



Committee of the Whole Report For the Meeting of December 12, 2019

To: Committee of the Whole **Date:** November 28, 2019
From: Andrea Hudson, Acting Director, Sustainable Planning and Community Development
Subject: Rezoning Application No. 00664 for 2649-2659 Douglas Street and 735 Hillside Avenue

RECOMMENDATION

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00664 for 2649-2659 Douglas Street and 735 Hillside Avenue, 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 and execution of the appropriate legal agreements in order to secure the following:
 - a. All dwelling units remain rental in perpetuity.
 - b. A Statutory Right-of-Way of 3.57m on Hillside Avenue to the satisfaction of the Director of Engineering and Public Works.
 - c. Provide a bus shelter on Hillside Avenue in accordance with the site plans dated November 4, 2019, and to the satisfaction of the Director of Engineering and Public Works.
 - d. Provide two car share vehicles; two assigned car share parking spaces on-site; 151 car share memberships (one for each dwelling unit); a \$100 of driving credits for each resident; and 40 electric bicycle charging stations (110V wall outlets) in the underground parkade, to the satisfaction of the Director of Sustainable Planning and Community Development.
 - e. Purchase 100 transit passes through BC Transit's EcoPass program to the satisfaction of the Director of Sustainable Planning and Community Development.
2. Council authorizing street-level projecting canopies and cornices over the City Right-of-Way on 2649-2659 Douglas Street and 735 Hillside Avenue, 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 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 2649-2659 Douglas Street and 735 Hillside Avenue. The proposal is to rezone from the C1-NN Zone, Suburban Centre District, to a new zone in order to increase the density and permit a mix of residential and commercial uses.

The following points were considered in assessing this application:

- the *Official Community Plan* (OCP, 2012) Urban Place Designation for the subject properties is Large Urban Village (Humber Green), which supports low to mid-rise mixed-use buildings up to approximately six-storeys and a density of up to approximately 2.5:1 floor space ratio (FSR). The proposal complies with the land use policies outlined in the OCP
- the applicant is proposing approximately 151 rental units, which would remain rental in perpetuity, and a mix of unit types, including ground-oriented and some larger two-bedroom dwelling units
- the applicant is proposing to retain, rehabilitate and heritage-designate approximately 50% of the existing building (Scott building)
- the *Burnside Gorge Neighbourhood Plan* (BGNP, 2017) designates the subject properties Large Urban Village, which supports mixed-use buildings up to six storeys and a density up to 2.5:1 FSR, where developments contribute towards public amenities which make the area more liveable. The proposal complies with the land use policies outlined in the Plan
- the BGNP strongly encourages village commercial uses along the street frontages, with parking generally located to the rear of buildings or underground. The proposal complies with this policy direction as well.

BACKGROUND

Description of Proposal

This Rezoning Application is to rezone from the C1-NN Zone, Suburban Centre District, to a new zone in order to increase the density and permit a mix of residential and commercial uses. The applicant is proposing to retain 50% of the existing building (Scott Building) and construct an addition on the east and south sides of the building. The existing building would be heritage-designated and converted from commercial (office and retail) to mixed-use consisting of ground floor commercial and residential above. The ground floor commercial uses would consist of village commercial uses such as retail stores, restaurants, coffee shops, personal services and limited professional services. The applicant is also proposing to construct a new six-storey, multi-unit residential building on the adjacent surface parking lot.

The following differences from the standard zones are being proposed and would be accommodated in the new zone:

- increasing the height and density
- reducing a side yard setback on the south side
- reducing the required number of parking spaces.

Affordable Housing Impacts

The applicant proposes the creation of 151 new residential units, which would increase the overall supply of housing in the area. A Housing Agreement is also being proposed which would ensure that the dwelling units remain rental in perpetuity.

Sustainability Features

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

Active Transportation Impacts

The applicant is proposing 192 long-term and 24 short-term bicycle parking spaces. Forty long-term bicycle parking spaces would be designed for cargo and electric bikes.

Public Realm Improvements

The applicant would be supplying a new bus shelter on the Hillside Avenue properties as a condition of rezoning, and to the satisfaction of the Director of Engineering and Public Works.

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 commercial and residential uses.

Existing Site Development and Development Potential

The site is presently a three-storey commercial building and surface parking lot. Under the current C1-NN Zone, the property could be developed as a seven-storey, mixed-use building with ground floor commercial uses and residential above at a density of 2:1 FSR.

Data Table

The following data table compares the proposal with the existing C1-NN Zone, Suburban Centre District. An asterisk is used to identify where the proposal is less stringent than the existing Zone. A double asterisk is used when there are existing non-conformities.

Zoning Criteria	Proposal	Zone Standard (C1-NN Zone)
Site area (m ²) – minimum	4804	n/a

Zoning Criteria	Proposal	Zone Standard (C1-NN Zone)
Total floor area (m ²)	11,987 *	9608
Density (Floor Space Ratio) – maximum	2.50 *	2
Height (m) – maximum	19.50	21.50
Storeys – maximum	6	n/a
Site coverage (%) – maximum	62	n/a
Open site space (%) – minimum	27	n/a
Setbacks (m) – minimum		
Front (Douglas Street)	0 ** (existing)	
Rear (E)	5.25	4.88
Side (N)	0 ** (existing) / 3.66 (new)	3
Side (S)	3.92 *	4.88
Vehicle parking stalls – minimum		
Residential	53 *	108
Commercial	25 *	36
Visitor	10 *	15
Bicycle parking stalls – minimum		
Residential long-term	184	184
Residential short-term	15	15
Commercial long-term	8	8
Commercial short-term	9	9

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications*, the applicant has consulted the Burnside Gorge CALUC at a Community Meeting held on December 11, 2017. Letters dated December 12, 2017, September 20, 2018 and June 4, 2019 are attached to this report.

ANALYSIS

Official Community Plan

Land Use, Height and Density

The *Official Community Plan* (OCP, 2012) Urban Place Designation for the subject properties is Large Urban Village (Humber Green), which supports low to mid-rise mixed-use buildings up to approximately six-storeys and a density of up to approximately 2.5:1 FSR. The OCP also strongly encourages ground-oriented commercial uses in Large Urban Villages. The applicant is proposing to construct an addition on the east and south sides of the existing Scott Building, which will allow for an expansion of ground-oriented commercial uses fronting Douglas Street and Hillside Avenue. The applicant's proposal is consistent with the land use, height and density policies outlined in the OCP.

Built Form

The OCP encourages a high quality architecture, landscape and urban design to enhance the visual identity and appearance of the City and supports new infill and building additions that respond to context through sensitive and innovative design. The OCP also supports new additions that conserve and enhance heritage properties in such a way that avoids demolition.

The applicant is proposing to retain, rehabilitate and heritage-designate approximately 50% of the existing three-storey Scott Building. The centre of the building would be removed on the upper two-storeys to allow for daylight to new dwelling units on the upper storeys. A fourth storey would be constructed on the existing building, which would be stepped back and not visible from the street.

Animating the pedestrian realm in villages with features such as sidewalk cafes, street furniture, etc., is strongly encouraged. The applicant is proposing to activate the ground floor of the existing building by reinstating recessed commercial entryways and storefront windows to match the original building design. Ground level coffee shops and restaurants with outdoor seating are being proposed along Douglas Street and Hillside Avenue to foster a neighbourhood vibrancy and strengthen the human-scale design of the existing building.

A new six-storey, multi-unit residential building would be constructed to the east with a central courtyard in the middle of the site for residents and visitors. Incorporating a central public green space or square is strongly encouraged in the OCP for large urban villages.

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 ageing in place. The OCP also encourages a mix of residents, including households with children, by increasing opportunities for innovative forms of ground-oriented multi-residential housing. The applicant would provide 151 new rental dwelling units, which would be rental in perpetuity, as well as a mix of unit types, including some ground-oriented and some larger two-bedroom dwelling units. At this time, the proposal contains the following unit mix:

Unit Type	Number of Units
Studio	16

Unit Type	Number of Units
One Bedroom Loft	6
One Bedroom	83
One Bedroom + Den	27
Two Bedroom	18
Two Bedroom + Den	1

Local Area Plans

The *Burnside Gorge Neighbourhood Plan* (BGNP, 2017) designates the subject properties Large Urban Village, which supports mixed-use buildings up to six storeys and a density up to 2.5:1 FSR, where developments contribute towards public amenities which make the area more liveable. The Plan encourages the conservation of important heritage buildings and the provision of a variety of new housing forms that are attractive to different households, including apartments and mixed-use buildings. The applicant is proposing to conserve the existing heritage building, add more rental units in the neighbourhood and make the area more liveable by enhancing the streetscape and expanding ground-oriented village commercial uses, incorporating a central courtyard that would be accessible to the public, constructing a new bus stop to support transit-oriented development, adding street furniture and planting new boulevard trees. The applicant's proposal is consistent with the general policies for land management and development and the "Principles for Redevelopment of Humber Green Area" outlined in the Plan.

Tree Preservation Bylaw and Urban Forest Master Plan

Two existing municipal trees shall be retained, one on the Hillside Avenue frontage and the other on the Douglas Street frontage. Five new municipal trees are proposed in irrigated planting pits, four on the Hillside Avenue frontage and one on the Douglas Street frontage. One on-site apple tree and one birch tree would be impacted by the construction of the underground parkade, and as a result these two trees would have to be removed. The existing trees are subject to the previous Tree Preservation Bylaw, and therefore they are considered undersized and not protected under the bylaw. The applicant is proposing to plant 35 new trees at-grade, many of which will be small canopy trees as a result of being located above a parkade. In addition, three new small trees are proposed on the upper storey interior-facing courtyard of the existing building. A total of 38 new trees would be planted on the site.

The addition of new trees and increased canopy cover is a benefit to the area which exhibits low canopy cover. This is consistent with the objectives of the City of Victoria's Urban Forest Master Plan. The enhancement of the urban forest on public and private land is also supported in the OCP.

Density Bonus Policy

The proposal is exempt from the current *Inclusionary Housing and Amenity Contribution Policy* as the applicant would be providing 100% purpose-built rental housing in perpetuity.

Regulatory Considerations

Statutory Right-of-Way

There is currently a Statutory Right-of-Way (SRW) of 3.57m on 735 Hillside Avenue. Staff recommend that a SRW of 3.57m is also acquired on the Hillside frontage of the corner property

at 2655-2659 Douglas Street to help fulfill the objectives in the OCP related to transit and bicycle infrastructure.

Proposed New Zone

The new zone would 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

The applicant is proposing 88 parking spaces for the development (86 parking spaces allocated to residents and uses within the building and two car share parking spaces). Schedule C: Off-street Parking requires 159 parking spaces so there would be a parking shortfall of 71 parking spaces. There are challenges with providing underground parking due to the structural integrity of the heritage building and inability to fully excavate underneath the existing building.

Given the magnitude of the parking shortfall, the applicant engaged WATT Consulting Group to complete a Parking Study for this development. 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
- 151 car share memberships (one car share membership per dwelling unit) for the life of the building along with usage credits for each membership
- 100 transit passes
- 40 cargo and electric charging bicycle parking spaces.

Staff recommends that a covenant is registered on title to secure the TDM measures outlined above to the satisfaction of the Director of Engineering and Public Works.

The applicant will also construct a new bus shelter on Hillside Avenue, which is considered a frequent transit route. Other considerations for a parking variance include the site's WalkScore of 92 – "Walker's Paradise: Daily errands do not need a car." The OCP supports variances from the *Zoning Regulation Bylaw* to enable and support heritage conservation; therefore, staff recommend embedding the parking requirements into the new zone.

Encroachment Agreement

A number of street-level canopies are also proposed along 2649-2659 Douglas Street and 735 Hillside Avenue Street, 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.

CONCLUSIONS

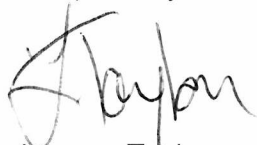
The proposal complies with the applicable land use policies and further advances many other policies and objectives outlined in the OCP and the *Burnside Gorge Neighbourhood Plan*, such as retaining and rehabilitating an existing heritage building; providing 151 rental dwelling units in perpetuity as well as a mix of unit types; providing a central courtyard and animating the

pedestrian realm. A reduction in parking at this location is supportable given the proposed TDM measures, the site's proximity to frequent transit service and shops and services. Staff recommend for Council's consideration that the application proceed to a Public Hearing.

ALTERNATE MOTION

That Council decline Rezoning Application No. 00664 for the property located at 2649-2659 Douglas Street and 735 Hillside Avenue.

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:

Dec 4, 2019

List of Attachments

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans date stamped November 4, 2019
- Attachment D: Letter from applicant to Mayor and Council dated October 31, 2019
- Attachment E: Letter from applicant to Mayor and Council dated July 4, 2019
- Attachment F: Community Association Land Use Committee Comments dated December 12, 2017, September 20, 2018 and June 4, 2019
- Attachment G: Parking Study prepared by WATT Consulting dated September 25, 2019
- Attachment H: Letter from MODO dated October 31, 2019
- Attachment I: Letter from applicant regarding TDM measures dated November 4, 2019
- Attachment J: Advisory Design Panel report dated October 10, 2019
- Attachment K: Minutes from the Advisory Design Panel dated October 23, 2019
- Attachment L: Correspondence.