



REFERRAL REPORT

Report Date: May 19, 2026
Contact: Carman Yeung
Contact No.: 604.877.5104
RTS No.: 18651
VanRIMS No.: 08-2000-20
Meeting Date: June 2, 2026

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability

SUBJECT: Modification to Conditions of Approval and By-law Enactment for 450-496 Prior Street, 550 Malkin Avenue, 1002 Station Street and 1050 Gore Avenue

Recommendation to refer

THAT the application to modify the Conditions of Approval and the Conditions of By-law Enactment, described below, be referred to a Public Hearing together with the recommendations set out below and with the recommendation of the General Manager of Planning, Urban Design and Sustainability to approve the application, subject to the conditions set out below.

Recommendations for Public Hearing

- A. THAT the application by 456 Prior Street Holdings Ltd., and Prior Street Phase II Holdings Ltd., the registered owners of the lands located at 450-496 Prior Street, 550 Malkin Avenue, 1002 Station Street and 1050 Gore Avenue [*PID 032-235-089; Lot 1 Block 105 District Lots 196 and 2037 Group 1 New Westminster District Plan EPP 136117*] to amend Appendix B – Part 1: Conditions of Approval of Form of Development and Appendix B - Part 2: Conditions of By-law Enactment of the Referral Reports RTS No. 14915, as set out in Appendix A hereto, to permit the replacement of the previously secured 6,500 sq. ft. cultural amenity space with a cash CAC be approved, and instructs the Director of Legal Services to make the appropriate modifications to or replacements of legal agreements to give effect to this amendment.
- B. THAT the application by 456 Prior Street Holdings Ltd. and Prior Street Phase II Holdings Ltd., the registered owners of the lands located at 450-496 Prior Street, 550 Malkin Avenue, 1002 Station Street and 1050 Gore Avenue [*PID 032-235-089; Lot 1 Block 105 District Lots 196 and 2037 Group 1 New Westminster District Plan EPP 136117*] to amend Condition of Enactment 2.4(c) in Appendix B – Part 2 of the Referral Reports RTS No. 18421, as set out in Appendix B hereto, be approved, and instructs the Director of Legal Services to make the

appropriate modifications to or replacements of legal agreements to give effect to this amendment.

- C. THAT Recommendations A and B be adopted on the following conditions:
- (i) THAT the passage of the above resolutions creates no legal rights for the applicant or any other 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; and
 - (ii) 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.

Purpose and Executive Summary

This report evaluates an application to modify the conditions of approval pertaining to the delivery of the approved Community Amenity Contribution (“CAC”) for 450-496 Prior Street, 550 Malkin Avenue, 1002 Station Street and 1050 Gore Avenue. The subject property, currently zoned CD-1 (915), allows the development of two 19-storey mixed-use towers containing secured market rental residential, office space, and commercial retail uses. As part of the original rezoning application in June 2022, the applicant offered to deliver a 6,500 sq. ft. fully fit and finished light industrial artist production space (the “cultural amenity space”), valued at \$5 million, as an in-kind CAC.

In June 2024, the applicant applied to the Canadian Mortgage and Housing Corporation (“CMHC”) for mortgage loan insurance for phase 1 of the project and was subsequently issued a Certificate of Insurance (“COI”) in December 2025. The applicant’s CMHC application and the issued COI did not include the council approved cultural amenity space, a non-revenue generating use. To include the cultural amenity space in the COI now would require a new application to CMHC with additional review time and uncertainty for the applicant. In order to maintain the CMHC approval and for the project to remain on the anticipated construction schedule, the applicant is seeking council’s approval to replace the in-kind CAC with a cash CAC in the amount of \$5 million, payable by August 7, 2026. Should in-kind CAC be replaced with a cash CAC, it is the stated intent of the applicant to convert the 6,500 sq. ft. cultural amenity space to commercial/retail spaces.

Section 559.02 (3) of the *Vancouver Charter* provides that a public hearing is not required to consider the amendments in this report because this proposal is consistent with all relevant official development plans including the *Vancouver Official Development Plan (ODP)*. Staff are recommending that this application be referred to a Public Hearing to ensure procedural consistency, good governance, and transparency, as the application proposes to amend a significant condition and land use component of a rezoning that was originally considered at a Public Hearing. However, Council has the discretion to refer the application to a Council meeting.

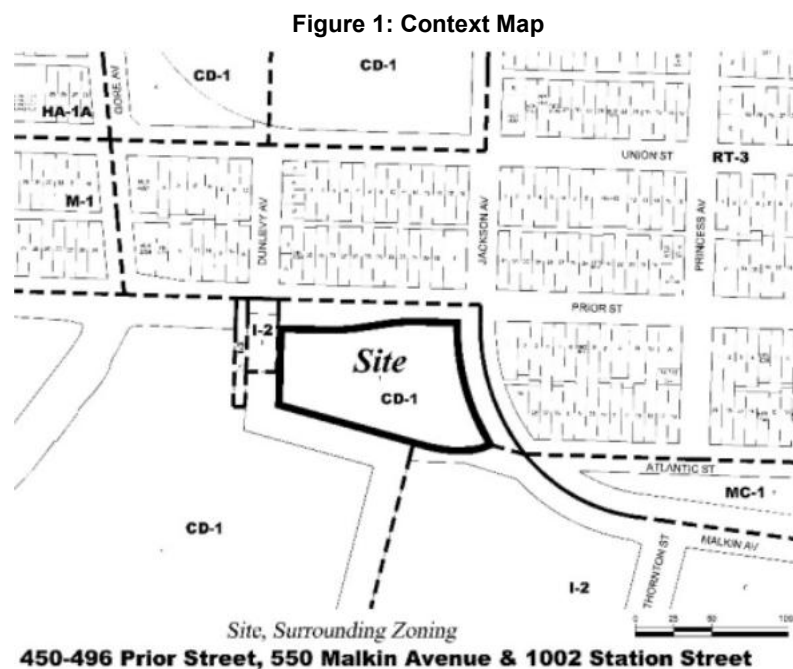
This application is generally consistent with the *Community Amenity Contributions Policy for Rezoning*s and the *False Creek Flats Plan*. The General Manager of Planning, Urban Design

and Sustainability recommends approval in principle subject to conditions contained in Appendices A and B.

Context and Background

1. Site and Context

As of the date of this report, May 19, 2026, the subject site consists of a single parcel that occupies an entire block bounded by Prior Street to the north, Malkin Avenue to the east, Atlantic Street to the south and Dunlevy Avenue to the west (see Figure 1). The site is located within the *False Creek Flats Plan* (Plan) area. The area to the north within Strathcona neighbourhood, and the area to the east within the *Plan* area are characterized predominantly by low-density residential development. Trillium Park and St. Paul's Hospital new campus are located to the southeast and southwest of the subject site respectively.



Between 1981 and 2021, the subject site (former City-owned property 496 Prior Street) housed the White Monkey Design Studio which employed over 15 staff, supported more than 100 artists annually, and was one of the last large-scale industrial arts facilities in the area, specializing in making props for the film and TV industry; and Eastside Studio (former 550 Malkin Avenue) provided broader creative and cultural space, including studio spaces for approximately 30 artists. Collectively, these facilities are estimated to have provided over 30,000 sq. ft. of cultural space, including ~10,000 sq. ft. of artist studio and production space. The buildings have since been demolished, and the site is currently vacant.

2. Policy Context

- **Vancouver Official Development Plan:** The site has a Generalized Land Use (GLU) designation split between Mix-Use High-Rise 1 (Phase 1/east tower) and Industrial and

Employment (Phase 2/west tower). The Mix-Use High Rise 1 designation allows for High-rise, commercial or mixed-use residential apartments up to 26 storeys, non-residential uses are required. Industrial and Employment designation allows for Production, distribution and repair activities, with opportunities for office-based employment on upper floors, hotels near rapid transit areas, and compatible arts or creative uses. Residential uses are generally not permitted.

- **False Creek Flats Area Plan** – The *False Creek Flats Area Plan* divides the neighbourhood into quadrants with the subject site and the new St. Paul’s Hospital located in the northwest corner of the Flats. The *Plan* direction for the subject site supports rental housing and job space to create a transition to the Strathcona residential neighbourhood to the north. The False Creek Flats area is identified as one of the last affordable places in the city to serve the broader Vancouver cultural community, as such a key goal is to protect artist production spaces in the area. It is the policy of the *Plan* to preserve the existing supply of affordable artist production and rehearsal studio and avoid net loss (Policy 6.4.1). Residential uses at this location are conditional upon provision of employment space in addition to an amenity contribution payment for the delivery of light industrial space or non-profit space (Policy 7.3.1).
- **Culture | Shift: Blanketing the City in Arts and Culture; Making Space for Arts and Culture** – In 2019, Council approved *Culture Shift Blanketing the City in Arts and Culture* with the integrated cultural infrastructure plan, *Making Space for Arts and Culture*. *Making Space for Arts and Culture* set key policy directions and an overall city-wide 10-year goal of securing 800,000 sq. ft. of cultural space that includes 650,000 sq. ft. of new, expanded or repurposed space and in particular, shared production space, and a broader goal of no net loss of cultural space. Priority includes securing critical industrial production space.
- **Community Amenity Contributions Policy for Rezoning** – In accordance with the *Community Amenity Contributions Policy for Rezoning*, the original rezoning included an in-kind CAC in the form of a 6,500 sq.ft. fully fit and finished light industrial artist production space, valued at \$5 million (2022). The applicant’s proposal to replace the in-kind CAC with a cash contribution is consistent with the CAC Policy, which allows CAC to be delivered in cash form.

3. Previous Decisions/Associated Applications

Original Rezoning Application (RTS 14915):

At the June 23, 2022 Public Hearing, City Council approved in principle a rezoning application to permit the development of two 19-storey mixed-use towers with a combined 5-storey podium, including secured market rental residential, office space, and commercial retail uses. A 6,500 sq. ft. fully fit and finished Cultural Amenity Space turnkey to the city was offered by the applicant as in-kind CAC.

The rezoning application was enacted on January 20, 2026 as CD-1 (915).

Text Amendment Application (RTS 18421):

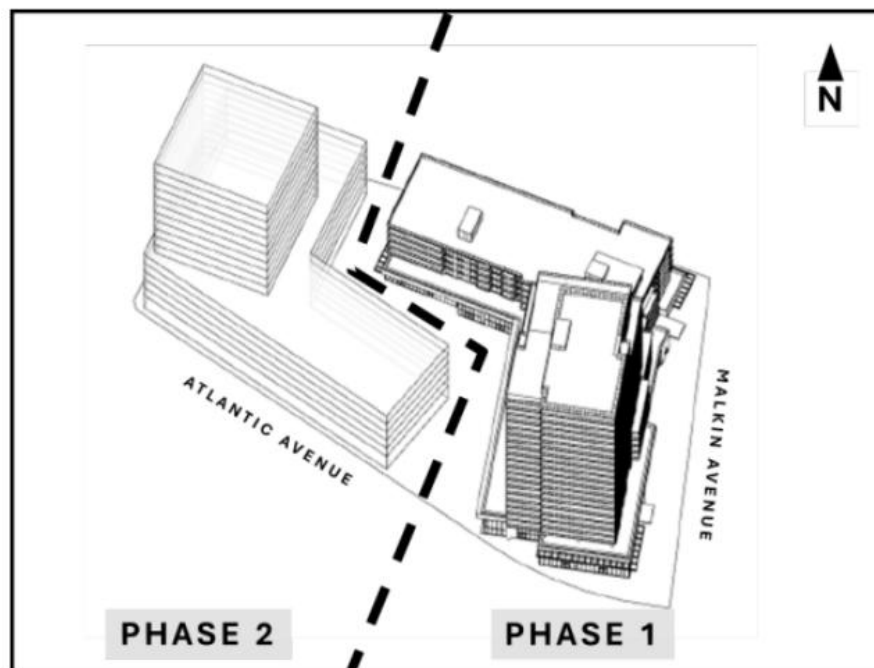
At the February 19, 2026 Public Hearing, City Council approved in principle the text amendment to CD-1 (915) to permit subdivision of the site into two parcels and reflects the intent of the applicant to deliver the site in two phases (see Figure 2). The proposed changes include relocating all residential uses to phase 1 (the east tower), enabling the applicant to apply for CMHC mortgage loan insurance for phase 1, which is a program that offers greater financing choices to multi-unit, purpose-built rental developments.

This CD-1 (915) Text Amendment By-law is scheduled for enactment on June 2, 2026.

Subdivision Application (SD-2025-00064):

A subdivision application which proposes to subdivide the site into 2 parcels, east parcel (phase 1) and west parcel (phase 2), is currently under staff review as of May 19, 2026 and is scheduled to occur after enactment of the CD-1 (915) Text Amendment By-law.

Figure 2: Proposed Building Looking North



Development Permit /Building Permit Applications:

Should Council approve this application, a Development Permit Minor Amendment (DPMA) to the approved Development Permit (DP-2024-01172) and a revision to the instream Building Permit application (BP-2025-03958) will be required to remove the cultural amenity space from phase 1.

4. Strategic Analysis

Should Council approve the application to replace the in-kind CAC with a cash CAC, staff recommends that the funds be restricted to arts and cultural purposes, secured in the Vancouver Cultural Spaces Reserve. This would align with the *False Creek Flats Plan and Culture Shift Blanketing the City in Arts and Culture* which identify the City's objective to retain existing artists spaces and minimize net loss.

Staff note that the \$5 million valuation of the 6,500 sq. ft. cultural amenity space reflects 2022 market and construction costs and would not yield an equivalent fully fitted industrial space suitable for the intended use in today's market. Based on recent real estates transactions of industrial space in the False Creek Flats area, a comparable 6,500 sq.ft. fully fitted industrial space would have an estimated current value of \$6 million. As such, the \$5 million cash CAC would not enable the City's to deliver an equivalent space off site, though it could deliver a smaller space, or be allocated to other arts and cultural initiatives in the local area

Notwithstanding the above, staff support the proposed modification to CAC delivery from in-kind to cash, recognizing that the change would facilitate continued advancement of the project, which includes 321 purpose-built rental units in a challenging economic environment, while securing a \$5 million cash contribution up front toward public benefits.

It should be noted that the consideration of a proposed condition modification is specific to this subject application and the unique circumstances relevant to this application.

5. Public Input

Public input primarily included mailed postcards, a site sign, an online comment form, and question and answer (Q&A) period. Refer to the application webpage: [https:// www.shapeyourcity.ca/456-prior-st-ir](https://www.shapeyourcity.ca/456-prior-st-ir)

In total, approximately 58 submissions were received. Majority of respondents opposed deferring the amenity to phase 2 (which is one of the option presented by the applicant) or replacing in-kind CAC with cash contribution, emphasising the importance of commitments made at rezoning to help offset the impacts of redevelopment. Refer to Appendix C for a full summary of the public input collected and responses to public comments.

6. Public Benefits

The public benefits were calculated based on the March 2026 Text Amendment application. Refer to Appendix D for full summary of public benefits.

Development Cost Levies (DCLs): It is expected that the project will pay DCLs of \$17,003,855 based on December 2025 rates.

Public Art: The public art contribution is estimated to be \$961,087 based on the current (2016) rate.

Community Amenity Contributions (CAC): The applicant has offered to provide a cash CAC contribution of \$5 million in full by August 7, 2026.

Financial Implications

The applicant has offered to replace the in-kind CAC with a cash contribution. See Appendix D for additional details.

Conclusion

The proposed modification to the conditions related to the Cultural Amenity Space will enable the applicant to maintain CMHC Certificate of Insurance approval, allowing phase 1 of the

approved mixed-use development containing 321 purpose-built market rental units and at-grade commercial units to proceed on schedule. The General Manager of Planning, Urban Design and Sustainability is recommending the application be referred to a Public Hearing, and that subject to the Public Hearing, the application be approved.

* * * * *

APPENDIX A
450-496 Prior Street, 550 Malkin Avenue and 1002 Station Street
PROPOSED AMENDMENTS TO CONDITIONS OF APPROVAL OF FORM OF
DEVELOPMENT AND CONDITION OF BY-LAW ENACTMENT (RTS14915)

Note: Any changes to the conditions approved by Council will be contained in its decision. Applicants are advised to consult the minutes for any changes or additions to these conditions.

1. Council strikes out Condition of Approval of the Form of Development 1.1 (d):

“increasing the floor-to-floor height of the first level to no less than 4.6 m (15.0 ft) with the larger retail and cultural spaces encouraged to have a floor-to-floor height of no less than 5.5 m (18.0 ft.);”

and substitutes the following:

“increasing the floor-to-floor height of the first level to no less than 4.6 m (15.0 ft) with the larger retail spaces encouraged to have a floor-to-floor height of no less than 5.5 m (18.0 ft.);”

2. Council strikes out Condition of Approval of the Form of Development 1.3 (a):

“extending retail and cultural uses along most or all of the frontages facing the central plaza and providing multiple points of entry;”

and substitutes the following:

“extending retail uses along most or all of the frontages facing the central plaza and providing multiple points of entry;”

3. Council strikes out Condition of Approval of the Form of Development 1.3 (d):

“providing outdoor space that intended to supplement programming at the adjacent cultural space, such as an outdoor stage or a space for the display of art;”

and substitutes the following:

“providing outdoor space that intended to accommodate different programming, such as an outdoor stage or a space for the display of art;”

4. Council strikes out Condition of Approval of the Form of Development 1.5 (c):

“weather protection at main points of entry for all uses, and continuously along retail and cultural frontages;

Note to Applicant – refer to section 5.6 the *False Creek Flats Urban Design Policies and Guidelines for I-2 and I-3* for anticipated performance criteria for canopies and awnings in this area.”

and substitutes the following:

“weather protection at main points of entry for all uses, and continuously along retail frontages;

Note to Applicant – refer to section 5.6 the *False Creek Flats Urban Design Policies and Guidelines for I-2 and I-3* for anticipated performance criteria for canopies and awnings in this area.”

5. Council strikes out Conditions of Approval of the Form of Development 1.6 through 1.26.
6. Council strikes out Condition of By-law Enactment 2.16.
7. Council strikes out Condition of By-law Enactment 2.23:

“The construction and turn-key delivery of an in-kind 6,500 sq. ft. Class B Artistic studio amenity space located on the ground floor (as indicated on page 52 of the Rezoning Booklet submitted by the Applicant dated July 22, 2021) As more particularly provided for in Condition of Bylaw Enactment 2.17. The CAC has been calculated based on the Rezoning Lands and conditions contained herein.

The construction and delivery of the amenity space is to be secured by a Letter of Credit (LC), provided to the City prior to building permit issuance, the amount of which will be settled as part of the agreements required prior-to rezoning enactment; all LC's must be APPENDIX B PAGE 37 OF 38 in compliance with and in the form set out in the City's Letter of Credit Policy AF-002-02: <https://policy.vancouver.ca/AF00202.pdf>

Should the Applicant in the future choose to apply for a DCL waiver, the application may be subject to further pro forma review to determine if an additional land lift is generated. If the revised pro forma results in an increase to the CAC such that a CAC is payable, the application will return to Council through a subsequent Public Hearing to amend the CAC rezoning enactment condition. All other rezoning conditions will be at the sole cost and expense of the applicant/owner/developer as applicable.

Note to Applicant: The Applicant will not receive final occupancy for any portion of the development until the Artistic Production Amenity Space has been constructed and transferred to the City, all to the satisfaction of the City.

Note to Applicant: This CAC offering is subject to:

- (a) City Council approval of the amount, terms and conditions of this CAC offering at public hearing;
- (b) City Council's approval of the enactment of the rezoning by-law; and
- (c) Director of Legal Services being satisfied with the security provided for the City's benefit with respect to the CAC package and Applicant's obligations noted above.”

and substitutes the following:

“ 2.23 Pay to the City the full cash Community Amenity Contribution of \$ 5,000,000 (cash CAC) which the Applicant has offered to the City. Payment of the CAC must be paid by wire transfer by August 7, 2026, at no cost to the City, and on terms and conditions and in a form satisfactory to the Director of Legal Services.

Note to Applicant: Upon satisfaction of condition 2.23, the Applicant may request and the City will provide discharges of the Cultural Amenity Construction and Transfer Agreement CB2539661-2539674.”

* * * * *

APPENDIX B
450-496 Prior Street, 550 Malkin Avenue and 1002 Station Street
PROPOSED AMENDMENTS TO CONDITIONS OF APPROVAL (RTS 18421)

Note: Any changes to the conditions approved by Council will be contained in its decision. Applicants are advised to consult the minutes for any changes or additions to these conditions.

5. Council strikes out condition 2.4 (c)

“Permit access over the Plaza by the public and users of the Cultural Amenity Space, including for occasional loading/unloading to the Cultural Amenity Space as reasonably necessary.”

and substitutes the following:

“Permit access over the Plaza by the public, including for occasional loading/unloading to the commercial/retail spaces at grade, as reasonably necessary.

Note to Applicant: Upon satisfaction of condition 2.23 of Appendix A, the Applicant and the City will negotiate and enter into a modification to the Plaza Statutory Right-of-Way Agreement entered into between the Applicant and the City as a condition of by-law enactment of the Text Amendment application contemplated by RTS 18421 to satisfy the intent of the substituted condition 2.4 (c), all to the satisfaction of the Director of Legal Services.”

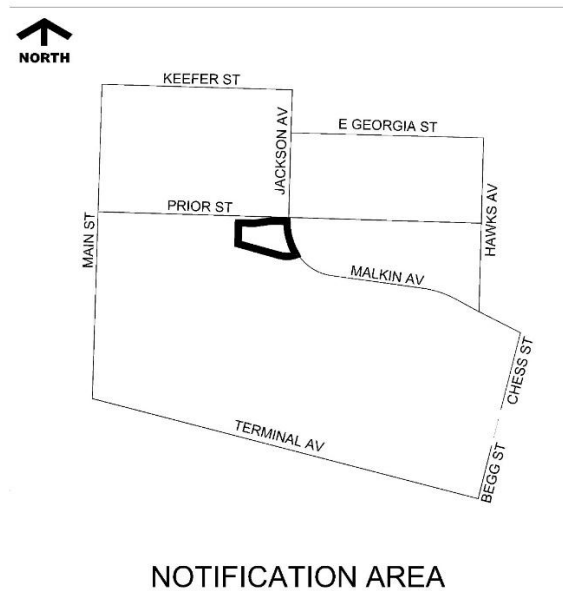
* * * * *

APPENDIX C ADDITIONAL INFORMATION

Public Consultation Summary

Event	Date(s)	Details
Webpage published	March 6, 2026	450-496 Prior St, 550 Malkin Ave and 1002 Station St - Directions Report Shape Your City Vancouver
VanCulture	March 6, 2026	3,395 emails sent
Postcard mailed	March 9, 2026	1,530 notices mailed (approximate)
Site sign installed	March 9, 2026	
Online comment form	March 6, 2026 to March 31, 2026	55 submissions <ul style="list-style-type: none"> • 3 responses support • 43 responses opposed • 9 responses mixed
Question and Answer (Q&A) period (1 week)	March 11, 2026 to March 17, 2026	1 submissions
Other input (phone calls, direct emails, etc.)	March 6, 2026 to March 18, 2026	2 submissions
Total webpage views	March 6, 2026 to March 18, 2026	493 page views
Total Submissions (Comments submitted + questions asked + other input methods)		58 submissions

Map of Notification Area



A summary of public input is provided below, organized by topic.

Areas of support:

6. **CAC structure:** Respondents would be supportive of converting in-kind CAC to cash contributions, if the funds are dedicated exclusively to amenity infrastructure within the Strathcona neighbourhood.
7. **Support for Cultural Amenity Space:** The cultural amenity space should be offered and be placed around office or commercial areas. Should the delivery of the Cultural Amenity Space be deferred/delayed, the developer should compensate the community for each year between the opening of Phase 1 and Phase 2.

Areas of concern:

8. **Deliver the Cultural Amenity Space as Promised:** Majority of the respondents strongly opposed deferring the amenity to phase 2 or replacing the in-kind cultural space with a cash CAC.
9. **Lack of Accountability, Distrust and Misrepresentation at Original Application Stage:** Respondents expressed distrust related to perceived misrepresentation at the original application stage and stated that developers should be held to commitments made at rezoning. Concerns were raised that allowing renegotiation after approval contributes to a pattern of unmet expectations in past cases.
10. **Need for Community and Cultural Space in an Underserved Area:** Comments received emphasize the need for community and cultural space in the False Creek Flat

and Strathcona noting they are underinvested. The area has experienced a loss of cultural and artistic space due to development over time, with limited reinvestment.

11. **Impacts from Growth, Density with Limited Existing Amenities:** Respondents express deep concern about increased density and pressures from the development and the new St. Paul's Hospital and the lack of amenities and public spaces.
12. **Distrust in Cash Allocations and Fear of Non-Delivery:** Concerns were raised that a cash contribution may not be reinvested in cultural spaces/causes or within the area affected by increased density, and/or that there will be a delay in delivery or no delivery of the promised community benefits and amenities.

Response to Public Comments

In response to the question about whether deferring the delivery of a Cultural Amenity Space to Phase 2 means it is less likely to occur, staff note that the City does not control the timing of development, which is ultimately determined by the property owner. While deferral to a later phase does not necessarily preclude delivery, the City does not determine when phase 2 may proceed. As such, the timing and certainty of delivering the cultural amenity space would be less predictable.

* * * * *

APPENDIX D PUBLIC BENEFITS

Project Summary:

Two 19-storey mixed-use buildings containing 321 market rental residential units, commercial, and industrial uses.

Other Benefit Summary:

321 market rental units, secured through a Housing Agreement for the greater of 60 years and the life of the building, CAC, DCL payment, and public art contribution.

Summary of Estimated Development Contributions

City-wide DCL ¹	\$9,690,465
Utilities DCL ¹	\$4,416,037
False Creek Flats DCL ¹	\$2,897,354
Public Art ²	\$961,087
Community Amenity Contribution (Cash)	\$5,000,000
TOTAL	\$22,964,943

Other Benefits (non-quantifiable components): 321 market rental units, secured for the greater of 60 years and the life of the building.

¹ Based on rates in effect as of December 10, 2025 and the proposed 20,496.0 sq. m (220,617 sq. ft.) of residential floor area and 24,599 sq. m (265,780 sq. ft.) of non-residential floor area.

DCLs are payable at building permit issuance based on rates in effect at that time and the floor area proposed at the development permit stage. DCL By-laws are subject to future adjustment by Council including annual inflationary adjustments. A development may qualify for 12 month of in-stream rate protection, see the City's DCL Bulletin for details.

² The Public Art Policy and Procedures for Rezoned Developments requires rezoning proposals having a floor area of 9,290 sq. m (100,000 sq. ft.). Based on rates in effect as of 2016. Rates are subject to adjustments, see [Public Art Policy and Procedures for Rezoned Developments](#) for details. ✓

* * * * *

APPENDIX E REZONING APPLICATION SUMMARY

Property

Address	Parcel Identifier (PID)	Legal Description
450-492 Prior Street, 510-550 Malkin Avenue, 1002 Station Street and 1050 Gore Avenue	032-235-089	Lot 1 Block 105 District Lots 196 and 2037 Group 1 New Westminster District Plan EPP 136117

Applicant Team

Applicant	456 Prior Street Holdings Ltd. and Prior Street Phase II Holdings Ltd.
Developer	Strand Development Corporation
Property Owner	456 Prior Street Holdings Ltd. and Prior Street Phase II Holdings Ltd.

Statistics

	Prior to Original Rezoning Application (June 2022)	Development Right Granted To Date (Inclusive of March 2026 TA)	
Zoning	I-2, I-3, CD-1 (761)	CD-1 (915)	
Site Area	9,629 sq. m (103,646 sq. ft.)	9,629 sq. m (103,646 sq. ft.)	
Land Use	Commercial Light Industrial	Commercial Residential Cultural Facility Urban Farm	
Maximum FSR	3.0	4.68	
Maximum Height	I-2 and I-3: 18.3 m (60 ft.) CD-1 (761): 61 m (200 ft.)	64 m (210 ft.)	
Max. Floor Area - Overall	28,887 sq. m (310,937 sq. ft.)	<u>Sub-Area A</u> 22,532 sq. m (242,532 sq. ft.)	<u>Sub-Area B</u> 23,098 sq. m (248,624 sq. ft.)
Max. Floor Area - Residential Use	N/A	20,496 sq. m (220,617 sq. ft.)	
Unit Mix	N/A	88 studio units (27%) 98 1-bedroom (31%) 109 2-bedroom (34%) 26 3-bedroom (8%) 321 Total	

* * * * *