



Committee of the Whole Report For the Meeting of April 3, 2025

To: Committee of the Whole **Date:** February 27, 2025

From: Karen Hoese, Director, Planning and Development

Subject **Rezoning Application No. 00866 for 2501-2699 Blanshard Street, 825/841 Hillside Avenue, 2500-2684 Dowler Place and 900 Kings Road**

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 February 27, 2025, for 2501-2699 Blanshard Street, 825/841 Hillside Avenue, 2500-2684 Dowler Place and 900 Kings Road.
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. Revisions to the Rezoning Book, date stamped December 16, 2024, to confirm that consideration of parkland dedication requirements, if applicable, will occur in conjunction with future subdivision applications.
3. That subject to third reading of the Zoning Regulation Bylaw amendment bylaw, the applicant prepare and execute a Master Development Agreement prior to adoption of the bylaw that is generally in accordance with Rezoning Book dated December 16, 2024 and in a form satisfactory to the City Solicitor to secure the following:
 - a. To the satisfaction of the Director of Planning and Development:
 - i. The sequencing of each development area, including the timing for delivery of proposed public realm improvements and amenities and any interim landscaping measures. The first phase is to include development of DA-D and subsequent development areas (DA-A, DA-B, DA-C or DA-E) can occur in any order.
 - ii. Provision of the two-bedroom, three-bedroom and four-bedroom units, as well as design of flex-units, as outlined on page 4 of the Rezoning Book.

- iii. Provision of a minimum of 175 affordable units for the greater of the life of the building or a minimum period of 60 years and allocated to low-income households, as defined by BC Housing's income limits and referenced on page 12 the Rezoning Book.
 - iv. Provision of a minimum of 21 supportive housing units for the greater of the life of the building or a minimum period of 60 years, to be operated by Aboriginal Coalition to End Homelessness.
 - v. Provision of a minimum of 145 non-profit operated below-market units for the greater of the life of the building or a minimum period of 60 years and allocated to low to moderate- and middle-income households, as defined by BC Housing's income limits and referenced on page 12 of the Rezoning Book.
 - vi. Provision of an approximately 929m² multi-purpose common amenity space in Building C1 or C2, designed with high ceiling height, for use by all tenants, delivered in conjunction with development of DA-C.
 - vii. Provision of a childcare space of approximately 418m² on the ground floor of Building D1.
 - viii. Provision of sustainable building features including commitments regarding:
 - A. Natural rainwater management systems
 - B. Landscape-based stormwater management features
 - C. High-efficiency drip irrigation
 - D. Electric heating and mechanical cooling for all units
 - E. High-reflectance roof materials
 - F. Solar ready buildings
 - G. Sewage heat recovery, except in the first phase
 - H. Step code level four for buildings under seven storeys
 - I. Step code level three for buildings exceeding or equal to seven storeys.
 - ix. Provision of an indoor common amenity space in each building for shared use by the building's residents.
 - x. Provision of at least one rooftop and/or elevated terrace in each building for the use of all building residents.
 - xi. Provision of at least 70% of the residential units having access to a usable private patio or balcony.
 - xii. Provision of all buildings meeting British Columbia Building Code requirements for barrier-free access.
- b. To the satisfaction of the Director of Engineering and Public Works:
- i. Streetscape improvements to Hillside Avenue (including bicycle lanes and transit stop), Dowler Place, Bay Street (including bicycle lanes and transit stop) and Blanshard Street (including protected bicycle lanes) as depicted on pages 37, 45, 48 and 63 of the Rezoning Book.

- ii. Intersection upgrades at Hillside Avenue and Blanshard Street, Kings Road and Dowler Place, Dowler Place and Bay Street, Bay Street and Blanshard Street, and Kings Road and Blanshard Street, as outlined on page 45 of the Rezoning Book.
 - iii. Provision and maintenance of a people-priority lane (Evergreen Lane) between Kings Road and Hillside Avenue, including a statutory right-of-way over the entire portion of the lane that secures public access and inclusion of a formal connection to the existing southern path through the property at 955 Hillside Avenue, as depicted on page 37 of the Rezoning Book and further described on page 54 of the Rezoning Book.
 - iv. Provision and maintenance of a 2-3m all-ages recreational loop trail measuring approximately 900m (The Loop), as depicted on page 37 and further described on page 55 of the Rezoning Book, including a statutory right-of-way over the entire portion of pathway that secures public access. The width and design of the pathway will be determined based on the critical root zones of municipal trees and protected trees.
 - v. Provision of a detailed transportation study to assist in determining the need for and type of traffic signal required at the intersection of Bay Street and Dowler Place, in conjunction with submission of the initial Development Permit Application associated with DA-E.
- c. To the satisfaction of the Director of Parks, Recreation and Facilities:
- i. Provision and maintenance of a publicly accessible open space (Evergreen Commons), in conjunction with development of DA-E, as depicted on page 37 and further described on page 53 of the Rezoning Book, which may include a statutory right-of-way and/or land dedication, as appropriate, over the entire portion of the open space that secures public access and utilities.
 - ii. Provision of a publicly accessible plaza (Evergreen Plaza) between Kings Road and Blanshard Street, in conjunction with development of DA-C, as depicted on page 37 and further described on page 52 of the Rezoning Book, which may include a statutory right-of-way and/or land dedication, as appropriate, over the entire portion of the open space that secures public access, utilities, and that apportions spaces for city and owner maintenance.
 - iii. Provision of soil cells required above structures and in plaza areas, and in other area where required to achieve recommended soil volumes for all new trees proposed.
 - iv. Provision of any soil volumes proposed across lot lines to be considered at DP stages for each phase meeting minimum tree bylaw requirements.
 - v. Provision of new and retained trees in accordance with minimum Tree Protection Bylaw requirements for the entire site and for each phase, except that up to 15-20% variation across phases will be allowed.
4. That adoption of the Zoning Regulation 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.

5. 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.

LEGISLATIVE AUTHORITY

This report discusses a Rezoning Application. The relevant considerations include a proposed increase in permitted density from 1.6:1 floor space ratio (FSR) to 2.5:1 FSR.

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.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Rezoning Application for the property located at 2501-2699 Blanshard Street, 825/841 Hillside Avenue, 2500-2684 Dowler Place and 900 Kings Road. The proposal is to rezone from the R3-2 Zone, Multiple Dwelling District to a new comprehensive development zone to increase the density at this location.

The following points were considered in assessing the Rezoning Application:

- The proposed residential, childcare and neighbourhood serving commercial uses, and density of 2.5:1 floor space ratio (FSR) are consistent with the *Official Community Plan (OCP) Housing Opportunity Urban Place Designation* that envisions residential and limited mixed-use development up to 2.5:1 FSR with substantial public benefit.
- The proposal would secure rental in perpetuity for a total of approximately 900 units, replace 175 existing low-income units, replace 21 existing supportive housing units, add a minimum of 145 new non-profit operated units, and provide publicly accessible outdoor amenity areas.
- The proposal also advances OCP strategic objectives related to placemaking, liveability, urban forest preservation, housing diversity and sustainable mobility.
- The proposed height of four of the nine buildings (A2, B1, C2, E2) exceed the six-storeys envisioned in the Housing Opportunity designation. However, the *Hillside Quadra Neighbourhood Plan (HQNP)* supplements the OCP with guiding principles specific to Evergreen Terrace and emphasizes that greater heights may be required to support development aligned with the guiding principles.
- Consistent with housing principles, all existing low-income and supportive units will be replaced at current rents. The first two phases of development are anticipated to accommodate displaced tenants. BC Housing's internal tenant relocation process, through tenant consultation, would provide on- or off-site relocation options for subsidized housing

units.

- The proposal does not commit to the 400-500 net new non-market units that are encouraged in the HQNP. The application commits to a minimum of 145 net new non-profit operated units and the level of affordability is not yet determined, however, both market and below market units will be subject to a BC Housing operating agreement that will bind any partners to maintain rents that do not exceed 30% of the gross household income of tenants, to be targeted to low to moderate and middle income households.
- The proposal provides indoor and outdoor amenity spaces, including private, shared and publicly accessible areas resulting in approximately 56% open space overall and 17% publicly accessible open space. Outdoor amenities include shared courtyards and elevated terraces, publicly accessible plaza and park spaces, and a multi-use perimeter trail. Indoor amenities include shared indoor amenity rooms, a childcare space, and a multi-purpose central amenity area. Environmental features include a landscaped and naturalized spaces, low-impact stormwater management design, tree retention and a range of green building features.
- Mobility is improved through frontage and intersection improvements, restored north-south connectivity from Dowler Place to Hillside Avenue, and improved east-west permeability through the proposed plaza and park space as well as a connection through 955 Kings toward Quadra Village.
- Consideration was given to shift density from proposed high- to mid-rise buildings to achieve a more even distribution of massing; however, to balance the applicant's aim to maximize wood construction while achieving density and open space objectives, the proposal is supported with flexibility to permit up to eight storeys for mid-rise buildings, in recognition of potential for future building code and economic changes.

BACKGROUND

Description of Proposal

This rezoning application is for a mixed-income rental residential development that proposes indoor amenity space, childcare and possible commercial uses. The proposal is to rezone from the R3-2 Zone, Multiple Dwelling District, to a new comprehensive development zone that would increase density from 1.60:1 FSR to 2.5:1 FSR for a phased development consisting of approximately 700 new residential rental units, replacement of 175 existing low income units and 21 supportive housing units, a larger indoor common amenity space (building C1), and a 37-space childcare facility (building "D1"). The applicant is considering community-serving commercial uses, which would be permitted in the comprehensive zone and determined with subsequent development permit applications. The proposed site plan and conceptual massing is shown in Figure 1.

The proposal includes nine buildings in both high- and mid-rise forms, including five at approximately six storeys in height, three at 15 storeys and one at 20 storeys (building A2). The four high-rise buildings are distributed across the site to ensure a minimum of 30m tower separation, with the 20-storey building proposed in the northwest portion of the site (Hillside and Blanshard) and three of the four taller buildings along Blanshard Street. The nine buildings are proposed with four storey podiums (approximately 12m), with a minimum step-in of two metres above the fourth floor, which is discussed in the analysis section of this report. The proposal commits to maximize the number of

ground-oriented units for all buildings, with delineated private open space, and also to provide dual aspect corner units wherever possible.



Figure 1. Proposed Site Plan and Conceptual Massing

The proposed shared amenities include:

- Central indoor amenity space (DA-C)
- Indoor amenity spaces (all buildings)
- Landscaped courtyards (all development areas)
- Rooftop/elevated terraces with active and passive features (all development areas).

The proposed publicly accessible amenities include:

- Childcare space (DA-D)
- Publicly accessible plaza (DA-C)
- Publicly accessible open space (DA-E)
- Publicly accessible people-priority lane connecting Dowler Place and Hillside Avenue (DA-A, DA-B, DA-C)

- Publicly accessible all-ages recreational loop (all development areas).

The central indoor amenity space would be approximately 929m² and designed as a multi-purpose space with high ceiling height to accommodate a variety of activities and programming, including meeting rooms and a shared kitchen. This space is proposed for tenant use and the applicant has not committed to community use as encouraged by the HQNP. Although public access would not be secured by legal agreement, BC Housing is open to accommodating community use, with programming, operations, and agreements to be determined in collaboration with the City of Victoria and the Quadra Village Community Centre (QVCC). The development will incorporate extensive landscaping, active and passive recreation features, retained trees, low-impact stormwater management, and underground parking.

The first phase is confirmed to be DA-D containing one six-storey building and the proposed childcare space; however, the construction sequence beyond the first phase will depend on a variety of factors including market demand, tenant needs, and technical analysis. The recommended motion includes language to allow subsequent phases to occur in any order and the timing to deliver public realm improvements and amenities requires discussion prior to registration of the MDA. The development areas are shown in Figure 2.

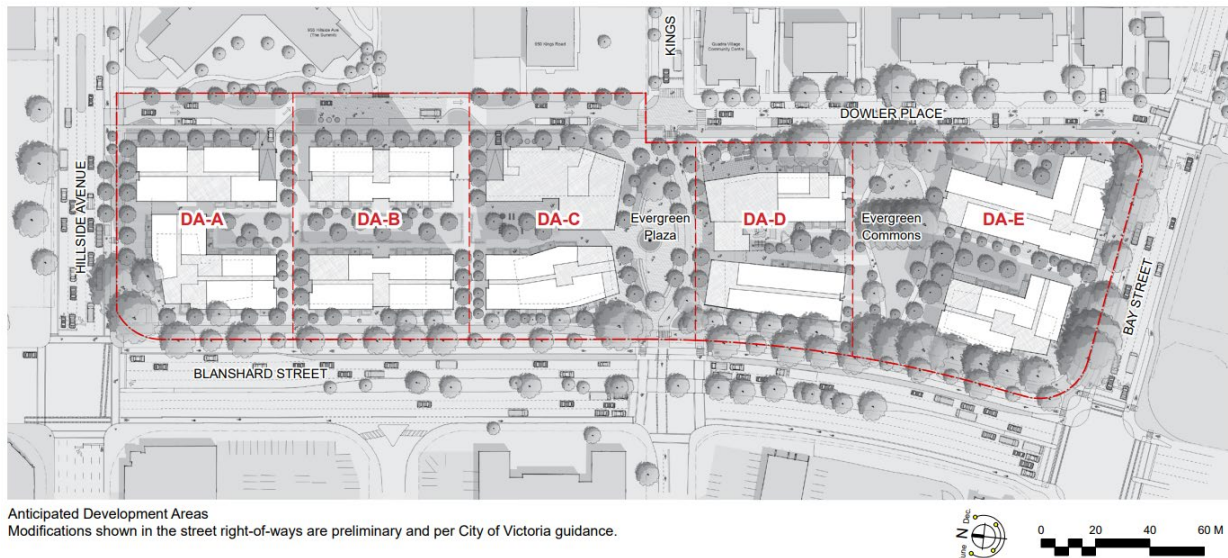


Figure 2. Development Areas

The Zoning Data Table attached to this report compares the proposal with the existing R3-2 Zone, Multiple Dwelling District.

Land Use Context and Existing Site Development Potential

The almost eight-acre development site encompasses two city blocks bounded by Blanshard Street (west), Kings Road/Dowler Place (east), Hillside Avenue (north) and Bay Street (south). Quadra Village and Humber Green Village are located to the east and west of the site and urban core employment lands begin west and south of Bay Street. The site context is shown in Figure 3.

The area is characterized by a mix of residential, commercial, light industrial, public service and institutional uses. Immediately adjacent land uses include:

- North (across Hillside Avenue) – SJ Willis Education Centre (SD-61 transition space for schools undergoing seismic upgrades)
- South (across Bay Street) – a one-storey multiple tenant commercial building, Agropur Cooperative (Island Farms)
- East (across Evergreen parking area) – The Summit long-term care facility at Quadra Village (east of DA-A and DA-B), a former Blanshard School (east of DA-C), Quadra Village Community Centre (east of DA-D), three- to four-storey walk-up apartments (east of DA-E)
- West (across Blanshard Street) – one-storey commercial buildings, restaurants, CBC Radio/CHEK News building (west of DA-B).

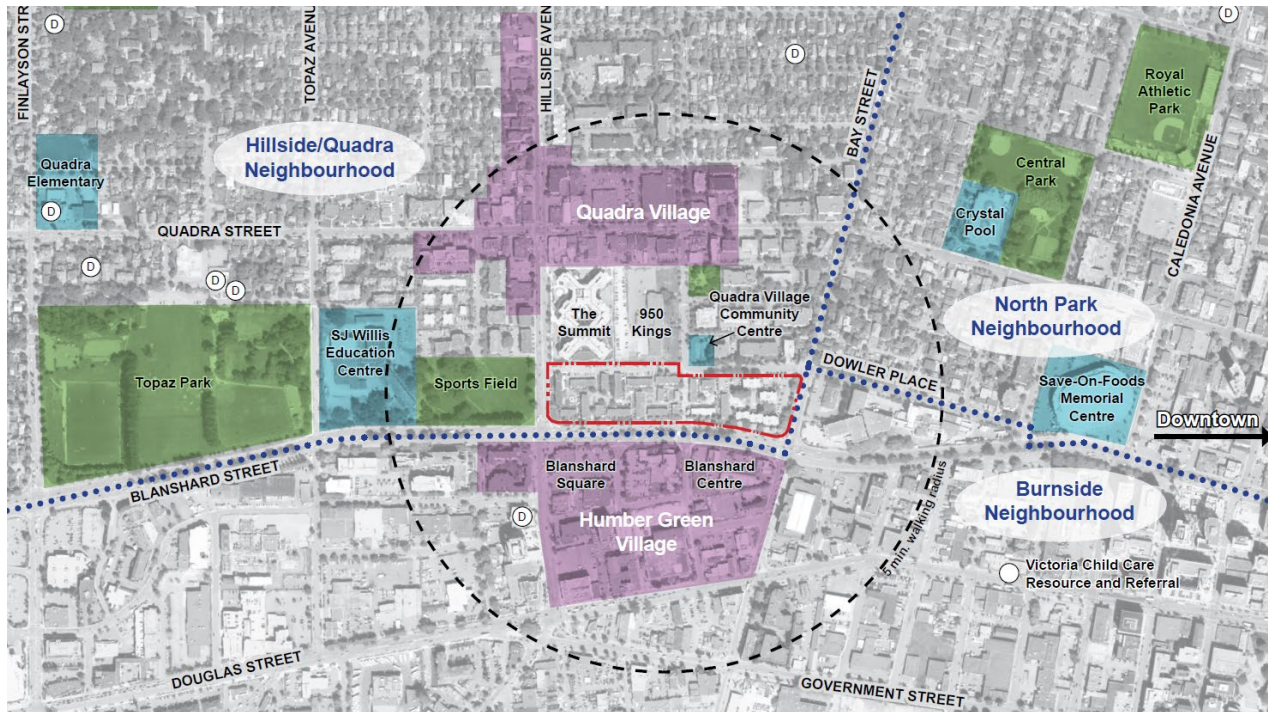


Figure 3. Site Context

The BC Housing owned property is presently developed with 23 residential buildings and one amenity building, including two-storey townhouse dwellings, three- to four-storey walk-up apartments and a modular residential building, totalling 196 existing units. All existing buildings are proposed for phased removal. The 21-unit modular development was added to the site following a November 2016 fire and contains supportive housing for indigenous women (operated by the Aboriginal Coalition to End Homelessness).

Under the current R3-2 Zone, the property could be developed into single-family dwellings, two-family dwellings or multiple dwellings, with multiple dwellings up to 22m in height, and density of up to 1.6:1 FSR where all vehicle parking is provided underground.

The Council-adopted Fast Track for Affordable Housing enables an expedited process through a delegated development permit, up to the maximum density contemplated in the OCP, with no requirement for a rezoning application. To be eligible, the following requirements must be met:

- affordability and rental tenure are secured with a legal agreement
- applications are consistent with Design Guidelines previously approved by Council
- existing zoning allows for the proposed residential use (e.g., multiple dwelling).

It should be noted that the existing zoning allows for the proposed residential use and OCP-envisioned density of 2.5:1 FSR; therefore, the applicant is considering application under this expedited process for subsequent Development Permit Applications if the Rezoning Application is approved.

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 October 22, 2023. 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 a meeting with the CALUC on November 7, 2023. At the time of writing this report, a letter from the CALUC had not been received; however, the applicant provided an Engagement Summary (attached) that outlines engagement activities and input received, beginning with tenant-focused sessions in early 2022 and continuing up to December 2023, at which time the formal application was submitted. In addition, the attached rezoning book provides additional information on engagement.

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 Bylaw amendment.

ANALYSIS

Rezoning Application

Official Community Plan

The proposal is within the Housing Opportunity Urban Place Designation. This designation encourages new housing in areas identified as appropriate for additional density beyond that of the Urban Residential Urban Place Designation. Additional density is envisioned where a proposal secures residential rental tenure in perpetuity, as well as on-site amenities and affordable housing. The proposal is consistent with the objectives of the designation given rental in perpetuity would be secured for all units, 196 existing low income and supportive units would be replaced at current rental rates, a minimum of 145 additional non-profit operated units would be added and publicly accessible amenities are included in addition to indoor and outdoor amenities for tenants. The proposal also advances strategic objectives related to placemaking, liveability, urban forest preservation, housing diversity and sustainable mobility.

The designation envisions low- and mid-rise building housing forms, with residential-commercial mixed use considered where supported by growth management and mobility policies. Currently, the OCP contemplates building heights generally ranging from three to six storeys, with density ranging from 1.2:1 up to 2.5:1 FSR where significant public benefit is demonstrated in the form of on-site amenities and secured affordability. The proposed density of 2.5:1 FSR across the site is considered consistent with the OCP because both on-site amenities and affordable housing are proposed. The precise floor and site area for each development area will be refined at the subdivision and development permit stages; however, the approximate calculations provided show a range from 2.13:1 FSR in DA-E to 3.38:1 FSR in DA-A. The lowest density development areas are those containing the publicly accessible open spaces while the highest density area contains the tallest proposed building (Building A2 in DA-A at 20-storeys).

The proposed building heights of four of the nine buildings (A2, B1, C2, E2) exceed the six-storeys envisioned in the OCP. However, the HQNP (adopted in 2022) supplements the OCP with site-specific guidance for Evergreen Terrace and Quadra West more broadly. The plan acknowledges that greater heights and densities may be required to align with identified principles for the redevelopment of Evergreen Terrace. The site-specific policies for Evergreen Terrace, including the principles to guide redevelopment are discussed below.

Hillside Quadra Neighbourhood Plan

The HQNP emphasizes that redevelopment of Evergreen Terrace represents an opportunity to realize key community objectives by accommodating a diversity of new housing, publicly accessible amenities and pedestrian improvements to restore and enhance connections from Quadra West to both Quadra and Humber Green Villages.

The subject site is identified as part of a Special Planning Overlay encompassing Quadra West properties. The overlay signifies that, while guided by Housing Opportunity policies, the ultimate uses, heights, and density should be informed by a comprehensive planning process as well as the principles specific to Evergreen Terrace. The overlay acknowledges that greater heights and densities may be required to meet identified principles.

The proposal is the result of a comprehensive planning process beginning with consultation with existing tenants. The guiding principles to assess redevelopment of the site include:

- Housing
- Indoor and Outdoor Amenity Spaces
- Access and Mobility
- Environment and Natural Features
- Urban Design

Housing

The HQNP principles for Evergreen Terrace outline housing objectives, including the replacement of existing housing affordability and rental tenure, adding new below-market housing and achieving income distribution across the mixed income development. The housing section below discusses the plan policies and the proposal in greater detail.

Indoor and Outdoor Amenity Spaces

The HQNP principles for Evergreen Terrace also include the provision of amenity spaces to ensure livability for tenants but also to knit this site into the broader community. Amenity spaces should accommodate play, social connection, food security, social enterprise and community needs. The HQNP also encourages opportunities for co-location of housing and community uses on the site, which may include ground-floor commercial uses that complement Humber Green and Quadra Villages.

The proposal aligns with the HQNP with shared courtyards between all buildings (including a dedicated childcare area) and shared elevated terraces (refer to Figure 4). Publicly accessible outdoor spaces include a central plaza with midblock crossing (Evergreen Plaza), an open space including active and passive elements (Evergreen Commons), a people priority lane connecting Kings Road and Hillside Avenue (Dowler Lane) and an all-ages recreational loop around the perimeter of the entire site (The Loop). The applicant is also considering one or more community-serving commercial uses on the site; therefore, if the application proceeds the site-specific zoning would be crafted to permit commercial use in each development area to provide flexibility.



Figure 4: Private Courtyards (green) and Elevated Terraces (grey)

The proposed indoor amenity spaces include a dedicated amenity space located in each building, a childcare space, and a central amenity area in Building C1, which will be approximately 930m² in area with high ceilings, a shared kitchen and meeting rooms. The central amenity area would be primarily for residents of Evergreen; however, there is potential for community use, subject to further discussion with BC Housing.

Access and Mobility

The HQNP principles include mobility objectives, specifically to improve north-south and east-west connectivity, ensure site permeability, and provide new shared public spaces, all supported by a robust TDM program. The proposed site layout enhances north-south and east-west connectivity through and to the site, including Dowler Place to Hillside Avenue, through Kings Road to Blanshard Street, and around the perimeter of the site and through Evergreen Commons between DA-D and DA-E. The site plan also provides north-south permeability mid-block between Dowler Place and

Blanshard Street via the shared courtyards; however, these spaces are intended for use by tenants and the use of gates and/or landscaping are being considered to delineate public from private or semi-private spaces (Figure 5). A formal connection to the southern path through The Summit is also shown and access to surrounding transit and active transportation networks will be improved along all frontages.

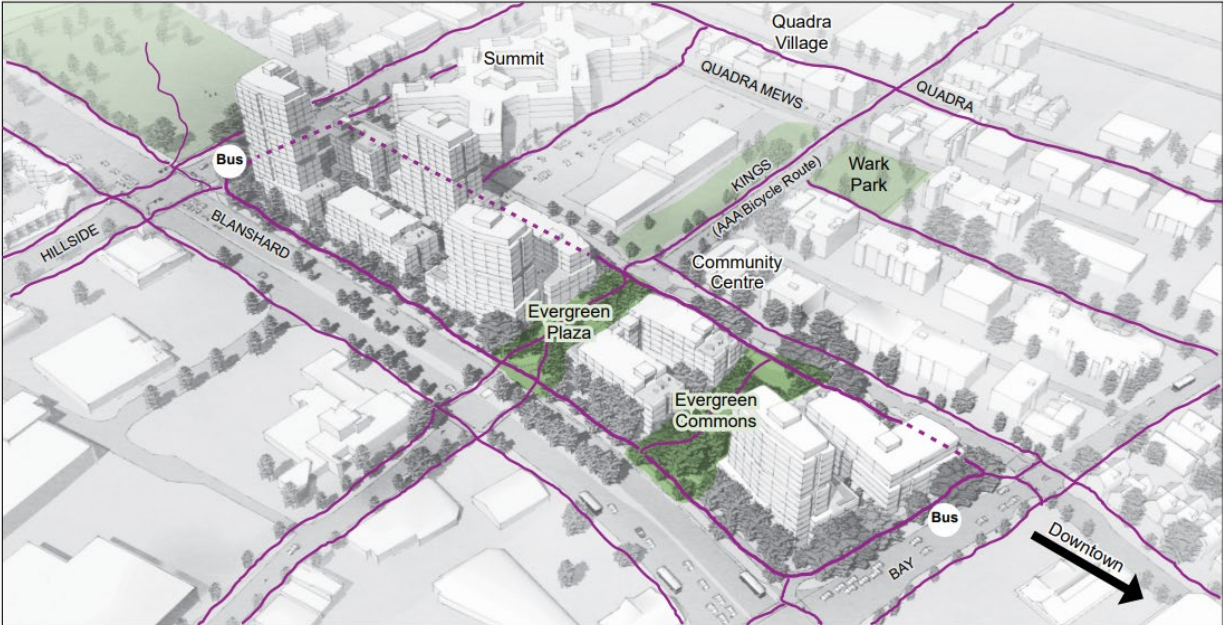


Figure 5: Connections and Permeability

Environment and Natural Features

Regarding the natural environment, HQNP principles for Evergreen Terrace include daylighting Rock Bay Creek, tree retention and planting, stormwater mitigation, green building features, and use of sustainable materials. The proposal commits to naturalized elements in the location of Rock Bay Creek (Evergreen Commons), low-impact stormwater management, strategic tree retention and planting, and a range of green building features. The application notes that while daylighting of the creek was considered, it was not deemed viable. This is largely due to the 3.5m depth of the existing brick culvert (located south of Kings Road) which would require much of the proposed open space to slope down to this depth, thereby limiting the range of active and passive uses for this publicly accessible space.

Urban Design

As the subject property is within DPA 16A, currently the General Urban Design (GUD) Guidelines are applicable to regulate the form and character of the future Development Permit applications. A detailed review of the proposal will be required against the guidelines that apply at the time of application for each phase. This section considers the proposal’s alignment with the general design guidance for Evergreen Terrace contained in the HQNP, including built form, connectivity, liveability and landscape design.

Built Form: A diversity of building forms and unit configurations is encouraged for the redevelopment of Evergreen Terrace to meet the needs of different households. The proposal will replace existing

townhouse and walk-up apartments with mid- and high-rise forms that enable single-level living. The unit mix will provide a range of unit sizes and layouts suitable for families and multi-generational households, including two-storey ground floor units, three-bedroom or larger units, and flex-unit configurations. (See Advisory Design Panel recommendation and discussion related to form and character in later sections of this report.)

With respect to the mix of building forms, the proposal includes five buildings limited to a six-storey height together with three 15 storey buildings and one at 20 storey building (Figure 6). The application explains that the distribution reflects current building code requirements and intention to employ cost-effective wood construction while achieving density and open space objectives, a mix of six storey and taller buildings was deemed necessary.

The building heights and distribution of density are considered generally supportable because ample open space is integral to realizing the HQNP’s vision for this site and the target density will increase the provision of affordable housing. As an alternative massing approach, it is recommended that the zone provide some flexibility around height, allowing up to eight storeys for the proposed mid-rise buildings. This approach would enable a shift of floor area from the higher buildings to the lower buildings in recognition of potential building code and economic changes as full build out of the site proceeds.

Residential entries facing the public realm can contribute to a more interesting streetscape and ensure natural surveillance. All proposed buildings are sited to maximize east- and west-facing units and will incorporate individual unit entries to sidewalks and multi-use paths, with private patios and elements to delineate public space from private space.

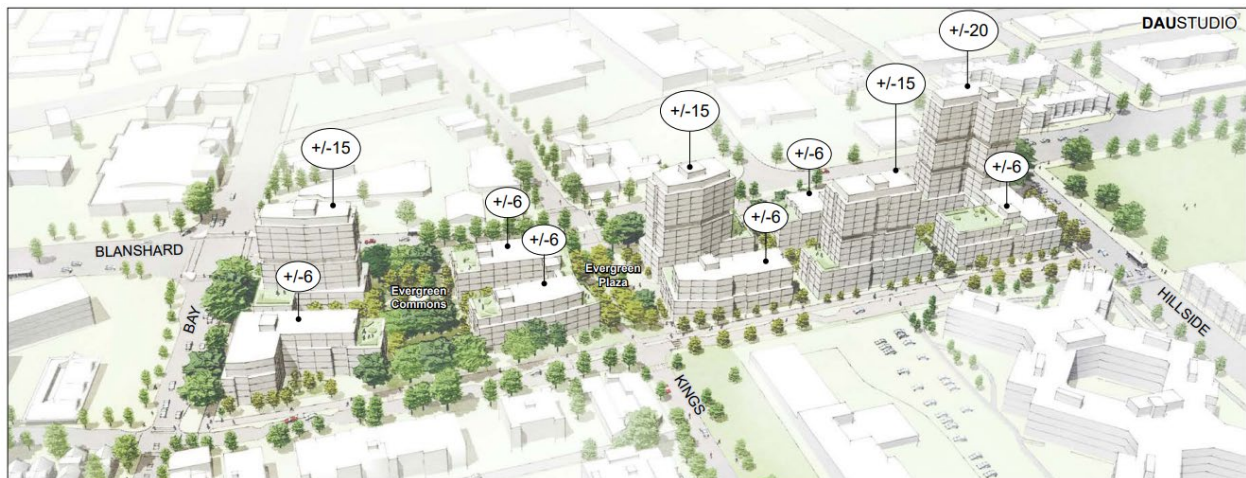


Figure 6: Height and Massing

Connectivity: The subject property is a rectangular site with 346m of frontage on Blanshard Street, a condition resulting from the original development in the 1970s that disconnected Kings Road from Blanshard Street and Dowler Place from Hillside Avenue. The HQNP prioritizes seamless reintegration of the site into the surrounding community by enhancing connections through the site and to surrounding community services and amenities. The proposal aligns with these priorities as outlined above.

Livability: The HQNP address various aspects of livability, including shadow impacts, access to natural light and sky views, human scale design and amenity space.

Considering shadowing and access to light and sky views, the proposed buildings are oriented in a north-south direction to maximize east- and west-facing units while minimizing those limited to north-facing windows. The application states that relatively small building footprints are proposed, with the benefit of more potential for dual aspect units. In addition, high-rise forms are distributed across the long site, with a minimum of 30m tower separation, which is consistent with the applicable guidelines. However, the proposed buildings will have shadowing impacts on the internal public spaces, and one 15-storey building (Building B-1) is located approximately 25m to the west of the Summit long-term care facility, resulting in shadow impacts in the mid- to late-afternoon at the equinoxes based on the conceptual massing.

The conceptual design contains specific aspects to ensure a human scale design. Namely, provision of individual ground-level unit entries across the site, childcare and amenity uses sited on the plaza, building setbacks from public streets and open spaces, step-ins above the fourth floor, and tree retention along Blanshard Street will all contribute to visual interest and activation at grade. In addition to shared and public spaces described above, the application commits to a minimum of 70% of the residential units having access to a usable private patio or balcony, which would be secured in the MDA.

Landscape Design: The property currently contains ample open space and includes large, established trees that are concentrated between the existing buildings and Blanshard Street, which buffers impacts of vehicle traffic effectively. The HQNP principles for Evergreen Terrace include incorporating landscaping, open space, and trees, specifically noting the importance of buffering living and community gathering spaces from heavily trafficked roads (Blanshard Street and Hillside Avenue). The proposed open space encompasses approximately 56% of the site, based on the conceptual site plan. The design includes space for landscaping in shared courtyards between buildings, at least one elevated terrace for each building, two publicly accessible outdoor amenity areas with active and passive elements, and a multi-use trail around the perimeter of the entire site. The Urban Forest Section below addresses tree impacts in more detail.

Inclusionary Housing and Community Amenity Contribution Policy

The subject site is located within the Housing Opportunity designation; therefore, the Inclusionary Housing and Community Amenity Policy applies to the proposal and a minimum of 8% of the project's total FSR or total number of units are expected to be affordable rental units. The proposal exceeds this requirement through the replacement of existing units alone, with approximately 22% of the anticipated total provided as affordable rental units for low-income households.

In addition, the applicant has committed to a minimum of 145 new units being operated by a non-profit provider, as outlined in detail above, which brings the total to 38% of the anticipated number of units being rented at below-market rates.

It should also be noted that all 900 units will be subject to income testing to ensure that tenants do not pay more than 30% of their income, which is described in more detail below.

Housing

The application, with a proposed density of 2.5:1 FSR, includes a total of approximately 900 residential units. If approved, this would add approximately 700 new residential rental units and replace 196 existing units, increasing the overall supply of housing in the area and contributing to the targets set out in the *Victoria Housing Strategy*.

Affordability Targets

The application notes that redevelopment of this site is through BC Housing's Provincial Redevelopment Program. This program includes rental cross subsidization, whereby market rate rental units effectively subsidize the 196 replacement units targeted to lower income households. As a result, the actual mix of below-market and market rental units, as well as the level of affordability of new below-market units will not be known until later phases when design details, construction costs, development partners and market conditions are better understood.

The redevelopment proposal includes below-market and market-rate rental units with the aim of achieving a diverse mixed income neighbourhood. The housing priorities in the HQNP to guide redevelopment of Evergreen Terrace include the replacement of existing affordable units (175 low-income and 21 supportive units) and the addition of approximately 400 to 500 net new below-market housing units. Of this total, a range of housing that includes low to median incomes will be provided across the site. In addition, family-friendly, accessible, and lock-off units are encouraged, as well as consideration of the potential for cooperative housing.

In addition to the replacement of 175 low-income homes and 21 supportive homes, the applicant has committed to the delivery of a minimum of 145 new units operated by a non-profit organization, for a total of 341 of nearly 900 units being below-market rental rates. The application adds that all units, whether rented at or below-market rate rents, will not exceed 30% of the gross household income and will remain affordable for the greater of 60 years, or the life of the building, up to BC Housing's defined income limits for low to middle income households.

The proposal does not commit to the additional 400 to 500 new below-market units beyond the replacement units. The applicant has committed to the delivery of a minimum of 145 new units operated by a non-profit organization, in addition to the replacement of 175 low-income homes and 21 supportive homes, for a total of 341 of nearly 900 units being below-market rental rates. The application adds that all new units, whether rented at or below-market rate rents, will not exceed 30% of the gross household income and will remain affordable for the greater of 60 years, or the life of the building, up to BC Housing's low to middle-income limits.

The applicant has not determined the distribution of rental rates across the mixed-income site; however, it can be confirmed that the first phase of redevelopment is focused on delivering replacement of existing units and the second phase of redevelopment is anticipated to include both the remainder of replacement units and net new units.

Housing Mix

The City's Family Housing Policy provides targets for housing mix and unit type in rezoning applications for new multi-unit residential buildings exceeding four storeys in height. For rental

projects, the policy requires 25% of total units to have two or more bedrooms, with at least 5% of total units being three or more bedrooms.

While the policy provides flexibility for applications addressing supportive and affordable rental housing needs, the proposed housing mix exceeds the policy target with 34% of the units being two-bedrooms or larger and at least 15% being three-bedrooms or larger. Each of the 21 supportive housing units will be four-bedroom units. For the replacement units, at least 143 would be two-bedroom or larger (73%), of which 105 would be three- or four-bedroom units (53%). A commitment to design flex-units is also made, whereby a studio or one-bedroom unit could be renovated to connect with an adjacent three-bedroom or four-bedroom unit to support larger households. The minimum percentages outlined above will be secured through the MDA.

Security of Tenure

The MDA will secure rental in perpetuity for all residential units as well as the affordability commitments as described above.

Existing Tenants

The proposal involves phased demolition of all existing buildings, which would result in a loss of 196 existing residential rental units. Consistent with the *Tenant Assistance Policy*, the applicant has provided a Tenant Assistance Plan which is attached to this report.

As the owner, BC Housing will implement their internal tenant relocation process that commits to limited disruption for tenants, ongoing communication, individualized support plans, right of first refusal, moving compensation, maintenance of affordability through RGI and the addressing of needs of vulnerable tenants. These commitments are attached in Appendix B of the Tenant Assistance Plan.

Leveraging their vast housing portfolio, BC Housing will work with tenants to provide relocation options to other units on-site, other subsidized housing units within Victoria or elsewhere in the region, or potentially help people relocate elsewhere in the province should that fit with the tenant's needs and priorities. The applicant has committed to a phased project process that, as much as possible, will enable tenants to stay in their current units until new units on site are completed.

Accessibility

Accessibility improvements are generally determined with review of the detailed design for development areas, which occurs in conjunction Development Permit applications. Policy direction and specific design guidance contained in the HQNP prioritizes the need for improved accessibility through and along the Evergreen Terrace site, including proposed spaces for public access.

The application commits to all new buildings having barrier-free access. In addition, an accessible connection to the pathway at 955 Hillside Avenue (The Summit) is planned to connect that existing path to the proposed Evergreen Lane and as per the BC Housing's design guidelines, all buildings will be required to provide at least 5% of the total units as wheelchair accessible.

Sustainability

The specific sustainability features would be confirmed for each phase upon submission of subsequent Development Permit Applications. The proposed sustainability features have been identified and further discussion with the applicant is required to determine what will be secured in the MDA:

- Natural rainwater management systems
- Stormwater management prioritizing landscape-based systems (detain and purify)
- High-efficiency drip irrigation
- All electric heating
- Landscape plantings of native and appropriate non-native plants
- High-reflectance roof materials
- Solar ready buildings
- Sewage heat recovery (not in phase 1)
- Step code Level 4 (under seven storey)
- Step code Level 3 (seven storey and over).

Advisory Design Panel Review

The application was reviewed by the Advisory Design Panel on July 24, 2024 (minutes attached). At that meeting, the following motion was passed:

That the Advisory Design Panel recommend to Council that Rezoning Application No. 00866 for 2501-2699 Blanshard Street, 825/841 Hillside Avenue, 2500-2684 Dowler Place and 900 Kings Road be approved as presented.

Carried Unanimously

Sustainable Mobility

The site's proximity to transportation options presents an opportunity to advance OCP and GoVictoria objectives through a robust TDM program that is tailored to respond to the site realities. In anticipation of future changes to City parking requirements, required vehicle parking and the precise mix of TDM measures would be confirmed in conjunction with subsequent Development Permit Applications for each phase and will be subject to the *Zoning Regulation Bylaw* in effect at the time of application. However, the attached rezoning book outlines a range of suitable TDM measures that are being considered for the site.

TDM measures will influence parking demand; however, it should be noted that parking supply for the site is estimated to be limited to approximately 400 spaces, assuming a single level of underground parking when appropriate setbacks are provided from underground parking structures to ensure adequate tree retention and planting (Figure 7). The applicant may ultimately propose more than one level of parking in one or more portions of the site, which could increase the parking supply or allow for less extensive underground parking structures.

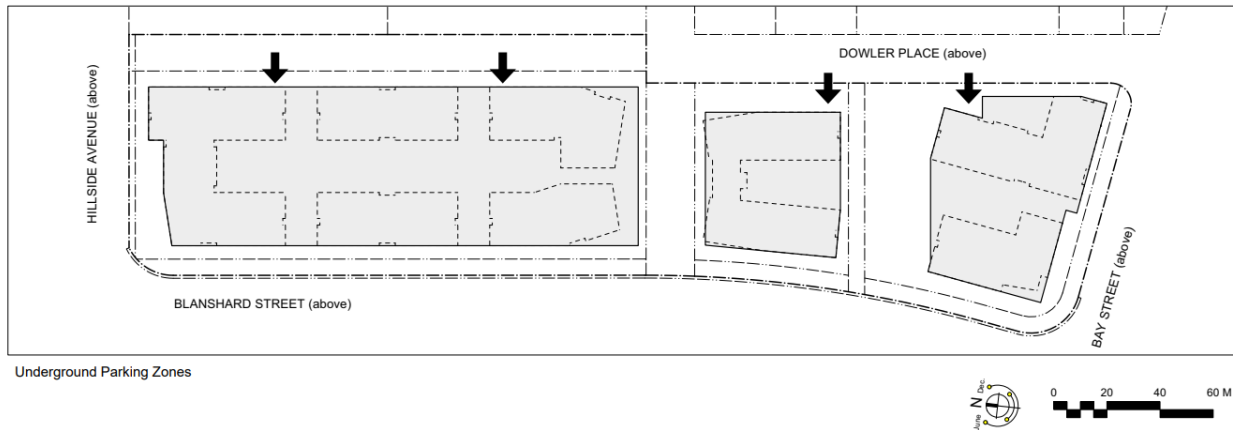


Figure 7: Approximate Underground Parking Areas

Public Realm

The following frontage works, which include improvements beyond *Subdivision and Development Services Bylaw* requirements and beyond the property's street frontage, would be delivered in conjunction with subsequent Subdivision applications and/or Building Permit applications, in accordance with the terms of the MDA:

- streetscape improvements to Hillside Avenue (including bicycle lanes and transit stop), Dowler Place, Bay Street (including bicycle lanes and transit stop) and Blanshard Street (including protected bicycle lanes)
- intersection upgrades at Hillside Avenue and Blanshard Street, Kings Road and Dowler Place, Dowler Place and Bay Street, and Bay Street and Blanshard Street.

The following public realm improvements are also proposed in association with this application:

- publicly accessible plaza and midblock crossing (Evergreen Plaza)
- publicly accessible park (Evergreen Commons)
- publicly accessible people priority lane (Evergreen Lane)
- publicly accessible all-ages recreational loop (The Loop).

The applicant has committed to secure the timing and conceptual design of proposed improvements in the MDA, which will be registered on the property's title prior to Council considering adoption of the *Zoning Regulation Bylaw* amendment. The detailed design of public realm improvements will be required in conjunction with subsequent Development Permit applications for each phase. It should be noted that the applicant has requested that the City assume maintenance and liability within the SRW area for the midblock crossing in through Evergreen Plaza. Given more discussion is required regarding the maintenance responsibilities within this multi-use space, the recommendation contains language that this be confirmed prior to adoption of the *Zoning Regulation Bylaw* amendment.

The proposed publicly accessible areas would be secured by SRWs, registered on title in conjunction with subsequent Subdivision application and/or Development Permit applications. It should be noted that SRWs are typically registered prior to adoption of the *Zoning Regulation Bylaw* amendment. However, the applicant has expressed concern with proceeding with registration until subdivision phase because there is a possibility a Subdivision application would trigger parkland

dedication requirements, depending on timing of phases. The deferral of registration of public access SRWs is considered supportable as SRW areas can be accurately determined based on detailed plans for each phase when full details of improvements are known. The MDA will contain a general commitment to provide SRWs securing public access as depicted in the Rezoning Book.

Tree Preservation Bylaw and Urban Forest Master Plan

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. The Hillside/Quadra neighbourhood currently exhibits tree canopy cover of 34%.

A total of 119 trees have been inventoried, including 71 bylaw-protected trees on the subject lot and 32 municipal trees. Of these, 27 bylaw protected trees on the subject lot are proposed for removal with the status of the remainder to be determined at a later stage of the project.

Retaining the healthy municipal trees on all frontages, as well as six healthy and established, Bylaw-protected London plane trees and one red maple tree on private property along Blanshard Street, are a priority, to ensure healthy tree canopy is retained. The buildings and underground parkades will be set back to match the existing building foundation along the Blanshard Street frontage to accommodate the existing trees.

To comply with the tree minimum requirements of the *Tree Protection Bylaw*, 158 new trees are required for the site in total. Replacement trees will be allocated with each phase of the development. These trees are proposed to be planted at ground level and in plazas and in elevated greenspace terraces, incorporating soil cells where feasible. Where the total number of trees cannot be accommodated with each phase of the project, a total of 15% of replacement trees are transferable to other phases if needed.

CONCLUSIONS

The proposal includes the provision of approximately 900 housing units to remain as rental in perpetuity and be subject to a BC Housing operating agreement requiring income testing. A minimum of 341 of the 900 units will be secured at a range of below market rental rates based on low to middle income limits. There are also publicly accessible as well as shared indoor and outdoor amenity spaces distributed across the site. The proposal is considered consistent with the density and use envisioned in the OCP, although the height of four of nine proposed buildings exceeds the six storeys envisioned for in the Housing Opportunity designation. The proposal also aligns with the use and density guidance in the HQNP, as well as specific policies for the redevelopment of this site.

Approval of the application would also advance policies and objectives in the OCP related to placemaking, liveability, the urban forest, housing diversity and sustainable mobility. It is recommended that Council consider advancing the application by instructing staff to prepare the necessary bylaw amendment and notice to adjacent properties.

ALTERNATE MOTION – DECLINE

That Council decline Rezoning Application No. 00866 for the property located at 2501-2699 Blanshard Street, 825/841 Hillside Avenue, 2500-2684 Dowler Place and 900 Kings Road.

Respectfully submitted,

Patrick Carroll
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: Letter from applicant to Mayor and Council received December 16, 2024
- Attachment C: Plans date stamped July 4, 2024
- Attachment D: Rezoning Booklet date stamped December 16, 2024
- Attachment E: Zoning Data Table
- Attachment F: Tenant Assistance Plan, dated November 22, 2024
- Attachment G: Preliminary Parking & TDM Analysis WATT Consulting Group, dated November 27, 2024
- Attachment H: Arborist Report, dated June 24, 2024
- Attachment I: Advisory Design Panel Report, dated July 10, 2024
- Attachment J: Advisory Design Panel Minutes, dated July 24, 2024
- Attachment K: Public Engagement Summary, dated December 2023
- Attachment L: Consultation Comments from Online Feedback Form
- Attachment M: Correspondence (Letters received from residents)