

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: January 27, 2025
TO: Mayor and Council
FROM: Guillermo Ferrero, Chief Administrative Officer
SUBJECT: Community Hub Development Options

RECOMMENDATIONS

THAT Council:

1. Direct staff to pursue Scenario #3A, setting the location for the new Community Hub at 1510 Johnston Road.
 2. Direct staff to perform further analysis to incorporate affordable housing at the site.
 3. Direct staff to approach Sources to formally incorporate their Youth Foundry project into the Community Hub.
 4. Direct staff to initiate discussions with Library staff regarding the selected site.
 5. Direct staff to conduct public consultations to gather feedback on the selected option and refer the Community Hub Committee for further discussion and recommendations to Council.
 6. Direct staff to prepare and initiate Official Community Plan (OCP) and zoning amendments for all necessary sites to make this project viable.
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EXECUTIVE SUMMARY

During the December 9, 2024 meeting, Urban Systems presented the results of the Council-directed Community Hub Development options. At that meeting, Council and the public received an overview of the studied scenarios, but no immediate direction was provided to allow for further consideration. Staff is now seeking directions to proceed with site selection, advancing the project and exploring options at the chosen location.

The current City Hall and Annex site has exceeded its life expectancy and is no longer able to meet the city's growing service needs. Furthermore, the civic building is not seismically compliant. The proposed Community Hub represents a transformative opportunity to consolidate essential municipal services with community-focused spaces. The envisioned hub could include a new City Hall, library, daycare, commercial space, and amenities such as a Senior's Centre and a Youth Foundry (in partnership with Sources). If Council opts to increase the building's height, affordable housing could also be incorporated, further enhancing the hub's community value.

The project aims to finance development by leveraging the value of the City's existing real estate assets. Reserves totaling \$20.5M (by the end of 2025), along with revenue from asset sales,

could be used to cover the capital costs. The sites under consideration include the current City Hall and Library block (City Hall, Library, Daycare, Annex, RCMP, and Fire Hall buildings), the Johnston Road site (currently a vacant parking lot), and the Water Works Yard on Oxford Street.

Staff recommends Scenario 3A, which proposes locating the Community Hub at 1510 Johnston Road with a 12-story design. Council may consider increasing the building height to incorporate affordable housing and additional community facilities, such as a Senior’s Centre and Youth Foundry. Further studies will be necessary to assess the implications of increased density and associated costs.

The Urban Systems economic study assumes 80% site coverage at the Johnston Road location, resulting in approximately 10,000 square feet of floor area per story. Estimated construction costs vary by use: residential floors are projected at \$6M each, while institutional floors are estimated at \$7.5M each. These figures do not include the cost of underground parking. Final costs will depend on specific design and finishing choices and should be viewed as general guidelines.

The 1510 Johnston Road site offers a centralized, transit-oriented location in the uptown area, away from residential zones, making it a superior option compared to the current City Hall and Annex site.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2023-256 2023-06-19	<p>THAT Council Direct staff to allocate the \$5.7M Growing Communities Fund grant funding as follows, and subject to eligibility approval from the province:</p> <ul style="list-style-type: none"> ▪ \$1.7M to affordable housing; ▪ \$2M to the Community Hub; ▪ 1.5M to the Pier Restoration; and ▪ \$500,000 to not be allocated so it may be utilized for other items as they arise.
2023-366 2023-09-25	<p>THAT Council</p> <ol style="list-style-type: none"> 1. Endorse the asset repair and maintenance strategies outlined in the Facilities Master Plan for consideration as part of the 2024 Financial Plan process; 2. Endorse the financial and conceptual work necessary to develop Council Strategic Priorities of Community and Housing & Land Use by moving forward with options for a Community Hub to replace the Evergreen Daycare, Library and City Hall and that this development work include investigation into the feasibility of incorporating civic services, with a seniors’ centre, affordable housing units, daycare space, an arts centre and market commercial-retail space as options; and 3. Endorse an investigation into the sale of the Waterworks Yard on Buena Vista, housing the Waterworks Operation in expanded facilities at the Keil Street Works Yard, and using the net proceeds as a contribution towards a Community Hub.

<p>2023-427 2023-11-06</p>	<p>THAT Council appoints the following to the internal Community Hub Steering Committee:</p> <ul style="list-style-type: none"> - Mayor Knight and Councillor Lawrence as the two (2) members of Council noted in the Terms of Reference as circulated Policy 175; - Director, Engineering & Municipal Operations; - Director of Planning and Development Services - Director of Financial Services; and - Community Hub Project Manager.
<p>2023-428 2023-11-06</p>	<p>THAT Council:</p> <ol style="list-style-type: none"> 1. Establishes a “Community Hub Steering Committee;” 2. Approves the Community Hub Steering Committee Terms of Reference, Policy 175, as circulated; 3. Support the Chief Administrative Officer for the required time to complete the committee mandate; and 4. Direct staff to post and hire a Community Hub Project Manager funded from Capital Reserves.
<p>2024-048 2024-02-12</p>	<p>THAT Council direct award of the proposal, from Urban Systems’ Land Economics Group, attached as Appendix A, to perform a Financial Analysis and development options for the Community Hub Development to be funded from the Community Hub Capital Reserve.</p>
<p>2024-132 2024-04-13</p>	<p>THAT Council direct staff on the distribution of the remaining 2023 Unallocated General Fund Operating Surplus funds (following motion 2024-131) as follows:</p> <ul style="list-style-type: none"> - \$1M for the Pier - \$2M for the Community Hub Project; and - \$200,000 to be placed in unallocated surplus.
<p>2024-144 2024-04-29</p>	<p>That Council:</p> <ol style="list-style-type: none"> 1. Receive for information, the report dated April 29, 2024, from the Director of Recreation and Culture, titled “Kent Street Activity Centre Needs Assessment Study;” and 2. Direct staff to share this corporate report as well as the accompanying needs assessment report, with the Community Hub Steering Committee for their consideration.
<p>2024-194 2024-05-27</p>	<p>THAT Council considers the needs of a seniors’ center as presented within the Community Hub design.</p>

INTRODUCTION/BACKGROUND

The City of White Rock is pursuing the development of a Community Hub to centralize multifunctional municipal and community services. Urban Systems Ltd. conducted a financial analysis of redevelopment scenarios to ensure funding through land sales and reserves without additional taxpayer contributions and borrowing. Recent community groups requests include a Senior’s Centre and a Youth Foundry, aligning with the Hub’s mission of inclusivity and service.

FINANCIAL IMPLICATIONS

Eight scenarios were analyzed for development at 1510 Johnston Road, featuring two different building heights. Detailed explanations of each scenario can be found starting on page 19 of the Urban System Report, titled “Community Hub Development Options Report” attached as Appendix A.

For clarity, the scenarios are referenced as follows in this report:

- Scenarios with 12 stories at Johnston Road are labeled as “A.”
- Scenarios with 25 stories at Johnston Road are labeled as “B.”

Of the eight scenarios studied, four demonstrate positive revenue potential (highlighted in green in the table below), while one scenario is near break-even (highlighted in orange). Scenario 3A, featuring 12 stories, is recommended. However, Council may also wish to consider Scenario 2A which, despite a \$3M shortfall, could accommodate 54 affordable housing units and the option for a wood-frame building.

	12-STOREYS AT 1510 JOHNSTON ROAD					25-STOREYS AT 1510 JOHNSTON ROAD				
	NET DEVELOPMENT REVENUE (Net Revenue + Reserve Funds - Development Costs)	COMMUNITY HUB DEVELOPMENT COSTS	TOTAL UNITS	STRATA UNITS	AFFORDABLE HOUSING UNITS that Could Fit on the Designated Site**	NET DEVELOPMENT REVENUE (Net Revenue + Reserve Funds - Development Costs)	COMMUNITY HUB DEVELOPMENT COSTS	TOTAL UNITS	STRATA UNITS	AFFORDABLE HOUSING UNITS that Could Fit on the Designated Site**
SCENARIO 1*	1A -\$30.32M	\$60.32M	370	224	146	1B -\$9.68M	\$60.32M	499	353	146
SCENARIO 2	2A -\$3.03M	\$41.66M	338	284	54	2B \$16.41M	\$41.64M	468	414	54
SCENARIO 3	3A \$2.89M	\$42.88M	384	384	0	3B \$23.52M	\$42.88M	514	514	0
SCENARIO 4*	4A -\$6.69M	\$57.42M	437	437	0	4B \$13.95M	\$57.42M	567	567	0

*Includes capital costs for the RCMP facility
**Potential Revenue is less \$2.97M in DCC parkland repayment, and \$3.76M in Water Works Yard relocation.

■ Viable scenario
■ Near break-even scenario
■ Non-viable scenario

Available reserves, projected to total \$20.5M as of the end of 2025, could support affordable housing or additional community facilities (see Select Budget Reserves table attached as Appendix “B”).

- \$5.7M for a new City Hall.
- \$4.2M in unassigned Community Amenity Contributions (CACs).
- \$10.6M in the affordable housing reserve fund.

LEGAL IMPLICATIONS

All options require OCP and zoning amendments, necessitating public notice and consultation.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

- Engagement with the community will occur at multiple stages of the project. At this time, staff is seeking directions from Council regarding communication with the public about the chosen location via Talk WhiteRock, with a report to follow from the Community Hub Committee.

ALIGNMENT WITH STRATEGIC PRIORITIES

This project aligns with the Council's top strategic priorities to develop a new Community Hub and ensure future infrastructure resiliency through long-term decision-making.

OPTIONS / RISKS / ALTERNATIVES

1. Scenario #3A (Recommended): Develop the Community Hub at 1510 Johnston Road with a 12-story limit.
2. Scenario #3A with consideration for Height Increase: Exceed the 12-story studied to accommodate affordable housing, a Senior's Centre, and the Youth Foundry. This option could utilize \$10.6M in affordable housing reserves as well as CACs for additional amenities.
3. Scenario #2A Develop the Hub at the current City Hall site and sell 1510 Johnston Road, potentially funding affordable housing and community facilities. However, this location is less central.
4. Any other scenario studied with positive revenue 2B, 3B or 4B – All these scenarios would require 25 stories at Jhonston Road – These scenarios will render high revenues to the City that could be applied to capital reserves for much needed infrastructure upgrades.

CONCLUSION

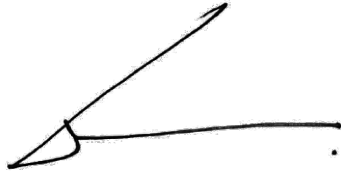
Scenario 3A, proposing the Community Hub at 1510 Johnston Road with an initial 12-story height limit, emerges as the optimal choice, blending financial prudence with strategic alignment and community needs. This location's centrality, transit accessibility, and development potential make it a pivotal anchor for White Rock's long-term urban and social infrastructure.

Incorporating key community facilities such as the Senior's Centre and Youth Foundry will elevate the project's societal impact, addressing critical needs across demographics. The prospect of integrating affordable housing further enhances inclusivity and sustainability, reflecting the City's commitment to equitable growth and alignment to provincial mandates. By leveraging the \$10.6M affordable housing reserve fund and exploring partnerships with entities like BC Housing and CMHC, the City can balance affordability with revenue objectives.

To maximize value and community benefit, Council should consider increasing height limits to accommodate additional affordable housing units and facilities to scenario 3A. This approach would enable the City to utilize its reserves strategically, maintain financial viability, and deliver a transformative space without imposing tax burdens on residents.

The Community Hub represents a cornerstone of White Rock's future, fostering inclusivity, resilience, and vibrancy in a single, dynamic space. It is a forward-looking investment in the well-being of current and future generations.

Respectfully submitted,

A handwritten signature in black ink, consisting of a stylized, sweeping line that starts from the left, curves upwards and to the right, then loops back down and to the left, ending with a horizontal stroke that extends to the right.

Guillermo Ferrero
Chief Administrative Officer

- Appendix A: Urban System Report, titled "Community Hub Development Options"
- Appendix B: City of White Rock Select Budget Reserves Table for City of White Rock related to Community Amenity Contributions, Affordable Housing, and Community Hub.