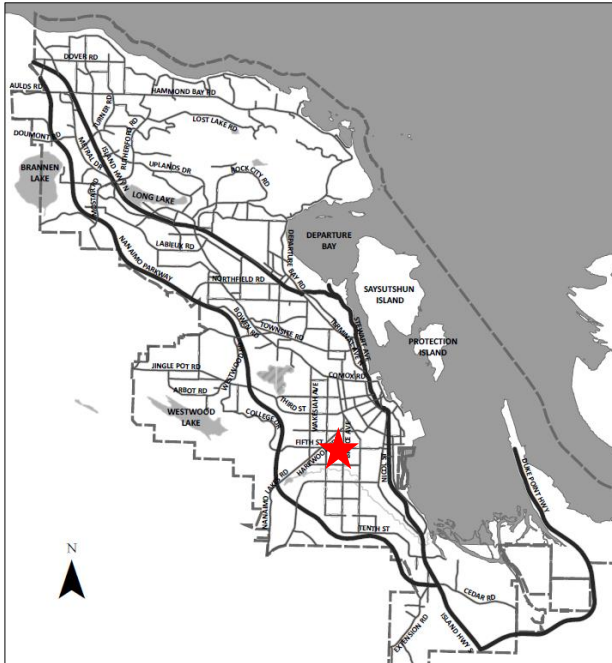


DATE OF MEETING | August 28, 2023

AUTHORED BY | KRISTINE MAYES, PLANNER, CURRENT PLANNING

SUBJECT | **OFFICIAL COMMUNITY PLAN AMENDMENT APPLICATION NO. OCP103 & REZONING APPLICATION NO. RA493 – 564 FIFTH STREET / 502 & 505 HOWARD AVENUE**



Proposal:

To allow a mixed-use development

Current Zoning:

- CS1 - Community Service One
- PRC3 - Parks, Recreation and Culture Three
- R6 - Low Density Residential

Proposed Zoning:

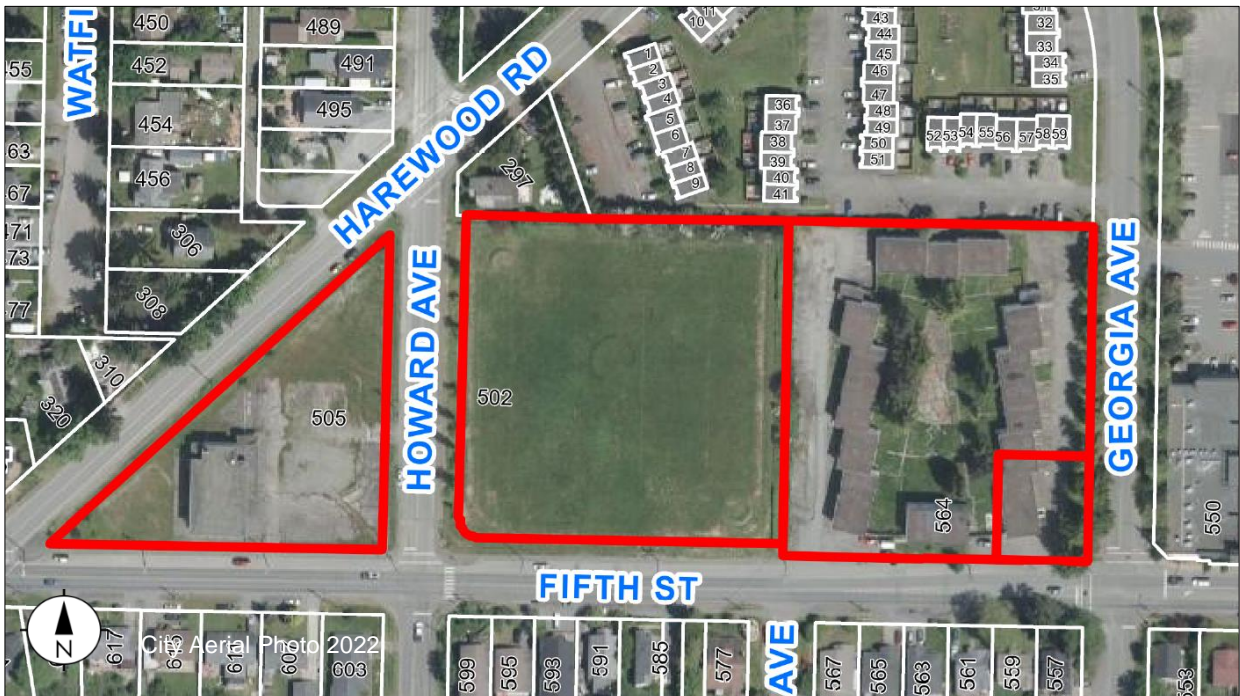
- CD12 - Comprehensive Development District Zone 12

City Plan Land Use Designation:

- Mixed-Use Corridor
- Parks & Open Spaces

Lot Area:

- 9,234m² – 564 Fifth Street
- 9,475m² – 502 Howard Avenue
- 4,758m² – 505 Howard Avenue
- 2.35 ha (total lot areas)



OVERVIEW

Purpose of Report

To present Council with an application to redesignate 502 Howard Avenue from Parks & Open Spaces to Mixed-Use Corridor; and rezone 564 Fifth Street, 502 Howard Avenue and 505 Howard Avenue from Low Density Residential (R6), Parks, Recreation and Culture Three (PRC3) and Community Service One (CS1) to Comprehensive Development District Zone 12 (CD12) to facilitate a mixed-use development.

Recommendation

That:

1. “City Plan Amendment Bylaw 2023 No. 6600.001” (to redesignate 502 Howard Avenue from Parks & Open Spaces to Mixed-Use Corridor) pass first reading;
2. “City Plan Amendment Bylaw 2023 No. 6600.001” pass second reading; and,
3. “Zoning Amendment Bylaw 2023 No. 4500.213” (to rezone 564 Fifth Street, 502 Howard Avenue and 505 Howard Avenue from Low Density Residential [R6], Parks, Recreation and Culture Three [PRC3] and Community Service One [CS1] to Comprehensive Development District Zone 12 [CD12]) pass first reading;
4. “Zoning Amendment Bylaw 2023 No. 4500.213” pass second reading; and,
5. Council direct Staff to secure the conditions related to “Zoning Amendment Bylaw 2023 No. 4500.213” as outlined in the “Conditions of Rezoning” section of the Staff Report dated 2023-AUG-28 should Council support the bylaw at third reading.

BACKGROUND

A Memorandum of Understanding (MOU) between the City of Nanaimo, BC Housing Management Commission (BC Housing), the Board of Education of School District No. 68 (SD68), and Snuneymuxw First Nation (the “Knowledge Partners”), signed in 2019, established a framework and guiding principles for a comprehensive land use planning and development project, known as the Te’tuxwtun Project. Through collaboration and community engagement, the Knowledge Partners have developed a shared vision for the development of the lands which is presented here as a City Plan amendment and rezoning application for Council’s consideration.

A rezoning application, RA493, was received from Pooni Group, on behalf of BC Housing, SD68 and the City, to amend “City Plan Bylaw 2022 No. 6600” (“City Plan”) to redesignate the subject property at 502 Howard Avenue from Parks & Open Spaces to Mixed-Use Corridor; and to amend the “City of Nanaimo Zoning Bylaw 2011 No. 4500” (the “Zoning Bylaw”) to rezone the subject properties at 564 Fifth Street, 502 Howard Avenue and 505 Howard Avenue from Low Density Residential (R6), Parks, Recreation and Culture Three (PRC3) and Community Service One (CS1) to Comprehensive Development District Zone 12 (CD12) to facilitate a mixed-use development (Te’tuxwtun Project), a land and community enhancement project incorporating housing, services, education, outdoor spaces and amenities.

Subject Property & Site Context

The subject properties are located in the Harewood Neighbourhood, north of Fifth Street between Harewood Road and Georgia Avenue. The grade change across the properties is approximately 14m, sloping down to the west. Established single residential dwellings, multi-family

developments, and a neighbourhood commercial centre predominantly characterize the surrounding area. The property at 505 Howard Avenue contains an existing school building, 502 Howard Avenue contains an existing sports field and public open space, and 564 Fifth Street previously contained a multi-family development (Sanala) which was demolished in 2023 (with the exception of one building).

Site characteristics of note include proximity to transportation corridors (transit stops are located on Fifth Street and Bruce Avenue), and proximity to local commercial services and Vancouver Island University.

DISCUSSION

Policy Context

City Plan – Future Land Use

City Plan identifies 505 Howard Avenue and 564 Fifth Street within the Mixed-Use Corridor future land use designation with 502 Howard Avenue proposed to be redesignated to Mixed-Use Corridor from Parks & Open Spaces. A concurrent park disposition process will also be required to facilitate the proposed development, which is discussed in the report titled “Alternative Approval Process – 502 Howard Avenue Park Dedication Removal,” dated 2023-AUG-28, and contained in this agenda package.

City Plan (D4.4 Corridors) supports intensification of existing neighbourhoods incorporating low-to mid-rise mixed-use with street facing commercial and residential above (and behind) with typical building heights between three to six storeys. While portions of the development may exceed six storeys on certain elevations in response to site grade, overall, the proposed CD12 zone will allow a development form that meets the intent of City Plan policies by providing higher density development incorporating multi-family, commercial, institutional uses and a green public open space in close proximity to mobility networks, amenities, and services.

Harewood Neighbourhood Plan

The Harewood Neighbourhood Plan (HNP) identifies the subject properties as Mixed Use Corridor, Village Corridor, and Parks and Open Spaces which contemplates a mix of higher density multi-family residential housing with ground floor commercial services, public amenities in this area. The proposed rezoning meets the intent of the HNP land use and development policies.

City Plan – Affordable, Adaptable & Family-Friendly Housing

City Plan (Section C3.2) addresses the need for more affordable and supportive housing across the City including the provision of family-friendly and adaptable units, especially near schools (Policy C3.2.22). The development concept proposes the inclusion of adaptable units and family-friendly units (two bedroom and up).

City Plan – Culture

City Plan (Section C4.5) encourages partnerships with First Nations to increase visibility and recognition of traditional territories through collaborative projects (including art, signage, and

place-naming) and school programming. Located within the traditional territory of the Snuneymuxw people, Te'tuxwtun (the traditional name for Mount Benson), proposes to incorporate below market rental housing for the Snuneymuxw First Nation as well as First Nation led school programs and a community gathering space building which provides a significant collaboration opportunity.

City Plan – Mobility Network

The subject properties are located approximately 300m from the University Secondary Urban Centre as identified in Figure 36 of the City Plan, are adjacent to Fifth Street, a frequent bus transit corridor, and are located in close proximity to a secondary active mobility route.

A number of road dedications will be required, to allow fronting roads to be completed to the applicable City of Nanaimo cross-sections as outlined in the Conditions of Rezoning section of this Staff Report.

In support of the application, a Transportation Impact Assessment has been received and accepted in principle. It is noted that the development concept represents a parking variance which would need to be confirmed at design stage and reviewed through the Development Permit Process in accordance with Council's *Policy for Consideration of a Parking Variance*.

Proposed City Plan Land Use Designation

The applicant proposes to redesignate 502 Howard Avenue from Parks & Open Spaces to Mixed-Use Corridor. The current designation supports only park, plaza, open space and recreational uses; as such, a City Plan amendment is required to support the proposed a mix of uses envisioned within 502 Howard Avenue as part of the comprehensive planned development. The Mixed-Use Corridor future land use designation supports residential, commercial, and institutional uses serving the surrounding neighbourhood in close proximity to frequent transit networks. The proposed future land use designation would facilitate the proposed development and continue to support public open spaces and amenities along with the proposed community gathering space as shown within the Te'tuxwtun concept plan.

Proposed Zoning

The applicant proposes to rezone the subject properties from R6, PRC3 and CS1 to a comprehensive development zone (CD12) to facilitate a mixed-use development. The conceptual plans include six buildings with approximately 390 multi-family residential dwelling units and underground parking, ground-oriented commercial and institutional (academic school and recreational facility uses) in low- to mid-rise building forms with a central publicly accessible open space network through the site and community gathering space building.

The proposed CD12 zone includes three Sub-Zones which allow a range of residential, commercial, and institutional uses (including multiple family dwelling, park, school, daycare, office, restaurant, retail, artist studio and live/work) and is based on the Mixed-Used Corridor (COR2) zone in the "City of Nanaimo Zoning Bylaw 2011 No. 4500" (the "Zoning Bylaw").

The proposed CD12 zone is comparable in density (with bonusing opportunities), lot coverage and setbacks to the COR2 zone, with some flexibility in setbacks and height. The proposed zoning also incentivizes additional density for the provision of affordable housing units secured by

Housing Agreement. Additional base density has been incorporated into Sub-Zone 3 as institutional uses and less intensive residential development are proposed for the other Sub-Zones.

The maximum permitted building height within all Sub-Zones is proposed to be 20m; 2m greater than the maximum 18m within the COR2 zone to address grade and to maximize opportunity for provision of open space. The requirement to provide a minimum two storeys above grade has been relaxed for Sub-Zones 1 & 2 to accommodate the potential for single storey institutional buildings (school and the community gathering space).

Setbacks proposed for the front and flanking side yards can accommodate required landscape buffers and projections into setbacks such as stairs and entry porticos. A 7.5m buffer to the abutting residential zone to the north is also proposed.

The proposed rezoning to a comprehensive development zone complies with applicable City Plan policies. Staff support the proposed City Plan and Zoning Bylaw amendments.

Community Consultation

The subject property is within the area of the Harewood Neighbourhood Association. The application was forwarded to the association on 2023-MAY-12. Staff responded to a request for clarification on the application, and no further comments have been received.

BC Housing has undertaken two phases of engagement:

- Phase 1 occurred between 2022-JAN-03 to 2022-FEB-04 and included an online community survey, community circle conversations with members of the surrounding neighbourhood and local organizations and dialogue with Sanala tenants including mailouts, social media outreach, a website, and posters displayed in prominent locations in the neighbourhood.
- Phase 2 commenced 2023-MAR-05 (ongoing) and included dialogue with Sanala tenants, an information sharing meeting with the Harewood Neighbourhood Association, mail out to the surrounding community, and social media outreach.

During the engagement process, comments were generally supportive of the proposed building form, underground parking, daycare, onsite amenities, and community garden. Concerns were expressed regarding traffic and site safety, affordable and accessible housing, provision of parkland/open space and private space for Sanala residents, aboveground parking, and securing proposed elements of the project. BC Housing is continuing to work with the Knowledge Partners on refining the design of the project to address concerns raised prior to making a development permit application.

Community Amenity Contribution

In exchange for the value conferred on the lands through rezoning, the application was reviewed in accordance with Council's *Community Amenity Contribution Policy*. Based on the 2023 rates at the time of application and the conceptual plans provided, an approximate monetary contribution of \$1,172,682 would be anticipated in accordance with the mix of commercial (\$34 per m² of gross floor area) and multi-family (\$41 per m² of gross floor area) proposed.

Two in-kind CACs are proposed as part of the rezoning:

1. Publicly Accessible Open Space – provision of 1.29 ha of internal and perimeter publicly accessible open spaces including pathways, plazas, landscaped areas, and a gathering space (to replace and supplement the current 0.95 ha of parkland) as shown on Attachment D. As a condition of rezoning, Staff recommend that a statutory right-of-way be secured over Sub-Zone 3 to secure public access through and for use of the space.
2. Community Gathering Space – provision of a community gathering space building, the specifics of which will be determined through a functional programming assessment at time of Development Permit.

The development concept proposes 356 market rental units along with 34 below market rental units to replace the demolished Sanala units previously located on 564 Fifth Street. The details of the unit composition and number of market units and non-market rental units will be determined at design stage.

Given the public partnerships for this project, and as the total value of the CACs achieved through ultimate buildout is anticipated to exceed the monetary contribution that would otherwise be provided through rezoning (100% rental units, publicly accessible open space and a community gathering space), Staff support the proposed CACs.

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 titles of 564 Fifth Street 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 building permit issuance.

Conditions of Rezoning

Should Council support this application and pass third reading of "Zoning Amendment Bylaw 2023 No. 4500.213", Staff recommend 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 statutory right-of-way across 564 Fifth Street to secure public access through and for use of the publicly accessible open space.
2. *BC Energy Step Code* – registration of a Section 219 covenant to secure a commitment in accordance with the City's *BC Energy Step Code Rezoning Policy* for 564 Fifth Street.
3. *Road Dedication Covenant* – registration of a Section 219 covenant to secure road dedication as follows, prior to building permit issuance:
 - a width of approximately 4.14m along the Fifth Street frontage of 505 Howard Avenue and 564 Fifth Street and 0.14m from 502 Howard Avenue to allow for a future 'Mobility Collector' cross-section of 28.4m;
 - a width of approximately 2.44m to 3.29m along the Harewood Road frontage from 505 Howard Avenue to allow for a future 'Urban Collector' cross-section 25m / 26.7m;

- a width of approximately 2.44m to 3.29m along the Howard Avenue frontage from 505 Howard Avenue and 502 Howard Avenue to allow for a future ‘Urban Collector’ cross-section of 25m / 26.7m; and,
- corner rounding with a radius of 6.0m for all intersections.

Notwithstanding the above, given limitations on disposition of property from 505 Howard Avenue, any commitment for dedication is subject to SD68 Board of Education approval.

4. *Lot Consolidation* – consolidation of the two parcels comprising of 564 Fifth Street.

Application Referral

In accordance with Section 475 of the *Local Government Act*, when considering an amendment to an Official Community Plan (City Plan), local governments must provide one or more opportunities for consultation with organizations or authorities that it considers may be affected by the amendment. Should Council support first and second reading of the City Plan amendment application (OCP103), Staff would send a formal referral to the Snuneymuxw First Nation, Regional District of Nanaimo, Ministry of Transportation and Infrastructure, Ministry of Environment and Climate Change Strategy, Island Health, and Nanaimo-Ladysmith Public School District 68 for comment. Staff note that both the Snuneymuxw First Nation and School District 68 are Knowledge Partners in this project. |

SUMMARY POINTS

- This application is to redesignate 502 Howard Avenue from Parks & Open Spaces to Mixed-Use Corridor; and rezone the subject properties from Low Density Residential (R6), Parks, Recreation and Culture Three (PRC3) and Community Service One (CS1) to Comprehensive Development District Zone 12 (CD12) to facilitate a mixed-use development.
- The conceptual plans illustrate a six-building development with multi-family, commercial and institutional buildings.
- The applicant is proposing an in-kind Community Amenity Contribution including publicly accessible open space and a community gathering space.
- The proposed rezoning to a comprehensive development zone complies with applicable City Plan policies.
- Staff support the proposed City Plan and Zoning Bylaw amendments. |

ATTACHMENTS

ATTACHMENT A: Subject Property Map
ATTACHMENT B: Conceptual Site Plan
ATTACHMENT C: Conceptual Development Rendering
ATTACHMENT D: Proposed Publicly Accessible Open Space
“City Plan Amendment Bylaw 2023 No. 6600.001”
“Zoning Amendment Bylaw 2023 No. 4500.213”]

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