



## Committee of the Whole Report For the Meeting of November 4, 2021

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**To:** Committee of the Whole **Date:** November 21, 2021

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

**Subject:** **Rezoning Application No. 00680 and Development Variance Permit Application No. 00247 for 2615 Douglas Street**

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### RECOMMENDATION

#### Rezoning Application No. 00680

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application No. 00680 for 2615 Douglas Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set once the following conditions are met:

1. Preparation and execution of the following legal agreements to secure the following:
  - i. a Statutory Right-of-Way to accommodate public access to, and at, the transit shelter and plaza location on site to the satisfaction of the City Solicitor and Director of Engineering and Public Works.
  - ii. upgrade the transit plaza area and install a new T4 bus shelter on the Douglas Street frontage in accordance with the plans dated September 3, 2021 and prepared by de Hoog & Kierulf architects and Murdoch de Greeff Landscape Planning and Design, to the satisfaction of, City Solicitor, BC Transit and Director of Engineering and Public Works.
  - iii. 10 long-term, cargo bicycle parking spaces, 43 electric charging stations in the long-term bicycle storage rooms, a minimum of 92 long-term bicycle parking spaces and end-of-trip facilities (including no less than one shower for every 15 long-term bicycle parking spaces, no less than one locker per long-term bicycle parking space; and additional showers and lockers if the building included within a fitness centre) to the satisfaction of the City Solicitor and Director of Sustainable Planning and Community Development.
  - iv. soil cells and tree guards for all trees planted in hardscape to the satisfaction of the Director of Parks, Recreation and Facilities.
2. The applicant update the Arborist Report prepared by Talbot MacKenzie & Associates to ensure the updated plans are attached and trees are correctly labelled to the satisfaction of the Director of Parks, Recreation and Facilities.

## Development Variance Permit Application No. 00247

That Council, after giving notice and allowing an opportunity for public comment at a meeting of Council, consider the following motion:

“That Council authorize the issuance of Development Variance Permit Application No. 00247 for 2615 Douglas Street in accordance with:

1. Plans date stamped September 17, 2021.
2. Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variances:
  - i. reduce the required number of vehicle parking spaces from 241 to 122.
3. The Development Variance Permit lapsing two years from the date of this resolution.”

### **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.

In accordance with Section 498 of the *Local Government Act*, Council may issue a Development Variance Permit that varies a Zoning Regulation Bylaw provided the permit does not vary the use or density of land from that specified in the Zoning Regulation Bylaw.

### **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 2615 Douglas Street. The proposal is to rezone from the S-1 Zone, Limited Service District, to a new zone in order to permit a brewery, distillery, brewpub, liquor retail sales and commissary kitchen within the existing building. These proposed uses are also triggering a parking variance.

The following points were considered in assessing this application:

- focussing new employment growth along the Douglas Street Corridor and linking land use changes to the planning and implementation of Rapid Transit is strongly supported in the Plan. The applicant is proposing to introduce new uses on site to support and grow the local economy
- the subject property is designated Humber Green Large Urban Village in the *Official Community Plan* (OCP, 2012), which envisions this area as a transit-oriented hub and directs staff to require new transit shelters as a condition of development along frequent transit corridors. The applicant is willing to install a new transit shelter and upgrade the transit plaza area with additional seating, trees, and resurfacing fronting the existing Victoria Press Building on Douglas Street
- the *Burnside Gorge Neighbourhood Plan* (2017) designates the subject property Humber Green – Large Urban Village and identifies the site as a special planning area, which supports commercial uses and envisions the area as a centrally-located and transit-oriented employment hub
- the existing heritage-designated building, formally known as the Times Colonist building,

was the headquarters for newspaper printing, publishing and distribution. This proposal is re-imagining some of these light industrial uses with a focus on the food and beverage industry, which preserves the industrial character and brings new economic vitality to the area as envisioned for a Large Urban Village. The applicant is proposing to convert the old print reel room space into a distillery and brewery

- adding these new uses triggers a parking variance. The applicant is proposing to reduce the required number of parking spaces from 241 to 122, which is supportable given the transportation demand management measures (i.e., transit plaza and transit shelter, long-term and cargo bicycle parking, electric charging stations and end-of-trip facilities) being proposed to offset the parking shortfall.
- the applicant has fulfilled the requirements of the *Liquor Retail Sales Rezoning Policy*.

## **BACKGROUND**

### **Description of Proposal**

This Rezoning Application is to rezone from the S-1 Zone, Limited Service District, to a new zone in order to permit a brewery, distillery, brewpub, liquor retail sales and a commissary kitchen (shared commercial kitchen aimed to support small businesses and start-ups) within the existing building. The applicant is also proposing to reduce the required number of parking spaces from 241 to 122 to allow for these additional uses on site.

### **Sustainability**

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

### **Active Transportation**

The application proposes the following features which support active transportation:

- 92 long-term (including 10 cargo) and 42 short-term bicycle parking spaces
- 43 electric bicycle charging stations
- end-of-trip facilities, including showers and lockers.

### **Public Realm**

The applicant is proposing to install a new T4 bus shelter and upgrade the transit plaza area as public realm improvements in association with this Rezoning Application. These would be secured with a Section 219 covenant, registered on the property's title, prior to Council giving final consideration of the proposed Zoning Regulation Bylaw Amendment.

### **Accessibility**

No accessibility improvements are proposed beyond what is required through the *British Columbia Building Code*.

### **Land Use Context**

The area is characterized by commercial (office and retail), service commercial and residential uses.

## Existing Site Development and Development Potential

The site is presently a heritage-designated building (excluding the addition on the east side of the building) containing office uses.

Under the current S-1 Zone, the property could be developed as a four-storey building and include uses such as commercial (i.e., offices, professional services, restaurants, etc.), service commercial (i.e., servicing and repairing of goods, dry cleaning and carpet clearing, etc.) and/or light industrial (bakeries, printing and publishing establishments, milk processing and distribution, wholesale and retail sales, etc.).

### Data Table

The following data table compares the proposal with the existing S-1 Zone. An asterisk is used to identify where the proposal does not meet the requirements of the existing Zone.

Zoning Criteria	Proposal	Existing S-1 Zone
Site area (m <sup>2</sup> ) – minimum	10,088	n/a
Density (Floor Space Ratio) – maximum	1.24:1	1.5:1
Total floor area (m <sup>2</sup> ) – maximum	12,463	15,127.50
Height (m) – maximum	14.71	15
Storeys – maximum	4	n/a
Site coverage (%) - minimum	47	60
<b>Setbacks</b> (m) – minimum		
Front (Douglas Street)	3.67	0
Rear (Ross Lane)	39.22	0
Side (north)	5.98	3
Side (south – Kings Road)	1.67	0
Combined side yards		
Parking – minimum	<b>122*</b>	214
Bicycle parking stalls – minimum		
Long-term	92	66
Short-term	42	42

## Relevant History

On October 8, 2020, Council approved the heritage-designation of the original 1971 exterior of the building.

## Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications*, the applicant has consulted the Burnside Gorge CALUC. The CALUC waived the requirement for a virtual community meeting and 30-day comment period on the City's Development Tracker for this rezoning application. Letters dated May 22, 2020, June 2, 2021 and October 13, 2021 are attached to this report.

## ANALYSIS

### Official Community Plan

The subject property is designated Humber Green Large Urban Village in the *Official Community Plan* (OCP, 2012), which supports and encourages new commercial development in Urban Villages and envisions this area as a transit-oriented hub. By introducing a brewery, distillery, brewpub, liquor retail sales and commissary kitchen on site, this proposal is further advancing several socioeconomic, transportation and heritage objectives in the OCP, including:

- supporting the growth of the local and regional economy
- participating in the development of a more sustainable food system that considers all stages of the food system that celebrates local food culture and cuisine
- supporting economic activities that use and strengthen community resources and the capacity of citizens to enhance social well-being, such as food production and processing
- focussing new employment growth along the Douglas Street Corridor and linking land use changes to the planning and implementation of Rapid Transit
- upgrading the transit plaza area along the Douglas Street frontage
- conserving and enhancing the heritage value and character of the existing building and streetscape.

### Burnside Gorge Neighbourhood Plan

The *Burnside Gorge Neighbourhood Plan* (2017) designates the subject property Humber Green – Large Urban Village and identifies the site as a special planning area, which supports commercial uses and envisions the area as a centrally-located and transit-oriented employment hub. The Plan supports new commercial development along arterial roads and fronting on the internal streets of Humber Green, including Kings Road.

The Plan also envisions small transit plazas in locations of future rapid transit stations that are defined and activated by new development. Introducing these new uses and employment opportunities on site activates the need to enhance and expand the existing transit stop in front of the building on Douglas Street, which serves 18 bus routes that provide service to key employment hubs and destinations throughout the region. The applicant is willing to install a new transit shelter, street trees and benches to create a more transit-friendly plaza.

## **Liquor Retail Sales Rezoning Policy**

The proposal is subject to the *Liquor Retail Stores Rezoning Policy*. The Policy states that a store should be within an established or planned retail location to minimize nuisance to nearby neighbours, such as a large urban village as identified in the OCP or in a location zoned for other retail uses. The subject property is within a large urban village, which supports commercial and mixed-use development, including residential uses, and the existing zone permits retail uses. A liquor retail store at this location is supported in the Policy.

In the Policy, it mentions that the City wishes to avoid concentrations of this use (i.e., in the same block or at the same intersection) and that a new liquor retail store should be at least 200m from an existing store. There is an existing BC Liquor Store located at the corner of Hillside Avenue and Ross Lane (787 Hillside Avenue), which is located approximately 240m<sup>2</sup> from the entrance of the proposed liquor retail store which exceeds the recommended distance contained in the Policy. Additionally, this proposal is intended to be ancillary to the principal distillery use and is different than a stand-alone liquor retail store.

The Policy also states that a liquor retail store should be at least 200m from an elementary or secondary school, have a floor area of no greater than 275m<sup>2</sup> and an entrance fronting an existing street. The subject property is not within 200m of a school, the proposed floor area is 125m<sup>2</sup> and the entrance to the store would be on Kings Road. The applicant provided a Crime Prevention through Environmental Design (CPTED) analysis in the letter dated September 15, 2021 and there are no CPTED concerns with this proposal.

The Policy states that the rezoning application for a liquor retail store must be accompanied by a letter of preliminary approval from the Province of BC. The applicant reached out to the Liquor & Cannabis Regulatory Branch (LCRB) and received a response (attached) that the applicant is expected to receive zoning approval from the local government prior to submitting a Manufacturer Liquor Licence application to the LCRB for consideration.

The Policy requires the applicant to complete a neighbourhood petition. The applicant carried out the petitioning process in June 2020, and due to the pandemic, mailed petitions to 20 immediate properties and their residents. The applicant requested that the petitions be returned by mail as well. According to the applicant, there were several business closures during that time and as a result, they received limited responses. However, the applicant made a particular effort to engage with Ross Place (immediate neighbour to the north) and reached out to the Ross Place Seniors Community on multiple occasions to advise them of the project milestones. Petition notices were distributed to all their residents and the proposal was discussed at a residents' meeting. The neighbourhood petition package prepared by the applicant is attached to this report.

Lastly, the Policy requires referrals to be sent to the Victoria City Police (VicPD) and School District #61 (SD61) for a 30-day comment period. A referral was sent to VicPD on July 22, 2021 and response from VicPD dated July 29, 2021 is attached to this report. A referral was not sent to SD61 since there is no school within 200m of the subject property.

## **Tree Preservation Bylaw and Urban Forest Master Plan**

The goals of the Urban Forest Master Plan include protecting, enhancing, and expanding Victoria's urban forest and optimizing community benefits from the urban forest in all neighbourhoods. This rezoning application was received on July 28, 2020, so it falls under Tree Preservation Bylaw No. 05-106 consolidated November 22, 2019.

The tree inventory in the Arborist Report (attached), includes five trees located on the subject property, four of which are bylaw-protected, and six municipal trees on Kings Road. There are total of 11 trees affected by the proposed development.

Two purple leaf plums (32 and 41cm DBH), which are bylaw-protected and identified in the arborist report as having fair/poor structural conditions, are proposed to be removed to accommodate a new sidewalk design and upgraded transit plaza and replaced by four new trees as required by the Bylaw. One non-bylaw protected crabapple tree (14cm DBH) is also proposed to be removed, and two Japanese maples are proposed to be retained.

A statutory right of way is proposed at a 2m offset from the Douglas Street property line to accommodate public realm and public transit improvements. Two of the four replacement trees are proposed to be planted within the right of way therefore, the City would be responsible for the maintenance of these trees after establishment. Three of the four replacement trees are proposed to be in hardscape with soil cells to achieve recommended soil volumes and to be secured in a legal agreement to the satisfaction of the Director of Parks, Recreation and Facilities.

Six municipal trees along Kings Road frontage are proposed to be retained and protected during construction.

Tree Impact Summary (as per the Arborist Report):

Tree Type	Total	To be REMOVED	To be PLANTED	Net Change
On site trees, bylaw protected	4	2	4	+2
On site trees, non-bylaw protected	1	1	0	-1
Municipal trees	6	0	0	0
Neighbouring trees, bylaw protected	0	0	0	0
Neighbouring trees, non-bylaw protected	0	0	0	0
<b>Total</b>	11	3	4	+1

Bylaw protected trees proposed for removal from subject property:

ID#	Species	DBH (cm)	Overall Condition	Reason for Removal/ Comments
1898	Purple leaf plum	41	Fair	Structural concerns
1899	Purple leaf plum	32	Fair	Structural concerns

## Regulatory Considerations

### Commissary Kitchen

The applicant is introducing a “commissary kitchen” use, which would be a unique space that would offer commercial kitchen space to food truck operators, caterers, and other local food service businesses to prepare food and beverages for sale on and off-site. This commissary kitchen concept allows for smaller, start-up and established operators to build or expand their

business operations and allows users to share kitchen costs while reducing their operating costs. The applicant is also proposing a restaurant/café space to complement the commissary kitchen use and serve as a venue for the sale of goods produced on site.

### Floor Area Restrictions

The combined floor area of the proposed distillery, brewery and brewpub is approximately 615m<sup>2</sup>. Including the brewpub use is becoming increasingly popular as part of the distillery/brewery experience for customers. The zoning amendment would limit the size to the combined floor area to avoid an unlikely situation where the entire building is converted to a distillery/brewery/brewpub, which may result in neighbourhood concerns. Any future deviations from the maximum floor area requirement for a combined distillery/brewery/brewpub would require a variance.

The floor area of the proposed liquor retail store is 125m<sup>2</sup> and the applicant's intention is to maintain a store as ancillary to the principal distillery/brewery use. Even though there are no plans to expand the size of the store, the new zone would limit the size of the liquor retail store to 125m<sup>2</sup> and any future deviations from the maximum floor area requirement would also require a variance.

### Reduction in Vehicle Parking

The applicant is proposing to reduce the required number of parking spaces from 214 to 122 in order to facilitate this proposal. The applicant engaged WATT Consulting Group to complete a parking study (attached) and has proposed a comprehensive list of Transportation Demand Management (TDM) measures to help offset the parking shortfall that consider the proposed uses on-site.

The applicant is proposing a variety of TDM measures, including:

- an upgraded transit shelter with additional seating for transit patrons
- 92 long-term bicycle parking spaces (the proposal requires 66 long-term bicycle parking spaces, so the proposal exceeds the requirement by 26 bicycle parking spaces)
- 10 long-term, cargo bicycle parking spaces
- 43 electric bicycle charging stations
- end-of-trip facilities, including no less than one shower for every 15 long-term bicycle parking spaces, no less than one locker per long-term bicycle parking space, and additional showers and lockers if the building included within a fitness centre.

In the applicant's letter dated September 15, 2021, the applicant proposes to support the Transit ProPass program by providing an additional 10% per month discount on a transit pass above the 15% currently offered by the program, which would result in a 25% per month discount on transit passes for future employees. Since the ProPass program cannot be legally tied to a property and it is primarily an employer-based program, it is difficult to administer in its current structure as a transportation demand management measure. However, the applicant indicates that they will incorporate ProPass into the property management plan and tenant relations activities; however, as noted this cannot be secured.

In addition to providing a new transit shelter, the applicant will also be providing an upgraded transit plaza area with additional seating, trees, and resurfacing as a condition of rezoning,



which further advances several transportation objectives in the OCP, Burnside Gorge Neighbourhood Plan and the Victoria Regional RapidBus Implementation Strategy. The stop provides excellent transit access and services 18 BC Transit routes. According to the parking study, the subject property also has a WalkScore of 96 – “Walker’s Paradise: Daily errands do not require a car” and located approximately 1km (10 – 15 minute walk) from the downtown core. Lastly, the site is also located nearby the Kings-Haultain cycling corridor. Given the proposed TDM package and the site’s desirable location for walking, cycling and transit, staff supports the parking variance and recommends that a covenant is registered on title to secure the TDM measures outlined above to the satisfaction of the Director of Engineering and Public Works.

Statutory Right-of-Way

The applicant is willing to provide a Statutory Right-of-Way along the Douglas Street frontage to accommodate public access to, and at, the transit shelter and plaza location on site to the satisfaction of the City Solicitor and Director of Engineering and Public Works.

**Resource Impacts**

It is estimated that the annual city maintenance costs to maintain two new municipal trees and irrigation is \$520.00. The breakdown is as follows:

Increased Inventory	Annual Maintenance
Two new municipal trees (within new ROW)	\$120
Irrigation	\$400

**CONCLUSIONS**

The proposal to rezone the subject property to permit brewery, distillery, brewpub, liquor retail sales and commissary kitchen uses within the existing building is consistent with the relevant policies in the OCP and *Burnside Gorge Neighbourhood Plan*. Specifically, this proposal further advances several socioeconomic, transportation and heritage objectives in the OCP. Limiting the combined floor area of the distillery/brewery/brewpub and the floor area of the liquor retail store will ensure that the scale of these operations is suitable for a large urban village. Staff recommend for Council’s consideration that the Application advance to a Public Hearing.

**ALTERNATE MOTION**

That Council decline Rezoning Application No. 00680 and Development Variance Permit Application No. 00247 for 2615 Douglas Street.

Respectfully submitted,

Leanne Taylor  
Senior Planner  
Development Services Division

Karen Hoese, Director  
Sustainable Planning and Community  
Development Department

**Report accepted and recommended by the City Manager.**

## List of Attachments

- Attachment A: Subject Map
- Attachment B: Aerial Map
- Attachment C: Plans date stamped September 17, 2021
- Attachment D: Letter from applicant to Mayor and Council dated September 15, 2021
- Attachment E: Community Association Land Use Committee Comments dated May 22, 2020, June 2, 2021 and October 13, 2021
- Attachment F: Referral Comments from Victoria Police Department dated July 29, 2021
- Attachment G: Email from the Liquor & Cannabis Regulatory Branch dated June 2, 2020
- Attachment H: Parking Study prepared by WATT Consulting Group dated September 2, 2021
- Attachment I: Arborist Report prepared by Talbot MacKenzie & Associates dated December 20, 2020
- Attachment J: Neighbourhood Petition Package.