June 14th, 2021

BY EMAIL

Kevin Jones, Senior Development Planner Port Moody City Hall, Planning Division 100 Newport Drive, Port Moody, BC, V3H 5C3

Re: 3015-3093 Murray Street First Reading Response and Resubmission

Dear Mr. Jones:

Please find below a detailed response addressing the motions put forward by Council at First Reading April 6<sup>th</sup>, 2021. This letter has been updated after the May 5<sup>th</sup>, 2021 submission to Staff to incorporate extensive work with Staff this most recent month to further respond to Council's comments. A summary of the changes are as follows:

#### Second Reading Proposal Revisions - Summary

- 1. Increase bedroom space with 'windows': All "H" Plans are revised to improve access to natural spectrum light and increase the flexibility of den use. 20 of 100 H Plans now include a skylight.
- Increase light industrial space: Building 3 will be zoned for Light Industrial only, meaning 47% of the project's total commercial area will be limited to Light Industrial uses.
- 3. Increase job space: Building 2 and 3 include second-floor job space through zoning Home Occupation Use (Type B). This zoning creates the potential for 64 additional jobs. 179 jobs are projected with potential for up to 213 jobs, resulting in a jobs to population ratio of 0.38 to 0.45 for the project.
- 4. Increase below-market housing: Affordable rental will be increased from <u>5 to 16</u> homes (7.4% of project) while retaining 39 market rental (18.1%) for 55 rental homes total (25.6%). Most affordable rental homes will be two-bed homes (at least 11/16). Floorplans were changing in the rental building for more two-bed rental homes; 34 two-beds and 21 one & dens from 20 two-beds and 35 one & dens previously.

Please find enclosed appendices to support this letter. The most recent drawing set (sent to Staff May 5<sup>th</sup>) is valid and can be slip-sheeted at Staff's request for 3<sup>rd</sup> Reading. The project statistics are under update to reflect the minor revisions discussed herein. We look forward to advancing to 2<sup>nd</sup> Reading and Public Hearing shortly.

Sincerely,

Mosaic Murray Master LP, by its general partner,

Mosaic Murray Master Holdings Ltd.

Adrien Herberts VP Land & Development

CC Kate Zanon, General Manager Community Development.
Andre Boel, City Planner

## First Reading Responses and Second Reading Proposal Revisions

FIRST READING MOTION: Increase bedroom space with 'windows'.

<u>Concern</u>: Council raised concerns about livability of the "H" Plan with regards to natural light and ventilation, under the presumption some dens may be used as bedrooms. There are 100 H plans proposed (46.5% of all units).

Response: We agree natural light is integral to a better home, which is evident of many aspects of the proposal; 9'+ ceilings, expansive living room windows, and a building orientation which minimizes view/light blockage from other buildings. The proposal does not maximize the allowed OCP density in favour of orienting the buildings to allow for a large continuous outdoor area, few interrupted views, and limited internal shadowing.

Mosaic is confident the H floorplan (720 square feet) offers a great housing option for the community. We have built hundreds of similar homes with positive feedback. This home is in between the typical one-bedroom (~600 square feet) and typical two-bedroom (~800-900 square feet) which gives couples or young families the ability to have longer tenure than in a one bedroom, while spending less than on a typical two bedroom. The typical two bedroom may be larger by 100 square feet or more, which in Port Moody can add \$80,000+ in cost. We heard from select Council members the motion is not intended to change unit mix or decrease affordability by swapping H Plans for larger, less affordable two beds. The concern on the number of rooms without natural light.

To address the concerns from Staff and Council we do not feel reducing the den size or decreasing affordability (removing H plans for traditional two-bed homes with external windows) are desirable options. The resubmission has the same number of H plans as before but with detailed design revisions to mitigate the livability concerns in the event some of these spaces are used as second bedrooms.



### Proposed Revisions Summary:

- A. H Plans on the 6<sup>th</sup> floor will have a skylight (approx. 2 x 4 feet) which allows natural light into the den. The skylight will be strategically located to allow natural light to bounce off walls and radiate through the room. 20 H plans (out of 100) will have a skylight.
- B. All H Plans will now have a slider door for the den, with a translucent or frosted glass, instead of a wood swing door. This door allows light to radiate from the home into the den. It adds to the flexibility of the space and preserves the ability for occupants to use the den as they see fit; office, nursery, or in some circumstances as bedroom.
- C. All H plan dens will be specified in Building Permit Drawings to have an LED lamp in the light fixture of either natural spectrum or variable spectrum light (eg wifi smart bulbs). This will provide a light temperature equivalent to natural light or the ability to vary the temperature to the occupant's desires.
- D. All H Plans include a supply air to the den as part of the heat recovery system (HVAC) which ensures air circulation in the den (unchanged).

### FIRST READING MOTION: Increase below-market housing.

<u>Concern:</u> Council expressed dissatisfaction with the proposed 5 affordable rental units. We heard from some Council members is affordable rental is more of a priority than market rental.

Response: The application was submitted before Port Moody's interim affordable housing policy was adopted and included no affordable housing. At the December 2020 resubmission, one building was dedicated to pet-friendly rental housing for a total of 55 rental units, with 5 below-market rental and 50 market-rental, to remain in perpetuity. We presume Staff supported the overall proposal given their recommendation for 1st and 2nd Reading.

The policy notes affordable rental is preferred but other tenures/types of the housing spectrum have value which will be considered (other tenures/types defined as rent-to-own, affordable ownership, or market rental). "Where options other than affordable rental are proposed, the City would expect the number of units to be greater than if affordable rental units were proposed to be included". The policy assumes most proposals will offer predominantly studio/one-bed plans as affordable homes and sets the limit of maximum 70% affordable units being studio/one-bed units.

In response to Council's request for increased affordable housing, we will include 16 non-market rental homes (7.4% of project) and 39 market-rental homes (18.1% of project) in building one. Building One will be a rental building in perpetuity. Most affordable rental homes will be two-bedroom units (at least 11 of 16), greatly exceeding the policy floorplan expectations. Building 1 has been revised to make the majority of rental homes in Building One two-bedroom homes as opposed to one bedroom & den homes.

The application is not an OCP amendment and is grandfathered from full compliance from the Affordable Housing Policy. We feel the combined proposal merits exceed the interim expectations by offering both market rental and affordable rental in perpetuity, in a combined amount of 25.5% of the project, and a focus on affordability in desirable homes types which exceeds the minimum requirements.

#### Proposed Revisions Summary:

- A. The project will include 55 rental homes (25.5%); 16 below-market (7.4%) and 39 market (18.1%) homes.
- B. Affordable rental units will consist of at least 11/16 being two-bed units (800-834 square feet).
- C. Floorplan changes to increase the number of two-bedroom rentals from one & dens; the building will now consist of 21 one & dens and 34 two-bedroom rentals. *Note: this resulted in a minor parking count change.*



### 3. FIRST READING MOTION: Increase job space.

Concern: Council requested more job space.

Response: The proposal meets the OCP definition of mixed-employment area with ground level commercial, including Light Industrial (see Motion 4), and some office (in a second-level type mezzanine space). It provides far more employment than previously took place on the property and more than would take place if the property was developed as a typical Light Industrial building. The OCP has no requirements for a 'jobs to population' or an 'employment area to residential area ratio' target by which projects are individually evaluated.

We believe the proposal reviewed by Council at First Reading fully met the OCP requirements for job generation. To respond to Council's request further study was done on potential additional employment areas. The physical and zoning limitations have been maximized for commercial/industrial area on the frontage of Murray Street /Electronic Avenue. The only opportunity for more job space is the first storey of the residential building. There are two challenges with converting the first storey of the residential building to office use as suggest at First Reading:

- 1. Code/Security: full office use within a residential building requires additional elevators (one per building) and larger universal washrooms in all offices. It complicates security, access, and utility/cost sharing between residential Owners above and the hypothetical office level within their building.
- 2. Market: Mosaic does not believe office is viable in this location, beyond what has already been provided within the commercial/industrial units. Office real estate brokers support this opinion, advocating for larger consolidated offices (whether in one building or in a 'business district').

The revised proposal includes zoning the first storey residential units of Building 2 + 3 as Home Occupation Use (Type B). Thanks to extensive collaboration with Staff, this zoning allows Owners to register a business to their home address and have up to two employees work from their home-based business. The units are residential primary with the flexibility of secondary business use. This strategy avoids the code and market concerns involved with converting a storey within the residential building to permanent office primary use. To support this zoning a common universal/accessible washroom is added on the ground floor, satisfying code/Building Department requirements for potential employees. This zoning is a perfect complement to the proposed co-work amenity areas on the ground floor which includes work alcoves and technology features to further support work from home businesses. There are parking stalls set aside in the Below-Grade Parkade to accommodate Commercial, Industrial, and Home Occupation uses in line with Staff input (see Parking Table in appendices).

The revised proposal includes diverse employment opportunities which are adaptable to a changing economy. There are a variety of employment spaces, both in size and height, which can be used by food manufacturers, personal services, offices, light industrial, or creative industry. The residential buildings allow and support a variety of home-based businesses (25 projected) including some with additional employees onsite (a range of 30-64 potential home-based employees). This is a progressive mix of employment options which is appropriate for the site location and changing neighbourhood.

In total, there are 179 projected jobs with potential for up to 213. This is superior to the 102 projected jobs for a typical M1 light industrial building. The project jobs to population ratio ranges from 0.38 up to 0.45, which supports Port Moody's recently discussed city-wide target of 0.35-0.42 jobs to population.

For Context, Comparison to Past Use: The property today provides 0 jobs to the community. For the past 20 years, employment has ranged from up to 20 employees in the early 2000's to 8 at the time of closing. The former use resulted in contamination and development involves remediation of the lands to today's environmental standards.

For Context, Comparison to Light Industrial Development: A Light Industrial development (under the M1 zone) would generate an estimated 102 jobs; 71 from the light industrial and 31 from mezzanine office (if built). This assumes standard concrete tilt-up small-bay warehouse (0.40 FSR) on the site area of 100,643 square feet. In comparison, the proposal is projected to generate 179 jobs; 124 jobs from the employment area, 25 jobs from

home-based businesses (per Port Moody Ec Dev projections) and an estimated 30 from employees for Home Based Business on the residential first storey of 32 units in Building 2 + 3 (potential 64 jobs). That is 77 more jobs than a M1 Light Industrial development in the current zoning. The proposal has a far greater projected jobs intensity with 4.23 jobs per square foot of commercial area compared to 2.52 for typical light industrial. The project has more office mezzanine area and projected office employment than a Light Industrial development.

### **Proposed Revisions Summary:**

- A. First storey of residential building 2 and 3 zoned for Home Occupation Use (Type B). Allows up to 64 employees for the 32 designated units allow this type of home-based business.
- B. 22 parking stalls in the below-grade/lower parkade will be required in the rezoning for the potential Home Occupation Use employees.



Render of Building 1/2 streetscape; including commercial storefront, co-work amenity area beside residential lobby, and five storey residential building (first storey being Home Occupation Use).

### 4. FIRST READING MOTION: Increase light industrial space.

<u>Concern</u>: Council desires Light Industrial and/or high-skill employment space/jobs along Murray Street. The concern we heard is rezoning the properties without limitation on use types will result in the loss of Light Industrial space as other users (eg retail or service) out-pay for limited space. Our understanding is the concern is focused on preserving Light Industrial space rather than adding more Light Industrial area to what was proposed.

<u>Response:</u> The physical design has been extensively considered to create space which is adaptable and appealing to a variety of potential Light Industrial or creative industry businesses, with features like over-height ceilings (similar to some tilt-up industrial), extra depth, mezzanine offices, and garage doors. Light Industrial users occupying historical industrial areas is an emerging trend and despite appealing design the overall demand is unknown. Overly prescriptive zoning may not be viable or could lead to vacant space.

Today the property is zoned M1 Light Industrial. In response to the concern about rezoning resulting in a loss of Light Industrial space it is proposed the CD zone 'preserve' the M1 zone on the western half of the development (future legal Lot 2, Building 3). The demarcation is logical and establishes a gradient of mixed-use types moving East to West on Murray Street, from retail/commercial-style mixed-use near Electronic Avenue (including the eastern half of Mosaic's proposal) to light industry mixed-use on the western portion of Mosaic's proposal and potentially further west along Murray Street. Building 3 is 13,713 square feet of employment area (of the project total 29,212 square feet).

Minor modifications are proposed to update the M1 Zone to be applicable for denser mixed-use projects as contemplated. The CD Zone has been extensive discussed with Staff; find a summary below of the proposed uses for Building 3:

- 1. Low Impact Light Industrial (replaces M1's 'Light Industrial' with uses more appropriate for mixed-use buildings with residential up above).
- 2. Creative Industry Use (a new definition, specifically focused on high-skill employment business which involve some digital and/or physical production).
- Commercial Athletic/Recreation (allowed in M1).
- 4. Laboratory (allowed in M1).
- 5. Artist Studio (allowed as a secondary use in M1, proposed as primary use)



Retail or Office would be allowed as secondary uses. The existing M1 zone also allows these secondary uses with conditions. The following uses would not be allowed on Lot 2 / Building 3:

- 1. Restaurant, Retail (primary), Retail Food Service (primary).
- 2. Personal Service (eg Medical Clinc, Chiro/Physio, etc).
- 3. Office (primary) (eg Notary, Legal, Real Estate, Accounting, etc.)

We feel the above response directly addresses the concern about a rezoning causing the loss of Light Industrial designed space.



Artist render of a Low Impact Industrial business in Building 3. Assembly, fabrication (primary) and some office and retail use (secondary).

### Proposed Revisions Summary:

- A. Building 3 will be limited through zoning to Light Industrial uses only (approx. 47% of overall job space).
- B. Light Industrial uses will be based on the M1 zone precedent, as the property is zoned for today.
  - Namely: Low Impact Light Industrial, Creative Industry Use, Commercial Athletic/Recreation, Laboratory, Artist Studio.
- C. Specific use definitions detailed in Rezoning with Staff for modernity and appropriateness in mixed-use.
- Mosaic will offer local Light Industrial businesses a 6-month exclusive marketing period for the space in Building 3.

# Mosaic 3015-3093 Murray Street

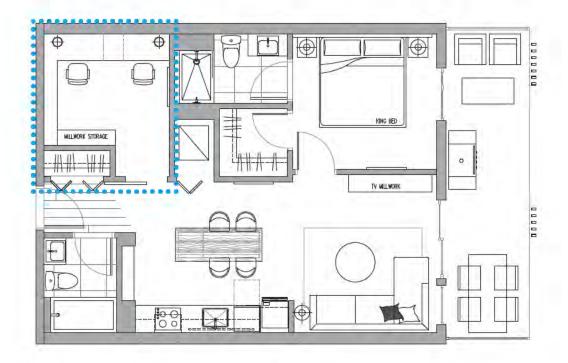
## List of Appendices:

1.	Appendix A	H Plan Revised Floorplan & Furniture Diagram
2.	Appendix B	H Plan Den, Precedent Imagery
3.	Appendix C	Precedent Imagery of H Plan Updates
4.	Appendix D	Light Industrial Job Comparison
5.	Appendix E	Previous Site Employment Letter
6.	Appendix F	Artist's Rendering #1, Building 3 Commercial Space
7.	Appendix G	Artist's Rendering #2, Building Entry
8.	Appendix H	Artist's Rendering #3, Building Architecture
9.	Appendix I	Rezoning Proposed Parking Allocation

## Appendix A - H Plan Revised Floorplan & Furniture Diagram

The den is a flexible space that can adapt to a growing resident's evolving needs. All made possible at a more affordable price.

Sky lights for all Level 6 homes also adds an additional 20 windows to the top floor dens.



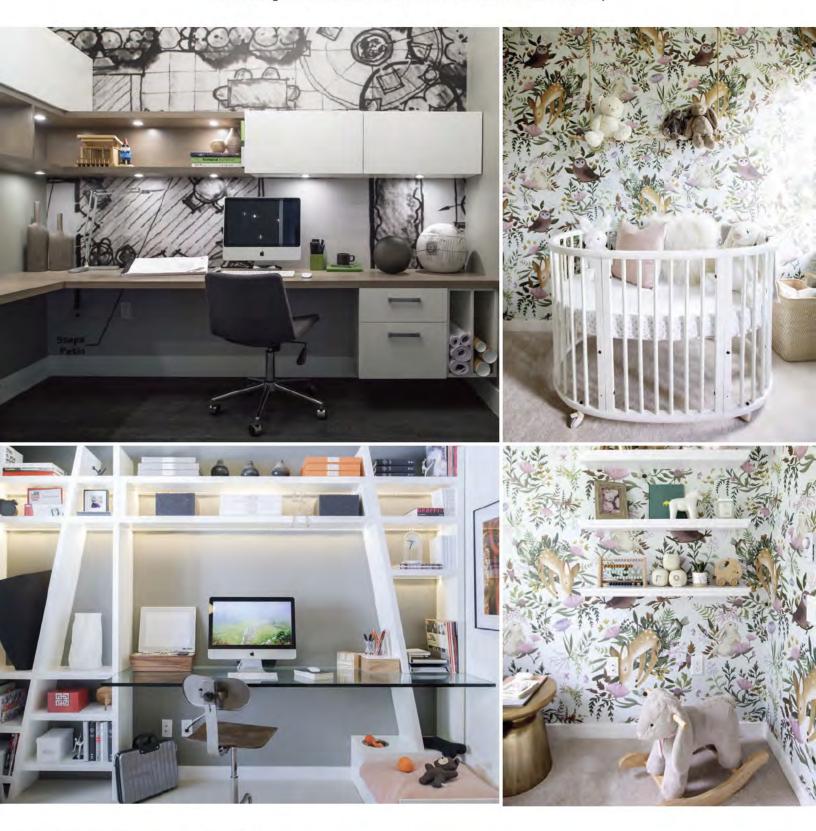




## Appendix B - H Plan Den, Precedent Imagery

Our 1-bedroom & den layouts have been a very popular floorplan across different municipalities.

The flexibility of the space fits many different needs, and allows for the home to evolve with each resident's long term needs. The most common uses are a home office or nursery.



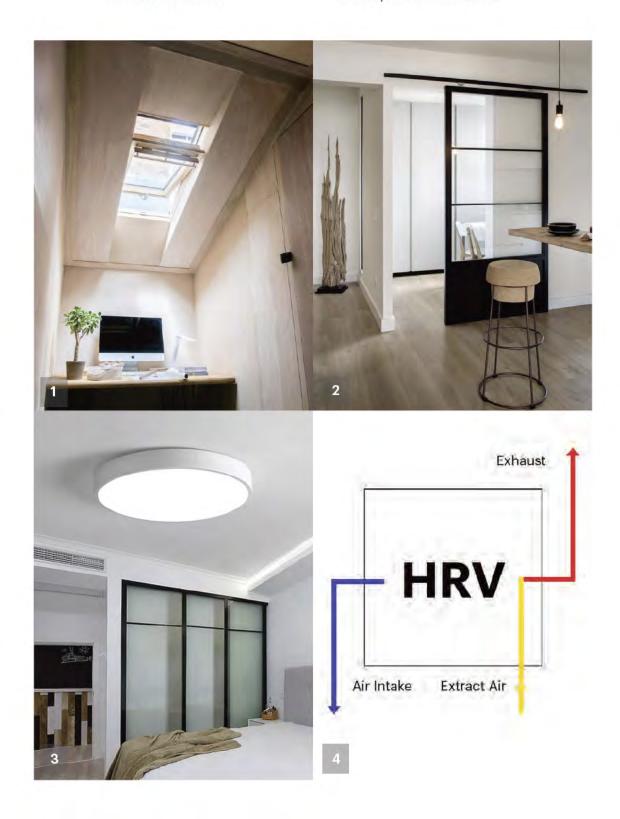
## Appendix C - Precedent Imagery of H Plan Updates

Included are precedent images to show what the den space will be like:

- 1. Skylights added to all Level 6 homes
- 3. Natural spectrum LED lighting

2. Glass door for den

4. HRV system for better airflow



## Appendix D - Light Industrial Job Comparison

3015-3093 Murray: Job Projections

June 14th 2021

	Previous Use (approximate)	Hypothetical Light Industrial Tilt-Up	Revised Mosaic Proposal
<ul> <li>1 Site Area (SF)</li> <li>2 FSR Permitted</li> <li>3 FSR Proposed</li> <li>4 Gross Buildable</li> </ul>	100,643	100,643 2.5 0.4	100,643 2.5 2.3
4 Gross Buildable		40,257	228,460
5 Light Industrial GFA 6 Office/Mezzanine GFA		35,225 5,032	9,788 7,086
7 Commercial/Retail GFA		0	12,456
Total Employment GFA		40,257	29,330
8 Light Industrial Jobs / 1 per 350-550 SF 9 Office Jobs / 1 per 162 SF (in mezzanine)	20	71 31	25 44
10 Retail or Service Jobs / 1 per 225 SF 11 Home Occupation Businesses (Type A, no employees)		0 0	55 25
11a Home Occupation Businesses (Type B, up to 2 employees)		U	30
Total Jobs	20	102	179
Total Jobs	20	102	1/3
12 Jobs per 1,000 sqft Employment Area		2.52	4.23
13 Number of Homes		0	215
14 Total Population (2.2/home)		0	473
75 Projected Jobs to Population Ratio			0.38
Potential Jobs to Population Ratio		·	0.45

#### Notes

- 3 M1 Zone does not designate a max FSR but limits height. Typical 24ft tilt-up is 0.30-0.50 FSR.
- 4 Mosaic's proposal assumes Builidng #3 is limited to M1 Light Industrial zone uses.
- 6 Mosaic office space is per mezzanine area proposed. Light industrial office mezzanine typically 10-15% of GFA.
- 8-10 Jobs/SF averages per PM. Light industrial uses vary; assumed 500sf/job in traditional warehouse and 400sf/job in new space.
  - 11 Based on PM Staff provided figure of 0.1155 home-based businesses per apartment.
- 11a Building 2 + 3 first residential storey 2 non-resident employees allowed per unit. Potential 64 total jobs not including owner. Assumed less than 50%.
- 12 Job intensity in mixed used proposal is higher per square foot. Excluded HBB in the apartments above.
- $14\ \ Metro\ Vancouver\ assumptions\ 1.9\ residents\ per\ apartment.\ 2.2\ residents\ per\ apartment\ from\ Port\ Moody.$
- 15 City of Port Moody Target range for community between 0.35-0.42.

### Appendix E - Previous Site Employment Letter

From: Clinton Stewart < FIPPA S. 22 > Sent: Thursday, April 8, 2021 5:55 PM

To: Adrien Herberts
Cc: Adam Perry

Subject: Labour Force at Can- Am Containers

Good Day Adrien,

In reference to our phone conversation yesterday , let me put my thoughts in writing for you .

I was employed by Can-Am and then went on to become the Owner .

The time period was August 1975 - February 2010, when I sold the Business to a Corporation and then I was employed by that Corporation to oversee all Reconditioning Operations in Canada until December 2015.

At the Peak of the Can - Am Operations we employed 36 people - this was in the 1990's .

With the Closure of most of the Oil Refineries we scaled back to 15 - 20 people . This was in the Year 2000 .

At the time of the Plants closing there were only 8 Employees.

All of the work that was done at Can-Am is now done in Edmonton and Seattle .

I believe this is the jist of our Conversation.

Have a very pleasant day.

**Rod Stewart** 

# Appendix F - Artist's Rendering #1

View from the street level of Building #3 light industrial use.



# Appendix G - Artist's Rendering #2

Entry way between Building #1 and Building #2.



# Appendix H - Artist's Rendering #3

View from Murray Street of Building #1 & #2's architectural design.



## Appendix I - Rezoning Proposed Parking Allocation

								1
	Parkade Provisions (updated to align with May 3rd RZ/DP Drawing Submission and 2nd Reading Revision Intent)							
	Unit Type	Units	Bylaw Ratio	Bylaw Required	Proposed Ratio	Proposed Required	Variance Total	
	Residential			·		·		]
Upper Parkade	One Beds	102	1.0 / Unit	102	1.0 / Unit	102	none	1
Upper Parkade	Two Beds	58	1.5 / Unit	87	1.39 / Unit	81	-6	Variance
Below Grade Parkade	Rental One Beds (market & affordable)	21	1.1 / Unit	23	0.75/ Unit	16	-7	Variance
Below Grade Parkade	Rental Two Beds (market & affordable)	34	1.1 / Unit	37	1.0 / Unit	34	-3	Variance
	Total Units	<i>21</i> 5						
Below Grade Parkade	Residential/Commercial Visitor Flex			32		32	none	(0.2/unit first 100 then 0.1/u
	Commercial / Industrial / Home Business							
Below Grade Parkade	Home Occupation Type B/Commercial*	32*	*	64	*	22	-42	TBD # of Businesses*
Below Grade Parkade	Comm & Indust. (Sq.Ft) Ground	22213	1 / 431sf	52	1 / 431sf	52	0	
Below Grade Parkade	Comm & Indust. (Sq.Ft) Pre-Built Mezzanine	7007	1 / 538 sf	13	1 / 538 sf	13	none	]
	Total Stalls			410		352	-58	]

#### Changes from March 9th 2021 Parking Table

- 1. Total parking count decreased by 3 stalls in recent resubmission (2 in drawings and 1 further to accommodate universal washroom for Home Occupation B).
- 2. Rental unit mix changed in recent resubmission to increase the # of two bedroom rental or affordable rental homes.
- 3. \*Home Occupation Type B allowed for 32 units. Bylaw requires 1 stalls per employee, meaning a potential 64 employees / stalls required at maximum.

  Stalls to be available for general commercial visitor use until a business license is registered. Through licensing businessess can reserve stalls for employee use.

  4. Formerly, 29 'surplus' stalls were allocated to Comm/Ind to exceed Bylaw min. Currently, 22 surplus stalls are allocated to be commercial and/or Home Occupation Type B.

	Physical Stalls	Bylaw Req.	Proposed Req		
Upper Parkade	183	189	183	Market Homes	
Below Grade Parkade	169	221*	169	Visitor/Rental/Comm & Ind/Hor	me Occupation
	352	410	352	_	