

**MINUTES OF THE
COMMITTEE OF THE WHOLE MEETING
HELD THURSDAY, FEBRUARY 16, 2017, 9:00 A.M.**

1. THE CHAIR CALLED THE MEETING TO ORDER AT 9:05 A.M.

Committee Members Present: Mayor Helps (Chair), Councillors Alto, Coleman, Isitt, Lucas, Madoff, Thornton-Joe, and Young

Absent: Councillor Loveday

Staff Present: J. Johnson – City Manager; J. Jenkyns – Deputy City Manager; C. Coates – City Clerk; C. Havelka – Deputy City Clerk; P. Bruce – Fire Chief; S. Thompson – Director of Finance; J. Tinney – Director of Sustainable Planning & Community Development; T. Soulliere – Director of Parks, Recreation, & Facilities; J. Potter – Manager, Engagement; A. Meyer – Assistant Director, Development Services; M. Angrove – Planner, Development Services; A. Hudson - Assistant Director, Community Planning; R. Batallas - Senior Planner, Community Planning; C. Wain - Senior Planner, Urban Design; J. Paul - Assistant Director of Engineering; N. Sutic-Bata - Manager, Underground Utilities; J. Westin – Assistant Director of Transportation; B. Dellebuur – Manager, Transportation; P. Rantucci – Manager, Strategic Real Estate; C. Mycroft – Executive Assistant to the City Manager; A. K. Ferguson – Recording Secretary

Guests: K. Gardner, President - Western Marine Response Corporation; M. Lowry, Western Marine Response Corporation; B. Johnson and C. Rupp – Crystal Pool Consultants; S. Stevens – Consultant, Urban systems

2. APPROVAL OF AGENDA

Motion: It was moved by Councillor Coleman, seconded by Councillor Alto, that the Agenda of the February 16, 2017, Committee of the Whole meeting be approved.

Amendment: It was moved by Councillor Alto, seconded by Councillor Coleman, that the Agenda of the February 16, 2017, Committee of the Whole meeting be amended as follows:

Consent Agenda:

Item # 2 – Minutes from the meeting held October 26, 2016

Item # 6 – Council Member Motion: Proposed Amendment to the Storefront Cannabis Retailer Rezoning Policy

Item # 13 – Request to remove restrictive covenant B77642 for 1450 Slater Place (Oaklands)

On the amendment:
CARRIED UNANIMOUSLY 17/COTW

Main motion as amended:

That the amended Agenda of the February 16, 2017 Committee of the Whole Meeting be approved with the following amendments:

Consent Agenda:

Item # 2 – Minutes from the meeting held October 26, 2016

Item # 6 – Council Member Motion: Proposed Amendment to the Storefront Cannabis Retailer Rezoning Policy

Item # 13 – Request to remove restrictive covenant B77642 for 1450 Slater Place (Oaklands)

On the main motion as amended:
CARRIED UNANIMOUSLY 17/COTW

3. CONSENT AGENDA

Motion: It was moved by Councillor Coleman, seconded by Councillor Alto, that the following items be approved without further debate:

3.1 Minutes from the meeting held October 26, 2016

Motion: It was moved by Councillor Coleman, seconded by Councillor Alto, that the minutes from the meeting held October 26, 2016 be adopted.

CARRIED UNANIMOUSLY 17/COTW

3.2 Council Member Motion: Proposed Amendment to the Storefront Cannabis Retailer Rezoning Policy

Committee received a Council Member Motion dated February 14, 2017 proposing an amendment to the Storefront Cannabis Retailer Rezoning Policy.

Motion: It was moved by Councillor Coleman, seconded by Councillor Alto, that the Cannabis Storefront Retailer Rezoning Policy be amended by adding:
Section 8:

All applications for rezoning under this Policy shall be forwarded to the Neighbourhood Association in which the subject property is located, for information and comments they may wish to provide.

CARRIED UNANIMOUSLY 17/COTW

3.3 Request to remove restrictive covenant B77642 for 1450 Slater Place (Oaklands)

Committee received a report dated February 3, 2017 from the Director of Sustainable Planning and Community Development providing information regarding the potential removal of a restrictive covenant from the property located at 1450 Slater Place.

Motion: It was moved by Councillor Coleman, seconded by Councillor Alto, that Council authorize the Mayor and City Clerk to execute legal instrument, in a form satisfactory to the City Solicitor, to discharge covenant number B77642 from the property located at 1450 Slater Place.

CARRIED UNANIMOUSLY 17/COTW

4. PRESENTATION

4.1 Municipal Involvement in Marine Oil Spill Response Planning

Committee received a presentation from the President of Western Canada Marine Response Corporation providing information on the areas to be protected by oil absorbing booms as well as current and future anticipated response times, should a spill occur.

Motion: It was moved by Councillor Isitt, seconded by Councillor Coleman, that Council receive the report for information

Committee discussed:

- Ensuring that a greater protection of the coastline is undertaken sooner rather than later.

CARRIED 17/COTW

For: Mayor Helps, Councillors Alto, Coleman, Isitt, Lucas, Madoff, Thornton-Joe, and Young
Against: Councillor Isitt

5. UNFINISHED BUSINESS

Mayor Helps withdrew from the meeting at 9:27 a.m. due to a potential non-pecuniary conflict of interest with the following item, due to her relationship with an Airbnb operator.

Councillor Coleman assumed the Chair in her absence.

Councillor Lucas withdrew from the meeting at 9:27 a.m. due to a pecuniary conflict of interest with the following item, as she is the general manager of a hotel.

Councillor Madoff withdrew from the meeting at 9:27 a.m. due to a pecuniary conflict of interest with the following item, as she runs a Bed and Breakfast in her home.

5.1 Motion to Refer from the January 26, 2017 Council Meeting

Short Term Vacation Rental:

Scenario 1: Entire condo with no transient zoning

Motion to refer to the February 16, 2017 Committee of the Whole meeting and invite comment from the BnB Association, the Hotel Association and other operator, industry representatives that want to provide comment:

That the City write to the province asking there be a repeal of Section 78(1)(b) of the Provincial Sales Tax exemption and refund regulation.

Committee received correspondence from various industry representatives.

Motion: It was moved by Councillor Young, seconded by Councillor Alto, that the City write to the province asking there be a repeal of Section 78(1)(b) of the Provincial Sales Tax exemption and refund regulation.

Committee discussed:

- Concerns of the fairness of taxes on small operators.

CARRIED UNANIMOUSLY 17/COTW

Mayor Helps returned to the meeting and assumed the Chair at 9:35 a.m.

Councillors Lucas and Madoff returned to the meeting at 9:35 a.m.

5.2 Project Update (#2): Crystal Pool Feasibility Study

Committee received a report dated January 25, 2017 from the Director of Parks, Recreation, and Facilities providing a response to questions posed by Council following the Council meeting of December 8, 2016. He provided a presentation regarding the possible issues with the current site of the Crystal Pool and the options going forward.

Committee discussed:

- Lessons staff have learned from the Johnson Street Bridge Project.
- Reasoning for increased costs of remediating the contaminants from the facility.
- Reasoning for the longer timeline for the market sounding process.
- Specific language needed for the referendum borrowing.
- Staff looking at other funding opportunities before borrowing.
- The lifespan of each proposed facility.
- Whether or not the proposals would be seismically upgraded to the same standard.

Motion: It was moved by Councillor Alto, seconded by Councillor Coleman, that Council:

1. Direct staff to develop an implementation plan of a new facility (\$69.4 million)
2. Approve funding to consist of \$10 million from the Buildings and Infrastructure Reserve and the remainder through external borrowing, as well as explore other funding opportunities;
3. Direct staff to amend the 2017-2021 Financial Plan for 2017 to include \$10 million towards the funding of the project;
4. Direct staff to develop a plan to use the referendum process as the method for placing the borrowing question before the electors;
5. Direct staff to consult with citizens and stakeholder groups on the design elements of the future facility, in alignment with Council's decision on a facility option.

Committee discussed:

- Creating a world class facility for the public.
- Being transparent with the potential costs of the new facility.

Amendment: It was moved by Councillor Young, seconded Mayor Helps, that the motion be amended as follows:

2. Approve funding to consist of \$10 million from **a combination of** the Buildings and Infrastructure Reserve and the remainder through **a combination of** external borrowing, ~~as well as explore~~ **and** other funding opportunities;

CARRIED UNANIMOUSLY 17/COTW

Amendment: It was moved by Councillor Young, seconded Councillor Isitt, that the motion be amended as follows:

4. Direct staff to develop a plan to use the referendum process as the method for placing the borrowing question before the electors **once the additional funding opportunities have been explored.**

Amendment to the amendment:

It was moved by Councillor Isitt, that the amendment be further amended as follows:

4. Direct staff to develop a plan to use the referendum process as the method for placing the borrowing question before the electors **once the additional funding opportunities have been explored, with the City borrowing not to exceed \$25 million dollars.**

On the amendment to the amendment:
Failed due to no seconder

On the amendment:
CARRIED UNANIMOUSLY 16/COTW

Committee discussed:

- The possibility of reducing the costs of the project.

Amendment: It was moved by Councillor Isitt, that the motion be amended as follows:

1. Direct staff to develop an implementation plan of a new facility (~~\$69.4 million~~).

On the amendment:
Failed due to no seconder

Amendment: It was moved by Mayor Helps, seconded by Councillor Alto, that the motion be amended as follows:

1. Direct staff to develop an implementation plan of a new facility **to cost no more than \$69.4 million total.**

On the amendment:
CARRIED 17/COTW

For: Mayor Helps, Councillors Alto, Coleman, Lucas, Madoff, Thornton-Joe, and Young
Against: Councillor Isitt

Council discussed:

- Ensuring that the public be fully informed of the costs for the project going forward.
- Having staff prepare a comparison of costs with a recent aquatic and recreation facility that was built and the Crystal Pool project.

Main motion as amended:

That Council:

1. Direct staff to develop an implementation plan of a new facility to cost no more than \$69.4 million total.
2. Approve funding to consist of \$10 million from a combination of the Buildings and Infrastructure Reserve and the remainder through a combination of external borrowing, and other funding opportunities;
3. Direct staff to amend the 2017-2021 Financial Plan for 2017 to include \$10 million towards the funding of the project;
4. Direct staff to develop a plan to use the referendum process as the method for placing the borrowing question before the electors once the additional funding opportunities have been explored.
5. Direct staff to consult with citizens and stakeholder groups on the design elements of the future facility, in alignment with Council's decision on a facility option.

CARRIED 17/COTW

For: Mayor Helps, Councillors Alto, Coleman, Lucas, Madoff, Thornton-Joe, and Young
Against: Councillor Isitt

Committee recessed at 11:11 a.m. and returned at 11:16 a.m.

Councillors Alto and Isitt were not present when the meeting reconvened.

6. LAND USE MATTERS

6.1 Informational Report on the First Two Storefront Cannabis Retailer Rezoning

Committee received a report dated February 9, 2017 from the Director of Sustainable Planning and Community Development providing information on Rezoning Applications for 546 Yates Street and 510-512 Yates Street, as one application will be in contravention of the 200 metre proximity guideline following the approval of the other.

Councillor Alto returned to the meeting at 11:17 a.m.

6.2 Rezoning Application No. 00530 for 546 Yates Street (Downtown)

Committee received a report dated February 3, 2017 from the Director of Sustainable Planning and Community Development providing information pertaining to the rezoning application for the property located at 546 Yates Street to allow for the retail sale of cannabis in the existing building.

Committee agreed to consider the Rezoning Applications No. 00530 and No. 00546 together.

Councillor Isitt returned to the meeting at 11:19 a.m.

Committee discussed:

- The reasoning for putting one application before the other.

Motion: It was moved by Councillor Isitt, seconded by Councillor Madoff, that Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00530 for 546 Yates Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set.

Committee discussed:

- The 200m buffer zone being too strict.
- The process for enforcement if businesses are not compliant.
- Staff detailing the compliance history of the business in future reports for Cannabis rezoning.

CARRIED UNANIMOUSLY 17/COTW

6.3 Rezoning Application No. 00546 for 510-512 Yates Street (Downtown)

Committee received a report dated February 3, 2017 from the Director of Sustainable Planning and Community Development providing information pertaining to the rezoning application for the property located at 510-512 Yates Street to allow for the retail sale of cannabis.

Motion: It was moved by Councillor Isitt, seconded by Councillor Madoff, that Council defer the proposed development outlined in Rezoning Application No. 00546 for 510-512 Yates Street until after the Public Hearing for Rezoning Application No. 00530 for 546 Yates Street.

CARRIED UNANIMOUSLY 17/COTW

For: Mayor Helps, Councillors Alto, Coleman, Isitt, Lucas, Madoff, and Thornton-Joe
Against: Councillor Young

6.4 Draft Zoning Bylaw 2017 (Downtown)

Committee received a report dated February 1, 2017 from the Director of Sustainable Planning and Community Development providing information regarding the draft Zoning Bylaw 2017 and options for communicating and receiving feedback from key stakeholders.

Committee discussed:

- Staff having discussions with the Heritage Design Panel regarding the Draft Zoning Bylaw.
- The possibility of an Old Town Heritage Conservation Area
- More information on the density bonus system.

Motion: It was moved by Councillor Thornton-Joe, seconded by Mayor Helps, that Council direct staff to:

1. Undertake focused public consultation on the draft Zoning Bylaw 2017 and related Zoning Maps for the Central Business District and Historic Commercial District as outlined in the report of February 1, 2017.

2. Report back to Council by May 2017 with the proposed Zoning Bylaw 2017 that considers the public feedback received and a related approving bylaw prior to a Public Hearing.

CARRIED UNANIMOUSLY 17/COTW

Committee recessed at 12:10 p.m. and returned at 12:40 p.m.

Committee agreed to discuss the Rezoning Application and the Development Permit with Variances Application for 1120-1128 Burdett Avenue together.

3.1 Rezoning Application No. 00516 for 1120 – 1128 Burdett Avenue and Development Permit with Variances Application No. 000462 for 1120-1128 Burdett Avenue (Fairfield)

Committee received a report dated February 2, 2017 from the Director of Sustainable Planning and Community Development regarding the Rezoning Application for the property located at 1120-1128 Burdett Avenue in order to increase density and allow for multi-unit residential uses.

Committee discussed:

- Ensuring housing agreements are in place to prohibit future strata councils from prohibiting children.
- The difference between traditional residential and urban residential.

Motion: It was moved by Councillor Alto, seconded by Councillor Lucas, that Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00516 for 1120-1128 Burdett Avenue, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set once the following conditions are met:

1. Plan revisions to include:
 - a. increasing the rear yard setback, consistent with the zoning requirements;
 - b. elimination of the secondary stair access from the parkade if feasible and if compliant with the BC Building Code;
 - c. clarification of the privacy mitigation measures and any other changes required to ensure accuracy and consistency with plans to the satisfaction of City staff;
2. Preparation of the following documents, executed by the applicant, to the satisfaction of City Staff:
 - a. section 219 Covenant to secure sustainability features and construction achieving a minimum of BUILT GREEN® “Bronze” certification;
 - b. housing Agreement to ensure that future strata bylaws cannot prohibit strata owners from renting residential strata units.

Committee discussed:

- Finding a compromise between traditional residential and urban residential.

Amendment: It was moved by Mayor Helps, seconded by Councillor Madoff, that the motion be amended as follows:

2. Preparation of the following documents, executed by the applicant, to the satisfaction of City Staff:
 - a. section 219 Covenant to secure sustainability features and construction achieving a minimum of BUILT GREEN® “Bronze” certification;
 - b. housing Agreement to ensure that future strata bylaws cannot prohibit strata owners from renting residential strata units.
 - c. **ask staff to work with the applicant to put a section 219 covenant on the property to not prohibit occupancy by age.**

Committee discussed:

- Ensuring that the units will not allow short term vacation rentals.

On the amendment:

CARRIED UNANIMOUSLY 17/COTW

Main Motion as amended:

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00516 for 1120-1128 Burdett Avenue, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set once the following conditions are met:

1. Plan revisions to include:
 - a. increasing the rear yard setback, consistent with the zoning requirements;
 - b. elimination of the secondary stair access from the parkade if feasible and if compliant with the BC Building Code;
 - c. clarification of the privacy mitigation measures and any other changes required to ensure accuracy and consistency with plans to the satisfaction of City staff;
2. Preparation of the following documents, executed by the applicant, to the satisfaction of City Staff:
 - a. section 219 Covenant to secure sustainability features and construction achieving a minimum of BUILT GREEN® “Bronze” certification;
 - b. housing Agreement to ensure that future strata bylaws cannot prohibit strata owners from renting residential strata units.
 - c. ask staff work with the applicant to put a section 219 covenant on the property to not prohibit occupancy by age.

CARRIED 17/COTW

For: Mayor Helps, Councillors Alto, Coleman, Lucas, and Thornton-Joe

Against: Councillors Isitt, Madoff, and Young

Motion: It was moved by Councillor Alto, seconded by Councillor Lucas, that Council, after giving notice and allowing an opportunity for public comment at a meeting of Council and after the Public Hearing for Rezoning Application No. 00516, if it is approved, consider the following motion:

“That Council authorize the issuance of a Development Permit for Application No. 000462 for 1120-1128 Burdett Avenue, in accordance with:

1. Revised plans as noted in concurrent Rezoning Application No. 000462.
2. Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variances:
 - i. Increase the height from 12m to 13.55m
 - ii. Increase the site coverage from 40% to 57.16%;

- iii. Reduce the open site space from 50% to 42.06%;
 - iv. Reduce the minimum required front yard setback from 10.5m to 4.51m for the building;
 - v. Reduce the minimum required rear yard setback from 6.77m to 6.73m for the building;
 - vi. Reduce the east side yard setback from 6.77m to 3.75m for the building;
 - vii. Reduce the west side yard setback from 6.77m to 4.22m for the building face and nil for the parkade;
 - viii. Reduce the front yard projection setback for the canopy from 4.5m to 3m;
 - ix. Reduce the requirement for open site space adjacent to the street from 6.77m to 1m;
 - x. Reduce the required residential parking from 1.2 spaces per dwelling unit to 1.02 space per dwelling unit;
3. Final plans to be generally in accordance with the plans identified above to the satisfaction of City staff;
 4. That Council authorize the City Solicitor to execute an Encroachment Agreement for a fee of \$750, plus \$25 per m2 of exposed shored face during construction in a form satisfactory to staff. This is to accommodate shoring for construction of the underground parking structure if the method of construction involves anchor pinning into the public Right-of-Way;
 5. The Development Permit lapsing two years from the date of this resolution.”

CARRIED 17/COTW

For: Mayor Helps, Councillors Alto, Coleman, Lucas, and Thornton-Joe
Against: Councillors Isitt, Madoff, and Young

4. STAFF REPORTS

4.1 Development Cost Charges Review – Consultation Results

Committee received a report dated February 3, 2017 from the Director of Finance providing the results from the consultation with the development community and affordable housing providers on the proposed changes to the City’s Development Cost Charges.

Motion: It was moved by Councillor Alto, seconded by Councillor Lucas, that Council:

1. Direct staff to bring forward the Development Cost Charge bylaw for consideration of first, second, and third readings at the February 23, 2017 Council meeting.
2. Direct staff to develop a Council policy for consideration with the bylaw to review the Development Cost Charges (DCC) project estimates on an annual basis.

Committee discussed:

- The comparison of other municipalities that give trust funds.
- The types of housing units that are charged DCCs.

CARRIED UNANIMOUSLY 17/COTW

4.2 Infrastructure Planning Grant – Bowker Creek Daylighting Feasibility Study

Committee received a report dated February 9, 2017 from the Director of Engineering and Public Works regarding support for a City of Victoria application seeking funding for the Bowker Creek Daylighting Feasibility Study.

- Motion:** It was moved by Councillor Madoff, seconded by Councillor Thornton-Joe,
1. That Council endorse a resolution supporting the City of Victoria's application for \$10,000 in grant funds through the Infrastructure Planning Grant Program to fund a daylighting feasibility study in partnership with the CRD, District of Saanich and District of Oak Bay.
 2. That the City Clerk execute a grant agreement under the Infrastructure Planning Grant Program, if successful.

CARRIED UNANIMOUSLY 17/COTW

Councillor Thornton-Joe excused herself from the meeting at 1:35 p.m. due to a pecuniary conflict of interest as her husband works for BC Transit.

4.3 Capital City Station Bus Depot and BC Transit Downtown Terminal Pilot Projects – Six Month Interim Report

Committee received a report dated February 14, 2017 from the Director of Engineering and Public Works providing a six month interim report on the Capital City Station Bus Depot as well as the turnaround and layover area pilot on Government Street, north of Superior Street.

Committee discussed:

- The amount of time the lease could be extended.
- Other long-term possibilities for a bus depot.
- Feedback from passengers regarding waiting areas and passenger experience.

- Motion:** It was moved by Councillor Mayor Helps, seconded by Councillor Lucas,
1. That Council continue the Capital City Station pilot and direct staff to:
 - a. Continue monitoring and assessing operations, gather additional stakeholder feedback, and continue to make the necessary minor modifications to improve operations;
 - b. Extend the pilot end-date to 30 September 2018; and
 - c. Report back to Council in October 2017 with longer term lease agreement and extension recommendations.
 2. Continue the BC Transit Turnaround/Layover pilot on Government Street at Superior and direct staff to continue to monitor and assess the current operations and gather stakeholder feedback, with a long term recommendation to Council in October 2017.

CARRIED UNANIMOUSLY 17/COTW

5. ADJOURNMENT

Motion: It was moved by Councillor Coleman, seconded by Councillor Alto, that the Committee of the Whole meeting of February 16, 2017, be adjourned at 2:02 p.m.

CARRIED UNANIMOUSLY 17/COTW

CERTIFIED CORRECT:

CITY CLERK

MAYOR