ATTACHMENT C



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November 10, 2020

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

Dear Mayor Helps and Council:

Re: Proposed Caledonia Redevelopment

1230 Grant Street, 1209, 1218, 1219, 1220 and 1226 North Park Street, 1219 Vining Street, 1235 Caledonia Avenue and 1211 Gladstone Avenue

The CRHC is excited to bring forward a Rezoning and Development Permit Application for the Caledonia Redevelopment, a comprehensively designed affordable rental redevelopment in the heart of Fernwood. The Caledonia project will provide for 158 new Affordable Rental Units made available in a manner that is sensitive to the surrounding context, attractive, affordable, sustainable and most importantly provide long term affordability and security for those most in need.

This proposal provides an opportunity for four levels of government to partner to realize the strategic goals and objectives contained within the City of Victoria's Official Community Plan and the Victoria Housing Strategy that align with the Capital Regional Districts Board Priorities to create desperately needed new affordable rental housing. Further, the development has enabled the Capital Region Housing Corporation (CRHC) to collaborate with neighbourhood groups to develop an integrated proposal that balances the needs and concerns of the local and broader community.

Existing Land Use

The proposed development site consists of assembling nine vacant and under-utilized properties that span from Gladstone Avenue to Grant Street. One of the properties is the existing Caledonia site at 1211 Gladstone Avenue, and currently contains 18 vacant units within three attached townhouse buildings. Another vacant property, previously known as M'akola's Tonto Rosette Building, located at 1209 North Park Street, contains a two-storey four-unit house. The remaining seven properties are vacant brownfield lots that were previously home to the Fairey Tech Building.

Caledonia Redevelopment – Rezoning & Development Permit

All nine properties will be consolidated into a single parcel to realize a comprehensive redevelopment that will create 158 affordable rental residential units. The development will also feature an amenity building for use by the neighbourhood, improvements to the surrounding streetscapes, construction of new interconnected pathways and a variety of outdoor place-making features including a playground, seating areas, community allotment gardens and other native plantings.

Located in the heart of Fernwood, the Caledonia redevelopment is set back from the Victoria High School Track and is adjacent to low-density residential homes, Haegert Park, the Compost Education Centre and the Fernwood Allotment Gardens.

The School District 61 (SD61), BC Housing, the City of Victoria and the CRHC have signed a letter of intent and letters of authorization to facilitate the rezoning application and subsequent land exchange. The land swap and lot consolidation are subject to successfully rezoning the property. The final agreement will see the SD61 as the sole owner of the consolidated lot and the CRHC signing a new 60-year lease agreement.

Proposed Rezoning

The consolidated lot will require rezoning from the current R-K and R-2 zones to a site specific zone. The proposal increases the allowable density from an FSR of 0.6:1, which would allow for redevelopment of approximately 78 units, to an FSR of 1.29, allowing for the proposed 158 units.

Form of Development & Massing

The proposed site layout includes five separate buildings, consisting of three 3 to 4 storey attached townhouse buildings, as well as one 5-storey and one 4-storey apartment building. The townhouses are positioned at the north end of the site, adjacent to single family lots. The apartment buildings are positioned towards the south end of the site, near Haegert Park and neighbouring apartment buildings along Grant Street. Massing was carefully considered to maximize the use of the site while being sensitive to the character of the neighbourhood.

The 5-storey building is located between North Park Street and Vining Street, which does not border residential properties. The 4-storey apartment building is located at the south section of the site fronting Grant Street. The top floor of both apartment buildings step back on all sides to reduce the massing effect as seen from the street level.

<u>Residential Unit Mix</u>

The total development will consist of 158 rental units including 14 studio units, 45 one-bedroom units, 77 two-bedroom units, 14 three-bedroom units and 8 four-bedroom units. The two apartment buildings will consist of 97 units while the townhouses will consist of 61 units.

<u>On-Site Parking</u>

There are 117 onsite parking stalls proposed, 112 in the underground parkade and 5 stalls at grade. This on-site parking supply exceeds the City of Victoria's parking bylaw for affordable housing projects. There will be two separate underground parkade entrances, accessed from Caledonia Avenue and Grant Street. This component of the design splits the traffic flow from the site for tenants traveling east and west respectively, with direct routes to arterial roads, which minimizes the additional volume on the local neighborhood streets.

Policy and Design Considerations

The proposed development requires an Official Community Plan (OCP) amendment to change the land use designations from Traditional Residential and Parks to Urban Residential. There are several applicable OCP policies and references which support this alternative designation:

- 6.1.6 Urban Residential areas are generally located within 400 metres of the Urban Core
- 12.17 Continue to support and enable the private development of green buildings
- 13.9 Support a range of housing types, forms and tenures across the city and within neighbourhoods to meet the needs of residents at different life stages, and to facilitate aging in place

The project will also achieve the energy performance benchmarks as adopted by the City of Victoria for the B.C. Energy Step Code and in line with related energy reduction targets. The proposed development is also consistent with many of the City of Victoria's strategic objectives, policies and guidelines, including:

- Prosperity and Economic Inclusion: People who work in Victoria can afford to live in Victoria
- Affordable Housing: Increase in rental apartment and housing vacancy rate
- Sustainable Transportation: Increase in residents using public transit, walking and cycling
- Strong, Liveable Neighbourhoods: Increase in number of opportunities for engagement with neighbourhoods

The configuration of the development and building designs reflect the following applicable Design Guidelines:

- 1.1 New development should be compatible with and improve the character of established areas through design that is unifying, sensitive and innovative
- 2.2.1 Massing that gives the impression of small blocks.
- 7.1 A high standard of accessibility in site, building and landscape design is encouraged to address the needs of all users, including people who have disabilities.

Neighbourhood Benefits and Impacts

The proposal has significant benefits for the local and broader community through its increase in the supply of affordable housing. This form of inclusive housing reinforces the vibrancy of the Fernwood community.

The Caledonia Redevelopment provides for:

- Family oriented affordable housing, where 63% of the proposed units are two bedrooms and greater
- 8 new 4 bedroom units, which are infrequently available in new housing stock;
- 15 accessible units, which includes a mix of one, two and three bedrooms to allow for live-in caregivers. These units may be operated by the Independent Living Housing Society (ILHS);
- Energy efficient building design to perform to BC Energy Step Code Step 3;
- Open view corridors along east to west directions that recognize the prominence and heritage status of Victoria High School;
- Additional housing to meet the proposed population growth within walking distance of North Park Village;
- Integration with the broader community through partnerships with community groups such as Fernwood NRG and Compost Education Center to provide additional urban agriculture space and a 1450 ft² amenity room with a 14 foot ceiling to host neighbourhood programming and events;
- Pedestrian pathways across the site and a connecting greenway from Grant Street to Gladstone Avenue which facilitates long term access and increases walkability and connectivity within the neighborhood
- Architectural design that sensitively transitions to adjacent properties and respects the form and character of the neighbourhood
- Landscaping that includes several rain gardens, tree preservation, and 121 new trees onsite.

Tenant Relocation and Funding

All tenants within the existing townhouses of Caledonia have been successfully relocated to other subsidized housing offerings within the CRHC portfolio or other social housing providers, as determined by their individual needs. Tenant supports have been provided in accordance with the CRHC's Tenant Relocation Policy, that exceeds the minimum standards established by the City of Victoria's Tenant Assistance Plan.

Project Funding & Affordability

The Caledonia Redevelopment has received approval under the Building BC: Community Housing Fund program which facilitates the development of mixed income, affordable rental housing projects for independent individuals, families and seniors.

Under this funding model, projects must reflect the following mix of rents and incomes:

- 30% Affordable housing (moderate income)
- 50% Rent geared to income (low income, housing income limit)
- 20% Deep subsidy (very low income, refers to provincial income assistance rates)

Community Feedback & Design Revisions

During the extensive planning of this proposal the design team and CRHC staff met with and presented to existing tenants, various neighbourhood groups, and school board trustees more than 22 times.

Throughout the process, the team has received a variety of design input and has incorporated revisions into the project that we feel is of great benefit to the Fernwood neighbourhood, the City of Victoria and the Capital Region. The design changes include:

- Eliminating an apartment building and replacing it with an additional 3- storey townhouse complex;
- Re-orienting townhouses to front onto Gladstone, creating an enhanced pedestrian scaled frontage and minimizing shadows on neighbouring properties to the west;
- Enhanced connectivity within and around the Caledonia development that will better integrate with the existing community;
- Adjusting the unit mix to include more studio units to meet the demographic needs of a growing seniors population.
- A revision to unit mix enabled the reduction of building height from 5-storey to a 4-storey building bordering Grant St;
- Addition of a new central amenity building for use by a prominent neighbourhood group to host

independent events;

- Incorporating a playground structure to create a welcoming family-oriented environment;
- Reducing the number of courtyards and on-site surface parking to reduce impervious surface treatment and increase greenspace on site;
- Providing for private outdoor space on all ground-floor units;
- Including urban agriculture areas and community allotment gardens;
- Relocating the Grant St parkade ramp from the courtyard to within the footprint of the building to add more greenspace and retain more trees

<u>Conclusion</u>

The CRHC is pleased to submit this Rezoning and Development Permit Application for the Caledonia Redevelopment. This project gives the opportunity to bring much needed affordable housing within an important area of Victoria where it is greatly needed. It also brings a cohesive and sensitive resolution to a significant brownfield site in the heart of the Fernwood community. Through the partnerships across multiple levels of government this project aligns key municipal and regional strategic objectives, policies and guidelines and looks to deliver on these mandates while balancing the needs and concerns of the local community. We look forward to further discussion on this important application.

Sincerely,

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Kimberly Lemmon, MCIP, RPP Senior Project Coordinator /Acting Manager, Planning & Development Capital Region Housing Corporation