I. REPORTS OF COMMITTEES

I.1 Committee of the Whole

- I.1.a Report from the September 20, 2018 COTW Meeting
 - I.1.a.a 1284-1298 Gladstone Rezoning Application No. 00640 (Fernwood)

Moved By Councillor Thornton-Joe Seconded By Councillor Madoff

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00640 for 1284-1298 Gladstone Avenue and 2000-2004 Fernwood Road; that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council, and a Public Hearing date be set once the following conditions are met:

 Preparation of a legal agreement to secure a statutory right-of-way of 3.90m on Fernwood Road, and executed by the applicant to the satisfaction of City Staff.

CARRIED UNANIMOUSLY

F.3 1284-1298 Gladstone Avenue and 2000-2004 Fernwood Road - Rezoning Application No. 00640 (Fernwood)

Committee received a report dated September 6, 2018, from the Director of Sustainable Planning and Community Development regarding an application to allow live-work units on the ground level of the existing heritage-designated building.

Moved By Councillor Coleman Seconded By Councillor Lucas

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00640 for 1284-1298 Gladstone Avenue and 2000-2004 Fernwood Road; that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council, and a Public Hearing date be set once the following conditions are met:

 Preparation of a legal agreement to secure a statutory right-of-way of 3.90m on Fernwood Road, and executed by the applicant to the satisfaction of City Staff.

CARRIED UNANIMOUSLY



Committee of the Whole Report For the Meeting of September 20, 2018

To:

Committee of the Whole

Date:

September 6, 2018

From:

Jonathan Tinney, Director, Sustainable Planning and Community Development

Subject:

Rezoning Application No. 00640 for 1284-1298 Gladstone Avenue and 2000 -

2004 Fernwood Road.

RECOMMENDATION

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00640 for 1284-1298 Gladstone Avenue and 2000–2004 Fernwood Road; that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council, and a Public Hearing date be set once the following conditions are met:

1. Preparation of a legal agreement to secure a statutory right-of-way of 3.90m on Fernwood Road, and executed by the applicant to the satisfaction of City Staff.

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 1284-1298 Gladstone Avenue and 2000–2004 Fernwood Road. The proposal is to rezone from the C-1 Zone, Limited Commercial District, to a new zone in order to allow live-work units on the ground level of the existing heritage-designated building.

The following points were considered in assessing this application:

- the subject property is designated Small Urban Village in the Official Community Plan, 2012 (OCP), which supports live-work uses
- the Fernwood Neighbourhood Plan does not contain policies pertaining to live-work; however, the Plan does contain policies and objectives on the conservation of heritage buildings
- the existing building is heritage-designated and contains a mix of uses, including groundfloor commercial and rental dwelling units above
- the proposed live-work uses would be located on the ground level facing the rear parking lot and would not be visible from the street. The ground floor uses facing the street would remain for commercial use only
- the unit sizes are small; however, they are designed to accommodate live-work uses and may attract tenants with small home-based businesses, as well as, add to the rental housing stock
- no exterior changes to the heritage-designated building are being proposed
- a relaxation in vehicle parking is required to facilitate the creation of ten live-work units. The OCP supports zoning variances to enable and support heritage conversation; therefore, a relaxation in parking is supportable.

BACKGROUND

Description of Proposal

This rezoning application is to rezone the subject property from the C-1 Zone, Limited Commercial District, to a new zone in order to allow live-work units on the ground floor of the existing heritage-designated building. The only changes from the current zone that would be accommodated in the new zone would be adding "live-work" as a permitted use, and restricting this use to the ground floor units facing the rear parking lot.

Affordable Housing Impacts

The existing building currently contains ten rental dwelling units on the upper-storey. In this proposal, the applicant proposes the creation of ten live-work units which would increase the overall supply of rental housing in the area. Staff requested a Housing Agreement to ensure that the residential dwelling units, including the live-work units, would remain rental in perpetuity; however, the applicant had some valid concerns with this request. The existing heritage-designated building is currently a rental building; any future strata conversion would require Council approval if the rental apartment vacancy rate, as provided by Canada Mortgage and Housing Corporation, falls below 4% for Greater Victoria (the current vacancy rate is approximately 0.7% and the City's vacancy rate has been below 2.5% for the last eight years according to the City's 2017 Housing Report). According to the applicant, substantial building upgrades would be required to satisfy current code requirements for a strata conversion and this has proven to be cost prohibitive for the current owners. In addition, the applicant is only requesting a change of use and there would be no increase in density on the site. Given the above, there are other mechanisms currently in place securing the existing rental units in the building, and as a result, a housing agreement would not be necessary in this case.

Sustainability Features

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

Active Transportation Impacts

The site currently contains 17 long-term bicycle parking spaces within a bicycle storage facility and 16 short-term bicycle parking spaces on-site.

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 commercial and residential uses. There are also several buildings in the neighbourhood that are either heritage registered or heritage designated.

Existing Site Development and Development Potential

The site is presently a two-storey, mixed-use building with ground-floor commercial and residential above.

Under the current C-1 Zone, the property could be developed as a four-storey, mixed-use building with ground-floor commercial and residential above; any future redevelopment of the site would be limited given that the existing building is heritage-designated.

Data Table

The following data table compares the proposal with the existing C-1 Zone. An asterisk is used to identify where the proposal is less stringent than the existing zone.

Zoning Criteria	Proposal	Existing C-1 Zone	
Site area (m²) - minimum	1727	n/a	
Density (Floor Space Ratio) - maximum	0.72:1	1.40:1	
Height (m) - maximum	7.30 (main building)	12	
Storeys - maximum	2	n/a	
Site coverage % - maximum	56	n/a	
Setbacks (m) – minimum:			
Front (Fernwood)	0**	6	
Rear (West)	14.08	6	
Side (north)	0	0	
Flanking Street (Gladstone)	0**	2.40	

Zoning Criteria	Proposal	Existing C-1 Zone	
Parking - minimum	21	40	
Bicycle parking stalls (minimum) Long-term Short-term	17 16	n/a n/a	
Accessory Building		·	
Site coverage % - maximum	1.02	10	
Rear yard site coverage% - maximum	4.60	30	
Rear yard setback	0.60	0.60	
Side yard setback	0.60	0.60	
Location	Rear yard	Rear yard	
Separation from main building	11	2.40	
Height m - maximum	2.44	4	

Community Consultation

Consistent with the Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variances Applications, the applicant has consulted the Fernwood CALUC at a Community Meeting held on March 7, 2018. At the time of writing this report, a letter from the CALUC had not been received.

ANALYSIS

Official Community Plan

The Official Community Plan, 2012 (OCP) Urban Place Designation of the subject property is Small Urban Village, which supports live-work uses. The applicant is proposing to convert small ground-floor commercial units facing the existing parking lot at the rear of the building to livework which may attract tenants with small home-based business; as well as, add to the overall rental housing stock in the neighbourhood. The units facing the street would remain commercial to ensure that the ground-floor uses facing the street remain commercial only.

Local Area Plans

The Fernwood Neighbourhood Plan does not contain policies pertaining to live-work; however the Plan does contain policies and objectives regarding the importance of conserving the existing heritage buildings in the neighbourhood.

Tree Preservation Bylaw and Urban Forest Master Plan

There are no Tree Preservation Bylaw impacts with this application.

Evicting C 1

Regulatory Considerations

Statutory Right-of-Way

A Statutory Right-of-Way (SRW) of 3.9m on Fernwood Road is being requested as a condition of rezoning for sidewalk and bicycle infrastructure improvements as well as to provide additional street parking in Fernwood Village. This request further advances the objectives and implementation strategies outlined in the OCP and Fernwood Neighbourhood Plan, the Pedestrian Master Plan, Urban Forest Master Plan, and the Bicycle Master Plan.

Proposed Site Specific Zoning

The existing C-1 Zone is a standard zone and several properties in the city are subject to this zone. If the "live-work" use is added to this zone then this use would inadvertently be permitted on other lots in the city, which is not the intent of this rezoning application. In order to facilitate this proposal, a new zone would be created to allow "live-work" uses on the ground floor of the existing building and this use would be restricted to the existing units facing the parking lot. Restricting the location of "live-work" uses in the building would ensure that the Small Urban Village would continue to have active commercial street frontages, which is encouraged in the OCP and Fernwood Neighbourhood Plan. All other zoning requirements, including density, height, setbacks, lot coverage etc., would refer to the C-1 Zone.

Vehicle Parking Shortfall

Under the new Schedule C – Off-Street Parking, the required number of vehicle parking spaces is 38. There are 21 existing parking spaces on-site that comply with Schedule C. A relaxation in parking is required to facilitate the creation of ten live-work units in the building.

The anticipated parking shortfall for this development under new Schedule C would be 17 parking spaces. This shortfall will impact the availability of parking for nearby residents and businesses. There are currently 17 long-term and 16 short-term bicycle parking spaces on-site. The subject property is also within close proximity to transit and bicycle infrastructure, which may offset overall parking demand and/or vehicle ownership for the development.

Given that the existing building is heritage-designated, and there is no space to provide any additional parking on-site, staff recommend for Council's consideration that a parking regulation is written into the new zone. This approach would allow for change of uses in the building, in accordance with the zone, without triggering an additional vehicle parking variance in the future.

CONCLUSIONS

The proposal to introduce ten "live-work" uses in the existing heritage-designated building is supported in the OCP. Adding this use in the zone may also attract tenants with small home-based businesses; as well as, add to the overall rental housing stock in the neighbourhood. The proposal does not comply with the parking regulations in Schedule C; however, the OCP does support parking variances in exchange for heritage preservation. The subject property is located in close proximity to transit and bicycle infrastructure, which may offset overall parking demand and/or vehicle ownership for the development. Staff recommend for Council's consideration that the application advance to a Public Hearing.

ALTERNATE MOTION

That Council decline Rezoning Application No. 00640 for the property located at 1284-1298 Gladstone Avenue and 2000-2004 Fernwood Road.

Respectfully submitted,

Leanné Taylor Senior Planner

Development Services Division

Jonathan Tinney, Director

Sustainable Planning and Community

Development Department

Report accepted and recommended by the City Manager:

Date:

List of Attachments:

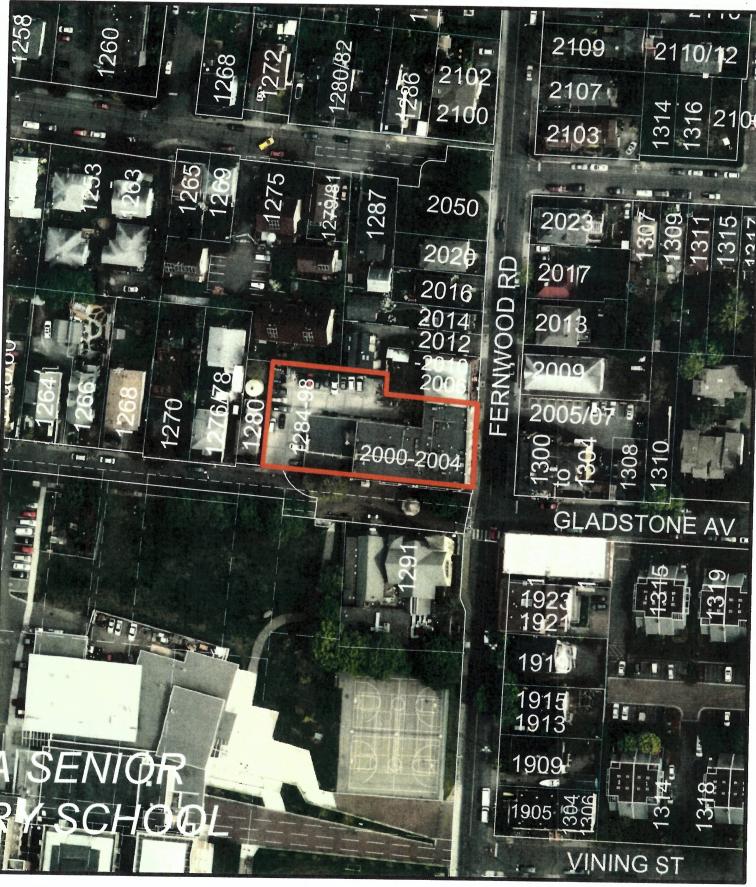
- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans dated/date stamped May 25, 2018
- Attachment D: Letter from applicant to Mayor and Council dated March 19, 2018
- Attachment E: Letter from applicant to Mayor and Council dated September 7, 2018.

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1284 - 1298 Gladstone Ave and 2000 - 2004 Fernwood Rd Rezoning No.00640

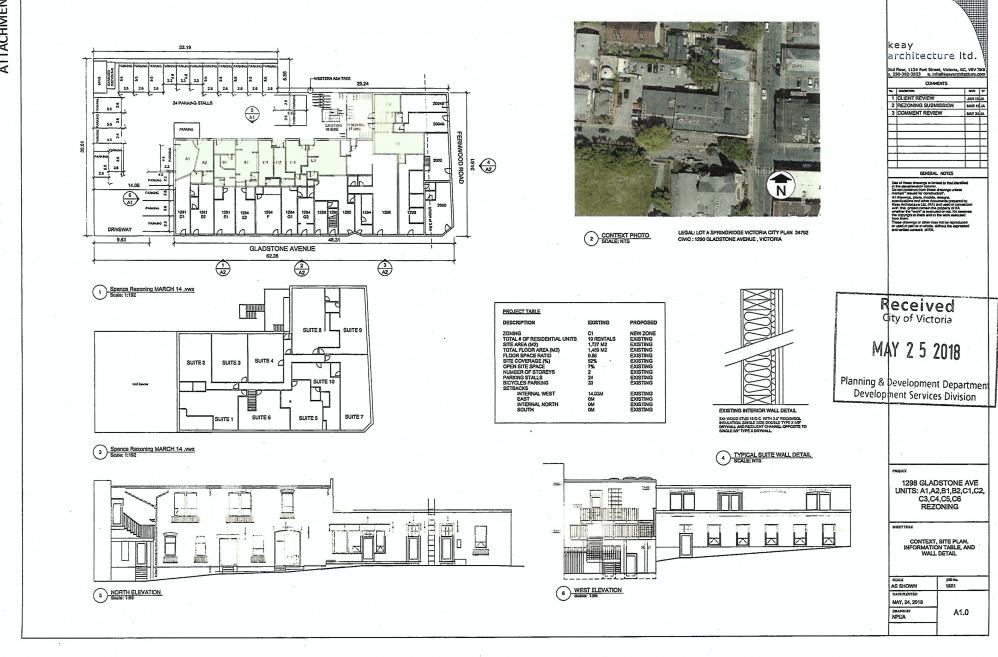






1284 - 1298 Gladstone Ave and 2000 - 2004 Fernwood Rd Rezoning No.00640





keay architecture ltd.

John Keay, Architect, A.I.B.C. Nicole Parker, Architectural Technologist, A.I.B.C., Associate

2nd Floor, 1124 Fort Street

o. 250-382-3823 e. info@keayarchitecture.com

MAR 19 2018

ATTACHMENT D

To: City of Victoria Planning Department 1 Centennial Square Victoria, B.C.

Victoria, BC, V8V 3K8

Re: Rationale for 1298 Gladstone Live Work Rezoning

Dear Mayor and Council,

We are proposing a rezoning of 1298 Gladstone from the current C1 to a new sites specific zone incorporating ten live/work units proposed for the existing commercial units that facing the northern rear-parking lot. 1298 Gladstone was built in 1911 for Weston's Bakeries and consists of three separate structures all of which are designated heritage. The owner, Ronald Spence, has restored the building's exterior extensively while bringing new use to the interior as mixed use, with commercial on the main and residential on the upper floor. The property sits against Fernwood Square, a location already very comfortable with commercial and residences in close proximity. The large parking area in the rear, adjacent to the units in question, has twenty-four car parking stalls and accommodates twenty-seven bike parking stalls. An additional bike rack will be added for 6 more bike parking stalls.

The commercial units proposed for live/work are as follows: A1, A2, B1, B2, C1, C2, C3, C4, C5 and C6. All units are studios and range in size. All are equip with a kitchenette, wash closet and shower except A1 and C5 which will need the addition of a shower. Live/work units allow new businesses to rise from within the city, while inherently decreasing the carbon foot print of such tenants and patrons involved. Rezoning the building would create ten new residences without the construction of a new space or congestion of the community. The mixed-use units will be rental, and will eliminate the need for commuting, and would support spending within locally owned shops of walkable distances. The spaces would allow a business owner to establish themselves in a single space, would decrease the use of hydro, rent and affiliated costs by at least half thus increasing the chance for small businesses to survive.

Live/work units benefit not only the tenant but the city as multi-use spaces allow for densification and growth of already prominent buildings in the community. Fernwood is growing in population and like most areas of Victoria struggle to house the demand. Increasing the density of already used spaces while keeping the units affordable will contribute to a positive outcome in the community.

Thank you for your time taken to review our proposed rezoning package. We believe this to be an ideal transition to a more vibrant and functional neighborhood core for Fernwood, with minimal impact on parking. We look forward to presenting, and answering all questions you may have.

Sincerely,

Nicole Parker

Architectural Technologist, A.I.B.C.

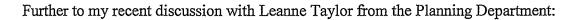
1284C5 Gladstone Ave, Victoria, B.C. V8T 1G6 spenceron@hotmail.com

September 7, 2018

Mayor and Council, City of Victoria 1, Centennial Square Victoria via email: ltaylor@victoria.ca

Your Worship and Council

Re: rezoning, 1298 Gladstone Ave



Thanks very much for meeting with us today.

I would like to provide you with the following reasons why it would not be feasible to have a rental housing agreement in perpetuity.

I have owned the building since 1974. I divided the upstairs into ten apartments and have also divided the downstairs into 26 rental units

It is a fully functioning rental building and there is nothing to gain from converting any part of the building into condo units

To convert any part of the building would require a number of changes which would be cost-prohibitive. The building is heritage and the outside cannot be changed or altered.

Any major changes to the inside would trigger a number of seismic regulations which are cost prohibitive. For example, I talked to my engineer about installing a small mezzanine for storage purposed [no one could stand on it because there would be no ceiling height] and the engineer wanted me to jackhammer deeply into the floor and install a sizable footing. Quite simply any seismic changes to the building are very prohibitive.

Also, converting any part of the building into condos would be a capital gains nightmare and would create the problem of having to deal with a group of new owners.

And, on a personal note: I am 76-years-old and not in the best of health and am leaving the building to my daughter and three granddaughters.

At this time, my daughter and her husband and younger daughter are living in one unit and two of my three granddaughters are living in two other units. And the 14-year-old



living with her parents is talking about having her own apartment. Thus, four of the ten residential apartments will be owned and occupied by family. It would make no sense to convert the remaining six apartment units into condos.

I would also note here that on my passing capital gains will be triggered and my family will need to refinance to pay off the government. A rental housing agreement in perpetuity would lower the value of the building and make this difficult.

In closing, I would note that my family has been in Fernwood since 1970 and we have spent considerable sums to fix up the building [\$500,00] etc. and it would be counterproductive for my family to want to create condo units.

I would also like to confirm the following:

The number and size of the parking spaces shown in the application will comply with the intended uses of the building, and will be confirmed in the site specific zoning bylaw

Thank you for your attention to this matter. I look forward to completing the rezoning process which will provide further rental options for the Fernwood area.

Yours truly,

Ron Spence

P.S. I have attached a letter written by the NRG a few years back showing my contribution to the Fernwood community.



October 27, 2010

To whom it may concern:

It is with great pleasure that I write this letter of reference for Ron Spence. Ron is a well-respected community leader and business owner, and as a long-standing resident of Fernwood, Ron has contributed to the neighbourhood in countless ways.

I first met Ron in 2004 when I started the Community Economic Development and Revitalization Committee. At that time Fernwood was in a depressed state with very little commercial activity. During this dark era of the neighbourhood's history, Ron continued to upgrade his building and bring in new tenants who helped to re-establish Fernwood Village. During this time he provided his tenants with considerable help to establish new businesses which in turn helped to stimulate much needed commercial activity in the core of the neighbourhood.

Along with Fernwood NRG's Board and staff, Ron was instrumental in ensuring that the purchase of the Cornerstone Building -- and the subsequent revitalization of the neighbourhood-- was a success. He spoke in support of the purchase at our AGM, explaining the value to the community.

More significantly, at that time conventional lenders were not interested in financing the project and we had to turn to private lenders. In an act of generosity Ron loaned Fernwood NRG a significant sum of money to help with the purchase of the building—for which he received no financial gain. Quite simply, without Ron's support, the Cornerstone would not have happened.

A few years later, Ron, once again provided support for our next affordable housing project by providing funds to cover the interest on the carrying charges until our grant funding was released.

Over the years I have witnessed Ron's commitment to the community manifest in many ways. Through grand gestures, like the ones described above, to small acts of kindness that are almost daily occurrences. He is always quick with a compliment on a job well-done and is always looking for ways to make the neighbourhood a better place.

In addition to the support Ron has given Fernwood NRG, Ron has also helped the community in other ways. He was on the Cool Aid board for 14 years, the Belfry Theatre board for three years and the Spring Ridge Early Childcare Centre for two years.

In short, Ron exemplifies community spirit, civic duty and leadership. I write this letter of support fully confident that Ron has the best interests of the neighbourhood in mind with respect to this parking variance application.

In community,

Lenore Rankin

Development Director

Fernwood NRG



FERNWOOD COMMUNITY ASSOCIATION

April 16, 2018

Mayor and Council, City of Victoria

Re: 1284 - 1298 Gladstone Avenue

On March 7, 2018 the proposed rezoning of 1284 – 1298 Gladstone Ave was presented at the Fernwood Community Association Land Use Committee meeting. This was the formal community meeting to discuss the proposal to re-zone the property to a new site specific zone to permit the use of 10 of the 36 units in the building as live-work units, and to allow the existing 24 parking stalls instead of 36 under the current zoning to satisfy all the parking. The units in question all face the northern rear-parking lot. It was explained that there would be no external changes to this heritage designated building and no changes to the number and location of the rental units in the building.

Nicole Parker, Architectural Technologist, from Keay Architecture, presented plans with siting, suite layout and elevations. The representative stated the proposal was to retain the units for rental use, and confirmed they would not be converted to strata units.

The proposal was generally well received by those attending the meeting, with positive comments on providing affordable rental spaces for young entrepreneurs and the efforts the owner has put toward maintaining and preserving the building and working with neighbors on various issues. A resident of the housing co-op at 1275 Pembroke Street commented about increased night-time use of the rear parking lot and possible light pollution from vehicle headlights shining into her unit. It was pointed out that no increase in parking was proposed and the 5 foot high solid fence on the Pembroke Street side of the parking lot should block vehicle headlights.

The Land Use Committee believes the proposal was a suitable fit for the character and uses in this commercial area of Fernwood.

Sincerely

Brad Cunnin, Co-Chair

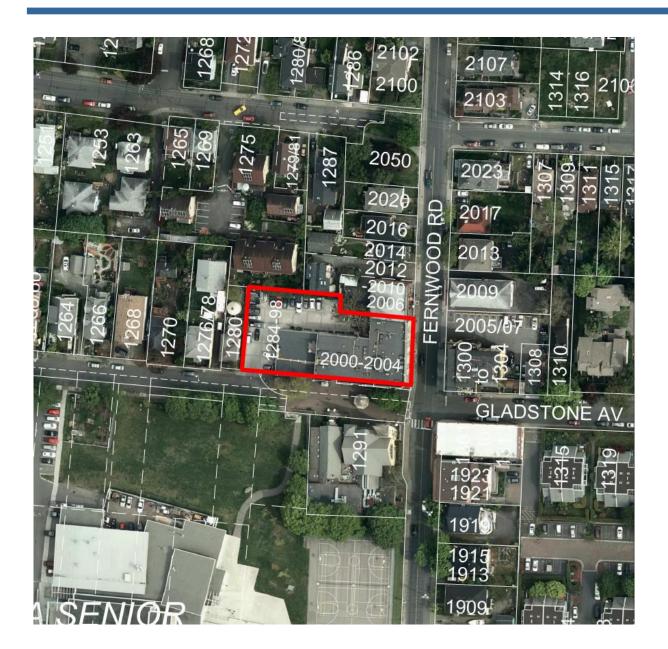
Land Use Committee

Fernwood Community Association

CC Sustainable Planning and Community Development, Development Services Division, City of Victoria

Rezoning Application No. 00640 for 1284 to1298 Gladstone Avenue and 2000 to 2004 Fernwood Road









Subject Property







Subject property



Subject Property





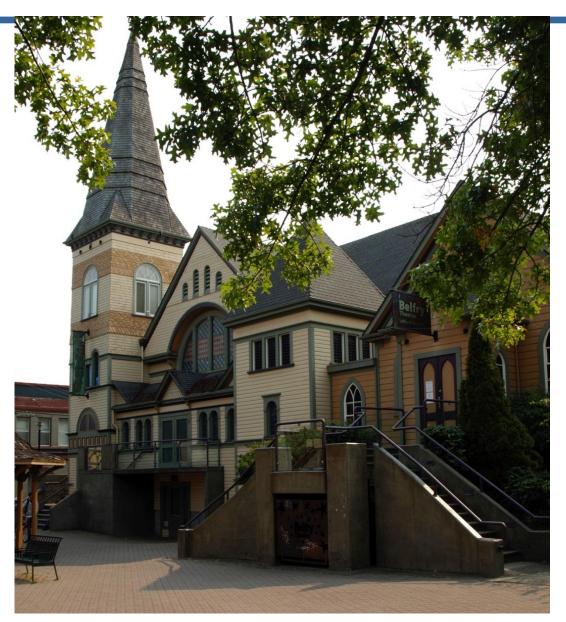
Property to the West





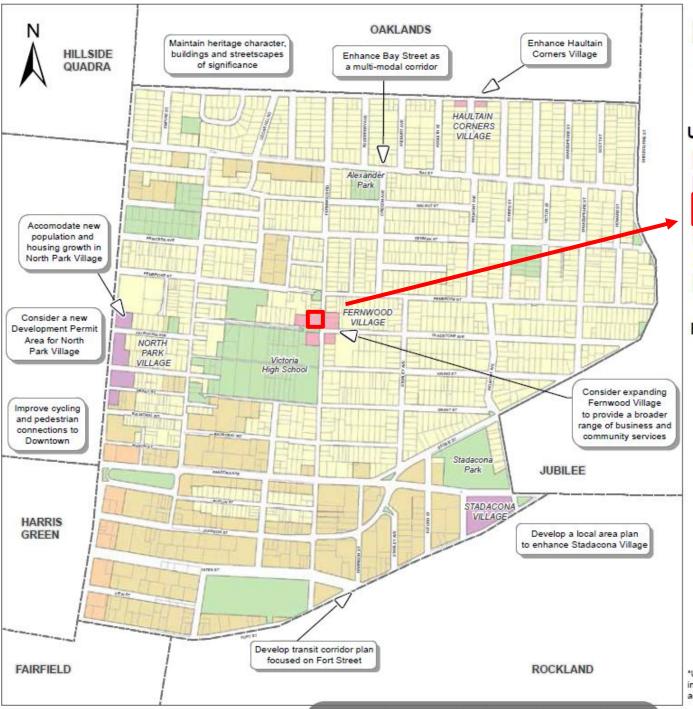
Property to the North





Property to the South





MAP 22 Fernwood Strategic Directions

Urban Place Designations*



Large Urban Village

Small Urban Village

Urban Residential

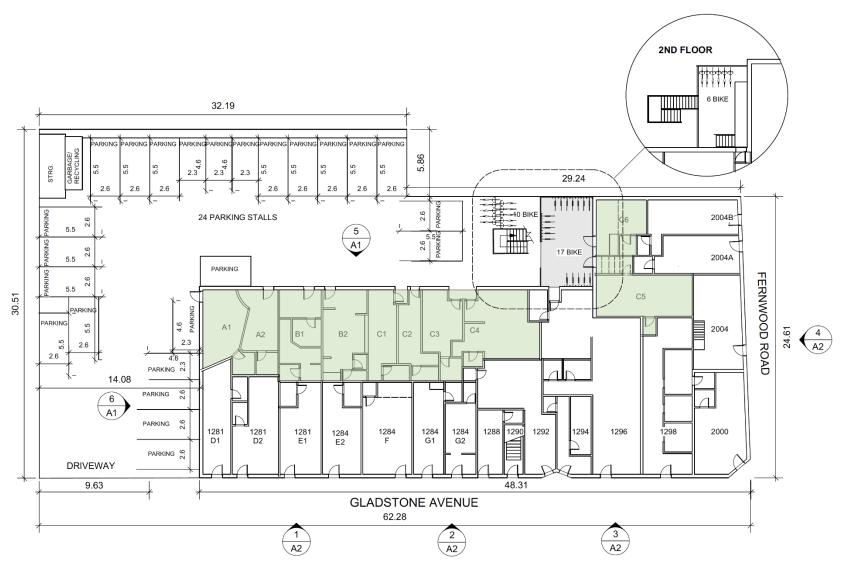
Traditional Residential

Public Facilities, Institutions, Parks and Open Space

Public Facilities

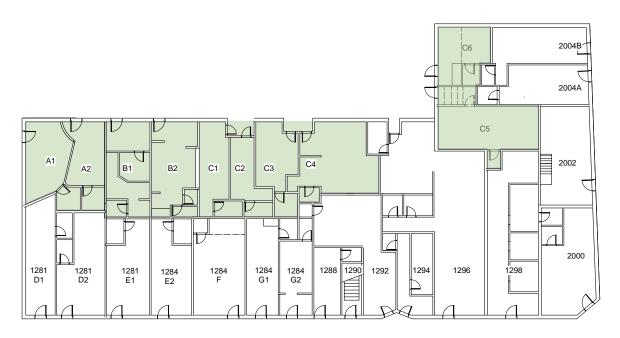
- Community Centre

*Urban Place Designations are provided for information purposes only. Please refer to Map 2 and Figure 8 for designation information.

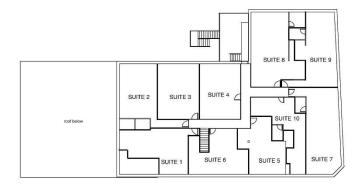








Main Floor Plan





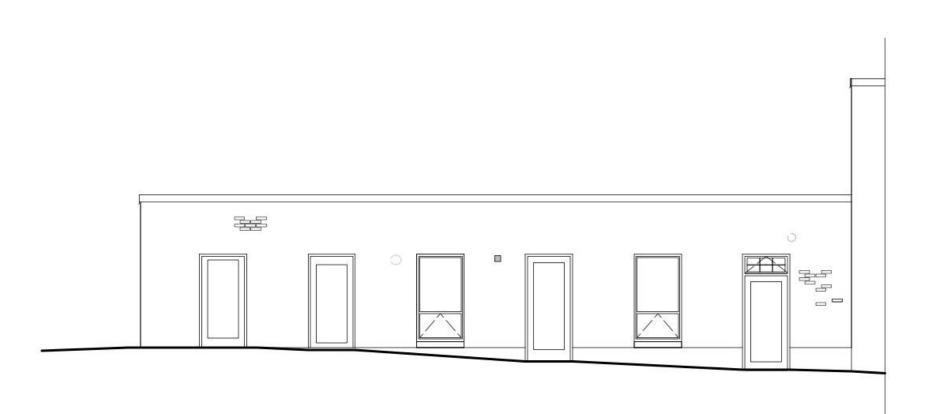


West Elevation



North Elevation





South Elevation





South Elevation





South Elevation





East Elevation (Fernwood Road)

