



REFERRAL REPORT

Report Date: November 9, 2020
Contact: Neil Hrushowy/Tom Wanklin
Contact No.: 604.829.9622/604.673.8288
RTS No.: 14081
VanRIMS No.: 08-2000-20
Meeting Date: November 24, 2020

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability

SUBJECT: Employment Lands and Economy Review Quick Start Actions:
Downtown-Eastside/Oppenheimer District Official Development Plan Text
Amendment – Retail Continuity Policy Review for Flexibility of Ground Floor
Uses

RECOMMENDATION

- A. THAT the General Manager of Planning, Urban Design and Sustainability be instructed to make an application to amend the Downtown-Eastside/Oppenheimer District Official Development Plan to expand the exception clause to provide additional flexibility in uses for storefront spaces at grade in the Downtown Eastside, generally in accordance with Appendix A;

FURTHER THAT the applications be referred to a Public Hearing;

AND FURTHER THAT the Director of Legal Services be instructed to prepare the necessary amending by-laws, generally in accordance with Appendix A, for consideration at Public Hearing.

- B. THAT Recommendation A be adopted on the following conditions:
- (i) THAT passage of the above resolutions creates no legal rights for any person, or obligation on the part of the City and any expenditure of funds or incurring of costs is at the risk of the person making the expenditure or incurring the cost;
 - (ii) THAT any approval that may be granted following the public hearing shall not obligate the City to enact any rezoning by-laws; and
 - (iii) THAT the City and all its officials, including the Approving Officer, shall not in any way be limited or directed in the exercise of their authority or discretion, regardless of when they are called upon to exercise such authority or discretion.

REPORT SUMMARY

Council adopted the Employment Lands and Economy Review Phase 2 Report: Emerging Directions for Consideration through Vancouver Plan (“ELER Phase 2”) on October 22, 2020, to guide further research, policy and program development and inform the economic foundations of the Vancouver Plan process. As part of ELER Phase 2, Council also approved the implementation of five immediate “quick start” economic recovery actions, and for staff to report back with proposed by-law amendments for referral to Public Hearing. One of these “quick starts” was for amendments to the Downtown-Eastside/ Oppenheimer District Official Development Plan (DEOD ODP) to allow additional flexibility in community-serving uses for storefront spaces at grade in the Downtown Eastside (DTES).

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- Downtown Eastside Plan (2014)
- Downtown Eastside Social Impact Assessment (2014)
- Healthy City Strategy (2014)
- City of Reconciliation Framework (2014)
- Healthy City Strategy Action Plan (2015)
- Community Economic Development Strategy (2016)
- Culture | Shift: Blanketing the City in Arts and Culture, Vancouver Culture Plan (2019)
- Making Space for Arts and Culture (2019)
- Heritage Action Plan - Heritage Incentive Program (2019)
- Heritage Action Plan - Vancouver Heritage Program (2020)
- Employment Lands and Economy Review Phase 2 Report (2020)

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

Launched in January 2019, the Employment Lands and Economy Review is a major research and stakeholder engagement initiative designed to inform the economic foundations of the Vancouver Plan process. Since the onset of the COVID-19 in pandemic in March 2020, the work program for the ELER has shifted to incorporate emergency response initiatives that support workers and employers, as well as identification of short term recovery actions that the City can take to support economic recovery following the pandemic.

One of the short-term recovery actions identified is to amend the Downtown-Eastside/ Oppenheimer District Official Development Plan (DEOD ODP) retail continuity provisions to allow additional flexibility in uses for storefront spaces, lower barriers to community-serving organisations seeking space in the neighbourhood, and help fill vacant ground-floor stores at grade in the DEOD. These changes are attached herein as Appendix A and are required to be scheduled for public hearing.

Strategic Analysis

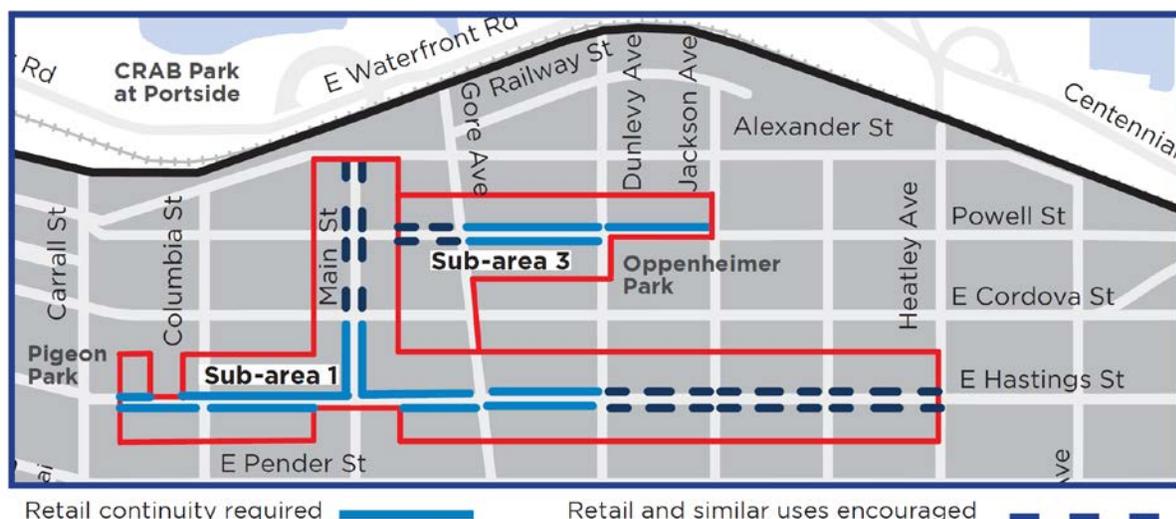
Overall, the research and engagement work undertaken in Phase 2 of the ELER has found that COVID-19 is amplifying and reinforcing the key economic challenges identified throughout Phase 1 of the project. The work program for the ELER has been updated to respond to the COVID-19 crisis and Council approved directions for amendments to the DEOD ODP retail continuity provisions to allow additional flexibility in uses for storefront spaces, lower barriers to community-serving organisations seeking space in the neighbourhood, and help fill vacant ground floor stores at grade in the DEOD.

The DTES Plan requires a review of retail continuity policies with the goal of increasing pedestrian activity, commercial and service uses, and general vitality to Hastings, Main, and Powell Streets, as well as removing barriers to new enterprises, development, and creativity ([policies 6.5.9 and 10.3.1](#)).

Overall, the research and engagement work undertaken in Phase 2 of the ELER has found that COVID-19 is amplifying and reinforcing the key economic challenges identified throughout Phase 1 of the project. The work program for the ELER has been updated to respond to the COVID-19 crisis and Council approved directions for an immediate quick start recovery action to provide additional flexibility for storefront spaces at grade in the DTES.

Retail continuity policies support active and vibrant pedestrian-focussed streets by maintaining and reinforcing commercial activity along ground-floor storefront spaces. These policies encourage or require continuous retail and other similar uses, and ensure engaging storefronts in pedestrian-oriented retail and commercial areas. Within the DTES, retail continuity policies apply in the Victory Square and DEOD sub-areas. Conditions in the DTES have changed considerably since the retail continuity policies were first introduced in 1982, including social health challenges, high vacancies, reduced retail interest, and increased need for community-serving uses, including artist studios. COVID-19 is exacerbating pressures on retailers and may contribute to additional vacancies in the area.

Figure 1 Downtown-Eastside/ Oppenheimer District Retail Continuity Policy Areas



While the retail continuity policies in Victory Square achieve active pedestrian-oriented retail and commercial streets, updates are needed to the DEOD ODP policies to address changing needs. Sub-area 1 Main/Hastings and sub-area 3 Powell Street of the DEOD ODP both have retail continuity policy requirements (see Figure 1). Within sub-area 1 Main/Hastings there is an exception clause (4.4A) to retail continuity policy that allows for a limited set of community-serving uses along Hastings Street at the discretion of the Development Permit Board or Director of Planning.

In order to allow more flexibility in uses for storefront spaces, lower barriers to community-serving organisations seeking space in the neighbourhood, and help fill vacancies in the DEOD, staff recommend the following amendments:

- Extend the retail continuity exception clause to properties fronting Main Street within DEOD ODP sub-area 1 Main/Hastings;
- Update the types of uses listed in the exception clause from ‘social service centre, general office, or healthcare office uses’ to ‘uses required to serve the educational, cultural, health, social, recreational or local economic development needs of the local community’; and
- Add the same exception clause to properties fronting Powell Street in DEOD ODP sub-area 3 Powell Street.

Appendix B outlines the amendments to be made to DEOD ODP.

Public Input

On September 25, a two page information document (Appendix C) with the proposed amendments was sent to the general community via the DTES listserv and DTES Community groups list. We received two responses with one from the Strathcona BIA for more information.

On October 29th the information regarding this text amendment was also made available through the City of Vancouver’s online space for community engagement Shape Your City Vancouver for a two week period. 9 responses were received mostly in support of the proposed amendments. The online access will remain till the date of the public hearing.

Staff also met and discussed the proposed amendments with staff from Community Impact Real Estate Society and Hastings-X BIA.

Implications/Related Issues/Risk (if applicable)

Financial

Adoption of Recommendation A will not result in financial implications for the City. Implementation of the recommendation will be undertaken with existing budgets and personnel.

CONCLUSION

This report recommends amendments to the DEOD ODP to provide additional flexibility in community-serving uses for storefront spaces at grade in the Downtown Eastside. These changes act on a number of Council priorities and directives aimed at aiding the recovery from

the COVID-19 pandemic, lower barriers to community-serving organisations seeking space in the neighbourhood, and help fill vacant ground floor stores in the DEOD. These updates to the regulatory framework relating to the city’s vital retail areas will sustain livelihood opportunities and support the broader Vancouver economy.

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**DRAFT By-law to amend Downtown Eastside/Oppenheimer
Official Development Plan By-law No. 5532
Regarding Exception to Retail Continuity**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This By-law amends the indicated provisions of the Downtown Eastside/Oppenheimer Official Development Plan By-law 5532.

2. In section 4.4A, Council:

- (a) strikes out “may permit social service centre, general office, or health care office uses” and substitutes “may permit uses that serve the educational, cultural, health, social, recreational or local economic development needs of the local community”; and
- (b) inserts “or Main Street” after “on Hastings Street”.

3. Council amends Downtown-Eastside/Oppenheimer District Map 2 by striking out the legend description “Only retail and similar uses and lawyers' offices subject to section 4.4A permitted on the ground floor” and substituting “Only retail and similar uses, lawyers' offices, and other community-serving uses subject to section 4.4A permitted on the ground floor.”.

4. Council amends section 6 by inserting the following new section:

“6.4A Exception to retail continuity

Despite anything to the contrary in this Downtown-Eastside/Oppenheimer Official Development Plan, the Development Permit Board or Director of Planning may permit uses that serve the educational, cultural, health, social, recreational or local economic development needs of the local community on the ground floors of buildings having street frontages on Powell Street subject to development permits limited in time as required by the Development Permit Board or Director of Planning.”.

5. Council amends Downtown-Eastside/Oppenheimer District Map 6 by striking out the legend description “Only retail and similar uses permitted on the ground floor” and substituting “Only retail and similar uses and other community-serving uses subject to section 6.4A permitted on the ground floor.”.

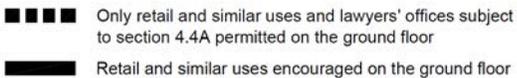
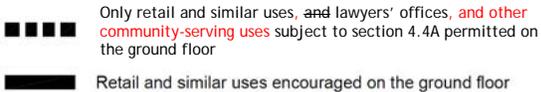
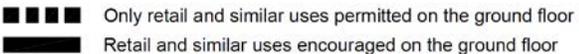
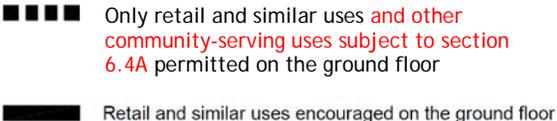
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Retail Continuity in the DEOD ODP - Proposed Amendments

The proposed amendments to the Downtown Eastside Oppenheimer District Official Development Plan (DEOD ODP) outlined below would clarify and expand the opportunity for exceptions to the retail continuity policies 4.4 and 6.2 on Hastings Street, Main Street, and Powell Street. These revisions should allow for more flexibility to accommodate important community-serving uses, while maintaining the objective of the retail continuity to ensure active, pedestrian oriented street frontages.

Policy 4.4.A *Exception to retail continuity* would be amended to align the permitted exceptions with the description of permitted uses in 4.2.1i, as well as extend the exception clause to Main Street (currently, it may only be used for Hastings Street). Associated revisions to the legend of Maps 2 and 6 are also needed.

Current Policy	Proposed Revision (additions in red, deletions struck out)
<p>Policy 4.4A: Exception to retail continuity - Despite anything to the contrary in this Downtown Eastside/Oppenheimer Official Development Plan, the Development Permit Board or Director of Planning may permit social service centre, general office, or health care office uses on the ground floors of buildings having street frontages on Hastings Street subject to development permits limited in time as required by the Development Permit Board or Director of Planning.</p>	<p>Policy 4.4A: Exception to retail continuity - Despite anything to the contrary in this Downtown Eastside/Oppenheimer Official Development Plan, the Development Permit Board or Director of Planning may permit social service centre, general office, or health care office uses that serve the educational, cultural, health, social, recreational or local economic development needs of the local community on the ground floors of buildings having street frontages on Hastings Street or Main Street subject to development permits limited in time as required by the Development Permit Board or Director of Planning.</p>
<p>No existing policy</p>	<p>Policy 6.4A: Exception to retail continuity - Despite anything to the contrary in this Downtown Eastside/Oppenheimer Official Development Plan, the Development Permit Board or Director of Planning may permit uses that serve the educational, cultural, health, social, recreational or local economic development needs of the local community on the ground floors of buildings having street frontages on Powell Street subject to development permits limited in time as required by the Development Permit Board or Director of Planning.</p>

<p>Map 2 - Sub Area 1 Main/Hastings: Retail Continuity</p> <p>Map legend to be revised, current language:</p> <p>“Only retail and similar uses and lawyers’ offices subject to section 4.4A permitted on the ground floor”</p> <p><i>(legend pictured here)</i></p> <p>  </p>	<p>Map 2 - Sub Area 1 Main/Hastings: Retail Continuity</p> <p>Map legend to be revised, proposed language:</p> <p>“Only retail and similar uses, and lawyers’ offices, and other community-serving uses subject to section 4.4A permitted on the ground floor”</p> <p><i>(Revisions required for legend pictured here)</i></p> <p>  </p>
<p>Map 6 - Sub Area 3 Powell Street/ Japan Town: Retail Continuity</p> <p>Map legend to be revised, current language:</p> <p>“Only retail and similar uses permitted on the ground floor”</p> <p><i>(legend pictured here)</i></p> <p>  </p>	<p>Map 6 - Sub Area 3 Powell Street/ Japan Town: Retail Continuity</p> <p>Map legend to be revised, current language:</p> <p>“Only retail and similar uses and other community-serving uses subject to section 6.4A permitted on the ground floor”</p> <p><i>(Revisions required for legend pictured here)</i></p> <p>  </p>

DOWNTOWN EASTSIDE RETAIL CONTINUITY POLICY



Background

Retail continuity policies support active and vibrant pedestrian-focussed streets by maintaining and reinforcing continuous retail and other similar activities of ground floor storefronts. Within the Downtown Eastside (DTES), retail continuity policies apply in the Victory Square and Downtown Eastside Oppenheimer District.

Retail Continuity Policy Updates

Conditions in the DTES have changed considerably since the retail continuity policies were first introduced in 1982 including social health challenges, high vacancies, reduced retail interest, and increased need for community-serving uses. While the retail continuity policies in Victory Square achieves active pedestrian-oriented retail and commercial streets, updates are needed to the Downtown Eastside Oppenheimer District policies to address changing needs. The DTES Plan requires a review of retail continuity policies with the goal of increasing pedestrian activity, commercial and service uses, and general vitality to Hastings, Main, and Powell Streets as well as removing barriers to new enterprises, development, and creativity (Policies 6.5.9 and 10.3.1).



East Hastings Street



Main Street



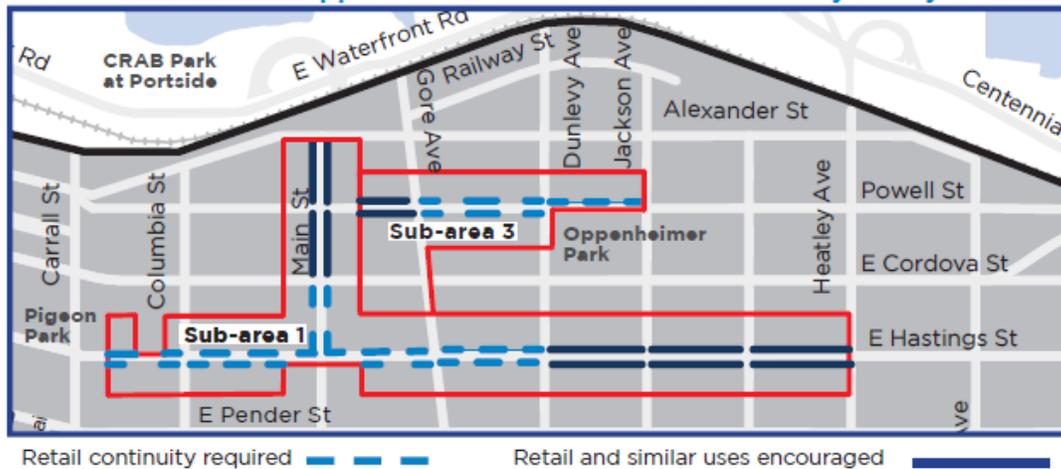
Powell Street

As part of the Employment Lands and Economy Review, staff are proposing a quick start action to update and improve retail continuity policies to:

- allow more flexibility in uses for storefront spaces
- lower barriers to community-serving organisations seeking space in the neighbourhood
- help fill vacant ground floor stores

DOWNTOWN EASTSIDE RETAIL CONTINUITY POLICY

Downtown Eastside Oppenheimer District Retail Continuity Policy Areas



Sub-area 1 Main/Hastings and sub-area 3 Powell Street both have retail continuity policy requirements (see map). Within sub-area 1 Main/Hastings there is an exception to the retail continuity policy that allows for a limited set of community-serving uses along Hastings Street, at the discretion of the Development Permit Board or the Director of Planning.

City staff are proposing the following changes:

- Extend the retail continuity exception clause to properties fronting Main Street within DEOD ODP sub-area 1 Main/Hastings;
- Update the types of uses listed in the exception clause from 'social service centre, general office, or healthcare office uses' to 'uses required to serve the educational, cultural, health, social, recreational or local economic development needs of the local community'; and
- Add the same exception clause to properties fronting Powell Street in DEOD ODP sub-area 3 Powell Street.

Next Steps

The proposed changes will go before Council to be referred to Public Hearing on a date to be determined. To learn more please contact: dtesplan@vancouver.ca