07 May 2018

Method Built Homes Ltd. The Garage 4566 Cordova Bay Road Victoria, British Columbia V8X 3V5

Attn: Mayor and Council City of Victoria 1 Centennial Square Victoria, British Columbia V8W 1P6

Dear Ms. Mayor and Members of Council,

Re: 953 Balmoral Avenue – 11-unit purpose-built workforce apartment building

Further to my letters of 10 November 2017 and 20 March 2018 (enclosed herein for reference) and the Committee of the Whole meeting of 19 April 2018 and subsequent council meeting, please amend the proposal to include a Housing Agreement to provide rental accommodation for **25 years**.

I understand that a Housing Agreement was a critical issue when council considered this proposal. The vote was 4-4 at COTW and at the subsequent council meeting for this proposal to advance to public hearing. With a commitment now of a Housing Agreement, thereby securing 11 additional and much needed and workforce apartment units at the edge of the downtown core, I trust this proposal will proceed to public hearing.

With respect to the request to refine the proposal to address staff concerns regarding height, setbacks, density, site coverage, and design, please note that although Staff's feedback has evolved over the past five years with ambiguous, subjective and moving goalposts, the following can be distilled from the most recent feedback:

- Reducing the height to 2-3 stories ~ 2.5 stories;
- 2) Increasing the setbacks substantially;
- 3) Decreasing the density:
- 4) Decreasing the site coverage; and
- 5) Proposing a design that retains the character of a single-family residence.

The take-away from this feedback is that Staff would likely support a proposal that looked like a single-family residence, but had increased density from the current duplex zoning; a triplex or, at best, four-plex is the likely outcome of these preferences.

Constructing such a proposal, with the cost of construction where it is in the current market, would force this developer to build stratified townhomes for sale, as opposed to building a purpose-built workforce apartment building. This is not a market that we are interested in catering to.

As a consequence of the above, of the alternatives to develop a stratified triplex (or possibly fourplex) to the satisfaction of Staff and Council, with the related development and enhanced engineering costs <u>versus</u> a stratified modern duplex, which the subject site is currently zoned for, we would build a modern duplex that could be complete for occupancy within six months of today. Ironically, such a duplex would have a site coverage of 0.5:1, which is more than the current proposal. Additionally, such a duplex, with a walk-out basement, would have density that is approximately 70% of the current proposal. The setbacks for such a duplex would be substantially similar, with the exception of the front yard setback, to the current proposal. Finally, depending on the final design, not subject to municipal oversight, the height would be approximately 1-1.5 stories shorter than the current proposal.

I trust the foregoing is of assistance as you consider the revised proposal.

Yours very truly,

RS

Rajinder S. Sahota