 years old. As such, formal review of the houses’ heritage value would be required per City policy. Based on a preliminary assessment, staff expect their value to be relatively low. However, Heritage Assessments and review by the Community Heritage Commission would be required to confirm that retention would not be warranted. The table below outlines the year each house was built as well as their respective ages.

Address	Year Built	Age
39 E Eighth Ave	1967	55 years
807 Sangster Place	1928*	94 years
809 Sangster Place	1929*	93 years
817 Sangster Place	1927*	95 years
819 Sangster Place	1892*	130 years
823 Sangster Place	1966	56 years

Table 2 - Age of Existing Single-Family Houses

*Denotes houses that were moved from another location.

6. 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 that an Official Community Plan Amendment be considered, provided all the requirements outlined in this report are incorporated;*
- 2. Advise the applicant that their proposal would be expected to meet the requirements of the Inclusionary Housing Policy, including related rental rate definitions, and that any subsequent application needs to include information for staff to evaluate the feasibility of providing affordable rental housing including in relation to the City's Inclusionary Housing Policy definitions;*
- 3. Advise the applicant that six storey massing could be further explored as part of a subsequent Stage 2 PAR application, provided the proposal meets the OCP design guidelines for six storey buildings;*
- 4. Advise the applicant that they will be required to meet the Family-Friendly Housing Policy requirements and the adaptable dwelling requirements; and*
- 5. Advise the applicant that they will be required to provide a rationale and mitigation measures, including the provision of TDM measures, should they request to vary the number of required off-street parking stalls as part of a subsequent Stage 2 PAR application.*

7. 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 recommended feedback summarized in Section 6 of this report, and instruct staff to advise the applicant that an Official Community Plan Amendment be considered, provided all the requirements outlined in this report are incorporated.
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: Preliminary Proposal

Appendix C: Letters of Support

APPROVALS

This report was prepared by:

Amanda Mackaay, Development Planner

This report was reviewed by:

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

This report was approved by:

Emilie K. Adin, Director, Climate Action, Planning and Development