



Committee of the Whole Report

For the Meeting of January 25, 2018

To: Committee of the Whole **Date:** January 11, 2018

From: Jonathan Tinney, Director, Sustainable Planning and Community Development

Subject: Rezoning Application No.00602 for 736 Princess Avenue and associated Official Community Plan Amendment

RECOMMENDATION

That Council decline Rezoning Application No. 00602 for the property located at 736 Princess Avenue.

LEGISLATIVE AUTHORITY

In accordance with Section 479 of the *Local Government Act*, Council may regulate within a zone the use of land, buildings and other structures, the density of the use of the land, building and other structures, the siting, size and dimensions of buildings and other structures; as well as, the uses that are permitted on the land, and the location of uses on the land and within buildings and other structures.

In accordance with Section 482 of the *Local Government Act*, a zoning bylaw may establish different density regulations for a zone, one generally applicable for the zone and the others to apply if certain conditions are met.

In accordance with Section 483 of the *Local Government Act*, Council may enter into a Housing Agreement which may include terms agreed to by the owner regarding the occupancy of the housing units and provided such agreement does not vary the use of the density of the land from that permitted under the zoning bylaw.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Rezoning Application for the property located at 736 Princess Avenue. The proposal is to rezone from the M-1 Zone, Limited Light Industrial District, to a new zone in order to construct a six-storey, mixed-use building consisting of ground floor commercial and residential above with a floor space ratio of 4.51:1.

The following points were considered in assessing this application:

- the subject property is designated *Core Employment* in the Official Community Plan (OCP), which supports mixed-use buildings from eight to approximately fifteen storeys between Douglas Street and Blanshard Street, and envisions a density of up to 5:1 floor

space ratio (FSR) in which the residential density does not exceed an FSR of 3:1. The application proposes a residential FSR of 3.99:1, which triggers an OCP Amendment and is not consistent with the overall intent of the *Core Employment* Designation.

- the *Core Employment* Urban Place designation supports residential mixed-use, work/live, and commercial space including office, hotel and other visitor accommodation, located between Douglas Street and Blanshard Street. The application proposes a small coffee shop, communal space for restaurant patrons and the residents in the building, and a concierge service on the ground floor. Overall, there is limited commercial space being proposed onsite and the proposal will likely undermine the potential for this site to provide a higher degree of job opportunities.
- There are no OCP designations that would fit this proposal.
- The subject property is designated Residential Mixed-Use District in the *Downtown Core Area Plan* (DCAP). The DCAP supports mixed-use buildings up to approximately 15 storeys and a maximum FSR of 5:1, of which the residential portion does not exceed 3:1 FSR; therefore, similar to the inconsistencies with the OCP, the proposal is not consistent with the DCAP from a density perspective.
- The OCP encourages the logical assembly of development sites that enable the best realization of permitted development potential for the area. The site area of the subject property is 556m², which is a standard lot size for a single-family dwelling, and the adjoining lots have site areas between 470m² and 555m². Given the existing neighbourhood context and its redevelopment potential, land assembly with the adjacent properties is encouraged.
- The OCP does support a range of housing types, forms and tenures within neighbourhoods to meet the needs of residents at different life stages, and encourages innovative approaches of blending non-market housing with other housing types and uses. The applicant has indicated that the 75 rental housing units would be non-market housing and rented below market rents (workforce housing); however, details on the proposed rents have not been provided.
- The applicant is proposing no commercial or residential parking onsite. This proposal would require 115 parking spaces in accordance with the current Schedule C: Off-street Parking, or 53 parking spaces according to the new draft Schedule C. Given the lot area and size of the building, the required number of parking spaces could not physically fit onsite. The applicant is proposing to provide an electric vehicle car share program onsite for residents and the community; however, staff are concerned about the magnitude of the parking variance being proposed particularly in light of the City's recent off-street parking review and recommendations from parking consultants with respect to parking ratios for rental buildings. There is also the potential of parking spill-over onto local streets.

BACKGROUND

Description of Proposal

This Rezoning Application is to allow for a six-storey, mixed-use building consisting of ground floor commercial and residential above with a density of 4.51:1 floor space ratio (FSR).

The following differences from the existing zone are being proposed:

- increase the maximum FSR to 4.51:1
- allow a mixed-use building (commercial/residential)
- increase the height from 15.5m to 19.95m
- reduce the minimum rear and side yard setbacks.

The request to amend the *Official Community Plan, 2012 (OCP)* is necessary in order to increase the maximum residential density permitted under the *Core Employment Urban Place Designation* from 3:1 floor space ratio (FSR) to 3.99:1.

Affordable Housing Impacts

The applicant proposes the creation of 75 new residential units (micro units) which would increase the overall supply of housing in the area. A Housing Agreement is being proposed to ensure that all dwelling units in the building would remain as rental in perpetuity; however, no information or commitment has been made regarding the affordability.

Sustainability Features

As indicated in the applicant's letter dated November 17, 2017, the following sustainability features are associated with this application:

- meet Step 1 of the BC Energy Step Code and high-performance building envelope tightness system
- heat recovery ventilators
- low flow fixtures
- recycled materials
- onsite electric vehicle share program
- permeable surface treatment.

Active Transportation Impacts

The application proposes the following features which support active transportation:

- 70 secure and enclosed bicycle parking spaces
- six electric vehicles
- twelve electric scooters (four would be covered)
- two electric bikes.

Public Realm Improvements

No public realm improvements are proposed in association with this Rezoning Application.

Accessibility Impact Statement

The British Columbia Building Code regulates accessibility as it pertains to buildings. The proposed outdoor areas surrounding the proposed building are designed to be accessible. Five dwelling units would be accessible (one on each residential floor).

Land Use Context

The area is characterized by a mix of commercial and service commercial uses. There are two properties directly across the street that are in the M-1 Zone, Limited Light Industrial District; however, they are occupied by single-family dwellings (existing non-conforming).

Existing Site Development and Development Potential

The site is presently a parking lot.

Under the current M-1 Zone, the property could be developed as a five-storey commercial building consisting of a mix of commercial and light industrial uses. A mix of residential and commercial uses is not permitted under the existing zone.

Data Table

The following data table compares the proposal with the existing M-1 Zone. An asterisk is used to identify where the proposal is less stringent than the existing zone.

Zoning Criteria	Proposal	Existing Zone (M-1 Zone)
Site area (m ²) - minimum	556.00	n/a
Density (Floor Space Ratio) - maximum	4.51*	3.00:1
Total floor area (m ²) - maximum	2950.00*	1668.00
Height (m) - maximum	19.95*	15
Storeys - maximum	6	n/a
Site coverage % - maximum	85.8	n/a
Open site space % - minimum	10.6	n/a
Setbacks (m) – minimum:		
Front	0.48*	3 or 0
Rear	1.19*	3 or 0
Side (east)	0	3 or 0
Side (west)	0	3 or 0
Parking - minimum	0*	115 (existing Schedule C) 45 (draft new Schedule C)
Visitor parking (minimum) included in the overall units	0*	8 (existing Schedule C) 10 (draft new Schedule C)
Bicycle parking stalls (minimum)		
Class 1	70*	75(existing Schedule C)
Class 2	6	75(draft new Schedule C)

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variances Applications*, the applicant has consulted the Burnside Gorge CALUC at a Community Meeting held on January 16, 2017. A letter dated January 29, 2017 is attached to this report.

ANALYSIS

Official Community Plan

The subject property is designated *Core Employment* in the Official Community Plan, which supports mixed-use buildings from eight to approximately fifteen storeys between Douglas Street and Blanshard Street, and envisions a density up to 5:1 floor space ratio (FSR) in which the residential density must not exceed a 3:1 FSR. The proposed FSR is 4.51:1; however, the applicant is proposing a residential density of 3.99:1 FSR, which requires an OCP Amendment. The reason for limiting the residential density in this urban place designation is to ensure there is still an emphasis on preserving and encouraging commercial and light industrial uses on the ground level and increasing employment opportunities in this neighbourhood.

Amending the OCP designation to allow a higher residential density is not considered to be supportable for several reasons. Firstly, the immediate neighbourhood (east of Store Street, west of Dowler Place, south of Bay Street and north of Chatham Street) is designated either *Core Employment*, where residential densities are limited to 3:1, or *Light Industrial*, where residential uses are not supported. Secondly, allowing for a “one-off” OCP amendment mid-block to facilitate this development proposal deviates from the overall intent of *General Employment* designation.

Moreover, there are no OCP designations that would fit this proposal. Other OCP designations, such as *Core Business* and *Core Historic* (urban place designations of properties four to five blocks away), also limit the residential densities to 3:1 FSR, which further justifies the importance of retaining a strong commercial presence in this part of the city and limiting higher density residential to core residential areas. *Core Residential* is an OCP designation that supports residential densities above 3:1; however, the density policies outlined in this designation are very specific and vary depending on the neighbourhood. Amending the OCP designation of the subject property to *Core Residential* would result in a site specific OCP amendment and not meet the intent of the *Core Residential* designation. It is also not good legal practice as it would transform the purpose of the OCP from a broad land use categorization scheme to a site specific regulatory framework more akin to a Zoning Regulation Bylaw than an OCP.

If the proposal included adjoining properties then there would be more site area and it would be less likely that an OCP amendment would be required as the density would be spread out over a larger area. There would likely be an opportunity for more commercial space at the street level, which meets the policy direction in the OCP. The applicant is proposing a small coffee shop and a communal area available to coffee shop patrons and residents living in the building, but it does not generate employment. Creating a new urban place designation to support this proposal would result in similar challenges related to transforming the purpose of the OCP.

From a housing perspective, the applicant is proposing to provide 75 non-market rental housing units, which would increase the supply of housing for low to moderate income households and advance housing policy in the OCP.

Local Area Plan

The *Downtown Core Area Plan* (DCAP) designates the subject property as Residential Mixed-Use District. The DCAP supports mixed-use buildings up to approximately 15 storeys and a maximum FSR of 5:1, of which the residential portion does not exceed 3:1 FSR. The proposal is not consistent with the DCAP from a density perspective. The DCAP encourages residential

development that has active street-level uses, to provide commercial services and activities, and increase pedestrian activity within the public realm. The applicant is proposing a coffee shop and outdoor seating to enhance pedestrian activity and improve the streetscape.

Regulatory Considerations

Proposing a six-storey building consisting of approximately 75 micro-units on a lot with a site area of 556m² is tight and creates impacts on the site planning, with respect to accommodating sufficient onsite parking and the relationship with adjacent properties.

By comparison, the CA-1 Zone, Pandora Avenue Special Commercial District, permits heights and densities that may be slightly more suitable for this size of lot. This zone does not have a minimum site area requirement; however, the maximum height and density permitted in this zone are 15.5m (approximately five storeys) and 2:1 FSR. Under this standard zone, the maximum floor area that would be permitted on the site would be 1112m². In comparison, this proposal has a total floor area of 2950 m². Under the CA-1 Zone, a four or five storey building on a lot of this size with a density of 2:1 would have residential floor plates of approximately 222m². Staff is not suggesting that the site should be rezoned to CA-1 Zone; however, the proposed building is too big and dense for the site, which is impacting the building form, vehicle and bicycle parking supply, and circulation.

There are several aspects of the design that do meet the design guidelines and are discussed in a concurrent report. The subject property is suitable for some additional density in the form of mixed-use development, although, preferably through a land assembly with adjacent properties to enable the best realization of permitted development potential. Allowing the subject property to redevelop on its own would limit the redevelopment potential of adjacent lots in the future.

CONCLUSIONS

The proposal to construct a six-storey, mixed-use building consisting of ground floor commercial and residential above is not consistent with the OCP or DCAP with respect to the proposed residential densities. The subject property is suitable for some additional density in the form of mixed-use development, although, preferably through a land assembly with adjacent properties to enable the best realization of development potential. Alternatively, the applicant could reduce the amount of residential density being proposed and comply with the OCP. Staff recommend for Council's consideration that the application is declined.

ALTERNATE MOTION 1

That Council direct staff to work with the applicant on a proposal that complies with the land use and density policies in the Official Community Plan and Downtown Core Area Plan.

ALTERNATE MOTION 2

That Council direct staff to explore and report back on the feasibility of developing a new designation or mechanism to enable residential development in this location at densities above what is anticipated in the OCP.

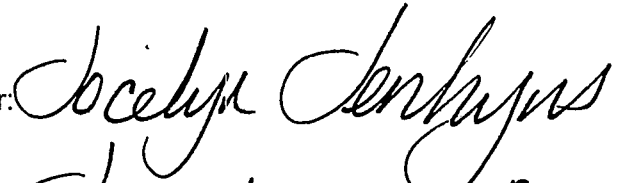
Respectfully submitted,


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Jonathan Tinney, Director
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Report accepted and recommended by the City Manager:


Date: Jan 17, 2018

List of Attachments:

- Appendix A: Subject Map
- Appendix B: Aerial Map
- Appendix C: Plans date stamped November 23, 2017
- Appendix D: Letter from applicant to Mayor and Council dated July 21, 2017 and November 17, 2017
- Appendix E: Letter from First National Financial LLP dated October 20, 2017
- Appendix F: Community Association Land Use Committee Comments dated January 29, 2017.