

May 20, 2022

Mayor and Council
City of Victoria
1 Centennial Square

Re: Purpose-Built, Affordable Rental Project | Regional Housing First Program
Property Addresses: 131/135/139 Menzies Street

Dear Mayor and Council,

It's my pleasure to introduce you to our Purpose-Built, Affordable Rental project located at 131-139 Menzies Street in the beautiful James Bay village centre. We have been working diligently with Mr. Tony James and his team at Continuum Architecture to provide a turn-key rental housing proposal, which will provide 46 attainable rental homes for residents within the Capital Regional ("CRD").

Relation to current Quebec and Montreal Rezoning Application (REZ00804/DVP00191)

This project will form the affordable housing amenity to complement our land-lift and inclusionary housing package for the condominium rezoning application at Quebec and Montreal Streets in James Bay (which is currently in review by the City of Victoria). The three properties included in this proposal are an ideal location for a rental housing development. Their proximity to retail goods and services, green space amenities, accessible transit and a generally walkable community will allow tenants to thrive with a high quality of life within the James Bay core and along this designated growth corridor.

Following the initial submission of our mixed-use condominium project at Quebec and Montreal Streets in the Legislative Precinct of James Bay, Mike Geric Construction listened carefully to members of the community, representatives at the City of Victoria and housing advocates throughout the region to find a creative way to incorporate a significant affordable housing amenity into the proposal. The result was this separate project, that is more ideally located for affordability and provides a well-designed and turn-key affordable rental building.

Our intent is to secure our commitment to providing the purpose-built rental building by way of a Master Development Agreement whereby Final Reading of the Quebec and Montreal project is withheld subject to approval of the Menzies rental project. This will ensure we deliver the affordable rentals prior to final approval/occupancy at Quebec and Montreal.

Regional Housing First Program

Through application to the CRD's Regional Housing First Program ("RHFP"), our team has provided the Capital Regional Housing Corporation ("CRHC") with a transparent, vetted and industry-lead project budget, which demonstrates the realities of the construction market and confirms that we are providing this purpose-built development on a cost-recovery basis within this challenging

construction and economic climate. We will continue to work with our partners at the CRHC and BC Housing to ensure that this project is economically and socially viable, constructable and deliverable in conjunction with the market-driven Quebec and Montreal condominium application.

It has been a sincere pleasure to work with representatives from the CRD, CRHC and City of Victoria staff to deliver this proposal, which is complementary and supported by the City of Victoria's Design Guidelines, Official Community Plan and the James Bay Local Area Plan. We are pleased that the RHFP Project Selection Committee has approved our project to proceed to the CRD Board for funding approval and it is our sincere hope that this application will form a successful example of a builder partnering with the CRHC to provide affordable rental housing.

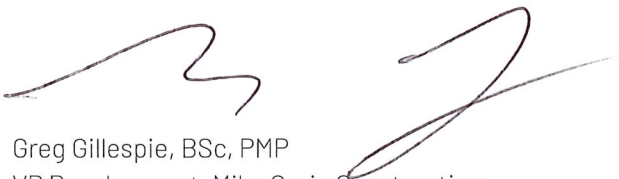
Our Request

We are asking Council to waive the CALUC process for the current Menzies Street proposal to expedite project review and align consideration of this project and the current Quebec and Montreal application.

Moving through the traditional CALUC process will add delays to approval timelines and jeopardize funding through the RHFP as this round of funding is soon closing and eligible projects must be shovel ready this year. Furthermore, escalating interest rates and trade pricing are increasing baseline budgets and additional processing delays will put this project's viability at risk.

Thank you for your consideration.

Sincerely,



Greg Gillespie, BSc, PMP
VP Development, Mike Geric Construction

Cc:

Alec Johnston, Senior Planner

Karen Hoesel, Director of Sustainable Planning and Community Development

Enclosures:

Architectural Drawings (131/135/139 Menzies Street)

CRD RHFP Evaluation Letter