

1. Employment Lands and Economy Review Quick Start Actions: Mount Pleasant I-1 Amendment and New I-1C District Schedule - OTHER

Date Received	Time Created	Subject	Position	Content	Name	Organization	Contact Info	Neighbourhood	Attachment
01/14/2021	11:25	PH2 - 1. Employment Lands and Economy Review Quick Start Actions: Mount Pleasant I-1 Amendment and New I-1C District Schedule	Other	Please see the attached correspondence with regard to Agenda Item #1 on the upcoming January 21st, 2021 public hearing. Hungerford Properties is supportive of the underlying additional density created in the I-1C proposed zoning, however are providing additional feedback that we feel with some adjustments addresses existing concerns from tenants, landlords and developers active in the Mt. Pleasant area. We at Hungerford Properties are extraordinarily encouraged by the thoughtfulness that the City has put into ELER Quick Start actions and welcome the opportunity for continued engagement. Sincerely, Jon Leugner Director of Leasing & Sales Hungerford Properties	Jon Leugner		s.22(1) Personal and Confidential	Unknown	APPENDIX A
01/15/2021	10:50	PH2 - 1. Employment Lands and Economy Review Quick Start Actions: Mount Pleasant I-1 Amendment and New I-1C District Schedule	Other	BentallGreenOak supports the proposed change in zoning to allow more use and density, but we would like to recommend a review of the proposed uses along West 2nd Avenue in order to support the surrounding community and expected growth within the area. The attached Letter outlines the recommended review that BGO would like to see the City undertake.	Clive Millar			Unknown	APPENDIX B
01/15/2021	15:55	PH2 - 1. Employment Lands and Economy Review Quick Start Actions: Mount Pleasant I-1 Amendment and New I-1C District Schedule	Other	Please refer to attached letter.	Nathan Worbets			Unknown	APPENDIX C



January 14, 2020

**City of Vancouver
450 W Broadway
Vancouver, BC
V5Y 1R4**

Attention: Mayor and Council

RE: Employment Lands and Economy Review Quick Start Actions: Mount Pleasant I-1 Amendment and New I-1C District Schedule: Public Hearing January 21, 2021 - Response

Hungerford Properties (Hungerford) has been an active participant in the external advisory group to the Employment Lands and Economic Review (ELER) study. Since the start of that consultation and review process, we have been invited to provide feedback multiple times in the Employment Lands & Economy Review, including the Phase 2 Report which led to the initialization of the draft rezoning of properties along the south side of 2nd Avenue between Yukon and Quebec Streets and the contemplated new I-1C zoning.

While Hungerford is not a direct owner of the properties which are subject of the new I-1C zoning, referred to in the zoning, design and policy guidelines provided in the October 27th, 2020 council referral report *Employment Lands and Economy Review Quick Start Actions: Mount Pleasant I-1 Amendment and New I-1C District Schedule (the “referral report”)*, we are a stakeholder in the surrounding area and would recommend a number of changes to the proposed zoning that we feel would be positive changes that, if adopted, would create better industrial mixed-use developments and solve issues for industrial tenants as it relates to the functionality and absorption of upper level industrial spaces.

In those previous consultations with staff, there was widespread feedback and consensus amongst stakeholders that there would need to be changes to the current I-1 zoning to broaden the scope of industrial uses on upper levels, to address the fact that there are very few traditional industrial uses today that can occupy upper level development typologies given functionality concerns including servicing and accessibility constraints. We believe that failing to address these items in the I-1C proposed zoning, would be a missed opportunity the City now has, to solve a problem that will only be more pronounced, given the proposed I-1C density and minimum one third of density to be industrial in nature. All of the contemplated sites under the proposed zoning would require upper level industrial space to maximize density.

Based on the foregoing, we ask that upper level industrial uses be broadened, FSR exclusions for the separation of the movement of goods from pedestrians only routes be incorporated, separation



requirements between accessory retail and industrial uses be revised, year-round amenities be encouraged, and the guidelines for the placement of mezzanines be adjusted.

Upper Level Industrial Uses

Sections 2.2M, 3.2M and Section 4.5.1 of the proposed zoning do not include Creative Products Manufacturing (CPM) use. We would ask that the City consider incorporating this use to be allowable (with density restrictions to encourage its use in upper level industrial space) as we argue that CPM uses are light industrial in nature and result in employment intensive, high paying, design and prototyping jobs that the City of Vancouver is already well known for. Further to that, we contend that CPM uses meet the intent of the proposed I-1C zoning insofar that they are distinctly compatible with office and service uses.

From a functionality perspective, CPM uses work well typically in an upper level industrial setting as their workflow and output do not rely on moving goods, equipment and inputs on a large scale, nor do they typically produce large scale externalities requiring specialized venting, high floor loads or electrical requirements making it so that they work well in a mixed-use development form.

The demographic of the workforce under CPM uses are typically highly educated and have engineering or design backgrounds. This workforce demands access to vibrant and established industrial nodes, as the workforce is in high demand and employers compete to attract the best. Inclusion of CPM uses would help address current absorption issues for upper level industrial spaces, provided it was outright or even conditionally approved under the contemplated I-1C zoning.

Separation of the Movement of Goods and Pedestrian Travel – Upper Level Industrial Spaces

As Hungerford has noted in previous letters, and we note in the draft I-1C zoning, that there was no contemplated change to the FSR exclusions as it relates to the safe separation of goods, freight and loading facilities from pedestrian movement in a multi-level industrial development. We encourage the City to adopt, as a new subsection and addition to 4.6.2: *“the computation of floor area must exclude corridors, balconies and decks or other appurtenances used for the sole purpose of goods and freight movement on the first three floors of the building, provided pedestrian movement has a separately designated area within the same floor, in the opinion of the Director of Planning, that is similar to the foregoing, provided that the total area of these exclusions does not exceed 10% of the industrial floor area in the building.”*. While section 7 of the *Mount Pleasant Employment Intensive Light Industrial Rezoning Policy and Guidelines (the “Guidelines”)* encourages a separation between functional circulation and semi-public spaces, we feel that the guidelines do not go far enough to create the functional separation that does need to occur which should be incentivized in the I-1C zoning.

Separation of Retail or Accessory Spaces from Primary Industrial Spaces

People like to see and watch industrial processes; it creates visual interest by the passer-by and creates public engagement. Bullet point 5 of the ‘Principles’ of the Guidelines, intends to “Showcase functional workspaces in the public realm: [by] create[ing] visual and physical links between the public realm and industrial functions of buildings to showcase the industrial character of Mount Pleasant” (bullet point number 5 on page 4 of the Guidelines).

The second bullet of Section 2.2A of the proposed I-1C zoning and specifically the statement: “...provided that the floor area in accessory retail uses...is separated by a wall from the floor area in other uses which shall be inaccessible to the general public” is and continues to be problematic as it relates to the word “wall” and the requirement to separate the public from the primary industrial use in a space.

If an industrial business intends to maximize their accessory retail component within their space, naturally the retail component would be placed near the front of the space, where the public would be safest to view and interact with. The requirement for a ‘wall’ to separate the accessory retail space from the industrial use is in direct conflict with bullet 5 of the Principles in the I-1C Guidelines. We therefore encourage the City to allow for a ‘separation’ as opposed to a ‘wall’ in a revised second bullet of Section 2.2A of the zoning. In this way, a ‘separation’ could be more broadly interpreted where the City could adopt a varying stance on the ‘level of separation’ as it relates to safety for the public entering a space as opposed to relying on a ‘wall separation’ that doesn’t accept any interpretation beyond materiality.

Year-Round Amenities Use

Vancouver is one of the rainiest metropolitan areas in North America and inherently temperate year-round. 4.6.2(b) of the I-1C proposed zoning has not explored how covered roof decks can be part of the FSR exclusions. The result of not incorporating is that roof decks, while acting as great amenities during the three sunny months of the year Vancouver gets, are basically unusable amenities that are under-utilized, not well maintained or programmed during most of the year. To counter this effect, we would encourage the City to explore how covered roof decks, provided the roof deck has a minimum of 2 open sides, could be part of the FSR exclusions, subject to the opinion of the Director of Planning in section 4.6.2.

Mezzanine Placements

Section 2.1(b) of the Guidelines suggest mezzanines are to be located away from front or flanking facades of the building. Most mezzanines in industrial settings are predominantly utilized for ancillary offices where natural light and windows are important aspects to creating office spaces that employees want to work in. We believe the Guidelines discourage natural light maximization for these spaces and recommend the City to adjust the language in section 2.1(b) of the Guidelines accordingly.



Hungerford Properties greatly values the consultation that the City has provided stakeholders with and wishes to continue to provide feedback which it believes will lead to positive outcomes for businesses occupying spaces in Vancouver.

Sincerely,

s.22(1) Personal and
Confidential

Jon Leugner
Director of Leasing & Sales
Hungerford Properties

CC: Michael Hungerford, Hungerford Properties; Directors of NAIOP Vancouver Chapter; Chris Robertson, Assistant Director, City Wide & Regional Planning, City of Vancouver; Hale Jones-Cox, Planner II, City of Vancouver; Andrew Misiak, Communications Coordinator, Public Engagement, City of Vancouver; Sean Martinez, Planner II, City of Vancouver

January 14th, 2021

Planning Department, City of Vancouver
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Attention: Kevin McNaney, Director, North East False Creek Project Office, City of Vancouver

RE: BentallGreenOak (“BGO”) Feedback on proposed Zoning Change along West 2nd Avenue to I-1C

Firstly, thank you for reviewing the zoning along West 2nd Avenue for more intensive uses and development opportunities within the City of Vancouver (“CoV”). The addition within the Quick Start initiative of including Health Care Office into I-1 and the additional density and uses along West 2nd Avenue is a great start to improving the area and meeting the needs of all stakeholders.

BGO has reviewed the proposed zoning changes that will be presented to Council for review on January 21st, 2021, and although this is a good start, we would encourage you to consider further relaxations on the proposed uses within I-1C to include, for example, studio space, R&D space, retail showroom and tech flex space. The allowable uses that are associated with future developments along West 2nd Ave should reflect expected future industry needs and not handcuff the proposed development to outdated uses which the development market can not support. If this is done correctly, this node could be a lively, liveable, walkable community that will service residents and entice stakeholders to use this space to live and work in this area.


Furthermore, the CoV must review their definitions of Production Studio, Creative Products Manufacturing, and Digital Entertainment and Information Communications Technology to remove the ambiguity around the use. Also, the requirement to define the proposed office uses at the Development Permit stage is restricting the future leasing efforts or pushing unnecessary costs to tenants and developers in order to change the approved use to a permitted office use under the zoning classification.

The surrounding area in the Mount Pleasant Industrial Area (“MPIA”) and South Creek Flats has undergone a substantial shift in recent years such that West 2nd Avenue has become an important artery for commerce and residents, and the land uses along West 2nd should reflect that status. Without some further latitude in permitted uses, the industrial portion of any proposed development will not be economical to develop.

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PER:

(AUTHORIZED SIGNATORY)

Clark Morris
Authorized Signatory

January 15, 2021

City of Vancouver
453 West 12th Avenue
Vancouver, BC
V5Y 1V4

Dear Mayor and Council,

Re: ELER Priority Quick Start: New I-1C District Schedule – Public Hearing response

As a property owner and developer directly impacted by the proposed I-1C policy and guidelines we applaud the City regarding its efforts toward rezoning this very important thoroughfare. As the gateway to both Mount Pleasant to the South and the Olympic Village to the North, the attempt by the City to enhance job space near rapid transit and create a vibrant, pedestrian-friendly streetscape to better balance the residential density on the north side of W 2nd with the Mount Pleasant Industrial area to the south is commendable. Expanding upon the diverse and successful mix of industrial, office, high-tech, retail and other uses is a progressive step towards creating more job space, and a complete community, within short walking distance to both existing and future rapid transit stations.

We appreciate the City's desire to maintain and intensify the industrial footprint in the Mount Pleasant area and we are supportive of such intentions provided an appropriate balance of uses to support multi-level industrial users and their unique requirements are contemplated. As noted in the Metro Vancouver Regional Industrial Lands Strategy, it is critical to encourage the most efficient use of the remaining land supply for all types of industrial users and to remove barriers to the intensification of industrial land. This is especially important given the concept of 'stacked' industrial densification is still in its infancy.

We have previously provided feedback to the ELER team through the prior engagement process and reiterate some of those comments below. With the ELER Quick Start Actions including this new proposed policy and guidelines for I-1C, we are hopeful that the desired intent can be achieved, however, we feel there may be some shortcomings to the proposed rezoning that we believe need to be addressed in order to ensure the success of the desired action.

Uses

With a great diversity of industrial lands across the city, we feel the City is being proactive by leveraging more urban sites for higher intensity employment, services and last mile access. With that intensity, a focus on complete communities with a range of uses and amenities to adapt to changing industries and workforce needs is important to end users. Furthermore, technology has changed the way businesses create products and zoning should be flexible to accommodate both current technologies and future innovations.

To help facilitate the success of these changes, more certainty should be provided for uses that meet the intent of the proposed District Schedule, by including these uses as outright rather than

conditional. Streamlining the approval process without the need for the DP approval necessary under a conditional use approval would be beneficial to users and help address lengthy approval timelines in a very competitive market. While we would recommend much broader consideration of outright uses, we specifically recommend the following be moved to outright:

- 3.2 I – Child Care facility
- 3.2 O - Office
- 3.2 R - Retail
- 3.2 S – Service
- 3.2 T – Bulk Data storage
- 3.2 W – Wholesaling Class B

Accessory uses outlined in 2.2A should also reflect the desired outcomes for this specific area, noting the more retail focused environment along W 2nd and desire for an enhanced pedestrian realm. The exception for accessory retail in conjunction with a wholesale use is problematic throughout the I zoning districts, and the elimination of this restriction would facilitate a broader user base while showcasing the industrial character of the area as outlined in the guidelines. Moreover, the requirement to separate the accessory retail by a wall from the other uses seems in conflict with the guidelines to showcase functional workspaces in the public realm and we recommend this be removed.

The implications of trying to manage accessory uses within the 33% guidance of 2.2 is challenging given the inability to control these subjective uses in a building that has changing tenancies over time. More flexibility or discretion to accommodate the variation of accessory space over time and under revolving tenancies would be prudent.

In an effort to reflect the changing nature of manufacturing and production in the market, and ensure the viability and success of new multi-level industrial capacity, the reclassification, or addition, of the following uses would enhance the required flexibility to address the challenges of accommodating tenants in upper level industrial spaces:

- Digital Entertainment and Information Communication Technology should be considered in manufacturing rather than office based on the nature of the business and suitability in an industrial designed space with higher ceilings
- Creative Products Manufacturing uses should be added to manufacturing similar to I-4 and the definition enhanced to ease administration of this classification
- Production Studio should be reclassified as a manufacturing use to better reflect the nature of the business and ability to utilize upper floor space

Again, respecting the intent of the proposed Schedule and policy guidelines, we recommend additional flexibility be considered with the addition of more conditional uses such as the following:

- Recreational uses added given the ability to accommodate these users more easily in an industrial setting, as well as facilitating the creation of more complete communities
- School – University or College added to facilitate future capacity for more educational options to diversify the community

Under 3.3 Conditions of Use a reduced radius for the location of a neighbourhood public house under 3.3.5 may be warranted, as the proposed 300m would virtually limit the entire District area to only two locations.

As it relates to 3.3.7 Lounge use, the ability to have an exterior patio space to serve a Brewing or Distillery use is important as has been seen through the current pandemic. Allowing for this amenity space provides further vibrancy to the neighbourhood, promotes a more interactive pedestrian realm as outlined in the policy guidelines, and provides for an aesthetic balance to the patio food & beverage establishments on the north side of W 2nd. This may have been addressed by more recent policy in light of the pandemic, but we would encourage the ability to accommodate this accessory patio use more permanently.

We understand that staff will be working to review and enhance industrial use definitions as part of the Broadway plan, and we support this initiative to remove ambiguity and ease interpretation for both users and staff processing applications. Any opportunity to advance this review to align with the launch of this new District would be welcome. Perhaps adding the ability for discretionary approval by the Director of Planning in some specific cases would also help to alleviate some of the challenges.

Floor area and Density

Reserving 33% of total building density for industrial uses only is challenging and may prove problematic without expanding the use definitions to facilitate absorption of upper level industrial space. With a doubling of the required industrial area to 2 FSR it is critical that more flexible and 'current' use clauses be considered to maximize the potential for new job space.

In an effort to ensure the success and viability of this new development form we offer the following additional suggestions:

- With large frontages along W 2nd and the desire for an enhanced pedestrian realm and animated street front, a larger allowance for restaurant use should be considered. Under 4.5.1(d), the maximum allowance of 150m² for Restaurant – Class 1 may be too restrictive given the scale of projects contemplated along this corridor. It is noteworthy, that even in other I districts without the same scale as contemplated here, the allowance is at least 300m².
- In an effort to facilitate the expansion of education space to support the tech sector in a location that leverages the users already active and soon to be part of the community, the maximum floor space ratio under 4.5.1(a) for Service should include the outright approved School – Trade or Vocational use.
- Carrying forward the existing 12% cap on the floor area exclusion for balconies and decks, paragraph 4.6.2(a) will likely continue to be a challenge for future projects in this district as it has been for other industrial districts where multi-level buildings are contemplated. The balancing act between providing safe pedestrian access to upper floor units while managing the freight loading and movement of goods to and from these spaces is difficult. This maximum should be eliminated or increased to provide the flexibility needed for functional and safe access and not otherwise detract from economic producing space.
- In response to 2.1(b) of the guidelines, we would encourage a reconsideration of the requirement for mezzanines to be located away from the front or flanking facades of the building. With the goal of maximizing natural light for building occupants, it would seem counterintuitive to locate accessory office users who would generally utilize these mezzanines away from the exterior façade of the building.

We appreciate your consideration of these recommended changes and are hopeful that our feedback amongst others will result in some positive changes that will help to ensure the viability of future job creation along this important corridor and enhance the development of a complete and vibrant community.

Sincerely;

s.22(1) Personal and Confidential

Nathan Worbets
VP, Development
Madison Pacific Properties Inc.

c.c. Hale Jones-Cox - Planner, Andrew Misiak – Stakeholder Engagement Lead, Sean Martinez – Planner II, NAIOP Government Relations Committee