

August 11, 2020

Mayor Lisa Helps & Council
City of Victoria
1 Centennial Square
Victoria BC V8W 1P6

Re: Rezoning Application for 645 & 655 Tyee Road

Dear Mayor Helps & Members of Council:

On behalf of the owner (Sunlife Assurance Company), and the property manager (Colliers), please find attached a completed rezoning application package for 645 and 655 Tyee Road, referred to as "Upper Harbour Place".

PROPOSAL OVERVIEW

The purpose of the application is administrative in nature, as it only seeks to amalgamate existing zones, and remove restrictions on *office use* that are obsolete. No changes to floor space, building exteriors, landscaping, public open spaces, or parking arrangements are requested. The two properties operated as one complex, and are single ownership. Having one clear bylaw that regulates uses will make it simpler to administer for both the City and property manager when new tenants occupy the building.

Currently, two zones apply – one for each building. Both zones have specific restrictions on *office* and *retail use*, and the amount of floor space permitted in each zone. The confusion of the zones is exacerbated because the larger of the two buildings (655 Tyee), which has double the floor space of 645 Tyee, appears to allow for less *office* and *retail use* than its smaller counterpart in the applicable zone. A separately registered Section 219 covenant helps to explain the interpretation of the bylaws, but is inherently cumbersome.

The specific zoning request is to create a new consolidated zone that applies to both buildings and to remove restrictions on office use.

HISTORICAL CONTEXT

Upper Harbour Place zoning approvals date back approximately 20 years, before Dockside Green had started in earnest, and when there were economic concerns about

**CitySpaces
Consulting Ltd.**

Suite 101
848 Courtney St.
Victoria BC
V8W 1C4

250.383.0304 Tel

www.cityspaces.ca

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displacing office space in the Downtown core. This was also a time when “high tech” activity was being introduced as a new form of use in Victoria, with the perception that “high tech” was more akin to *service industrial* than *office*. Today, tech space is no different than *office use*. In fact, the majority of tech companies in the City simply lease space under the general use category of *office* in the zoning bylaw.

The historically perceived concern of displacing office space from the Downtown core no longer applies. Developments like the Atrium, Capital Park, the new 1515 Douglas Street (across from City Hall), and other recent commercial developments count for nearly 10 times the office space developed at Upper Harbour Place. The office hub at Selkirk, the restoration of the Selkirk trestle, and the bike/walking path to Downtown that fronts Upper Harbour Place have, in fact, created a highly desirable active transportation spine that seamlessly and conveniently connects areas of economic activity.

THE BUILDINGS

645/655 Tyee Road are two attractive, modern, and sustainable office buildings. At the time of zoning, a *Master Development Agreement* was signed that, among other things, required provision of a number of amenities, including installation of the public plaza and observation deck, public art contributions, maintenance of landscaping on City lands, right-of-way along Tyee Road for widened sidewalks and boulevards, and the registration of a statutory right-of-way to accommodate the connection of the Galloping Goose trail extension into Downtown. All provisions of the Development Agreement were met.

Physically, the two buildings are set back from the Tyee Road, with the main floors sited at a lower grade than Tyee Road. This factor, combined with a street-wall of parkade directly on the west side of Tyee Road (providing parking to Westside Village), does not make for inviting retail space, and attracting long-term retail or hospitality tenants has been an ongoing challenge.



ZONING

Current zoning permits *high tech*, *office*, and *retail use*, as well as “uses in the S-BP-1 zone.” The S-BP-1 zone contains an odd mixture of marine oriented uses (docks, wharves, marine residential), and some industrial activities, such as “assaying gold or silver, dry cleaners, trade schools, and animal hospitals” that are irrelevant in the context of the buildings constructed and their location. 645 and 655 Tyee were designed and are best suited for *office use*. However, it is the *office use* that is unduly restricted in this zone. The following table (Table 1) shows the size, zoning, restrictions on *office* and *retail use* for each of the buildings.

Table 1

Address	Zoning	Density	Total Floor Area	Use Restrictions
645 Tyee	SBP-5	combined	4,807 m ²	Max. office: 7,510 m ² Max retail: 2,890 m ²
655 Tyee	SBP- 6	combined	9,276 m ²	Max office: 4,328.5m ² Max retail: 1,797.9 m ²
TOTAL		1.87:1	14,083 m²	

Table 1 shows the larger of the two buildings (655 Tyee) appears to allow less *office* and *retail* uses than its sister building, which is half the size. Even more confusing, the zone for 645 Tyee seems to permit a maximum office floor space greater than the size of the building. With a combined floor area ratio of 1.87:1, the overall project, relative to the size of the parcels, is not large when compared to an FSR of 3.0:1 in Oldtown, and 6.0:1 in the Downtown corridor.

PARKING

Parking is divided between the two buildings and shown below in Table 2. The table 3 shows the Schedule C Parking Requirements based on any number of first floor use configurations. It is noted that *high tech* use is not defined in Schedule C Parking Requirements.

**Table 2: Existing Parking**

Address	U/G	Surface	TOTAL Stalls
645 Tyee	66	2	68
655 Tyee	188	12	200
TOTAL	254	14	268

Table 3: Schedule C Requirements

Use	645 Tyee	655 Tyee	TOTAL Stalls
All office use throughout	69	133	202
Ground floor retail; office above	67	130	200
Ground floor restaurant; office above	82	151	268

As mentioned, given the siting of the buildings, the most probable use of all (or nearly all) the space in both buildings will be *office*, with potential for some minor *retail* or *personal service* space on the first-floor level. A breakdown of the total floor space by floor for each building is found as an attachment to this document.

POLICIES

In the City's *Official Community Plan* and the *Victoria West Neighbourhood Plan*, 645/655 Tyee Road are designated as "Large Urban Village" (page 53 of the Vic West Plan), and form part of the "Westside Large Urban Village Core." Both the OCP and the Vic West Plan allow for densities up to 2.5:1 in strategic locations. The Plans support "commercial or mixed-use buildings up to six storeys" and identify "employment" as a policy goal. The neighbourhood plan envisions Tyee Road as a "commercial main street."

Plan policies support the Upper Harbour Place buildings for their employment contribution to the neighbourhood and community.



BENEFITS/IMPACTS

The proposed administrative amendments to the Zoning Bylaw will allow the buildings to be efficiently used for office/commercial purposes, and encourage employment that provides a customer base for shops and activities in the Westside commercial centre. The buildings' adjacency to both Dockside Green and Selkirk residential hubs also enable and support opportunities for living and working in the same neighbourhood. Removing employment activity restrictions, in terms of *office use*, will provide flexibility afforded in other commercial zones, and more fairly actualize the commercial property taxes the City receives.

No changes or additional impacts on municipal infrastructure or services will be incurred.

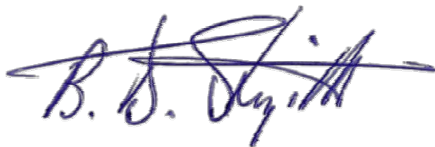
CONSULTATION AND CALUC

The applicant has been in contact with the Chair of the Vic West Land Use Committee and provided background material and explanation of the purpose of the rezoning application. A letter has been received from the Association waiving the requirements to hold a CALUC meeting.

CLOSING

The requested amendment will serve to provide administrative ease, and support the economic sustainability of buildings that are a landmark of the Vic West landscape. The proposed changes will have no deleterious impact on the community or local services, and will recognize the employment/office function the buildings now serve.

Yours truly,

A handwritten signature in blue ink, appearing to read "B. D. Strongitharm", with a long horizontal flourish extending to the right.

Deane Strongitharm, RPP, MCIP



Attachs.

cc: Sunlife Assurance
Colliers