

[REDACTED]

From: Aryze Engagement [REDACTED]
Sent: Wednesday, April 27, 2022 6:42 PM
To: Ron Brogden
Cc: Public Hearings
Subject: Re: 1025 Kings Road: Rezoning Application No. 00752 and Development Permit with Variances Application No. 00157
Attachments: Ross Terrace 2.png; Ross Terrace 1.png

Hello Ron,

Thank you for taking the time to share your feedback and perspective, as well as sharing your support of rental housing and densification. After reading your email, we wanted to reach out with some additional information and context regarding some of the points you raised.

The rendering you have references is of an earlier iteration of the proposed development. I've attached the final version that was part of our development permit and was submitted to the City of Victoria and represents the building that was constructed.

We are committed to—and have made progress on—contributing a public amenity in the form of a park next door to Ross Terrace on the underutilized vacant lot in collaboration with School District 61 and The City of Victoria. Recently Mayor and Council supported a motion to approve a park plan for this site, and we are working with planning staff on some design changes as well as additional consultation with the community. Our proposed development at 1025 Kings Road has committed \$100,000 as a voluntary contribution to make this park initiative a reality.

In the interim, while we resolve the design changes with The City, we have set up a temporary pop-up playground to be utilized by nearby residents, as well as the new daycare provider opening its doors in the ground floor commercial space at Ross Terrace. The request for a playground and park space was a request made by nearby residents early in our consultation process for Ross Terrace and we remain committed to realizing this public amenity contribution.

In regards to rental rates, Ross Terrace includes 12 new rental apartments available at 25% below market rate for eligible tenants, in partnership with BC Housing and The City of Victoria. What's more, 100% of the project meets BC Housing and CMHC's affordable program. The rents you are referencing would be for one of the market rate units, not a below market rate unit, which are all currently leased. For example, a below market rate 1 bedroom unit in Ross Terrace is currently leasing for \$1015 / month and below market rate studios are renting for \$995 / month.

1025 Kings Road will be 100% affordable as per the City of Victoria's guidelines. In addition, we are proposing that 10% of the building has defined rent levels. We have worked with City planning staff to establish rents for 3 x 1-beds, 1 x 2-bed, and 2 x 3-beds which align with the median income in Victoria which is currently set at \$55,000. This is a maximum household income level and these 6 units would be available for households earning under this income level. For the remaining 50 units in the building we are currently working with senior government funding providers to secure a financing package that will require income qualification checks to ensure the units meet the affordable definitions established by either BC Housing or CMHC.

Lastly, regarding tenant assistance, we're working closely with the City and their Tenant Assistance Policy on a number of other projects, allowing us to take a proactive approach for those who require relocation support. The Aryze policy is to exceed the TAP program requirements in both offers of financial assistance (for rent and moving expenses), but also by offering numerous opportunities for relocation throughout our other purpose-built rentals (PBRs) across Victoria. One of the tenants at 1025 Kings Road actually moved into one of Ross Terrace's below market rate units and continues to live there to this day.

The building has 15 rental homes and since the start of this project we have worked closely with the landlord to implement a Tenant Assistance Plan. The Plan, which has been reviewed and approved by staff, has provided financial and moving support to existing tenants.

Thank you again for taking the time to provide this feedback. If you have any other questions or feedback do not hesitate to reach out to us at [REDACTED] or give us a call at [REDACTED]

Best regards,

Julian Kolsut

Engagement Coordinator

A R Y Z E

1839 Fairfield Road
Victoria BC V8S 1G9

[REDACTED] (office)
[REDACTED]

On Sun, Apr 24, 2022 at 2:39 PM Ron Brogden [REDACTED] wrote:

My name is Ron Brogden and I live within 5 blocks of the proposed 1025 Kings Road Project. I regularly spend time in Quadra Village and walk or ride by Ross Terrance and the existing Kings Street building several times a week. As a long time Victoria resident my ties to the area are strong (friends, arts, recreation and commerce).

I would first like to state that I am voicing my support for this project. We need the rental housing desperately and 1025 Kings is an ideal spot for increased density due to the nearby amenities and high availability public transit. Having any deeply discounted rental units is a win at this point.

That support aside, I strongly encourage council to ensure that any promises given by the developer are made binding and not left to future largesse. The developer's previous project Ross Terrace provides a clear example as to why this is imperative for any rezoning approval.

Attached is the initial artist rendering used to represent Ross Terrace during the consultation and approval process which significantly differs from what was actually built. Similarly, promises were made related to public amenities which have yet to materialize in the form promised:

"We built this five-storey building in 11 months during COVID, because we have in-house construction, and we saved \$300,000 in interest on our loan. And instead of pocketing it, we gave it back to the community by proposing to build an amazing park next door," Mr. Mari said.

[REDACTED]

Ross Terrace was also presented as "affordable". Recently a 1 bedroom at Ross Terrace was listed at \$1675. Based on CMHC's affordability calculator even if one had zero expenses it would require a minimum gross yearly income of \$65,000 for this to be considered "affordable".

[REDACTED]

[REDACTED]

As well, so-called "affordable" Ross Terrace rents have been increasing since the project was initially built. A one bedroom was priced at \$1575 last August. Studios were initially advertised starting at \$980 but as recently as March 2021 a studio was listed for \$1400! There is a danger of enabling profiteering here without binding constraints placed on maximum rental increases.

When the developer refers to units being "income tested" this represents Devon Properties performing credit checks to ensure that prospective renters are affluent enough to afford whatever is charged without falling foul of the 30% affordability definition. It bears no relation to median incomes in the surrounding neighbourhood which are significantly lower than expected cutoff to live at 1025 Kings Road. So far I also have not seen any mention of allowing existing tenants back at reduced rents or specifics on what will be done to reduce the displacement impacts.

In summary, the potential negatives of the project can be greatly limited by ensuring promised deliverables are made binding. With that ask in mind, I guardedly voice my support for this project.

Ron Brogden
1136 Empress Avenue, Victoria BC
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[REDACTED]

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:: Will code PHP for food!
:: [REDACTED]