



Committee of the Whole Report

For the Meeting of July 12, 2018

To: Committee of the Whole **Date:** June 28, 2018

From: Jonathan Tinney, Director, Sustainable Planning and Community Development

Subject: Rezoning Application No. 00639 for 1770-1780 Denman Street

RECOMMENDATION

That Council decline Rezoning Application No. 00639 for the property located at 1770-1780 Denman Street.

LEGISLATIVE AUTHORITY

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 1770-1780 Denman Street. The proposal is to consolidate three lots and rezone from the R1-B Zone, Single Family Dwelling District, to a site-specific small lot zone in order to permit the construction of thirteen single family dwellings surrounding an interior open space. An eleven-stall surface parking lot is proposed, which fronts onto Denman Street.

The following points were considered in assessing this Application:

- the Official Community Plan (OCP) identifies the property as within the Traditional Residential Urban Place Designation, within which ground-oriented buildings up to two storeys are envisioned; however, the proposal is inconsistent with the OCP as the place character features notes that houses should be oriented to face the street
- the proposal is inconsistent with several housing policies in the *Jubilee Neighbourhood Plan*, including new development respecting the existing character of the neighbourhood through scale and form of housing and new development providing entrances facing the street
- the proposal does not meet the minimum standards of the City's existing policy and regulatory framework:
 - it is inconsistent with the *Small Lot Housing Rezoning Policy*, which discourages demolition of existing houses to enable additional houses to be built in the same

place, and the proposal does not meet the minimum standards related to lot area or lot width

- it is inconsistent with Schedule H - Panhandle Lot Regulations which require a minimum lot area of 600m², setbacks of approximately four metres and a maximum building height of one storey
- it is inconsistent with the standard townhouse regulations, as the units are not joined and require six-metre front yard setbacks and five metres of separation space between buildings.

BACKGROUND

Description of Proposal

This Application is to rezone and consolidate three lots from the R1-B Zone, Single Family Dwelling District to a site-specific small lot zone in order to permit the construction of thirteen single family dwellings surrounding an interior, common open space. An eleven-stall surface parking lot is provided fronting onto Denman Street. This form of development is often called cottage clusters or pocket neighbourhoods.

The proposal is not consistent with existing City of Victoria zones. According to the *Zoning Regulation Bylaw*, each strata lot within a bare land strata plan is considered an individual lot. Essentially, each single family dwelling lot in the proposal is subject to its own zoning review, which creates a number of inconsistencies between the R1-S2 Zone, Restricted Small Lot (Two Storey) District, as well as the Schedule 'H' - Panhandle Lot Regulations.

Staff acknowledge that the idea of a pocket neighbourhood could have merit under certain circumstances. However, in this instance where the lots are double fronting, the ideal form of development would create a positive street relationship on both frontages rather than a design that is oriented internally towards a communal green space. A compromise between the two forms could be townhouses that front the street while also including a large internal green space.

Affordable Housing Impacts

The applicant proposes the creation of thirteen new residential units, which would increase the overall supply of housing in the area. As per the attached letter to Mayor and Council, a Housing Agreement is also being proposed which would ensure that some of the units are sold below market value. The applicant has not yet confirmed the number of units and the extent of the reduction below market value. Should this Application proceed, staff recommend this Housing Agreement be confirmed and executed prior to a Public Hearing.

Sustainability Features

The applicant has not identified any sustainability features associated with this proposal.

Active Transportation Impacts

The Application proposes a five-stall bicycle rack which supports active transportation.

Public Realm Improvements

No public realm improvements are proposed in association with this Rezoning Application.

Accessibility Impact Statement

The British Columbia Building Code regulates accessibility as it pertains to buildings.

Land Use Context

The area is characterized primarily by single family dwellings. There is a multi-unit residential building located to the northeast, and the Royal Jubilee Hospital is located to the east of the subject property.

Existing Site Development and Development Potential

The site is presently three separate lots with single family dwellings on each lot. The single family dwelling at 1774 Denman Street is a three-unit house conversion. There are currently tenants residing in all of the buildings. The applicant is amenable to working with the City to create a Tenant Assistance Plan should this Application proceed to a Public Hearing.

Under the current R1-B Zone, Single Family Dwelling District, the properties could be developed each with a single family dwelling, with either a garden suite or a secondary suite.

Data Table

The data table is provided as Attachment E, as it is too large to include within the body of this report. The table compares the proposal with the existing R1-B Zone, Single Family Dwelling District, and the R1-S2 Zone, Restricted Small Lot (Two Storey) District. An asterisk is used to identify where the proposal is less stringent than the standard R1-S2 Zone.

The interior lots would also be subject to Schedule H – Panhandle Lot Regulations. However, for simplicity these regulations have not been included in the data table.

Relevant History

In 2014, an application was declined by Council to rezone and subdivide the land into five lots to construct two new duplexes while retaining the existing single family dwellings.

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variances Applications*, the applicant has consulted the North Jubilee CALUC at a Community Meeting held on April 11, 2017. At the time of writing this report, a letter from the CALUC had not been received; however, the CALUC indicated a letter would be forthcoming. Staff will ensure the letter is attached to this report if received prior to Committee of the Whole.

In accordance with the City's *Small Lot House Rezoning Policy*, the applicant is required to poll the immediate neighbours. However, no poll was conducted as the applicant maintains that they are not proposing to rezone to a typical small-lot zone.

ANALYSIS

Official Community Plan

The properties are located within the Traditional Residential Urban Place Designation within the OCP. This designation envisions ground-oriented residential uses including single family dwellings. Houses should be oriented to face the street and should have individual driveways. The proposed form of development is not noted in the OCP as a place character feature found in the Traditional Residential designation. The proposal has six buildings that front onto the street: three onto Albert Avenue and three onto Denman Street. The seven remaining buildings front onto the interior shared courtyard. Having the majority of the buildings oriented towards the interior of the site is inconsistent with the OCP.

The Traditional Residential designation also envisions on-street parking and individual driveways. Surface parking lots fronting onto the street are not envisioned.

Local Area Plans

The Jubilee Neighbourhood Plan envisions maintaining the current zoning on the subject properties. Duplexes and small lot single family dwellings that meet City criteria can also be considered. Generally, new residential development should respect the character of the existing neighbourhood and street through the scale and form of housing.

Tree Preservation Bylaw and Urban Forest Master Plan

Staff have requested an ISA arborist report to review the construction impacts of the proposed residences and hardscaping on the bylaw-protected Douglas Fir and Horse Chestnut trees on site. The report should also review any potential impacts to the three City boulevard trees on Denman Street. The survey, site plan and landscape plan currently do not show these trees and should be revised to do so. Should Council choose to advance this Application for further consideration, the alternate motion provides direction to ensure these issues, among others, are addressed prior to consideration of the Development Permit with Variances.

Small Lot House Policy and Panhandle Regulations

The *Zoning Regulation Bylaw* definition of "lot" includes a strata lot in a bare land strata plan. The proposal is for a bare land strata, and there are therefore thirteen individual lots with buildings on the property. These lots are below the required lot size for both the R1-B and the R1-S2 Zones. The closest zone to fit these lots within is the R1-S2 Zone; therefore, the *Small Lot House Rezoning Policy* has been used to assess this Application.

The Application proposes the removal of three single family dwellings, which is inconsistent with the policy to retain the existing housing stock. In addition, the interior lots are technically considered panhandle lots, which the small lot policy notes should generally not be considered. Furthermore, the minimum site area for a small lot house is 260m², which no proposed lots would meet, and a lot width of 10m, which only two lots would meet.

The minimum lot size for panhandle lots is 660m², with a building height limit of one storey along with a requirement for setbacks of approximately four metres.

Regulatory Considerations

As previously noted, each bare land strata lot is considered an individual lot within the *Zoning Regulation Bylaw*. A site specific zone would be created if Council moves to forward this

Application to a Public Hearing. Currently the Application is being compared against the R1-S2 Zone, Restricted Small Lot (Two Storey) District. In addition, the interior lots are technically considered panhandle lots, which means Schedule H – Panhandle Lot Regulations applies. Using these sections of the *Zoning Regulation Bylaw* would create over 130 variances. The majority of these variances would be captured within a site specific zone should the Application proceed to a Public Hearing.

Other Considerations

Normally, the City of Victoria processes Rezoning Applications and Development Permits concurrently. However, in this case the applicant has requested the Rezoning Application move forward to Committee of the Whole in order to explore whether there is any desire for this housing typology prior to facing additional expenditures related to the Development Permit.

In addition, staff have identified a number of necessary revisions that would normally be addressed prior to Committee of the Whole. Staff recommend the following be addressed should this Application move forward to a Public Hearing:

- revised plans showing:
 - required 1.5m dedication on the Albert Avenue frontage
 - full frontage works to be completed as a condition of subdivision
 - revised driveway crossings adhering to the *Highway Access Bylaw*
 - a minimum of 6.0m fire lane for Fire Department Access to interior lots.
- submission of applicable Subdivision or Strata Application
- submission of Sewage Attenuation Report
- submission of an ISA arborist report and an updated site survey including the trees.

CONCLUSIONS

The OCP and the *Jubilee Neighbourhood Plan* currently do not contemplate this pocket neighbourhood style of development. In addition, the dwellings that face interior to the site and the surface parking lot on Denman Street are contrary to policies found in both plans. Despite staff explaining the inconsistencies with City policy, the applicant has elected to move the Application forward for Council's consideration rather than making revisions; the staff recommendation is therefore that Council consider declining the Application. However, alternate motions are provided below.

ALTERNATE MOTIONS

Option 1: Send Application as Proposed to a Public Hearing

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00639 for 1770-1780 Denman Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set once the following conditions are met:

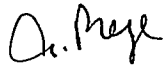
1. Submission of required revisions and materials outlined in this report and variance fees for the Development Permit with Variances.
2. Review by Council at a Committee of the Whole Meeting of the Development Permit with Variances.
3. Presentation at Committee of the Whole of a Tenant Assistance Plan and details of proposed terms to be included in a Housing Agreement.


Option 2: Revise Application to be Consistent with City Policies

That the applicant work with staff to revise the proposal so that it is consistent with the objectives and policies found in the *Official Community Plan* and *Jubilee Neighbourhood Plan*.


Respectfully submitted,


Michael Angrove
Planner
Development Services




Jonathan Tinney, Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager:


Date: July 3, 2018

List of Attachments

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans date stamped March 14, 2018
- Attachment D: Letter from applicant to Mayor and Council dated March 12, 2018
- Attachment E: Zoning Data Table
- Attachment F: Correspondence (letters received from residents).