



May 4, 2021

City of Victoria
1 Centennial Square
Victoria, BC V8W 1P6

Attention: Mayor Lisa Helps and Council

**RE: Development Permit Application & Development Rationale
Development Permit DVP No. 00156
Mixed Use Commercial | Rental Residential Building
610, 618-624 Herald Street & 611-635 Chatham Street
Victoria, BC**

Dear Mayor Helps and Members of Council:

Further to our prior discussions and consultation with Development Services, we herewith submit this updated development permit application, development rationale letter, and related attachments in support of a Development Permit ("DP") for the above referenced properties.

The DP was submitted on September 25, 2020. This submission responds to the comments and recommendations contained in the Technical Review Group ("TRG") letter of October 13, 2020; the detailed discussions, correspondence and consultation with Staff; and input from the Advisory Design Panel ("ADP") and the Heritage Advisory Panel ("HAP").

The purpose of the DP application is to allow the development of a mixed-use building consisting of underground parking, commercial space at grade, and five-to-six storeys of purpose-built, secured market rental residential apartments consistent with the vision for the Old Town District and the OTD-1 zoning.

Introduction

The subject property is in Old Town at the boundary of the Chinatown / Rock Bay neighbourhoods. It is in immediate vicinity of the future Innovation District as proposed in the City of Victoria's draft economic action plan *Victoria 3.0*. The property faces Chatham Street to the north, Herald Street to the south, and Government Street to the west. The property is approximately 1.5-acres in area and is comprised of nine legal lots that are zoned Old Town District-1, which allows for mixed-use residential/commercial development. The lots will be consolidated during the DP review process.

The property is currently occupied by a parking lot that straddles the property from Chatham to Herald; a small commercial building on Herald; an automotive service centre (Fountain Tire) at the corner of Government & Herald; and a vacant and declining commercial building on Chatham. Of note, there are no heritage or landscape resources existing on the property.

Based on pre-application discussions and meetings with Development Services, the TRG letter, and on-going consultation with Staff we understand the proposed form of development is supportable. The attached re-submission reflects the results of the process to date.

Development Rationale

The proposed development will provide a 196,160 square foot (18,223 m²) mixed-use development consisting of 1-½ levels of underground parking, ground floor commercial space, approximately 278 purpose-built, secured market rental apartments in two buildings that are 4, 5 and 6 storeys in height that are organized around a landscaped central courtyard designed for the enjoyment of the future residents. Of note, the owner applied for CMHC financing in April 2021 for this proposal, and if granted, the proposal will designate affordable housing units that will be monitored by the Capital Region Housing Corporation ("CRHC"). The development will provide much needed rental apartments for the community, secured by a legal agreement with the City, and is a direct response to low rental vacancy levels in Victoria. The resulting development program and building form was a collaborative effort between our design team and Staff.

The property is zoned Old Town District-1 that permits residential and commercial uses on the ground floor. The maximum permitted FSR is 3.0 and the maximum permitted height is 15m. A height variance will be required for the proposal, which is supportable per recent and past approvals, guidance from Staff, and general support from ADP and HAP. A separate request is attached to this rationale for Council consideration.

The commercial component will provide approximately 19,575 square feet (1,819 m²) of ground floor space that will animate the street edge on all three street frontages. The commercial space will feature a range of retail unit sizes and a 'feature' unit at the corner of Government & Herald Streets.

The residential component will provide approximately 142,960 square feet (13,282 m²) of upper floor apartments consisting of a mix of studios (50%), 1 bedroom (32%), 2 bedroom (17%), and 3 bedroom (1%) homes. All apartments will have a patio, balcony or "Juliette" balcony, and all residents will have access to an interior landscaped courtyard located between the two principal buildings. All apartment units and floors will be accessible via an elevator from central lobbies located at the Chatham and Herald entrances, and the underground parking lot. The building features enhanced amenities (available to all residents), mail rooms (with secure parcel drop-off), an office for a resident building manager, service/locker rooms, and amenitized bicycle parking & servicing.

The development will appeal to tech workers, young professionals, roommates, empty nesters, and government workers seeking an urban living experience with convenient



access to the downtown core, restaurants, bars, shops, and services that are all within walking distance.

The proposed development is consistent with the Old Town Design Guidelines and the objectives of the core historic Development Permit Areas. The efficient unit design translates into a strong urban street edge, while the façade is articulated using proportions, patterns and elements that complement the neighbourhood. The animated ground floor commercial spaces will also contribute to the integration with the neighbourhood.

The parking calculation is based on the ratios for secured market rental per Schedule C of the Parking Bylaw.

The development is based on our urban development experience and we believe it achieves a balance of residential unit types for a variety of tenants, site coverage, massing, parking, and overall design.

Site and Building Design

There is an elevation grade drop of approximately 3 metres from Herald to Chatham Street to the north. Taking advantage of this grade difference, a common vehicle/loading/service access is located from Chatham Street allowing for an efficient underground parking structure.

The proposed development has a gross floor area of 196,160 square feet (18,224 m²) at 3.0 FSR, consistent with the permitted FSR per the zoning bylaw. The apartments are distributed in two buildings with street access from Herald Street and Chatham Street respectively. The buildings will be constructed in compliance with the BC Step Code, with Step 2 for the commercial space and Step 3 for the apartment units.

Please refer to the Design Rationale as prepared by Integra Architecture and LADR Landscape Architects for more information.

Unit Size and Mix

The proposed development contains a mix of studio, 1, 2 and 3 bedroom units ranging in size from 334 square feet (31 m²) to 990 square feet (92 m²). The unit breakdown is as follows:

- Studio 139 units 50%
- 1-Bedroom 89 units 32%
- 2-Bedroom 48 units 17%
- 3-Bedroom 2 units 1%

Neighbourhood Amenities

The location of the property in Old Town and Chinatown provides a generous range of neighbourhood amenities for the future residents of the development.



- Walkable neighbourhood with existing shops and services.
- Many employment opportunities available throughout the downtown core.
- Access to transit and cycling infrastructure.
- Proximity to:
 - sports fields (Royal Athletic Park);
 - library (Greater Victoria Public Library);
 - restaurants (many options in the downtown core);
 - shopping (many options in the downtown core);
 - grocery (Victoria Public Market, Fisgard Market, Chinatown);
 - culture & heritage (Chinatown, Old Town); and
 - the future Innovation District.

Building Amenities

A host of on-site amenities are under consideration for the development including:

- communal courtyard space with social spaces & gardens;
- bike parking with amenities (i.e. workshop, bike wash);
- pet friendly living;
- secure parcel delivery service;
- in suite laundry;
- storage lockers or in-suite storage (including seasonal equipment storage);
- gym and fitness studio;
- music room;
- social gathering/co-working space that connects with the street and main lobby;
- secure keyless fob access;
- EV charging stations; and
- energy efficient appliances.



In closing, the proposed development is consistent with and complements the neighbourhood. Inspired by Old Town, the building design will respect the scale and modularity in a contemporary building to create a unique offering while increasing the supply and diversity of market rental housing, contributing to the infill and intensification of the downtown core, and integrating with the neighbourhood.

Respectfully submitted,
Denciti Development Corp. acting on behalf of
Nicola Herald Limited Partnership



David A. Fawley
Principal



Guadalupe Font
Development Manager

Copies: Miko Betanzo, Senior Planner, Urban Design
J. Anderson, A. Linaksita; Nicola Herald LP
S. Watt; Integra
B. Windjack; LADR
J. Lee; Denciti

/attachments