



Committee of the Whole Report For the Meeting of June 16, 2022

To: Committee of the Whole **Date:** June 2, 2022

From: Karen Hoes, Director, Sustainable Planning and Community Development

Subject: Rezoning Application No. 00792 for 680 Montreal Street

RECOMMENDATION

Rezoning Application

That Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that authorize the proposed development outlined in Rezoning Application No. 00792 for 680 Montreal Street. That first and second readings of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set once a legal agreement is executed by the applicant to secure an easement over the neighbouring lot at 225 Belleville Street to allow access for users of 680 Montreal Street to the vehicle parking stalls, with the form and contents to the satisfaction of the Director of Sustainable Planning and Community Development and the City Solicitor.

LEGISLATIVE AUTHORITY

This report discusses a Rezoning Application. Relevant rezoning considerations include the proposal to increase the permitted density and include a new site coverage regulation in the zoning bylaw.

Enabling Legislation

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.

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 680 Montreal Street. The proposal is to rezone from the C-4H Zone, Harbour Activity District, and the M-2 Zone, Light Industrial District, to a new zone in order to allow the existing hotel use to continue once the provincially-legislated

expiration of the Land Use Contract occurs on June 30, 2024. The applicant is also requesting an increase in density and site coverage over existing conditions, which would allow for a redevelopment of the north wing in the future.

The following points were considered in assessing the Rezoning application:

- The proposal is generally consistent with the Core Inner Harbour/Legislative Urban Place Designation in the *Official Community Plan*, which envisions visitor accommodation as a permitted use
- The proposal is consistent with the *James Bay Neighbourhood Plan*, which identifies the property within the Tourist District and envisions the area to be zoned for hotel uses as a tourist-oriented centre in the City
- The increase in density from the existing 1.27 to 1.60 floor space ratio (FSR) and the increase in site coverage from the existing 45.4% to 60% would allow for a future expansion of the hotel without requiring another rezoning
- The proposed increase in height from 21.5m to 25.25m would be consistent with the existing maximum height of the hotel
- The irregular shaped lot makes determining standard setbacks difficult. The applicant is proposing a site-specific zone that would identify setbacks using a plan, with most setbacks at a minimum of 7.5m but some as low as 0m. A setback would be introduced for heights above 6m and would require the building to step back an additional 30 degrees from the edge of the lower building face
- A Development Permit would be required to ensure compliance with the relevant design guidelines should the applicant proceed with the redevelopment of the north wing in the future
- The vehicle parking that is located on the adjacent property would be legitimized and secured through an easement.

BACKGROUND

Description of Proposal

The subject property located at 680 Montreal Street (Laurel Point Inn) and neighbouring property located at 225 Belleville Street are currently regulated by a Land Use Contract (LUC), which permits the current buildings and uses. On June 30, 2024, all Land Use Contracts in British Columbia will automatically expire. Upon expiration, the site will be subject to two zones, the C-4H Zone, Harbour Activity District, and the M-2 Zone, Light Industrial District, and at that time the hotel building and use would become legally non-conforming. The property owner has proactively applied to rezone the property to a single site-specific zone to ensure the uses and building will continue to be permitted within the *Zoning Regulation Bylaw* upon expiration of the LUC.

As part of the application, the applicant is requesting an increase in density, height and site coverage, as well as the creation of plan-specific setbacks. If the application is forwarded to a Public Hearing, a new site-specific zone would be created that permits the existing hotel use and hotel building. The new zone would also allow for a potential redevelopment of the north wing in the future; however, a Development Permit approved by Council would still be required to ensure compliance with the relevant design guidelines.

The area is primarily characterized by hotel and multi-unit residential uses. The Inner Harbour and David Foster Walkway surround the property on three sides.



The portion of the property under the C-4H Zone, Harbour Activity District, could be developed as a mixed use building up to 11m in height and 2.0 FSR. The portion of the property under the M-2 Zone, Light Industrial District, could be developed as a light industrial building with a height up to 15m and a 3.0 FSR. This Rezoning Application would remove unwanted uses and complexities that occur with the current split zone.

The following data table compares the proposal with the standard T-1 Zone, Limited Transient Accommodation District, and the proposed site-specific zone which would be based on the T-1 Zone. An asterisk is used to identify where the proposal does not meet the requirements of the existing T-1 Zone.

Zoning Criteria	Existing Conditions	Standard T-1 Zone	Proposed Zone based on Standard T-1 Zone
Site area (m ²) – minimum	11520	1850	11520
Density (Floor Space Ratio) – maximum	1.27*	1.2	1.60
Total floor area (m ²) – maximum	14683	N/A	18432
Height (m)	25.24	21.5	25.25
Site coverage (%) – maximum	45.4*	20	60
Open site space (%) – minimum	44.4	30	30
Setbacks (m) – minimum Lot boundary for structures constructed prior to January 1, 2022 Lot boundary for new structures	0 N/A	7.5 7.5	0 0 to 7.5 (plan-specific) Additional 30° from edge of lower building face for portions of the building above 6m height
Parking – minimum	130	87 (Schedule C)	87 (Schedule C)
Parking location	Front and Side Yard / Neighbouring Property*	Not permitted on neighbouring property	Permitted on neighbouring property
Accessory Building Location	Side Yard (legal non-conforming condition)	Rear Yard	Side Yard

Active Transportation

The applicant has not identified any active transportation impacts associated with this application.

Public Realm

No public realm improvements beyond City standard requirements are proposed in association with this application.

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications*, prior to submission of the application, the proposal was posted on the Development Tracker along with an invitation to complete a comment form on May 21, 2021. Additionally, the applicant participated in a Zoom meeting with the James Bay CALUC on June 9, 2021. A letter dated June 12, 2021, is attached to this report. No feedback was received from the online 30-day comment period.

ANALYSIS

Rezoning Application

Official Community Plan

The property is designated as Core Inner Harbour/Legislative within the *Official Community Plan*, 2012 (OCP), which envisions recreation and tourism-related uses. The OCP also envisions densities of approximately 1.0 FSR, with increased densities of up to 4.0 FSR in strategic locations when accompanied with the advancement of plan objectives. The subject property provides valuable transient accommodation, is a prominent Victoria landmark and is generally consistent with the uses and densities envisioned in the OCP. Furthermore, the proposed zone would require setbacks away from the water as the building increased in height, which would prevent an overbearing building adjacent the public walkway and waterfront.

James Bay Neighbourhood Plan

The property is located within the Tourist District within the *James Bay Neighbourhood Plan*. This district recognizes the importance tourism plays in the local economy and encourages the improvement of tourist amenities in the area. Furthermore, the Plan envisions the area zoned for hotel and motel uses. Therefore, this Rezoning Application is generally consistent with the goals and objectives of the *James Bay Neighbourhood Plan*.

Regulatory Considerations

Parking

The vehicle parking for the hotel use is split between the subject property (8 stalls) and the neighbouring property at 225 Belleville Street (122 stalls). As such, an easement is required to ensure the parking stalls on the neighbouring property remain accessible to the users of the hotel. The requirement to secure an easement has been included in the recommended motion for Council's consideration.

Density and Site Coverage

The proposal is seeking an increase in density from the existing 1.27 to 1.60 floor space ratio (FSR) and an increase in site coverage from the existing 45.4% to 60%, which would allow expansions to the hotel without the requirement for a rezoning. The increased density would permit for an additional 3749m² of floor area, of which approximately 1725m² could be accommodated at-grade given site coverage limitations. 1.60 FSR is still substantially lower than that of the surrounding buildings, and allowing the extra density encourages the ongoing support of local events such as graduations, weddings and conferences, and improvement of tourist serving accommodation by expanding the applicant's ability to renovate and add more rooms and guest serving facilities. The concept images below show the minimal impact a potential

redevelopment of the north wing would have on the neighbouring park. The images are illustrative of one potential option within the proposed zone and are not meant as a specific building design, which instead would be created and presented at a future Development Permit stage.



Figure 1: Current Site Layout



Figure 2: Potential Future Site Layout

Height

The proposal is also seeking to legitimize the current height to eliminate legal non-conforming scenarios in the future and allow for a future expansion to be built to the same height. Therefore, the maximum height would be to increase from 21.5m in the T-1 Zone to 25.25m in the proposed zone, which is the existing height of the hotel. Staff support this increase in height as it is lower than many of the neighbouring buildings and the 30-degree stepback would sculpt the building height to mitigate an overbearing mass adjacent to the park. Again, if the applicant proceeds with an expansion in the future, a Development Permit approved by Council would be required to ensure compliance with the relevant design guidelines. The rendering below demonstrates the potential expansion to the same height of the existing hotel wing to the south.



Figure 3: Conceptual Rendering from the North



Figure 4: Conceptual Rendering from the East

Setbacks

The shape of the lot is irregular, which makes determining setbacks difficult. While the *Zoning Regulation Bylaw* is able to determine setbacks on irregular lots, in this instance it would be easier and clearer to insert a plan into the site-specific zone to determine setbacks. For most of the lot, the setbacks would match the T-1 Zone of 7.5m. However, there are instances where the existing building is legally non-conforming with a 0m setback. A plan-specific setback would allow the setbacks of the existing building to be legitimized while still ensuring that the public park and pathway have enough space to receive light and not be overwhelmed by a potential future expansion. To further ensure the public realm remains unharmed, a stepback would occur at 6m that would require the building to increase the setbacks at a 30° angle from vertical.

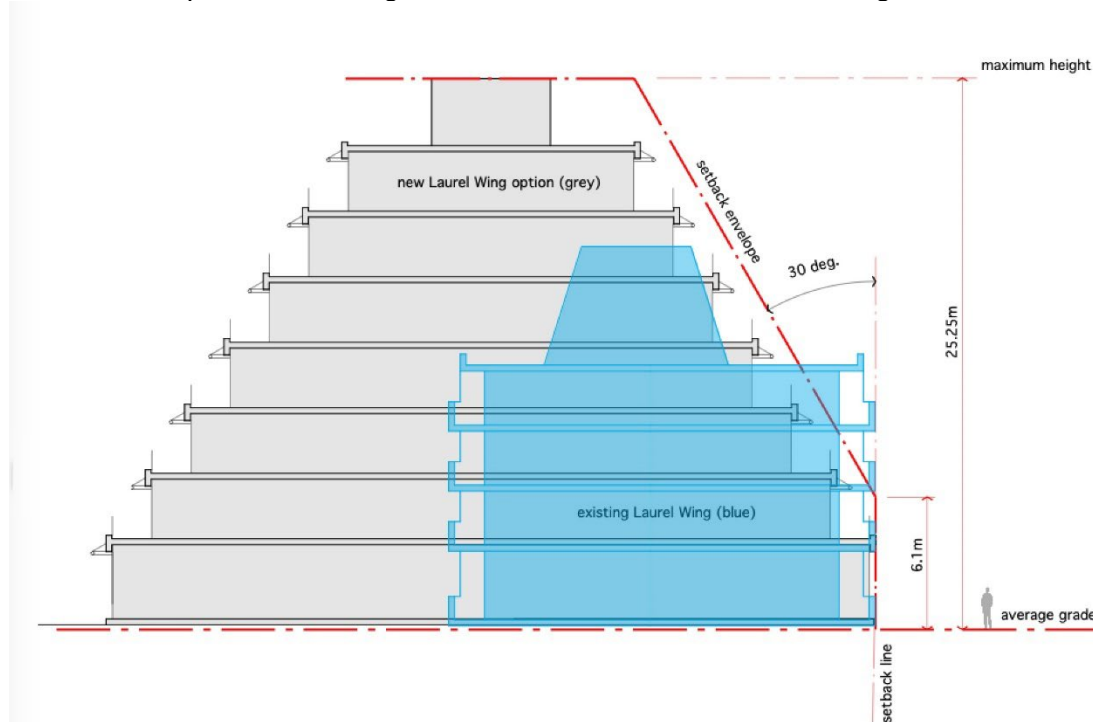


Figure 5: Demonstration of the Stepback at Upper Storeys

Sustainability

As indicated in the applicant's letter dated October 19, 2021, the existing hotel is British Columbia's first carbon neutral hotel. This has been achieved through measures such as geothermal heating and cooling, internal programs to reduce energy consumption and recycle waste, purchasing carbon offsets, and providing bicycle rentals and EV charging.

CONCLUSIONS

The proposal to rezone the property at 680 Montreal Street is consistent with the goals in the OCP and the Tourism District in the *James Bay Neighbourhood Plan*. The location of the parking is an existing condition that is proposed to be formalized as part of this application. Finally, the increase in density, height and site coverage, and changes to setbacks would permit for a redevelopment of the north wing without requiring another rezoning process in the future. Stepbacks at upper storeys would help prevent overwhelming the public park to the north. In addition, an expansion would still be the subject of a Development Permit application to ensure adherence to the design guidelines contained in Development Permit Area 9 (HC): Inner Harbour. Therefore, staff recommend that Council consider supporting the application.

ALTERNATE MOTION

That Council decline Rezoning Application No. 00792 for the property located at 680 Montreal Street.

Respectfully submitted,

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Senior Planner – Development Agreements
Development Services Division

Karen Hoese, Director
Sustainable Planning and Community
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Report accepted and recommended by the City Manager.

List of Attachments

- Attachment A: Subject Map
- Attachment B: Plans date stamped April 19, 2022
- Attachment C: Letter from applicant to Mayor and Council dated May 17, 2021, revised May 26, 2022
- Attachment D: Community Association Land Use Committee Comments dated June 12, 2021.