



Council Report

For the Meeting of July 17, 2025

To: Council **Date:** July 3, 2025

From: Karen Hoese, Director, Planning and Development

Subject: **Update on Rezoning Application No. 00862 and Development Permit with Variance No. 00252 for 2002 Richmond Road, 1903/1909 Birch Street, and 1769 Pembroke Street**

RECOMMENDATION

Rezoning Application (updates in bold text)

1. That Council gives first, second, and third readings to Zoning Regulation Bylaw, Amendment Bylaw (No. 1356) No. 25-013 after publication of notification in accordance with section 467 of the Local Government Act.
2. That subject to third reading of the zoning amendment bylaw, the applicant prepare and execute the following legal agreements, with contents satisfactory to the Director of Planning and Development and form satisfactory to the City Solicitor prior to adoption of the bylaw, securing the following:
 - a. rental tenure in perpetuity of all dwelling units;
 - b. a unit mix consisting of a minimum of twenty-two two-bedroom units;
 - c. Transportation Demand Management measures including:
 - i. provision of two on-site stalls dedicated to car share vehicles and equipped with level two charging stations
 - ii. a car share membership and usage credit for each residential unit
 - iii. a minimum contribution of \$82,500.00 toward the purchase and operation of two electric car share vehicles
 - iv. fifty percent of long-term bicycle parking spaces to have access to an electrical outlet to enable e-bicycle charging
 - v. provision of fifteen at grade on-site long-term oversized cargo bicycle sized stalls 2.4m long x 0.9m wide

- vi. provision of a dedicated bicycle maintenance and wash station with a functioning spigot and drain
 - vii. a contribution of at least \$40,000 to the BC Transit EcoPASS program for use by residents and employees of the commercial units.
3. That subject to third reading of the zoning amendment bylaw, the applicant prepare and execute the following legal agreements, with contents satisfactory to the Director of Engineering and Public Works and form satisfactory to the City Solicitor prior to adoption of the bylaw, securing the following:
- a. a 2.50m wide volumetric statutory right of way along Richmond Road for highway purposes.
 - b. a **0.998m** wide volumetric statutory right of way along Birch Street for highway purposes
 - c. provision of the following public realm improvements in accordance with plans dated May 2, 2024:
 - i. City of Victoria standard tree guards for all street trees in grates
 - ii. soil cells to achieve recommended soil volumes for all new street trees
 - iii. design and installation of a grade-raised protected bicycle lane on Richmond Road.
 - d. **construction of the Birch Street plaza elements as shown in the plans attached to the report in Attachment A, to be funded by the City in an amount not exceeding \$530,000 upon satisfactory completion, with any shortfall to be funded by the applicant, including a clause to allow the City to potentially choose not to contribute the funds by the time of building permit, in which case the applicant would no longer be required to construct the plaza. The proposed plaza elements shall include:**
 - i. **Concrete pavers**
 - ii. **road base**
 - iii. **curbs**
 - iv. **signage**
 - v. **lighting**
 - vi. **planters**
 - vii. **benches**
 - viii. **soil cells**
 - ix. **planter plantings**
 - x. **soil cells**
 - xi. **soil cell drain/distribution**
 - xii. **soil cell inlets**
 - xiii. **soil cell overflow service connection**
 - xiv. **bollards**
 - xv. **irrigation**
 - xvi. **trees**
 - xvii. **drainage**
 - xviii. **soil**

4. That subject to **adoption** of the zoning amendment bylaw, the applicant completes the following prior to **issuance of a building permit**, to the satisfaction of the Director of Engineering and Public Works:
 - a. dedicate as highway pursuant to section 107 of the Land Title Act a 1.98 m right of way along Richmond Road; and
 - b. dedicate as highway pursuant to section 107 of the Land Title Act a 1.78 m right of way along Pembroke Street.
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 Variances Application (updates in bold text)

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

1. That subject to the adoption of the Zoning Regulation Bylaw amendment, Council authorize the issuance of Development Permit with Variances No. 00252 for 2002 Richmond Road, 1903/1909 Birch Street, and 1769 Pembroke Street, in accordance with revised plans submitted to the Planning and Development department subject to:
 - a. Proposed development meeting all City zoning bylaw requirements, except for the following variances:
 - i. reduce the front (Birch Street) setback from 3.0m for the first storey to **0.998m** and from 6.0m above the first storey to 0.0m
 - ii. reduce the flanking street (Richmond Road) setback from 2.4m to 0.00m
 - iii. reduce the west side setback from 2.40m above the first storey to 0.59m
 - iv. reduce the east side setback from 2.40m above the first storey to 0.0m
 - v. reduce the internal north and west lot line setbacks from 2.40m above the first storey to 0.0m
 - vi. **reduce the residential parking minimum from fifty-six stalls to zero stalls**
 - vii. **reduce the commercial parking minimum from 20 to 3**
 - viii. **reduce the residential visitor parking from 6 to 1**
 - ix. **increase maximum distance for bike parking from building entrance from 15m to 20m**
 - x. **reduce the minimum open site space from 31% to 8.8%**
2. That the Development Permit with Variances, if issued, lapses two years from the date of this resolution.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with an update regarding the Rezoning and Development Permit with Variances Applications for the property located 2002 Richmond Road, 1903/1909 Birch Street, and 1769 Pembroke Street. The proposal is to rezone from the C-1 Zone and R1-B Zone, to a new zone to increase the density to permit the construction of a six-storey mixed-use residential rental building.

At the Committee of the Whole meeting on October 17, 2024, Council passed a motion to move this application forward to first, second and third reading, subject to specific plan revisions. Council also endorsed construction of the plaza on Birch Street and requested a detailed cost estimate for the City's cost contribution as well as potential funding options.

A detailed cost estimate shows the cost of the plaza to be \$325,639 (Class D estimate). Given the potential for material cost escalation and other uncertainties, a contingency has been set to 50%, and a cost-of-living adjustment has also been added to account for inflation (7% for four years). This would bring the potential total expenditure up to approximately \$530,000. There is a zoning contribution of \$700,000 in the Local Amenities Reserve which is required to be expended in the Jubilee Neighborhood. This funding option is only provided for information purposes only at this time. The specific funding sources would be determined at a future date.

The report also brings forward an update to the width of one of the Statutory Rights of Way and adjustment to the timing of the road dedication.

The applicant has generally fulfilled the conditions set by Council and the application is ready to be considered for introductory readings, with final adoption of the bylaw withheld until the required legal agreements have been registered.

BACKGROUND

At the Committee of the Whole (COTW) meeting on October 17, 2024, Council passed a motion to move this application forward to first, second and third reading, subject to plan revisions addressing tree minimums, accessible parking, and car share parking requirements (see Attachment B for motion ratified on November 7, 2024). The applicant has provided an updated plan set that addresses these requirements (see Attachment A).

Council also endorsed construction of the plaza on Birch Street and requested a detailed cost estimate for the City's cost contribution as well as potential funding options.

ANALYSIS

Plaza Cost Estimate and Funding Options

Staff have worked closely with the applicant to refine the plaza drawings and works to provide for a greater level of detail for estimating costs to the City, with the revised design incorporating additional area for soil cells for trees and stormwater management features. The Class D cost estimate that was provided previously (\$325,639) has not needed to increase.

A Class D cost estimate is an initial or preliminary cost estimate, which is typically completed early in the development process at the conceptual design stage. Class D estimates usually include a contingency of 20-30%. Given the potential for material cost escalation and other uncertainties, the applicant has requested an increased contingency, which has been set to 50%. A price escalation also factors in a cost-of-living increase in the amount of 7% per year for four years. These amounts represent a worst-case scenario that could drive the estimate upwards if there are unanticipated costs (e.g. relocation of underground services, soil remediation, etc.).

The total estimate including the contingency and cost-of-living increase is calculated to be \$530,000. This represents the upper limit of the City's funding contribution for the plaza; it is possible that the costs are less than that estimate. City staff would have oversight of expenditures during plaza construction to ensure that costs are maintained at an acceptable level.

There is a zoning contribution of \$700,000 in the Local Amenities Reserve which is required to be expended in the Jubilee Neighborhood. This funding option is only provided for information purposes only at this time. The specific funding sources would be determined at a future date.

The motion has been updated to include a legal agreement as a condition of rezoning which would secure construction of the plaza by the applicant. Funding would be provided by the City in an amount not exceeding \$530,000 upon satisfactory completion, with any shortfall to be funded by the applicant. The legal agreement would also include a clause to allow the City to potentially choose not to contribute the funds by the time of building permit, in which case the applicant would no longer be required to construct the plaza. The standard frontage improvements included within the Subdivision and Development Services Bylaw would be required to be designed, financed, and constructed by the developer on the Birch Street frontage if the plaza is not constructed.

These funding options are only provided for information purposes only at this time. The specific funding sources would be determined at a future date.

Parking

The parking plan has been revised to provide all accessible parking spaces required under Schedule C of the *Zoning Regulation Bylaw*. The following table shows the proposed parking allotment presented at the COTW meeting, the current proposal, and the amount required under Schedule C (the asterisks indicate where variances are needed):

| Stall Type | Previous Proposal | Current Proposal | Required (Schedule C) |
|------------------------|--------------------------|-------------------------|------------------------------|
| Residential | 10 | 0* | 56 |
| Residential visitor | 0 | 1* | 6 |
| Residential accessible | 1 | 3 | 3 |
| Van accessible | 1 | 1 | 1 |
| Van accessible visitor | 0 | 1 | 1 |
| Commercial | 0 | 3* | 20 |
| Car share | 1 | 2 | n/a |
| Total | 13 | 11 | 82 |

The applicant has also revised the parking layout to accommodate two dedicated car share stalls on site to replace the previously proposed off site stalls. Given the potential that the off site stalls may be temporary, the applicant has opted not to pursue the cost of installing EV infrastructure off site and instead will accommodate the vehicles and associated charging infrastructure on site.

The variances have been updated accordingly for these revisions.

Tree Protection Bylaw and Urban Forest Master Plan

The applicant has updated the tree planting plan to account for all seven trees required under the *Tree Protection Bylaw*. The provision of the trees has not had an impact on the parking layout or the number of stalls that can be provided.

Statutory Right of Way and Dedication

The November 7, 2024 Council motion included a 1.38m statutory right-of-way (SRW) along Birch Street as a condition for rezoning, but the accompanying plans only indicated a SRW of 0.998m.

Staff had requested the larger SRW in a non-volumetric form if the plaza was not to be built. Since the plaza will be secured through a legal agreement, the additional space is not necessary as there will be adequate space for pedestrians and trees. The motion has been updated accordingly to reflect the SRW shown on the plans that were presented to COTW.

The motion has also been updated so that the road dedication on Birch Street and Pembroke Street is required to be completed prior to Building Permit issuance instead of adoption of the zoning bylaw amendment to align with the current standard approach.

Variances

The variances in the motion have been updated for consistency with the revised parking plan for accessible parking described above. Two additional minor changes have been made to the variances in the motion:

- The variance to the 15m minimum distance from short-term bike parking to an entrance needs to be increased from 17.5m to 20m to accommodate the plans.
- A variance to open site space will be required because the new zone will be drafted to include an open site space requirement to reflect current zoning regulation practices, despite the existing zone not including it. This had not been determined yet when the application was at COTW and was therefore not included in the previous motion.

In addition to these variances the floor space ratio has increased a small amount from 2.89:1 to 2.91:1 which will be accommodated in the new site specific zone because density cannot be varied with a Development Permit.

Resource Impacts

Construction of the Birch Street Plaza would require allocation from the Local Amenity Fund or capital budget as described in this report.

CONCLUSIONS

In response to the Committee of the Whole motion, the applicant has revised the plans to address tree minimums, accessible parking, and car share parking. In addition, a cost estimate of \$530,000 has also been prepared and funding options have been identified to cover the City's costs.

The applicant has revised the proposal based on Council direction, and the motion has been updated accordingly.

Respectfully submitted,

Geordie Gordon
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: Revised Plans date stamped February 6, 2025
- Attachment B: Council Meeting Minutes of November 7, 2024