



Committee of the Whole Report For the Meeting of October 4, 2018

To: Committee of the Whole **Date:** September 21, 2018

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

Subject: Development Permit with Variances Application No. 000259 for 1314, 1318 and 1324 Wharf Street

RECOMMENDATION

That Council, after giving notice and allowing an Opportunity for Public Comment at a meeting of Council, and after the Public Hearing for Rezoning Application No. 00294, if it is approved, consider the following motion:

"That Council authorize the issuance of Development Permit with Variances Application No. 000259 for 1314, 1318 and 1324 Wharf Street, in accordance with:

1. Plans date stamped August 3, 2018 (as amended to supply the required number of bicycle parking stalls, to the satisfaction of City Staff).
2. Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variances:
 - i. reduce the required number of parking stalls from 109 to 54
 - ii. increase the height from 15.00m to 27.47m.
3. The Development Permit lapsing two years from the date of this resolution."

LEGISLATIVE AUTHORITY

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

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

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Development Permit Application for the property located at 1314, 1318 and 1324 Wharf Street. The proposal is to seismically upgrade and rehabilitate two existing heritage buildings,

construct an eight-storey residential building with ground-floor commercial uses, and construct a one-storey commercial/retail pavilion.

The following points were considered in assessing this application:

- the proposal advances *Downtown Core Area Plan*, 2011, policies through the rehabilitation of heritage properties, maintaining key public views of the Inner Harbour, advancing a future Harbour Pathway, supporting residential development with an active ground-floor, and creating a gateway development as part of a mixed-use project
- the proposal is generally consistent with the *Victoria Harbour Plan*, 2001, in terms of contributing to an active public area, and establishing a continuous public pathway and access to the waterfront and maintaining view corridors
- the proposal is generally consistent with the *Design Guidelines: Old Town, Victoria, B.C. New Buildings and Additions to Non-heritage Buildings*, 2006, insofar as respecting the form and character of the existing heritage buildings, and adhering to a traditional site and building layout with a fine grained public realm
- the proposal is generally consistent with the *Advisory Design Guidelines for Buildings, Signs and Awnings*, 2006, and the *Guidelines for Fences, Gates and Shutters*, 2010
- prior to the recent adoption of the Zoning Bylaw 2018, the application would not have required vehicle parking, and as such, the parking demand studies have not been updated to account for this new requirement. A supporting rationale is to be provided at the time of an update report to Council, should Council advance the application.

BACKGROUND

Description of Proposal

The proposal is to seismically upgrade and rehabilitate two existing heritage buildings, construct an eight-storey residential building with ground-floor commercial, and construct a commercial/retail pavilion.

The proposal includes the following major design components:

- redevelopment of two heritage buildings
- a sloping site with seven storeys at Wharf Street, and eight storeys at the harbour edge, for the residential building with ground-floor commercial
- one level of underground parking
- a one-storey retail pavilion with a roof top terrace and green-wall
- an articulated building form, stepping back from the harbour
- material transitions and setbacks at the first and fifth levels
- an overall “flat-iron” massing acting as the view termination to Johnson Street
- interior public plaza and pedestrian link to a future waterfront Harbour Pathway.

Exterior materials (eight-storey building) include:

- stone masonry on the first two storeys adjacent to the waterfront, extending east to the central mews
- brown (chestnut) brick cladding, defining the building volume up to the fifth floor on the three sides facing the water
- large format stone panels on the main building volume, extending up to the top of the building
- illuminated channel glass roof-top element.

Exterior materials (one-storey pavilion) include:

- stone masonry to match the main building
- planted roof.

Landscaping elements include:

- a series of public spaces linking Johnson Street to the waterfront, and a pedestrian mews behind the heritage buildings following the Wharf Street alignment
- a rooftop terrace area above the single-storey retail pavilion, with green roof and wall elements
- weathering steel benches
- a mix of unit pavers and composite wood decking throughout the plaza area and pedestrian links.

Sustainability Features

As indicated in the applicant's letter dated September 20, 2018, the following sustainability features are associated with this application:

- passive methods, solar control, low-energy fixtures and equipment and mechanical heat recovery
- re-use of existing building stock
- low-VOC finishes
- utilization of a construction waste management plan
- an overall storm water management plan
- low-glare exterior lighting
- energy-efficient glazing with low-e coatings
- high-efficiency water fixtures
- planted roofs where appropriate.

Active Transportation Impacts

The applicant has not identified any active transportation impacts associated with this application.

Public Realm Improvements

The applicant is proposing to provide a Statutory Right-of-Way for the path located through the centre of the proposal leading from Wharf Street to the waterfront, and between the mixed-use building and the two heritage buildings. Additionally, the applicant is proposing to provide a Statutory Right-of-Way over an area suitable for a future Harbour Pathway along the water side frontage of the subject property.

Accessibility Impact Statement

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

Existing Site Development and Development Potential

The site development potential is analysed with the concurrent Rezoning Application.

Data Table

The data table is provided in the accompanying concurrent Rezoning Application report.

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variances Applications*, the applicant has consulted the Downtown Residents association CALUC at a Community Meeting held on *December 11, 2017*. At the time of writing this report, a letter from the CALUC had not been received.

ANALYSIS

The *Official Community Plan, 2012 (OCP)* identifies this property in Development Permit Area 9 (HC): Inner Harbour. The key objectives of this designation are to enhance the Inner Harbour through high-quality architecture, landscape and urban design, reflecting the area's function as a marine entry, Working Harbour and community amenity. Additionally, scale, massing and character is encouraged to respond to the historic context of the area.

Design guidelines that apply to Development Permit Area 9 (HC) are the *Downtown Core Area Plan, 2012 (DCAP)*, *Old Town Design Guidelines, 2006*, *Victoria Harbour Plan, 2001*, *Advisory Design Guidelines for Buildings, Signs and Awnings, 2006*, and *Guidelines for Fences, Gates and Shutters, 2010*, and the *Standards and Guidelines for the Conservation of Historic Places in Canada, 2010*.

Official Community Plan

The *Official Community Plan, 2012 (OCP)* urban place designation for the subject property is Core Inner Harbour / Legislative. Under this designation, buildings adjacent to the harbour are envisioned as being from one to five storeys with a formal and generous public realm. Where heritage conservation objectives are being achieved, the OCP sets out guidelines for contemplating buildings taller than typically envisioned for the area. The place-making, urban design and heritage section of the OCP set out these guidelines.

The proposal is consistent with a number of the broad place-making objectives in the OCP. This includes a responsiveness to the existing patterns of development through the proposed siting of buildings and public realm layout. Four buildings comprise the application, with the two heritage building positions being fixed. The location of the remaining two buildings reestablish the Wharf Street traditional street layout and provide an east/west access to the waterfront that responds to the intuitive pedestrian circulation patterns in the area. Positioning the entirety of the larger eight-storey building to the north of the site creates a visual continuity and physical path between the water and Johnson Street, protecting the linkage between the downtown and the harbour.

The proposed site layout is also consistent with OCP objectives around introducing landmarks to enhance visual identity and way-finding. The most slender apex of the flat-iron end of the building is at the end of the Johnson Street view corridor and effectively terminates this view, in line with the OCP and traditional urban design strategies to assist way-finding. Similarly, the separation between the building frame views, and provides physical cues and site-lines to help orientate oneself in the city. Both internal and external views are also preserved with the proposed site layout.

Overall, in terms of the public realm place-making objectives, the proposed site layout maintains key pedestrian access routes and view corridors, reestablishes traditional street patterns, achieves way-finding objectives, and contributes to an attractive and human scaled pedestrian public realm.

In terms of building height, lower-scale buildings with a low-profile along the waterfront, adjacent to Wharf Street, with form and character that contributes to and complements the skyline of the Core Historic area are encouraged; however, a balance between heritage conservation and new development is also promoted. To balance these objectives, consistency with other policies and guidelines in the OCP are evaluated, and as mentioned above, the proposal is generally consistent with the site layout, public realm, view corridor, and preservation of heritage building objectives therein.

Downtown Core Area Plan (DCAP)

The subject property is within the Inner Harbour District of the Downtown Core Area Plan, 2011 (DCAP). Policies within the DCAP are complementary to the OCP; where they are in addition to OCP policies, they are analyzed below. To provide a further analysis of the proposed building height, the OCP encourages design that enhances the harbour as a marine gateway. Gateway policies are found in the DCAP.

In Victoria, four gateways have been identified, including the subject property lands. The policies associated with gateways include signaling and celebrating the arrival into downtown, promoting individually designed areas with civic elements, and providing a visual reference and way-finding marker. Assessing these objectives with those that promote sensitive and innovative infill to the existing Heritage Conservation Area lend support to the evaluation of infill projects beyond a strict height limit.

Other guidelines used to assess building height relate to skyline concepts. Here an undulating skyline objective is considered, as viewed from across the Inner Harbour. The proposed building height contributes to an undulating skyline, and the shift of density to the northern portion of the site further emphasizes this undulation by accentuating the low-scale of the Northern Junk buildings. While the taller proposed building does not appear isolated, which would be contradictory to the skyline policy, the concentration of density along the northern property boundary may contribute to a building massing that appears larger than if some density/massing was distributed immediately behind the Northern Junk Buildings, effectively dividing the building into two separate masses. That said, a visual connection from Wharf Street to the Northern Junk buildings has been a criteria that the design has also tried to achieve, necessitating the distribution of density to the northern half of the site or two building masses.

An urban amphitheater concept is also used to assess height, where building height remains low near the Harbour, but gradually increases further inland. The proposed material breaks and step-backs go some way to achieving this objective and give the impression of a gradually rising building. This concept is also assessed from a city-wide scale and includes the surrounding building context. While the proposed building is higher than those immediately behind it, a height difference of approximately ten metres is estimated between it and the Salvation Army building across Wharf Street; the impact of the height does not detract from the amphitheater concept.

Overall, the height of the building is recommended as supportable; however, there may be opportunities to further refine and distribute the massing depending on the weight given to the

objectives around increasing views from Wharf Street and the water to the Heritage buildings. The positioning of the retail/commercial pavilion along Wharf Street also influences this assessment. The proposed distribution of density has shifted all of the building to the northern property line to increase views of the Heritage buildings from Wharf Street, and to reduce the impact of density on these buildings by creating an unaffected view to them from the water. With the proposed density distribution on the northern boundary, a clear view to the heritage buildings from the water is achieved without a larger building in the background.

With the rehabilitation of the Northern Junk buildings, the application is consistent with policies around heritage conservation. Similarly, the application is in accord with site design and public realm objectives as discussed in the OCP analysis above. Other policy aspects that the proposal is consistent with include the redevelopment of vacant and under-developed sites and contributing toward the vitality and amenities in the area. Ground-floor commercial units are proposed for all buildings, with accompanying outdoor plazas and gathering areas.

In terms of the building character, the Guidelines recommend that new buildings within the Inner Harbour should be contemporary in design while still reflecting and complementing a traditional urban context. High-quality architecture and diversity in the design of buildings is also encouraged. High-quality materials are proposed, which respond well to the heritage character of the area, but are still contemporary in their use. While the choice in brick may contribute toward a homogenization of the area, it is identical to that used across the street with the Janion project. Overall, the proposed materials fit and complement the existing context.

The commercial/retail pavilion, proposed immediately behind the Northern Junk buildings, serves to reinforce the traditional street pattern and frame open-space, defining pedestrian movement in and around the building. The proposed building elevation is low, so as not to detract from the view of the heritage buildings from the water. Its design is contemporary, with portions of the building angled to increase views to the water and the heritage buildings, while still utilizing traditional materials in a complementary manner.

To summarize the application's consistency with the DCAP, the proposal attempts to balance the objectives of the guidelines, and prioritizes the resulting public realm over other aspects of the guidelines. This prioritization does not significantly impact the guidelines, and overall merits recommending support.

Design Guidelines: Old Town, Victoria, BC - New Buildings and Additions to Non-Heritage Buildings

The subject property is within the Waterfront area within the Old Town Guidelines. These guidelines encourage new development to respond to contemporary values rather than emphasize a subservience to the past. The guidelines seek to preserve heritage value by responding to the special characteristics of Old Town's waterfront.

The proposal includes articulation along the facades of Johnson and Wharf Streets that respects the architectural rhythm of the area, and the main building includes a distinctive base, middle and top, consistent with the characteristics of existing buildings in Old Town. Glimpses of water seen between the buildings, and on street axes, are also proposed with this application as per the Guidelines. Overall, the proposal is consistent with these guidelines with the exceptions around height, which are discussed within the DCAP review.

Victoria Harbour Plan

The proposal is within the Bastion Site in this plan, which extends from the Northern Junk buildings, south to the Old Victoria Customs House at Broughton Street. The relevant objectives of the plan include encouraging lively and active public areas, improved public pathways and the revitalization of the Northern Junk buildings through consideration of development. On all counts, the application is consistent with these objectives.

More specifically, the application is consistent with the guidelines aimed at emphasizing a lively and active public space atmosphere by proposing commercial areas adjacent to all public spaces. Multiple pathways to improve public access, and the open-space at the bridgehead, are also included in the application. Views over the harbour are maintained through the east/west pathway, and the proposed new buildings are designed and sited to respect the scale, form and character of adjacent historic buildings.

Heritage Conservation Area Assessment

The Northern Junk buildings exist in a heritage conservation area that is valued for its contribution to how commercial activities helped shape the harbour area and the maritime industrial origins of the waterside landscape. Special characteristics of the area speak to the relationship of the bridge, harbour and street; stone and brick materials; an industrial aesthetic; and dual-aspect structures that present a commercial frontage to Wharf Street and a harbour frontage to the water. Historically, a mix of one to two-and-a-half storey timber marine industrial buildings with wood cladding defined the waterside landscape. The east side of the Northern Junk buildings were in close proximity to more substantial two-storey structures that seemed to define a narrow street of densely clustered buildings. The proposed massing, expression, and materials of the new development re-defines the traditional street network, but only preserves the heritage buildings insofar as maintaining a relationship to the industrial origins that this site is valued for. The mix of stone masonry and brick cladding are contextual; however, the larger-scaled stone panels are somewhat foreign to this industrial aesthetic. The industrial aesthetic also speaks to narrow deep-set fenestration openings, roof terminations and a massing that defines a collection of varied buildings at different scales, all of which are only partially addressed in the proposed development.

Conversely, it is recognized that the new Johnson Street Bridge is a very contemporary element linking Vic West with the Inner Harbour and Old Town. The proposed materials therefore may strengthen this relationship by providing a transition from contemporary to historic, utilizing the concept of the dual-aspect marine industrial and commercial frontage expression to embrace the contemporary element the new bridge contributes to the area.

Overall, the application is adequate in meeting the contextual criteria for this heritage conservation area in terms of the public realm aspects of the proposal.

Tree Preservation Bylaw and Urban Forest Master Plan

There are no Tree Preservation Bylaw impacts with this application.

Advisory Design Panel

The Advisory Design Panel (ADP) considered this application at their April 25, 2018 meeting (minutes attached), and recommended that the application be approved subject to the following recommendations:

- refine the material palette to support a more cohesive approach
- recognition that the northern public plaza be developed and constructed concurrently with the project as proposed.

Since the application was heard at the ADP meeting, changes were made to the proposal which included:

- changes to the material pallet to replace the previously proposed metal panels with large format stone panels
- revisions to the balconies at the Wharf Street and Johnson Street intersection from attached to recessed.

Heritage Advisory Panel

The Heritage Advisory Panel (HAPL) considered the application, initially, at their May 8, 2018 meeting (minutes attached), and again at their meeting on June 12, 2018 (minutes attached) to permit the applicant to present missing information that was intended for the initial meeting. At the May 8, 2018 meeting, only one of the two Heritage Conservation Plans were presented, with the other presented at the subsequent June 8, 2018 meeting.

At the May 8, 2018 meeting, the HAPL recommended the following motion:

"That the Heritage Advisory Panel recommend to Council that Heritage Alteration Permit Application No. 00136 for 1314-1318 and 1324 Wharf Street does not sufficiently meet the applicable design guidelines and policies and should be declined, and that the key areas that should be revised include:

- lower the height of the new building*
- fully address the heritage conservation of the historic buildings*
- proposed materials to respond to the immediate context of the neighbourhood."*

At the June 12, 2018 meeting, the HAPL recommended the following motion:

"That the revised conservation plans have been received and reviewed and that the Heritage Advisory Panel has made comments and trust that the applicant will recognize the long-standing name of 'Northern Junk'."

Since the application was heard at the HAPL meeting, the following changes have been made:

- revisions to the articulation of the main building mass to segment it into sections, reflective of the smaller building frontages typically seen in Old Town
- revisions to the material pallet to replace the previously proposed brick with a brown brick, more reflective of the adjacent Janion redevelopment project
- changes to the deck configurations to reduce their horizontal length to create a more vertical building expression as opposed to horizontal, in keeping with the character of the area.

Regulatory Considerations

Parking Variance

With the recent adoption of the Downtown Zoning Bylaw, a vehicle parking variance is required where previously, no parking was required. The associated parking demand studies provided by the applicant reflect the previous null parking requirement, and staff recommend that a revised parking study address this new requirement. The appropriate wording is provided in the recommended motion, should Council decide to advance this application.

Height Variance

As noted throughout the body of this report, the proposal is for a building that exceeds the height limits in this part of the City, from 15.0m to 27.47m. In order to ensure that this increase in height does not get entrenched in a new zone, which would preclude future review and Council consideration if the proposal is approved but not built, staff recommend the increased height be addressed through a height variance. The staff recommendation contains the appropriate wording.

CONCLUSIONS

The application to seismically upgrade and rehabilitate two existing heritage buildings, construct an eight-storey residential building with ground-floor commercial, and construct a one-storey commercial/retail pavilion is generally consistent with the applicable guidelines and policy. A balance has been struck to prioritize the public realm while minimizing impacts to adjacent properties. Overall, staff recommend for Council's consideration that the application be advanced for consideration at a public hearing.

ALTERNATE MOTION

That Council decline Development Permit Application No. 000259 for the property located at 1314, 1318 and 1324 Wharf Street.

Respectfully submitted,

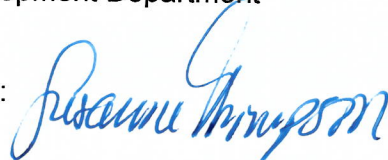


Miko Betanzo
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Jonathan Tinney, Director
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Report accepted and recommended by the City Manager:



Date:

Sept. 27, 2018

List of Attachments:

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans dated/date stamped August 3, 2018
- Attachment D: Letter from applicant to Mayor and Council dated September 20, 2018
- Attachment E: Advisory Design Panel minutes, dated April 25, 2015
- Attachment F: Heritage Advisory Panel minutes, dated May 8, 2018 and June 12, 2018
- Attachment G: Conservation Plan booklet, dated June 12, 2018
- Attachment H: Third Party Economic Analysis Report, dated September 25, 2018
- Attachment I: Correspondence