



City of Port Moody

Report/Recommendation to Council

Date: September 15, 2021
Submitted by: Community Development Department – Development Planning Division
Subject: Early Input – OCP-Rezoning (Mixed-Employment) – 2933-3005 Murray Street
(PCI Developments)

Purpose

To provide an opportunity for early Council input on the Official Community Plan (OCP) amendment and rezoning application submitted for 2933-3005 Murray Street for a 12-storey mixed-employment rental building containing 207 residential units. (File ORD00002)

Recommended Resolution(s)

THAT staff and the applicant consider the comments provided during the Special Council (Committee of the Whole) meeting held on October 19, 2021 regarding the Official Community Plan amendment and rezoning application presented in the report dated September 15, 2021 from the Community Development Department – Development Planning Division regarding Early Input – OCP-Rezoning (Mixed Employment) – 2933-3005 Murray Street (PCI Developments).

Executive Summary

Staff and the applicant are seeking early input from Council on a development proposal located at 2933-3005 Murray Street.

The development proposal features several positive community benefits, including the following:

- a purpose-built rental building;
- below-market rental units;
- dedicated artists studio space;
- daylighting of a portion of Slaughterhouse Creek;
- dedication of environmental lands to the City; and
- a sustainable construction method using mass timber.

While there are several merits to the proposal, this report also outlines some areas where further review is recommended, which could provide opportunities for the following:

- a pedestrian overpass to the Moody Centre SkyTrain and other transit options to justify the proposed reduction in parking;
- a second storey of employment uses;
- a more family-friendly unit mix; and
- additional affordable housing units to meet the target of the Affordable Housing Policy.

The application was reviewed by the Land Use Committee, which did not endorse the project, and the Advisory Design Panel, which did support the proposal. Both groups identified items for further review and improvement in the current proposal.

Background

The City has received an application for a 12-storey mixed-employment building containing a total of 207 residential rental units and approximately 789m² (8,500ft²) of employment space. In addition, the project is proposing to daylight a portion of Slaughterhouse Creek and dedicate 1,468m² (15,800ft²) of environmentally sensitive lands to the City. An Application Fact Sheet with details of the proposal are included as **Attachment 1**.

The form and character of the development was reviewed by the Advisory Design Panel (ADP) on September 16, 2021. The ADP endorsed the proposed project subject to the applicant addressing several items, including but not limited to the height, expansion of employment space into the second floor, an alternative option to the pedestrian overpass, and the parking reduction. Draft minutes from the ADP meeting are included as **Attachment 2**.

The OCP amendment and rezoning applications were reviewed by the Land Use Committee (LUC) on September 23, 2021. The LUC recommended that the proposed land use is not appropriate for the following reasons:

- the proposed height is too high;
- the unit mix is not appropriate;
- the proposal is not consistent with the OCP;
- the proximity of the building to the SkyTrain and railway system is disadvantageous;
- the proposed parking is inadequate;
- the affordable housing does not meet the set standard; and
- there is significant loss of employment space.

Draft minutes from the LUC meeting are included as **Attachment 3**.

Discussion

Property Description

The development site consists of two properties on the south side of Murray Street, east of the Moody Street overpass (**Attachment 4**). The site is currently developed with light industrial and warehouse buildings with several businesses. The site is approximately 4,186m² (45,057ft²) in size and is gently sloping downwards from the south to north.

Land Use Policy

Official Community Plan (OCP): The subject property is designated Mixed Employment – Moody Centre and is situated within Development Permit Area 2: Moody Centre (DPA 2) for the regulation of form and character. It is noted that the OCP designates the subject site as mixed employment, which may create some more unique design approaches, such as higher ceilings for the first storey or second floor office/employment space.

Although situated close to the Moody Centre SkyTrain Station, the site is outside the Moody Centre Transit Oriented Development (TOD) Area, as defined in the OCP. Section 15.5.4 of the OCP identifies the site as being in the Evergreen Line Sub-Area of Murray Street Boulevard, which allows for the development of a combination of uses, including light industrial, commercial, office, and residential. Key policies for this area include:

- building forms up to six storeys, provided that the first storey consists of employment related uses, and that the second storey be encouraged for employment uses where feasible;
- above two storeys, the upper floors should include an additional setback from Murray Street to provide opportunities for outdoor spaces and allow a buffer from street level activities; and
- opportunities for additional north-south pedestrian connections between Murray Street and the Moody Centre SkyTrain Station, to be pursued as part of new development in this area.

In addition to DPA 2, development permits for Development Permit Area 4: Environmentally Sensitive Areas (DPA 4) and Development Permit Area 5: Hazardous Lands (DPA 5) will be required, due to the proposed environmental work and potential soil liquefaction.

Zoning: The subject site is currently zoned Light Industrial (M1), which allows for a mix of light industrial uses.

The OCP and Zoning designation maps are included as **Attachment 5** and **Attachment 6**.

Environmentally Sensitive Areas (ESA) Policies

Section 6.5 of the OCP gives policy direction on the daylighting of creeks during redevelopment, as it outlines the City's Environmentally Sensitive Areas (ESA) Management Strategy. The policy states:

The City recognizes that areas outside of designated ESAs also contribute to the ecological and environmental values of the City of Port Moody. When redevelopment is proposed for those areas, consideration should be given to restoring the natural environment. For example, barriers to fish movement should be removed (e.g., Poorly designed or installed culverts) and watercourses should be daylighted.

For the adjacent area to the south in the Moody Centre TOD area, the OCP's Land Use Map shows a Parks and Open Space land use designation along the creek, but this designation does not extend to this site. That said, daylighting of the creek on this site would further support the above-referenced policy as well as the daylighting that was recently completed in the St. George Street area.

Neighbourhood Context

Surrounding development consists of:

- North: Rocky Point Park;
- South: Moody Centre transit station including the Moody Centre SkyTrain Station and Westcoast Express Commuter Rail Station; however, the transit station is separated by the Canadian Pacific Railway (CPR); and
- East and West: Existing light industrial buildings. Further east on each side of Electronic Avenue are development sites for six-storey mixed-use buildings currently either in construction (50 Electronic Avenue by Panatch Group) or in the development approvals stage (pending Mosaic Homes lands).

Proposal

The application proposes to amend the OCP and rezone the site to facilitate a 12-storey, mass-timber building containing the following:

- 207 secured rental units, including 21 (10%) below-market rental units, for the greater of 60 years or the useful life of the building;
 - includes a unit mix of 156 (75%) studio and one-bedroom units, 48 (23%) two-bedroom units, and three (1.4%) three-bedroom units;
- a total of 149 parking spaces (~40% reduction);
- 1,468m² (15,800ft²) of environmental dedication through daylighting and restoration of Slaughterhouse Creek;
- overall floor area ratio (FAR) of 5.51 (including employment space) after dedication of environmental lands and 3.31 before dedication of environmental lands;
- 789m² (8,500ft²) of mixed-employment space; and
- 93m² (1,000ft²) of ground floor affordable artist space.

The site plan shows three buildings oriented in a U-shape with the open portion backing onto the CPR and SkyTrain lines. The U-Shape allows for single-loaded access which gives access to natural light and ventilation on both sides of each unit.

Other features of the building include:

- a children's play area and resident patio area on the third floor level;
- rooftop amenity space, which includes a resident lounge, an indoor amenity space (which may be considered a 13th storey), and an urban agriculture area;
- 120 residential storage lockers (separate from bike storage) and kayak storage; and
- a fitness facility.

An information booklet from the applicant is included as **Attachment 7**, architectural plans are included as **Attachment 8**, and landscape plans are included as **Attachment 9**.

Site Constraints

The following constraints on the site are noted:

- the two rear ends of the east and west buildings border the rail corridor for the CPR as well as SkyTrain. The site plan shows the buildings having a setback from the rear property line (adjacent to the CPR) ranging from approximately 0m to 2.5m;
- an acoustic review, which has recently been submitted, and related studies will need to demonstrate that the project meets acceptable livability standards and should provide specific recommendations for the detailed building design to meet acceptable levels of livability from a noise and vibration perspective;
- a portion of Slaughterhouse Creek is currently culverted and runs under the existing buildings on the subject site. The application proposes to daylight this portion of the creek and it would be requested that these lands be dedicated to the City as public park so that the associated riparian area will be enjoyed as a public benefit in perpetuity. While the alignment is still to be determined, the area to be dedicated would be 1,468m² (15,800ft²), which is approximately 35% of the overall site area; and
- an existing statutory right-of-way for Greater Vancouver Sewerage and Drainage District (Metro Vancouver) currently exists over the site for storm and sanitary systems. The sanitary right-of-way is proposed to be relocated to the west side of the property over the vehicular access of the building. In the case of the storm water, this pipe will be daylighted and moved to the east as part of the environmental restoration. As the daylighted creek will remain part of Metro Vancouver's storm system, a maintenance access over an additional right-of-way will be required to allow for future cleaning and inspection of the creek from the top of bank. This may limit the number of plantings and/or trees for the environmental restoration.

Employment Lands

A variety of businesses are currently located on the site, totalling 2,297m² (24,722ft²) of floor space and 61 employees. Of the jobs currently offered on the site, 72% fall within the professional, scientific and technical services industry. The remaining types of employment fall under retail, automotive repair, and manufacturing jobs.

The employment floor space is being reduced by approximately 62% due to a portion of the site being dedicated for environmental purposes. However, the OCP encourages employment uses on the second storey, which if utilized, could possibly minimize any loss of employment uses on these lands and match or increase the number of jobs that are currently on the site.

As the subject site is designated Mixed Employment in the OCP, the project should provide a variety of employment-generating uses, including a mix of low-impact light-industrial and commercial uses. Through the nearby Mosaic Homes development application to the east at 3015-3093 Murray Street, the Zoning Bylaw is currently in the process of being amended to include low-impact light-industrial uses, which could also be a permitted use with this development.

Future Pedestrian Overpass

The application refers to provisions for a future pedestrian overpass to give direct access to the SkyTrain Station and Westcoast Express and includes the walkway on many of the renderings. The applicant is not planning to construct the walkway as part of this development and has indicated that it would be constructed as part of the Moody Centre TOD development. Although the developer is proposing to allow for the future overpass, the design has not been finalized or approved by the City. Given the strategic importance of this site for the construction of an overpass, any development of this site will need to take account of how an overpass may be successfully accommodated.

Without this connection to allow direct access over the CP Railway, pedestrians who wish to use the transit centre would be required to walk westbound on Murray Street, cross at the Moody Street overpass, and double back to reach the station, approximately a 1km (0.6 mile) or 13-minute walk. Alternatively, bus lines #181 and #182 do provide transit service from Murray Street to the SkyTrain and Westcoast Express. The absence of an overpass for the short to medium term is a relevant consideration for the requested parking variance.

Parking

The applicant is requesting a parking reduction of approximately 40%. The premise of the parking reduction is based on the proximity to transit and a direct connection being constructed via the pedestrian overpass. However, the construction of the overpass is a component of the Moody Centre Transit Oriented Development (TOD) Plan, which has not been approved by the City. Without the construction of the overpass as part of this proposal, through another proposal, or the provision of alternative Traffic Demand Management measures, staff cannot support the requested variance.

The following table details the parking reduction.

| <u>Parking Comparison</u> | | | |
|----------------------------------|--|--|---------------------------|
| | Zoning Bylaw Requirement | Proposed Parking | Proposed Reduction |
| Market Rental | 186 (1.1/unit) | 112 (0.6/unit) | 40% |
| Below Market Rental | 19 (0.9/unit) | 6 (0.3/unit) | 68% |
| Visitor Parking | 31 | 21 | 32% |
| Mixed Employment | 18 <small>Varies by use – average 1 space per 50m² (538ft²) of floor area</small> | 10 <small>1 space per 93m² (883ft²) of floor area</small> | 44% |
| Total | 251 | 149 | ~40% |

Affordable Housing

The Interim Affordable Housing Guidelines Policy lists several expectations as part of any rezoning or OCP amendment application, including a stated goal of 15% of the units dedicated for below-market rental. This proposal includes 186 units available at market-rental rates and 21 units (10%) at below-market rental rates. While the below-market component is lower than the guidelines, staff understand the difficulty incorporating below-market rental units into a rental building proforma. It should also be noted that the 90% for market rental still provides an important contribution by catering to other housing needs on the housing spectrum.

Density Bonus

The Zoning Bylaw makes provision for density bonus where a FAR greater than 2.5 is proposed, excluding floor areas for commercial and below-market housing. The provision requires a financial contribution or in-kind amenities for community amenities equivalent to 75% of the land value of the additional density above a FAR of 2.5. In this application, the applicant is proposing that the density bonus be a density transfer equal to the building potential for the portion of the site proposed to daylight Slaughterhouse Creek. The density bonus provision proposed would take the form of a in-kind daylighting of Slaughterhouse Creek and the adjacent riparian area, as well as the provision of the artists studio space. Further analysis will be required to ensure that the City receives appropriate compensation and/or amenities for density in excess of a FAR of 2.5.

Public Art

In accordance with the City's Public Art Policy, developers typically commit to providing either a public art piece as part of the development or a contribution to the Public Art Reserve Fund, equivalent to 0.5% of the cost of construction. At this time, the applicant has not indicated any contribution to public art.

Sustainability Report Card

The completed Sustainability Report Card for the development proposal is included as **Attachment 10** and the following table summarizes the initial scoring. The scoring may be revised throughout the review process of the project.

| <div>Sustainability Pillar</div> <div>Application</div> | Cultural | Economic | Environmental | Social | Overall Total |
|---|----------------------|----------------------|-----------------------|-----------------------|------------------|
| 2933-3005 Murray Street | 82% (9 out of 11) | 44% (7 out of 16) | 79% (45 out of 57) | 55% (21 out of 38) | 67% |

Items for Further Review

Topics identified by staff for further review and consideration by the applicant include:

- the proposed density, height, and massing of the project;
- the need for any development on this site to address the OCP policy that identifies this location for inclusion of a pedestrian overpass that connects Murray Street with the Moody Centre SkyTrain and other transit uses;
- clarification around the number of storeys of the development;
- the setback between the CPR and the proposed building;
- the loading, access, and egress of the site;
- the density bonus contribution – further analysis will be required to ensure that the City receives appropriate compensation and/or amenities for density in excess of 2.5;
- the proposed parking variance given the current proximity or potential proximity to the Moody Centre transit centre;
- the amount of employment-generating uses proposed for the site;
- further analysis around the Slaughterhouse Creek alignment, to be determined with input from Environment and Parks staff, and Metro Vancouver, including the existing statutory right-of-way for Metro Vancouver; and
- the potential for a public art contribution.

Any input provided by Council on the above items, or any other items will be considered by the applicant and staff.

Concluding Comments:

An OCP amendment is being requested as the applicant is seeking permission for a 12-storey building instead of the maximum permitted six storeys. In addition, the project does not entirely meet some of the OCP policies for this portion of Murray Street, such as providing two storeys of employment uses, a further setback above two storeys, or the construction of a pedestrian overpass to the Moody Centre SkyTrain Station. There is merit to this project as it proposes significant environmental restoration and dedication of lands to the City and includes the provision of a mass-timber, purpose-built rental building with 10% below-market rental units. While the Murray Street frontage of the building is generally attractive, there are concerns with the rear and sides of the building as well as how they interface with the adjacent CPR and SkyTrain lines.

Other Option(s)

The applicant and staff are seeking preliminary input from the Committee of the Whole. While the proposed recommendation provides for general input through the Council discussion, the Committee could choose to provide more specific direction to the applicant and staff through an alternative resolution, such as the following:

THAT the applicant be advised to explore options to include the construction of the pedestrian overpass with this development to eliminate the access barrier to the Moody Centre SkyTrain Station and Westcoast Express.

Financial Implications

There are no financial implications associated with the recommendation in this report.

Communications and Civic Engagement Initiatives

Community Engagement

The applicant held an early open house by hosting an online community information meeting on September 22, 2021. Per the Public and Stakeholder Consultation for Major Development Projects or Area Plans Policy, the applicant has reached out to various environmental groups, including Burrard Inlet Marine Enhancement Society, Port Moody Ecological Society, and Burke Mountain Naturalists.

Public Notification

A notification sign informing the public of the OCP amendment and rezoning applications has been placed on the subject site in accordance with City of Port Moody Development Approval Procedures Bylaw, 2011, No. 2918.

Later in the process, if the project proceeds through bylaw readings, the public will have an opportunity to comment at the Public Hearing, which will occur following a mail-out notification to adjacent residents, an advertisement placed in the local newspaper, and a decal of the Public Hearing time and date placed on the notification sign.

Council Strategic Plan Objectives

Providing this early opportunity for Council input on a preliminary development proposal supports the strategic priority of Community Evolution in the 2019-2022 Council Strategic Plan as it relates to the objective of ensuring that future community growth is carefully considered and strategically managed, consistent with the targets approved in the City's Official Community Plan.

Attachment(s)

1. Applicant Fact Sheet – 2933-3005 Murray Street.
2. Advisory Design Panel Draft Minutes – September 16, 2021.
3. Land Use Committee Draft Minutes – September 23, 2021.
4. Location Map – 2933-3005 Murray Street.
5. Land Use Designations Map – 2933-3005 Murray Street.
6. Zoning Map – 2933-3005 Murray Street.
7. Information Booklet – 2933-3005 Murray Street.
8. Architectural Plans – 2933-3005 Murray Street.
9. Landscape Plans – 2933-3005 Murray Street.
10. Sustainability Report Card – 2933-3005 Murray Street.

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Report Approval Details

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| Document Title: | Early Input – OCP-Rezoning (Mixed-Employment) – 2933-3005 Murray Street (PCI Developments).docx |
| Attachments: | <ul style="list-style-type: none">- Attachment 1 - Application Fact Sheet - 2933-3005 Murray Street.pdf- Attachment 2 - Advisory Design Panel Draft Minutes - September 16, 2021.pdf- Attachment 3 - Land Use Committee Draft Minutes - September 23, 2021.pdf- Attachment 4 - Location Map - 2933-3005 Murray Street.pdf- Attachment 5 - Land Use Designations Map - 2933-3005 Murray Street.pdf- Attachment 6 - Zoning Map - 2933-3005 Murray Street.pdf- Attachment 7 - Information Booklet - 2933-3005 Murray Street.pdf- Attachment 8 - Architectural Plans -2933-3005 Murray Street.pdf- Attachment 9 - Landscape Plans - 2933-3005 Murray Street.pdf- Attachment 10 - Sustainability Report Card - 2933-3005 Murray Street.pdf |
| Final Approval Date: | Oct 8, 2021 |

This report and all of its attachments were approved and signed as outlined below:

André Boel, City Planner - Oct 5, 2021 - 8:59 PM

Kate Zanon, General Manager of Community Development - Oct 5, 2021 - 9:24 PM

Dorothy Shermer, Corporate Officer - Oct 6, 2021 - 3:52 PM

Natasha Vander Wal for Rosemary Lodge, Manager of Communications and Engagement - Oct 6, 2021 - 4:50 PM

Paul Rockwood, General Manager of Finance and Technology - Oct 7, 2021 - 8:56 AM

Tim Savoie, City Manager - Oct 8, 2021 - 4:07 PM