

CITY OF VANCOUVER

POLICY REPORT URBAN STRUCTURE

Report Date: October 31, 2006

Author: J. Baxter Phone No.: 604.871.6656

RTS No.: 06301 VanRIMS No.: 11-3600-03

Meeting Date: November 16, 2006

TO: Standing Committee on Planning and Environment

FROM: Director of Planning

SUBJECT: 2900 East Broadway - Rezoning Policy Issue

RECOMMENDATION

The Director of Planning recommends:

A. THAT the application by Tom Bunting of Bunting Coady Architects to rezone 2900 East Broadway (Lot 1, except Part in Plan LMP49647, Section 36, Town of Hastings Suburban Lands, Plan LMP44003) from I-3 Industrial District to CD-1 Comprehensive Development District to allow for 1.0 FSR for General Office Use and some additional Retail Use, be processed in the normal manner.

CONSIDERATION

If Council does not support A, the Director of Planning submits for consideration:

B. THAT the application by Tom Bunting of Bunting Coady Architects to rezone 2900 East Broadway (Lot 1, except Part in Plan LMP49647, Section 36, Town of Hastings Suburban Lands, Plan LMP44003) from I-3 Industrial District to CD-1 Comprehensive Development District to allow 1.0 FSR for General Office Use and some additional Retail Use be REFUSED.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS A and if Council does not support A, presents B for CONSIDERATION.

COUNCIL POLICY

Relevant Council policies for the site include:

- Grandview Boundary Industrial Area (GBIA) Rezoning and Development Policies and Guidelines, adopted by Council on July 25, 2002.
- Grandview Boundary Industrial Area Plan, adopted by City Council on July 25, 2002.
- I-3 District Schedule, enacted November, 1999.
- Industrial Lands Policies, adopted March, 1995.
- Community Amenity Contributions Through Rezonings, adopted by Council on June 24, 2003, which applies to all private rezoning applications received as of February 1, 2004, and provides funds for additional community amenities needed for new residents.

PURPOSE AND SUMMARY

This report seeks Council advice on processing an application to rezone the site at the southeast corner of East Broadway and Renfrew Street (Broadway Tech Centre) from I-3 Industrial District to CD-1 Comprehensive Development District to increase the maximum permitted floor area for General Office Use from 33.33 percent of the total gross floor area to 1.0 FSR (floor space ratio). The applicant notes this would respond to market demand for General Office space and complete the second phase of the Broadway Tech Centre which has been stalled for several years. Staff are reporting this application to Council for advice noting a similar proposal involving all I-3 zoned lands was refused by Council in November 2004.

BACKGROUND

In March, 1995 City Council adopted the Industrial Lands Policies which seek to retain most of the city's existing industrial land base for industry and service businesses in order to meet the needs of city-serving, city-oriented, and port/river-related industry. Council also approved a work program for updating industrial district schedules to reflect the needs of contemporary industry and service businesses.

In November, 1999 Council enacted the I-3 zoning district schedule to permit high-technology industry and businesses with significant research and development activity, such as software developers and biotechnology companies. Such firms generally have space requirements and worker densities similar to conventional office uses. To encourage transit use and ease traffic impacts, only industrial sites well served by rapid transit are considered suitable for I-3 zoning.

About 78 acres in the False Creek Flats and 18 acres in the Grandview/Boundary area were rezoned to I-3 in 1999. Two properties have developed under I-3 zoning: "Vantech Centre" on Terminal Avenue and "Broadway Tech Centre" on East Broadway. General Office Use is limited to 33.33 percent of the total gross floor area, while General Office Use (for information technology uses only) may be permitted up to a density of 3.0 FSR.

In November, 2004 to provide more flexibility in the I-3 zone for uses that provide business support or back office services, the Director of Planning initiated a text amendment to the I-3 zoning recommending an increase in the amount of General Office uses from 33.33 percent of the total gross floor area to 1.0 FSR of the total allowable 3.0 FSR in the I-3 zone. Council chose not to refer the item to a Public Hearing citing concerns with a change that would affect other current and future sites zoned I-3 and additional incremental impacts on the supply of space for industrial uses.

Site, Existing Zoning and Development: The Broadway Tech Centre comprises 7.12 ha (17.8 acres) and is bounded by East Broadway, Renfrew Street, Nootka Street and Hebb Avenue (refer to Figure 1).

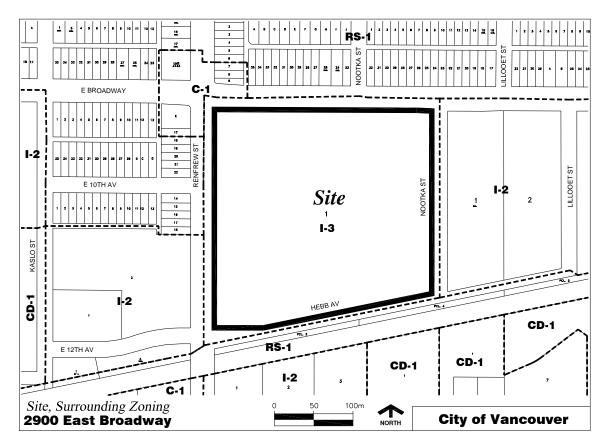


Figure 1

To the north, across East Broadway, the lands are zoned RS-1 and developed with one-family dwellings, with a small C-1 commercial node at the intersection of East Broadway and Renfrew Street. To the west, across Renfrew Street, the lands are zoned RS-1, with I-2 light industrial uses to the southwest of the site. Directly to the east and south of the site, the lands are also zoned I-2 and developed with light industrial uses. The Renfew Skytrain Station is located at the northwest corner of Renfrew Street and East 12th Avenue and there is a small C-1 commercial node providing some retail/service uses for the neighbourhood and Skytrain transit users.

The Broadway Tech Centre is a planned 1.2 million square foot redevelopment of the former Eaton's warehouse site. Site redevelopment was conceived in 1998 in response to the

collapse of the Eaton's company that occupied their purpose-built warehouse and a significant demand for high-tech office space.

Phase I consists of a general office (but limited to information technology use) complex comprising three new buildings along East Broadway. Buildings 2 and 3 are built, and Building 1 is now under construction at the northwest corner of the site (East Broadway and Renfrew Street). At the southeast corner, 14 254.2 m² (158,380 sq. ft.) of warehouse space was converted to accommodate the Bell Carrier Call Centre and ancillary parking. Of the remaining warehouse space, 11 612.9 m² (125,000 sq. ft.) is leased, while 34 374.1 m² (370,000 sq. ft.) remains vacant.

Phase II consists of a general office (but limited to information technology) complex consisting of four, three-storey buildings located atop the former warehouse building. Preliminary development permit approval has been granted, however the development permit has yet to be issued pending the outcome of this CD-1 rezoning application.

DISCUSSION

Land Use and Density: The site, which is part of the Grandview Boundary Industrial Area is zoned I-3 Industrial District. The intent of the I-3 zoning is to permit high technology and related industry with a significant amount of research and development activity. It also permits light industrial uses that are generally compatible with high technology and other industrial uses, and with adjoining residential or commercial districts.

Broadway Tech Centre has approximately 1.2 million square feet of approved floor area to be accommodated in Phases I and II (refer to Appendix A - phasing plan). Under the current I-3 zoning, a maximum overall density of 3.0 FSR is permitted. Based on site constraints, it is unlikely that the site will be redeveloped to the maximum density of 3.0 FSR. Recent development permit approvals have approved a density of approximately 1.5 FSR for the Broadway Tech Centre.

The total approved General Office floor area is 14 444.3 m² (160,492 sq. ft.), however under the current I-3 zoning, it could be further increased to 33.33 percent or 35 303.2 m² (380,000 sq. ft.). The CD-1 rezoning application proposes that General Office Use be increased to 1.0 FSR, or approximately 70 606.3 m² (760,000 sq. ft.).

Permitted General Office uses as limited in the I-3 zone and applied to this CD-1 rezoning proposal may include computer services, data processing centres, architects, engineers, construction companies and graphic artists. These business support services have employment densities and space requirements that are similar to high technology uses, yet do not seek a Central Area office location.

Rezoning Application: The rezoning application proposes to rezone the site from I-3 to CD-1 to increase the current allowance for General Office use from 33.33 percent of the total gross floor area to 1.0 FSR (or from 380,000 sq. ft. to 760,000 sq. ft.), and the application further proposes to provide some additional retail and service uses at the southwest corner of the site, in close proximity to the Renfrew Skytrain Station. A maximum allowable density of 3.0 FSR, currently allowed under the I-3 zone, would not change with this CD-1 rezoning proposal.

The CD-1 rezoning application, if approved, would enable Phase II of the Broadway Tech Centre to be completed, recycle a vacant warehouse, provide a workplace for up to 3,000 additional employees and potentially increase ridership on the Millennium Skytrain line.

Rezoning Rationale: In recent years, the high technology sector has not grown as expected while demand has increased for other office uses including call centres and computer services. The 33.33 percent limit on General Office use in I-3 creates difficulties for owners of buildings intended for high technology use, who subsequently seek to lease vacant space to other tenants.

The applicant advises that it has not been possible to attract a sufficient number of tenants which qualify as "Information Technology" uses under the I-3 zoning to construct Phase II of the Broadway Tech Centre development. The Broadway Tech Centre is a suitable location for employee-intensive uses because they are well served by the Renfrew Skytrain Station which helps to reduce automobile dependency. With a doubling of permitted General Office use, the applicant has indicated that the development can be completed which in turn would result in better utilization of the adjacent transit station, and the remainder of the vacant Eaton's warehouse space could be converted and re-used, providing an environmental benefit.

The CD-1 proposal also seeks to increase the maximum amount of retail use permitted under I-3 from 1 000 m² (10,763.9 sq. ft.) to 2 000 m² (21,527.8 sq. ft.) The intent is to provide a retail/service node, at the southwest corner (Renfrew Street and Hebb Avenue) of the site. The node is primarily to provide on-site amenities, services and recreational venues for the employee base at the Broadway Tech Centre through the conversion of existing floor area in the development. This conversion would be within the maximum allowable density of 3.0 FSR permitted under the I-3 zone. The additional retail use will assist in providing a complete employment campus experience, foster a workplace culture, socialization and identity as sought by the younger, high-tech employee. Furthermore, the retail/service uses would help to populate and animate the south facing plazas and terraces designed to architecturally announce the primary pedestrian entry to Broadway Tech Centre. The uses proposed by the applicant include: convenience stores and services, a café and/or restaurant, pub, professional/community services and offices, and recreation/fitness venues.

A City objective in the Grandview Boundary Industrial Area Plan (GBIA) is to encourage small scale retail and service uses to locate near transit stations to create a safe and more vibrant pedestrian environment. Increasing the allowable retail space by a small amount will help achieve this objective for the Renfrew Station area.

Community Amenity Contribution (CAC): The Broadway Tech Centre comprises 7.12 ha (17.8 acres). The City would normally anticipate being offered a CAC in the rezoning of a large site greater than 0.81 ha (2 acres). The CAC would address some of the costs of growth and/or existing unmet community needs.

Should staff be directed to continue processing this application (Recommendation A), in the normal manner, staff will report back on the appropriate CAC, at the time of referral to a Public Hearing.

Public Input: A rezoning application was submitted on June 30, 2006. Typically, it is normal practice for staff to send out a courtesy notification letter to registered property owners

within an approximate two-block radius of the site, and to request that the applicant post an information sign on the site. This has not yet happened, pending Council's decision on this report. Should staff be advised to continue processing this application in the normal manner, notification would occur.

FINANCIAL IMPLICATIONS

There are no financial implications with respect to the City's operating expenditures, fees or staffing.

CONCLUSION

In 2004, to provide more flexibility to the property owner, provide more opportunities for General Office uses, (as limited in the I-3 zone and which do not require a central business location) and increase opportunities to use public transit, the Director of Planning initiated an amendment to the I-3 zoning. The proposed amendment recommended an increase in the amount of General Office use from 33.33 percent of the total gross floor area to 1.0 FSR of the total allowable 3.0 FSR in the I-3 zone. Council chose not to refer the I-3 amendment to a Public Hearing citing concerns that the amendment would affect other I-3 zoned sites and could have additional incremental impacts on the supply of space for industrial uses.

With the proposed CD-1 rezoning, the amendments would be site specific to the Broadway Tech Centre. Because of this, the application is more supportable than the previous I-3 amendment. Based on staff's preliminary review, if a CD-1 rezoning were to occur, the following site specific public benefits would result:

- an increase of employment immediately adjacent to the Renfrew Station on the Millennium Skytrain line;
- the provision of additional retail/service space at the southwest corner of the site to help enliven the station area supporting the Grandview Boundary Industrial Area (GBIA) Plan objectives;
- the environmental benefits of re-using an existing warehouse and parking garage.

Staff note that through rezoning and completion of the Broadway Tech Centre, this would support the GBIA plan objective of transitioning the area from low intensity industrial warehouse type uses, to a more intensely used employment area, noting that the majority of these jobs would not necessarily be high-tech industrial in nature (e.g., software development, hardware manufacturing, etc.) as envisioned when the Plan was adopted in 2002. However, it is also noted that the CD-1 definition of General Office use would be limited to business support services suitable to this location.

If Council chooses Recommendation A, to process this application in the normal manner, staff will undertake neighbourhood notification and circulate the application to other departments for review, with a referral report back to Council on the merits of the rezoning application.

If Council is not prepared to consider this application, and chooses Consideration B, the application will stand refused. A Public Hearing is not required for Council to refuse a rezoning application.

* * * * *

