



Committee of the Whole Report

For the Meeting of October 3, 2019

To: Committee of the Whole **Date:** September 19, 2019

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

Subject: Rezoning Application No. 00681 for 1309 & 1315 Cook Street, 1100-1120 Yates Street and 1109-1115 Johnson Street

RECOMMENDATION

That Council instruct staff to prepare the necessary Official Community Plan Amendment Bylaw in accordance with Section 475 of the *Local Government Act* and the necessary Zoning Regulation Bylaw Amendments that would authorize the proposed development outlined in Rezoning Application No. 00681 for 1309 & 1315 Cook Street, 1100-1120 Yates Street and 1109-1115 Johnson Street, that first and second reading of the Zoning Regulation Bylaw Amendments be considered by Council and a Public Hearing date be set once the following conditions are met:

- a. Preparation and execution of the appropriate legal agreements in order to secure the following:
 - i. that future strata corporations could not pass bylaws that would prohibit or restrict the rental of units to non-owners to the satisfaction of the Director of Sustainable Planning and Community Development
 - ii. 104 dwelling units sold at 10% below-market value under BC Housing's Affordable Home Ownership Program and ensure the unit types include 12 studios, 55 one-bedroom, 35 two-bedroom and 2 three-bedroom dwelling units to the satisfaction of the Director of Sustainable Planning and Community Development
 - iii. a daycare with a minimum floor area of 362m² is provided in the thirteen-storey building for a minimum of ten years to the satisfaction of the Director of Sustainable Planning and Community Development
 - iv. a Statutory Right-of-Way of 2.45m on Johnson Street to the satisfaction of the Director of Engineering and Public Works
 - v. construction of a bus shelter on Johnson Street to the satisfaction of BC Transit and the Director of Engineering and Public Works
 - vi. construction of a traffic bulb on the northeast corner of Cook and Yates Street to the satisfaction of the Director of Engineering and Public Works
 - vii. undergrounding the BC Hydro lines and associated infrastructure along the Yates Street frontage and that the applicant cover the City's portion of the cost under BC Hydro's Beautification Program to the satisfaction of the Director of Engineering and Public Works

- viii. purchase of two car share vehicles with assigned parking spaces on-site, 217 car share memberships (one per dwelling unit), an on-site bike share program consisting of ten electric bicycles, 48 electric charging stations in the long-term bicycle storage rooms, and 15 commercial parking spaces assigned to residential visitors after business hours and on weekends to the satisfaction of the Director of Engineering and Public Works
- ix. that the applicant enter a reciprocal access agreement to allow pedestrians and vehicles to cross Parcel C in order to access the underground parkade on Parcel A and B.
- b. That the applicant explore opportunities to retain the Horse Chestnut tree on the Cook Street boulevard as part of the overall project to the satisfaction of the Director of Parks, Recreation and Facilities.
- c. That the City enter into an agreement with BC Housing and the applicant to ensure that 10% of the current fair market value of each unit sold under BC Housing's Affordable Home Ownership Program (secured as a second mortgage and registered on title) is allocated to the City at the time of resale of a dwelling unit and that the amenity contributions are secured in the City's Affordable Housing Reserve Fund to the satisfaction of the Director of Sustainable Planning and Community Development.
- d. That Council determine, pursuant to Section 475(1) of the *Local Government Act* that the affected persons, organizations and authorities are those property owners and occupiers within a 200m radius of the subject properties; that the appropriate consultation measures would include a mailed notice of the proposed OCP Amendment to the affected persons; posting of a notice on the City's website inviting affected persons, organizations and authorities to ask questions of staff and provide written or verbal comments to Council for their consideration.
- e. That Council, having provided the opportunity for consultation pursuant to Section 475(1) of the *Local Government Act* with persons, organizations and authorities it considers will be affected, specifically, the property owners and occupiers within a 200m radius of the subject properties, have been consulted at a Community Association Land Use Committee (CALUC) Community Meeting, consider whether the opportunity for consultation should be early and ongoing, and determine that no further consultation is required.
- f. That Council, specifically consider whether consultation is required under Section 475(2)(b) of the *Local Government Act*, and determine that no referrals are necessary with the Capital Regional District Board, Councils of Oak Bay, Esquimalt and Saanich, the Songhees and Esquimalt First Nations, the School District Board and the provincial and federal governments and their agencies due to the nature of the proposed amendment.
- g. That Council give first reading to the Official Community Plan Amendment Bylaw.
- h. That Council consider the Official Community Plan Amendment Bylaw in conjunction with the City of Victoria 2017-2021 Financial Plan, the Capital Regional District Liquid Waste Management Plan and the Capital Regional District Solid Waste Management Plan pursuant to Section 477(3)(a) of the *Local Government Act*, and deem those Plans to be consistent with the proposed Official Community Plan Amendment Bylaw.
- i. That Council give second reading to the Official Community Plan Amendment Bylaw.
- j. That Council refer the Official Community Plan Amendment Bylaw for consideration at a Public Hearing.

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.

In accordance with Section 483 of the *Local Government Act*, Council may enter into a Housing Agreement which may include terms agreed to by the owner regarding the occupancy of the housing units and provided such agreement does not vary the use of the density of the land from that permitted under the zoning bylaw.

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 1309 & 1315 Cook Street, 1100-1120 Yates Street and 1109-1115 Johnson Street. The proposal is to rezone from the C-1 Zone, Limited Commercial District, and the R3-1 Zone, Multiple Dwelling District, to a new zone in order to increase the overall density to 3.01:1 floor space ratio (FSR) and construct a thirteen-storey, mixed-use building, which would consist of commercial uses on the ground level, a day care and residential dwelling units on the second storey and residential uses above. A six-storey, multi-unit residential building is being proposed on Johnson Street and the existing five-storey Victoria Professional Building fronting Yates Street would be retained. An amendment to the *Official Community Plan* (OCP, 2012) is required to facilitate this development.

The following points were considered in assessing this application:

- The OCP Urban Place Designation for the properties located at 1100-1108 Yates Street, 1109-1115 Johnson Street and a portion of 1120 Yates Street is Core Residential, which supports mixed-use and multi-unit residential buildings up to eight storeys and a density of up to approximately 3.5:1 FSR. The remaining portion of the property located at 1120 Yates Street is designated Urban Residential in the OCP, which supports multi-unit residential or mixed-use buildings on arterial or secondary arterial roads up to six storeys and a density of up to approximately 2:1 FSR.
- The Fernwood Strategic Directions in the OCP supports new population and housing growth within walking distance of North Park Village.
- The current *Fernwood Neighbourhood Plan* (1994) supports the retention of commercial uses at 1100-1108 Yates Street, 1109-1115 Johnson Street and a portion of 1120 Yates Street and supports residential development up to three or four storeys at 1120 Yates Street.
- The west side of Cook Street and directly across from the site, the OCP and the *Downtown Core Area Plan* (2012) support mixed-used buildings up to 15 and 17 storeys and, therefore, a transition to thirteen-storeys has been demonstrated to be an appropriate scale.
- The applicant is proposing to construct a purpose-built daycare on the second-storey of the thirteen-storey building to accommodate approximately 25 to 50 children. The applicant is willing to enter into a Section 219 Covenant to ensure that there is a daycare in the building for a minimum of ten years.
- The applicant is complying with the City's *Inclusionary Housing and Community Amenity Policy* even though they applied for rezoning prior to the adoption of the Policy. The applicant is providing inclusionary housing by partnering with BC Housing to implement the Affordable Home Ownership Program (AHOP). 104 dwelling units would be sold at 10% below the current fair market value and the amount of the 10% discount would be

secured as a second mortgage registered on title. The 10% AHOP mortgage would be repaid when a dwelling unit is sold at current market value and these funds would be contributed to the City's Affordable Housing Reserve Fund for the purpose of constructing more affordable housing in the City. For this project, the applicant has confirmed that the amenity contribution would amount to approximately \$5.1 million that would be secured, overtime, in the City's Affordable Housing Reserve Fund. A legal agreement between the City, BC Housing and the applicant would be put in place in order to secure the above.

- The applicant is proposing a mix of housing types, including 12 studios, 140 one-bedroom, 61 two-bedroom and four three-bedroom units and is also willing to enter a Housing Agreement to ensure that future strata bylaws cannot prohibit the rental of dwelling units.
- The applicant is willing to provide a 2.45m Statutory Right-of-Way (SRW) on Johnson Street, which will help fulfill the OCP objectives such as enhanced facilities for pedestrians through a wider sidewalk, a separated boulevard which supports the long term viability of trees, and a transit stop.
- The applicant is willing to improve the Cook and Yates Street intersection by constructing a new traffic bulb on the northeast corner of the intersection.
- The applicant engaged Rollo & Associates to prepare a land lift analysis (attached) in accordance with the City's *Inclusionary Housing and Community Amenity Policy*. The analysis concluded that there is no lift. In fact, the analysis confirmed that there is a net loss in land value from providing a 10% discount on the selling price of 104 dwelling units on the site under BC Housing's Affordable Home Ownership Program; refurbishing the existing Victoria Professional Building; constructing a new bus shelter on Johnson Street; and undergrounding the BC Hydro infrastructure on the Yates Street frontage all of which are being carried out by the applicant.

BACKGROUND

Description of Proposal

This Rezoning Application is to rezone from the C-1 Zone, Limited Commercial District, and the R3-1 Zone, Multiple Dwelling District, to a new zone in order to increase the overall density to 3.01:1 floor space ratio (FSR) and construct a thirteen-storey, mixed-use building on the corner of Cook Street and Yates Street, which would consist of commercial uses on the ground level, a day care and residential dwelling units on the second storey and residential uses above. The commercial uses would include restaurant, retail, office and personal services. A six-storey, multi-unit residential building is being proposed on Johnson Street and the existing five-storey Victoria Professional Building fronting Yates Street would be retained.

The new zone would be drafted in such a way that would reflect the three development areas being proposed in this application. The overall density, site coverage and open site space, and the proposed building height on Parcel B (the proposed six-storey building) would be relatively consistent with the existing C-1 and R3-1 Zones; however, creating three separate parcels will trigger some differences from the standard zones with respect to density, setbacks, site coverage and open space. The request to amend the *Official Community Plan* (OCP, 2012) is necessary in order to allow for a thirteen-storey building on Parcel A.

Affordable Housing Impacts

The applicant proposes the creation of 217 new residential units which would increase the overall supply of housing in the area. The applicant is proposing a mix of studios, one, two and

three-bedroom units in this development, which include the following:

Unit Type	Number of dwelling units
Studios	12
One-bedroom	140
Two-bedroom	61
Three-bedroom	4

The applicant is proposing to comply with BC Housing's Affordable Home Ownership Program (AHOP) by selling 104 dwelling units in the six-storey building at 10% below market value. A qualifying buyer must have a household income that does not exceed the 75th income percentile as determined by BC Housing. According to the applicant, the target incomes under this program would be within the following ranges:

- studios: \$35,000 - \$54,999
- one-bedroom and two-bedroom: \$55,000 - \$84,999
- two and three-bedroom: > \$85,000 (not exceeding \$152,000).

The applicant is also willing to secure the unit types in the six-storey building in a legal agreement by ensuring there are 12 studios, 55 one-bedroom, 35 two-bedroom and 2 three-bedroom dwelling units of to the satisfaction of the Director of Sustainable Planning and Community Development. This is to ensure that at the Building Permit stage the unit mix is consistent with the plans shown at Rezoning.

Sustainability Features

The applicant has identified a number of sustainability features which will be reviewed in association with the concurrent Development Permit with Variances Application for this property.

Active Transportation Impacts

The application proposes to install 241 long-term and 31 short-term residential bicycle parking spaces and 29 long-term and 18 short-term commercial bicycle parking spaces with this development. The applicant is also adding end-of-trip facilities (showers and lockers) adjacent to the long-term commercial bicycle storage room in the medical office building to be utilized by all employees on-site, which supports active transportation.

Public Realm Improvements

The following public realm improvements are proposed in association with this Rezoning Application:

- a new bus shelter on Johnson Street
- a traffic bulb on the corner of Cook and Yates Street
- undergrounding BC Hydro services along the Yates Street frontage. BC Hydro offers beautification grants where the cost of undergrounding services is split between BC Hydro, the City and the developer. The City currently has no funding allocated for these types of projects and therefore, the developer is willing to pay for the City's share of the costs.

The above would be secured with a Section 219 Covenant and registered on the property's title prior to Council giving final consideration of the proposed Zoning Regulation Bylaw Amendment.

Accessibility Impact Statement

The British Columbia Building Code regulates accessibility as it pertains to buildings. The proposed courtyard and the pathways surrounding the proposed buildings are designed to be accessible.

Land Use Context

The area is characterized by a mix of residential and commercial uses.

Existing Site Development and Development Potential

The site is presently occupied by a single-storey commercial building along Cook Street and a five-storey commercial building on Yates Street. The remainder of the site is a surface parking lot.

Under the current C-1 Zone, the properties located at 1309 & 1315 Cook Street, 1109 Johnson Street and a portion of 1120 Yates Street could be developed as a four-storey, mixed-use building consisting of ground floor commercial and residential uses above. Under the R3-1 Zone, a portion of the property at 1120 Yates Street could be developed as a six-storey, multi-unit residential building provided that all the parking is accommodated underground.

Data Table

The following data table compares the proposal with the existing C-1 and R3-1 Zones. An asterisk is used to identify where the proposal is less stringent than the existing zones. Two asterisks are used for existing non-conformities.

Zoning Criteria	Proposal - Parcel A (13-storey building)	Proposal - Parcel B (6-storey building)	Proposal - Parcel C (existing 5-storey building)	Proposal - Overall	Zone Standard C-1 Zone	Zone Standard R3-1 Zone
Site area (m ²) - minimum	1589.47	2614.56	2126.87	6330.9	n/a	920
Density (Floor Space Ratio) - maximum	5.5:1*	2.55:1*	1.73:1*	3.01:1*	1.4:1	1.6:1
Total floor area (m ²) - maximum	8743.36*	6655.25*	3683.93*	19,082.54*	Parcel A: 2225.26 Parcel B: 3662.38 Parcel C: 2977.62	Parcel A: 2543.15 Parcel B: 4183.30 Parcel C: 3402.99

Zoning Criteria	Proposal - Parcel A (13-storey building)	Proposal - Parcel B (6-storey building)	Proposal - Parcel C (existing 5-storey building)	Proposal - Overall	Zone Standard C-1 Zone	Zone Standard R3-1 Zone
Height (m) - maximum	42.76*	22.51*	23.18*	n/a	12	18.50
Storeys - maximum	13	6	6	n/a	n/a	n/a
Site coverage % - maximum	76.70*	65.60*	50.30*	63.20*	n/a	30
Open site space % - minimum	25.20*	35.90*	55.30*	39.70*	n/a	60
Setbacks (m) - minimum				n/a		
Front	0.40* (Cook Street - building)	2.45* (Johnson Street - parkade projection)/ 3.02* (balcony)/ 3.31* (building)	4.42** (Yates St - canopy)/ 6.26** (building)		6	13.50
Rear	4.67* (east - building)	0.17* (south - building)	8.96* (north - canopy)/ 11.09* (building)		Parcel A: 21.38 Parcel B: 11.26 Parcel C: 11.59	
Side	0.04* (north - building)	0.42* (east - parkade)/ 4.28* (balcony)/ 4.76* (building)	8.87** (east)		Parcel A: 21.38 Parcel B: 11.26 Parcel C: 11.59	
Side	n/a	9.10* (west - building)/ 9.56* (building)	8.30* (west)		Parcel A: 21.38 Parcel B: 11.26 Parcel C: 11.59	
Side on flanking street	0.68* (Yates Street - building)	n/a	n/a		2.40	n/a
Parking - minimum				129		
Residential	73*	55*	1		Parcel A: 92 Parcel B: 102 Parcel C: n/a	
Commercial	0*	107	0*	107	Parcel A: 18 Parcel B: n/a Parcel C: 120	

Zoning Criteria	Proposal - Parcel A (13-storey building)	Proposal - Parcel B (6-storey building)	Proposal - Parcel C (existing 5-storey building)	Proposal - Overall	Zone Standard C-1 Zone	Zone Standard R3-1 Zone
Visitor parking included in the overall units - minimum	6*	3*	0	9	Parcel A: 11 Parcel B: 10 Parcel C: 0	
Bicycle parking stalls - minimum				241		
Long-term (residential)	126	115	n/a		Parcel A: 126 Parcel B: 115 Parcel C: n/a	
Short-term (residential)	11	10	n/a	21	Parcel A: 11 Parcel B: 10 Parcel C: n/a	
Long-term (commercial)	0*	n/a	29	29	Parcel A: 5 Parcel B: n/a Parcel C: 24	
Short-term (commercial)	10	n/a	18	28	Parcel A: 10 Parcel B: n/a Parcel C: 18	

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications*, the applicant has consulted the Fernwood CALUC at a Community Meeting held on November 21 2018 and a second meeting held on June 25, 2019 where the applicant presented proposed changes to the project. A letter dated September 15, 2019 is attached to this report.

ANALYSIS

Official Community Plan

Land Use, Height and Density

The OCP Urban Place Designation for the properties located at 1100-1108 Yates Street, 1109-1115 Johnson Street and a portion of 1120 Yates Street is Core Residential, which supports mixed-use and multi-unit residential buildings up to eight-storeys and a density of up to approximately 3.5:1 FSR. The remaining portion of the property located at 1120 Yates Street is designated Urban Residential in the OCP, which supports multi-unit residential or mixed-use buildings on arterial or secondary arterial roads up to six-storeys and a density of up to approximately 2:1 FSR.

The OCP encourages local-serving commercial in the Fernwood neighbourhood. The applicant is proposing ground floor commercial space to accommodate two larger tenants, such as a restaurant and coffee shop, or a few smaller local retailers. The applicant has indicated that there is a desire to attract neighbourhood-focused retailers; however, the city has no control over the type of retailer provided that the uses comply with the *Zoning Regulation Bylaw*.

The applicant is proposing a thirteen-storey building on Parcel A, which is triggering an amendment to the OCP as the maximum height supported in the OCP on this portion of the site is eight storeys. The building on Parcel B is six-storeys, which is lower than what is contemplated in the OCP on the portion of the site designated Core Residential. On Parcel C, the applicant is retaining the existing five-storey medical building, which is occupied by a diverse mix of medical professionals. The site transitions from thirteen storeys to five storeys with large separation distances between the buildings. The west side of Cook Street and directly across from Parcel A, the OCP and the *Downtown Core Area Plan* (DCAP, 2012) support mixed-used buildings up to 15 and 17 storeys and therefore, a transition to thirteen storeys has been demonstrated to be an appropriate scale to soften an abrupt change in height from the west side to the east side along this block of Cook Street. According to the applicant, allowing for some additional height to accommodate more dwelling units is required to make the project financially feasible if inclusionary housing and a day care are being proposed and the existing Victoria Professional Building is retained.

The applicant could potentially have three buildings on one lot and create a building strata with common property; however, for financial and construction purposes, the applicant is proposing to subdivide the subject property into three distinct parcels and the densities for each individual parcel exceed the maximum densities in the OCP for the site. The proposed densities for: Parcel A is 5.5:1, Parcel B is 2.55:1, and Parcel C is 1.73:1 FSR; however, the applicant is proposing an overall density of 3.01:1 FSR across the entire site

Built Form

The OCP encourages a high quality architecture, landscape and urban design to enhance the visual identity and appearance of the city. The applicant is proposing a variety of architectural features to provide visually-interesting buildings. For the thirteen-storey building, the applicant is proposing a two-level podium to foster a pedestrian scale at the street level, curtain wall glazing to accentuate the ground-level commercial space and vertical fins. For the six-storey building, the applicant is proposing ground-oriented dwelling units with individual front entryways along the Johnson Street frontage, an articulated main residential entryway that breaks up the massing and upper-storey balconies with decorative wood screening. On both buildings, the applicant is proposing rich and varied architectural materials, such as brick, metal and glass, in order to enhance and articulate the street frontages. The applicant is proposing a large courtyard in the middle of the site, which would include substantial tree planting, outdoor seating, a children's play area, dog relief area and raised planters for gardening.

Housing type and tenure

The OCP supports a range of housing types, forms and tenures across the city and within neighbourhoods to meet the needs of residents at different life stages, and to facilitate aging in place. Furthermore, the OCP encourages a mix of residents, including households with children, by increasing opportunities for innovative forms of ground-oriented multi-unit residential housing. The applicant is proposing a mix of housing types, including 12 studios, 110 one-bedroom, 61 two-bedroom and four three-bedroom units. In the proposed six-storey

building, the applicant is proposing 16 ground-oriented dwelling units with private outdoor patios and several of these units would be suitable for families with children.

The OCP also encourages partnerships that address the need for affordable market housing suitable for households with children. The applicant is providing inclusionary housing by partnering with BC Housing to implement the Affordable Housing Ownership Program in accordance with the expectations under the City's *Inclusionary Housing and Community Amenity Policy*. 104 dwelling units in the proposed six-storey building would be sold at 10% below the current fair market value.

Daycare

In response to the OCP policies encouraging non-profit daycare space as an amenity in new residential, mixed-use and commercial development, the applicant is proposing to construct a purpose-built daycare on the second storey of the thirteen-storey building to accommodate approximately 25 to 50 children. The applicant is currently working with local daycare providers to occupy the space, with a stated preference to partner with a non-profit daycare provider. The applicant is willing to enter a Section 219 Covenant to ensure that there is a daycare in the building for a minimum of ten years.

Urban Agriculture

Urban gardening is strongly encouraged in mixed-use, multi-unit residential developments. The applicant is proposing to install seven large raised garden plots in a common area on the west side of the six-storey building to encourage urban gardening and food production on-site for residents. Small private gardening spaces would also be accommodated on patios and balconies.

Site Planning

The OCP encourages the logical assembly of development sites that enable the best realization of permitted development potential for an area. The applicant reached out to the property owners of 1321-1329 Cook Street to explore options for incorporating these corner lots in the overall development proposal. For a variety of reasons out of the applicant's control, it is not feasible to include these lots at this time. However, the applicant is willing to provide a knockout panel in the underground parkade to facilitate reciprocal access in the future.

OCP Amendment

The OCP Amendment Application to change the Urban Place Designation of 1309 & 1315 Cook Street, 1100-1120 Yates Street and 1109-1115 Johnson Street from Urban Residential to Core Residential and include some language under the description of Core Residential in the OCP that would allow for a building up to thirteen storeys at this location is being proposed.

The *Local Government Act* (LGA), Section 475, requires a Council to provide one or more opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected by an amendment to the OCP. Consistent with Section 475 of the LGA, Council must further consider whether consultation should be early and ongoing. This statutory obligation is in addition to the Public Hearing requirements. In this instance, staff recommend for Council's consideration that notifying owners and occupiers of land located within 200 metres of the subject site along with posting a notice on the City's website will provide adequate opportunities for consultation with those affected.

Given that through the CALUC Community Meeting process all owners and occupiers within a 200m radius of the site were notified and invited to participate in a Community Meeting; the consultation proposed at this stage in the process is recommended as adequate and consultation with specific authorities, under Section 475 of the LGA, is not recommended as necessary.

Should Council support the OCP amendment, Council is required to consider consultation with the Capital Regional District Board; Councils of Oak Bay, Esquimalt and Saanich; the Songhees and Esquimalt First Nations; the School District Board and the provincial government and its agencies. However, further consultation is not recommended as necessary for this amendment to the Urban Place Designation as this matter can be considered under policies in the OCP.

Council is also required to consider OCP Amendments in relation to the City's *Financial Plan* and the *Capital Regional District Liquid Waste Management Plan* and the *Capital District Solid Waste Management Plan*. This proposal will have no impact on any of these Plans.

Fernwood Neighbourhood Plan

The *Fernwood Neighbourhood Plan* (1994) supports the retention of commercial uses at 1100-1108 Yates Street, 1109-1115 Johnson Street and a portion of 1120 Yates Street and supports residential development up to three or four storeys at 1120 Yates Street, which does not align with the OCP from a use, height and density perspective. The Plan also encourages improved quantity and quality of licensed child care services for children up to 12 years of age.

Tree Preservation Bylaw and Urban Forest Master Plan

Earlier this year Council increased funding to expedite the implementation of the Urban Forest Master Plan (UFMP). The goals of the UFMP include maximizing community benefits from the urban forest in all neighbourhoods, including a focus on protecting large, healthy trees on public and private property.

The Tree Resource Inventory for this project identified a total of 32 trees: 11 City-owned street trees, 18 non bylaw-protected trees on the subject properties and three non bylaw-protected trees on the neighboring property at 1138 Yates Street.

The proposal, as currently shown, would require the removal of a large and healthy Horse Chestnut tree growing on the Cook Street boulevard, to construct the proposed building. Cook Street has historically been lined with Horse Chestnut trees from Dallas Road to Pandora Avenue. Planted in 1970, this significant tree has grown rapidly and now measures 99cm in diameter (DBH), 19m in height, with a crown spread of 15m. This tree has good vitality and structure, providing benefits to the surrounding area like other mature trees; such as shading and cooling for the block, windspeed reduction, mitigation of stormwater runoff, increased air quality, as well as health benefits for residents. Given the recent success with protecting other mature trees on the Cook Street boulevard, such as next to the new development at Johnson Street, staff are hopeful that a design solution can be found to preserve this tree. The developer has been asked to explore opportunities to retain this important public tree as part of the overall project.

A small 10cm DBH Francetti Oak, also located on the Cook Street frontage, is proposed to be removed and replaced. The current plans propose three new street trees along the Cook Street boulevard.

Three Sweetgum trees (56, 51 and 50cm DBH) located along the Johnson Street frontage are identified to be removed in order to allow for the excavation of a new underground parkade and the realignment of the sidewalk. A new 2.8m wide (approximately 160m²) grass boulevard with five new street trees would separate the proposed sidewalk from the street.

On the Yates Street boulevard, two City trees are identified to be removed in order to allow construction of an expanded sidewalk along the frontage of the new building. A 68cm DBH Purple Leaf and a small 4cm DBH Yoshino Cherry would be replaced with three new street trees. The proposed design would also remove approximately 113m² of grass boulevard.

There are presently 17 non-bylaw protected trees on the development site which are proposed for removal. Only one tree, a multi-stemmed (49cm and 41cm DBH) European White Birch, is identified to be retained. The landscape plan shows 37 new trees as part of the site landscaping.

Finally, two non-bylaw protected European White Birch (61cm and 51cm DBH) trees growing on the neighbouring property of 1138 Yates Street are proposed for removal. This will be a matter for the two property owners to address.

Inclusionary Housing and Community Amenity Policy

The applicant is complying with the City's *Inclusionary Housing and Community Amenity Policy* even though they applied for rezoning prior to the adoption of the Policy. The applicant is providing inclusionary housing by partnering with BC Housing to implement the Affordable Housing Ownership Program in accordance with the expectations under the Policy. There would be 104 dwelling units sold at 10% below the current fair market value and the amount of the 10% discount would be secured as a second mortgage registered on title. The 10% AHOP mortgage would be repaid when a dwelling unit is sold at current market value and these funds would be contributed to the City's Affordable Housing Reserve Fund for the purpose of construction more affordable housing in the city. For this project, the applicant has confirmed that the amenity contribution would amount to approximately \$5.1 million secured and flowing through the City's Affordable Housing Reserve Fund as units are sold in the future. A legal agreement between the City, BC Housing and the applicant would be in place in order to secure these future amenity contributions. A letter of support is provided by BC Housing and attached to this report.

In accordance with the Policy, the applicant engaged Rollo & Associates to prepare a land lift analysis (attached). The consultant examined the site with and without the parcel of land occupied by the existing medical building to determine if this parcel would create a drag on the overall residual land value of the project. The analysis concluded that there is no lift in both scenarios. In fact, the analysis confirmed that there is a net loss in land value from providing a 10% discount on the selling price of 104 dwelling units on the site under AHOP; refurbishing the existing Victoria Professional Building; constructing a new bus shelter on Johnson Street; and undergrounding the BC Hydro infrastructure on the Yates Street frontage.

Regulatory Considerations

Statutory Right-of-Way

The standard right-of-way width for a secondary arterial is 25.0 m. To achieve this minimum on this portion of Johnson Street, a SRW of 2.45m is requested as a condition of rezoning. This is

consistent with other SRWs secured along Johnson Street and will help realize OCP objectives such as enhanced facilities for pedestrians through a wider sidewalk, a separated boulevard which supports the long-term viability of trees, and a transit stop.

Proposed New Zone

The applicant is proposing a new zone to facilitate this development. The maximum height in the new zone would be 40m. The proposed building height for the thirteen-storey building is 42.76m as a result of a projecting rooftop structural wall and this additional height will be treated as a variance. This is discussed further in the concurrent Development Permit with Variance report.

The new zone would also include a provision to allow for the creation of one or more air space parcels, which are essentially volumetric parcels. Air space parcel subdivisions are a common approach, especially for mixed-use/mixed ownership buildings to allow for the transfer of title of different components of a development.

Reduction in Vehicle Parking

Given the unique underground parking layout as a result of the proposed development areas, staff is recommending that the vehicle parking requirements are embedded in the new zone. The applicant is addressing the proposed parking shortfall with a comprehensive list of Transportation Demand Management (TDM) measures that take into account the proposed uses on-site, which is discussed below. This approach will also avoid additional parking variances in the future.

The applicant is proposing 247 parking spaces for the development across the three parcels. Schedule C: Off-street Parking requires 353 parking spaces so the parking shortfall would be 106 parking spaces. Given the magnitude of the parking shortfall, the applicant engaged Bunt & Associates to complete a Parking Study for this development.

Currently, there is a large surface parking lot at 1115 and 1120 Johnson Street, which contains 101 parking spaces for the Professional Office Building. The study concludes that the maximum occupancy of the existing parking lot at present time is 50%, which could mean that there is less demand for parking from the existing medical office building. That said, it is a pay parking lot, which likely results in some commercial patrons parking on the street.

The parking for the medical and office uses would be provided in a new underground parkade on Parcel B given the inability to construct a parkade under the existing building. There would be a total of 107 parking spaces assigned to all the commercial uses on site, including office, retail, medical and daycare uses. A total of 21 residential visitor parking spaces are required for this development and only nine visitor parking spaces are being provided. To offset the shortfall in visitor parking, the applicant is proposing a shared parking arrangement where 15 commercial parking spaces would be available to residential visitors after business hours and on weekends. For the residential uses, 194 parking spaces are required and the applicant is proposing to provide 128 parking spaces.

To help offset some of the parking shortfall, the applicant is proposing a variety of Transportation Demand Management (TDM) measures which staff support, including the following:

- purchasing two car share vehicles with assigned parking spaces on-site

- 217 car share memberships (one car share membership per dwelling unit) for the life of the building along with usage credits for each membership
- resident bike share program, which will include the provision of ten electric bikes (five assigned to each residential building)
- end-of-trip facilities (e.g. bike repair equipment, bike wash station, lockers, showers and changing facilities for employees)
- additional long-term bicycle parking
- 48 electric bike charging stations for residents.

The applicant will also be constructing a new bus shelter on the Johnson Street frontage in front of the six-storey building as a condition of rezoning. The site is in close proximity to frequent public transit. In addition, the subject properties are within walking distance of downtown, surrounded by shops and services, and in close proximity to existing and planned bicycle network infrastructure. Staff recommends that a covenant is registered on title to secure the shared parking arrangement and TDM measures outlined above to the satisfaction of the Director of Engineering and Public Works.

CONCLUSIONS

Even though the proposed thirteen-storey, mixed-use building is not consistent with the height policies in the OCP, the proposal further advances other policies and objectives in the OCP, such as providing inclusionary housing and over \$5.1 million, over time, in amenity contributions towards the City's Affordable Housing Reserve Fund; a daycare (secured for ten years by a legal agreement); urban agriculture; an extensive courtyard; streetscape beautification and retaining the medical office building which is occupied by a diverse mix of medical professionals. The applicant indicated that in order to provide these amenities and make this project financially feasible, the additional density and height as proposed is required. A land lift analysis has been completed that confirms there is no lift associated with this proposal. Staff recommend for Council's consideration that the application proceed to a Public Hearing.

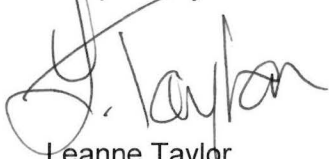
ALTERNATE MOTION 1

That Council direct staff to work with the applicant on a proposal that complies with the land use policies in the Official Community Plan.

ALTERNATE MOTION 2

That Council decline Rezoning Application No. 00681 for the property located at 1309 & 1315 Cook Street, 1100-1120 Yates Street and 1109-1115 Johnson Street.

Respectfully submitted,



Leanne Taylor
Senior Planner
Development Services Division



Andrea Hudson, Acting Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager:



Date:

Sept. 25, 2019

List of Attachments

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans, dated/date stamped September 13, 2019
- Attachment D: Letter from applicant to Mayor and Council, dated September 16, 2019
- Attachment E: Letter from architect to Mayor and Council, dated July 29, 2019
- Attachment F: CPTED Analysis, dated July 29, 2019
- Attachment G: Community Association Land Use Committee Comments, dated September 15, 2019
- Attachment H: Land Lift Analysis, dated September 10, 2019
- Attachment I: Parking Study, dated September 12, 2019
- Attachment J: Transportation Impact Assessment, dated December 12, 2018
- Attachment K: Letter from BC Housing, dated September 10, 2019
- Attachment L: Letter from MODO, dated September 13, 2019
- Attachment M: Tree Assessment, dated November 28, 2018 and updated September 12, 2019
- Attachment N: Advisory Design Panel report, dated June 19, 2019
- Attachment O: Advisory Design Panel minutes, dated June 26, 2019
- Attachment P: Letter from architect regarding the recommendations from the Advisory Design Panel, dated July 29, 2019
- Attachment Q: Correspondence (Letters received from residents).