



## REVISED AGENDA - VICTORIA CITY COUNCIL

Thursday, October 21, 2021

COUNCIL CHAMBERS - 1 CENTENNIAL SQUARE, VICTORIA BC

To be held immediately following the Committee of the Whole Meeting

The City of Victoria is located on the homelands of the Songhees and Esquimalt People

Pages

A. CONVENE COUNCIL MEETING

B. APPROVAL OF AGENDA

\*C. READING OF MINUTES

C.1. Minutes from the Evening Council Meeting October 14, 2021

1

*Addendum: New Item*

D. UNFINISHED BUSINESS

E. PROCLAMATIONS

F. REPORTS OF COMMITTEE

F.1. Committee of the Whole

F.1.a. Report from the October 7, 2021 COTW Meeting

11

[Link to the October 7, 2021 COTW Agenda](#)

F.1.a.a. 2740 Bridge Street and 450 Hillside Avenue: Rezoning  
Application No. 00779 (Burnside)

F.1.a.b. Accessibility Framework and Accessibility Advisory  
Committee Annual Update

F.1.a.c. 2021 External Audit Plan

F.1.a.d. Canadian Mental Health Association - City of Victoria  
Community-Led Mobile Crisis Team

F.1.a.e. 2727 Hamilton: Development Permit with Variances  
Application No. 00160 (Oaklands)

F.1.a.f. 848 and 836 Yates Street: Development Permit with Variances Application No. 00179 for 848 Yates and Heritage Alteration Permit with Variance Application No. 00024 for 836 Yates (Downtown)

F.1.a.g. Cultural Infrastructure Grants

F.1.b. Report from the October 21, 2021 COTW Meeting

*Placeholder for time-sensitive motions*

## G. BYLAWS

G.1. Bylaws for 780-798 Fort Street and 1106-1126 Blanshard Street: Rezoning Application No. 00745, Development Permit with Variances Application No. 000580, and Heritage Designation Application No. 000196

13

A report recommending:

- 1st and 2nd readings of:
  - Zoning Bylaw 2018, Amendment Bylaw (No. 11) No. 21-083
  - Heritage Designation (1114-1126 Blanshard Street) Bylaw No. 21-085
- 1st, 2nd and 3rd readings of:
  - Housing Agreement (1114 Blanshard Street) Bylaw (2021) No. 21-084

The application is ready to proceed to Public Hearing and proposes to increase the density on 780-798 Fort Street and 1106-1126 Blanshard Street to allow for a 20-storey hotel with office and ground floor commercial uses.

G.2. Bylaw for 3150 Somerset Street: Rezoning Application No. 00743 and Development Permit Application No. 000592

33

A report recommending:

**1st and 2nd readings of:** Zoning Regulation Bylaw, Amendment Bylaw (No. 1261) No. 21-087

The application is ready to proceed to Public Hearing and proposes to demolish the existing legally non-conforming duplex, subdivide the property, and construct two new duplexes.

***Addenda: New item***

A report recommending:

- **1st, 2nd and 3rd readings of:**
  - Victoria Subdivision and Development Servicing Bylaw, Amendment Bylaw (No. 4)

To amend the *Victoria Subdivision and Development Servicing Bylaw* to clarify requirements regarding highway works and services.

**H. CLOSED MEETING**

**MOTION TO CLOSE THE OCTOBER 21, 2021 COUNCIL MEETING TO THE PUBLIC**

That Council convene a closed meeting that excludes the public under Section 90 of the *Community Charter* for the reason that the following agenda items deal with matters specified in Sections 90(1) and/or (2) of the *Community Charter*, namely:

Section 90(1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

*Section 90(1)(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;*

*Section 90(1)(c) labour relations or other employee relations;*

*Section 90(1)(f) law enforcement, if the council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;*

*Section 90(1)(g) litigation or potential litigation affecting the municipality;*

*Section 90(1)(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;*

*Section 90(1)(k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public;*

**I. APPROVAL OF CLOSED AGENDA**

**J. READING OF CLOSED MINUTES**

J.1. Minutes from the Closed Confidential meeting held September 23, 2021

K. UNFINISHED BUSINESS

K.1. Appointment - Community Charter Section 90(1)(a)

L. CORRESPONDENCE

M. NEW BUSINESS

M.1. Appointment - Community Charter Section 90(1)(a)

M.2. Employee Relations, Law Enforcement, Litigation, Legal Advice,  
Intergovernmental Negotiations - Community Charter Section 90(1)(c)(f)(g)(i)(k)

N. CONSIDERATION TO RISE & REPORT

O. ADJOURNMENT



## MINUTES - VICTORIA CITY COUNCIL

October 14, 2021, 6:30 P.M.

Council Chambers, City Hall, 1 Centennial Square

The City of Victoria is located on the homelands of the Songhees and Esquimalt People

PRESENT: Mayor Helps in the Chair, Councillor Alto, Councillor Andrew, Councillor Loveday, Councillor Potts, Councillor Thornton-Joe, Councillor Young

PRESENT ELECTRONICALLY: Councillor Dubow and Councillor Isitt

STAFF PRESENT: J. Jenkyns - City Manager, T. Soulliere - Director of Parks, Recreation & Facilities, T. Zworski - City Solicitor, B. Eisenhauer - Head of Engagement, P. Bellefontaine - Director of Engineering & Public Works, K. Hoese - Director of Sustainable Planning and Community Development, C. Havelka - Deputy City Clerk, C. Mycroft - Manager of Executive Operations, A. Johnston - Planner, AK Ferguson - Committee Secretary, C. Kingsley - City Clerk

### A. MUSIC

The Victoria Conservatory of Music presents the Young Artists Collegium Program End of Year Chamber Music Showcase 2021, featuring the VCM's Preparatory and Intermediate Orchestras, under the direction of Tatiana Kostour.

Performance by the Florence Price Trio.

### B. APPROVAL OF AGENDA

The City Clerk outlined amendments to the agenda.

**Moved By** Councillor Loveday

**Seconded By** Councillor Andrew

That the agenda be approved as amended.

**CARRIED UNANIMOUSLY**

### D. REQUESTS TO ADDRESS COUNCIL

**Moved By** Councillor Alto

**Seconded By** Councillor Dubow

That the following speakers be permitted to address Council.

**CARRIED UNANIMOUSLY**

**D.1 Melanie Ransome: Ross Terrace Project Follow-Up (2570 Fifth Street)**

Outlined for Council the progress of the Ross Terrace Project located at 2570 Fifth Street.

**D.2 Paul Christopher: Pandora Situation**

Outlined for Council issues with the sanitation around Pandora.

**D.3 Ellisa Hartman: Off Leash Dog Park**

Outlined why Council needs to install a dog park near Cecelia Ravine Park.

**D.4 Patrick Corbell: Reconsideration of a portion of the Council Motion on Rental Business Licensing Bylaw**

Outlined why Council should not cease proceeding with the Rental Business Licensing Bylaw.

**F. PUBLIC AND STATUTORY HEARINGS**

**F.1 1012 Richardson Street: Heritage Alteration Permit with Variance Application No. 00025**

**Heritage Alteration Permit Application with Variance(s) No. 00025**

Council will be considering the issuance of a Heritage Alteration Permit with variances for the land known as 1012 Richardson Street and varying the Zoning Regulation Bylaw.

**F.1.a Opportunity for Public Comment & Consideration of Approval:**

Alec Johnson (Senior Planner): *Advised that the application is to increase the building height from 7.6 metres to 9.2 metres and decreasing the setbacks on the property.*

*Mayor Helps opened the opportunity for public comment at 6:54 p.m.*

Richard Iredale (Applicant): Provided information regarding the application.

*Council recessed from 7:03 p.m. until 7:08 p.m. to provide an opportunity for members of the public to call to speak live.*

No persons called in to speak to the proposed application.

*Council discussed the following:*

- *Whether the railing on the back porch will be retained.*
- *Concerns with the amount of work being completed prior to a building permit.*

- *Concerns about debris falling from the home and issues with brick falling from the chimney*

*Mayor Helps closed the opportunity for public comment at 7:14 p.m.*

**Moved By** Councillor Andrew

**Seconded By** Councillor Loveday

That Council authorize the issuance of Heritage Alteration Permit with Variances Application No. 00025 for 1012 Richardson Street, in accordance with:

1. Plans, date stamped June 10, 2021.
2. Development meeting all Zoning Regulation Bylaw requirements, except for the following variances:
  - i. increase building height from 7.6 metres to 9.2 metres;
  - ii. decrease the rear yard setback from 9.29 metres to 1.35 metres;
  - iii. decrease the east side yard setback from 1.5 metres to 1.27 metres;
  - iv. decrease the west side yard setback from 3 metres to 2.58 metres;
  - v. decrease the combined side yard setback from 4.5 metres to 3.9 metres.
3. Plan revisions to remove one of the proposed front yard parking spaces and to illustrate a driveway crossing that complies with the Highway Access Bylaw, to the satisfaction of the Director of Engineering.
4. Heritage Alteration Permit with Variances lapsing two years from the date of this resolution.

**CARRIED UNANIMOUSLY**

## **F.2 931 Redfern Street: Development Variance Permit Application No. 00265**

### **Development Variance Permit Application No. 00265**

Council will be considering the issuance of a Development Variance Permit for the land known as 931 Redfern Street for the purpose of varying certain requirements of the *Zoning Regulation Bylaw* namely: to reduce the minimum front, rear, south side and combined side yards setbacks for the construction of a single-family dwelling with a secondary suite.

#### **F.2.a Opportunity for Public Comment & Consideration of Approval**

Alec Johnson (Senior Planner): *Advised that the application is to reduce the minimum front, rear, south side and combined side yards setbacks for the construction of a single-family dwelling with a secondary suite.*

*Mayor Helps opened the opportunity for public comment at 7:16 p.m.*

Johnathan Aitken (Applicant): Provided information regarding the application.

*Council recessed from 7:24 p.m. until 7:29 p.m. to provide an opportunity for members of the public to call to speak live.*

No persons called in to speak to the proposed application.

*Mayor Helps closed the opportunity for public comment at 7:29 p.m.*

**Moved By** Councillor Alto

**Seconded By** Councillor Loveday

That Council authorize the issuance of Development Variance Permit Application No. 00265 for 931 Redfern Street, in accordance with:

1. Plans date stamped May 6, 2021.
2. Development meeting all Zoning Regulation Bylaw requirements, except for the following variances:
  - i. reduce the minimum front setback from 7.5m to 3.23m
  - ii. reduce the minimum rear setback from 9.1m to 3.64m
  - iii. reduce the minimum south side setback from 2.6m to 1.93m
  - iv. reduce the combined side yards setback from 5.4m to 4.53m.
3. Final Plans to be generally in accordance with the plans date stamped May 6, 2021, to the satisfaction of the Director of Sustainable Planning and Community Development.
4. The Development Permit lapsing two years from the date of this resolution."

**CARRIED UNANIMOUSLY**

**F.3 121 Menzies Street: Development Permit with Variances Application No. 00194 and Heritage Designation Application No. 000162**

**Heritage Designation Application No. 000162**

Council, under the provisions of the *Local Government Act*, the City of Victoria intends to designate the building located at 121 Menzies Street, legally described as: PID: 008-674-477, Lot 27, Section 11, Beckley Farm, Victoria City, Plan 753, as protected heritage property, under Heritage Designation Bylaw No. 21-038 (121 Menzies Street).

**Development Variance Permit Application No. 00194**

Council will also consider issuing a Development Variance Permit for the land known as 121 Menzies Street, legally described as: PID: 008-674-477, Lot 27, Section 11, Beckley Farm, Victoria City, Plan 753, for the purpose of varying certain requirements of the *Zoning Regulation Bylaw*.

**F.3.a Public Hearing & Consideration of Approval**

Alec Johnson (Senior Planning): *Advised that the application is to allow ten residential dwelling units within an existing house conversion.*

*Mayor Helps opened the public hearing at 7:33 p.m.*

Applicant was not originally present.



*Council recessed from 7:34 p.m. until 7:38 p.m. to provide an opportunity for members of the public to call to speak live.*

No persons called in to speak to the proposed bylaw.

*The applicant joined the meeting after technical difficulties.*

John Iverson (Applicant): Provided Council with an overview of the application.

*Council discussed the following:*

- *How many people will be displaced.*
- *Will the work take place while the tenants are still living in the units.*

*Council recessed from 8:00 p.m. until 8:05 p.m. to provide an opportunity for members of the public to call to speak live.*

Jake (Saanich): supports the application

*The Mayor closed the hearing at 8:07 p.m.*

**Moved By** Councillor Loveday

**Seconded By** Councillor Thornton-Joe

That the following bylaw **be given third reading**:

- Heritage Designation (121 Menzies Street) Bylaw No. 21-038

**CARRIED UNANIMOUSLY**

**Moved By** Councillor Alto

**Seconded By** Councillor Loveday

That the following bylaw **be adopted**:

- Heritage Designation (121 Menzies Street) Bylaw No. 21-038
- Housing Agreement (121 Menzies Street) Bylaw (2021) No. 21-037

**CARRIED UNANIMOUSLY**

**Moved By** Councillor Alto

**Seconded By** Councillor Potts

**Development Permit with Variance Application No. 00194**

That Council authorize the issuance of Development Permit with Variance Application No. 00194 for 121 Menzies Street in accordance with:

1. Plans date stamped May 26, 2021.
2. Development meeting all Zoning Regulation Bylaw requirements, except for the following variances:
  - i. decrease the dwelling unit floor area (minimum) from 33.00m<sup>2</sup> to 14.79m<sup>2</sup>;
  - ii. locate the parking in the front yard;
  - iii. locate accessory buildings in the side yard;
  - iv. increase total site coverage from 40% to 42.30%;

- v. increase the height of one accessory building from 3.50m to 4.41m;
  - vi. decrease the rear setback of an accessory building from 0.60m to 0.50m;
  - vii. decrease the side setback of accessory buildings from 0.60m to 0.40m;
  - viii. decrease the separation space between an accessory building and a principal building from 2.40m to 1.0m;
  - ix. increase the rear yard site coverage for an accessory building from 25.00% to 29.80%;
  - x. increase the combined floor area for an accessory building from 37.00m<sup>2</sup> to 41.61m<sup>2</sup>.
2. The Development Permit lapsing two years from the date of this resolution.

**CARRIED UNANIMOUSLY**

**F.4     1120-1128 Burdett Avenue: Rezoning Application No. 00734 and Development Permit with Variance Application No. 00146**

*Councillor Isitt recused himself at 8:11 p.m. due to a non-pecuniary conflict of interest as he has as a family member who lives within close proximity to the application.*

**Zoning Regulation Bylaw, Amendment Bylaw (No. 1257) - No. 21-069:**

Council will consider rezoning the land known as 1120, 1124 and 1128 Burdett Avenue from the R1-B Zone, Single Family Dwelling District, and the R3-AM-1 Zone, Mid-Rise Multiple Dwelling District, to the R3-AM-4 Zone, Mid-Rise Multiple Dwelling (Burdett) District, to permit a five-storey rental residential building with multiple dwelling units.

**Development Permit with Variances Application**

Council will also consider issuing a development permit with variances for the land known as 1120, 1124 and 1128 Burdett Avenue, in Development Permit Area 16: General Form and Character, for the purposes of approving the exterior design and finishes for the five-storey rental residential building as well as landscaping.

**F.4.a   Public Hearing & Consideration of Approval**

Alec Johnson (Senior Planner): *Advised that the application is to increase the density and allow for a five-storey residential rental building*

*Mayor Helps opened the public hearing at 8:14 p.m.*

Sam Ganong, Gregory Damant, Chris Windjack (Applicant): Provided information regarding the application.

Brandon Williams (View Street): Expressed support for the application.

Mark Defrias (Meares Street): Expressed support for the application.

Sarah Counten (works on Fort Street): Expressed support for the application.

Ben (Burdett Ave): Expressed concern for the application and having to leave his residence and not being eligible for rental assistance.

Ian (Garbally Road): Expressed support for the application.

Baldwin (Cook Street): Expressed support for the application.

Andrew Glover (Cook Street): Expressed concern with increased traffic in the area and construction noise.

Cole (Burdett Ave): Expressed concern over having to leave his residence and finding a new place to live in this rental market.

Mike (Rainbow Hill, Saanich): Expressed his support for the application.

Dan Barnes (Meares Street): Expressed his support for the application.

Douglas Curran (Burdett Ave): Expressed his concern with the height and density increases

Ross Marshall (Fort Street): Expressed support for the application

Tim Stemp (Burdett Ave): Expressed concern with the size and lack of affordable rental housing.

Todd Litman (Fernwood): Expressed support for the application.

Jake (Burdett area): Expressed support for the application.

Mark Marquetti (Burdett area): Expressed concern with the application.

Ed Adams (Victoria): Expressed support for the application.

Marc Foucher (Fairfield): Expressed support for the application.

Mack Carson (Fairfield): Expressed support for the application.

Nick Walker (Vancouver Street): Expressed support for the application.

Max Ryan (Oxford): Expressed support for the application.

Clifford Childs (unknown): Expressed support for the application.

*Council recessed from 9:31 p.m. until 9:36 p.m. to provide an opportunity for members of the public to call to speak live.*

Denise (Rockland Ave): Expressed concern with the application having accessible and affordable housing.

*Council discussed the following:*

- *Whether the three houses that will be demolished have heritage value.*
- *Whether the setbacks are similar to the previous proposals.*
- *Possibility of moving the other two houses.*

- *How can the city ensure that the applicant fulfills the tenant assistance plan.*
- *Rational for a larger building than what was presented previously.*
- *How many tenants qualify for tenant assistance and how many do not.*
- *Timeline for the project to be completed.*

*Mayor Helps closed the public hearing at 9:59 p.m.*

**Moved By** Councillor Andrew

**Seconded By** Mayor Helps

That the following bylaw **be given third reading:**

- Zoning Regulation Bylaw 2018, Amendment Bylaw (No. 1257) No. 21-069

FOR (6): Mayor Helps, Councillor Alto, Councillor Andrew, Councillor Loveday, Councillor Potts, and Councillor Thornton-Joe

OPPOSED (2): Councillor Dubow, and Councillor Young

**CARRIED (6 to 2)**

**Moved By** Councillor Alto

**Seconded By** Councillor Dubow

That Council allow Councillor Young to speak a second time.

FOR (7): Mayor Helps, Councillor Alto, Councillor Andrew, Councillor Dubow, Councillor Potts, Councillor Thornton-Joe, and Councillor Young

OPPOSED (1): Councillor Loveday

**CARRIED (7 to 1)**

**Moved By** Councillor Alto

**Seconded By** Councillor Dubow

That Council allow Mayor Helps to speak a second time

**CARRIED UNANIMOUSLY**

**Moved By** Councillor Andrew

**Seconded By** Councillor Alto

That the following bylaw **be adopted:**

- Zoning Regulation Bylaw 2018, Amendment Bylaw (No. 1257) No. 21-069

FOR (6): Mayor Helps, Councillor Alto, Councillor Andrew, Councillor Loveday, Councillor Potts, and Councillor Thornton-Joe

OPPOSED (2): Councillor Dubow, and Councillor Young

**CARRIED (6 to 2)**

**Moved By** Councillor Andrew

**Seconded By** Councillor Alto

That the following bylaw **be adopted**:

- Housing Agreement (1120 Burdett Avenue) Bylaw (2021) No. 21-070

**CARRIED UNANIMOUSLY**

**Moved By** Councillor Andrew

**Seconded By** Councillor Alto

Development Permit with Variances Application No. 00146

That Council authorize the issuance of Development Permit with Variances Application No. 00146 for 1120, 1124 and 1128 Burdett Avenue, in accordance with:

1. Plans date stamped October 8, 2020.
2. Development meeting all Zoning Regulation Bylaw requirements, except for the following variances:
  - i. increase the site coverage from 40% to 53%
  - ii. reduce open site space from 50% to 44%
  - iii. reduce the rear yard setback from 10m to 5.87m (to building) and 5m (to balconies)
  - iv. reduce the west side yard setback from 6.0m to 3.5m (to building) and 2.5 (to balconies)
  - v. reduce the east side yard setback from 6.0m to 3.75m (to building) and 2.9m (to balconies)
  - vi. reduce the parking requirement from 47 stalls to 40 stalls.
3. The Development Permit with Variances lapsing two years from the date of this resolution.

FOR (6): Mayor Helps, Councillor Alto, Councillor Andrew, Councillor Loveday, Councillor Potts, and Councillor Thornton-Joe

OPPOSED (2): Councillor Dubow, and Councillor Young

**CARRIED (6 to 2)**

Motion arising:

**Moved By** Councillor Andrew

**Seconded By** Councillor Dubow

That Council request the applicant to apply the tenant assistance policy to all existing tenants.

FOR (7): Mayor Helps, Councillor Alto, Councillor Andrew, Councillor Dubow, Councillor Loveday, Councillor Potts, and Councillor Thornton-Joe

OPPOSED (1): Councillor Young

**CARRIED (7 to 1)**

**O. ADJOURNMENT**

**Moved By** Councillor Thornton-Joe

**Seconded By** Councillor Loveday

That the Council meeting adjourn.

TIME: 10:43 p.m.

**CARRIED UNANIMOUSLY**

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CITY CLERK

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MAYOR

**COMMITTEE OF THE WHOLE REPORT**  
**FROM THE MEETING HELD OCTOBER 7, 2021**

For the Council meeting of October 21, 2021, the Committee recommends the following:

**F.1     2740 Bridge Street and 450 Hillside Avenue: Rezoning Application No. 00779 (Burnside)**

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00779 for 2740 Bridge Street and 450 Hillside 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. Preparation and execution of the following legal agreement, to the satisfaction of the City Solicitor and Director of Engineering and Public Works:
  - a. a Statutory Right-of-Way of 1.7m on Bridge Street.

**D.1     Accessibility Framework and Accessibility Advisory Committee Annual Update**

That Council receive the report for information.

1. That Council endorse the proposed wheelchair/inclusion rodeo to be led by AAC, encourage Council members to participate in the rodeo, and direct staff to support the AAC in hosting and promoting the wheelchair/inclusion rodeo.
2. That sponsors and grants be sought and if necessary, that Council allocate up to \$2000 from the 2021 contingency towards the wheelchair/inclusion rodeo.

**E.1     2021 External Audit Plan**

That Council receive this report for information.

**E.3     Canadian Mental Health Association - City of Victoria Community-Led Mobile Crisis Team**

That Council receive the presentation for information.

**F.2     2727 Hamilton: Development Permit with Variances Application No. 00160 (Oaklands)**

That Council, after giving notice and allowing an opportunity for public comment at a meeting of Council, consider the following motion:

"That Council authorize the issuance of Development Permit with Variances Application No. 00160 for 2727 Hamilton Road, in accordance with:

1. Plans date stamped August 18, 2021.
2. Development meeting all Zoning Regulation Bylaw requirements, except the following variances to the R1-S2 Zone, Restricted Small Lot (Two Storey) District:
  - i. reduce the front yard setback from 6.00m to 3.14m
  - ii. reduce the side yard setback (north) from 1.50m to 0.50m (heat pump only).
3. The Development Permit lapsing two years from the date of this resolution."

**F.3     848 and 836 Yates Street: Development Permit with Variances Application No. 00179 for 848 Yates and Heritage Alteration Permit with Variance Application No. 00024 for 836 Yates (Downtown)**

**Development Permit with Variances Application No. 00179 for 848 Yates Street**

That this item be referred to the December 2, 2021 COTW meeting and direct staff to meet with both applicants for 836 Yates Street and 848 Yates Street together to continue to address heritage concerns and the provision of a combined public walkway between their two properties.

**Heritage Alteration Permit with Variance Application No. 00024 for 836 Yates Street**

That this item be referred to the December 2, 2021 COTW meeting and direct staff to meet with both applicants for 836 Yates Street and 848 Yates Street together to continue to address heritage concerns and the provision of a combined public walkway between their two properties.

**G.1     Cultural Infrastructure Grants**

That Council:

1. Receive this staff report for information with details of grant recipients and program evaluation for the 2021 Cultural Infrastructure Grant Program.
2. Consider approving ongoing funding to the Cultural Infrastructure Grant Program for \$250,000 annually from new assessed revenue as part of the 2022 Financial Planning process.
3. Approve the revised Cultural Infrastructure Grant Program guidelines.





## Council Report

For the Meeting of October 21, 2021

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**To:** Council **Date:** October 13, 2021

**From:** Karen Hoes, Director, Sustainable Planning and Community Development

**Subject:** **Update Report for Rezoning Application No. 00745, Development Permit with Variances Application No. 000580 for 780-798 Fort Street & 1106-1126 Blanshard Street and Heritage Designation Application No. 000196 for 1114-1126 Blanshard Street**

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### RECOMMENDATION

That the following bylaws be given introductory readings:

1. Zoning Regulation Bylaw, Amendment Bylaw (No. 11) No. 21-083
2. Housing Agreement Bylaw No. 21-084
3. Heritage Designation Bylaw No. 21-085

### BACKGROUND

Attached for Council's consideration is a copy of the proposed Bylaw No. 21-083, Housing agreement Bylaw No. 21-084 and Heritage Designation Bylaw No. 21-085. The applications came before Council at a Committee of the Whole meeting on April 1, 2021, and on April 8, 2021 the following resolution was approved:

#### Rezoning Application No. 00745

*"That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendments that would authorize the proposed development outlined in Rezoning Application No. 00745 for 780-798 Fort Street and 1106-1126 Blanshard Street, subject to minor plan amendments to correct the public realm details, and that first and second reading of the Zoning Regulation Bylaw Amendments be considered by Council and a Public Hearing date be set once the following conditions are met:*

1. *Preparation and execution of legal agreements, to the satisfaction of City Staff, to:*
  - a. *Secure 21 residential units as rental for 60 years;*
  - b. *Restrict the stratification of units at 780-798 Fort Street and 1106-1126 Blanshard Street;*
  - c. *Secure public realm improvements as indicated on the plans dated November 20, 2020;*
  - d. *Secure the historic rehabilitation of the ground floor storefronts to preserve the original transoms, and restore the altered transoms and bulkheads, as can be*

*accommodated without displacing existing commercial tenants, in accordance with the heritage conservation plan, dated March 2021;*

- e. Secure a sewer attention.*
- 2. Confirmation of the communication with existing tenants within the Montrose Apartments, outlining the commitments made to not evict tenants as part of the proposed renovations and, in instances where this cannot be avoided, tenant assistance commitments identified, to the satisfaction of the Director of Sustainable Planning and Community Development.*
- 3. That Council authorize the Mayor and City Clerk to execute encroachment agreements, to be executed at the time of the building permit approval, if the other necessary approvals are granted, in a form satisfactory to the City Solicitor and the Director of Engineering and Public Works, for:*
  - a. building encroachments adjacent to Blanshard Street and View Street for the existing Montrose Apartments;*
  - b. anchor-pinning in the City right-of-way.*
- 4. That Council direct staff to explore, with the applicant, the possibility of securing significant internal heritage features and unit layouts, within the Heritage Designation, as well as securing the installation of thermal windows when replaced.*
- 5. That Council request that the applicant consider instituting vacancy controls to help secure the affordability of the housing units and de-incentivize renovations.”*

#### Development Permit with Variances Application No. 000580

*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. 00745, if it is approved, consider the following motion:*

*“That Council authorize the issuance of Development Permit with Variances Application No. 000580 for 780-798 Fort Street & 1106-1126 Blanshard Street, in accordance with:*

- 1. Plans date stamped November 18, 2020 with minor plan revisions to address Advisory Design panel comments, to the satisfaction of the Director of Sustainable Planning and Community Development.*
- 2. Development meeting all Zoning Regulation Bylaw requirements, except for the following variances:*
  - i. increase the building height from 60 metres to 66 metres for Development Area A*
  - ii. reduce the west side yard setback from 6 metres to 2.65 metres, for portions of the building 17.5 metres above average grade for Development Area A.*
- 3. The Development Permit lapsing two years from the date of this resolution.”*

#### Heritage Designation Application No. 000196

*That Council direct staff to prepare the Heritage Designation Bylaw for the property located at 1114-1126 Blanshard Street and bring it forward for introductory readings, and after giving notice and allowing an opportunity for public comment at a joint Public Hearing with Rezoning Application No. 00745 for 780-798 Fort Street and 1106-1126 Blanshard Street, if it is approved, consider the following motion:*

*“That Council approve the designation of the property located at 1114-1126 Blanshard Street, in accordance with the Conservation Plan prepared by Donald Luxton and Associates Inc. dated March 2021, pursuant to Section 611 of the Local Government Act, as a Municipal Heritage Site.”*

## PRE-CONDITIONS

Regarding the pre-conditions that Council set in relation to this application, staff can report that all conditions have been met, agreements have been executed and the application is ready for Council's consideration of introductory readings. Commentary is also provided below regarding additional information that was requested.

The Development Permit with Variances motion directed the applicant to make minor revisions to the plans to address the ADP comments, specifically:

- group tropical trees into larger planters for better chance of long-term survival
- consideration of a through route for pedestrians to be able to enjoy the atrium
- consideration of the treatment to the Montrose building roof with some type of roofscape.

Since the COTW date, the applicant's landscape architect has confirmed that the proposed planter sizes are appropriate for the long-term survival of the proposed trees, The architect has also confirmed that a through-route is available for pedestrians within the atrium; however, given the proposed café and lobby functions as well as the more efficient pedestrian route along the expanded exterior sidewalk, it is not anticipated that this access would typically be used in this way.

Additionally, a green roof was explored for the Montrose building, however it was determined that the existing structure would not support a green roof. To maintain the rental viability of existing residences and to minimize interventions into the heritage building, the level of structural changes required to support a green-roof has therefore not been proposed.

Council also added the following two conditions to the recommended motion:

*4. "That Council direct staff to explore, with the applicant, the possibility of securing significant internal heritage features and unit lay outs, within the Heritage Designation, as well as securing the installation of thermal windows when replaced.*

*5. That Council request that the applicant consider instituting vacancy controls to help secure the affordability of the housing units and de-incentivize renovictions."*

The applicant has provided a letter response (attached), which summarizes the outcome of meetings and a building tour staff undertook on April 12, 2021 to evaluate interior features for possible designation.

As described in the letter, some elements of the staircase like the balustrade and rail appear to be original, but the newel posts at every floor are different. The ground floor post has mouldings and a fluted square column, but the upper-level newel posts have minimal detailing and appear to have been rebuilt to meet fire code requirements. Staff were unable to locate plans, photographs or other documentary evidence to verify the original appearance of the staircase and cannot verify the historic integrity of the staircase. In recognition of these uncertainties and the applicant's wish to maintain flexibility for future seismic upgrading, further action to protect the stair is not recommended.

It was also considered whether the upper storey room layouts or other features should be protected. The floor layout of the rest of the building has been subdivided with fire exit doors and

displays non-original wall finishes and flooring material throughout. Staff do not believe there is a public benefit to protecting existing unit layouts given alterations that have occurred.

Some original windows have already been replaced with single pane replicas, consistent with heritage policy. In considering whether thermal panes could be installed, the applicant's window restoration company states that performance upgrades are already being achieved through window repairs. The existing window sashes would have to be heavily modified to accommodate double pane windows and the replacement thermal panes would not last as long as a single pane equivalent. The owner of the building states that they have not received any complaints from tenants about noise or thermal performance of the existing windows, and would like to proceed with their current strategy of maintaining the historic integrity of the windows.

Staff also discussed vacancy controls within the existing Montrose building with the applicant. In the applicant's letter (attached) they note that no tenants are intended to be evicted as part of this proposal. In the unlikely event that renovations require a tenant to vacate their suite, the applicant has offered existing tenants right-of-first refusal, at the same rent, to return to the building. The tenant assistance plan also provides a number of other measures to help assist tenants including:

- relocation assistance to find interim housing, ideally within the building
- reimbursement of moving costs
- option for the tenant to terminate tenancy, with compensation.

Lastly, staff confirm that the applicant has communicated with existing tenants, per condition two in the rezoning motion, outlining the commitments made to not evict tenants within the Montrose Apartments as part of the proposed renovations and the details within the TAP.

## CONCLUSIONS

The applicant has executed the required legal agreements and have satisfied staff with the further explorations requested by Council. As such, this application is now ready to advance to a public hearing.

Respectfully submitted,

Miko Betanzo  
Senior Planner – Urban Design  
Development Services Division

Karen Hoese, Director  
Sustainable Planning and Community  
Development Department

John O'Reilly Senior Heritage Planner  
Sustainable Planning and Community  
Development

**Report accepted and recommended by the City Manager.**

## List of Attachments

- Zoning Regulation Bylaw, Amendment Bylaw (No. 11) No. 21-083
- Housing Agreement Bylaw No. 21-084
- Heritage Designation Bylaw No. 21-085
- Applicant letter to Mayor and Council, dated July 15, 2021.

A BYLAW OF THE CITY OF VICTORIA

The purposes of this Bylaw are to amend the Zoning Bylaw 2018 by rezoning land known as 780/84 and 794-798 Fort Street and 1106-1108 and 1114-1126 Blanshard Street in order to increase density and to add site specific regulations to the CBD-1, Central Business District 1 Zone.

The Council of The Corporation of the City of Victoria enacts the following provisions:

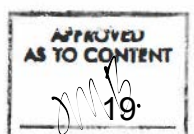
- 1 This Bylaw may be cited as the “ZONING BYLAW 2018, AMENDMENT BYLAW (NO. 11)”.
- 2 “**Site**” means the lands legally described as:
  - (a) PID: 006-027-113, Lot 1, District Lots 28 And 66, Victoria City, Plan 4755;
  - (b) PID: 006-027-156, Lot 2, District Lots 28 and 66, Victoria City, Plan 4755; and
  - (c) PID: 004-738-497, Lot 61, Victoria City.
- 3 Bylaw No. 18-072, the Zoning Bylaw 2018, is amended by revising the Zoning Map to indicate that the Site is subject to site specific regulations.
- 4 The Zoning Bylaw 2018 is further amended in Part 4.1 (Central Business District-1 Zone (CBD-1)) by adding to section 8 the following rows after the last row in that table:

39.	<p>780/84 Fort Street, 1106-1108 Blanshard Street, and 1114-1126 Blanshard Street</p> <p>Lots 1 and 2 of District Lots 28 and 66 Victoria City Plan 4755</p> <p>Lot 61, Victoria City</p> <p>Development Area A - Lots 1 and 2 of District Lots 28 and 66 Victoria City Plan 4755</p> <p>Development Area B - Lot 61, Victoria City</p>	<p>a. <u>Setback</u> minimum:</p> <p>i. 3.44m above 18m on Blanshard Street,</p> <p>ii. 2.0m above 17m on Fort Street, and</p> <p>iii. no <u>Setbacks</u> are required on the north and west property lines.</p>	
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# HOUSING AGREEMENT (1114 BLANSHARD STREET) BYLAW

## A BYLAW OF THE CITY OF VICTORIA



## Schedule A

**HOUSING AGREEMENT**  
(Pursuant to section 483 of the *Local Government Act*)

BETWEEN:

**THE CORPORATION OF THE CITY OF VICTORIA**  
#1 Centennial Square  
Victoria, B.C. V8W 1P6  
  
(the "City")

AND:

**1177272 B.C. LTD.**  
2621 Douglas Street  
Victoria, B.C. V8T 4M2  
  
(the "Owner")

AND:

**COMPUTERSHARE TRUST COMPANY OF CANADA**  
c/o Timbercreek Mortgage Servicing Inc.  
25 Price Street  
Toronto, Ontario M4W 1Z1  
  
(the "Existing Chargeholder")

**WHEREAS:**

- A. Capitalized terms used herein will have the respective meanings ascribed to them in section 1.1 of this Agreement, unless the context otherwise clearly requires or they are elsewhere defined herein.
- B. Under section 483 of the *Local Government Act* the City may, by bylaw, enter into a housing agreement with an owner regarding the occupancy of the housing units identified in the agreement, including but not limited to terms and conditions referred to in section 483(2) of the *Local Government Act*.
- C. The Owner is the registered owner in fee simple of lands in the City of Victoria, British Columbia, with a civic address of 1114 Blanshard Street, Victoria, B.C. and legally described as:  
  
PID: 004-738-497  
Lot 61, Victoria City  
  
("Lands").
- D. 1177271 B.C. Ltd. (the "**Lot 1 Owner**") is the registered owner in fee simple of lands in the City of Victoria, British Columbia, with a civic address of 780 Fort Street, Victoria, B.C. and legally described as:



PID: 006-027-113  
 Lot 1, District Lots 28 and 66, Victoria City, Plan 4755

("Lot 1").

- E. 1177269 B.C. Ltd. (the "**Lot 2 Owner**") is the registered owner in fee simple of lands in the City of Victoria, British Columbia, with a civic address of 1106 Blanshard Street, Victoria, B.C. and legally described as:

PID: 006-027-156  
 Lot 2, District Lots 28 and 66, Victoria City, Plan 4755

("Lot 2").

- F. Lot 1 and Lot 2 (collectively, the "**Adjacent Lands**") are located adjacent to the Lands and the Adjacent Lands and the Lands are collectively referred to herein as the "**Development Lands**".
- G. The Owner, the Lot 1 Owner and the Lot 2 Owner (collectively, the "**Applicant Owners**") have applied to the City to rezone the Development Lands to permit the upgrade of the existing residential building on the Lands and the construction of a seventeen (17) storey hotel rising from a three (3) storey atrium podium featuring commercial and public space on the Adjacent Lands.
- H. In connection with the Applicant Owners' rezoning application, the City and the Owner wish to enter into this Agreement, as a housing agreement pursuant to section 483 of the *Local Government Act*, to secure the agreement of the Owner that all Dwelling Units within the Development on the Lands will be used and held only as rental housing.

**NOW THIS AGREEMENT WITNESSES** that pursuant to section 483 of the *Local Government Act*, and in consideration of the premises and covenants contained in this agreement (the "**Agreement**"), the parties agree each with the other as follows:

## 1.0 DEFINITIONS

### 1.1 In this Agreement:

"**Business Day**" means Monday to Friday, other than any such day which is a statutory holiday in Victoria, British Columbia;

"**Development**" means the existing building consisting of the Dwelling Units, commercial space and related facilities on the Lands;

"**Dwelling Units**" means any or all, as the context may require, of the twenty one (21) self-contained residential dwelling units within the Development and includes any dwelling unit that is developed on the Lands in future, whether as part of the Development or otherwise, and "**Dwelling Unit**" means any of such residential dwelling units located on the Lands;

"**Immediate Family**" includes a person's spouse, child, grandchild, parent, grandparent, sibling, niece and nephew, and includes the Immediate Family of the person's spouse;

"**Non-owner**" means a person other than a Related Person or the Owner;

"Owner" includes a person who acquires an interest in the Lands or any part of the Lands or the Development and is thereby bound by this Agreement, as referred to in section 8.3;

"Related Person" includes, where the registered or beneficial owner of the Lands or Dwelling Unit, as applicable, is:

- (a) a corporation or society:
  - (i) an officer, director, shareholder, or member of such corporation or society, or of another entity which is a shareholder or member of such corporation or society; or
  - (ii) an Immediate Family of a person to whom paragraph (i) applies, or
- (b) an individual, an Immediate Family of the registered or beneficial owner;

"Strata Corporation" means, for the portions of the Lands or any building on the Lands that is subdivided under the *Strata Property Act*, a strata corporation as defined in that Act, including the Owner while in control of the strata corporation and subsequently the individual strata lot owners collectively acting as the strata corporation.

"Tenancy Agreement" means a tenancy agreement pursuant to the *Residential Tenancy Act* that is regulated by that Act.

## 2.0 DWELLING UNITS TO BE USED AND OCCUPIED ONLY AS RENTAL UNITS

- 2.1 The Owner covenants and agrees that the Dwelling Units shall only be used as rental housing for a period of sixty (60) years from the date of registration of this Agreement (the "Term"), and for that purpose shall only be occupied by a Non-owner under the terms of a Tenancy Agreement between the Owner and the Non-owner who occupies the Dwelling Unit.

## 3.0 NO RESTRICTIONS ON RENTALS

- 3.1 The Owner covenants and agrees that during the Term, the Owner shall not take any steps, or enter into any agreements, or impose any rules or regulations whatsoever, the effect of which would be to prevent or restrict the Owner of a Dwelling Unit from renting that Dwelling Unit to a Non-owner under the terms of a Tenancy Agreement.

## 4.0 REPORTING

- 4.1 The Owner covenants and agrees to provide to the City's Director of Sustainable Planning and Community Development, within thirty (30) days of the Director's written request, a report in writing confirming that:

- (a) all Dwelling Units are being rented to Non-owners or are vacant, and
- (b) all other requirements of this Agreement are being complied with by the Owner and the Development,

along with such other information as may be requested by the Director from time to time.

**4.2** The Owner hereby authorizes the City to make such inquiries as it considers necessary in order to confirm that the Owner is complying with this Agreement.

**4.3** The Owner acknowledges that it is within the City's sole discretion to consent or not to consent to modifications of this Agreement and that such consent may be withheld for any reason.

## **5.0 NOTICE TO BE REGISTERED IN LAND TITLE OFFICE**

**5.1** Notice of this Agreement (the "**Notice**") will be registered in the Land Title Office by the City at the cost of the Owner in accordance with section 483 of the *Local Government Act*, and this Agreement is binding on the parties to this Agreement as well as all persons who acquire an interest in the Lands after registration of the Notice.

## **6.0 LIABILITY**

**6.1** The Owner agrees to indemnify and save harmless the City and each of its elected and appointed officials, employees and agents and their respective administrators, successors and permitted assigns, of and from all claims, demands, actions, damages, costs and liabilities, which all or any of them shall or may be liable for or suffer or incur or be put to by reason of or arising out of failure of the Owner to comply with the terms and conditions of this Agreement, or otherwise that would not have arisen "but for" this Agreement.

**6.2** The Owner hereby releases and forever discharges the City and each of its elected and appointed officials, employees and agents and their respective administrators, successors and permitted assigns, of and from any and all claims, demands, actions, damages, economic loss, costs and liabilities which the Owner now has or hereafter may have with respect to or by reason of or arising out of the fact that the Lands are encumbered by and affected by this Agreement, or otherwise that would not have arisen "but for" this Agreement.

## **7.0 PRIORITY AGREEMENT**

**7.1** The Existing Chargeholder, as the registered holder of a charge by way of Mortgage and Assignment of Rents against the Lands, which said charges are registered in the Land Title Office at Victoria, British Columbia, under numbers CA7222949 and CA7222950, respectively, for and in consideration of the sum of One Dollar (\$1.00) paid by the City (the receipt whereof is hereby acknowledged), agrees with the City that upon filing of a Notice with the Land Title Office that the Lands are subject to this Agreement, pursuant to section 483(5) of the *Local Government Act*, this Agreement shall be an encumbrance upon the Lands in priority to the said charges in the same manner and to the same effect as if Notice had been filed prior to the said charges.

## **8.0 GENERAL PROVISIONS**

**8.1 NOTICE.** If sent as follows, notice under this Agreement is considered to be received:

- (a) upon confirmation of delivery by Canada Post if sent by registered mail,
- (b) on the next Business Day if sent by facsimile or email with no notice of failure to deliver being received back by the sender, and

(c) on the date of delivery if hand-delivered, and

in the case of the City, addressed to:

City of Victoria  
#1 Centennial Square  
Victoria, BC V8W 1P6

Attention: Director of Sustainable Planning and  
Community Development  
Fax: 250-361-0386  
Email: khoese@victoria.ca

and in the case of the Owner, addressed to:

2621 Douglas Street  
Victoria, BC V8T 4M2

Attention: David Fullbrook  
Email: david@merchanthousecapital.com

or upon registration of a strata plan for the Lands, to the Strata Corporation, and to the Owner of any Dwelling Unit that is subject to the restrictions under section 2.1.

If a party identifies alternate contact information in writing to another party, notice is to be given to that alternate address.

If normal mail, email or facsimile service is interrupted by strike, work slowdown, force majeure, or other cause,

- (d) notice sent by the impaired service is considered to be received on the date of delivery, and
- (e) the sending party must use its best efforts to ensure prompt receipt of a notice by using other uninterrupted services, or by hand-delivering the notice.

**8.2 TIME.** Time is of the essence of this Agreement.

**8.3 BINDING EFFECT.** This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and permitted assignees. In accordance with section 483(6) of the *Local Government Act*, this Agreement and all obligations hereunder is binding on all who acquire an interest in the Lands, and the Owner only during the Owner's ownership of any interest in the Lands, and with respect only to that portion of the Lands of which the Owner has an interest.

**8.4 WAIVER.** The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

**8.5 HEADINGS.** The division of this Agreement into articles and sections and the insertion of headings are for the convenience of reference only and will not affect the construction or interpretation of this Agreement.

- 8.6 LANGUAGE.** Words importing the singular number only will include the plural and vice versa, words importing the masculine gender will include the feminine and neuter genders and vice versa, and words importing persons will include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.
- 8.7 LEGISLATION.** Reference to any enactment includes any regulations, orders or directives made under the authority of that enactment, and is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced, unless otherwise expressly provided.
- 8.8 EQUITABLE REMEDIES.** The Owner acknowledges and agrees that damages would be an inadequate remedy for the City for breach of this Agreement and that the public interest strongly favours specific performance, injunctive relief (mandatory or otherwise), or other equitable relief, as the only adequate remedy for a default under this Agreement
- 8.9 CUMULATIVE REMEDIES.** No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.
- 8.10 ENTIRE AGREEMENT.** This Agreement when executed will set forth the entire agreement and understanding of the parties as at the date it is made.
- 8.11 FURTHER ASSURANCES.** Each of the parties will do, execute, and deliver, or cause to be done, executed, and delivered all such further acts, documents and things as may be reasonably required from time to time to give effect to this Agreement.
- 8.12 AMENDMENT.** This Agreement may be amended from time to time, by consent of the Owner and a bylaw duly passed by the Council of the City and thereafter if it is signed by the City and the Owner.
- 8.13 LAW APPLICABLE.** This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.
- 8.14 NO DEROGATION FROM STATUTORY AUTHORITY.** Nothing in this Agreement shall:
- (a) limit, impair, fetter or derogate from the statutory powers of the City all of which powers may be exercised by the City from time to time and at any time to the fullest extent that the City is enabled and no permissive bylaw enacted by the City, or permit, licence or approval, granted, made or issued thereunder, or pursuant to statute, by the City shall estop, limit or impair the City from relying upon and enforcing this Agreement; or
  - (b) relieve the Owner from complying with any enactment, including the City's bylaws, or any obligation of the Owner under any other agreement with the City.
- 8.15 SEVERABILITY.** If any section, term or provision of this Agreement is found to be partially or wholly illegal or unenforceable, then such sections or parts will be considered to be separate and severable from this Agreement and the remaining sections or parts of this Agreement, as the case may be, will be unaffected thereby and will remain and be enforceable to the fullest extent permitted by law as though the illegal or unenforceable parts or sections had never been included in this Agreement.

**8.16 JOINT AND SEVERAL.** The Owner, if more than one, are jointly and severally obligated to perform and observe each and every of the covenants, warranties and agreements herein contained by the Owner to be observed and performed.

**8.17 COUNTERPARTS.** This Agreement may be executed in counterparts and delivered by emailed PDF file, each of which will have the same effect as if all parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

**8.18 EFFECTIVE DATE.** This Agreement is effective as of the date of the signature of the last party to sign.

**IN WITNESS WHEREOF** the parties hereto have set their hands and seals as of the day and year last below written.

**THE CORPORATION OF THE CITY OF VICTORIA** by )  
its authorized signatory: )

\_\_\_\_\_)  
Karen Hoesel, Director of Sustainable  
Planning and Community Development )

Date signed: \_\_\_\_\_ )

**1177272 B.C. LTD.** )  
by its authorized signatory(ies): )

  
\_\_\_\_\_)  
Print Name: Paul Silk )

\_\_\_\_\_)  
Print Name: \_\_\_\_\_ )


Date signed: \_\_\_\_\_

**COMPUTERSHARE TRUST COMPANY OF  
CANADA**

by its authorized signatory(ies): )

 **Daniel Lee** )  
**Professional, MBS** )

Print Name: )

 **Juanito Rogel** )  
**Administrator, MBS** )

Print Name: )

Date signed: September 13, 2021

NO. 21-085

# A BYLAW OF THE CITY OF VICTORIA

The purpose of this Bylaw is to designate the exterior of the building located at 1114-1126 Blanshard Street to be protected heritage property.

Under its statutory powers, including Section 611 of the *Local Government Act*, the Municipal Council of The Corporation of the City of Victoria enacts the following provisions:

1. This Bylaw may be cited as the “HERITAGE DESIGNATION (1114-1126 BLANSHARD STREET) BYLAW”.
2. The building located at 1114-1126 Blanshard Street, legally described as PID: 004-738-497, Lot 61, Victoria City, is designated to be protected heritage property.

READ A FIRST TIME the day of 2021

READ A SECOND TIME the \_\_\_\_\_ day of \_\_\_\_\_ 2021

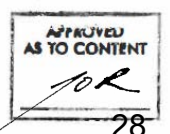
Public Hearing Held On the \_\_\_\_\_ day of \_\_\_\_\_ 2021

READ A THIRD TIME the \_\_\_\_\_ day of \_\_\_\_\_ 2021

ADOPTED on the \_\_\_\_\_ day of \_\_\_\_\_ 2021

CITY CLERK

MAYOR





July 15, 2021

City of Victoria  
1 Centennial Square Victoria BC V8W 1P6

Dear Mayor Helps and Members of Council,

**Re: 1114 Blanshard Street, Montrose Apartments and Wintergarden Hotel Rezoning, Development Permit and Heritage Designation Application**

In consideration of the subject application at Committee of the Whole on April 1, 2021, Mayor and Council requested that we consult with staff on amending the application to address two motions:

1. That Council direct staff to explore, with the applicant, the possibility of securing significant internal heritage features and unit layout with the Heritage Designation, as well as securing the installation of thermal windows when replaced.
2. That Council request that the applicant consider instituting vacancy controls to help secure the affordability of the housing units and de-incentivize renovations.

We valued the thoughtful discussion on the application as a whole and the direction to proceed to the scheduling of a Public Hearing. To address the directions of the motion, we have undertaken to review the application in the broader context, addressing what we understand to be the background concerns or issues of the two additional motions.

**Designation of internal heritage features and thermal window replacements**

a. **Interior Features:** The primary architectural feature of the building interior is the central staircase which serves the upper floors. While the staircase is original, it has been substantially altered as a result of improvements to the interior of the building to address fire code compliance - specifically as related to installing fire doors in the upper second and third floor hallways creating fire door separation with the wings. In the course of these works, the building electrical was rewired with new chaseways constructed on each floor. Consistent with the finish material and detail of these works, the staircase was substantially modified. As such, only the hand-rails, bannister and stair-treads appear to be original. While the window treatments at the landings are exemplary, the other elements of the staircase are limited in heritage value. Additionally, as the staircase is the primary ingress and egress to the residential floors, and may benefit from bracing and additional structural support, we do not recommend incorporating the stairs or any other common areas as an additional heritage designated element. In our work with staff, it was not recommended that designation of interior features be pursued, recognizing that it is the City's preference when considering heritage designation of interior features of buildings that there be a public benefit through public access to the interior spaces, which is not the case with the residential use of the Montrose Apartments.



The interior room layouts remain largely unchanged; however, designation of interior features may impact the potential to complete renovation works to address life safety and building code upgrades. Preservation of the unit configuration will, in part, be achieved through the commitment to maintaining all 21 existing units as market rental housing units through a Housing Agreement with the City.

b. **Thermal Window Replacement:** The Heritage Conservation Plan prepared by Don Luxton and Associates identifies the original fenestrations as character-defining elements and recommends rehabilitation of the fenestrations and windows. In general, the windows and sash throughout are in good condition, but have been neglected and suffer from poor closure and fit. To date, approximately 20% of the windows throughout the building have been removed and repaired. We are informed by the window contractor, Vintage Woodworks, that restored windows result in much improved performance, with reduced heat loss, sound transference and improved operation.

We also reviewed the technical requirements of renovating the heritage windows to allow for thermal or even laminate glass with our construction manager. This work would include rerouting each 1 3/4" window sash to accept thermal glass, with replacement of pocket weights to manage greater load. The new window glass would not have a warranty as they do not meet the manufacturers requirements for installation. In time, a renovated heritage window with double-paned thermal glass has a high risk of failure due to the stress of the higher operating weight and installation. For these reasons, we elected to not pursue this option.

To date, there have been no street noise complaints from tenants, while the building enjoys the reputation of being quiet and comfortable. The building benefits from its proximity to St. Andrews Cathedral at View and Blanshard, which represents one of the quieter intersections in the downtown core. We have investigated the installation of sound baffling blinds, which we are supportive of incorporating into the finished units upon renovation.

### **Consideration of Rent Controls:**

a. **Protection Against Renovation:** It would be fair to say from the outset we undertook Montrose-Wintergarden with the intention of preserving the Montrose Building in body and spirit. In a time when City policy has decisively signalled that developers must find ways to build without evicting tenants, we elected to renovate a 100-year old building without terminating any of the retail and residential tenants. Our proposal is consistent with existing City policy and we have taken a measured approach to balance tenant needs and renovation of the building. Accordingly, we have committed to a Tenant Assistance Plan, which protects tenants from renovation by providing:

1. No tenants will be evicted due to renovations or repairs.
2. In the case where termination of tenancy for vacancy of a unit may be unavoidable due to unforeseen major renovations, tenants will be provided:
  - a. Relocation assistance to find replacement interim housing, ideally within the building.
  - b. Reimbursement of moving costs.



- c. Right of first refusal to relocate back to the building at the same rent (subject to applicable annual increases (with moving costs)).
- d. Option to terminate tenancy with compensation.

The Tenant Assistance Plan is intended to ensure tenants are prioritized as a part of the proposed rezoning and heritage designation of the Montrose Apartments.

b. **Improved Affordable Housing:** The Montrose Apartments have 21 residential units over two floors. The unit mix tends toward smaller, more efficient studio “lofts” with large windows and high ceilings. While lower square foot units typically have higher per square foot rents, **renovated** units at the Montrose average an affordable \$2.25 - \$2.50 psf (which results in average monthly rental of \$1,100). Within the variety of rental housing-types within the downtown, the Montrose Apartments’ typical customer is a young, car-less individual seeking an **affordable** downtown location proximate to employment. While rents are reasonably priced compared to new market rental (@ 3.50-\$4.50 psf), the efficiency of the housing location relative to employment offers tangible lifestyle savings to customers. As such, this affordable work-force housing is the most difficult to replace with new housing. Our proposal not only assures this housing endures, but that it is renovated to meet modern standards for accommodation.

c. **Investing in Victoria’s Rental Stock:** In the context of Victoria Housing Strategy 2019-2022, the Montrose Wintergarden achieves numerous policy objectives: prioritizing renters and renter households; providing housing supply to low and moderate income households; and implementing a new and bold approach. Beyond aligning with the City’s housing goals, the renovation of the Montrose Apartments supports investment in Victoria’s existing rental housing stock by owners and investors. Applications which support reinvestment in the renovation and improvement of existing rental buildings are the foundation for renewing and improving the region’s housing stock. While it is important that we add supply to the market, it is more important that a commitment be made to reinvest in the existing housing stock.

d. **A Sustainable Community:** In reviewing the project business case, great care was taken to ensure the project could manage the longer period of time required to stabilize the building’s operations after a renovation period. While occupied units may not be improved, building common areas, exterior building shell, plumbing, electrical, and life safety systems will all be renovated and upgraded. The economic impact of this form of renovation plan results in a longer time horizon in which to recapture the expenditure, as the project will not benefit from new, higher revenue upon completion of construction.

In consideration of a further rent subsidy, or fixed rents where the building is not able to recapture market rents in future years, not only would the business case collapse, but the cost of maintaining the building, its common areas, insurance and property taxes would not be supportable. We believe we have developed our proposal to respond to existing City policy with respect to housing affordability, tenant supports and heritage conservation. The potential




introduction of further costs at this stage in the process and outside of approved policy would make the whole project not viable.

The role of the Montrose Apartments has always been to provide rental housing and commercial spaces to support the local Victoria community. Retention of the existing commercial and residential rental units is paramount to the project. Through careful heritage rehabilitation, the building will continue to provide cherished local retail space and much-needed, affordable market rental apartments. Our proposal engrains these commitments through seeking heritage designation of the building and retaining the residential units as rental units for 60 years or the life of the building, while supporting existing tenants through the renovation process with a Tenant Assistance Plan.

Our proposal for the Wintergarden Hotel represents investment confidence, part of a critical pathway for the recovery of the visitor economy, and allows for strategic diversification in the guest accommodation marketplace. As an integrated and comprehensive development proposal for the whole block, we believe the project reflects a balancing of the new with the old, retaining and reinvesting in existing housing, celebrating Victoria's heritage character and presenting a new landmark building welcoming visitors to an authentic Victoria experience.

We look forward to continuing our work with staff and stakeholders through the next steps in the process.

  
Sincerely Yours,

David Fullbrook, CEO

Merchant House Capital



## Council Report

For the Meeting of October 21, 2021

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**To:** Council **Date:** October 13, 2021  
**From:** C. Kingsley, City Clerk  
**Subject:** 3150 Somerset Street: Rezoning Application No. 00763

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### RECOMMENDATION

That the following bylaw be given first and second readings:

1. Zoning Regulation Bylaw, Amendment Bylaw (No. 1261) No. 21-087

### BACKGROUND

Attached for Council's initial consideration is a copy of the proposed Bylaw No. 21-087.

The issue came before Council on September 2, 2021 where the following resolution was approved:

**3150 Somerset Street: Rezoning Application No. 00763 and Development Permit Application No. 000592 (Hillside/Quadra)**

Rezoning Application No. 00763 for 3150 Somerset Street

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00763 for 3150 Somerset Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set.

Development Permit Application No. 000592 for 3150 Somerset Street

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. 00763, if it is approved, consider the following motion:

"That Council authorizes the issuance of Development Permit Application No. 000592 for 3150 Somerset Street, in accordance with:

1. Plans date stamped April 6, 2021.
2. The Development Permit lapsing two years from the date of this resolution."

Respectfully submitted,

Curt Kingsley  
City Clerk

**Report accepted and recommended by the City Manager**

### List of Attachments:

- Bylaw No. 21-087

NO. 21-087

# A BYLAW OF THE CITY OF VICTORIA

The purpose of this Bylaw is to amend the Zoning Regulation Bylaw to rezone the land known as 3150 Somerset Street from the R1-B Zone, Single Family Dwelling District, to the R-2 Zone, Two Family Dwelling District.

The Council of The Corporation of the City of Victoria enacts the following provisions:

- 1 This Bylaw may be cited as the “ZONING REGULATION BYLAW, AMENDMENT  
BYLAW (NO. 1261)”.
- 2 The land known as 3150 Somerset Street, legally described as PID: 004-762-525, Lot 1,  
Section 4, Victoria District, Plan 12457, and shown hatched on the attached map, is  
removed from the R1-B Zone, Single Family Dwelling District, and placed in the R-2  
Zone, Two Family Dwelling District.

READ A FIRST TIME the day of 2021

READ A SECOND TIME the \_\_\_\_\_ day of \_\_\_\_\_ 2021

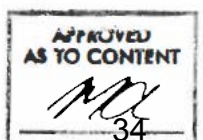
Public hearing held on the \_\_\_\_\_ day of \_\_\_\_\_ 2021

READ A THIRD TIME the \_\_\_\_\_ day of \_\_\_\_\_ 2021

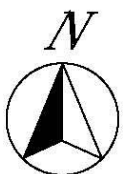
ADOPTED on the \_\_\_\_\_ day of \_\_\_\_\_ 2021

CITY CLERK

MAYOR







3150 & 3152 Somerset St  
Rezoning No.00763





## **Council Report**

**For the Meeting of October 21, 2021**

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**To:** Council  
**From:** C. Kingsley, City Clerk  
**Subject:** Victoria Subdivision and Development Servicing Bylaw Amendment (No.4)  
Bylaw No. 21-097

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### **Recommendation:**

That Victoria Subdivision and Development Services Bylaw Amendment Bylaw (No. 4) be given the first, second, and third reading.

### **Background:**

The Victoria Subdivision and Development Services Bylaw regulates and requires provision of works and services in respect of subdivision and development of land in Victoria. The proposed amendment clarifies that highway works and services in respect of development are only required to the extent that they are directly attributable to that development. This amendment does not modify existing policy or practice and is intended solely to provide greater clarity to the bylaw.

Respectfully submitted,

Curt Kingsley  
City Clerk

**Report accepted and recommended by the City Manager**

### **List of Attachments:**

- Bylaw No. 21-097



**VICTORIA SUBDIVISION AND DEVELOPMENT SERVICING BYLAW, AMENDMENT BYLAW (NO. 4)**

**A BYLAW OF THE CITY OF VICTORIA**

The purpose of this Bylaw is to amend the *Victoria Subdivision and Development Servicing Bylaw* to clarify requirements regarding highway works and services.

**Contents**

- 1 Title
- 2 Amendments
- 3 Commencement

Under its statutory powers, including section 15(d) of the *Community Charter* and section 506(1) and 506(8) of the *Local Government Act*, the Council of the Corporation of the City of Victoria in an open meeting assembled enacts the following provisions:

**Title**

- 1 This Bylaw may be cited as the “Victoria Subdivision and Development Servicing Bylaw, Amendment Bylaw (NO. 4)”.

**Amendments**

- 2 Bylaw No. 12-042, the Victoria Subdivision and Servicing Bylaw, is amended in section 17 by inserting the following new subsection immediately after subsection (3):

“(4) The owner must construct or reconstruct, in accordance with the standards established under section 11 of this bylaw, all portions of the highways that are immediately adjacent to the lands under development, up to the center line of the highway, where the Director of Engineering determines that the construction or reconstruction is directly attributable to the development, including but not limited to, as applicable, those items listed in subsection (3).”.

**Commencement**

- 3 This Bylaw comes into force on adoption.

READ A FIRST TIME the	day of	2021
READ A SECOND TIME the	day of	2021
READ A THIRD TIME the	day of	2021
ADOPTED on the	day of	2021

CITY CLERK

MAYOR