



City of Port Moody

Report/Recommendation to Council

Date: July 25, 2023
Submitted by: Community Development Department – Development Planning Division
Subject: OCP Amendment and Heritage Revitalization Agreement (Mixed-Use) – 2400 Block Clarke Street (Kyle and Clarke Holdings Ltd.)

Purpose

To present for Council consideration of OCP amendment Bylaw No. 3421 (**Attachment 1**), Heritage Revitalization Agreement (HRA) Bylaw No. 3420 (**Attachment 2**) which includes Zoning Bylaw amendments to facilitate a six-storey mixed-use development within two buildings separated by a public mews and the retention and restoration of the P. Burns Building within the 2400 Block of Clarke Street. The project includes 182 residential units, including 79 market-rental units, nine work-live units and 2,162.8m² (23,280ft²) of commercial floor space.

Recommended Resolution(s)

THAT City of Port Moody Official Community Plan Bylaw, 2014, No. 2955, Amendment Bylaw No. 34, 2023, No. 3421 (2407-2419 Clarke Street, 85 Kyle Street, and 50 Queens Street) and City of Port Moody Heritage Revitalization Agreement Bylaw, 2023, No. 3420 (2407-2421 Clarke Street, 85 Kyle Street, and 50 Queens Street) be read a first and second time as recommended in the report dated July 25, 2023, from the Community Development Department – Development Planning Division regarding OCP Amendment and Heritage Revitalization Agreement (Mixed-Use) – 2400 Block Clarke Street (Kyle and Clarke Holdings Ltd.);

AND THAT Bylaw No. 3421 and Bylaw No. 3420 be referred to a Public Hearing;

AND THAT the Public Hearing be scheduled following the submission by the applicant, and analysis by staff, of a pro-forma analysis of the project's inability to provide rental housing units at below-market rates.

Executive Summary

This OCP amendment and HRA application would allow the restoration and relocation of the P. Burns heritage building to the corner of Queens Street and Clarke Street, the development of two, six-storey, U-shaped, mixed-use commercial/residential buildings separated by a pedestrian mews, and a residential unit mix that includes 103 strata units and 79 market-rental units and 2,162.8 m² (23,280 ft²) of commercial floor space.

To facilitate the proposal, the following are required:

- 1) an Official Community Plan (OCP) Amendment Bylaw, to allow for six-storeys for the majority of the site, which currently only allows for three-storeys; and
- 2) a Heritage Revitalization Agreement (HRA) Bylaw to establish the program for the relocation/restoration of the P. Burns Building, along with development control, usually established through zoning, with detailed architectural and landscape plans also forming part of the HRA Bylaw.

A Development Permit for Hazardous Conditions is also required and will be brought forward for consideration at such time as the Bylaws are considered for adoption.

Background

Kyle and Clarke Holdings Ltd. has submitted an OCP amendment and HRA application for the properties at 2407, 2411, 2413, 2419, 2421 Clarke Street, 85 Kyle Street, and 50 Queens Street.

The following are the key milestones in the development review process to date:

- the application was accepted on October 5, 2022;
- Advisory Design Panel (ADP) consideration of the application took place on November 17, 2022;
- a Community Information Meeting was held on December 5, 2022;
- Land Use Committee (LUC) consideration of the application took place on December 12, 2022;
- Early Input from Council was provided at the Community Initiatives Planning Committee (CIPC) on January 17, 2023; and
- a second Community Information Meeting was held on June 21, 2023. A summary report of the meeting is provided as **Attachment 3**.

The application was presented to the ADP on November 17, 2022. The ADP recommended that the project be endorsed subject to the applicant addressing several items including the incorporation of green roofs, increased sidewalk widths, active cooling to complement passive cooling, further consideration of plant/tree selection, and the addition of a public art installation along the street. Detailed ADP meeting minutes are included as **Attachment 4**.

The application was presented to the LUC on December 12, 2022. The LUC recommended that the project is not appropriate due to deficiencies from a commercial perspective including: a lack of sufficient commercial floor space, commercial parking/loading, space for servicing the building, and business amenities. Detailed LUC meeting minutes are included as **Attachment 5**.

Discussion at the CIPC meeting included the following topics: the positive elements of the heritage retention and location of the building on the plaza, the proposed project density, the proportion of below-market rental units, building height of the western building and interface with the heritage building, project architecture, the number of work-live units and viability of commercial space, opportunities for green roofs, and amenity space provision both on-site and off-site. The comments from the above meetings, as well as those provided by staff have been

addressed as part of the applicant's resubmission and the key elements of the project will be discussed further below.

Discussion

Property Description

The subject site, illustrated on **Attachment 6**, consists of 10 lots within the block bounded by Clarke and Spring Streets and Kyle Street and the Queens Street Plaza. The development parcel is presently occupied by several small commercial buildings, including, a shoe repair/boot sales business, a coffee shop in a building at 2419 Clarke Street which is a Protected Heritage Property (the former P. Burns Butcher Shop), an art studio, a craft shop and a restaurant. The easterly lot at Kyle and Clarke Streets is presently vacant but has most recently been used as a temporary plant and garden sales outlet. The abutting lot to the west is used for at-grade parking. The remaining lots are vacant as a result of a fire which occurred in 2019 and resulted in the destruction of another heritage building, the Roe and Abernathy Grocery Store. The site is 4,856.1 m² (52,270.6 ft²) in area and is generally flat east to west with a modest elevation change of about 2 m (6.6 ft) from south to north.

Land Use Policy: OCP

The OCP designates the development parcel as Mixed Use – Moody Centre, with a permitted building height up to six storeys on a portion of the site with the remainder of the properties limited to three storeys as shown on the OCP Map 11 (**Attachment 7**). Map 11 also shows Kyle Street as a possible future location for an overpass to a future Oceanfront District development. It is not known if such an overpass will be required if such a development is approved.

The subject site is within Development Permit Area 2: Moody Centre and the Heritage Conservation Area; and also within two Evergreen Line Sub Areas: the Heritage Commercial District; and Spring Street Promenade and the project has been reviewed in the context of those guidelines. The site is also located within Development Permit Area 5: Hazardous Conditions due to the potential of soil liquefaction during an earthquake event. A Development Permit will be required to address potential hazardous condition to ensure that the lands are safe for the intended use.

Zoning

The subject property is zoned General Commercial C3. Surrounding zoning is as follows

- North: the SkyTrain Line guideway and rail lines;
- East: a five-storey mixed-use commercial/residential building (CD62);
- South: commercial properties (C3) on St. Johns Street, including the Burrard Hotel;
- West: Queen Street Plaza, and beyond a variety of commercial uses (C3) within other heritage buildings.

The current Zoning Map is included as **Attachments 8**.

Heritage Revitalization Agreement

Section 610 of the *Local Government Act (LGA)* permits a local government to enter into an HRA for the purpose of preserving heritage property. An HRA is adopted by bylaw and registered in the Land Title Office. It has the ability to protect a heritage building and amend the

Zoning Bylaw. It also functions like a covenant to impose conditions that run with the title to the land. The OCP Policy states: The City will actively pursue the conservation of community heritage resources by implementing the appropriate legislative tools available for this purpose... and explore various incentive programs to foster heritage conservation and other ways to encourage the preservation of heritage buildings. HRAs are a special tool provided to municipalities to comprehensively facilitate heritage projects that include the retention of a heritage building with zoning variations/incentives.

Heritage Significance

The P. Burns Building is listed on the City’s Heritage Register and is also currently protected through the existing Heritage Conservation Area listing of buildings. A Statement of Significance is included as part of the Conservation Plan, which is an Appendix to the HRA Bylaw (**Attachment 2**). The P. Burns Building, constructed in 1908/9, is a two-storey wood frame commercial building, characterized by its “Boomtown” or “false-front” facade, paired projecting front bay windows, and large windows at grade as part of the commercial frontage. The building was built for Patrick Burns and Co and formed part of the company’s extensive chain of retail butcher stores. The building contributes to the historic “downtown” Port Moody streetscape.

Development Proposal

The application involves the proposed development of two, six-storey, U-shaped, mixed-use commercial/residential buildings separated by a pedestrian mews as well as the relocation of the heritage building. The protected heritage building at 2419 Clarke Street is proposed to be relocated to the northwest corner of the site at Clarke Street and Queens Street Plaza. This new location will reinforce the heritage streetscape with heritage buildings to the west.

The project contains a total floor area of 15,172 m² (163,303 ft²), which includes 182 residential units and approximately 2,162.8 m² (23,280 ft²) of commercial space. The residential unit total includes nine live-work units, with the ‘work’ portion of these units not counted in the commercial floor area total. Two storeys of underground parking are provided with access from Spring Street, adjacent to Kyle Street.

The residential component includes 103 strata units and 79 market-rental units, with 94 of the units being adaptable. The following table outlines the unit mix, which conforms with the City’s Corporate Policy: Family-Friendly Units, which sets expectations around the provision of two- and three-bedroom units:

Unit Type	Strata	Market Rental	Total Number of Units	Percentage of Mix
Studio	0	26	26	14.2%
One-Bedroom	35	9	44	24.2%
One-Bedroom + Den	20	15	35	19.2%
Two-Bedroom	23	14	37	20.3%
Three-Bedroom	20	11	31	17.0%
Live/Work	5	4	9	0.5%
TOTALS	103	79	182	100%

Other details of the proposal include:

- An overall Floor Area Ratio (FAR) of approximately 3.14;
- indoor/outdoor amenity spaces in each building amounting to:
 - in the west, rental building, 365.8m² (3,938ft²) or, 4.63m² (49.8ft²) per unit;
 - in the east strata building, 480.2m² (5,169ft²) or, 4.66m² (50.2ft²) per unit,
- 258 vehicle parking stalls including, 183 residential and live/work spaces, 27 visitor spaces and, 48 commercial spaces, which represents a parking reduction of 22 spaces. Staff are supportive of the variance on the basis of the site's proximity to the Frequent Transit Network, the shared parking model for the commercial and visitor parking and the commitment to provide a car-share vehicle;
- 271 long term and short-term resident bicycle parking spaces and three short-term commercial spaces; and
- two loading spaces provided on-street on Kyle Street and Spring Street.
- the project will be built to Step Code 3 with a low carbon energy system plus the inclusion of air conditioning for all units, to ensure the livability of the units. The applicant is pursuing innovative energy solutions such as renewable natural gas. If those come to fruition, the HRA includes a provision for staff to accommodate alternatives to Step 3 with low carbon energy provided that the net environmental benefit is equal to or exceeds this. Staff are satisfied that this meets the City's BC Energy Step Code Rezoning Policy.

A project factsheet is provided as **Attachment 9** and architectural and landscape plans are included as appendices to the HRA Bylaw (**Attachment 2**).

Design context

The architectural plans have been reviewed in the context of the relevant design guidelines, with particular attention to those that relate to the heritage character. The design of the western building steps down in height towards the P. Burns Building and Queens Street Plaza beyond. The façade of the building, particularly on Clarke Street has also been broken up into two- and three storey elements that reference heritage commercial building frontages, including typical building symmetry. The eastern building is of a more modern design, but includes bay window elements as a nod to the heritage style, and angular rooflines, which add visual interest to the built form.

Key Changes

The below table summarizes some of the key changes to the project made as part of the resubmission and the applicant's response to comments received as part of the review of the initial submission.

ITEM	ORIGINAL SUBMISSION	CURRENT SUBMISSION	STAFF COMMENTS
FAR	3.22 15,648 m ² (168,434 ft ²)	3.12 15,172m ² (163,303ft ²)	The FAR has been reduced due to the reconfiguration of the project to incorporate stepping back of the western building at the interface with the heritage building, additional building setbacks and the relocation of the parkade to the western building.
Commercial Floor Area	2,267.3 m ² (24,405 ft ²) 13 Work/Live Units	2,162.8m ² (23,280ft ²) 9 Work/Live Units	Though the total square footage of commercial space has been slightly reduced, this is the result of more detailed plans that show the demising of units and define service areas on the ground floor of the building that commercial users would also use. It is further noted that additional commercial space has been added on the corner of Queens Street and Spring Street. Work/Live Units have been reduced to provide more viable/useable units, accommodate additional commercial uses and accommodate a relocated parkade access.
Interface with Heritage Building and Queens Street Plaza	6-Storey building interface with heritage building. Building service (blank building façade) located on corner Spring and Queens St.	Building further setback on storey 6 to result in a 5-storey interface with heritage building. Commercial units to wrap Spring and Queens St.	The changes to built form have resulted in a more sensitive transition with the heritage building and Queens Street Plaza.
Rental Unit Provision	74 units, including 14 below-market rental units, with rental rates undetermined.	Rental Unit Provision of 79 units, but with no below-market rental units.	<p>The proposal no longer includes below-market units due to:</p> <ul style="list-style-type: none"> • reduction floor area (3.22 FAR to 3.12 FAR – which is equivalent to approximately 390m² or 4,200 ft²); • reduction in strata units from 110 to 103; • increase in market rental units from 74 to 79; • provision of air conditioning in all units (rental and strata) to address climate adaption; and • provision of larger/family units (37%). <p>The applicant has agreed to provide staff with a pro-forma analysis confirming these cost impacts. This will be provided to staff for analysis prior to the Public Hearing, as per the staff recommendation.</p>

Additional changes to the project as part of resubmission have included:

- the refinement to the western rental building elevation, to include on the Clarke Street frontage, the break-up of the building to provide two- and three-storey building elements as a nod to typical commercial heritage frontages and to blend the project with the adjacent P. Burns Building.
- the relocation of the parkade access from the western end of Spring Street to the eastern end in order to further limit vehicular traffic in proximity to Queens Street Plaza.
- the relocation of loading spaces from the mews (Spring Street) in order to reduce the chance of conflict with pedestrian use. As part of this it has been agreed to allow for loading spaces to be provided on Kyle Street and Spring Street.

Housing

The project does not meet the requirements of the Inclusionary Zoning Policy to provide 15% of units as below-market units. However, it is noted that the project does include heritage conservation and 79 market-rental units, which represents 44% of the total number of residential units. The applicant had previously proposed 14 below-market rental units as part of the development, though the rent rates were not determined. Since the initial submission and based on challenges created by inflation and the impact on construction costs and rising interest rates on project financing, the applicant has highlighted it is not viable for the project to provide below-market units.

It is noted that as part of the resubmission that the overall number of market-rental units increased from 74 to 79 and the number of strata units decreased from 110 to 103. Additionally, the FAR has been reduced from 3.22 to 3.14, or from 15,648 m² (168,434 ft²) to 15,172m² (163,303 ft²). Given the above and the other positive elements this project delivers, including the restoration and protection of a heritage building, the provision of employment generating uses, the provision of the publicly accessible mews and enhancements to Queens Street Plaza, staff remain supportive of the proposal as presented, subject to a pro-forma analysis which the applicant has agreed to provide prior to the Public Hearing.

Amenity Spaces/Community Gathering Spaces

The project includes indoor and outdoor amenity spaces on the second storey/podium of both buildings, with programming including outdoor seating, urban agriculture, play space, etc. The site also includes a “Mews” which breaks up the block effectively and also allows for mid block pedestrian access and a potential community gathering space for commercial uses to spill out to the street. The “Mews”, based on the landscape plans, includes a location for Public Art and a play space. Public Access through the “Mews” will be secured via a Statutory Right of Way/Covenant.

The site is adjacent to Queens Street Plaza and the project provides an opportunity for a reimagining and redesign of this space. It is envisaged that should this project proceed, the City will initiate a consultation on a redesign/reprogramming of the plaza works. Depending on timing, any reconstruction of the plaza may be able to take place at the same time as the construction of the proposed development. Part of the Community Amenity Contribution could be put towards this purpose. An additional contribution from this project towards the streetscape/plaza will be required based on typical pro-rated costs for frontage improvements.

The landscape plans are included as Appendix D - to the HRA Bylaw (**Attachment 2**). The HRA notes that changes to the landscape plans may be made, subject to the City’s satisfaction. The purpose of this clause is to allow for the following:

- potential changes to the interface with Queens Street Plaza, based on any redesign/reprogramming of the plaza space;
- potential changes to the mews space, in order that programming for the plaza and the mews combined provide for the most effective programming of the two spaces.
- changes to the on-site plans to include additional urban agriculture plots and dog relief areas.

Sustainability Report Card

The completed Sustainability Report Card for the development proposal is included as **Attachment 10**. The development proposal scores well in the cultural sustainability pillar as it provides for public art on top of the retention, restoration, and preservation a heritage building. The scoring is summarized below.

Pillar	Total possible points	Sum of N/A points	Sum of missed points	Applicant total points	Pillar % score
Cultural Sustainability	56	15	10	31	75
Economic Sustainability	93	15	36	42	54
Environmental Sustainability	172	23	91	58	40
Social Sustainability	165	5	97	63	40

Implementation

OCP Amendment Bylaw: An OCP amendment is required for the project in order to allow for an increase in the maximum building height to six storeys over the entire site. Currently, only the eastern lot (2421Clarke Street) allows for six-storey form. The OCP amendment would update Map 11 – Evergreen Line Sub Areas of the OCP to allow for six-storeys at 2407, 2411, 2413, 2419 Clarke Street, 85 Kyle Street and 50 Queens Street. A copy of the draft OCP amendment Bylaw No. 3421, is included as **Attachment 1**.

HRA Bylaw: A HRA Bylaw will be used to establish the program for the relocation and restoration of the P. Burns Building, the key aspects of the project usually established through zoning and also detailed architectural and landscape plans.

Key aspects of the HRA Conservation Plan that will govern the restoration of the P. Burns Building include:

- the relocation of the historic structure to the northwest corner of the block;
- the preservation of surviving, original exterior character-defining elements of the historic structure;

- the preservation and/or restoration of original window openings, including surviving original wood window assemblies, and rehabilitation of later windows with historically appropriate wood window sashes and trims; and
- the sensitive modification of the west elevation to provide a side entrance facing Queens Plaza.

The mixed-use building form proposed is in conformance with the Mixed-Use land use designation for the properties. In terms of incentives associated with this HRA beyond the standard Six-Storey Mixed Use (CRM2) zone, the following variations are proposed:

- an increase in density (FAR) from 2.5 to 3.12; and
- a 22-space vehicle parking reduction from 280 to 258 spaces.

A copy of the HRA Bylaw No. 3420 is provided as **Attachment 2**. Also forming part of the Bylaw are the following:

- Schedule “A” – Heritage Revitalization Agreement, including:
 - Appendix A – P. Burns Building Conservation Plan;
 - Appendix B – Heritage Review of P. Burns Building within the redevelopment;
 - Appendix C – Architectural Plans; and
 - Appendix D – Landscape Plans.

As Architectural Plans and Landscape Plans are attached as part of the HRA, the HRA essentially acts as a form and character Development Permit for the project.

Heritage Designation Bylaw

The P. Burns Building is currently a protected heritage property as part of a Heritage Conservation Area. The building will be restored and relocated as part of this application. The protection of the building will continue through the proposed Heritage Revitalization Agreement, and, once the development has been completed, a Heritage Designation Bylaw will be brought forward as further protection as a municipally designated heritage property. An amendment to the Heritage Conservation Area will also occur at a later date-reflecting the building’s relocation.

Concluding Comments

Staff are supportive of the application as proposed, as the project delivers the restoration and further long-term protection of the P. Burns building along with a built form that respects the relevant design guidelines, with a modern design that also references the heritage commercial district in its architecture. Furthermore, the project provides a mix of strata and market-rental units, as well as employment generating commercial and work/live units. The project also provides for potential enhancements to Queens Street Plaza and a mid-block mews that provides a pedestrian connection, but also for community use. Also significant is that this development realizes the potential of an underutilized block in the core of the Clarke Street commercial area and on the eastern edge of the Heritage Conservation Area.

Other Option(s)

In the event that Council does not support the application moving forward to a Public Hearing, concerns could be expressed through the following resolution:

THAT the applicant address the following issues prior to second reading and referral to a Public Hearing:

- (list concerns).

Financial Implications

If this project proceeds, the CAC amount will be established prior to consideration of Bylaw adoption, once the final residential floor area and any existing residential floor area on site is confirmed. It is envisaged at \$6.00/ft², the contribution would be approximately \$950,000. Of that total, approximately \$313,500 would be directed to the Affordable Housing Reserve Fund, and the remaining \$636,500 would go towards general community amenities, which as mentioned above may be put towards a redesign/enhancement of the Queens Street Plaza.

Communications and Civic Engagement Initiatives

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

As indicated in the Engage Port Moody summary report (**Attachment 11**), a total of 19 comments were received up to June 27, 2023. Of those comments, 10 were in support of the proposal, four were opposed, and five were mixed.

In accordance with the City's Public and Stakeholder Consultation for Major Development Projects or Area Plans policy, an opportunity for input from the general public and specific stakeholder groups was provided at two Community Information meetings. An initial Community Information Meeting was held by the applicant on December 5, 2022, 4:30-7:00pm at Port Moody Legion Club. A second meeting was held on June 22, 2023 from 4:00-7:00pm at the Arts Centre, with a Summary Report of this meeting provided as **Attachment 3**.

Should the application proceed through the approval process, there will be an additional opportunity for community input at a Public Hearing.

Council Strategic Plan Objectives

The proposal is consistent with the Healthy Community Development and Resilient Natural Environment strategic priority areas in the 2023-2026 Council Strategic Plan focussing on objectives to: create complete and connected communities through balanced growth; and, enhance and expand parkland and open spaces.

Attachments

1. Draft OCP Amendment Bylaw No. 3421.
2. Draft HRA Bylaw No. 3420.
3. Community Information Meeting Summary – 2400 Block Clarke Street.
4. ADP Meeting Minutes – November 17, 2022.
5. LUC Meeting Minutes – December 12, 2022.
6. Location Map – 2400 Block Clarke Street.
7. OCP Land Use Designation Map – 2400 Block Clarke Street.
8. Zoning Map – 2400 Block Clarke Street.
9. Project Factsheet – 2400 Block Clarke Street.
10. Sustainability Report Card – 2400 Block Clarke Street.
11. Engage Port Moody Summary Report – 2400 Block Clarke Street.

Report Author

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Report Approval Details

Document Title:	OCP Amendment and Heritage Revitalization Agreement (Mixed-Use) – 2400 Block Clarke Street (Kyle and Holdings Ltd.).docx
Attachments:	<ul style="list-style-type: none"> - Attachment 1 - Draft OCP Amendment Bylaw, No. 3421.pdf - Attachment 2 - Draft HRA Bylaw, No. 3420.pdf - Attachment 3 - Community Information Meeting Summary - 2400 Block Clarke Street.pdf - Attachment 4 - ADP Meeting Minutes – November 17, 2022.pdf - Attachment 5 - LUC Meeting Minutes - December 12, 2022.pdf - Attachment 6 - Location Map - 2400 Block Clarke Street.pdf - Attachment 7 - OCP Land Use Designation Map - 2400 Block Clarke Street.pdf - Attachment 8 - Zoning Map - 2400 Block Clarke Street.pdf - Attachment 9 - Project Factsheet - 2400 Block Clarke Street.pdf - Attachment 10 - Sustainability Report Card - 2400 Block Clarke Street.pdf - Attachment 11 - Engage Port Moody Summary Report - 2400 Block Clarke Street.pdf
Final Approval Date:	Jul 18, 2023

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

Kate Zanon, General Manager of Community Development - Jul 14, 2023 - 11:47 AM

Stephanie Lam, City Clerk and Manager of Legislative Services - Jul 14, 2023 - 1:54 PM

Lindsay Todd, Manager of Communications and Engagement - Jul 14, 2023 - 2:31 PM

Paul Rockwood, General Manager of Finance and Technology - Jul 14, 2023 - 2:32 PM

Kate Zanon, General Manager of Community Development, for Tim Savoie, City Manager - Jul 18, 2023 - 9:46 PM