

H. REPORTS OF COMMITTEES

H.1 Committee of the Whole

H.1.c Report from the July 12, 2018 COTW Meeting

H.1.c.c 502 Discovery Street - Rezoning Application No. 00646, Heritage Alteration Permit Application No. 00228 and Heritage Designation Application No. 00173 (Burnside)

Moved By Councillor Madoff

Seconded By Councillor Young

Rezoning Application No. 00646

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00646 for 502 Discovery Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set.

Heritage Alteration Permit Application No. 00228

That Council, after giving notice and after the Public Hearing for Rezoning Application No.00646, if it is approved, consider the following motion:

"That Council authorize the issuance of the Heritage Alteration Permit Application No. 00228 for 502 Discovery Street, in accordance with:

1. Plans date stamped May 25, 2018.
2. Development meeting all *Zoning Regulation Bylaw* requirements
3. Heritage Alteration Permit lapsing two years from the date of this resolution."

Heritage Designation Application No. 000173

That Council consider the following motion:

1. That Council instruct staff to prepare the necessary Heritage Designation Bylaw that would approve the designation of the Heritage-Registered property located at 502 Discovery Street, pursuant to Section 611 of the *Local Government Act*, as a Municipal Heritage Site, and that first and second reading of the Heritage Designation Bylaw be considered by Council and a Public Hearing date be set once the following condition is met:
 - a. Subject to the approval of the Heritage Designation Bylaw for 502 Discovery Street, that Council authorize staff to discharge Heritage Conservation Restrictive Covenant CTK6914 dated March 10, 1983.

CARRIED UNANIMOUSLY

E. LAND USE MATTERS

E.1 502 Discovery Street - Rezoning Application No. 00646, Heritage Alteration Permit Application No. 00228 and Heritage Designation Application No. 00173 (Burnside)

Committee received reports from the Director of Sustainable Planning and Community Development regarding proposals for the property located at 502 discovery to allow for the construction of additional floor area for office uses in the existing building, use of the upper storey attic of the existing building for office space, requiring the addition of a breezeway, a number of skylights, and minor alterations to two existing entrances, and to designate the exterior of the building as heritage.

Councillor Isitt joined the meeting at 9:02 a.m.

Moved By Councillor Madoff

Seconded By Councillor Thornton-Joe

Rezoning Application No. 00646

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00646 for 502 Discovery Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set.

Heritage Alteration Permit Application No. 00228

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 - a) Subject to the approval of the Heritage Designation Bylaw for 502 Discovery Street, that Council authorize staff to discharge Heritage Conservation Restrictive Covenant CTK6914 dated March 10, 1983.

Committee discussed:

- *The importance of the building in the downtown*

CARRIED UNANIMOUSLY



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. 00646 for 502 Discovery Street

RECOMMENDATION

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00646 for 502 Discovery Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set.

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.

In accordance with Section 482 of the *Local Government Act*, a zoning bylaw may establish different density regulations for a zone, one generally applicable for the zone and the others to apply if certain conditions are met.

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 502 Discovery Street. The proposal is to rezone from the S-3 Zone, Modified Limited Service District to a new zone in order to increase the permitted density from 1.50:1 to 2.0:1 floor space ratio to allow for the construction of additional floor area for office uses in the existing building.

The following points were considered in assessing this application:

- the proposal is consistent with the *Official Community Plan*, which designates the subject properties as Core Employment and supports light industrial, commercial and complementary retail uses on Store Street. The OCP supports a density of up to 3:1 floor space ratio (FSR).
- the *Burnside Gorge Neighbourhood Plan* designates the subject properties as Industrial

Employment, which supports light industrial uses on the ground floor, with ancillary retail or office uses; and a broad range of commercial uses such as office, artist studios, and services on the upper storeys. The Plan supports a density of up to 2:1 FSR.

- the existing Victoria Gymnastics and the Duke Pub would remain on the ground floor and the applicant is proposing a coffee shop with work spaces fronting Store Street, located in between the pub and Victoria Gymnastics. The remaining ground floor area would be storage space.
- the existing heritage industrial building is currently protected under a Section 219 covenant registered on title; however, the applicant is proposing to heritage-designate the building and carry-out exterior changes, which are being considered in concurrent Heritage Designation and Heritage Alteration Permit Applications.
- the applicant is proposing to rehabilitate and renovate the interior of the building by converting the upper-storey mezzanine space into office space in order to allow for a co-working habitat, where individuals and small start-up sized companies can use the upper-storey space in a cooperative work environment.

BACKGROUND

Description of Proposal

This Rezoning Application is to increase the permitted density from 1.50:1 to 2.0:1 floor space ratio to allow for the construction of additional floor area for office uses in the existing building. The increase in density and location of uses, ensuring consistency with the *Burnside Gorge Neighbourhood Plan*, are the only differences from the standard S-3 Zone, Modified Limited Service District that are being proposed.

Sustainability Features

The adaptive reuse of an existing building is the main sustainable feature. In addition, the proposed skylights will allow for natural ventilation, natural lighting and passive solar heating. There would also be significant improvements to the insulation and heating system in the building. There would be an addition of a bicycle room and end-of-trip facilities for the office users.

Active Transportation Impacts

The applicant proposes the following features which support active transportation:

- 84 Class 1 bicycle parking spaces, which is in excess of the requirements of Schedule C: Off-street Parking
- end-of-trip facilities for employees.

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 by a mix of light industrial and commercial uses.

Existing Site Development and Development Potential

The site is presently an existing heritage industrial building. The existing heritage building is currently protected under a Section 219 covenant registered on title and therefore, the building could not be demolished and the property redeveloped. However, under the current S-3 Zone, the building could accommodate marine industrial uses, light industrial, and commercial uses.

Data Table

The following data table compares the proposal with the existing S-3 Zone, Modified Limited Service District. An asterisk is used to identify where the proposal is less stringent than the existing Zone. A double asterisk indicates a legal non-conforming situation.

Zoning Criteria	Proposal	Zone Standard S-3
Site area (m ²) - minimum	2677.65	N/A
Density (Floor Space Ratio) - maximum	2.0:1 (new zone) 1.71:1* (current proposal)	1.50:1
Total floor area (m ²) - maximum	4581.70*	4016.48
Height (m) - maximum	10.36	15.00
Storeys - maximum	2	N/A
Site coverage % - maximum	100**	60
Open site space % - minimum	0	N/A
Setbacks - minimum (m)		
Front (Pembroke)	0	0
Rear (Discovery)	0	0
Side (Store)	0	0
Side (east)	0	0 or ≥ 3
Vehicle parking - minimum	0	0
Loading spaces	0**	1
Bicycle parking stalls - minimum		
Class 1 (long term)	84	0 (existing building)
Class 2 (visitor)	0	0

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variances Applications*, the applicant has consulted the Burnside Gorge CALUC at a Community Meeting held on March 19, 2018. A letter dated March 19, 2018 is attached to this report.

ANALYSIS

Official Community Plan

The *Official Community Plan* Urban Place Designation for the subject property is Core Employment, which supports light industrial, commercial and complimentary retail uses. A floor space ratio (FSR) up to approximately 3:1 is supportable. Even though the proposed FSR is 1.71:1, the applicant is requesting that the new zone allows a FSR of 2:1 which is still below the maximum supported in the OCP; however, it would provide a small amount of flexibility should the applicant wish to add additional floor area in the future. Any additional floor area or building expansion beyond the current proposal could only be feasible above the ground floor, and would still require a Heritage Alteration Permit and subject to Council approval.

With respect to the existing and proposed uses in the building, Victoria Gymnastics and the Duke Pub would remain on the ground floor and the applicant is proposing a coffee shop fronting Store Street, located in between the pub and Victoria Gymnastics. The remaining ground floor area would be storage space. The upper storey would be office space and uniquely designed to allow for a co-working habitat, where individuals and small start-up companies can use the upper storey space in a cooperative work environment. Overall, the proposal is consistent with the policies in the OCP associated with use and density.

Local Area Plans

The *Burnside Gorge Neighbourhood Plan* designates the subject property as Industrial Employment, which supports light industrial uses on the ground floor, with ancillary retail or office uses; and a broad range of commercial uses such as office, artist studios, and services on the upper storeys. The Plan supports a density of up to 2:1 FSR.

The proposed office expansion is limited to the upper-storey, and the floor area of the proposed coffee shop on the ground floor would be 365.40m², or 8% of the total floor area of the building (ancillary retail). The coffee shop would also have work spaces available to restaurant patrons.

Tree Preservation Bylaw and Urban Forest Master Plan

There are no Tree Preservation Bylaw impacts and no impacts to public trees with this application.

Regulatory Considerations

The new zone would allow for a density of 2:1 FSR and contain restrictions on location of uses in accordance with the *Burnside Gorge Neighbourhood Plan*. For example, in the Neighbourhood Plan, offices, artist studios, and services are supported above the ground-floor, and any ground-floor retail and office use should be ancillary to the primary industrial uses. The new zone would continue to reflect these policy directions. The new zone would contain

the same industrial and commercial uses permitted in the existing S-1, Limited Service District, and S-3 Zones and associated zoning regulations.

CONCLUSIONS

The proposal to rezone the subject property in order to increase the permitted density from 1.5:1 to 2.1 FSR is consistent with the OCP and *Burnside Gorge Neighbourhood Plan*, and it would further advance the objectives in both plans with respect to enhancing job opportunities and economic growth in the Rock Bay Employment Area. Staff recommend for Council's consideration that the application advance to a Public Hearing.

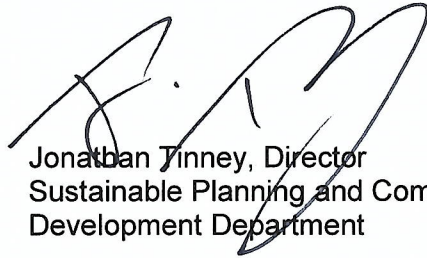
ALTERNATE MOTION

That Council decline Rezoning Application No. 00646 for the property located at 502 Discovery Street.

Respectfully submitted,



Leanne Taylor
Senior Planner
Development Services Division



Jonathan Tinney, Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager:

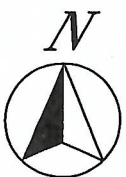
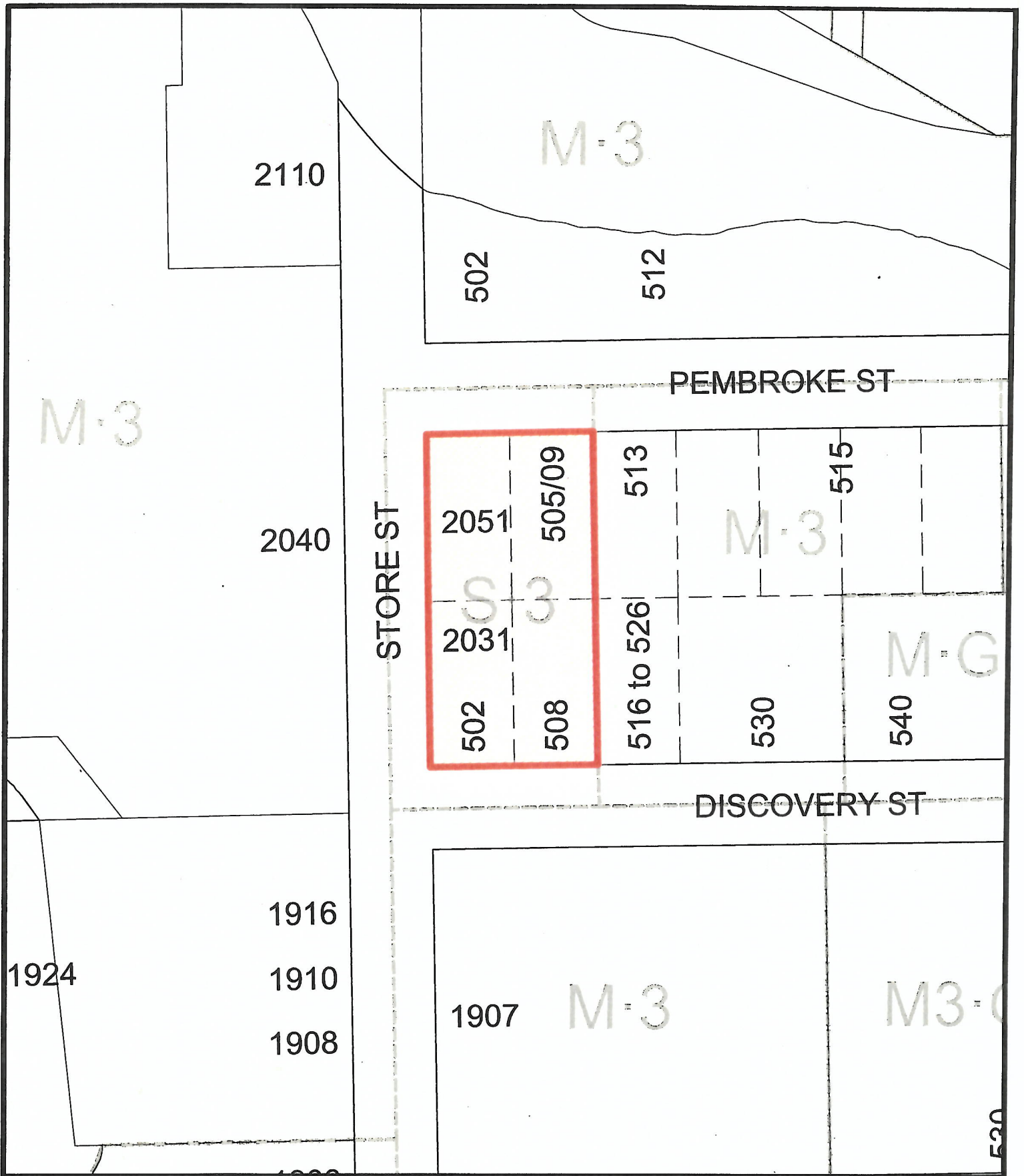


Date:

July 3, 2018

List of Attachments:

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans dated/date stamped May 25, 2018
- Attachment D: Letter from applicant to Mayor and Council dated April 9, 2018
- Attachment E: Community Association Land Use Committee Comments dated March 19, 2018.



502 - 508 Discovery Street, 505 - 509
 Pembroke Street and 2031 - 2051 Store Street
 Rezoning No.00646



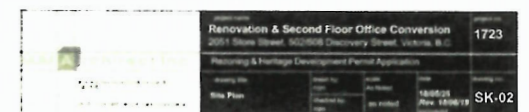


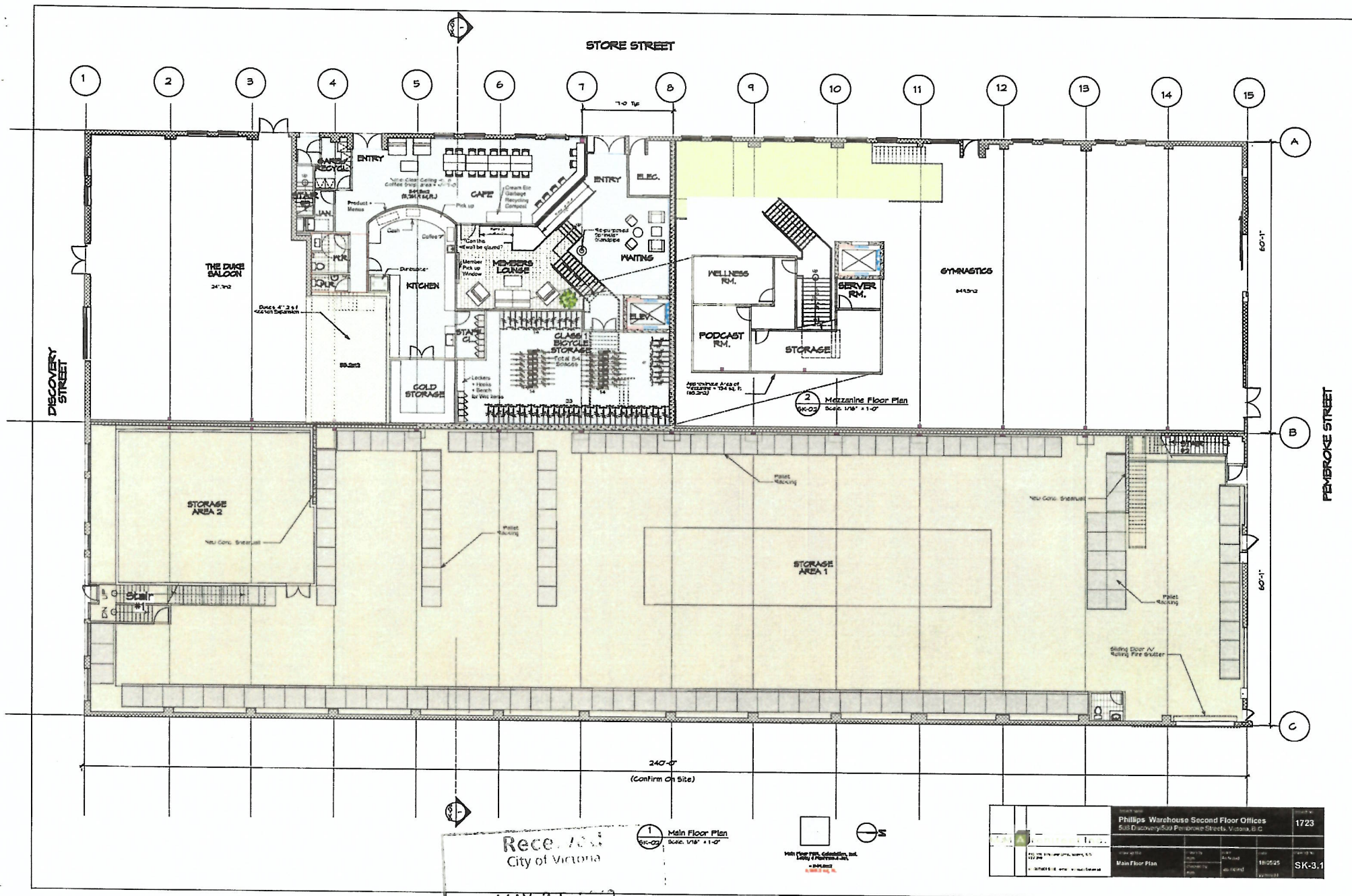
502 - 508 Discovery Street, 505 - 509
Pembroke Street and 2031 - 2051 Store Street
Rezoning No.00646

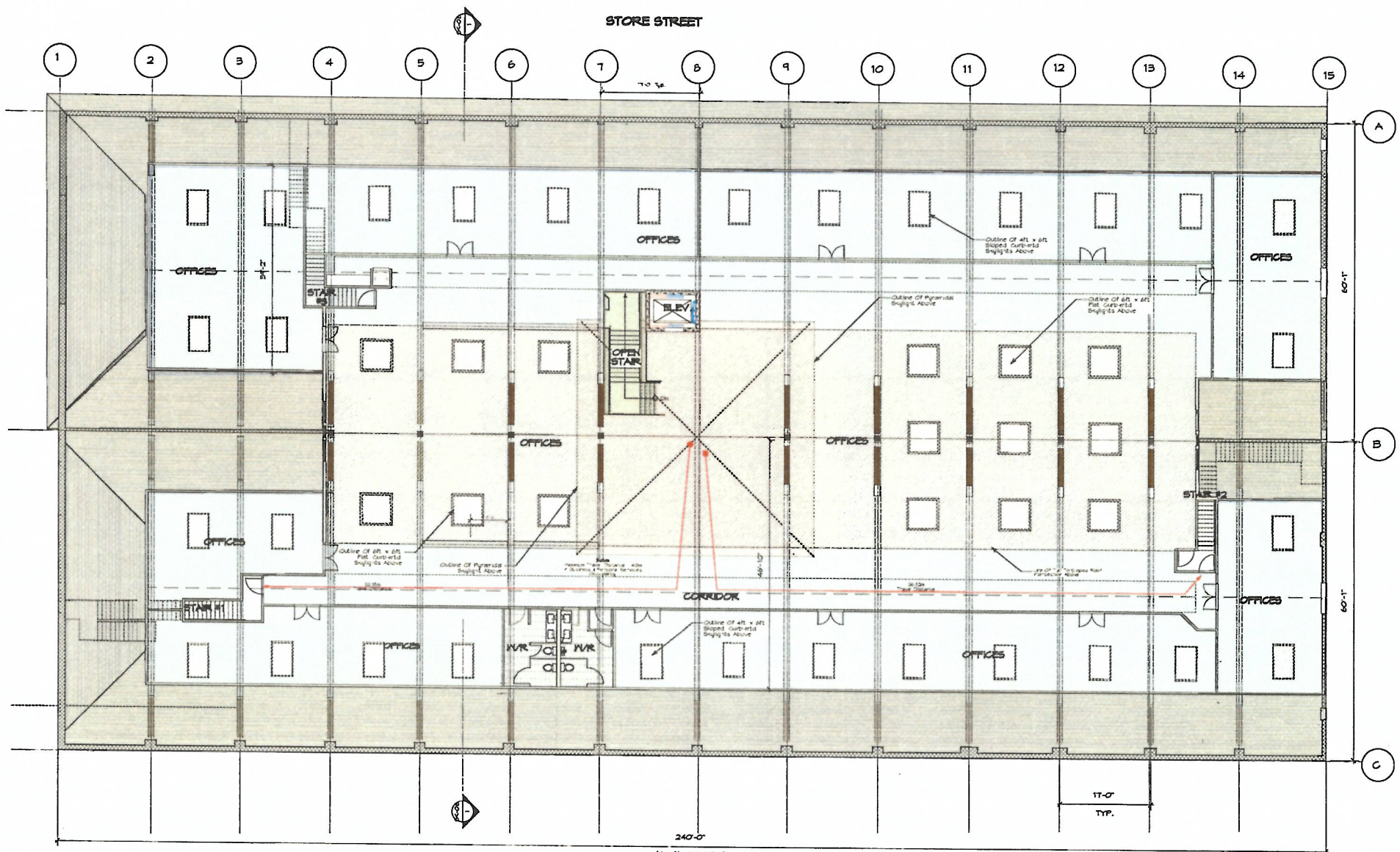


DEEMED

MAY 25 2018







2 Second Floor Plan
Scale: 1/8" = 1'-0"

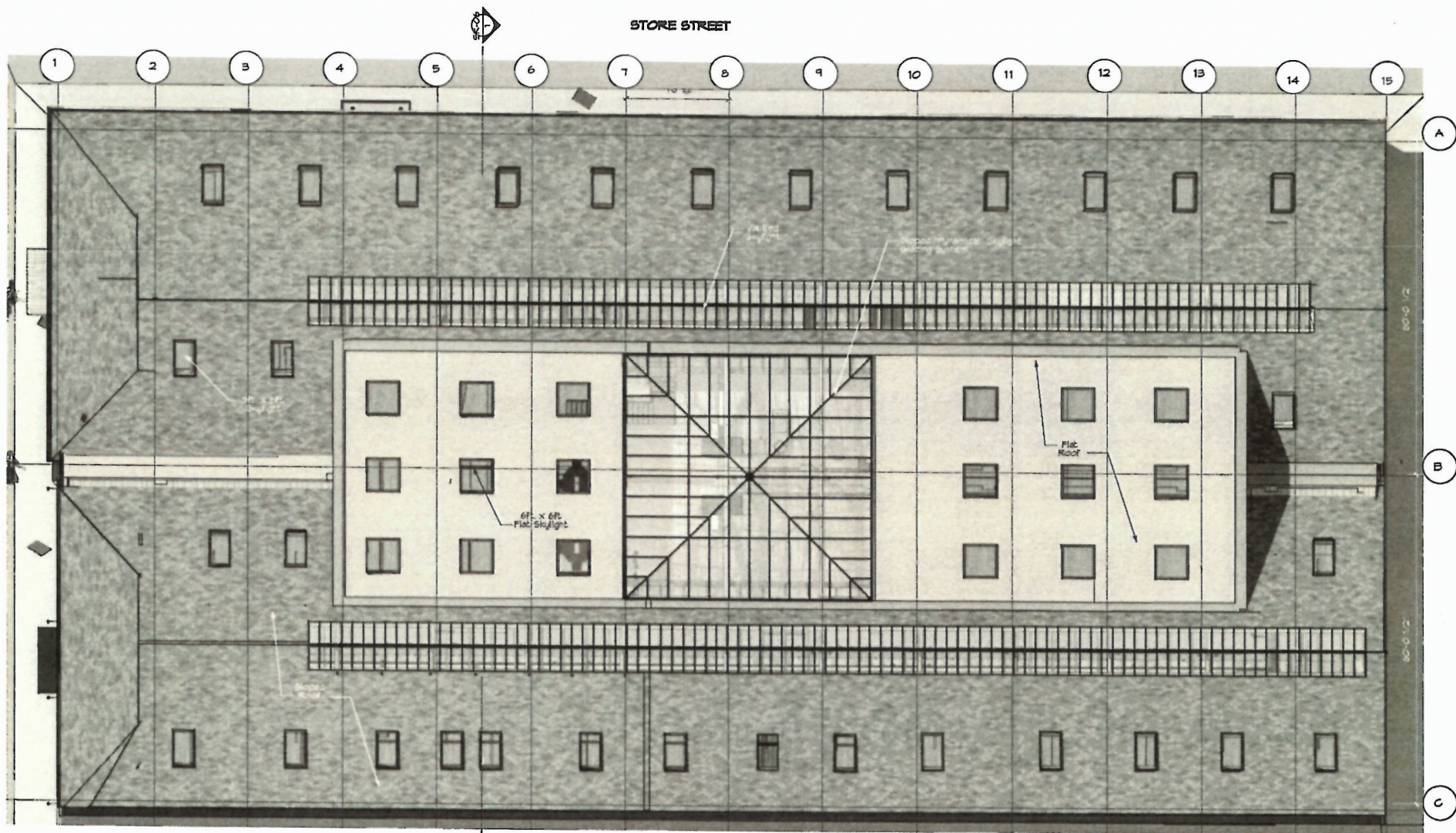


(Confirm On Site)

2nd Floor Plan Area Calculation, etc.
Measured on 1/8" = 1'-0" scale of model
1,174.4 sq. ft.

Received
City of Victoria
MAY 25 2018
Planning & Development Department
Development Services Division

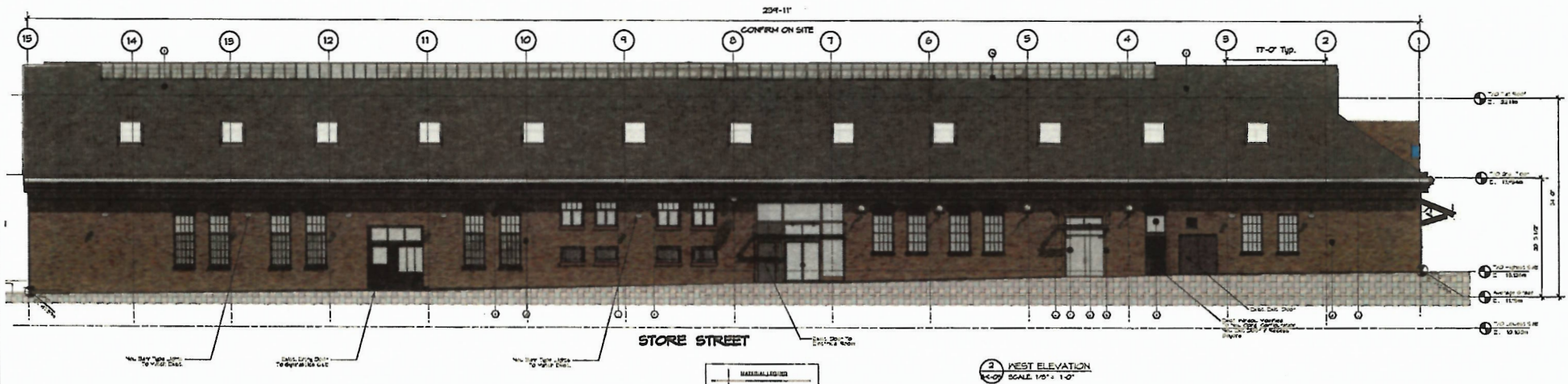
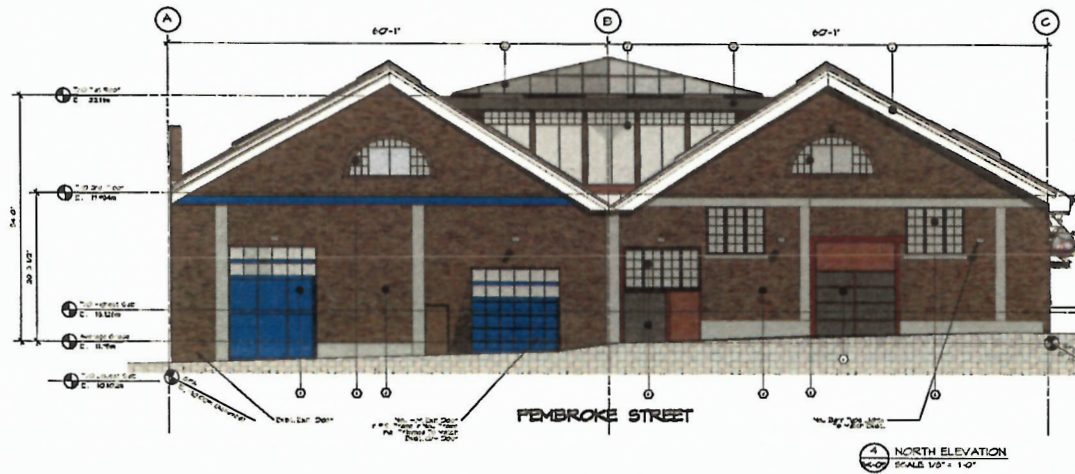
Project Name	Phillips Warehouse Second Floor Offices	Project No.	1723
Address	500 Discovery, 500 Penelope Streets, Victoria B.C.	Client	18-0545
Drawn by	SK-3.2	Checked by	SK-3.2
Second Floor Plan		Approved by	



5 Roof Plan
Scale: 1/16" = 1'-0"

Received
City of Victoria
MAY 25 2013
Planning & Development Department
Development Services Section

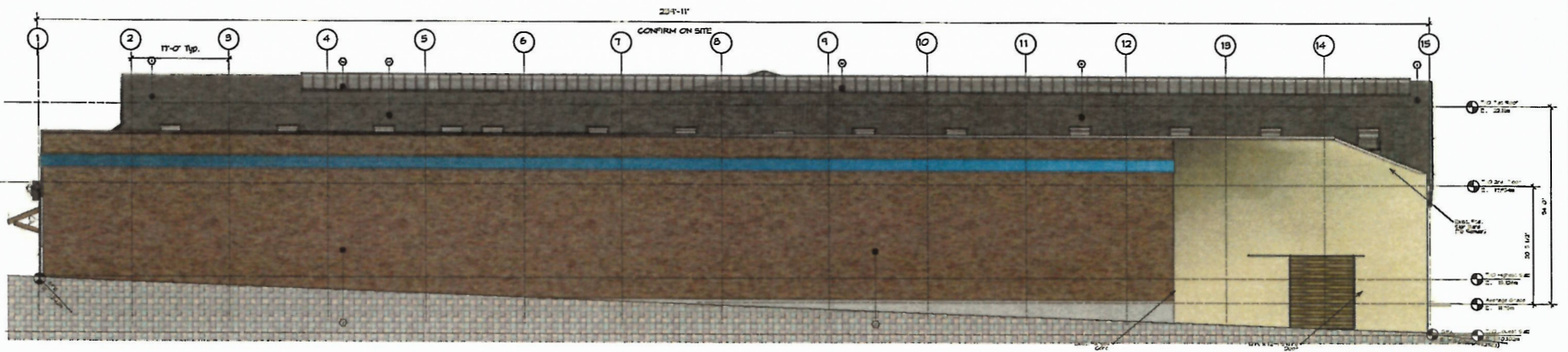
Project Name		Project No.	
Phillips Warehouse Second Floor Offices		1723	
Address		Date	
501 Discovery/Sun Peninsula Streets, Victoria B.C.		18-05-25	
Sheet No.		Sheet Title	
SK-3.3		Roof Plan	



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Received
City of Victoria
MAY 25 2018
Planning & Development Department
Development Services Division


Project Name	Phillips Warehouse Second Floor Offices	Project No.	1723
Location	Discovery 500 Pembroke Street, Victoria B.C.	Client	City of Victoria
Architect	Proposed North & West Elevations	Drawn By	SK-05A

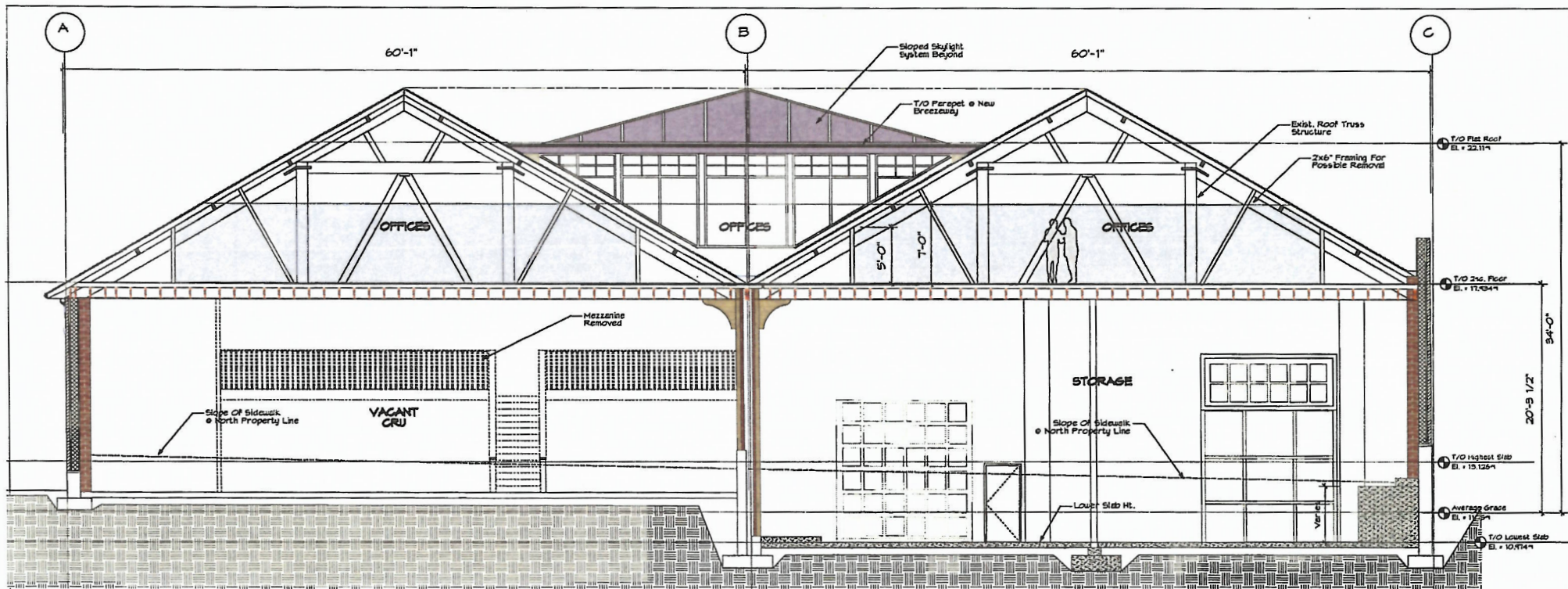


NATURAL LEAD	
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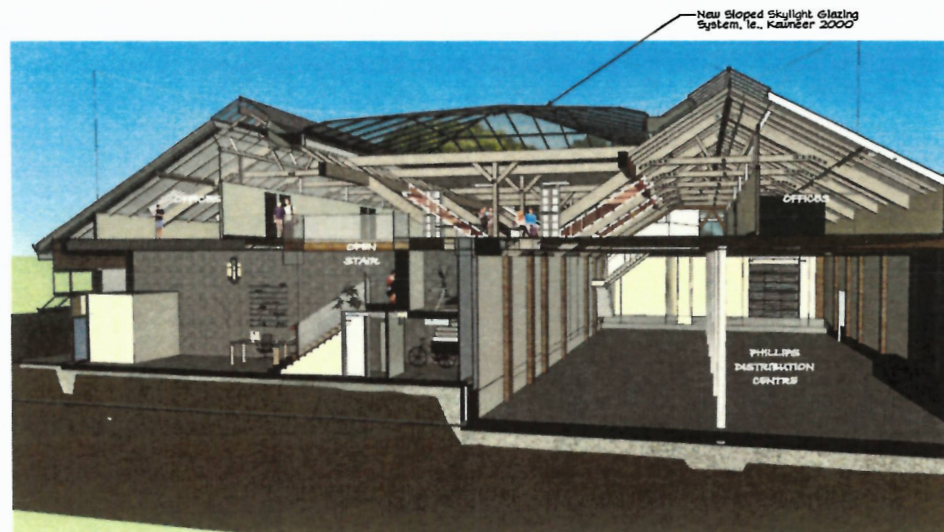
MAY 25 2018

Planning & Development Department
Development Services Division

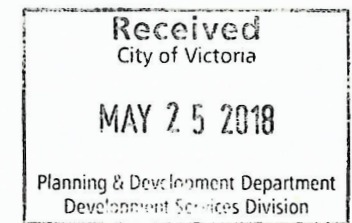
	Project name: Phillips Warehouse Second Floor Offices Discovery533 Pembroke Street, Victoria B.C.	Project No: 1723
Date: 11/10/2017 Prepared by: 11/10/2017	Project description: Proposed South & East Elevations	Date: 11/10/2017 Project No: 1723-05B



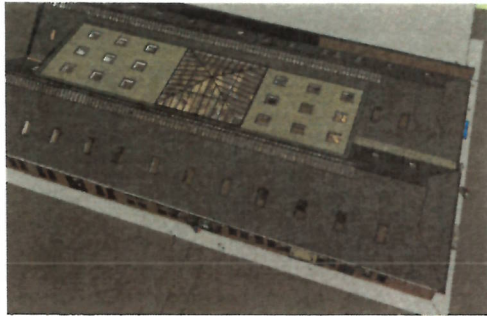
2 East/West Section
Scale: 3/16" = 1'-0"



1 E/W Section Thru Model Looking North
Not To Scale



Project Name		1723
Renovation & Second Floor Office Conversion		
2051 Store Street, 502-503 Discovery Street, Victoria, B.C.		
Planning & Heritage Development Permit Application		
Client Name		18-0419
SK-06		



4 Aerial View Of Roof
SK-07



1 View From South, Store Street
SK-07



7 New Entries Viewed From Store Street
SK-07



3 Proposed View From Discovery Street
SK-07



6 Existing View From Pembroke Street
(Remaining unchanged)
SK-07



4 Existing View From Store Street
SK-07



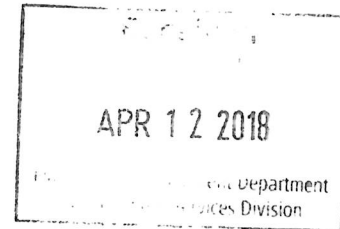
2 Existing View From Discovery Street
SK-07

Received
City of Victoria
MAY 25 2018
Planning & Development Department
Development Services Division

Project Name		Project No.	
Phillips Warehouse Second Floor Offices		1723	
Project Address		Project Status	
500 Discovery 500 Pembroke Streets, Victoria B.C.		In Progress	
Project Manager		Project Engineer	
A. Phillips		M. Phillips	
Project Date		Project Cost	
18/05/18		\$100,000	
Project No.		Project Name	
SK-07		Phillips Warehouse Second Floor Offices	

April 9th, 2018

City of Victoria
#1, Centennial Square
Victoria, B.C.
V8W 1P6



Re: 502 Discovery / 509 Pembroke Street Rezoning

Dear Mayor and Council

The building at 502 Discovery – 509 Pembroke street has had a number of tenants since originally being constructed to house the maintenance shop for the Victoria Electric Railway Co. in 1901 through 1907. Most recently it is home to Sportstraders, Victoria Gymnastics, and the Duke pub. The second floor has been used for storage by a number of tenants, though it has never been used for public occupation. The original fir truss system is in fantastic condition, and makes for a very inviting space. Hence we are hoping to renovate and upgrade this space to allow for a co-working habitat, where independent workers and small start up sized companies use the space in a cooperative work environment.

This renovation would reinstall operable skylights similar, but smaller in form, to the original skylights of the initial Rattenbury design to aid in natural ventilation and effective passive cross ventilation. Additionally, centre sloped skylights will be installed, as was initially the case, allowing the use of passive solar heating in the cooler months, and providing ample daylight. We are proposing a new flat-roofed structure between the two existing sloped roof structures to connect the two spaces, which will include a pyramidal shaped glass roof, as well as a number of flush skylights. Access is proposed to be off of Store street, midway through the building, and will provide a welcoming entrance to the structure.

The Site is currently zoned S3, which allows for this use. However, to build it in a suitable manner, the square footage will exceed the currently allowed FSR of 1.5. To accommodate this change, we are asking for the FSR for this site to be increased to 2.0. This use is in keeping with both the Burnside Gorge plan and the OCP, in that it is helping to generate economic growth by providing a site for innovative employment and entrepreneurship, while at the same time updating and preserving a historical building and bringing new life and functionality to it.

We also envision this project being a benefit to the north end of Store Street, creating more opportunities for service based shops and restaurants, driving more foot traffic towards this end of town and, by generating more vitality, creating a greater sense of physical security. This area of town is evolving and this will help to bring a critical mass of people to the zone.

The proposed tenant, Club Kwench, is an established co-working space, currently on Fort Street, and is in need of a larger facility. They have been very successful in creating a collaborative and creative work environment for their clients and have more waiting to join them once the space is available. They feel that this building has the right feel and location for the type of workers that they attract.

This new project will have a negligible physical impact on the surrounding neighbourhood, as the alterations we are proposing to the appearance of the building will be very minimal, and there will be no

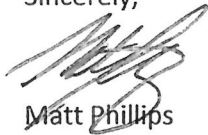
noise, odours, or other negative effects on the community. It will not affect views or impede sun angles for other buildings. We have purposely recessed the additional space from the North and South ends of the block so that public views of the addition are minimized.

The impact to transportation infrastructure is minimal. Only 16% of Kwench co-workers commute by car. Currently, a vast majority of the co-workers walk, bike or use public transit and, with ample bike parking and shower facilities, we anticipate this trend to continue. Currently, the zoning allows for this use without any car parking. It is also our understanding that this renovation will not cause any challenges for the existing infrastructure in this area.

By rezoning this building, we will be concurrently applying to change the heritage status from "Registered" to "Designated", which will help safeguard this important historical building and ensure its long term significance to this neighborhood, and to Victoria as whole.

We're extremely excited for this new project and we look forward to answering any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matt Phillips', is written over a printed name.

Matt Phillips

March 19, 2018

Mayor & Council
#1 Centennial Square
Victoria, BC

RE: CALUC Community Meeting Rezoning Application for 502/508 Discovery Street

Dear Mayor and Council:

On Mar. 19, 2018, the Burnside Gorge Land Use Committee (BGLUC) hosted a CALUC community meeting that was advertised to discuss Matthew Phillips proposal to rezone 502 / 508 Discovery Street from S-3- limited service district to site-specific zoning. Michael Moody presented.

The existing use is a gymnasium, lounge, grocery store, and wholesale distribution. This proposal removes the grocery store and adds a ground floor restaurant and upper floor office. The proposal is for a discrete second floor addition between two existing peaked roofs. The proposed building is a heritage building that originally housed street cars. The addition of the second floor breezeway does not detract from the heritage appearance and is almost indiscernible from the street. The overall height of the building will not change from the existing. This proposal keeps all the heritage features and upgrades the entrance doors.

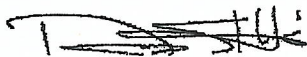
The proposal requires a relaxation of the allowed FSR from 1.5 to 2.0.

There is no vehicle parking on site with none required in this zoning. There will be 37 secure interior bike spaces with a planned bike rack on the sidewalk.

Comments were all positive re the structure and concept.

Vote: As per the process of a BGCA rezoning community meeting, there was a straw poll. Of the 3 meeting attendees, none were opposed to the proposal.

Respectfully,



Avery Stetski
Land Use Committee Chair

cc: Sustainable Planning and Community Development Department
Matthew Phillips