

PRIMEX INVESTMENTS LTD. #200 – 1785 West 4<sup>th</sup> Avenue Vancouver BC, Canada V6J 1M2

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

Dear Mayor Helps & Members of Council:

Re: Rezoning/Development Permit Application for 110 Menzies Street (Village Green)

On behalf of Village Green Apartments Limited Partnership, Primex Investments Ltd. is pleased to submit this application for a proposed 137-unit residential rental development at 110 Menzies (at the corner of Menzies and Niagara Streets) in the heart of James Bay. The area of application represents a 60,000 sq.ft. portion of the site.

## About Primex Investments Ltd.

Primex Investments Ltd. (Primex) is a family and employee-owned company that has, over the last 40 years, built a province-wide rental portfolio of more than 2,300 units focused in the Lower Mainland, the Okanagan, and Vancouver Island. We have a company goal to double our rental inventory by 2025.

Presently, we have a large rental presence in the City of Victoria with 5 properties totaling over 300 units. Additionally, we have 4 ongoing projects with more than 400 units including Village Green, in the development pipeline.

## Victoria Rental Portfolio (316 Units)

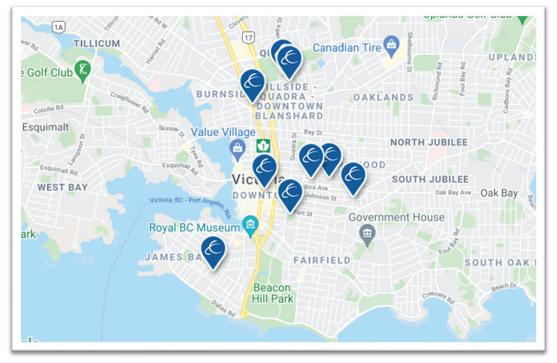
- The Churchill Apartments 725 Yates Street (40 Units)
- Royal Arms 1300 Yates Street (77 Units)
- Quadra Village Apartments and Trio at Quadra Village 2780 Quadra Street (98 Units)
- Viscount Manor 950 Rockland Ave. (41 Units)
- Wedgewood Terrace 1655 Chambers Street (60 Units)



Pending Development Projects (404 Future Units)

- 727 Yates (11 Units 2022)
- Scott Building 2659 Douglas Street (151 Units 2025)
- Parkway 1050 Pandora Ave. (105 Units 2024)
- Village Green 118 Menzies Street (137 Units 2024)

Figure 1: Current and Pending Development Project Map



# The Proposal Overview

The application is to rezone the eastern 60,000 sq.ft. of the parcel fronting Menzies and Niagara Streets to permit a 100% rental infill development in direct proximity to the James Bay Village Centre.



#### Figure 2: Site Context



### **Existing Conditions**

Currently, there are three 60+ year old, modestly constructed residential apartment buildings and two single-family/multi-family conversion homes on the site. In total, these 5 buildings contain 45 residential units.

The current buildings are suffering from significant liveability issues, such as roof leaks, structural issues, and hazardous materials. Despite ongoing significant efforts to manage these challenges, the expense required to properly address these challenges is uneconomic. Fundamentally, it is becoming increasingly more difficult to simply maintain the buildings in their current form.

At several of our other Victoria rental buildings (Royal Arms, Wedgewood Terrace, Quadra Village, and Viscount Manor, for example) we have invested significant capital to renovate and restore the buildings without tenant relocation. However, this is not possible at Village Green due to the condition, age, and aforementioned maintenance challenges of the buildings.



### Supporting Affordable Rental Housing in Victoria

Typically, a 100% rental housing project, secured via a Housing Agreement for 60 years, is not obligated to provide any Community Amenity Contribution (CAC) per City of Victoria policies. Even if this were a market condo project, there would still be minimal CACs because we are abiding by the Official Community Plan (OCP).

However, in recognition of the City's goals and Primex's desire to support the development of affordable rental housing and the unfortunate loss of existing housing options at Village Green, Primex is voluntarily contributing \$75,000 to the City's Affordable Housing Reserve Fund in support of affordable rental housing in the City of Victoria.

This voluntary contribution to the City is in addition to the ongoing compensation and relocation assistance being provided by Primex for existing and eligible tenants of Village Green.

# Policy Context and Proposal

This site is appropriate for development intensification because of its location immediately adjacent to the James Bay "Large Urban Village" centre as identified in the OCP. It is within walking distance of a wide range of amenities, parks, schools, and services as represented by a Walk Score of 85/100.

### Official Community Plan

This proposal is supported by the *Official Community Plan*'s objectives for James Bay, because the neighbourhood:

- Is a densely populated mixed-use neighbourhood within a Large Urban Village;
- Is home to a large portion of Victoria's rental housing stock;
- Maintains a variety of housing types and tenures for a ranges of age groups and incomes;
- Maintains an interesting diversity of land uses, housing types, and character areas; and
- Supports sensitive infill.



Figure 3: Official Community Plan

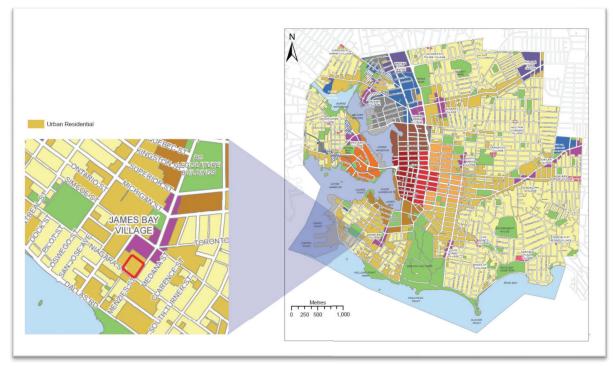


Table 1: Official Community Plan Land Use Designations

Urban Residential Guidelines	Urban Residential	Large Urban Village (James Bay Square)
Height	"Approximately 6 Stories"	"Approximately 6 Stories"
Density	"Approximately 2:1 in strategic locations for the advancement of plan objectives"	"Approximately 2.5:1 may be considered for the advancement of plan objectives"
Use	"mid-rise multi-unit residential"	"mid-rise multi-unit residential and mixed-use"

The proposal also conforms to the *James Bay Neighbourhood Plan*, specifically enhancing and supporting the following goals and objectives:

- Provides a range of housing opportunities to accommodate a balance of family and nonfamily development;
- Supports initiatives for housing families, the elderly, disadvantaged, and needy;
- Encourages a visual harmony of form and scale between new buildings and adjacent residential units;
- Encourages high standards of architectural design for new residential developments; and
- Respects existing streetscape character.



## Zoning Change

Current zoning for the site is *R3-2 Multi-family Residential*, which permits an FSR of 1.6:1. Rezoning is requested to create a site-specific, multi-family zone with an FSR of 2.16:1. The building will be entirely rental residential with a range of unit types.

The following mix is currently proposed for the 137 units:

Unit Type	Number of Units	% of Unit Type	Avg Unit Size Range (m <sup>2</sup> )	Avg Unit Size (sq.ft.)
Studio	1	1%	36.0	388
Junior 1 Bedroom	12	9%	46.7	502
One-bedroom	51	37%	57.2	616
One-bedroom + den	26	19%	71.3	767
Two-bedroom	33	24%	76.5	824
Three-bedroom	14	10%	86.2	927
TOTAL	137	100%		

#### Table 2: Unit Mix and Allocation

The average size of a two-bedroom is  $76.5m^2 / 824$  sq.ft and the average three-bedroom is  $86m^2 / 927$  sq.ft. More than one half of the units (53%) are one-bedroom + den or larger to allow for more families and couples to live, comfortably, in this development. This unit mix will allow for a diverse range of residents, including singles, couples, families, and seniors.

## Tenure

The new building will be 100% market rental, and Primex has agreed to sign a Housing Agreement securing the project as rental for a minimum of 60 years, or the life of the building. It is the intention and goal to retain and operate this rental housing projects through our partner property management company (Pacific Cove Property Management) in perpetuity.

# Design Guidelines

This proposal follows the City of Victoria's *Design Guidelines for Attached Residential Development*, including, but not limited to, the following areas:

- Siting buildings in a manner that considers and maintains the pattern of landscaped front and back yards; that makes a positive contribution to the streetscape; and that achieves a more compact residential building form while maintaining livability.
- Ensure new development is oriented towards and designed to enhance public streets and open spaces and encourages street vitality and safety through increased eyes on the street.



- Achieve buildings of high architectural quality and interest, with human-scale building proportions that are oriented towards and compatible with the established streetscape character and pattern.
- Enhance the quality of open space, support the urban forest, provide privacy where needed, emphasize unit entrances and pedestrian accesses, reduce storm water runoff, and ensure front and rear yards are not dominated by parking.

## **Design Intention**

The design intention for this project is to enhance the existing irregular streetscapes of Menzies and Niagara Streets, while creating a central landscaped courtyard amenity for building residents. The rhythmic townhouse scale at the street frontages uses a massing expression reminiscent of the traditional bay window, with the top floor stepped back.

The purpose of this is to achieve a responsible level of density while mitigating perceived height and visual impacts. Exterior materials are consistent with current residential developments, and includes a variety of finishes, textures, colours, and details.

To further improve the pedestrian experience along the two street frontages, street-accessed entry doors, front porches, and individual door-entry landscaping have been detailed. These elements combine to provide an interactive transition between private spaces and the public thoroughfare, while reinforcing the human scale of the streetscape.

The primary objective of the landscape design is to create stimulating and attractive outdoor settings that encourage residents to participate in casual and organized outdoor activities, and develop friendships and supports through social interaction in the following ways:

- An expansive central courtyard that is designed in the style of a park, comprising a network of sweeping pathways that connect access points with a central water feature, an abundance of seating opportunities in a setting rich in plantings and expansive lawns;
- The high degree of natural surveillance and park containment will contribute to a safe setting for informal play;
- In contrast to the more formalized design of the central courtyard, the public realm perimeter vegetation on the south, east and west sides of the project will appear naturalistic in character, and comprise native plant species;
- First floor garden patios will provide defined private spaces, but allow for casual greetings and conversation with passersby; and
- A rooftop garden and outdoor amenity space on the roof of the 4<sup>th</sup> floor will provide a generous and functional setting for active gardening, outdoor games, and other group activities.



Figure 4: Rooftop Garden and Amenity Space



## Variances from Zoning Bylaw

The following variances are requested:

- A new purpose-designed (Comprehensive Development) zone will be required to allow for the requested increase in density.
- Compared to the existing R3-2 zone, some setbacks from the street and a minor change in building height will be required to incorporate the design intention of the project.
- Consistent with City of Victoria and Provincial requirements, this application process will include <u>the discharge of the existing Land Use Contract on title</u>. The current underlying zoning is *R3-2 Multiple Dwelling District*, and the discharge is expected to be a straightforward administrative task, subject to working with City staff to achieve building conformity.
- The current bylaw requires 162 parking stalls, and this project provides a total of 100 stalls. Underground parking is provided on a single level to maximize parking while minimizing impacts on neighbours during construction. A substantial source of the need for this variance is the need to 'cut back' a portion of the parkade wall to preserve a row of significant trees on the edge of the site. This parking shortfall is significantly offset by the highly walkable and bikeable location, the provision of 250 (more than bylaw requirements) bicycle parking stalls, and the provision of 2 Modo Cars (with spaces allocated for 2 more cars in the future) with Modo memberships for all tenants during their tenancy.



#### Table 3: Parking and Bike Parking

		Schedule C Bylaw "Other Area"	Proposal
Vehicle	Residential	147	89
	Visitor	15	9
	Car Share	0	2
	Total	162	100
Bicycle Parking	Long Term	162	213
	Short Term	14	17
	Cargo Bike	0	20
	Total		250

1. The adjacent property is designated within the OCP as "Village/Centre" which would reduce our variance requirement by approximately 50%.

- 2. There will be 2 on-site MODO Cars with EV Charging Capabilities; MODO Membership and \$100 usage credit for each of the 137 Residential Units.
- 3. A bike wash/repair room is in the parkade, adjacent to the bike parking area.

# Sustainability Features

The following sustainability features are provided in this project:

- Energy efficiency will meet Step Code 3 of the BC Building Code.
- The use of vehicles will be significantly reduced by the provision of 137 residential rental units within walkable distances to places of work, recreation, shopping, and other services. With the project's regular transit service nearby, and proximity to a comprehensive bike lane network, it is possible to get to most areas of the region without the use of private vehicles.
- As an urban infill development, the project adheres to the principles of promoting development on existing urban sites, diverting development pressure from greenfield locations, and making more efficient use of existing infrastructure.
- Landscape and stormwater management systems, including partial green roofs, will retain and infiltrate rainwater, and limiting the post-development peak water run-off from the development.
- A variety of both hard and soft landscaping.
- Provision of a dog park and recreation areas for adults and children.
- A mix of unit types with balconies and/or large terraces on roof decks to provide everyone with access to the outdoors and views.
- Ample window area in each unit will increase natural lighting and provide views and passive solar gain during winter months.
- Water conservation strategies include water efficient landscaping, self-watering garden boxes, and fixtures.
- Passive envelope strategies will reduce reliance on mechanical systems.



- All windows will be double pane, low-e glazing with thermally broken frames.
- Use of low energy lighting systems, including motion sensors in all common areas; and
- ENERGY STAR appliances will be used throughout the project.

## **Rental Housing Needs**

The current housing crisis in Victoria is well documented and is identified in the City's *Housing Future's* Report. The rental housing shortage, with vacancy rates below a "balanced market," (approximately 3-5%) places severe pressure on affordability and the number of options available for individuals and families.

This project will help fill a need for rental housing in the neighbourhood (and beyond) and will more than triple the number of rental units currently on the site.

The Report identifies the need for 234 Net New Rental Units in James Bay. The Village Green project represents a net increase in rental units of more than 92 Units and is 40% of the James Bay neighbourhood net new rental expectations until 2040.

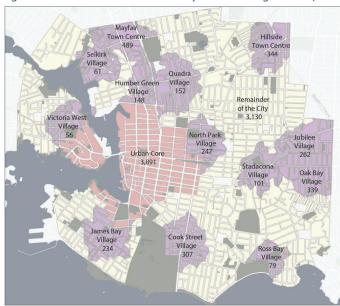


Figure 5: Potential Net New Units by Growth Target Area (2020-2040)



In the remainder of the city

# Potential net new units for area

Growth Area	Potential Net New Units	Share
Urban Core	3,891	40%
ln or near a Town Centre Village	2,819	29%
Remainder of City	3,130	32%



# Consultation

The following consultation activities have been undertaken:

- Early meetings with the co-chairs of the James Bay Neighbourhood Association (JBNA) Land Use Committee to introduce the project. Numerous follow-up / update discussions were also held with JBNA representatives after the neighbourhood meeting.
- A neighbourhood meeting was held on January 8, 2020, in conjunction with a regular monthly JBNA meeting, at the James Bay New Horizon's Centre.
  - Invitation notices were hand delivered to neighbours on both sides of Menzies, Niagara and Croft Streets, and to tenants of James Bay Square.
  - Notices of the meeting were also posted on JBNA's website and in The Beacon.
  - Tenants of the existing building were also invited.
  - The siting and massing of the building reflect the comments / feedback received at these and other community meetings.
- A second Neighbourhood meeting was held on February 2, 2021 by the JBNA and the Community Advisory Land Use Committee (CALUC). Primex presented on the updated development concept, the materiality and concept designs, and the overall project intent. Representatives from Primex answered questions and sought to address any outstanding concerns related to parking, landscaping and tenant relocation.
- Tenants of the affected Village Green buildings have been provided regular updates from the property management team and this information has been shared with City Staff.

# Tenant Relocation Plan

The *Tenant Relocation Plan* is a key component of this project, as it will determine the housing and relocation of the 38 eligible tenancies. Primex has assigned a Tenant Relocation Coordinator to work with each individual tenant to assist in finding suitable housing options. Of the 38 eligible tenants, 16 have already come to agreements as of May 31, 2021 with Primex, including financial compensation, moving expenses, and relocation assistance.

Primex is committed to working with the remaining eligible tenants to determine their specific needs and, where necessary, providing further assistance. Some of the opportunities that exist to provide further assistance to tenants includes the potential to relocate tenants within the property (from the pending development side to the retained housing on the west side) or relocating tenants within the Primex Portfolio into similar units in other neighbourhoods.

Using the City of Victoria Tenant Relocation Requirements as a guide, we are seeking to meet or exceed the City's requirements to facilitate tenant relocation including financial compensation, assistance with moving expenses, and right of first refusal upon completion of the project.



## Tenants Requiring Additional Assistance.

The owner will coordinate resources to assist in the search for new homes for those tenants requiring additional assistance, including coordination with government programs, such as BC Housing and other not-for-profit groups. The owner will also provide support with moving logistics when and where needed.

# Summary

We are incredible proud of the Village Green proposal which will provide 137 new, sustainable, and thoughtfully designed rental units in the heart of James Bay. We believe the development will contribute a sensitive, and positive experience for Victoria and the neighbourhood with significant community benefits including an enhanced public realm, a contribution to the City's Affordable Housing Reserve Fund, and Car Share vehicles accessible to the greater community.

This project will provide social, environmental, and economic benefits to the City and the neighbourhood, including:

- A greater number of much-needed rental housing units in a walkable location;
- A variety of unit types that allows for diverse residents, with 50% being larger 1+den, 2 BR, and 3 BR units, with only a single studio-type unit to foster longer term tenancies;
- A voluntary financial contribution to the City's Affordable Housing Reserve Fund;
- Increased population to contribute to local businesses, cultural activities, and public life; and
- Increased population located within walking distance of amenities and services.

Yours truly

Greg Mitchell, M.PL., MCIP, RPP Senior Planner and Development Manager Primex Investments Ltd.