



Committee of the Whole Report

For the Meeting of March 19, 2020

To: Committee of the Whole **Date:** March 5, 2020

From: Karen Hoesel, Director, Sustainable Planning and Community Development

Subject: **Update on Rezoning Application No. 00634 and Development Permit with Variance Application No. 000527 for 324/328 Cook Street and 1044, 1048 and 1052/1054 Pendergast Street**

RECOMMENDATION

Rezoning Application No. 00634

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00634 for 324/328 Cook Street and 1044, 1048 and 1052/1054 Pendergast Street, 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 following legal agreements:
 - a. Statutory Right-of-Way securing 1.38 metres of the site adjacent to Pendergast Street, to the satisfaction of the Director of Engineering and Public Works.
 - b. Housing Agreement ensuring that future strata bylaws cannot restrict the rental of units to non-owners, to the satisfaction of the Director of Sustainable Planning and Community Development.
 - c. Section 219 Covenant securing an amenity contribution in the amount of \$136,163.47 toward the Local Amenities Reserve Fund, to the satisfaction of the Director of Sustainable Planning and Community Development.
 - d. Section 219 Covenant to secure the construction of the following public realm improvements, to the satisfaction of the Director of Engineering and Public Works:
 - i. raingardens along Pendergast Street;
 - ii. enhanced boulevard planting and low seating walls; and
 - iii. permeable and impermeable concrete sidewalk pavers.
 - e. Section 219 Covenant to secure the maintenance of the proposed rain gardens and boulevard planting for a period of one year to the satisfaction of the Director of Parks, Recreation and Facilities.
 - f. **Section 219 Covenant securing an amenity contribution in the amount of \$161,356.80 toward the Victoria Housing Reserve Fund, to the satisfaction**

of the Director of Sustainable Planning and Community Development.

2. **Update report to Council on the potential acquisition of the commercial strata unit located at 380 Cook Street at 25% below market value.**

Development Permit with Variance No. 000527

That Council, after giving notice and allowing an opportunity for public comment at a meeting of Council, and after the Public Hearing for Rezoning Application No. 00634, if it is approved, consider the following motion:

“That Council authorize the issuance of Development Permit with Variance Application No. 00527 for 324/328 Cook Street and 1044, 1048, 1052/1054 Pendergast Street, in accordance with:

1. Receipt of final plans, generally in accordance with the plans date stamped **October 9, 2019**, with refinement of the artwork panels, to the satisfaction of the Director of Sustainable Planning and Community Development.
2. Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variance:
 - i. **increase the building height from 13.5m to 16.2m (to the projecting portions of the roof).**
3. The Development Permit lapsing two years from the date of this resolution.”

EXECUTIVE SUMMARY

The purpose of this report is to present Council with new information regarding a Rezoning Application and Development Permit with Variance Application for the properties located at 324/328 Cook Street and 1044, 1048 and 1052/1054 Pendergast Street. At the Council meeting of December 13, 2018, Council passed a motion directing staff to work with the applicant to revise several aspects of the proposal and that the revised proposal be brought back to Committee of the Whole.

Given that the applicant has revised the proposal to address the conditions outlined in the Council motion, staff are recommending for Council's consideration that the Rezoning and Development Permit with Variance proceed for consideration at a Public Hearing.

BACKGROUND

Description of Proposal

This Rezoning Application is to rezone from the CR-3M Zone, Commercial Residential Apartment Modified District, and the R-K Zone, Medium Density Attached Dwelling District, to a new site-specific zone in order to increase the density and construct a four-storey, mixed-use building with commercial uses and residential uses at an overall density of 2.19:1 floor space ratio. The new zone would allow for reduced setbacks and increased density, height, and number of storeys in comparison to the CR-3M Zone.

The previous reports for this application, which were presented at Committee of the Whole on December 6, 2018 along with the COTW and Council minutes dated December 13, 2018 are attached for additional information and reference.

On December 13, 2018, Council referred the application back to staff with the following motion:

That this matter be referred to staff with direction to work on:

Direct staff to work with BC Housing and/or the applicant to incorporate affordability into the project, including the option of securing 10-20% of the units as affordable rental housing in perpetuity and ensure the tenants who are being displaced have first right of refusal provided they meet the eligibility requirements for the affordable units.

Direct staff to work with the applicant to revise the plans to remove the three parking stalls on Pendergast in exchange for green space.

Ask staff to report back on the process for determining the vulnerability of tenants with respect to this application and all future applications.

Update report to Council on the proposed day-care facility located at 380 Cook Street and execution of any necessary legal agreements, to the satisfaction of the Director of Sustainable Planning and Community Development.

Revisions Resulting from Council Motion

Affordable Housing

The proposed building design, tenure and unit mix has not changed with this revised proposal. The applicant proposes the creation of approximately 48 new residential units, with a mix of one-, two- and three-bedroom units, which would increase the overall supply of housing in the area. A Housing Agreement is also being proposed which would ensure that future Strata Bylaws could not prohibit the rental of units. The current unit mix is as follows:

- 11 three bedroom units
- 26 two bedroom / two bedroom plus den units
- 11 one bedroom / one bedroom plus den units.

The applicant explored the option of working with BC Housing to secure on-site affordable rental housing and discussed the potential for affordable home ownership units managed by the Capital Regional District. Ultimately the applicant has decided not to incorporate affordable housing into the proposed building because the project does not fit any current BC Housing Program and integrating affordable housing would require a full redesign of the building (see attached letters from the applicant and BC Housing).

Instead, the applicant is proposing a cash-in-lieu contribution of \$161,356.80 towards the Victoria Housing Reserve Fund. This amount is based on the value of the subsidy the applicant was proposing for a new daycare facility within the adjacent building, located at 380 Cook Street.

Pendergast Street Frontage

As per Council's direction, the applicant has revised the proposed plans to remove the street parking stalls along Pendergast Street and replace the stalls with additional green space and street furnishings. This change is reflected in the updated plans.

Tenant Vulnerability

The attached Tenant Assistance Plan exceeds policy requirements by offering additional financial compensation to tenants. Following a staff recommendation, the applicant contracted an

experienced third-party tenant relocation coordinator. Reside Community Relations has consulted tenants to identify their relocation and assistance needs. Staff have received written documentation and correspondence between the relocation coordinator and tenants, which confirms that tenants have been consulted throughout this process. Additionally, staff have been in direct communication with some tenants to ensure that their specific concerns have been addressed.

Daycare Facility at 380 Cook Street

As indicated in the applicant's letter, a daycare facility at 380 Cook Street is no longer included with this proposal as it was not supported by the building's strata council. As an alternative to a daycare facility, the applicant is offering to sell the unit to the City at 25% below market value to accommodate an expansion of the Cook Street Village Activity Centre.

Cook Street Village Activity Centre Expansion

The Cook Street Village Activity Centre (CSVAC) is also located at 380 Cook Street, in the adjacent ground floor commercial strata unit. The City's Strategic Real Estate Department was contacted in the spring of 2019 by the Executive Director of CSVAC, who expressed an interest in increasing community services through an expansion of program space into the vacant adjacent commercial strata lot. CSVAC is one of the busiest community facilities and staff have indicated that existing programs are running near capacity, with growing demand for a range of services from older adults in this area of the City. Expanding the CSVAC would help meet this growing need and advance the goals and objectives of the *Official Community Plan*, which encourage opportunities to support and enhance community services that foster social interaction and support multi-generational neighbourhoods. Should Council provide direction, staff will further investigate the opportunity to purchase the unit for an expanded CSVAC and report back to Council.

Regulatory Considerations

The proposed development is generally consistent with the *Fairfield Neighbourhood Plan* (2019) policies for the Cook Street Village Area, which envisions buildings up to 13.5m or four storeys in height with densities up to 2.5:1 floor space ratio. The main roofline of the proposed building is consistent with the Plan with a height of 13.48m; however, a portion of the roof does project up to 16.2m to accommodate some additional living space, rooftop access and rooftop mechanical equipment (e.g. elevator overrun). The projecting portion of the building is stepped back further from the adjacent building to the north and would have no impact on the pedestrian experience of the building. Staff recommend a height variance for the projecting portion of the building and that the new zone include a maximum building height of 13.5m, consistent with the *Fairfield Neighbourhood Plan*. This approach would ensure that any future alternative development proposals seeking a similar height would also need to apply to Council for a variance.

CONCLUSIONS

Given the revisions undertaken by the applicant to address the Council motion from December 13, 2018 and staff feedback, it is recommended for Council's consideration that the applications move forward to a Public Hearing.

ALTERNATE MOTION

That Council decline Rezoning Application No. 00634 and Development Permit with Variance Application No. 000527 for the properties located at 324/328 Cook Street and 1044, 1048 and 1052/1054 Pendergast Street.

Respectfully submitted,



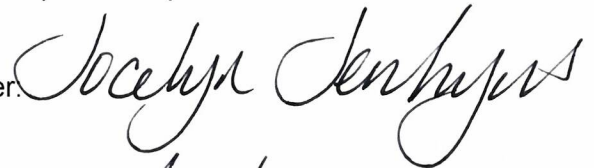
Alec Johnston
Senior Planner
Development Services Division



Karen Hoese, Director
Sustainable Planning and Community
Development Department



Report accepted and recommended by the City Manager:



Date:

March 11, 2020

List of Attachments

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans date stamped October 9, 2019
- Attachment D: Applicant's letter to Mayor and Council dated February 12, 2020
- Attachment E: Letter from BC Housing dated July 22, 2019
- Attachment F: Updated Tenant Assistance Plan
- Attachment G: Previous Committee of the Whole reports and attachments
- Attachment H: Committee of the Whole meeting minutes dated December 6, 2018
- Attachment I: Council meeting minutes dated December 13, 2018
- Attachment J: Correspondence received since December 13, 2018.