



Committee of the Whole Report For the Meeting of December 13, 2018

To: Committee of the Whole **Date:** November 30, 2018

From: Andrea Hudson, Acting Director, Sustainable Planning and Community Development

Subject: **Heritage Alteration Permit with Variances Application No. 00005 for 603-607 Pandora Avenue**

RECOMMENDATION

1. That Council, subject to:

- a Housing Agreement to ensure that rental of the residential units is not prohibited by future strata councils, to the satisfaction of the Director of Sustainable Planning and Community Development
- the provision of security for the installation of 8 off-site bicycle parking stalls to the satisfaction of the Director of Engineering and Public Works
- an amended or replacement covenant to reflect the proposed changes to the public plaza, and secured to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
- the placement of \$90,000.00 in a trust fund for discharge to a car share organization for the provision of a car, car share membership, usage credits, and parking stall

and after giving notice and allowing an opportunity for public comment at a meeting of Council, consider the following motion:

“That Council authorize the issuance of Heritage Alteration Permit with Variances Application No. 00005 for 603-607 Pandora Avenue, in accordance with:

- a) Plans, date stamped September 24, 2018.
- b) Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variance(s):
 - reduce vehicle parking from 81 stalls to 28 stalls
 - reduce visitor vehicle parking from 10 stalls to 0 stalls
 - reduce short-term bicycle parking from 8 on-site stalls to 0 on-site stalls
- c) Provision of bike storage, maintenance and repair facilities to the satisfaction of the Director of Engineering and Public Works.
- d) Final plans to be generally in accordance with the plans identified above to the satisfaction of the Director of Sustainable Planning and Community Development.
- e) Heritage Alteration Permit with Variances lapsing two years from the date of this resolution.”

2. Council authorize anchor-pinning, cornices, balconies and street-level projecting canopies over the City right-of-way provided that the applicant enters into an Encroachment Agreement in a form satisfactory to the City Solicitor and the Director of Engineering and Public Works.

LEGISLATIVE AUTHORITY

In accordance with Sections 617 and 618 of the *Local Government Act*, Council may issue a Heritage Alteration Permit which may be subject to terms consistent with the purpose of the heritage protection of the property, including: (i) conditions respecting the sequencing and timing of construction, (ii) conditions respecting the character of the alteration or action to be authorized, including landscaping and the siting, form, exterior design and finish of buildings and structures and (iii) security. Council may refuse to issue a Heritage Alteration Permit for an action that, in the opinion of Council, would not be consistent with the purpose of the heritage protection of the property.

EXECUTIVE SUMMARY

The purpose of this report is to provide Council with information, analysis and recommendations for a Heritage Alteration Permit with Variances Application for the property located at 603-607 Pandora Avenue. The proposal is to undertake an adaptive re-use of the heritage-designated Plaza Hotel (formerly known as Hotel Westholme) into approximately a 100-unit residential development with ground-level commercial use that includes a new retail/residential building beside and on top of the Plaza Hotel building. The new additions would replace an existing one-storey addition facing Pandora Avenue that does not have heritage significance. Three variances are associated with this application, and consist of a decrease in vehicle parking requirements from 81 stalls to 28 stalls, a reduction in visitor vehicle parking from 10 stalls to 0 stalls, and a reduction of short-term on-site bicycle parking from 8 on-site stalls to 0 on-site stalls.

The following points were considered in assessing this application:

- the application is consistent with the *Official Community Plan* (OCP, 2012) in terms of achieving the goal of protecting and celebrating Victoria's cultural and natural heritage resources
- the application is consistent with the *Downtown Core Area Plan* (DCAP, 2011) ensuring sensitive integration of new infill development into the heritage context, the reuse, rehabilitation and seismic upgrading of heritage buildings, and public realm improvements into the historic environment, and the conservation of heritage values of the Downtown Core Area
- the application is consistent with the *City of Victoria Heritage Program Sign & Awning Guidelines* (2002) respecting the integrity of the building design and the general character of signs and buildings in the area
- the application is consistent with *Advisory Design Guidelines for Buildings, Signs and Awnings* (2006) ensuring design compatibility with characteristics of the area
- the application is consistent with the *Standards and Guidelines for the Conservation of Historic Places in Canada*.

Overall, the proposal results in the restoration, rehabilitation and seismic upgrading of a heritage-designated building and a major redevelopment providing additional retail and residential units on a significant corner in Old Town, directly adjacent to Centennial Square and Chinatown.

The application was reviewed by both the Heritage Advisory Panel and the Advisory Design Panel and was recommended for approval with recommendations for changes by both Panels, which are detailed the Background section of this report.

BACKGROUND

Description of Proposal

The proposal is for the adaptive reuse of the heritage-designated Plaza Hotel into a residential development with ground-level commercial use, and an addition above the Plaza Hotel building that extends to the north and east, replacing an existing one-storey addition facing Pandora Avenue that does not have heritage significance.

The applicant proposes to retain 100% of the Plaza Hotel façade and 60% of the overall structure. A proposed open interior courtyard would require removal of portions of the rear elevation of the Plaza Hotel building to provide east-facing and three west-facing residential units with access to light and air. Underground parking is proposed with access at the north east corner of the property that currently functions as the access point to a side lane within the east section of the property.

Specific details of this proposal include:

- rehabilitation of the front façade of the Plaza Hotel consistent with the Conservation Plan provided by Donald Luxton & Associates in May 2013, including reinstatement of a central raised parapet
- four retail units on level 1 and approximately 100 strata residential units above
- one level of underground parking for 28 vehicles, accessed off of Pandora Avenue
- 82 secure bike stalls, 21 bike and storage lockers with a work bench and wash station on the underground parking level, in addition to 7 publicly accessible bicycle racks proposed to be located on the City right-of-way on Pandora Avenue
- open interior courtyard garden viewed from the elevator vestibule and the upper inward facing units with the following landscape elements:
 - sculptural form on gravel/river rock surface with ornamental pots and specimen pots
 - long and narrow jetted pond lined with brightly coloured tiles
 - specimen flowering shrubs, evergreen ferns and similar foliage to carpet courtyard floor
 - wall seat for residents
- rooftop garden including the following landscape elements:
 - activity garden for communal gardening, with a wood trellis/ pergola
 - covered seating space with barbecue and food preparation space
 - viewing terrace with permanent bench seats, communal chairs and tables
 - private roof top terraces with ornamental grasses and hard surfaces of pre-cast concrete slabs
 - extensive green roof, shrubs and plant species
- streetscape improvements to the frontage adjacent to the property on Government Street include:
 - restored glass sidewalk prisms at retail entrances along Government Street
 - clay brick paver basket weave bond and new street trees with tree guards and grates (tree species to be confirmed by the City)
- streetscape improvements to the frontage adjacent to the property on Pandora Avenue include:
 - preservation of existing mature birch trees set within lawn area
 - plaza space surfaced in red brick and poured concrete

- large specimen tree (Empress tree) to create a summer shade canopy with seating beneath
- seats at edge of Plaza
- new concrete sidewalk
- bollards defining the boundary of shared pedestrian and vehicular space
- red brick surfacing for the pedestrian and vehicular entrance to the new building, including the driveway, interior lobby and elevator vestibule
- nine publically accessible bike racks, and a water bottle filling station feature with a pet bowl.
- exterior building materials consist of:
 - preservation of existing original materials of the Plaza Hotel historic façade
 - patterned glass transoms above storefronts and lower bulkheads below storefront windows of Plaza Hotel building to replicate original façade
 - an upper two-storey addition above the Plaza Hotel combining clear and opaque spandrel glazing, metal panel siding, composite panel siding, and clear glass and anodized aluminum balcony handrails on levels 6 and 7
 - soft cream colour precast concrete panels in a masonry block pattern on the seven-storey corner element facing Pandora Avenue and Government Street, with opaque glass and aluminum balcony handrails on levels 2 through 6
 - soft cream colour precast concrete panels in a masonry block on the first four levels of the northeast portion of the new building façade facing Pandora Avenue and its east side elevation, as well as clear glass and aluminum balcony handrails on levels 2, 3 and 4, and a clear glass guardrail in anodized aluminum frame above the northeast concrete panel section at level 5 to strengthen cornice treatment of the brick façade
 - opaque glass balcony separations on levels 4 and 5 above the Plaza Hotel façade on Government Street and on levels 2 through 6 facing Pandora Avenue
 - metal panel siding on a seven-storey vertical section at the southeast end of the east elevation
 - metal panel siding, metal columns and metal fascia on level 7 (roof top).

The proposed variances are related to:

- a decrease in vehicular parking from 81 stalls to 28 stalls
- a decrease in visitor vehicle parking from 10 stalls to 0 stalls
- a decrease in short-term bicycle parking from 8 on-site stalls to 0 on-site stalls.

The applicant intends to apply to the City's Heritage Tax Incentive Program to offset the cost of seismic upgrading of the Plaza Hotel building, as well as to the Victoria Civic Heritage Trust under the Building Incentive Program, the Parapet Incentive Program, and for a Design Assistance Grant.

Relevant History

Prior to July 25, 2013, the subject site was in the CA-3C Zone, Old Town District, which requires no off-street parking or loading spaces. In 2013, the property was the subject of a rezoning application and, despite Council direction to draft a new zone based on the CA-3C Zone, Old Town District, which does not require parking, a reference to comply with Schedule C was inadvertently included in the new zone, hence the identification of a parking variance with this new proposal.

The intent was to therefore include the no parking requirement as part of the CA-70 Zone, Plaza District. Since this is not reflected in the CA-70 Zone, and under the Schedule C requirement of 81 parking stalls, a parking variance is identified. While the application proposes 28 parking stalls, it is noted that the previously approved application in 2013 provided only 17 stalls.

In July of this year Council approved Zoning Bylaw 2018 that applies to the Downtown Core Area, and to this site, which rezoned the property to Old Town District-1 Zone (OTD-1) with site specific regulations detailed in the data table below.

Affordable Housing Impacts

The applicant proposes the creation of approximately 100 new residential units which would increase the overall supply of housing in the area. The applicant is willing to enter into a Housing Agreement, which would ensure that future Strata Bylaws could not prohibit the rental of units.

Tenant Assistance Policy

A Tenant Assistance Plan is not required as the building is an unoccupied hotel.

Sustainability Features

The following sustainability features are associated with this application:

- an extensive green roof including native trees and shrubs, grasses, sedums and Spanish lavender
- an activity garden including raised beds for edible gardening, and compost bins for recycling garden waste.

Active Transportation Impacts

In addition to providing bike parking in excess of the Schedule C requirements, the application includes the provision of a bike maintenance and repair station.

Public Realm Improvements

The following public realm improvements are the responsibility of the applicant and are identified as "Conditions" in the Old Town District-1 (OTD-1) Zone for 603-607 Pandora Avenue:

- i. Rehabilitation of the existing Plaza Hotel building in accordance with Heritage Revitalization Agreement (603-607 Pandora Avenue) Bylaw No. 13-040;*
- ii. Construction of a public plaza at the corner of Government Street and Pandora Avenue valued at least \$180,000; and*
- iii. Payment to the City of Victoria of \$27,500 to contribute to the long term maintenance of the public water feature to be constructed as part of the public plaza.*

Data Table

The following data table compares the proposal with the Old Town District-1 (OTD-1) Zone. An asterisk is used to identify where the proposal is less stringent than this zone.

Zoning Criteria	Proposal	Zone Standard OTD-1
Site area (m ²) - minimum	1488.6	1488
Density (Floor Space Ratio) - maximum	4.57	4.57
Total floor area (m ²) - maximum	6601.38	6793
Height (m) - maximum	23.02	23.1
Storeys - maximum	7	7
Site coverage % - maximum	87.9	89
Open site space % - minimum	11.3	11
Setbacks (m) - minimum		
Front (Pandora)	0.0	0.0
Rear (South)	0.0	0.0
Flanking Side (Government)	0.0	0.0
Side (East)	0.0	0.0
Vehicle parking - minimum	28*	81 17 stalls provided in pervious application
Visitor vehicle parking - minimum	0*	10
Long-term bicycle parking stalls - minimum	103	56
Short-term on-site bicycle parking stalls - minimum	0*	8

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variances Applications*, on August 9, 2017, the application was referred for a 30-day comment period to the Downtown CALUC. Revised plans were referred to the Downtown CALUC on February 2, 2018, and again on October 26, 2018. At the time of writing this report, a letter from the CALUC had not been received.

This application proposes variances; therefore, in accordance with the City's *Land Use Procedures Bylaw*, it requires notice, sign posting and a meeting of Council to consider the variances.

Heritage Advisory Panel Review

The application was reviewed by the Heritage Advisory Panel at its February 13, 2018 meeting and was recommended for approval with the following recommendations:

- *generally it is felt that the building is too tall for a proposal in Old Town. Modification of the Government Street elevation to provide a gentler and more respectful transition from the hotel and include a projecting "cornice-type" feature at the top of the Government Street elevation is recommended*
- *consideration be given to lowering the overall height of the Pandora Avenue and Government Street corner elevation*
- *brick needs to be the primary material in context with the building across from the site, Chinatown and the McPherson Theatre. Replace the white masonry with brick, or at least a masonry pattern*
- *landscape on Pandora Avenue should be more respectful of the heritage character of the landscape of the Old Town Heritage Conservation Area*
- *rhythm of Old Town is masonry with punched windows; the proposal addresses this as part of the corner element, but the contemporary addition is in contrast with the expansive use of glass.*

Advisory Design Panel Review

The application was also reviewed by the Advisory Design Panel at its February 28, 2018 meeting and was recommended for approval with the following recommendations:

- *increase the degree to which the contemporary additions along Pandora Street and the key corner element are compatible, distinguishable, and subordinate to the heritage-designated Plaza Hotel and integrates with the rest of the new building*
- *provide a more contextual expression of the façade that is more sympathetic to the Old Town context and consideration of recessed balconies*
- *consider a simplification of the built form, materials, scale, rhythm and window openings within the historic district and the Chinatown National Historic District to add coherence of the proposal*
- *reconsider the plaza planting design to encourage activity and animation including planting, surface treatment, seating and active program elements; consider light and liveability of suites and mitigate possible future development impacts.*

ANALYSIS

The following sections provide a summary of the application's consistency with the relevant City policies.

Official Community Plan

The *Official Community Plan, 2012* (OCP) envisions buildings in the "Core Historic" designation up to approximately five storeys and density ranging up to approximately 3:1 floor space ratio (FSR). However, the location of the property is in the site-specific Old Town District-1 Zone (OTD-1) that allows for up to 4.57:1 and a height of 23.1m.

While the applicant is proposing density and height above what is envisioned for the Core Historic designation, it is consistent with the Zoning Regulation Bylaw which would be the paramount regulation in this case. Moreover, there is a Placemaking policy (8.52) in the OCP which directs continued enabling and support for heritage conservation through incentives and allowances, including property tax reductions, bonus density provisions and zoning variances. The proposed development outlined in the application is consistent with the *Official Community Plan* (OCP) because it contributes to the goal of protecting and celebrating Victoria's cultural and natural heritage resources.

The proposal is also consistent with the built form and place-character features envisioned for the Core Historic designation through the provision of buildings set close to the sidewalk with high site coverage, continuous commercial uses at grade, wide sidewalks, tree planting, and formal squares and plazas. It is also consistent with place-based land use management envisioned for the area through improving vitality and liveability within the Downtown Core Area through an attractive and functional public realm and new construction that is compatible with historic building forms. It is also consistent with other Placemaking policies that encourage the conservation of heritage property, human scale in the design of buildings and public space that enhances local area distinctiveness with features that contribute to a sense of place.

Development Permit Area (Heritage Conservation Area) and Design Guidelines

The *Official Community Plan* (OCP) identifies this property within DPA (HC) 1, Core Historic.

The objectives include:

4. (a) *To conserve and enhance the heritage value, special character and significant historic buildings, features and characteristics of this area.*
4. (b) *To revitalize an area of commercial use through infill, building additions and heritage conservation including exterior alterations and interior improvements that could alter the exterior of the building.*
4. (c) *To enhance the area through infill, building additions and open spaces with a high quality of architecture, landscape and urban design that responds to its historic setting through sensitive and innovative interventions.*

The current proposal is consistent with these objectives as it is restoring and rehabilitating the Plaza Hotel to ensure long-term protection and re-use of this Edwardian-era building while contributing to the streetscape of Victoria's Old Town District. It is also providing open public space on the corner of Pandora Avenue and Government Street that will transform the urban area and link it to the adjacent public amenity space in Centennial Square, which is also a goal of the Downtown Core Area Plan.

Local Area Plans

Downtown Core Area Plan

The subject property is within the "Historic Commercial District" of the *Downtown Core Area Plan* (DCAP, 2011). The objective of the Historic Commercial District (HCD) is to ensure the sensitive integration of new infill development and public realm improvements into the historic environment.

The DCAP contains a policy to give priority to public realm improvements that enhance connectivity between Centennial Square and surrounding streets and specifically identifies the southeast corner of Pandora Avenue and Government Street (adjacent to the subject

properties) as potential “new civic, cultural and commercial facilities.” To realize this vision, adjacent buildings are encouraged to have active commercial uses at grade such as restaurants, cafés and retail with direct access to the public open space, and windows along adjacent building faces for natural surveillance and vitality. Distinctive identity features to punctuate the public open space are envisioned in the form of special paving, landscaping, public art and water features with a design that complements the surrounding buildings and streetscapes. Outdoor seating is also encouraged. The applicant’s proposal to transform this area into an improved public open space is consistent with the DCAP.

The DCAP also gives priority to the re-use, rehabilitation and seismic upgrading of heritage buildings; public realm improvements and sensitive integration of new development into the historic context of the HCD; and the retention of the HCD’s compact, diverse, low-scale and small-lot character.

City of Victoria Heritage Program Sign & Awning Guidelines (2002)

Proposed signs and awnings of the addition have a simple aesthetic that respects the integrity of the heritage building and does not compete with the proposed development or the surrounding context. The applicant intends to ensure an overall sign plan scheme to minimize conflicts and ensure quality signage that is complementary to the heritage building and the new addition, as well as the context of the immediate area.

Advisory Design Guidelines for Buildings, Signs and Awnings (2006)

The application proposes a landscaped plaza along Pandora Avenue to Government Street surfaced in red brick with poured concrete bands, the preservation of existing mature birch trees, and a new large Empress tree with seating beneath. Landscaping also includes wood slat seating, restored glass sidewalk prisms, bollards, bike racks, garbage receptacles, a drinking fountain with water bottle fill station and a pet bowl, and new brick paver sidewalk and new street trees along Government Street.

The proposed new addition is viewed as a six-storey structure with a rooftop patio considered as an additional storey due to communal and private patio use with a trellis, enclosed stair and elevator access. The juxtaposition of scale is not inconsistent with similar conditions elsewhere in Old Town where there are three or four-storey buildings next to six-storey heritage buildings. The massing and expression of punched window openings on the Government Street elevation of the north end addition consist of a single linear bank of punched windows that soften the transition from the Plaza Hotel to the contemporary expression of precast concrete panels and opaque glass.

The applicant’s proposal for a mixture of traditional and contemporary treatment in the solids and voids of the north façade reflect the contextual variety of architectural styles that define the relationship of the property to Mountain Equipment Co-op, Chinatown, and the edges of Centennial Square, such as the McPherson Theatre, mid-century modern additions to the theatre and to City Hall and the CRD building. The four-storey precast concrete panel façade at the north-east end of the façade wraps around the east side adjacent to the old Provincial Capital Commission building, and is meant to provide a transitional response to the two and three-storey heritage buildings to the east.

In response to comments received by the Advisory Design Panel, the overall design of the proposal has been simplified in terms of materiality. Levels 5 and 6 on the north side have been pulled back, along with the balconies, to align with the property line. The balconies on the lower levels within the masonry façade have also been inset to reduce their cantilever effect and

increase the recessed punched openings within the façade. The corner element has increased the solid and void ratio to be more sympathetic to the context of Old Town, and the building edge on both Government Street and Pandora Avenue are more crenelated to support the life of the street and the pedestrian, increasing the connection between the inside and outside space.

Overall, staff consider the general expression, scale, massing and materiality to be a reasonable response to the varied context of the immediate area.

Standards and Guidelines for the Conservation of Historic Places in Canada

The 1910 Plaza Hotel (formerly known as Hotel Westholme) is a four-storey hotel and commercial building located near the corner of Pandora Avenue and Government Street in the historic Old Town area of downtown Victoria. Constructed in 1910, and heritage-designated in 2013, the building is valued for its contribution to the streetscape, its multi-faceted function as a hotel, retail and office space, and its representation of the Edwardian-era economic boom that occurred in Victoria between 1906 and 1912. The main façade is clad in white glazed brick with concrete sills and lintels and is characterized by its Chicago School Architecture aesthetic, featuring its symmetrical design of the front façade with five structural bays delineated by vertical pilasters.

The proposal is to preserve and rehabilitate the ground and upper floors of the heritage-designated building and develop a new two-storey addition above the present roofline and an addition on the north and east elevation. The analysis assesses potential impact of the overall addition on the heritage value and character-defining elements of the heritage building and that of Old Town. The following sections of the *Standards and Guidelines for the Conservation of Historic Places in Canada* are relevant to this proposal:

General Standards for Preservation, Rehabilitation and Restoration

5. Find a use for an *historic place* that requires minimal or no change to its *character-defining elements*.
7. Evaluate the existing condition of *character-defining elements* to determine the appropriate *intervention* needed. Use the gentlest means possible for any intervention. Respect *heritage value* when undertaking an intervention.
10. Repair rather than replace *character-defining elements*. Where character-defining elements are too severely deteriorated to repair, and where sufficient physical evidence exist, replace them with new elements that match the forms, materials and detailing of sound versions of the same elements. Where there is insufficient physical evidence, make the form, material and detailing of the new elements compatible with the character of the *historic place*.
11. Conserve the *heritage value* and *character-defining elements* when creating any new additions to an *historic place* or any related new construction. Make the new work physically and visually compatible with, subordinate to and distinguishable from the historic place.

The *Standards and Guidelines for the Conservation of Historic Places in Canada* also speak to specific guidelines related to additions and alterations to the exterior form, windows, doors and storefronts of the Plaza Hotel, which will be addressed in this analysis.

In reference to Standards 5 and 7, the new use retains the elements of the original 1910 design, as well as the surviving exterior character-defining elements. The existing heavy timber structure on the main floor will be partially retained and integrated into the proposed commercial space on the ground floor.

In reference to Standard 10, a detailed Conservation Plan prepared by Donald Luxton & Associates specifies a variety of preservation and rehabilitation strategies for retaining the existing historic building, including:

- seismic upgrading
- retention and rehabilitation of sidewalk prism lights
- cleaning and repointing of exterior glazed brick
- repair, and replace in-kind where necessary, stone sills
- preservation of concrete window lintels
- restoration of storefront cornice and upper cornice
- reinstatement of upper central pediment
- reinstatement of adapted storefronts
- new in-kind windows to match original windows on the Government Street façade
- new storefronts to recall the original proportions and materials
- restoration of the original metal cornice and upper pediment.

In reference to Standard 11, the new additions are needed to assure the continued use of the historic building. The additions do not obscure or radically change or have a negative impact on character-defining materials, forms, uses or spatial configurations, and the new materials selected for the additions will have compatible service life and durability. The additions are visually compatible with, yet distinguishable from, the historic building by finding a transitional balance between materiality, colour, texture, and fenestration pattern. In response to the Heritage Advisory Panel's comments, the Plaza Hotel's white-coloured glazed brick façade now transitions to a softer cream-coloured precast concrete panel façade accentuated with punched window openings, a deeper buttressed two-storey base, and the materiality of the adjacent north addition and the two-storey addition above. The two-storey rooftop addition is setback at the fifth and sixth storeys to be minimally visible from the street from both south and north viewpoints on Government Street.

In terms of further response to comments received from the Heritage Advisory Panel, the proposal has been amended to incorporate an upper projecting cornice element, the Pandora and Government corner is now chamfered at a forty-five degree angle similar to other corner treatments on Government Street, and the ratio of solid to void has been increased to provide greater compatibility with the context of Old Town.

The proposal is also consistent with additional guidelines of the *Standards and Guidelines for the Conservation of Historic Places in Canada* related to additions and alterations to the exterior form, windows, doors and storefronts of the Plaza Hotel. Overall, the proposal is generally consistent with the *Standards and Guidelines for the Conservation of Historic Places in Canada*.

Other Policy

Tree Preservation Bylaw and Urban Forest Master Plan

There are currently four existing City-owned trees in the public plaza area. Two mature Birch trees are proposed for retention within the proposed plaza design in irrigated lawn areas. Two Purple Leaf Plum trees are proposed for removal as they are in an unhealthy state, with fungal disease and poor structure. Five additional new trees in planters are proposed on Government

Street to replace the Hornbeams to align with the vision set out in the Downtown Public Realm Plan. One new focal tree is proposed for the centre of the plaza.

Regulatory Considerations

Covenant

In 2013 a covenant was registered on the title of the property to secure the provision of a public plaza with water feature/streetscape improvements. In consultation with City staff, the design of the public plaza has been revised in response to maintenance and other challenges related to the initial conceptual design of the proposed water feature and other elements that were part of the design concept included with the covenant. The current and more simplified design has some higher level consistencies (materials, basic geometry, furnishings) but departs from the previous concept design in the number, type and location of design elements, the prominence of the water feature, and treatment of heritage elements. The revised proposal, which was reviewed by both the Heritage Advisory Panel and the Advisory Design Panel, incorporates updated policies and directions related to public realm improvements in this area of Downtown. The covenant, however, will need to be amended to reflect the proposed changes. The appropriate wording has been added to the staff recommendation.

The covenant also secures payment to the City of Victoria of \$27,500 by the applicant to contribute to the long-term maintenance of the public water feature, to be constructed as part of the public plaza.

Relocation of the existing public urinal on the corner of Government Street and Pandora Avenue is also secured in the covenant whereby the applicant agrees to relocate the urinal to a location satisfactory to the City, and the applicant will be responsible for all costs incurred by the City in the relocation of the public urinal. A relocation plan has not yet been established; however, the relocation is to be identified, as well as the estimated cost from the Director of Sustainable Planning and Community Planning.

Heritage Revitalization Agreement

A Heritage Revitalization Agreement Bylaw (HRA) for the property located at 603-607 Pandora Avenue was adopted by Council on July 25, 2013 whereby the applicant agrees to preserve, rehabilitate, restore and maintain the heritage building in accordance with the Heritage Conservation Plan completed by Donald Luxton & Associates in May 2013 and will not undertake any work that is contrary to the Heritage Conservation Plan. The proposal is in accordance with the HRA and no amendments are required.

Parking Variances

Under Schedule C, 81 parking stalls are required and while the application proposes 28 stalls, it is noted that the previously approved application provided only 17 stalls. As noted in the Relevant History section, in 2013 the site was the subject of a rezoning application and despite Council direction to draft a new zone based on the CA-3C Zone, Old Town District, which does not require parking, a reference to comply with Schedule C was inadvertently included in the CA-70 Zone, Plaza District, hence the identification of a parking variance with this new proposal.

In addition to this history, the variance is also seen as supportable given a policy contained in the OCP related to supporting heritage conservation through consideration of variances. The application also includes 103 long-term secure bicycle parking stalls on the basement level that exceeds Schedule C bicycle parking specifications as well as bike repair and maintenance

facilities. The property is located on key bike routes and is in close proximity to public transit routes.

Additionally, the applicant is willing to place \$90,000.00 in a trust fund for discharge to a car share organization for the provision of a car, car share membership, usage credits, and parking stall. The staff recommendation includes wording to secure this offer.

Encroachment Agreement

With any project of this scale that has little to no setbacks, and requires significant excavation, construction methods often require a form of underpinning which can result in material being left in the public right-of-way. The resulting material (typically rock anchors) presents no concerns to the public interest and does not impact any underground infrastructure; however, an Encroachment Agreement between the City and the developer is required. The staff recommendation provided for Council's consideration includes direction to allow staff to enter into such an agreement, if the Heritage Alteration Permit with Variances Application is approved by Council, and it is deemed necessary to facilitate the construction of the project.

A number of street-level canopies are proposed along Government Street and Pandora Avenue, which project above the City right-of-way. These are encouraged in the Guidelines to provide pedestrian weather protection and welcoming streetscapes. In order to facilitate these canopies, the applicant is required to enter into an Encroachment Agreement with the City. Appropriate wording is included in the recommendation for Council's consideration.

Resource Impacts

The maintenance of the improvements to the City right-of-way at the corner of Pandora Avenue and Government Street would be the City's responsibility over the long term. However, a lump sum payment of \$27,500, adjusted for inflation, to cover the cost of maintenance of the water feature for a period of 10 years is to be provided by the applicant.

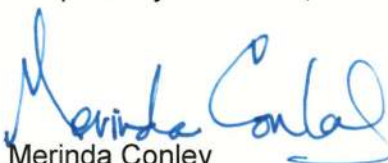
CONCLUSIONS

Whereas the proposal results in the restoration, rehabilitation and seismic upgrading of a heritage-designated building and a major redevelopment providing additional retail and residential strata units on a significant corner in the Old Town District directly adjacent to Centennial Square and Chinatown, it is recommended that Council consider approving Heritage Alteration Permit with Variances Application No. 00005 for the property located at 603-607 Pandora Avenue.

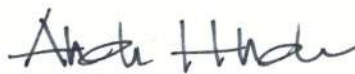
ALTERNATE MOTION

That Council decline Heritage Alteration Permit with Variances Application No. 00005 for the property located at 603-607 Pandora Avenue.

Respectfully submitted,


Merinda Conley
Senior Heritage Planner
Development Services Division




Andrea Hudson, Acting Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager:

Carolyn Jenkins

Date:

Dec 6, 2018

List of Attachments

- Attachment A: Subject map
- Attachment B: Aerial map
- Attachment C: Letter from applicant, dated September 22, 2018
- Attachment D: Letter from applicant, dated November 30, 2018
- Attachment E: Conservation Plan - Plaza Hotel, May 2013
- Attachment F: Plans, date stamped September 24, 2018
- Attachment G: Heritage Advisory Panel Meeting Minutes, February 13, 2018
- Attachment H: Advisory Design Panel Meeting Minutes, February 28, 2018.