

**F.1.a.b 1244 Wharf Street: Rezoning Application No. 00739
(Downtown)**

Moved By Councillor Thornton-Joe
Seconded By Councillor Alto

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw amendments that would authorize the proposed development outlined in Rezoning Application No.00739 for 1244 Wharf 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:

1. Council authorizing the existing street-level projecting building ornamentation over the City right-of-way, 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.

CARRIED UNANIMOUSLY

G.1 1244 Wharf Street: Rezoning Application No. 00739 (Downtown)

Committee received a report dated September 17, 2020 from the Director of Sustainable Planning and Community Development regarding the proposed Rezoning Application for 1244-1252 Wharf Street in order to add "hotel" as a permitted use and to permit residential uses below the street grade.

Committee discussed the following:

- *Concerns raised from the Victoria Downtown Residents Association*
- *Specific heritage value aspects of the property*
- *Remote CALUC meeting processes and community input*

Moved By Councillor Thornton-Joe

Seconded By Mayor Helps

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw amendments that would authorize the proposed development outlined in Rezoning Application No.00739 for 1244 Wharf 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:

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CARRIED UNANIMOUSLY



Committee of the Whole Report For the Meeting of October 1, 2020

To: Committee of the Whole **Date:** September 17, 2020

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

Subject: Rezoning Application No. 00739 for 1244 Wharf Street

RECOMMENDATION

That Council instruct staff to prepare the necessary *Zoning Regulation Bylaw* amendments that would authorize the proposed development outlined in Rezoning Application No.00739 for 1244 Wharf 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:

1. Council authorizing the existing street-level projecting building ornamentation over the City right-of-way, 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.

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 1244 Wharf Street. The proposal is to rezone from the Inner Harbour McQuades District (IHMc) Zone to a new zone to add "hotel" as a permitted use and to permit residential uses below the street grade, at a "walk-out" level to the harbour.

The following points were considered in assessing this application:

- the proposal is consistent with the land uses envisioned in the Core Inner Harbour Legislative Urban Place Designation in the *Official Community Plan*, 2012 (OCP)
- the proposal maintains and enhances active frontages at street level as envisioned in the OCP
- the proposal advances heritage objectives in the OCP and the *Downtown Core Area Plan* by adding flexibility to an existing heritage designated building.

Description of Proposal

This Rezoning Application is to add “hotel” as a permitted use and to permit residential uses below the street grade. A Heritage Alteration Permit Application to renovate this heritage-designated building has been submitted and will be the focus of a subsequent report.

The following changes from the current zone are being proposed and would be accommodated in the new zone:

- permitting residential uses below the street grade in an existing building that currently permits residential uses
- adding “hotel” use as a permitted use.

Tenant Assistance Policy

The proposal is to add an additional use and to reduce current restrictions on residential uses in an existing building. No loss of existing residential rental units is anticipated.

Sustainability

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

Active Transportation

The applicant has not identified any active transportation impacts associated with this application.

Public Realm

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

Accessibility

No physical changes are proposed as part of this rezoning.

Land Use Context

The area is characterized by a mixture of retail, commercial, restaurant, tourism and hotel use, and the subject property is immediately adjacent to Reeson Park. The existing sloping site on the harbour results in buildings with fewer storeys on Wharf Street compared to their harbour elevations.

Existing Site Development and Development Potential

The site is presently occupied by a three-storey, designated heritage building that contains ground floor restaurant uses with office and educational facility uses on the floors above.

Under the current IHMc Zone, Inner Harbour McQuades District, the property could be developed as a mixed-use building with ground floor commercial uses and residential or office uses above, a recreation facility, a club, or craft and artisan trades.

Data Table

The following data table compares the proposal with the IHMc Zone and the relative policies in the Official Community Plan (OCP). There are several aspects of the existing building which are inconsistent with the existing zone; however, these are considered legal non-conforming. A double asterisk has been used to identify the legal non-conforming aspects of the building.

Zoning Criteria	Proposal	Existing Zone	OCP
Density (Floor Space Ratio) – maximum	2.69**	2.00	4
Total floor area (m ²) – maximum	1779**	1325	n/a
Height (m) – maximum	15.20**	8.00	15
Setbacks (m) – minimum			
Front	0	nil	n/a
Rear	5.73	nil	n/a
Side (north)	0.30	nil	n/a
Side (south)	0.60	nil	n/a
Parking – minimum	0	N/A	
Bicycle parking stalls – minimum	0	N/A	

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures* during the COVID-19 pandemic, for processing rezoning and variance applications, the application has been posted on the Development Tracker with the requisite notification sent to the Downtown Residents Association CALUC as well as to owners and occupiers of property within 100 metres of the subject site. Initially, the Downtown CALUC waived the requirement for a CALUC meeting prior to this application being submitted while the City established alternate community consultation procedures for the COVID 19 pandemic. The thirty-day online comment period has now expired, and no comments were received.

ANALYSIS

The following City policies were used to assess the Rezoning Application:

- *Official Community Plan* (2012)
- *Downtown Core Area Plan* (2011)
- *Victoria Harbour Plan* (2001).

Official Community Plan

The subject property is located within the Core Inner Harbour Legislative Urban Place Designation in the OCP. This designation envisions densities up to 4:1 floor space ratio (FSR) and building heights up to five storeys. No additional density or construction is being proposed and the addition of “hotel” as a permitted use is consistent with the land uses envisioned for this downtown area.

Residential uses are currently permitted within the existing zone; however, this use is limited to portions of the building above the ground floor. This limitation is intended to maintain an active street frontage along Wharf Street. The proposal to permit residential uses below the ground floor is consistent with this intent because residential uses will still be limited to portions of the building that do not front Wharf Street. The proposed increase to where residential uses are permitted in the building would allow the applicant to utilize lower levels of the building, below Wharf Street, that function as “walk-out” space due to the sloping site. This proposed change to where residential uses are permitted would help to advance economic vitality and social vibrancy by adding activity and uses to portions of the building typically difficult to activate.

The proposed additional use and changes to where residential uses are permitted also helps to advance heritage conservation goals in the OCP. By increasing the range and arrangement of uses within this existing heritage designated building, its ongoing occupation, maintenance and contribution to the downtown architectural fabric and commercial vibrancy is supported.

The Downtown Core Area Plan (DCAP)

Strengthening tourism and economic development are broad aims outlined in DCAP, which the proposed changes help to advance. DCAP also seeks to promote the revitalization of heritage buildings which, through adding greater flexibility of use, is also supported. While no physical changes are proposed in this rezoning, the applicant has indicated that, if this rezoning is successful, a hotel operator can be attracted to the site with greater certainty. Similarly, any future development would occur through a heritage alteration permit application process that will utilize the Standards and Guidelines for the Conservation of Historic Places as a guide to meaningfully rehabilitate and/or restore the character defining elements of the building.

Development Permit Area 9 (HC): Core Inner Harbour

The subject property is located within Development Permit Area 9 (Heritage Conservation): Core Inner Harbour. The related objectives for this DPA are to revitalize key waterfront areas, conserve heritage buildings and to enhance the inner harbour through high quality architecture. Again, the proposed uses help to advance this objective.

Density Bonus Policy

The subject property is located outside of the prescribed “Density Bonus” areas of the City and is not proposing additional floor area. As such, neither the *Inclusionary Housing and Community Amenity Contribution Policy* (2019) nor the DCAP Density Bonus system provisions apply.

Encroachment Agreement

Cornices and some decorative features of the existing building currently encroach into the City right-of-way. To facilitate and legalize this existing condition, 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 proposed additional “hotel” use and relaxation to the location of residential uses within the current zone advance vitality and heritage conservation objectives in the OCP. This property holds significant value as a historic element which contributes to the rich sense of place in the Inner Harbour and the downtown core, and adding flexibility to the uses permitted can help to secure this resource by enabling both a renewal and upgrade of the building in a subsequent Heritage Alteration Permit. On that basis, staff recommend advancing the application to a Public Hearing.

ALTERNATE MOTION

That Council decline Application No. 00739 for the property located at 1244 Wharf Street.

Respectfully submitted,



Miko Betanzo
Senior Planner – Urban Design
Development Services Division



Karen Hoese, Director
Sustainable Planning and Community
Development Department

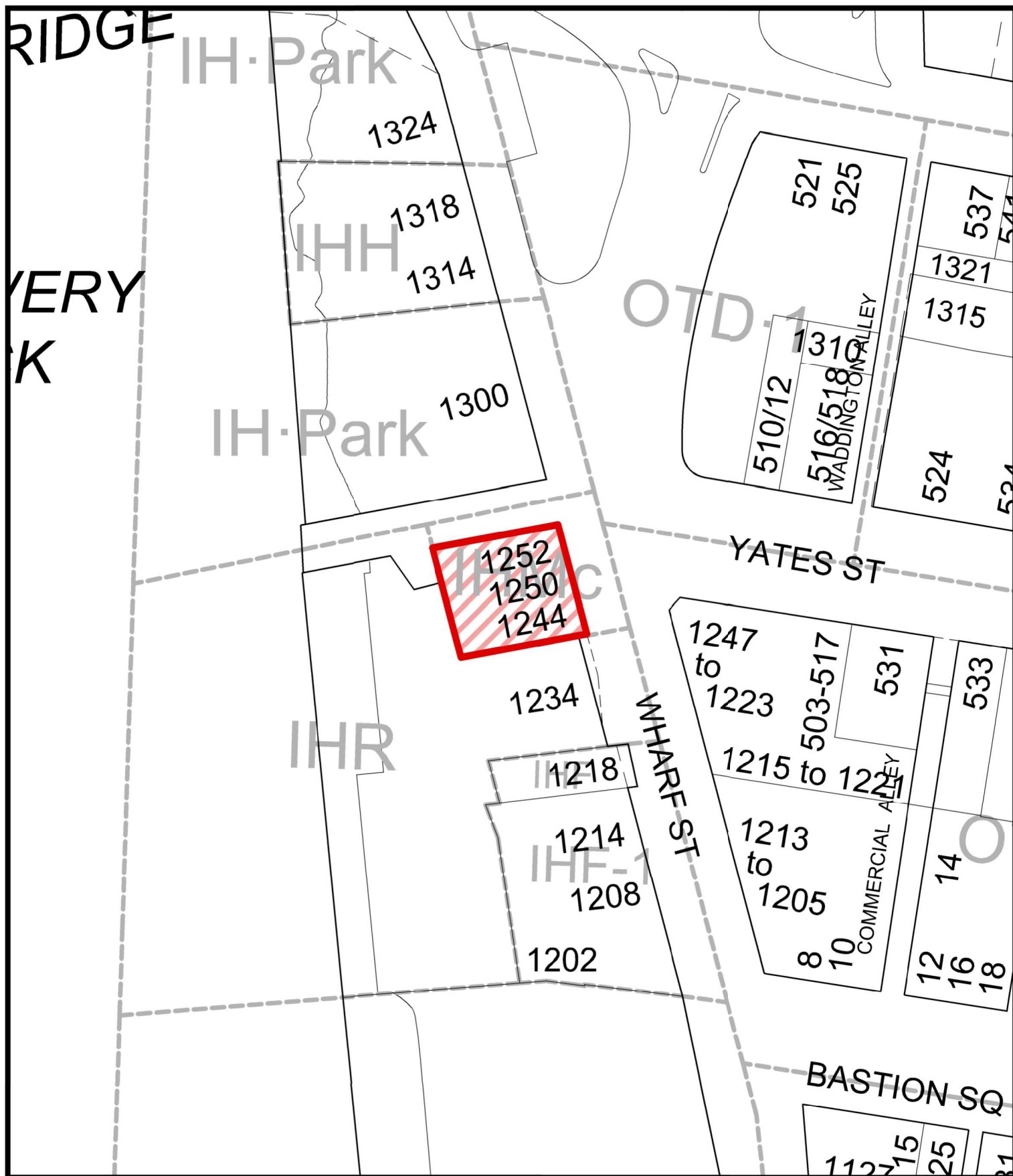
Report accepted and recommended by the City Manager:



Date: September 22, 2020

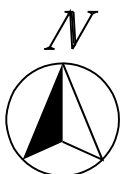
List of Attachments

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: As-built plans dated/date stamped June 9, 2020
- Attachment D: Letter from applicant to Mayor and Council dated May 26, 2020.



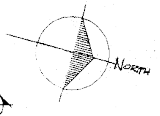
1244 to 1252 Wharf Street
Rezoning No.00739





1244 to 1252 Wharf Street
Rezoning No.00739

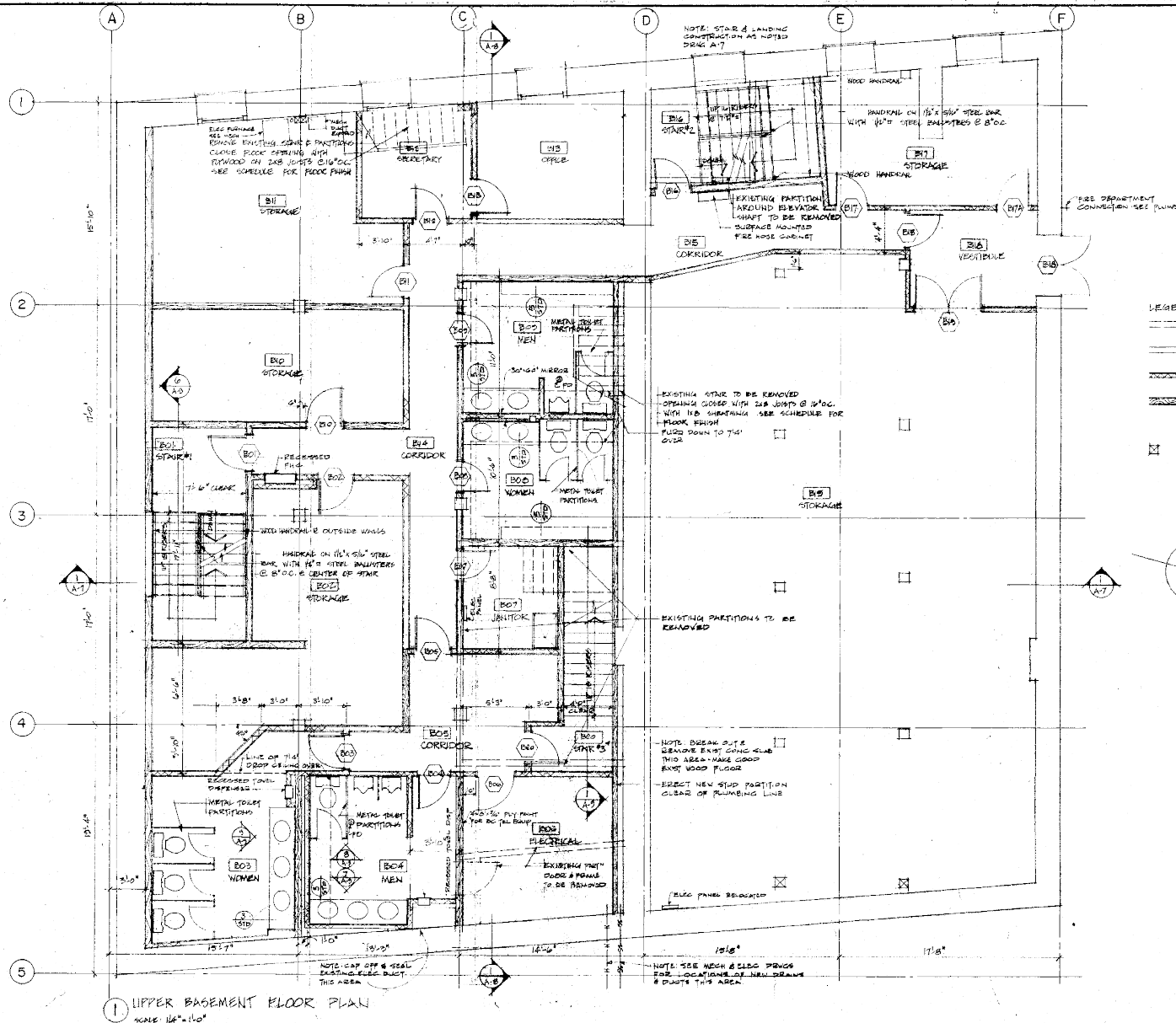




2 DOOR FRAME
SCALE 1/2" TO 1'-0"

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JOB BRANIGAN'S OLD PLACE MARQUADE BUILDING WARE AT PAGES	PRINTED DRAWN CHECKED DATE MEDICAL '75
SHEET LOWER BASEMENT FLOOR PLAN	JOB NO. 7674 DWG. NO. 0115 SHEET A-Z 50
SIDDALL DENNIS. WARNER ARCHITECTS 412 VERN STREET, VICTORIA, B.C.	



- LEGEND:
- EXISTING PARTITION TO BE REMOVED
 - EXISTING PARTITION TO REMAIN
 - 3/4" STEEL STUDS @ 16" O.C. FINISHES VARY SEE SCHEDULE
 - STRUCTURAL WARE WALL - 2x6 WOOD STUDS @ 16" O.C. WITH 1/2" GYPSUM - BOTH GYPSUM ON LOWER & UPPER BASEMENT & MAIN FLOOR, ONE SIDE ON SECOND & THIRD FLOORS - FINISHES VARY SEE SCHEDULE
 - NEW WOOD COLUMN - SEE STRUCTURAL



1 UPPER BASEMENT FLOOR PLAN
SCALE: 1/8" = 1'-0"

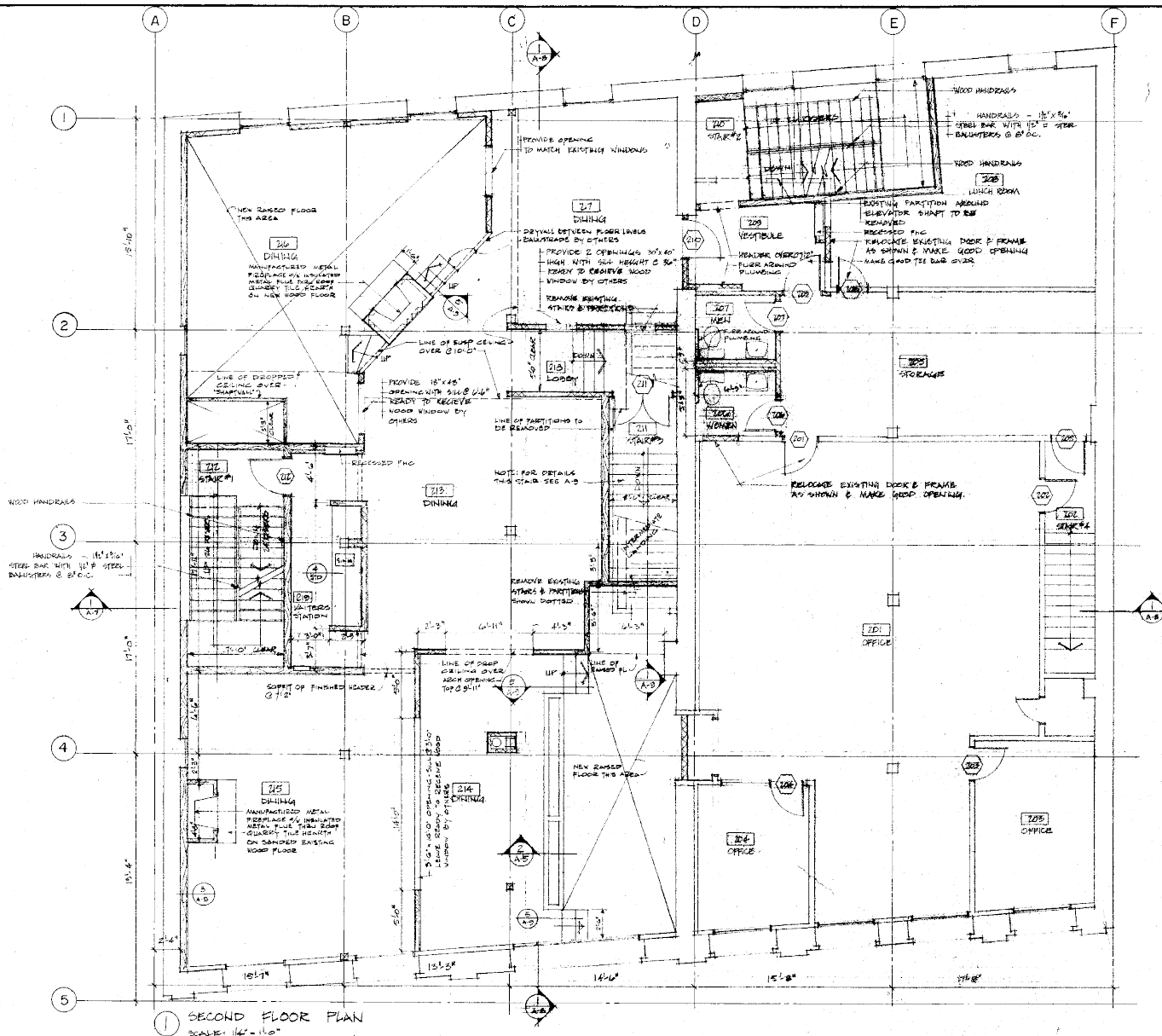
Copyright reserved. This plan and design are made by and for the client. No portion of this plan may be reproduced without the written consent of the architect.

BRANIGAN'S
OLD PLACE
MCQUADE BUILDING
WHARF AT YATES

UPPER BASEMENT
FLOOR PLAN

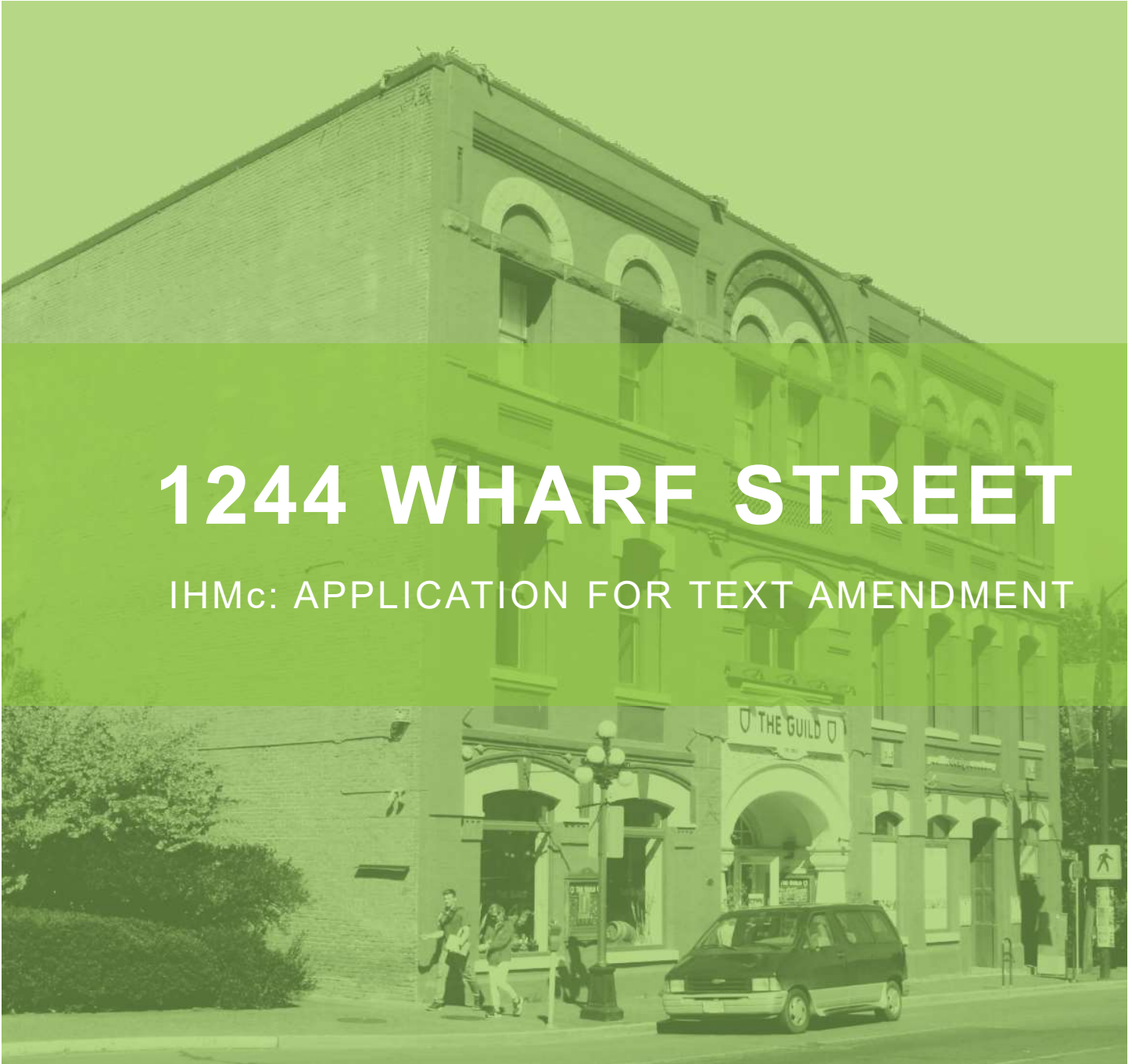
SIDDALL
DENNIS
WARNER ARCHITECTS
404 VICTORIA STREET, VICTORIA, B.C.

PROJECT
DATE
CHECKED
DATE
DRAWN
DATE
SCALE
SHEET
A-3



1244 WHARF STREET

IHM_c: APPLICATION FOR TEXT AMENDMENT



May 26th, 2020

City of Victoria
No.1 Centennial Square
Victoria BC V8W 1P6

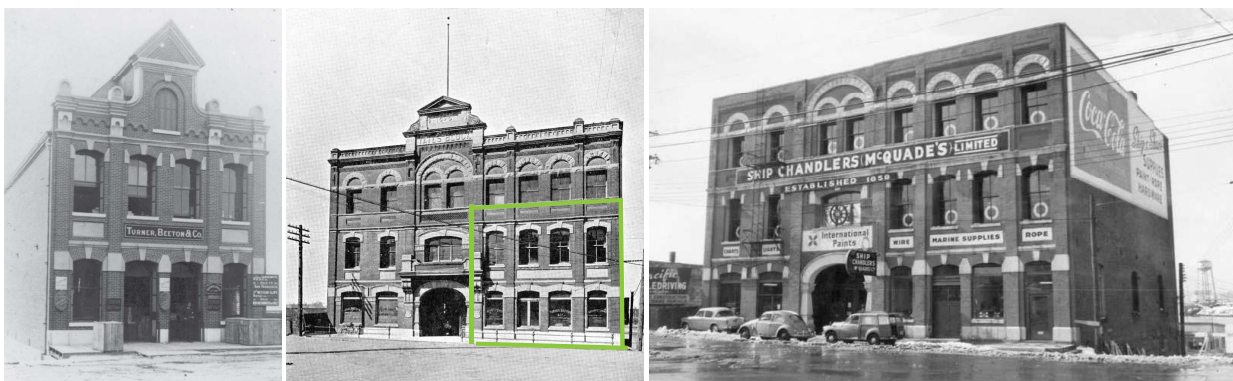
Attn.: Mayor and Council
RE: Text Amendment Application for 1244 Wharf Street

Dear Mayor and Council,

Cascadia Architects is pleased to submit this application for a text amendment to the existing zone at 1244 Wharf Street on behalf of The Salient Group (the 'Applicant'). We are confident that this application is aligned with the objectives and policies of the Official Community Plan (OCP) and the Downtown Core Area Plan (DCAP), and is consistent with all relevant urban place guidelines and design guidelines.

The objective of this application is to create certainty of allowable uses in order to facilitate future works to revitalize and upgrade the existing heritage building on the site. This application does not seek additional storeys to the existing building. The intent for future works will be to work within the existing footprint of the building in order to activate it and contribute to the vibrancy of the area.

In preparing this application, the team has received preliminary input from City Planning staff and guidance from a heritage conservation specialist.



HISTORIC PHOTOGRAPHS OF THE EXISTING BUILDING

Description of the Proposal

Historically Significant Existing Structure

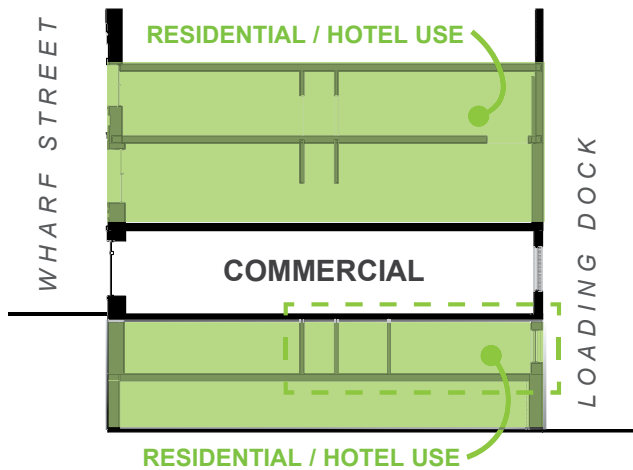
The site is located at the foot of Yates Street on the west side of Wharf Street, flanked by Reeson Park to the north, and the Victoria Regent Hotel to the south and the west. There is an existing dual aspect to the building located on the site, presenting a commercial frontage to Wharf Street and a harbour frontage to the water. The original building, with its rubble masonry foundation, was erected in 1882. Following this, an additional storey was added in 1892, with a large addition to the side in 1896. The random rubble stonework, brick masonry and load bearing masonry details, windows, decorative detailing, and iron shutters and doors, constitute significant character defining elements of the building. This building is compositionally significant to Old Town's layered, small scale historic fabric sloping upward from the water.

Rezoning Application Rationale

The site is currently underperforming as a meaningful destination within the Inner Harbour. Though it is partially occupied by a professional education centre, more than half of the building sits unoccupied. This proposed text amendment to the existing zone represents the Applicant's first steps in the path to renewing and revitalizing the building's significance in the Downtown Core. It is the Applicant's intention to proceed with an application to the City of Victoria's Tax Incentive Program (TIP) to revitalize and upgrade the property. The result will be the substantial rehabilitation of the site which celebrates the historic qualities of the building through the preservation, rehabilitation and restoration of its exterior, while simultaneously re-activating its use through the extensive renovation of its interior.

With the goal of achieving this aesthetic and functional revitalization, **the Applicant requests a text amendment to the existing IHMc zone to add hotel use to the uses already permitted in the zone, and to allow hotel and residential use *below* the Wharf Street frontage as well as *above* it.** A successful text amendment to the existing zone will align the site zone to the current zoning and uses in the surrounding area and with the objectives of the OCP. Given the uncertain economic environment at this time, it will also provide flexibility of use for the Applicant.

The intent of an approved hotel use will be to work with a hotel group operator. There is no intent to allow the operation of individual short-term vacation rental units, consistent with the City's recent policy updates that preclude short term vacation rentals.



The Applicant has taken care to ensure that the original intent of the zone, to preserve commercial use adjacent to Wharf Street, is retained with this proposed text amendment. Due to the unique site condition of buildings located along the west side of Wharf Street, there are two storeys situated below the Wharf Street frontage. It is our belief that the portion of the level located below Wharf Street oriented to the waterfront is appropriate for residential or hotel use without impacting the continuous commercial street frontage associated with Wharf Street. This is an important element in activating the existing floor area and allowing for new use in this lower portion of the building.

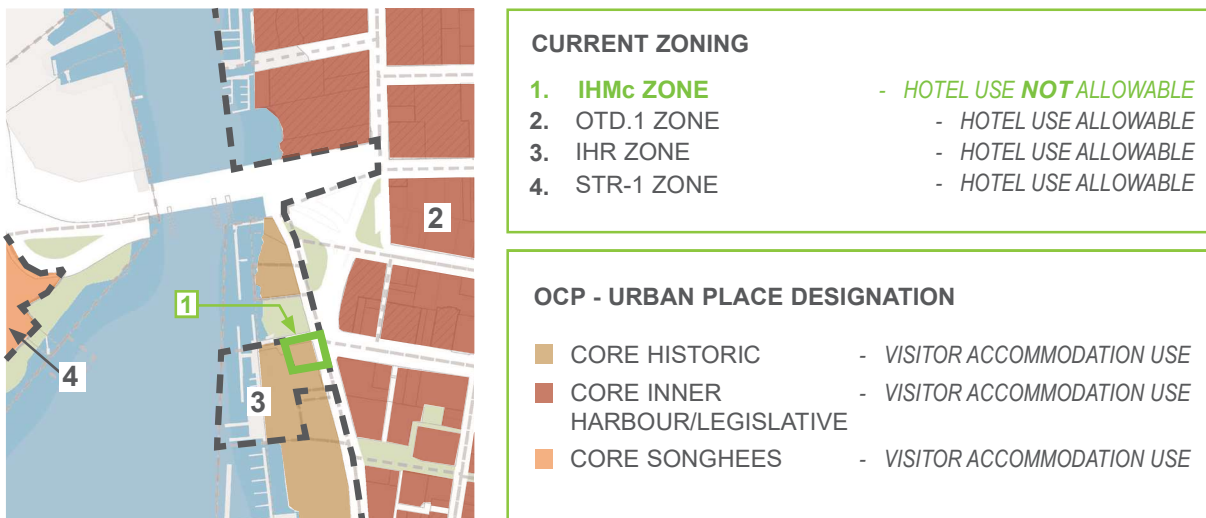
A successful text amendment application will enable the Applicant to further a design and economic analysis with certainty. It should be noted that all future development of this concept will occur within the framework of the City's Heritage Alteration Permit (HAP) application process and will utilize the Standards and Guidelines for the Conservation of Historic Places as a guide to meaningfully rehabilitate and/or restore the character defining elements of the building. A heritage consultant has already been retained for this project and will continue to provide consultation and direction.

Government Policies

The broadening of the zone to include hotel use and the associated renewal of the existing building that this rezoning allows is in conformance with the OCP, DCAP, Old Town Design Guidelines, and the Standards and Guidelines for the Conservation of Historic Places. It supports their policies and objectives, particularly pertaining to the consideration of heritage value, and the perception of heritage property as a resource with value for present and future generations as described in the OCP.

The OCP states that the City of Victoria strives to work with partners to attract jobs, residents and visitors to Victoria by promoting a new image as a vibrant, diverse and creative city in a maritime setting, while retaining the importance of heritage, history and tradition in defining Victoria's character. This proposal provides an excellent opportunity to successfully advance this objective, bringing modern purpose to a historically significant building located along the city's waterfront while simultaneously revitalizing its aesthetic and life safety performance.

The document also supports the clustering of tourist and visitor services in the Inner Harbour and Urban Core via the retention and enhancement of the mix of service, retail, offices, and visitor accommodation (among other uses) in the area, and the strengthening of Victoria's appeal to visitors through the enhancement of an attractive and vibrant waterfront. Again, the introduction of hotel use and the renewal of the existing structure on the 1244 Wharf Street site are in alignment with these objectives based on the site's urban place designation, its proximity to the Inner Harbour, and the existing building's historical significance.



The site, located in the Downtown Core Area, holds a Core Inner Harbour/Legislative Urban Place Designation, and is directly adjacent to the Core Historic Urban Place Designation. Visitor accommodation is one of the supported uses listed within the Urban Place Guidelines for both, which comprise the bulk of the area surrounding the site. There is a mix of zones surrounding 1244 Wharf Street, but many in close proximity to the site also support hotel use. These zones include the Old Town District-1 Zone, the Inner Harbour Regent District Zone, and the Songhees Transient Accommodation Residential District Zone. Amending the existing Inner Harbour McQuade zone to include this hotel use aligns the site with the objectives of the OCP and the zoning intent in the area.

Historic Revitalization

1244 Wharf Street is a heritage designated building. Future works proposed for the property will be pursued as an upgrading and revitalization of the existing historic building to serve two primary purposes.

Firstly, it will conserve and enhance heritage property, improving the visual identity and appearance of the city, both from Wharf Street and the waterfront. It will significantly contribute to the picturesque quality and character of the Inner Harbour District as well as to its economic vitality and vibrancy as

a tourist destination. The rehabilitation of this heritage designated property on a significant site in the Inner Harbour District will create a new tourist attraction and/or facility, supporting the visitors in the area while also contributing to the area's rich sense of place by creating a place that serves both to attract people and to benefit the community. In these ways, the zoning amendment will facilitate the celebration of an important piece of Victoria's architectural heritage and will enhance the Inner Harbour's prominence as a world class destination.

Secondly, the renewal of this historic building will improve its life safety systems, conserving its viability as an important element of the city's urban fabric moving forward. These works include improved fire sprinkler and life safety systems, structural performance, exiting, accessibility, ventilation, electrical distribution, and lighting.

In conclusion, the 1244 Wharf Street site holds significant value as a historic element which contributes to the rich sense of place in the Inner Harbour and the downtown core - however, it is in need of revitalization. We are confident that this text amendment application to existing zoning will provide a critical first step to enabling both a renewal and upgrade of the building, and a new use which will breathe life and vitality into the area as a whole.

In preparing this letter, the team has carefully considered the relevant OCP objectives and associated design guidelines which impact this site. We strongly believe that this text amendment will enable a meaningful contribution to the overall vibrancy of the Downtown Core Area and the Inner Harbour District. If you have any questions or require further clarification of any part of this application, please do not hesitate to contact our office.

Sincerely,

CASCADIA ARCHITECTS INC.



Peter Johannknecht, Architect AIBC, RAIC,
LEED AP
Principal



Gregory Damant, Architect AIBC, RAIC,
LEED AP
Principal

Dear Victoria Council & CALUC,

I live in a residential unit in the Regent next door to this proposed development. On first glance the proposal seems to fit into the pattern that has been established for use in our complex, however on closer examination I am not sure about the parking provisions. Certainly I would expect problems in our area if there were not enough parking places at least one for each hotel room and each residence. I suppose that could be in the basement of the development since there is access, even though limited at the back, below the building. Without adequate included parking then for sure I foresee problems for our neighborhood, and for tenants of the new development.

Have a wonderful day,
Gregg



Mayor Helps and Council
City of Victoria
No.1 Centennial Square
Victoria, BC V8W 1P6

September 21st, 2020

Re: 1244 Wharf Street, Yates Block – Rezoning Application

Dear Mayor Helps and Council,

Since May 2020, the DRA LUC has been in discussions with the Applicant, Mr. Robert Fung, and the City planning department regarding the proposed Rezoning at 1244 Wharf Street to “allow for hotel use and for residential uses to be permitted below the ground floor”.

Comments and concerns regarding the application at 1244 Wharf Street by the DRA LUC are as follows:

- Members appreciate the applicant’s recognition that the Yates Block is a valued historic building (erected in three stages between 1882 and 1896) and makes a significant contribution to the heritage character of Victoria's Inner Harbour Precinct.
- Members are satisfied that the applicant is not seeking additional storeys to the existing building.
- The applicant made verbal assurances that the Yates Block would undergo heritage restoration as part of this application, but the application does not make any firm commitments within this Rezoning Application.
- In the letter to the City, the applicant alludes to heritage restoration work on the building and states that the “intent” for future works will be to work within the existing footprint of the building. Since there has been no commitment made as part of this application for heritage restoration, the community has no assurances that future applications will uphold the stated intent.
- The applicant outlines in their letter of intent general descriptions of future work on the building as: “...preservation, rehabilitation and restoration of its exterior” and “extensive renovation of its interior”. The applicant has supplied no commitment or details of the work proposed on this designated heritage building. It is common practice, when considering a rezoning, to have these details provided or, in some cases, actually tied to the rezoning. There is substantial concern that a future Heritage Development Permit may result in another façadism project and Council will lack the necessary discretionary

- power to obtain the commitments for an appropriate rehabilitation of the building if that opportunity is missed during the Rezoning Application process.
- Members discussed the condition of the distinctive mural “Whaling Walls” by Robert Wyland on the northern façade and expressed concerns regarding its future and whether it will be restored or protected.
 - The applicant has provided assurances that the hotel use requested does not include short-term vacation rentals and the City has confirmed the use for STVRs is not permitted.

As a result of the new restrictions outlined by the City, no CALUC meeting took place for this proposal, so there has been no opportunity for the community to participate in any information sharing related to this project. Therefore, the community must rely on the relevant documents posted on the City’s Development Tracker. As per the interim process, the community is notified by mail that they have a 30-day period from the date the plans are submitted to the City. In this case, the Application Date is listed as 14 August. However, the DRA only received the notification on 26 August with a deadline of 14 September. It is presumed that members of the public received their notices on the same date; effectively providing only 19 days (10 working days) to read the information on the website, contact staff and/or the DRA LUC with questions, formulate a response and submit it to the City. We strongly suggest that this is insufficient time, particularly when the information on the Development Tracker is vague and unhelpful.

For this proposal, the information provided on the Development Tracker consists of two old site plans, some photos of the existing building and the applicant’s letter to the City. As such, the current process has not served the public interest when the City solicits community feedback, as the general public cannot provide an informed opinion when insufficient meaningful information has been supplied. We request that for all applications going forward, that a staff review report is posted on the Development Tracker before the 30-day period begins, as it provides greater clarity of information, context and background. To further inform the public it would also be appropriate to post any Staff Reports to Council, ADP and Heritage Advisory Panel to the Development Tracker as they become available.

Sincerely,

A handwritten signature in black ink, appearing to be 'Ian Sutherland', with a stylized, flowing script.

Ian Sutherland
Chair Land Use Committee Downtown Residents Association

Rezoning Application No. 000739

1244 Wharf Street, Victoria, BC



1

Aerial Map



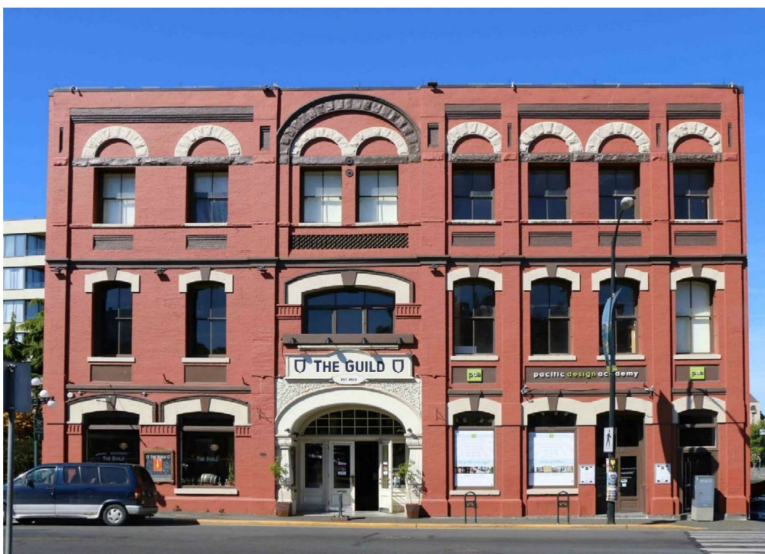
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Existing Site



3

Existing Site



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Existing Site



5

Existing Site



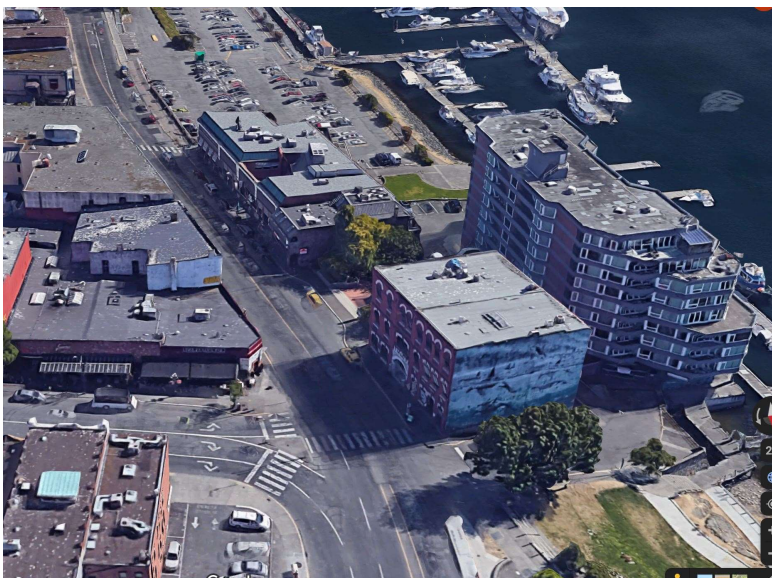
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Existing Site



7

Neighbouring Properties



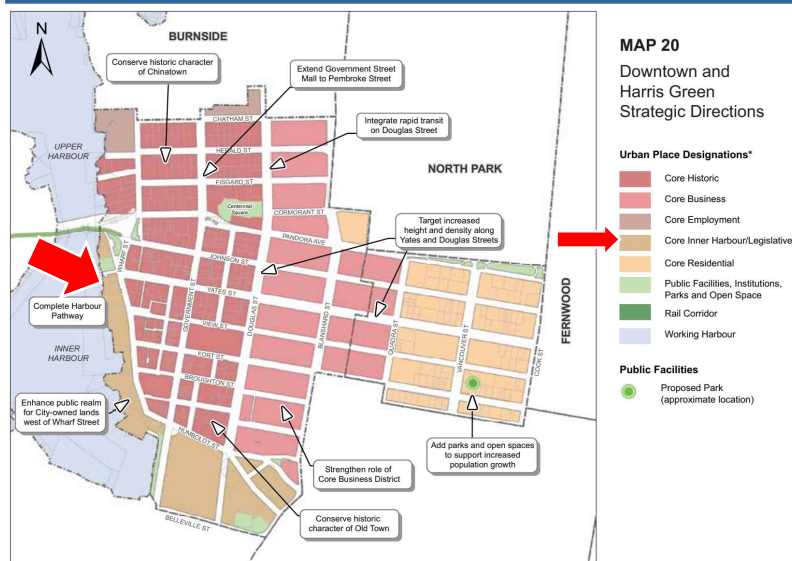
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Neighbouring Properties



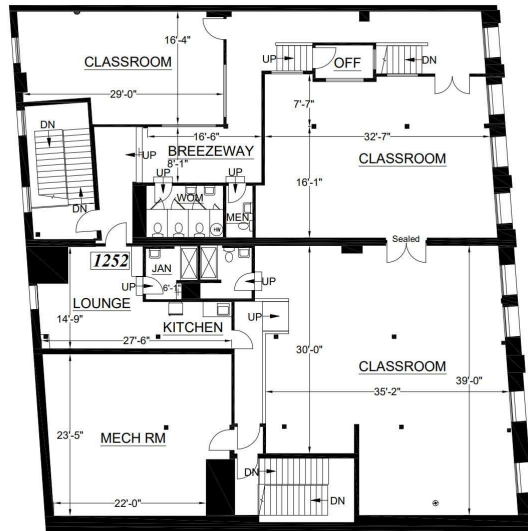
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OCP Map



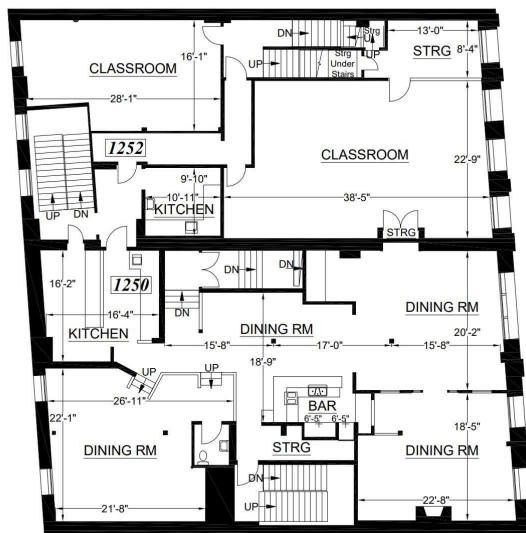
10

Plans – 3rd Floor



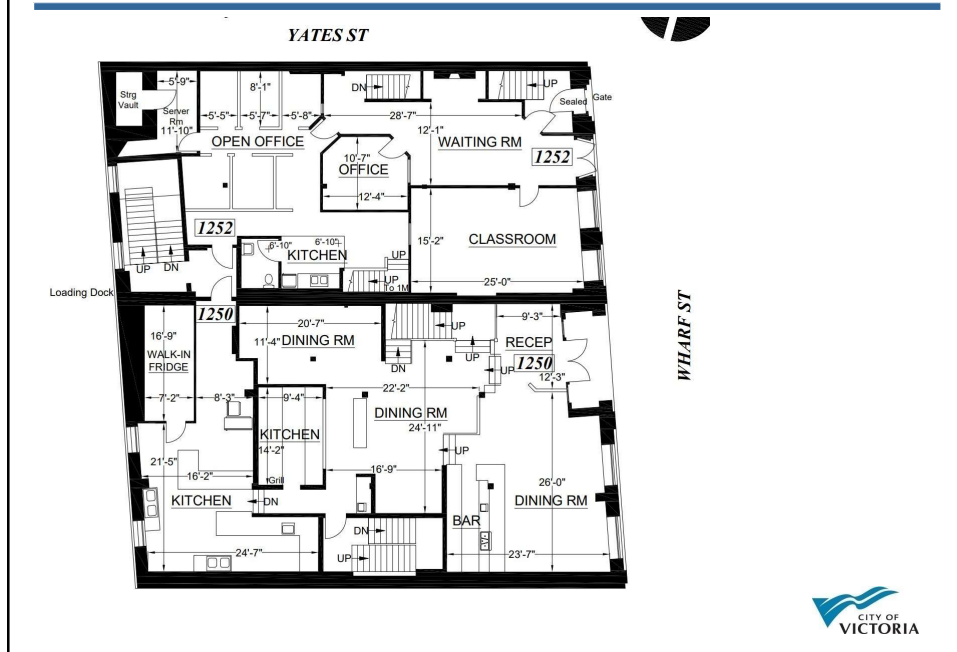
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Plans- Second Floor



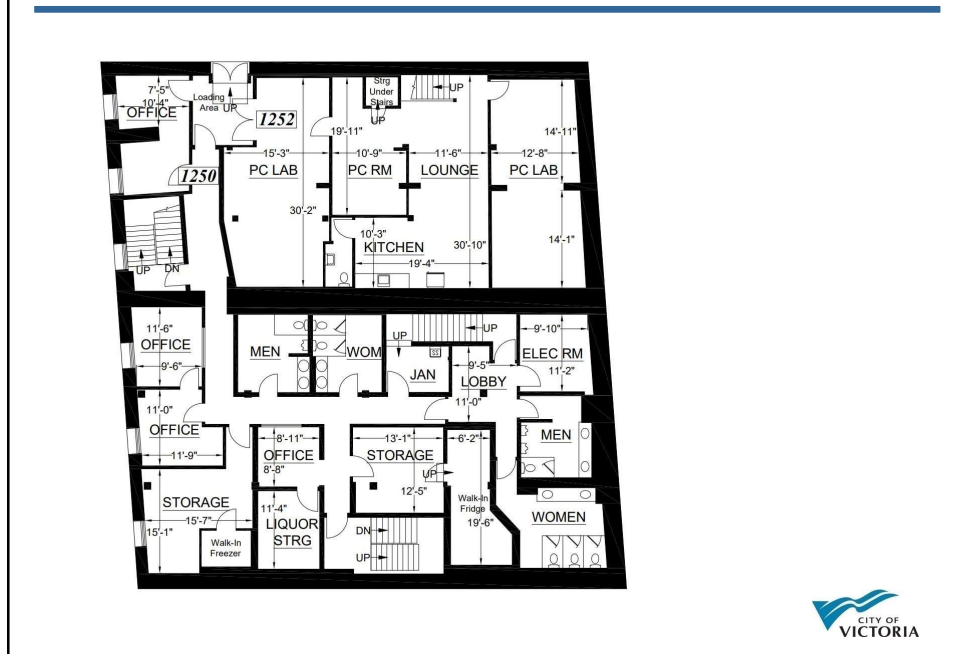
12

Plans – Ground Floor



13

Plans- Basement



14

Plans- Basement Lowest Level

