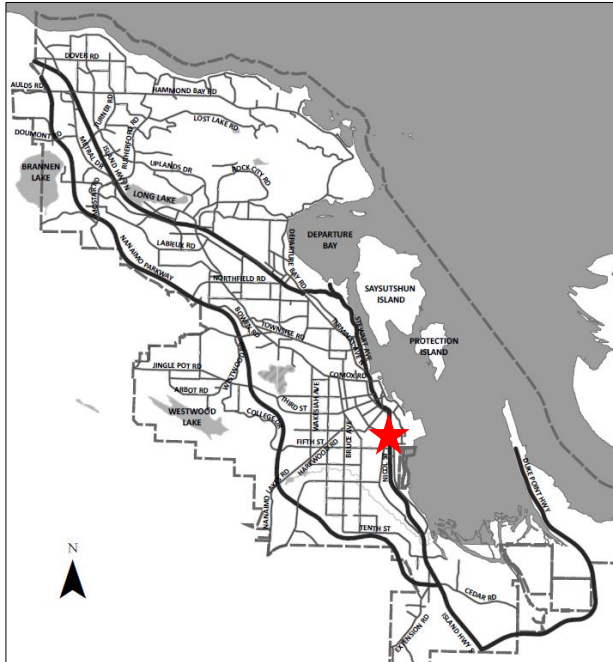


DATE OF MEETING June 19, 2023

AUTHORED BY CALEB HORN, PLANNER, CURRENT PLANNING

SUBJECT REZONING APPLICATION NO. RA489 – 355 NICOL STREET



## Proposal:

Site-specific density and height to allow for a personal care facility

**RA**

## Current Zoning:

CS1 – Community Service One Zone

## Proposed Zoning:

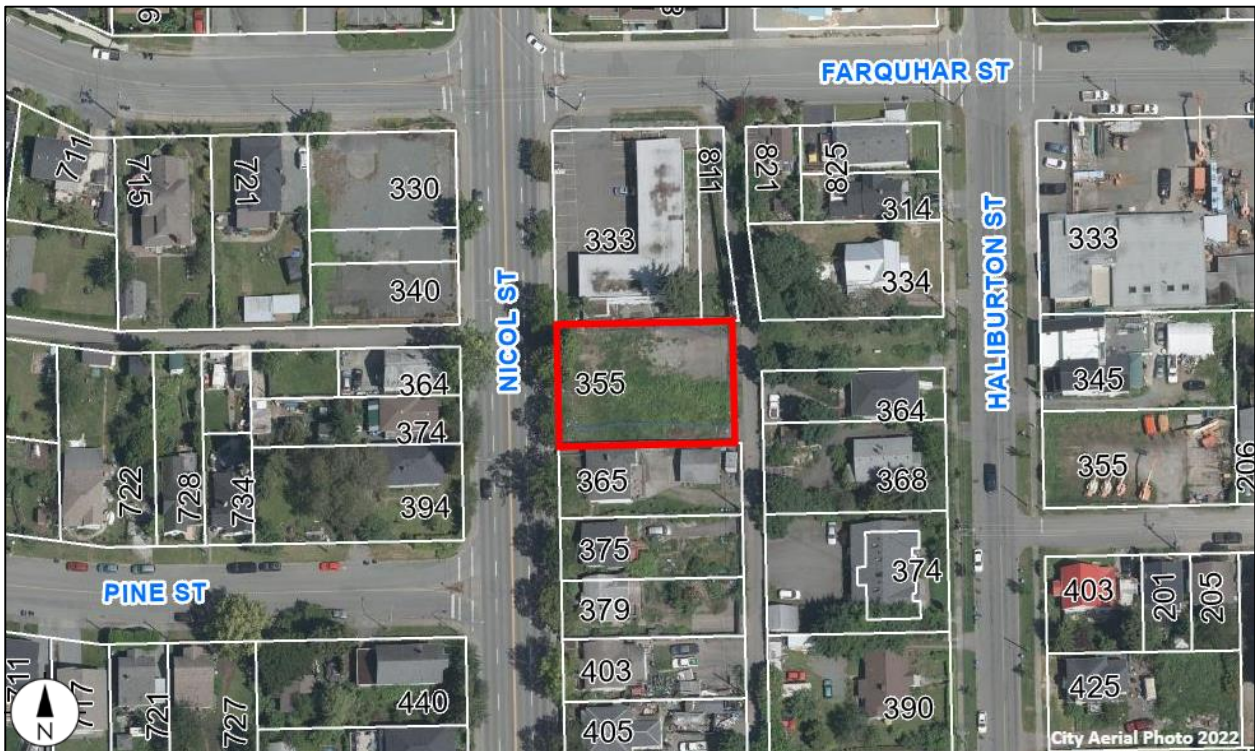
CS1 – Community Service One Zone with site-specific density and height

## City Plan Land Use Designation:

Residential Corridor

## Lot Area:

929m<sup>2</sup>



## **OVERVIEW**

### **Purpose of Report**

To present Council with an application to rezone 355 Nicol Street with site-specific density and height provisions within the Community Service One (CS1) zone, to facilitate the development of a personal care facility.

### **Recommendation**

That:

1. "Zoning Amendment Bylaw 2023 No. 4500.209" (to rezone 355 Nicol Street with site-specific density and height provisions within the Community Service One [CS1] zone) pass first reading;
2. "Zoning Amendment Bylaw 2023 No. 4500.209" pass second reading; and,
3. Council direct Staff to secure the conditions related to "Zoning Amendment Bylaw 2023 No. 4500.209" as outlined in the "Conditions of Rezoning" section of the Staff Report dated 2023-JUN-19 should Council support the bylaw at third reading.

## **BACKGROUND**

A rezoning application, RA489, was received from Muchalat Projects Ltd. on behalf of the Provincial Rental Housing Corporation to rezone 355 Nicol Street to facilitate a BC Housing supportive housing development. The property is one of four sites identified in the July 2020 Memorandum of Understanding between City of Nanaimo and BC Housing for housing projects. Since that time, BC Housing has partnered with Snuneymuxw First Nation (SFN) who are anticipated to operate a permanent supportive housing development on the site.

### **Subject Property & Site Context**

The subject property is located in the South End Neighbourhood on the east side of Nicol Street, just south of its intersection with Farquhar Street. The lot slopes downhill by approximately 3m towards the rear where there is an abutting public lane. The north portion of the site previously included an Island Crisis Care Society (ICCS) building which was demolished in 2021. There is an unconstructed City road right-of-way on the opposite side of the lane, extending to Haliburton Street (see Attachment A), that has previously been used by the South End community for a food garden in addition to parking uses for the ICCS building.

The surrounding neighbourhood is made up of a mix of residential and commercial uses with Nicol Street acting as a gateway corridor to Downtown Nanaimo. Adjacent properties include a motel to the north at the corner of Nicol Street and Farquhar Street, single dwelling and multi-family dwelling properties across the lane to the east, and single residential dwellings to the south and west. Recent nearby development includes five-storey multi-family residential buildings along Haliburton Street one block to the north, and a recently received rezoning application for a six-storey residential building at the intersection of Nicol Street and Needham Street to the south (RA491).

Nearby amenities include commercial retail uses on Nicol Street (approximately 100m to the north) and Deverill Square Gyro Park (approximately 175m to the northeast) and a transit stop on Haliburton Street (just to the east of the site).

## **DISCUSSION**

### **Proposed Zoning**

The applicant is proposing to amend the existing Community Service One (CS1) with site-specific density and height provisions for a supportive housing development. The City of Nanaimo “Zoning Bylaw 2011 No. 4500” (the “Zoning Bylaw”) defines supportive housing as a ‘personal care facility’ use. The proposed site-specific provisions are as outlined below:

	<b>Existing Regulation</b>	<b>Proposed Regulation</b>
Floor Area Ratio (FAR)	1.25	2.23
Building Height	14.0m	19.2m

A number of uses are permitted in the existing CS1 zone such as assembly hall, daycare, and seniors’ congregate housing; however, the proposed site-specific provisions would only apply to personal care facility as a principal use.

The site-specific use and density have been proposed in order to accommodate conceptual plans for the supportive housing development which envision a six-storey building with approximately 35 studio units. The conceptual development plans are expected to meet the other CS1 zoning regulations with the exception of the front yard setback, where a variance may be sought at the development permit stage (pending design review). In addition to the Zoning Bylaw regulations, the City of Nanaimo “Off-Street Parking Regulations Bylaw 2018 No. 7266” will require a total of seven parking stalls for the anticipated number of sleeping units. The applicant is exploring options to provide some of the required parking off-site and may choose to apply for a parking variance at the time of development permit application in accordance with the City’s *Policy for Consideration of a Parking Variance*.

To provide additional outdoor amenity space for residents, the applicant is proposing to lease the unconstructed road right-of-way on the opposite side of the lane (between 334 and 364 Haliburton Street). It is intended that this area will be programmed for the supportive housing operator (SFN) as an outdoor amenity and healing space, with opportunities for public access when not in use. In order for this space to be leased, a road closure application is being presented for Council’s consideration on the same agenda.

### **Policy Context**

Staff are of the opinion that the proposed rezoning is consistent with City Plan, including the specific policy areas highlighted below.

#### *City Plan – Future Land Use*

City Plan identifies the subject property within the Residential Corridor future land use designation where mid-rise residential apartments and institutional uses are contemplated with typical building heights between three and six storeys. The proposed site-specific zoning regulations meet the intent of City Plan policies by facilitating a six-storey supportive housing use in residential building form within a Residential Corridor within walking distance to amenities and services.

### *City Plan – Affordable Housing*

City Plan (section C3.2) addresses the need for more affordable and supportive housing across the City. Policy C3.2.20 specifically encourages opportunities to increase permanent supportive housing opportunities within the City, and the proposed zoning would achieve this objective.

### *City Plan – Mobility Network*

The subject property is located outside of an urban centre as identified in Figure 36 of City Plan. The site is located on a future primary active mobility route and bus rapid transit line. Proximity to nearby amenities and alternative transportation routes can lead to reduced private vehicle dependency and are locations where increased density is encouraged.

Staff recommend that off-site works be secured for the section of lane between Farquhar Street and the subject property in order to provide an improved pedestrian connection to the supportive housing development. The applicant is aware of and supports the recommended off-site works to include a 6m-wide lane with 2m-wide sidewalk, in addition to street lighting.

### **Community Consultation**

The subject property is within the area of the South End Community Association. The application was forwarded to the association and an email response was received on 2023-MAY-26 (see Attachment F) with general support for the proposed rezoning and specific concerns related to parking for the development and use of the underutilized road right-of-way (the South End Community Food Garden).

In Spring 2022, prior to making a rezoning application, BC Housing led a comprehensive public engagement strategy with area residents and SECA including a mail-out, survey, virtual information session, and two stakeholder meetings. As noted in the Engagement Summary Report (see Attachment G), 66% of survey respondents were very supportive or somewhat supportive of the proposal. BC Housing is continuing to work with stakeholders on refining the design of the building and outdoor amenity space prior to making a development permit application, and public use of the road right-of-way would be addressed through the establishment of a lease agreement.

### **Community Amenity Contribution**

As per Council's *Community Amenity Contribution Policy*, Community Amenity Contributions (CACs) can be waived for 100% of non-market rental dwelling units that meet the following criteria:

- i. 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;
- ii. where 12 months' collective rent for the dwelling unit does not exceed 30% of the occupants' collective before-tax annual income;
- iii. the dwelling unit is owned or operated by a non-profit housing partner or public institution; and,
- iv. a Section 483 Housing Agreement is registered on the property title to secure the commitments listed above for the applicable dwelling units.



As the proposed personal care facility is expected to meet this criteria and be operated by a non-profit housing partner, a waiver of CACs can be accepted. Staff recommend that a covenant be secured to require either a Housing Agreement or monetary contribution to the Housing Legacy Reserve Fund, pending confirmation of eligibility criteria prior to building permit issuance.

### **BC Energy Step Code Rezoning Policy**

As per Council's *BC Energy Step Code Rezoning Policy*, a Section 219 covenant will be registered on the subject property as a condition of rezoning to secure a commitment to either: a) exceed the required BC Energy Step Code by one step; or, b) provide a low-carbon energy system, to be determined at the time of building permit issuance.

### **Conditions of Rezoning**

Should Council support the application and pass third reading of "Zoning Amendment Bylaw 2023 No. 4500.209", Staff recommend that the following items be secured prior to final adoption of the bylaw:

1. *Community Amenity Contribution* – Registration of a Section 219 covenant to secure the following prior to building permit issuance:
  - a. a Housing Agreement to secure non-market rental dwelling units as per the City's Community Amenity Contribution Policy; or,
  - b. a monetary contribution equal to \$41 per m<sup>2</sup> of Gross Floor Area for residential uses that do not meet the definition of non-market rental dwelling units, to be used towards the City's Housing Legacy Reserve Fund.
2. *BC Energy Step Code Commitment* – Registration of a Section 219 covenant to secure a commitment in accordance with the City's BC Energy Step Code Rezoning Policy.
3. *Off-Site Improvements* – Registration of a Section 219 covenant to require off-site lane improvements for the section of public lane between Farquhar Street and the subject property (to a modified lane standard with a 6m-wide vehicle lane, 2m-wide sidewalk, and street lighting), to be completed prior to building occupancy.

### **SUMMARY POINTS**

- The application is to rezone 355 Nicol Street with site-specific density and height provisions within the Community Service One (CS1) zone, to facilitate the development of a personal care facility.
- The proposed site-specific zoning regulations meet the intent of the City Plan policies by facilitating a six-storey supportive housing use in residential building form within a Residential Corridor.

## **ATTACHMENTS**

ATTACHMENT A: Subject Property Map  
ATTACHMENT B: Site Context  
ATTACHMENT C: Conceptual Site Plan  
ATTACHMENT D: Conceptual Building Renderings  
ATTACHMENT E: Shadow Study  
ATTACHMENT F: Response from South End Community Association  
ATTACHMENT G: Engagement Summary Report  
“Zoning Amendment Bylaw 2023 No. 4500.209”

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