

Committee of the Whole Report

For the Meeting of December 12, 2024

To: Committee of the Whole **Date:** November 28, 2024

From: Karen Hoese, Director, Planning and Development

Subject: Rezoning Application No. 00823 and associated Development Permit with

Variances Application No. 00210 for 131, 135, and 139 Menzies Street

RECOMMENDATION

Rezoning Application

- 1. That Council instruct the Director of Planning and Development to prepare the necessary Zoning Regulation Bylaw amendment that would authorize the proposed development outlined in the staff report dated November 28, 2024 for 131, 135, and 139 Menzies Street.
- 2. That, after publication of notification in accordance with section 467 of the Local Government Act, first, second and third reading of the Zoning Regulation Bylaw amendment be considered by Council once the following conditions are met:
 - a. Provision of a memo from the project arborist to determine if trees #1, OS1, OS2 and OS3 proposed for retention can be retained throughout construction, based on exploratory excavation, to the satisfaction of the Director of Parks, Recreation and Facilities.
- 3. That following the third reading of the Zoning Regulation Bylaw amendment, the applicant prepare and execute legal agreements, in a form satisfactory to the City Solicitor, that secures the following prior to adoption of the bylaw:
 - a. Provision of no less than five two-bedroom and four three-bedroom dwelling units, to the satisfaction of the Director of Planning and Development.
 - b. Provision of transportation demand management measures, to the satisfaction of the Director of Engineering and Public Works, including:
 - i. two Ecopasses for a minimum of five years, resulting in a financial contribution of \$10,000 to a transit pass subsidy program such as BC Transit EcoPass program
 - ii. car share memberships and usage credits for all residential units

- iii. an electric car share vehicle and on-site stall and charger to be secured through a minimum developer funded financial contribution of \$55,000
- iv. 15% of required long-term bicycle parking to accommodate oversized bicycles
- v. 50% of required long-term bicycle parking to have access to an electrical outlet
- vi. a minimum of 20% over and above the required number of long-term bicycle parking
- vii. a bicycle maintenance station including repair stand and washing facilities
- viii. transit stop improvements at stop 100013, including shelter to BC Transit specifications and stop amenities.
- c. Provisions of soil cells to achieve recommended soil volumes for all new street trees, to the satisfaction of the Director of Parks, Recreation and Facilities.
- 4. That following the third reading of the zoning amendment bylaw, the applicant dedicate as highway pursuant to section 107 of the Land Title Act a 2.46m right of way along Menzies Street to the satisfaction of the Director of Engineering and Public Works prior to adoption of the bylaw.
- 5. That adoption of the zoning bylaw amendment will not take place until all of the required legal agreements that are registrable in the Land Title Office have been so registered to the satisfaction of the City Solicitor.
- 6. That the above Recommendations be adopted on the condition that they create no legal rights for the applicant or any other person, or obligation on the part of the City or its officials, and any expenditure of funds is at the risk of the person making the expenditure.

Development Permit with Variance Application

That Council, after giving notice, consider the following motion:

- "1. That subject to the adoption of the necessary Zoning Regulation Bylaw amendment, Council authorize the issuance of Development Permit with Variances No. 00210 for 131, 135, and 139 Menzies Street, in accordance with plans submitted to the Planning and Development department and date stamped by on October 1, 2024, subject to:
 - i. Proposed development meeting all City zoning bylaw requirements, except for the following variances:
 - i. increasing the maximum site coverage from 40% to 63%
 - ii. reducing the minimum open site space from 50% to 37.5%
 - iii. reducing the front (Menzies Street) setback from 4.00m to 0.00m
 - iv. reducing the minimum rear (SE) setback from 10.00m to 5.36m for the building, 4.24m for the balcony, and 3.87m for the canopy
 - v. reducing the minimum side (NE) setback from 6.00m to 3.50m
 - vi. reducing the minimum side (SW) setback from 6.00m to 3.30m

- vii. reducing the minimum number of residential vehicle stalls from 30 to 0
- viii. reducing the minimum number of visitor vehicle stalls from four to one
- ix. reducing the minimum number of retail vehicle parking stalls from two to zero
- x. reducing the minimum distance from a parking stall to a lot line from 1.00m to 0.43m
- xi. reducing the minimum bike room aisle width from 1.50m to 1.30m for four bike spaces.
- 2. That the Development Permit with Variances, if issued, lapses two years from the date of this resolution."

LEGISLATIVE AUTHORITY

This report discusses a Rezoning Application and Development Permit with Variances Application. Relevant rezoning considerations include the proposal to increase the density and add multiple dwelling as a new use while the relevant Development Permit with Variances considerations relate to the application's consistency with the design guidelines and the impact of the variances.

Enabling Legislation

In accordance with Section 479 of the *Local Government Act*, Council may regulate within a zone the use of land, buildings and other structures, the density of the use of the land, building and other structures, the siting, size and dimensions of buildings and other structures as well as the uses that are permitted on the land and the location of uses on the land and within buildings and other structures.

In accordance with Section 483 of the *Local Government Act*, Council may enter into a Housing Agreement which may include terms agreed to by the owner regarding the occupancy of the housing units and provided such agreement does not vary the use of the density of the land from that permitted under the zoning bylaw.

In accordance with Section 489 of the *Local Government Act*, Council may issue a Development Permit in accordance with the applicable guidelines specified in the *Community Plan*. A Development Permit may vary or supplement the *Zoning Regulation Bylaw* but may not vary the use or density of the land from that specified in the Bylaw.

Pursuant to Section 491 of the *Local Government Act*, where the purpose of the designation is the revitalization of an area in which a commercial use is permitted, a Development Permit may include requirements respecting the character of the development, including landscaping, and the siting, form, exterior design and finish of buildings and other structures.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Rezoning Application and Development Permit with Variance Application for the property located at 131, 135, and 139 Menzies Street. The proposal is to rezone from the R-2 Zone, Two Family Dwelling District to a new site-specific zone to increase the density to 1.99:1 floor space ratio and

No. 00210 for 131, 135, and 139 Menzies Street

allow for a four-storey mixed-use building with commercial on the ground floor and rental residential above. There is a concurrent Development Permit with Variances Application pertaining to the proposed form, character, exterior design, finishes and landscaping and variances related to site coverage, open site space, setbacks, and parking.

The following points were considered in assessing the Rezoning Application:

- The proposal is generally consistent with the Large Urban Village designation in the Official Community Plan (OCP, 2012), which envisions multi-unit residential, commercial, and mixed-use, with heights that may generally range from four to six storeys and density up to approximately 2.5:1 floor space ratio (FSR).
- The proposal would advance the OCP's objectives with regards to providing rental housing and retail in a Large Urban Village.
- The James Bay Neighbourhood Plan identifies this site as an area of stability, where little change in the type or size of housing is expected, but it also encourages the growth and vitality of a strong commercial village.

The following points were considered in assessing the Development Permit with Variance:

- The proposal is generally consistent with the objectives and guidelines contained in Development Permit Area 16: General Form and Character which seeks to provide a sensitive transition to adjacent and nearby areas with lower-scale built form, to achieve a high quality of architecture, landscape and urban design, and achieve more liveable environments through considerations for human-scaled design.
- The proposal is generally consistent with the objectives and guidelines contained in Development Permit Area 5: Large Urban Village which seeks to revitalize commercial areas, to achieve a high quality of architecture, landscape and urban design, to achieve a unique character and sense of place, and to improve the pedestrian and cycling experience.
- Variances related to open site space and setbacks would be required and are supported because overall the proposal generally meets the design guidelines.
- Variances related to parking would also be required to facilitate this proposal. These are supported due to the proposed Transportation Demand Management (TDM) measures.

BACKGROUND

Description of Proposal

The proposal is to rezone the properties from the R-2 Zone, Two Family Dwelling District, to a new site-specific zone to increase the density to 1.99:1 floor space ratio and accommodate construction of a four-storey mixed-use building with commercial along Menzies Street on the ground floor and residential behind and above (approximately 43 rental dwelling units). A Data Table has been provided as an attachment which compares the proposal to the existing and standard zones.

The following differences from the standard URMD Zone, Urban Residential Multiple Dwelling District, are being proposed and would be accommodated in the new zone:

- add retail as a required use on the ground floor
- add the property to Schedule N Residential Rental Tenure Properties
- reduce the minimum lot size from 1840.00m² to 1244.00m²

- reduce the maximum height from 18.5m to 13.60m
- reduce the maximum number of stories from six to four.

The associated Development Permit with Variances is for the form and character of the site. Specific details include:

- four-storey building form with an upper storey step-back on the south side
- common outdoor amenity space accessed from the fourth floor in the form of a deck
- private outdoor balconies and patios for each dwelling unit
- landscaping materials include permeable paving parking stalls, paths, and entryways, as well as slab paving patios. Trees, shrubs, ground cover, vines, and grasses are also proposed.

The proposed variances are related to:

- increasing the maximum site coverage from 40% to 63%
- reducing the minimum open site space from 50% to 37.5%
- reducing the front (Menzies Street) setback from 4.00m to 0.00m
- reducing the minimum rear (SE) setback from 10.00m to 5.36m for the building, 4.24m for the balcony, and 3.87m for the canopy
- reducing the minimum side (NE) setback from 6.00m to 3.50m
- reducing the minimum side (SW) setback from 6.00m to 3.30m
- reducing the minimum number of residential vehicle stalls from 30 to 0
- reducing the minimum number of visitor vehicle stalls from 4 to 1
- reducing the minimum number of retail vehicle parking stalls from 2 to 0
- reducing the minimum distance from a parking stall to a lot line from 1.00m to 0.43m
- reducing the minimum bike room aisle width from 1.50m to 1.30m for four bike spaces.

Land Use Context and Existing Site Development Potential

The area is characterized by a mix of single-family dwellings, apartment buildings, and commercial uses (Figure 1).

The site is presently developed with three single-family dwellings. Under the current R-2 Zone, Two Family Dwelling District, the site could be redeveloped as two duplexes or three single-family dwellings with suites. The existing buildings could also likely be converted into multiple dwelling units under Schedule G: House Conversion Regulations.



Figure 1. Aerial photo of subject site

Community Consultation

Consistent with the Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications, prior to submission of the application, it was posted on the Development Tracker along with an invitation to complete a comment form on June 27, 2022. Mailed notification was sent to owners and occupiers of property within 100m of the subject property advising that a consultation process was taking place and that information could be obtained and feedback provided through the Development Tracker. A sign was also posted on site, to notify those passing by of this consultative phase. Additionally, the applicant participated in an online meeting with the CALUC on July 13, 2022. A letter dated July 21, 2022 along with minutes and the comment forms are attached to this report.

In accordance with the *Procedures for Processing Rezoning and Variance Applications*, further consultation was required because different uses (commercial) were added to the proposal. The proposal was posted to the Development Tracker with a link to an online comment form on May 31, 2023, a sign was posted on site, a notice was sent to owners and occupiers within 100m, and an online meeting with the CALUC was held on June 14, 2023. A letter dated June 29, 2023 along with the comment forms are attached to this report.

In response to this consultation the applicant introduced commercial space, changed the exterior materials, reduced the building height, eliminated underground parking to reduce excavation, increased bike parking, added accessible and car share vehicle stalls, and added a privacy screen to the rooftop deck.

Section 464(3) of the *Local Government Act* prohibits a local government from holding a public hearing for a rezoning application that is consistent with the OCP and is intended to permit

residential development. However, notice must still be sent to all owners and occupiers of adjacent properties prior to introductory readings of the zoning regulation bylaws.

The associated application proposes variances, therefore, in accordance with the City's *Land Use Procedures Bylaw*, it requires notice, sign posting and a meeting of Council to consider the variances.

ANALYSIS

Rezoning Application

Official Community Plan

This property is designated as James Bay Large Urban Village in the *Official Community Plan* (OCP, 2012), which envisions multi-unit residential, commercial, and mixed-use (i.e. ground-level commercial or community services with residential upper storeys), with heights that may generally range from four to six storeys. Total floor space ratios (FSR) may generally range up to 1.5:1. Additional density may be considered where public benefit is provided consistent with the objectives of this plan and other City policies, including local area plans (maximum of approximately 2.5:1 FSR).

The proposed built form, use, and density are generally consistent with this designation, as the proposal is located on a frequent transit priority corridor and would provide rental housing and commercial uses in the James Bay Large Urban Village.

James Bay Neighbourhood Plan

The James Bay Neighbourhood Plan (1993) identifies this site as an area of stability, where little change in the type or size of housing is expected, but it also encourages the growth and vitality of a strong commercial village. The proposal advances the objective of supporting the vitality of the village.

Inclusionary Housing and Community Amenity Contribution Policy

In accordance with the Inclusionary Housing and Community Amenity Contribution (IHCAC) Policy, the proposal is not expected to provide Community Amenity Contribution because it is a proposal for secured rental housing.

Sustainable Mobility

The application proposes the following features which support multi-modal transportation:

- two Ecopasses for a minimum of five years, resulting in a financial contribution of \$10,000 to a transit pass subsidy program such as BC Transit EcoPass program
- car share memberships and usage credits for all residential units
- an electric car share vehicle and on-site stall and charger to be secured through a minimum developer funded financial contribution of \$55,000.
- 15% of required long-term bicycle parking to accommodate oversized bicycles
- 50% of required long-term bicycle parking to have access to an electrical outlet
- a minimum of 20% over and above the required number of long-term bicycle parking

- a bicycle maintenance station including repair stand and washing facilities
- transit stop improvements at stop 100013, including shelter to BC Transit specifications and stop amenities.

Public Realm

It is recommended that a 2.46m wide dedication along Menzies Street be a condition of rezoning to help fulfill *Official Community Plan* objectives by providing space for sidewalks and trees.

Housing

The application, if approved, would add approximately 40 new rental dwelling units (the existing three units would be replaced by 43 units), which would increase the overall supply of housing in the area and contribute to the targets set out in the *Victoria Housing Strategy*.

Affordability Targets

The proposal is for market rental housing and, as per the IHCAC policy, 100 percent secured, purpose-built rental projects are exempted from providing affordable units or cash contributions.

Housing Mix

Council approved the Family Housing Policy and Advisory Design Guidelines on June 27, 2024 and it came into effect on September 1, 2024, after the application was submitted on June 10, 2022. The policy states that all applications for new purpose built rental multi-unit residential developments consisting of four or more storeys should have a minimum of 25% of the total units containing two or more bedrooms, with a minimum of 5% of total units containing three or more bedrooms.

The applicant is offering to secure the provision of five two-bedroom units (11.63% of total units) and four three-bedroom units (9.3% of total units) in a housing agreement. While the proposal exceeds the policy expectation for three-bedroom units, it does not meet the target of having a minimum 25% of total units containing two or more bedrooms.

Unit Type	Family Housing Policy		Proposal	
	Percentage of Units	Number of Units	Percentage of Units	Number of Units
Two or more bedrooms	25%	11	20.93%	9
Three or more bedrooms	5%	3	9.30%	4

Table 2. Family Housing Policy Minimum Targets

Unit Type	Number of Units Proposed	Percentage of Units Proposed
Studio	19	44.19%
One-bedroom	15	34.88%
Two-bedroom	5	11.63%
Three-bedroom	4	9.30%
TOTAL	43	100.00%

Table 3. Proposed Number of Units by Type

Security of Tenure

The applicant is proposing rental housing and therefore the rezoning would add the property to Schedule N – Residential Rental Tenure Properties.

Existing Tenants

The proposal is to demolish three existing single-family dwellings which would result in a loss of three existing residential rental units. Consistent with the Tenant Assistance Policy, the applicant has provided a Tenant Assistance Plan which is attached to this report.

Development Permit with Variance Application

Official Community Plan: Design Guidelines

The OCP identifies this property in Development Permit Area 5: Large Urban Villages and Development Permit Area 16: General Form and Character. Design Guidelines associated with these DPAs are the Design Guidelines for Multi-Unit Residential, Commercial and Industrial Development (2012), Advisory Design Guidelines for Buildings, Signs and Awnings (1981), and Guidelines for Fences, Gates and Shutters (2010).

The objectives of Development Permit Area 16 (DPA 16) are to provide a sensitive transition to adjacent and nearby areas with lower scale built form and to integrate buildings in a manner that is complementary to established place character. Other objectives are related to achieving a high quality of architecture, landscape and urban design, and achieving more liveable environments through considerations for human-scaled design, quality of open spaces, privacy impacts, safety and accessibility.

The objectives of Development Permit Area 5 (DPA 5) are to revitalize areas of commercial use into complete Large Urban Villages through human-scale design of buildings and streets to increase vibrancy and strengthen commercial viability, to achieve a high quality of architecture, landscape and urban design to identify villages as important neighbourhood centres, and to encourage pedestrian and cycling use. Buildings are also encouraged to have three to five storey facades that define the street wall with shop windows and building entrances that are oriented to face the street.

Overall, the proposal is generally consistent with these objectives and guidelines by providing a transition to adjacent and nearby areas with lower scale built form and consideration for human-scaled design along Menzies Street. The design provides a commercial street facade with windows and doors facing the public street and steps back the upper storey at the edge of the James Bay Large Urban Village toward the adjacent single-family dwellings. Background information related to the height and massing, the impact on adjacent properties and the livability of one of the ground floor units is provided for Council's consideration below.

Height and Massing

New residential and residential mixed-use development should respect the character of established areas and building variety through the form and massing of housing. Multi-unit residential development that directly abuts any residential building that is lower and smaller in scale should

provide a transition in its form and massing. This site is located on the edge of the Large Urban Village OCP designation adjacent to existing single-family dwellings (approximately two storeys) in the Traditional Residential designation which also envisions smaller scale development (approximately three storeys).

In response to this objective, the applicant has located the building on the west property line away from the existing adjacent buildings to the east (rear setback of 5.36m to the building) and stepped the upper storey back 6m on the south side. Although the Large Urban Village Urban Place Designation envisions four to six storeys, the applicant is proposing only four storeys to be more in keeping with the Traditional Residential context.

Impact on adjacent properties

Since the current lot depth is only 25.12m, the size of the rear setback is the result of the depth of the building (18.18m) and the proposed dedication at the front of the lot (2.46m) which will be used to improve the public realm on the public street. The proposed four storey rear elevation is setback 5.36m to the building (4.48m to the balcony) and has windows and balconies which would have some overlook impacts on the existing rear yards of the adjacent single-family dwellings. In addition to the rear yard impacts, the building would also have windows and balconies on the side elevations facing the adjacent properties to the north and south which are 3.3m from the property lines. To help mitigate overlook, the applicant is proposing frosted glazing on the rear balconies.

Livability of dwelling beside parking

One of the dwelling units is on the ground floor and located in the north-west corner of the building (unit 105). To help improve the livability of this unit, the applicant has located the majority of the windows on the side of the building facing away from the public street and parking stalls.

Variances

Variances related to height, site coverage, open site space, and setbacks, would be required to facilitate this proposal, as follows:

- increasing the maximum site coverage from 40% to 63%
- reducing the minimum open site space from 50% to 37.5%
- reducing the front (Menzies Street) setback from 4.00m to 0.00m
- reducing the minimum rear (SE) setback from 10.00m to 5.36m for the building, 4.240m for the balcony, and 3.87m for the canopy
- reducing the minimum side (NE) setback from 6.00m to 3.50m
- reducing the minimum side (SW) setback from 6.00m to 3.30m.

These variances are considered supportable because overall the proposal generally meets the design guidelines (see analysis above).

Variances would also be required related to parking:

- reducing the minimum number of residential vehicle stalls from 30 to 0
- reducing the minimum number of visitor vehicle stalls from 4 to 1
- reducing the minimum number of retail vehicle parking stalls from 2 to 0

- reducing the minimum distance from a parking stall to a lot line from 1.00m to 0.43m
- reducing the minimum bike room aisle width from 1.50m to 1.30m for four bike spaces.

To help mitigate potential impacts of these variances, the applicant is proposing to provide the following transportation demand management measures:

- two Ecopasses for a minimum of five years, resulting in a financial contribution of \$10,000 to a transit pass subsidy program such as BC Transit EcoPass program
- car share memberships and usage credits for all residential units
- an electric car share vehicle and on-site stall and charger to be secured through a minimum developer funded financial contribution of \$55,000
- 15% of required long-term bicycle parking to accommodate oversized bicycles
- 50% of required long-term bicycle parking to have access to an electrical outlet
- a minimum of 20% over and above the required number of long-term bicycle parking
- a bicycle maintenance station including repair stand and washing facilities
- transit stop improvements at stop 100013, including shelter to BC Transit specifications and stop amenities.

The variances to the number of parking stalls are supported due to the mitigation proposed. The variance to reduce the minimum distance to the parking stall is supported because it would have a limited impact on the right-of-way in this location. The variance to the bike aisle width is also supported because the design would still be functional.

Advisory Design Panel Review

The application was reviewed by the Advisory Design Panel on August 28, 2024. At that meeting, the following motion was passed:

That the Advisory Design Panel recommend to Council that Development Permit with Variances Application No. 00210 for 131, 135, and 139 Menzies Street be approved with the following changes:

- consider improving the livability of unit 105
- consider increasing the depth of the balconies along Menzies to improve the livability of future residents
- consider removing the vertical screens
- consider internal access to ground floor access from the lobby to improve privacy along rear yard.
- consider reducing the ground floor height.

In response, the applicant has made the following changes to the plans:

- windows revised for more privacy to ground floor unit number 105
- depth of balconies on east side of building increased
- privacy louvres replaced with frosted glazing guardrails on balconies on east side of building
- interior access added (and exterior path in rear yard removed) to ground floor units number 101 and 102
- building height reduced from 14.09m to 13.55m.

These revisions generally address the ADP motion. The applicant has indicated that the balconies along Menzies Street have not been increased in size due to the location of the powerlines.

<u>Tree Preservation Bylaw and Urban Forest Master Plan</u>

The goals of the *Urban Forest Master Plan* include protecting, enhancing, and expanding Victoria's urban forest and optimizing community benefits from the urban forest in all neighbourhoods.

A total of nine trees have been inventoried. Of these, five trees are located on the subject lot, all of which are bylaw protected. There are four bylaw protected trees located on neighbouring properties.

Four bylaw protected trees on the subject lot will require removal as they are in the building area or immediately adjacent to an area where excavation will occur. Currently there are no municipal trees on the Menzies frontage.

All neighbouring trees and one bylaw protected tree on the subject lot are shown as retained in the attached arborist report. The recommendation for Council's consideration includes a requirement for further analysis on the retention of trees through exploratory excavation.

The applicant is proposing to plant 14 new trees on the subject lot, five of which will be replacement trees planted towards requirements under the *Tree Protection Bylaw*. Five new irrigated municipal trees are proposed on the Menzies Street frontage, two in a grass boulevard and three in soil cells. The soil cells will help mitigate impacts from the proposed new building on stormwater run-off and would be secured through a legal agreement.

Resource Impacts

Increased Inventory	Annual Maintenance Cost	
Street Trees – 5 net new (\$60 per tree)	\$300	
Irrigation	\$600	

Table 4.

Encroachment Agreement

A number of street-level canopies are also proposed along Menzies Street, which project above the City Right-of-Way. These are encouraged in the Guidelines to provide pedestrian weather protection and welcoming streetscapes. In order to facilitate these canopies, the applicant is required to enter into an Encroachment Agreement with the City to the satisfaction of the City Solicitor and Director of Engineering and Public Works.

CONCLUSIONS

The proposal to rezone the site to construct a four-storey mixed-use development is generally consistent with the built form, use and density envisioned for this location in the OCP and would

provide rental housing and retail in a Large Urban Village. The development permit with variances application generally meets the applicable objectives and guidelines by providing a transition to adjacent and nearby areas with lower scale built form and consideration for human-scaled design. Therefore, it is recommended that Council consider advancing the application to a Council meeting.

ALTERNATE MOTION

That Council decline Rezoning Application No. 00823 and Development Permit with Variances Application No. 00210 for the property located at 131, 135, and 139 Menzies Street.

Respectfully submitted,

Rob Bateman
Senior Planner
Development Services Division

Karen Hoese, Director Planning and Development Department

Report accepted and recommended by the City Manager.

List of Attachments

- Attachment A: Subject Map
- Attachment B: Plans date stamped October 1, 2024
- Attachment C: Letter from applicant to Mayor and Council dated October 8, 2024
- Attachment D: Zoning Data Table
- Attachment E: Tenant Assistance Policy
- Attachment F: Advisory Design Panel Meeting minutes from August 28, 2024
- Attachment G: Arborist Report dated June 11, 2024
- Attachment H: Community Association Land Use Committee Letters dated July 21, 2022
- Attachment I: Pre-Application Consultation Comments from Online Feedback Form
- Attachment J: Correspondence (Letters received from residents).