



Report

City of Merritt
REGULAR Council Meeting
January 26, 2021

File Numbers: 3900.2302 and 3900.2294

To: Sean Smith, Chief Administrative Officer
From: Don McArthur, Planning Manager
Date: January 21, 2021
Subject: Official Community Plan Amendment Bylaw No. 2302 and Zoning Amendment Bylaw No. 2294 (2640 Spring Bank Avenue)

RECOMMENDATION:

THAT Council give First Reading to Official Community Plan Amendment Bylaw No. 2302, 2020

And

THAT Council give Second Reading to Official Community Plan Amendment Bylaw No. 2302, 2020

And

THAT Council give First Reading to Zoning Amendment Bylaw No. 2294, 2020

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THAT Council give Second Reading to Zoning Amendment Bylaw No. 2294, 2020

And

THAT Council direct staff to schedule a Public Hearing.

Executive Summary:

The proposed Official Community Plan Amendment Bylaw No. 2302, 2020 would revise the land use designation from Future Development to Residential.

The proposed Zoning Amendment Bylaw No. 2294, 2020 would rezone the subject property from Institutional and Public Use (P2) to High Density Residential (R8).

BC Housing has committed funding support for the proposed development.

The Official Community Plan supports the proposed rezoning, as the subject property is identified as a multi-family development permit area and the OCP expressly “encourage(s) mixed use density residential development on lands south of Irvine Avenue and north of Nicola River”. However, the land use designation of Future Development would need to be revised to Residential. See Attachments A, B, and C.

The proposed zoning of High Density Residential (R8) would be consistent with zones in the neighbourhood. Properties to the north are zoned for apartment buildings (R8). There are also multiple nearby parcels zoned for townhomes (R2, R6), as well as apartments in mixed use developments (C3, C4). See Attachments D and E.

In 2000, the former Zoning Bylaw was amended to add Seniors Housing as a permitted use in the Public Use zone, which was intended to facilitate a seniors housing facility on the subject property (see Attachments F, G, H, and K). When the Zoning Bylaw was updated in 2004, the Seniors Housing use was removed from the Public Use zone and Community Care Facility was added. Whether the Community Care Facility use was meant to capture the proposed housing development on the subject property or whether it was an oversight by staff to remove the Seniors Housing use is unclear. However, there is demonstrated historical intent to allow a housing development on the site.

The property owner has re-envisioned their proposed development from the former seniors only model and, if rezoning is approved, would construct an inter-generational affordable housing development on the property (see Attachment I).

City staff and the applicant have had conversations with School District No. 58 Nicola – Similkameen. School District staff have indicated there is no desire to locate a school on the subject property (see Attachment J). Furthermore, the Institutional and Public Use zone did not permit schools until the use was added to the zone in the new Zoning Bylaw, which was adopted on September 1, 2020. There has been no intent in the past 20 years for the property to be a school site.

Rezoning is the first step in the development process. If the rezoning were to be approved, Development Permit and Building Permit stages would follow.

The applicant has indicated to staff that a geotechnical study would be conducted prior to construction, as it is a condition of their BC Housing funding.

The applicant has begun the process of an archaeological impact assessment. If archaeological sites were to be identified on the subject property, the developer would work with local First Nations on an appropriate course of action.

Ministry of Transportation and Infrastructure has been provided a referral to determine whether a traffic impact study would be required for the proposed development.

The applicant has submitted a conceptual site plan, which illustrates the proposed location of the apartment building with a potential 40 apartment units. The 3.5 storey building would be situated in the northeast area of the property (see Attachment L).

Background:

Nicola Native Lodge Society applied to rezone the property at 2640 Spring Bank Avenue from Institutional and Public Use (P2) to High Density Residential (R8), which would facilitate the construction of an inter-generational affordable housing apartment building in the northeast corner of the property. The conceptual design is for a 3.5 storey, 40-unit building. BC Housing has committed funding to the development.

Official Community Plan

The Official Community Plan land use designation for the subject property is Future Development, as outlined on the OCP's Land Use Designation Map for North Nicola (Attachment B). As such, the land use designation needs to be revised. This is not technically mandatory, as the OCP contemplates residential development for this parcel. However, it is good practice to clarify land use designations wherever possible.

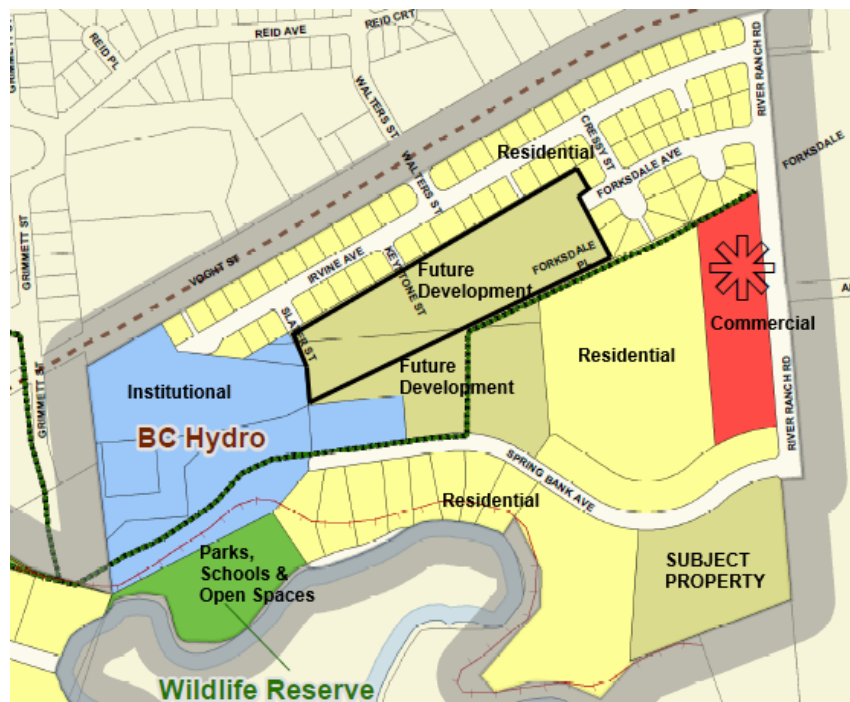


Figure 1: Map of Adjacent OCP Land Use Designations

Where the OCP provides only general support for a particular development, the argument for rezoning isn't as strong as where there is explicit support. For this area of the North Nicola sector, the OCP explicitly supports mixed density residential development.

Section 5.4.5.2 of the Official Community Plan (Page 49) states the following:

It is council policy to:

- .1 Preserve the residential character of each area within this neighbourhood and direct commercial, institutional, and recreational uses along the Voght Street corridor.
- .2 Encourage mixed density residential development that complements the scale and character of surrounding neighbourhoods.
- .3 Encourage mixed density residential development on lands south of Irvine Avenue and north of Nicola River.

These provisions provide direction to both residents and developers that the area south of Irvine Avenue and north of the Nicola River should be developed as mixed density residential. To date, the area has largely seen low density development, so to meet the vision set out in the OCP, some higher density development that complements the scale and character of the surrounding neighbourhood should be anticipated.

Further, the OCP Development Permit Areas Map provides direction on the desired location of multi-family developments within the community. The subject property is identified as Development Permit Area No. 7 Multi-family Residential, as shown on Attachment C and Figure 2 below. Designation as a Multi-family Development Permit Area demonstrates intent for multi-family residential housing to be developed on the subject property.

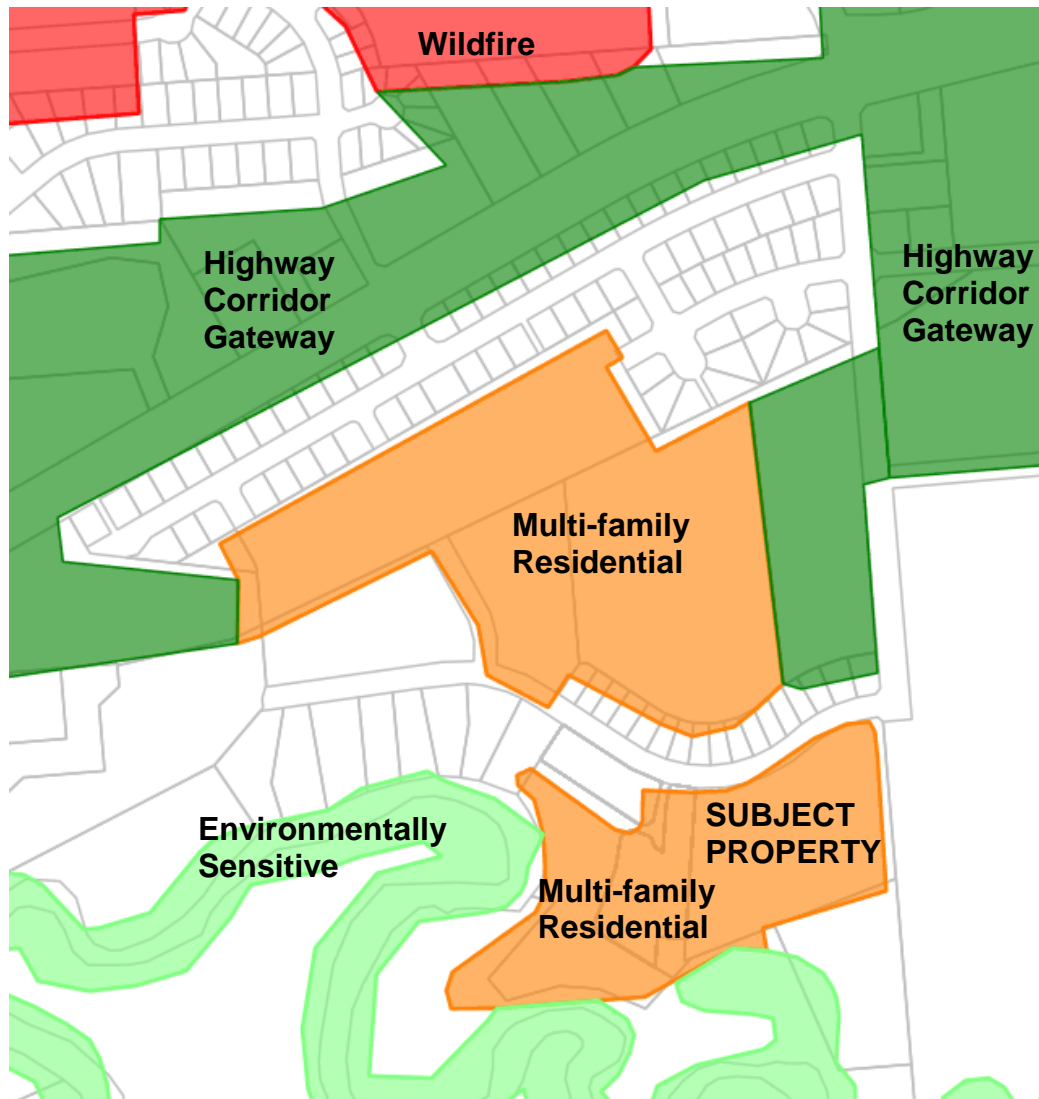


Figure 2: Development Permit Areas

Zoning Bylaw

The applicant is proposing to rezone the property from Institutional and Public Use (P2) to High Density Residential (R8). See Attachments D and E.

The subject property was rezoned from Park/Cemetery/School to Public Use in 2000. Later the same year, on May 9, 2000, a text amendment to the Zoning Bylaw was approved, which added Seniors Housing as a permitted use in the Public Use zone to support a seniors housing development on the subject property (see Attachments F, G, H and K).

In 2004, when Zoning Bylaw No. 1894 was adopted, Seniors Housing was removed as a permitted use in the Public Use zone and Community Care Facility added. There is some uncertainty as to whether the intent was to continue to allow a seniors housing care facility on the site or not.

The applicant no longer intends to construct a seniors-only facility on the site, but instead would develop a non-supportive inter-generational affordable housing development. See Attachment I for an example of a similar project in Kamloops.

The current zoning in the area surrounding the subject property includes other multi-family properties, including High Density Residential (R8), as shown on Figure 3 below.

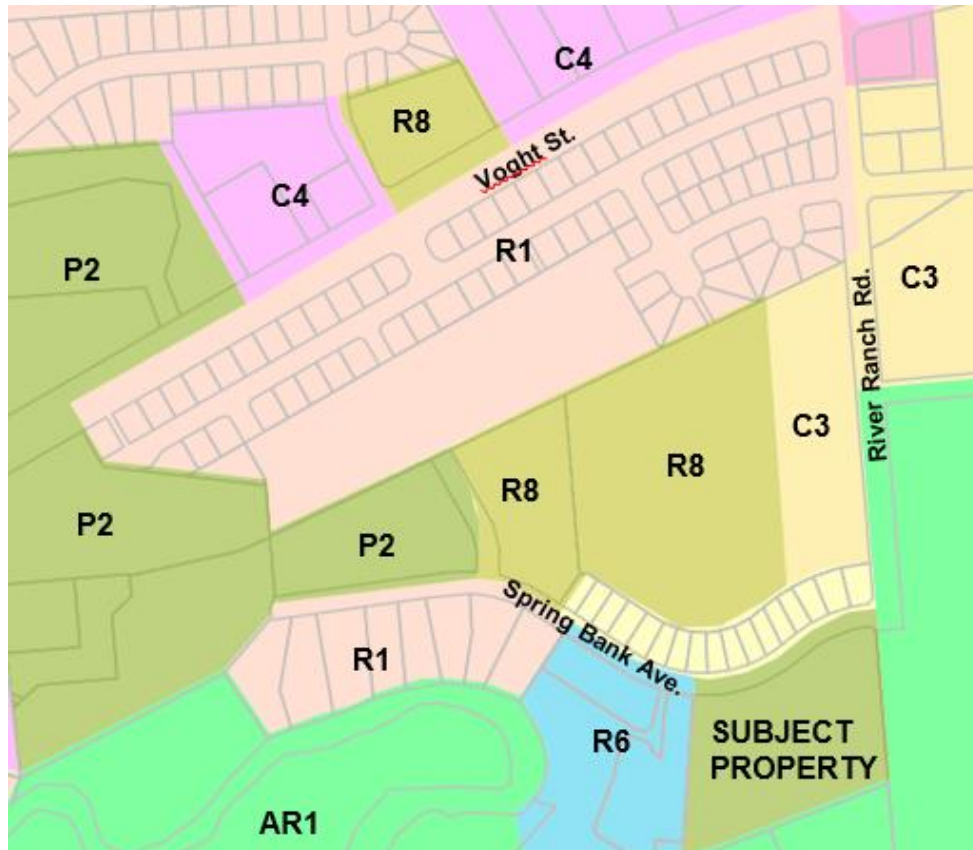


Figure 3: Map of Adjacent Zones

There have been suggestions from area residents that the site should be dedicated for a future school. However, the property may not be suitable for a school, for several reasons.

Firstly, the property is privately owned by Nicola Native Lodge Society. The ownership group was formed two decades ago to create elder housing on the site, not to create a school.

Secondly, School District No. 58 Nicola – Similkameen has provided the City with information that they do not have desire for a school on the subject property (see Attachment J). Children in the area are currently directed to Bench Elementary and would continue to be, in future. The School District has informed staff and the developer that they are considering an expansion of Bench Elementary, and they are also open to

the idea of an additional school site in the North Bench, if that neighbourhood were to be developed in future and demand for a new school were deemed necessary.

The School District has also indicated a desire for Spring Bank Avenue to be connected to Grimmatt Street, so that children living in the Spring Bank area can easily walk or bike to Bench Elementary.

Thirdly, the terrain of the subject property may not be suitable for a school, as the property slopes to the south. It would likely not be conducive to creating playing fields or outdoor recreation space for children.

Furthermore, there has been no intent for a school to be located on the subject property for the past 20 years. The property was rezoned from Park/Cemetery/School to Public Use in 2000, with the intention of enabling a seniors care facility on the site. When BC Housing informed the property owner that the property zoning would have to include multi-family as a permitted use to qualify for funding, a second rezoning was conducted in May of the same year to add Seniors Housing as a permitted use in the Public Use zone.

The Institutional and Public Use zone did not permit schools as a use prior to September 1, 2020. When the new Zoning Bylaw was adopted on September 1st, Private School and Public School were added to the zone as permitted uses (see Attachment K). Therefore, a school site on the subject property was not possible from 2000 to 2020. The intention for the site has been elder housing.

Of note, the Institutional and Public Use (P2) zone does not permit the Educational Institution (colleges and universities) use. Therefore, a NVIT satellite campus would not be permitted under the current zoning. NVIT has also not expressed to staff any interest in a college site or student housing at this property. NVIT has, however, submitted a letter of support for the proposed housing development (see Attachment M).

Development Process

Rezoning is the first step in the development process. If the rezoning were to be approved, Development Permit and Building Permit stages would follow. If Subdivision were desired, that process would follow rezoning. In this case, no subdivision is anticipated.

A Development Permit would be the next stage of development. Issues such as form and character of the buildings, landscaping, and parking would be addressed by the Development Permit.

Following Development Permit issuance, the final development stage is the Building Permit. Final design of the buildings and conformance with the BC Building Code would be addressed at this stage.

Other issues such as water, sewer, and stormwater servicing, geotechnical, and archaeological analysis would be addressed prior to building construction.

Geotechnical Analysis

While City staff cannot require a geotechnical study, as the property is not identified as a geotechnical development permit area, the developer has indicated that a geotechnical study would be conducted. BC Housing requires this analysis as part of their funding approval.

Archaeological Analysis

The developer has begun the archaeological impact assessment process. If any sites are identified on the property, the developer has committed to working with local First Nations on appropriate solutions. Of note, the property owner is a consortium of local First Nations.

Traffic Impact

A referral was sent to Ministry of Transportation and Infrastructure (MOTI). If MOTI requires a traffic impact analysis, this information will be forwarded to the applicant.

To aid traffic flow in the neighbourhood, the City intends to work with BC Hydro to potentially obtain a road dedication so that Spring Bank Avenue may be connected to Grimmatt Street.

Conceptual Site Design

The applicant has submitted a conceptual site plan (see Attachment L). This document illustrates a potential site layout, so that Council and residents will have an idea of what would be possible on the property, if the rezoning were to be approved.

The conceptual development includes 40 apartment units, in a 3.5 storey lowrise building. The front of the building (north side, facing Spring Bank Avenue) would be three storeys, while the rear of the building (south side) would be four storeys, due to the slope of the property.

As the building would be set back from Spring Bank Avenue, the building would likely appear to be less than three storeys in height, due to the slope of the property.

The building would include some units for elders, some for families, and a few for youth. The studio units would be designated for youth and elders, while a majority of the units would be one bedroom units for elders and two and three bedroom units for families. Some units would be wheelchair accessible. Amenity space will be consistent with the BC Housing cost target framework.

If the development is successful, the developer has expressed interest to create a second phase building on the northwestern corner of the subject property. While those

discussions are at a very preliminary stage, the idea would be to create a similar sized building in height and number of dwellings.

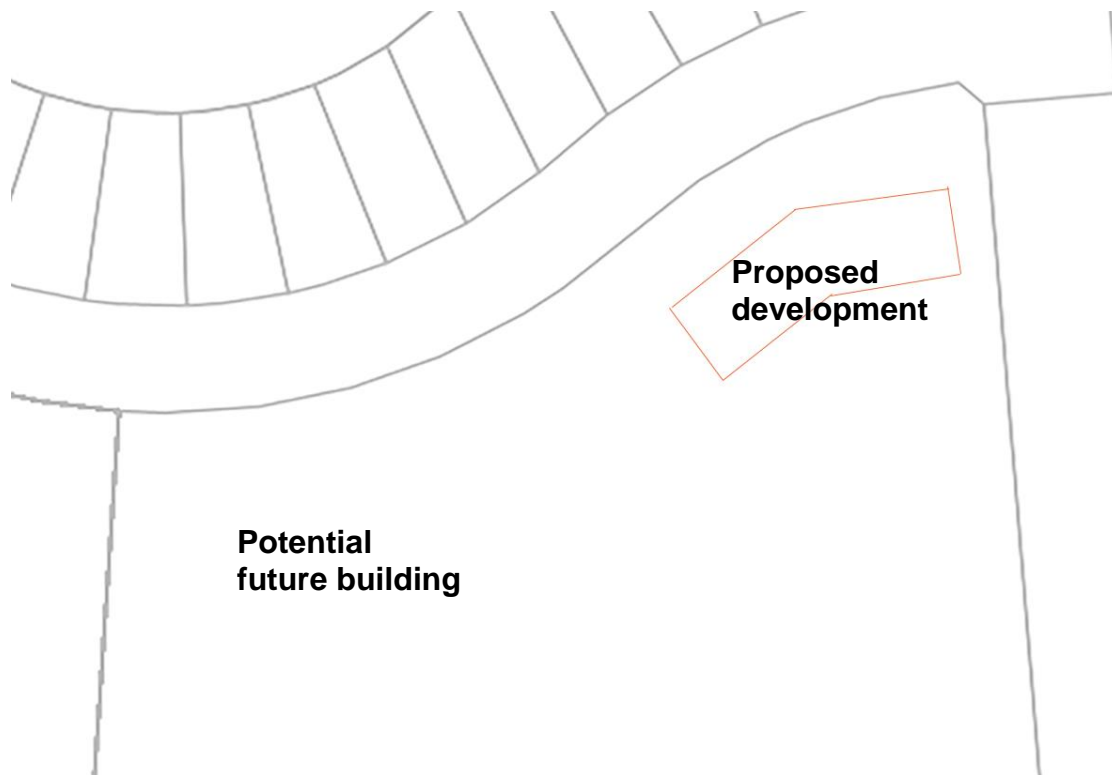


Figure 4: Potential Future Second Phase

The developer has submitted a package of letters of support for the proposed development (see Attachment M).

Options / discussion

1. THAT Council give First and Second Readings to Official Community Plan Amendment Bylaw No. 2302, 2020 and Zoning Amendment Bylaw No. 2294, 2020, and direct staff to schedule a Public Hearing; or
2. THAT Council give First and Second Readings to Official Community Plan Amendment Bylaw No. 2302, 2020 and Zoning Amendment Bylaw No. 2294, 2020, with any amendments deemed necessary, and direct staff to schedule a Public Hearing; or
3. THAT Council receive this report as information.

Financial / Risk Implications:

None.

Others Consulted:

Referrals were sent to the following internal departments and external agencies:

Internal

Building Inspector
Fire Department
Public Works

External

Ministry of Transportation and Infrastructure
Agricultural Land Commission

Attachments:

Attachment A: Official Community Plan Amendment Bylaw No. 2302
Attachment B: Existing OCP North Nicola Land Use Designation Map
Attachment C: Existing OCP Development Permit Areas Map
Attachment D: Zoning Amendment Bylaw No. 2294, 2020
Attachment E: Existing Zoning Map
Attachment F: Council Report for Bylaw No. 1767
Attachment G: Bylaw No. 1767
Attachment H: Letter to property owner re: Bylaw No. 1767
Attachment I: Inter-generational housing
Attachment J: Correspondence from School District No. 58
Attachment K: Zoning Bylaw Previous and Current Permitted Uses
Attachment L: Conceptual Site Plan
Attachment M: Developer Submission Letters of Support

Respectfully submitted,

Don McArthur
Planning and Development Services Manager