



Committee of the Whole Report

For the Meeting of July 9, 2020

To: Committee of the Whole **Date:** June 25, 2020

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

Subject: Rezoning Application No. 00602 for 736 Princess 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. 00602 for 736 Princess 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:

- a. Preparation and execution of the appropriate legal agreements executed by the applicant in order to secure the following:
 - i. a housing agreement to ensure the 28 supportive transitional housing units remain rental and affordable (very low income levels) for at least 60 years in accordance with the City's definition of affordability in the *Victoria Housing Strategy 2016-2025* (Phase Two: 2019-2022)
 - ii. that all 28 non-market dwelling units are owned by a non-profit or government agency
 - iii. that the applicant provides a minimum of five accessible dwelling units and designed in accordance with CSA B651-12 Accessible Design for the Built Environment standards.

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.

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 736 Princess Avenue. The proposal is to rezone from the M-1 Zone, Limited Light Industrial District, to a new zone in order to increase the density from 3:1 floor space ratio (FSR) to 4.01:1 FSR and construct a six-storey, mixed-use building consisting of commercial and residential uses, including 28 affordable rental dwelling units of supportive transitional housing.

The following points were considered in assessing this application:

- The subject property is designated Core Employment in the *Official Community Plan* (OCP, 2012), which supports mixed-use buildings, including commercial and residential uses, from eight to approximately fifteen storeys between Douglas Street and Blanshard Street and envisions a density of up to 5:1 floor space ratio (FSR) in which the residential density does not exceed an FSR of 3:1. The proposal is consistent with the policy direction in the OCP.
- The subject property is designated Rock Bay District (RBD) in the *Downtown Core Area Plan* (DCAP, 2011). The DCAP supports mixed-use buildings up to approximately 15 storeys and a maximum FSR of 5:1, of which the residential portion does not exceed 3:1 FSR. The proposal is consistent with the policy direction in DCAP.
- Attracting and maintaining a range of commercial and light industrial businesses in the RBD in order to provide a more diversified and resilient employment base is an objective of the DCAP. The application includes three floors of commercial uses in the proposed building, including a coffee shop (social enterprise) on the ground floor and offices and employment training space on the second and third floors.
- The Plan supports residential uses on Princess Avenue between Douglas Street and Blanshard Street; however, the plan does recognize the importance of locating, designing and siting residential uses in such a way that does not have a potential negative effect on the general operation of the commercial, service commercial and light industrial uses within neighbourhood. The applicant is proposing to locate the residential uses on the fourth to sixth floors to mitigate potential conflicts with adjacent properties.
- The applicant is proposing 28 affordable rental dwelling units of supportive transitional housing, including five accessible dwelling units, which would be secured in a Housing Agreement.

BACKGROUND

Description of Proposal

This Rezoning Application is to increase the density from 3:1 FSR to 4.01:1 FSR and construct a six-storey, mixed-use building consisting of commercial and residential uses. The applicant, John Howard Society, is proposing a multi-purpose building that would include a ground floor coffee shop/art gallery that would operate as a social enterprise and provide an opportunity for the Society to implement their employment readiness program and allow local artists to showcase and sell their art. The second and third floors would be comprised of employment training space, a demonstration and teaching kitchen, support services and offices, and the fourth to sixth floors storey would contain 28 affordable dwelling units of supportive transitional housing.

The following differences from the existing zone are being proposed, and are consistent with the objectives of the *Official Community Plan* (OCP, 2012) and the *Downtown Core Area Plan* (DCAP, 2011):

- permit commercial and residential uses
- increase the density
- increase the height.

Affordable Housing

The applicant proposes the creation of 28 new residential units (studios), which would increase the overall supply of affordable rental housing in the area. The applicant is willing to enter a housing agreement to ensure that the dwelling units remain rental and affordable at very low income levels (rent for a bachelor unit is approximately \$375 per month) in accordance with the City's Housing Strategy for 60 years. The applicant is also willing to register a legal agreement on title to ensure that the 28 non-market dwelling units would be owned by a non-profit or government agency.

Sustainability

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

Active Transportation

The applicant has not identified any specific features, beyond bike parking, that support active transportation. However, the site is well served by transit and is centrally located within the City.

Public Realm

No public realm improvements, beyond City standard requirements, are proposed in association with this Rezoning Application.

Accessibility

The British Columbia Building Code regulates accessibility as it pertains to buildings. The applicant is proposing five accessible dwelling units, which would be designed in accordance with CSA B651-12 Accessible Design for the Built Environment, which exceeds the accessibility requirements of the British Columbia Building Code. The remaining units may be designed to adaptable standards for future modifications as available. All common areas in and around the building would be universally accessible, including the program areas and the social enterprise space on the ground floor.

Land Use Context

The area is characterized by a mix of commercial and service commercial uses. There are two properties directly across the street from the subject property that are in the M-1 Zone, Limited Light Industrial District; however, they are occupied by single-family dwellings (existing non-conforming).

Existing Site Development and Development Potential

The site is presently a parking lot. Under the current M-1 Zone, the property could be developed as a five-storey building consisting of a mix of commercial and light industrial uses.

Data Table

The following data table compares the proposal with the existing M-1 Zone, Limited Light Industrial District. An asterisk is used to identify where the proposal differs from the existing Zone. Additionally, the key City policy that pertains to the area has been included in this table.

Zoning Criteria	Proposal	Existing Zone M-1 Zone	OCP Policy (Core Employment)
Site area (m ²) - minimum	556	n/a	
Density (Floor Space Ratio) - maximum	4.01*	3:1	5:1 (residential may not exceed 3:1)
Total floor area (m ²) - maximum	2280.67*	1668	
Height (m) - maximum	20.10 (top of roof) / 20.88 * (top of parapet)	15	
Storeys - maximum	6	n/a	15
Site coverage % - maximum	96	n/a	
Setbacks (m) – minimum:			
Front	0	3 or 0	
Rear	0	3 or 0	
Side (east)	0	3 or 0	
Side (west)	0	3 or 0	
Parking – minimum			
Residential	0*	14	
Commercial	8*	17	
Visitor	0*	3	
Bicycle parking stalls – minimum			
Long-term			
Residential	7	28	
Commercial	7	5	
Short-term			
Residential	0	6	
Commercial	6	5	

Relevant History

Council considered a previous application for the site that did not comply with the relevant land use policies contained in the *Official Community Plan* (OCP, 2012) and the *Downtown Core Area Plan* (DCAP, 2011) and on August 9, 2018, passed the following motion:

“That Council direct staff to refer the application back to the applicant and request that the proposal that comes back to Committee of the Whole conforms with the Official Community Plan and ask the applicant to provide further clarity regarding operating model of the electric car share.”

Since then, the subject property has been sold and the new applicant has brought forward the current proposal, which complies with the land use policies in the OCP and DCAP as further discussed below. The applicant has made some improvements to the exterior of the proposed building in order to meet the operational needs and programs offered by the John Howard Society as well as to address some of staff’s concerns related to the original design and parking.

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. The CALUC waived the requirement for a second community meeting and submitted a letter dated April 7, 2020 (attached).

ANALYSIS

Official Community Plan

The subject property is designated Core Employment in the OCP, which supports mixed-use buildings from eight to approximately fifteen storeys between Douglas Street and Blanshard Street and envisions a density of up to 5:1 FSR in which the residential density must not exceed a 3:1 FSR. The reason for limiting the residential density in this urban place designation is to ensure that there is still an emphasis on preserving and encouraging commercial and light industrial uses, which in turn increases employment opportunities in this neighbourhood.

The proposal further advances several policies and objectives in the OCP, such as:

- sustainable infill development by developing an existing surface parking lot
- providing a multi-purpose building that includes supportive transitional housing, community and administration offices for the John Howard Society, custom support services and programs for tenants and clients in the community
- providing 28 affordable rental dwelling units close to the downtown

The applicant is proposing a coffee shop/gallery on the main floor that would be operated as a social enterprise by the John Howard Society, and that would foster a sense of community on site and in the neighbourhood, and support a socio-economically and culturally inclusive community, an objective in the OCP. Even though the proposed new zone would not secure the long-term existence of a social enterprise on the ground floor of the building, the John Howard Society has agreed to register a covenant on title to ensure that the building would be owned and operated by a non-profit or government agency, which would increase the likelihood of a social enterprise operating and succeeding at this location.

Downtown Core Area Plan

The subject property is designated Rock Bay District (RBD) in the *Downtown Core Area Plan* (DCAP, 2011). The DCAP supports mixed-use buildings up to approximately 15 storeys and a maximum FSR of 5:1, of which the residential portion does not exceed 3:1 FSR. Attracting and maintaining a range of commercial and light industrial businesses in the RBD in order to provide a more diversified and resilient employment base is strongly encouraged in DCAP. Approximately 46% of the total floor area in the proposed building is dedicated to commercial and community services. This proposal adds jobs in the neighbourhood and offers employment training and community services for residents and clients who are supported by the John Howard Society.

The Plan supports residential uses on Princess Avenue between Douglas Street and Blanshard Street provided that these uses are integrated well into a neighbourhood that is predominantly service commercial and light industrial. In response to this, the applicant is proposing to locate the residential uses on the fourth to sixth floors in order to avoid conflicts between uses in the proposed building and also at grade, and mitigate privacy and noise impacts that may be generated from the adjacent properties that are currently occupied by two-storey warehouse buildings, which also include caretaker suites.

Tree Preservation Bylaw and Urban Forest Master Plan

No existing public or private trees will be impacted by this proposal. Even though the applicant's proposal to plant two new street trees along the frontage of the building is supportable, there are some space limitations as well as an existing underground utility, which may restrict planting along this frontage. Parks will work with the applicant prior to the proposal advancing to a Public Hearing to determine if street trees can be achieved as part of this project. There will be ongoing operational impacts with additional street trees.

CONCLUSIONS

The proposal to increase the density and permit a mixed-use development consisting of commercial and residential uses, including community services and 28 affordable rental dwelling units of supportive transitional housing, further advances several policies and objectives in the OCP related to urban design, affordable housing, and community well-being. Staff recommend for Council's consideration that the application proceed to a Public Hearing.

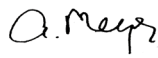
ALTERNATE MOTION

That Council decline Rezoning Application No. 00602 for the property located at 736 Princess Avenue.

Respectfully submitted,



Leanne Taylor
Senior Planner
Development Services Division



Karen Hoese, Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager:



June 25, 2020

Date: _____

List of Attachments

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Revised Plans date stamped June 18, 2020
- Attachment D: Letter from applicant to Mayor and Council dated March 10, 2020
- Attachment E: Letter from applicant to Mayor and Council regarding social enterprise dated March 12, 2020
- Attachment F: Letter from applicant to Mayor and Council dated March 12, 2020
- Attachment G: Letter from applicant dated June 23, 2020
- Attachment H: Parking Analysis dated June 11, 2020 and letter from the Community Social Planning Council
- Attachment I: Advisory Design Panel report, dated May 20, 2020
- Attachment J: Advisory Design Panel minutes, dated May 27, 2020
- Attachment K: Original Plans dated November 23, 2017.