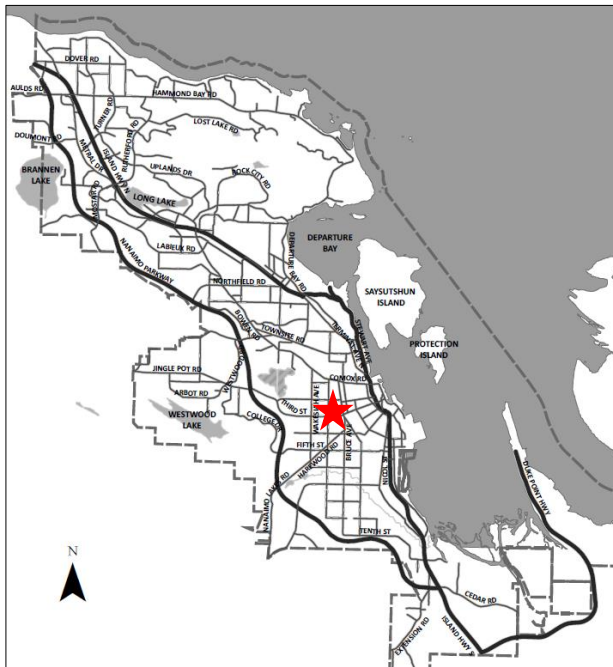


DATE OF MEETING | May 26, 2025 |

AUTHORED BY | PAYTON CARTER, PLANNER, CURRENT PLANNING |

SUBJECT REZONING APPLICATION NO. RA504 – 335 THIRD STREET



Proposal:

To allow a multi-family development

Current Zoning:

R1 – Single Dwelling Residential

Proposed Zoning:

COR1 – Residential Corridor

City Plan Land Use Designation:

Residential Corridor

Lot Area:

4,874m²

RA



OVERVIEW

Purpose of Report

To present Council with an application to rezone 335 Third Street from Single Dwelling Residential (R1) to Residential Corridor (COR1) to facilitate a multi-family development.

Recommendation

That

1. “Zoning Amendment Bylaw 2025 No. 4500.236” (to rezone 335 Third Street from Single Dwelling Residential [R1] to Residential Corridor [COR1]) pass first reading;
2. “Zoning Amendment Bylaw 2025 No. 4500.236” pass second reading; and,
3. “Zoning Amendment Bylaw 2025 No. 4500.236” pass third reading; and,
4. Council direct Staff to secure the conditions of “Zoning Amendment Bylaw 2025 No. 4500.236”, as outlined in the “Conditions of Rezoning” section of the Staff Report titled “Rezoning Application No. RA504 - 335 Third Street”, dated 2025-MAY-26, prior to final adoption.

BACKGROUND

A rezoning application was received from Seward Developments Inc., on behalf of T. Hughes Holding Ltd., Michael Gogo, and Dwayne MacIntyre to amend the “City of Nanaimo Zoning Bylaw 2011 No. 4500” (the “Zoning Bylaw”) to rezone the subject property at 335 Third Street from Single Dwelling Residential (R1) to Residential Corridor (COR1) to facilitate a multi-family development.

Zoning Amendment Bylaw 2025 No. 4500.236 was previously presented to Council on 2024-NOV-04 for consideration of bylaw readings and Council passed the following motion:

“that Rezoning Application No. RA504 for 335 Third Street be referred back to Staff for completion of an access assessment to the site.”

The applicant subsequently engaged a transportation engineer (the “Engineer”) to complete an Access Assessment. The Engineer reviewed three scenarios of the site to evaluate their feasibility, operational efficiency, and safety implications. Each scenario was assessed based on its impact on the surrounding road network and compliance with applicable transportation guidelines. The findings of the assessment are discussed in this report and have informed Staff’s recommendation to proceed with bylaw readings and the conditions of rezoning.

Subject Property and Site Context

The subject property is located within the Harewood neighbourhood, east of Downtown, along the Third Street corridor. The southern portion of the lot slopes up from north to south approximately 6m towards the intersection of Wharton Street and Georgia Avenue. The site currently contains a single-family dwelling and accessory buildings while established single residential dwellings, multi-family dwellings, places of worship, and City parkland characterize the surrounding area. The Cat Stream and a wetland are located east of the proposed development, within City parkland, and requires a 15.0m leave strip that extends into the northeast corner of the property.

The property is centrally located within walking distance to Downtown, Third Street Park, and Vancouver Island University, as well as other schools and recreational facilities and outdoor

amenities. The area is well-served by various transit routes and Third Street is expected to undergo utility and complete street upgrades in July 2025.

Public Notification

Pursuant to Section 464(3) and 467 of the *Local Government Act*, a public hearing is prohibited for the proposed “Zoning Amendment Bylaw 2025 No. 4500.236” as the bylaw is consistent with the Official Community Plan (City Plan) and the purpose of the bylaw is to facilitate a residential development as outlined in this report.

Statutory notification of first reading occurred on 2025-MAY-16. |

DISCUSSION

Proposed Zoning

The applicant is proposing to rezone the subject property from Single Dwelling Residential (R1) to Residential Corridor (COR1) to facilitate a multi-family residential development. The COR1 zone allows residential uses and limited number of other uses, including smaller office uses in mixed-use developments. The maximum allowable Floor Area Ratio is 1.00 and the maximum allowable building height is 14.0m, with the opportunity for an additional 4.0m (up to 18.0m) of height where the majority of parking is located under the building or underground.

The conceptual plans submitted with the rezoning application illustrate how the site could be developed with two buildings in four to six-storey building forms, consisting of 56 dwelling units with under-building parking. The development concept demonstrates that the COR1 zoning requirements can be met, and the required parking can be provided onsite. The conceptual plans also demonstrate that there will be no encroachment into 15.0m riparian leave strip, which projects into the northeast corner of the subject property. While variances are not anticipated, this would be confirmed through the design review at the Development Permit stage.

Policy Context

City Plan – Land Use

City Plan identifies the subject property within the Residential Corridor future land use designation, which supports medium-density residential development along urban arterial and collector roads. The Residential Corridor designation supports a mix of building forms, including low to mid-rise residential apartments (three to six storeys). The conceptual plans show how the site could develop with a multi-family development built into the existing slope of the property. This would result in the development appearing as four-storeys from the properties located south of the development, which are designated Neighbourhood and support four-storey building forms.

Rezoning to COR1 is supported by City Plan and meets the policy objectives of the Residential Corridor designation to allow residential densification near existing commercial areas and employment centres, schools, and recreation opportunities.

The applicant submitted a number of technical assessments in support of the proposed rezoning including an environmental assessment, shadow study, preliminary servicing reports, and a site

access assessment. Staff have reviewed and accepted the studies. The environmental assessment confirmed that the proposed use and density can be achieved without encroachment or negative impact on the riparian leave strip.

City Plan – Mobility Network

The subject property is located along the Third Street corridor, which connects the Downtown Primary Urban Centre to the University Secondary Urban Centre. Third Street is designated as a Mobility Collector road and future bus frequent transit line in Schedule 4 (“Road Network”) of City Plan. Wharton Street and Georgia Avenue are designated as Urban Local roads, with the segment of Georgia Avenue between Third Street and Wharton Street intended to function as an active transportation connection for pedestrians and cyclists. Primary and secondary active mobility routes are located nearby.

City upgrades are planned in summer 2025 along the Third Street corridor, including updates to utility infrastructure as well as accessibility improvements to pedestrian and cycling facilities, and enhanced intersection designs with tactile warning surfaces.

Rezoning to allow densification in this location is supported by City Plan goals to increase housing diversity within existing neighbourhoods in close proximity to local services and mobility options. As a condition of rezoning, additional road dedication will be secured along Third Street and at the corner Wharton Street and Georgia Avenue. Off-site improvements will also be secured including a 3.0m wide multi-use trail with lighting and street trees to be constructed within the existing road dedication of Georgia Avenue.

Site Access

In response to the Council motion from 2024-NOV-04, the applicant submitted an Access Assessment prepared by a transportation engineer (the “Engineer”) to review potential site access configurations, including 1) single access to local roads (Wharton/Georgia); 2) single access to Third Street; and 3) dual access to local roads (Wharton/Georgia) and Third Street. The Engineer reviewed these three scenarios and the impacts of each, which are discussed below.

Single Access to Wharton/Georgia Intersection

It is conventional transportation-engineering practice to provide site access from the lower classification of road, where possible, and avoid site accesses onto main arterial or collector roads such as Third Street. A review of the Wharton Street / Georgia Avenue access determined that full movement access can be supported, and there are practical benefits to providing access from these local roads including:

- Avoid increasing functional conflicts (e.g. pedestrian/vehicle conflicts) on Third Street;
- Distributes traffic more evenly towards Howard Avenue, Fourth Street, and Bruce Avenue through a diffuse local road network.

The Access Assessment confirmed that the Wharton/Georgia intersection is expected to operate at an acceptable level of service during the weekday morning and evening peak hours post-development with minor delays at the site access. In this scenario, lower traffic volumes on Wharton Street enhance the accessibility and safety of site movements. The proposed Wharton/Georgia access satisfies the required sight distance limits for all adjacent intersections,

and the local roads can accommodate the traffic of the proposed development while maintaining acceptable operational performance at all intersections.

The Assessment identified visibility issues with the existing curved road at the Wharton/Georgia intersection; however, this intersection would be improved, with the road dedication secured through rezoning, to remove the curve and provide proper intersection controls through the detailed access design when the site is developed.

Single Access to Third Street

A review of the potential site access from Third Street determined that all movements in the study area currently operate at an acceptable level of service during the weekday morning and evening peak hours, and this is expected to continue post-development with minimal impacts. Despite maintaining levels of service for traffic, there are a number of off-site impacts that would result in this scenario, including:

- Safety concerns with traffic movements. The steep downhill grade of Third Street poses safety concerns for those exiting the site. While a dedicated left turn may mitigate some safety risk, Staff have determined there is insufficient road width to achieve this.
- Potential right-in/right-out access configuration. Staff do not support this configuration and may consider full movement onto Third Street to prevent drivers from circumventing traffic islands, which would be required to facilitate a right-in/right-out access.
- Insufficient width to separate site access from the adjacent Georgia Avenue road dedication, which will function as the Georgia Greenway for pedestrians and cyclists and connect to the broader mobility network.
- Functional conflicts with planned corridor improvements. This scenario would necessitate amending plans for the Third Street Complete Street project (e.g. to avoid conflicts with a planned bus stop) which is slated to begin in Summer 2025.

For these reasons, Staff are not supportive of a single site access onto Third Street.

Dual Access to Wharton/Georgia Intersection & Third Street

Providing dual access onto the Wharton/Georgia intersection and Third Street would have negligible impacts on levels of service or potential queuing at any single access point, given the flexibility to distribute site-generated traffic between two access points. However, the Access Assessment concluded that there are safety and operational concerns with both access points that will need to be addressed. Concerns about visibility at the Wharton/Georgia intersection would be addressed through future site access design, as discussed above. The Third Street access, however, results in safety and functionality impacts that need to be considered (e.g. proximity to the Georgia Greenway active transportation connection and bus stop along Third Street).

While all three access scenarios are technically feasible, the single access to Third Street and dual site access result in more functional compromises than a single access to the Wharton/Georgia intersection.

Staff determined that the most functional scenario would be a single access to the Wharton/Georgia intersection to avoid pedestrian/vehicle conflicts on Third Street, provide a better distribution of traffic in the area, and maximize the functionality of the proposed Third Street

complete street improvements. Staff are not recommending that access be limited to any particular scenario at this time but recommend, as a condition of rezoning, that access be reviewed further through subsequent development approvals when the details of a development are known to ensure that the access is designed to best suit the site context.

Community Consultation

The subject property is within the area of the Harewood Neighbourhood Association. The application was forwarded to the association for comment. The applicant hosted a Public Information Meeting on 2024-JUN-27 at the Nanaimo Ice Centre, where approximately 11 members of the public attended the meeting. Attendees expressed concerns regarding site access, traffic, building heights, and protection of the Cat Stream, located on the neighbouring property.

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 (CAC) as per Council's Community Amenity Contribution Policy. Based on the 2023 rates at the time of application, the anticipated CAC value would be \$41 per m² of Gross Floor Area. The applicant is proposing a monetary contribution at this rate, payable at the time of building permit issuance, with 100% directed towards the City's Housing Legacy Reserve Fund. Based on the proposed concept, this would result in a CAC of approximately \$410,696. Staff note that CAC contributions may be reduced by 50% for market rental dwelling units where the rental tenure of units is secured by a Section 219 covenant, or other legal means to the satisfaction of the City, to be confirmed at the time of detailed design.

Staff support the proposed CAC.

Conditions of Rezoning

Should Council support this application and pass third reading of "Zoning Amendment Bylaw 2025 No. 4500.236", Staff recommend the following items be secured prior to final adoption of the bylaw:

1. Road Dedication – Road dedication to achieve a road width of 14.2m, as measured from the existing constructed centre line of Third Street, and a 100m² square-shaped area at the corner of Wharton Street and Georgia Avenue.
2. Off-Site Improvements – Completion of a multi-use trail within the existing road dedication of Georgia Avenue to the City's Manual of Engineering Standards and Specification (MoESS standard CS-21) complete with street trees and lighting to be completed through the development of the site.
3. Community Amenity Contribution – A monetary contribution equal to \$41 per m² of Gross Floor Area with 100% directed to the City's Housing Legacy Reserve Fund.
4. Site Access Assessment – The submission of an access assessment at the time of Development Permit application. |

SUMMARY POINTS

- The application is to rezone the subject property from Single Dwelling Residential (R1) to Residential Corridor (COR1) to facilitate a multi-family development.
- The proposed rezoning is consistent with City Plan policies for the Residential Corridor future land use designation.
- A monetary Community Amenity Contribution is proposed to be directed to the City's Housing Legacy Reserve Fund.
- Staff support the proposed Zoning Bylaw amendment.

ATTACHMENTS

ATTACHMENT A: Subject Property Map
ATTACHMENT B: Conceptual Site Plan
ATTACHMENT C: Conceptual Building Perspectives
ATTACHMENT D: Shadow Study
ATTACHMENT E: Potential Access Locations
"Zoning Amendment Bylaw 2025 No. 4500.236"

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