

DATE OF MEETING | August 30, 2021 |

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**SUBJECT OFFICIAL COMMUNITY PLAN AMENDMENT APPLICATION
NO. OCP93 AND REZONING APPLICATION NO. RA463**

OVERVIEW

Purpose of Report

To present for Council's consideration, concurrent Official Community Plan amendment and Rezoning applications to:

- Amend the land use designation within the Official Community Plan from Neighbourhood to Urban Node and to amend Schedule B (Old City Neighbourhood Concept Plan) to support increased building height and Floor Area Ratio (FAR) within 54, 55, 65, 66, 69, 70 and 73 Prideaux Street and 503, 531, 605, 619 and 685 Comox Road and;
- Site-specific zoning amendments to increase the maximum permitted building height and FAR in the Old City Mixed Use (DT8) zone to allow two multi-family residential buildings at 66 Prideaux Street, and at 55, 65, 69, and 73 Prideaux Street.

Recommendation

That:

1. "Official Community Plan Amendment Bylaw 2021 No. 6500.042" (To re-designate 54, 55, 65, 66, 69, 70, and 73 Prideaux Street; and 503, 531, 605, 619, and 685 Comox Road on the Future Land Use Plan [Map 1] from Neighbourhood to Urban Node, and the text amendment of Section 4.1.2 Land Use Designations of the Old City Neighbourhood Concept Plan), pass first reading;
2. "Official Community Plan Amendment Bylaw 2021 No. 6500.042" pass second reading;
3. "Zoning Amendment Bylaw 2021 No. 4500.188" (To rezone 55, 65, 66, 69, and 73 Prideaux Street by increasing the maximum permitted building height and floor area ratio regulations in the Old City Mixed Use [DT8] zone) pass first reading;
4. "Zoning Amendment Bylaw 2021 No. 4500.188" pass second reading; and
5. Council direct Staff to secure an off-site fire hydrant; an on-site storm water system; an expanded storm water right-of-way; and a covenant securing a community amenity contribution for market housing units and lot consolidation of the subject properties prior to adoption of "Zoning Amendment Bylaw 2021 No. 4500.188", should Council support the bylaw at third reading.

BACKGROUND

An application was received from Low Hammond Rowe Architects, on behalf of the Nanaimo Affordable Housing Society (NAHS), for an Official Community Plan (OCP) and Old City Neighbourhood Concept Plan amendment application for the properties addressed 55, 65, 66, 69, and 73 Prideaux Street on 2019-NOV-01. After reviewing the application, City Staff determined that expanding the scope of the proposed land use change to include properties adjacent to the NAHS-owned lots would result in more coordinated future land use planning within a contiguous area.

As a result, the City initiated concurrent OCP and Old City Neighbourhood Concept Plan amendment applications to expand the scope of the proposed land use change to include 54, 55, 65, 66, 69, 70, and 73 Prideaux Street; and 503, 531, 605, 619, and 685 Comox Road (Attachment B).

Subsequently, the applicant submitted a rezoning application on 2020-JUL-29 for the NAHS-owned properties addressed as 55, 65, 66, 69, and 73 Prideaux Street (Attachment C).

Subject Properties and Site Context

<i>Location</i>	The subject properties are located in Nanaimo's Old City Neighbourhood near the intersection of Prideaux Street and Comox Road.
<i>Total Area</i>	OCP: 8,187m ² ; Rezoning: 3,647 m ²
<i>Current OCP Designation</i>	Neighbourhood
<i>Old City Neighbourhood Concept Plan Designation</i>	Mixed Multi-Family/ Commercial
<i>Proposed OCP Designation</i>	Urban Node
<i>Proposed Old City Neighbourhood Concept Plan Designation</i>	Mixed Multi-family/ Commercial – with text amendment increasing the maximum permitted building height and floor area ratio
<i>Current Zoning</i>	Old City Mixed Use (DT8)
<i>Proposed Zoning</i>	Old City Mixed Use (DT8) – with site-specific amendments to increase the maximum permitted building height and floor area ratio.

The 12 subject properties of the OCP amendment are located south of Comox Road and bounded to the west by the E&N rail line, to the east by Comox Park Gyro 1, and to the south by the City's Parks Yard and Comox Park Gyro 1.

The five NAHS-owned properties that are the subject of the rezoning application are located along Prideaux Street in the above-noted area.

DISCUSSION

The NAHS owns six buildings and operates approximately 135 affordable housing units within the subject properties. This includes the recently upgraded 73-unit building at 619 Comox Road; however, the NAHS' remaining five buildings (55, 65, 66, 69, and 73 Prideaux Street) are nearing end-of-life.

Properties neighbouring the NAHS' affordable rental buildings include:

- 503 Comox Road – Office/ Commercial (three-storey);
- 531 Comox Road – Multi-Family Residential (three-storey);
- 605 Comox Road – Single Family Dwelling;
- 685 Comox Road – Single Family Dwelling;
- 54 Prideaux Street – Single Family Dwelling; and
- 70 Prideaux Street – Office (one-storey).

The NAHS is the only owner that has proposed plans for the redevelopment of properties in the area subject to the proposed OCP amendment application at this time.

Proposed Development

The NAHS proposal consists of two conceptual projects to consolidate and redevelop the Prideaux Street properties: firstly, a six-storey (approximately 114 units) residential development called Trackside by the applicant on the west side of Prideaux Street at 55, 65, 69, and 73 Prideaux Street; and secondly, a five-storey (44 units) residential development on the east side of Prideaux Street at 66 Prideaux Street, for a total of approximately 158 units.

The following table summarizes the existing and proposed NAHS residential unit count within the properties that are subject to the proposed rezoning:

Existing Development		Proposed Development		
Address	Units	Address	Units	Change
55 Prideaux Street	50	Trackside Development	114	64
65 Prideaux Street				
69 Prideaux Street				
73 Prideaux Street				
66 Prideaux Street	12	66 Prideaux Street	44	32
Total	62	Total	158	96

With this proposal, the NAHS would increase the number of residential units in the Old City Neighbourhood by approximately 96 units.

Policy Context

Official Community Plan and Old City Neighbourhood Concept Plan

The OCP designates the property as Neighbourhood, which targets a density range of 10 to 50 units per hectare (uph) in buildings two- to four-storeys high. The Old City Neighbourhood Concept Plan designates the subject properties as Mixed Multi-Family / Commercial. The Neighbourhood Plan envisions a three-storey maximum building height in this area, with commercial uses limited to the ground floor.

The City proposes to extend the Downtown Centre Urban Node land use designation to include 54, 55, 65, 66, 69, 70, and 73 Prideaux Street; and 503, 531, 605, 619, and 685 Comox Road to support the NAHS' development concept, and to coordinate the future land use in the vicinity of the NAHS properties at the intersection of Comox Road and Prideaux Street. The concept

plans for the NAHS' Trackside and 66 Prideaux Street proposals would achieve a density of approximately 312 and 488 uph, respectively.

The OCP designates the adjacent properties north of Comox Road as Downtown Centre Urban Node. The Urban Node designation supports medium-density residential (50-150 uph) developments and high-density residential greater than 150 uph in high-rise building forms (greater than six storeys), and includes the following land use policy objectives:

- The Downtown Centre Urban Node is the primary Urban Node in the city. The downtown shall remain the civic heart of Nanaimo, and be a welcoming place for residents to work, live, and visit;
- A variety of housing forms shall be encouraged to meet changing demographics and a mix of income levels;
- Transit, bike routes, and pedestrian-friendly routes will be developed to reduce automobile dependency downtown; and
- Energy-efficient building design and practice will be promoted. Green Building strategies will be encouraged for all commercial, professional, or institutional facilities to reduce the use and waste of water and energy resources and to reduce greenhouse gas emissions.

The applicant's concept plans would achieve a number of the OCP policies and objectives and would provide housing for a broad demographic with a variety of income levels. Additionally, the concept plans for the Trackside and 66 Prideaux Street projects would meet the BC Housing requirements for energy performance (minimum BC Step Code 3).

Affordable Housing Strategy

The City's Affordable Housing Strategy contains the following policy objectives:

- increasing the supply of rental housing;
- infilling or intensifying development in existing neighbourhoods;
- diversifying housing in all neighbourhoods;
- supporting low-income and special needs housing; and
- strengthening housing partnerships.

The Affordable Housing Strategy encourages the development of affordable rental units in neighbourhoods close to commercial amenities, transit services, and parks and open spaces.

The concept plans for the Trackside and 66 Prideaux Street projects would meet each of the above-noted policy objectives.

Transportation Master Plan

The Nanaimo Transportation Master Plan includes the concept of *mobility hubs* as compact, mixed-use urban nodes that would promote walking, cycling, and transit. The subject property straddles the focal and 200m buffer areas of the downtown mobility hub. The Master Plan notes that the downtown has the highest proportion of sustainable trips in the city.

Increasing residential density in the downtown mobility hub would increase the use of existing transportation infrastructure and support transit service.

Zoning

The “City of Nanaimo Zoning Bylaw 2011 No. 4500” (the “Zoning Bylaw”) regulates the properties in the vicinity of Comox Road and Prideaux Street as Old City Mixed Use (DT8). The DT8 zone supports a FAR of 0.85 for residential development or 1.0 for mixed-use, and a maximum building height of 10.5m.

The NAHS proposes to retain the existing DT8 zoning, but to include site-specific amendments to enable the redevelopment concept for the Trackside development properties (55, 65, 69, and 73 Prideaux Street) and for the property at 66 Prideaux Street.

Address	Proposed Development	Zoning: Old City Mixed Use (DT8)			
		Existing		Proposed	
		FAR	Building Height (m)	FAR	Building Height (m)
55 Prideaux Street	Trackside	0.85/ 1.0 (Mixed Use)	10.5	2.1	21
65 Prideaux Street					
69 Prideaux Street					
73 Prideaux Street					
66 Prideaux Street	66 Prideaux	0.85/1.0 (Mixed Use)	10.5	2.8	21

The proposed site-specific rezoning would permit the building size and height of the proposed redevelopment concepts. Other regulations of the DT8 zone, including uses, would remain unchanged. The NAHS’ proposed development concepts would be evaluated against the other regulations of the DT8 zone through the development permit process.

The scale of the proposed NAHS developments is greater than the surrounding properties; however, multi-storey buildings of five and three storeys are adjacent to the existing NAHS-owned properties on the west and east side of Prideaux Street, respectively.

The proposed zoning amendment would allow the NAHS to modernize, through more efficient building design, and expand from 62 to 158 units for its current stock of affordable housing in the Old City Neighbourhood. As noted previously, the NAHS-owned properties are buffered from surrounding properties by local roads and rail lines (Comox Road and the E&N rail corridor) and municipal uses (Comox Park Gyro 1 and the City’s Parks Yard), which limits the potential impact to residents in the Old City Neighbourhood. To facilitate the proposed redevelopment, as a condition of rezoning, the Trackside properties will be required to be consolidated.

The proposed OCP and rezoning amendments would reinforce the goals and objectives of the OCP, Transportation Master Plan, and the Affordable Housing Strategy by providing additional residential units in an established neighbourhood with access to transit, retail services, employment opportunities, local parks, and amenities.

Staff support the proposed amendments.

Community Consultation

The City contacted the owner of each property in writing, subject to the proposed OCP and Old City Neighbourhood Concept Plan amendment applications. None of the owners expressed any objection to the proposed amendments, and Staff received letters of support from some property owners in response to the notification.

The applicant also consulted with the community prior to and since submitting the Zoning Bylaw amendment application. Community representatives included adjacent property owners and residents, the Nanaimo Old City Association (NOCA), and the Old City Quarter Association. Most recently, on 2021-MAR-30, the NAHS organized two community video meetings to answer any development-related questions from the local community.

The NAHS' proposed development concept has received support from the local community. A summary of responses from adjacent property owners and letters of support from the NOCA and the Old City Quarter Association are included as Attachment I.

Community Amenity Contribution

As outlined in Section 7.3 of the OCP, applicants are encouraged to provide an amenity contribution as part of their rezoning proposal. The proposed development would provide approximately 158 affordable housing units. The unit affordability would be consistent with the criteria for non-market housing, as identified in the City's Affordable Housing Strategy and "City of Nanaimo Development Cost Charge Bylaw 2017 No. 7252" exemption criteria including:

1. The dwelling unit is occupied by one or more individuals whose collective annual before-tax income does not exceed the Housing Income Limit for the city;
2. Twelve months' rent for the dwelling unit does not exceed 30% of the occupants' collective before-tax annual income; and
3. The dwelling unit is owned or operated by a non-profit housing partner or public institution.

The City's Affordable Housing Strategy supports waiving Community Amenity Contributions (CAC) to incentivize affordable housing developments in the city. Should the proposed development change to include market housing units, Staff recommend, as a condition of rezoning, securing the commitment to provide a CAC proportional to the number of market housing units proposed, to be directed toward the City's Housing Legacy Reserve Fund.

Conditions of Approval

The City would require the following to be secured prior to final adoption of the Zoning Bylaw amendment:

1. Registration of a Section 219 *Land Title Act* covenant to secure service infrastructure including:
 - a. An off-site fire hydrant along the frontage of 619 Comox Road to be installed through the building permit and Design Stage Acceptance processes;
 - b. The design and construction of on-site storm water infrastructure on 55, 65, 69, and 73 Prideaux Street through the building permit and Design Stage Acceptance processes; and
 - c. An updated and widened right-of-way charge to protect an existing storm water sewer line on the property at 73 Prideaux Street.
2. Registration of a Section 219 *Land Title Act* covenant to secure:
 - a. The requirement to pay a community amenity contribution at a rate of \$1,000 per dwelling unit to be directed towards the City's Housing Legacy Reserve Fund for any market housing units if proposed as an alternative to non-market housing units within 55, 65, 66, 69 and 73 Prideaux Street.
 - b. Consolidation of 55, 65, 69, and 73 Prideaux Street prior to development permit issuance for a mixed-use building or multi-family housing.

SUMMARY POINTS

- The Nanaimo Affordable Housing Society (NAHS) proposes to redevelop its properties at 55, 65, 69, and 73 Prideaux Street as a 114-unit affordable housing project; and its property at 66 Prideaux Street as a 44-unit affordable housing project.
- The proposed developments would replace the existing NAHS buildings, which include 62 units of affordable rental housing.
- To support the NAHS' redevelopment concepts, the City proposes to amend the OCP designation from Neighbourhood to Urban Node and to amend the text of the Old City Neighbourhood Concept Plan for the properties addressed 54, 55, 65, 66, 69, 70, and 73 Prideaux Street; and 503, 531, 605, 619, and 685 Comox Road.
- The NAHS proposes a concurrent rezoning application to amend the Old City Mixed Use zone with site-specific amendments to increase the maximum permitted FAR and building height at 55, 65, 69, and 73 Prideaux Street and 66 Prideaux Street.
- The proposed OCP and rezoning amendments would reinforce the goals and objectives of the OCP, Transportation Master Plan, and the Affordable Housing Strategy.
- Staff support the proposed OCP, Neighbourhood Plan, and Zoning Bylaw amendments.

ATTACHMENTS

ATTACHMENT A: Context Map
ATTACHMENT B: OCP Future Land Use Plan
ATTACHMENT C: Location Plan
ATTACHMENT D: Site Context (Trackside)
ATTACHMENT E: Conceptual Site Plans (Trackside)
ATTACHMENT F: Conceptual Building Renderings (Trackside)
ATTACHMENT G: Conceptual Renderings (66 Prideaux Street)
ATTACHMENT H: Conceptual Cross Section and Shadow Study
ATTACHMENT I: Consultation Summary
ATTACHMENT J: Aerial Photos
"Official Community Plan Amendment Bylaw 2021 No. 6500.042"
"Zoning Amendment Bylaw 2021 No. 4500.188" |

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