

01 September 2023

A Proposed Development by Aryze

1702 Quadra Street

Letter to Mayor and Council

ARYZE

01 September 2023

City of Victoria

1 Centennial Square

Victoria, British Columbia V8W 1P6

RE: REZoo8o6 (1702 Quadra Street)

Commitment to Staff Recommendations

Dear Mayor Alto, Council and Staff,

We are pleased to present this letter outlining our commitment to Staff recommendations from our 1702 Quadra Street Application Review Summary completed on July 13, 2023. As proposed, this development is a 13 storey, ninety one (91) unit concrete purpose-built rental building that introduces a mixed use development to a core location in the City's downtown.

We have been working with the City on this proposal since 2021, and in this time we have completed multiple iterations based on feedback from Staff, community, the Advisory Design Panel (ADP) and Heritage Advisory Panel (HAPL), which we have summarised throughout this letter. While this feedback has informed the shape, expression, layout and placement of the building, the changing economic conditions we have seen over the last two years have also contributed to this evolution.

Since September 2019, market conditions have continued to shift dramatically and the Bank of Canada has increased the base interest rates in an unprecedented manner. Unfortunately, this reality has a direct impact on the project and what we are able to propose, while still ensuring the viability of bringing much needed housing to the city.

At the end of the day, our goal as a company is to bring forward housing solutions for a city facing a housing crisis—and to do this, we often need to balance competing priorities. Our hope is that in this letter you will find the modifications we have made throughout this application process, resulting in an improved design that benefits all citizens.

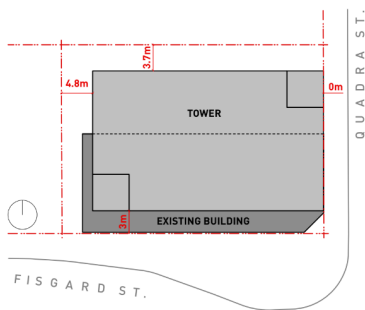
Project Evolution

Increased Setbacks: Respecting Neighbours

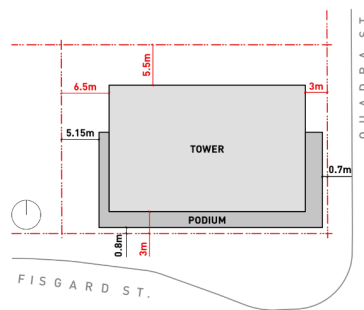
We heard Staff concerns around building separation and size. In close coordination with City Planners, this was addressed by increasing the setbacks, therefore resulting in a reduced floorplate and slightly taller building. The most recent Staff review requested a 2.0m SRW along Quadra Street, which triggers a change in building form and setbacks once again. While the DCAP prescribes more generous setbacks, we have ensured that there is a healthy separation between the proposed building and its neighbours to the west and the north. We are also in conversations with BC Hydro to potentially underground the power lines along Fisgard Street which will allow us to further increase the north setback.

We are strongly of the view that current placement of the podium and tower strike a good balance between providing the public SRW on Quadra Street in order to improve the pedestrian experience while providing healthy setbacks in order to retain neighbouring trees and respect the activities on adjacent lands.

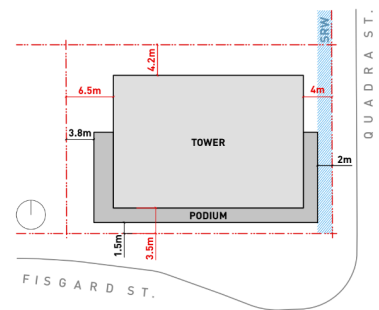
DP SUBMISSION [21.12.23]



DP RESUBMISSION [23.06.01]

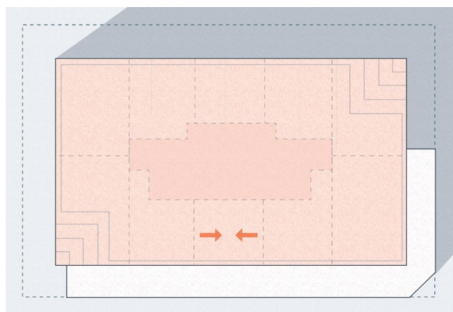


CURRENT PROPOSED NEW SETBACKS

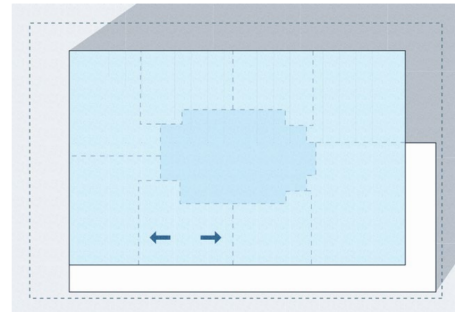


Increased Unit Sizes: Prioritising Livability

As the building design evolved, we have also increased the unit sizes and reduced the number of units per floor for increased livability. We achieved this by creating larger suites spread over more floors; increasing the width of the suites by 10%-15%, which means suites have more “frontage” and therefore more natural light. This brings important benefits to future tenants and will support reduced energy consumption in the building.



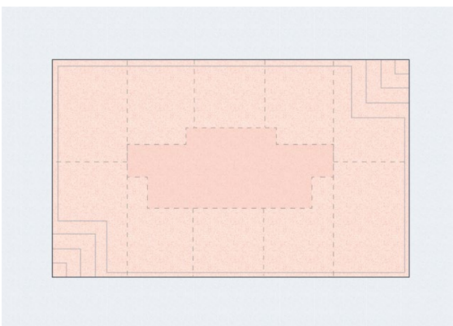
Original Proposal



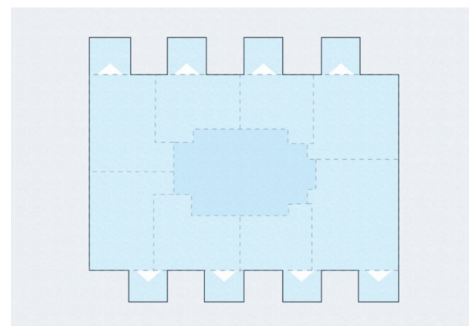
New Proposal

Added Private Outdoor Spaces: Private Balconies + Common Rooftop Patio

After feedback from the Advisory Design Panel in April 2022, we redesigned the building to provide private outdoor spaces to all the homes. The proposal is committed to providing generous sized private balconies in all units, as well as a common rooftop patio for social gatherings, creating a sense of community within the building. The balconies are located on the north and south sides of the building in order to respect the privacy of the building to the west and the experience of the Quadra Street corridor to the east.



Original Proposal



New Proposal

Traditional Evolution: Artistic Representation

While the exterior of the building has shifted in form throughout design iterations, the rich history of the subject site is still important to celebrate and we continue to look for ways to honour the building's history and neighbourhood context through design, research and collaboration.

In previous schemes we explored opportunities to retain the existing building facade as a way to honour and celebrate the rich history of the site as a mixed-use building with storefronts and apartments. There has been a growing trend towards 'facadism' where building facades are preserved as a way to honour the history of the existing structure. However, many heritage advocates are rightfully critical of this design approach—by focusing only on the exterior wall an awkward juxtaposition is often created between the old and the new, with both parts of the project being compromised.



After exploring the process to retain this facade, construction complexities were discovered which would have limited site access and reduced our ability to bring utilities to the site while exponentially increasing costs. Complete removal of the facade will produce a larger degree of flexibility and options to build a robust and functioning building for current and future generations.

It is important to note, the building has some unique characteristics but has no heritage designations or protections. It has been heavily modified over the years (Please refer to the Appendix provided at the end of this letter) and has little to no interior original elements. In addition, the outside has had walls and windows filled in and relocated to the point where there is little true heritage value. We engaged a heritage consultant for their recommendations and also connected with the Chinese Canadian Museum Victoria Exhibition and they had no feedback on retention. Under existing zoning, the parcel has the ability to construct a six storey multi-family building. We've elected to pursue an OCP-complaint rezoning to achieve greater rental housing on the limited core land base.

With this in mind, and in reviewing the North Park Neighbourhood Association’s Community Values survey, we opted to focus our design approach on meeting community priorities of increased housing diversity and commercial spaces that enliven the streetscape. Currently, this looks like exploring potential creative measures which create a material memory of the existing building while adding dimension to the materiality of the ground floor and exterior. One example of this is the proposed use of salvaged brick from the demolition of the existing building at and around the livework through a series of short walls, steps and planters along Figgard Street—bringing historical awareness and textural references to the original building at the pedestrian scale. Other examples include adding a picture of the original owners, Mr. and Mrs. Lee Dye, on the bike pavilion and retaining “The Abbey” name.



A proposed art installation on the metal facade

We are also interested in continued collaboration with local makers and creatives to explore design opportunities that weave the old with the new while remaining receptive to feedback from community members. The commercial and live-work spaces also present a variety of possibilities in terms of design and streetscape activation through the exterior facade which takes visual cues from the existing building in both form and function.



A new super-graphic neon sign takes inspiration from the existing building

Added Accessible Parking Stalls

The intent of this proposal has always been one of promoting a car-lite lifestyle. That being said, we have continued to work with Staff and the community to ensure we have enough parking to support the tenants and their visitors, while also ensuring we are providing space for those with accessibility needs.

The original version of our proposal had three (3) parking stalls (one of which was accessible), which was unanimously supported by Staff and community, with a request to make the proposal a zero parking building. In our resubmission, we included two (2) parking stalls as we reoriented the below grade plan in an effort to save some neighbouring trees, but the Arborist report suggested that the trees we were trying to save are in bad health and cannot be retained.

In the current design, as per staff request, we have added four accessible stalls (2 van accessible, 1 standard accessible and 1 modo car-share accessible) as we agree that our city needs more accessible infrastructure. This collaboration with staff has resulted in a mix of parking options that are appropriate for the location in the Downtown area and support reduced car use at the same time as providing accessible options for tenants.

Project at a Glance

In its present form, our proposed development at 1702 Quadra Street is a 13 storey purpose built, mixed use rental building with commercial space and live/work on the ground floor to activate the streetscape. There are 91 rental units proposed—each with their own balcony—ranging from studios to two bedrooms. A feature bike pavilion on the ground floor responds to the parking variance requested and a rooftop amenity space promotes connectivity amongst the residents.

Height	North Setback	Number of Homes	Short-term Bike Stalls
13 Storey	4.2 m	91 Homes	32 Stalls
			100% EV Ready

Site Area	South Setback	Studio Bedroom	Long-term Bike Stalls
10,202 sqft	1.5-3.5m	45 Homes	170 Stalls
Floor Area	West Setback	One Bedroom	Parking Stalls
56,111 sqft	6.5m	33 Homes	4 Stalls (Accessible + EV Ready)
Commercial Space	East Setback	Two Bedroom	Car Share
1 CRU	0.0-2.0m	10 Homes	1 Modo Car + Memberships
FSR	Site Coverage	Work/Live	Residential Tenure
5.50	78.7%	3 Homes	Rental in Perpetuity
		Balconies	
		88 + Rooftop Patio	

Our Commitment

In the most recent staff feedback received on July 13, 2023, a few significant modifications have been requested. We are working to incorporate the Staff comments in our resubmission, however, acknowledging the tight timelines, we request that our application please be moved forward with conditions that—as discussed with the City of Victoria Staff—

We agree to:

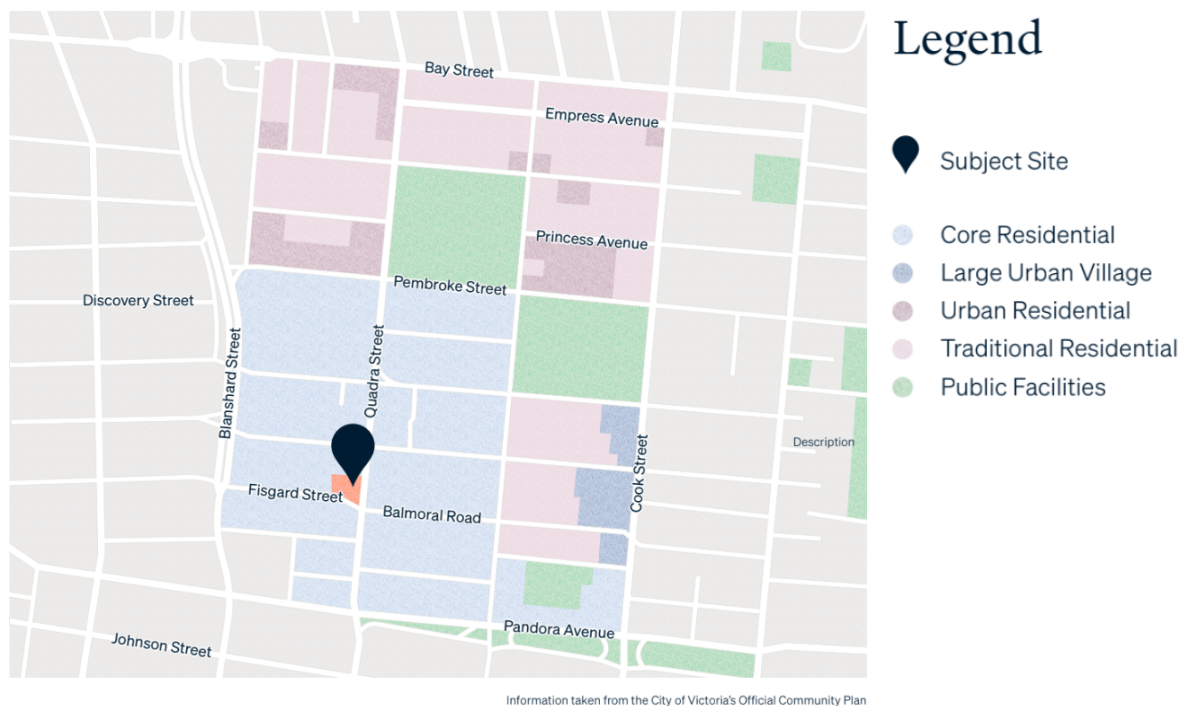
- Provide a 2.0m SRW along Quadra Street (as per Staff recommendation);
- Keep the west setback unchanged and as per the revised Development Permit set submitted on June 06, 2023;
- Keep the balcony depths to a minimum of 2.0m as prescribed by the DCAP;
- Keep the north setback to a minimum of 4.2m;
- Keep the bike stall count unchanged Development Permit set submitted on June 06, 2023 and also ensuring at least 1/3rd of the stalls are standard ground mounted;
- Add a bike repair station as per Staff comment received July 13, 2023
- Provide a minimum of four car parking stalls as below:
 - 2 Van accessible
 - 1 Standard accessible
 - 1 Carshare accessible
- Provide a garbage bin staging area OR a garbage pick up plan as per instructions of a local service provider;
- Provide sidewalk grades and driveway widths to the satisfaction of the Engineering and Public Works Department;
- Provide contextual explanation of exterior materiality proposed and introduce brick where possible;
- Provide and pay for the traffic signal upgrades to the satisfaction of the Engineering and Public Works Department;
- Reintroduce a communal outdoor rooftop space that fits the revised design and meets the future tenant needs;

Trade Offs

As can be seen throughout this document, there are trade-offs every time there is a change due to limitations of land size, setbacks, constructability, cost, timelines and other parameters. While we are committing to the above list, there are certain aspects of the proposal that we are unfortunately having to compromise on. At this point in time, hence, we are unable to promise to:

- Provide affordable rental housing (as defined by securing rates through a legal agreement with the City) due to the unforeseen interest rates, CMHC fees, and construction costs;
- Change the exterior materiality, primarily dictated by the efficient construction methodologies of window wall systems. We have alternatively taken an artistic and modern approach to responding to the heritage context of the neighbourhood with see through perforated metal as one of the key exterior elements.
- Adding green walls on the exterior wall of the north side of the bike enclosure because of lack of visibility and concern around plant survival being sandwiched between a fence and the bike enclosure wall.

Policy Compatibility



While the project has gone through multiple iterations, the core of it has remained unchanged. Delivering rental homes on this site in line with the City's adopted policies. 1702 Quadra falls within the Urban Core - Residential designation which allows for the highest density and greatest mix of uses in the City of Victoria. The project however exceeds the density maximum of the existing zone and hence rezoning is being requested.

The proposal meets and exceeds the goals and vision of the major planning documents. Core Residential areas are expected to have new developments that make efficient use of land through compact development, reduce fossil fuel dependence through advancement of multi-modal connectivity and mobility, preserve the culture and heritage in the area and most importantly provide much needed diverse housing that is affordable, secure and inclusionary.

Even at the neighbourhood level, the strategic direction of the area desires developments that accommodate new population and housing growth within walking distance of the North Park Village and enhance pedestrian connections with Downtown and the Douglas Street rapid transit corridor.

In terms of the Development Permit Area the lot falls under DPA 3 (HC): Core Mixed- Use Residential and the guidelines for development include transforming the function, form and character of the area through mid-to-high-rise residential mixed use and commercial buildings. It also talks about enhancing the area through a high quality of architecture and urban design that reflects the function of a major residential centre on the edge of a central business district in scale, massing and character, while respecting the prominent heritage landmark buildings.

Last but not the least, the proposal conforms to the design guidelines of the Downtown Core Area Plan (DCAP) with a proposed SRW for future street improvements that include wider sidewalks, boulevards and public seating spaces. The DCAP anticipates that the subject area will experience a shortfall of between 110,000 sqm and 600,000 sqm of space within the next 10 to 15 years, emphasising yet again that developing the existing lands to their full potential is not only a need but a responsibility.

In an attempt to achieve this however, the proposal is exceeding the maximum allowable density within the OCP by 0.5. Where the maximum allowed is 5.0, the project as proposed is at 5.5. There are, however, provisions in the OCP that allow for additional density for projects that advance the policy's vision and strategic objectives which in our proposal is achieved through provision of purpose built rental housing that is architecturally advanced and sustainable.

The proposed development is also supported by several other strategic documents:

- Housing Strategy Phase 1 and 2
- Go Victoria Mobility Plan
- Climate Leadership Plan
- Dozens of action items in the 2019– 2022 Strategic Plan

Project Pillars

Compact Development

As the City grows, we need to create housing in the locations that can respond to population growth. Creating homes near existing services, workplaces and amenities inspire a healthy city, where residents can work, live and play all within 15 minutes. This location is perfect for the car-lite lifestyle with active multi-modal transportation options nearby and multiple bus routes running nearly every five minutes.



Commercial Vibrancy

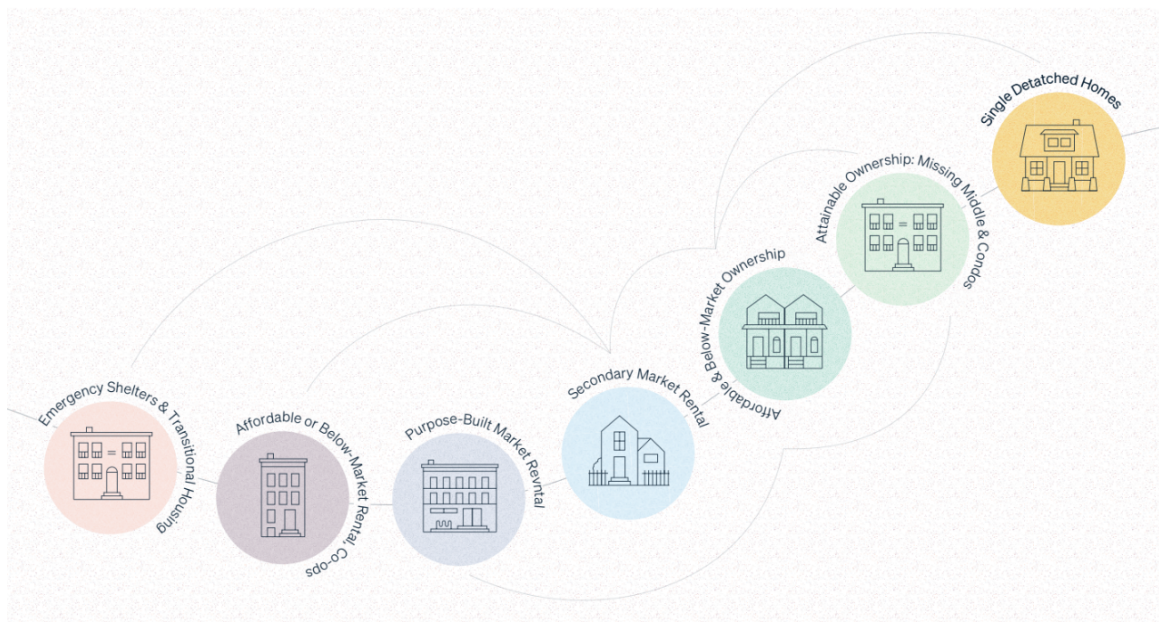
The area surrounding the subject site has always been a marriage of commercial and residential, and this proposal aims to carry that forward with consideration of the current and future potential of the highly underutilised site. The commercial space and live-work residences located on the ground floor have been designed in response to the corner site orientation—and the City's design guidelines for Mixed- Use Residential buildings—adding commercial vibrancy and opportunities for community connection to both streetscapes.



Situated on the southeast corner of the site, the commercial space mimics the original layout of the existing building while increasing visibility and expanding upon the varied commercial offerings on the block. The North Park Neighbourhood Association's Community Values Survey highlights the community's desire for local, diverse businesses that contribute to the vibrancy of the neighbourhood and we hope to honour that desire as we continue to explore suitable commercial tenants for the CRU space.

Located along Fisgard Street, three work-live units will provide a unique opportunity to add to the public realm with pedestrian activity through small commercial spaces during the day and residential activity after work hours. While adding to the diversity of rental stock in the city, live-work units support a car-lite, community-driven lifestyle—important tenets of the 15-minute city. We look forward to engaging with prospective tenants about the benefits of live-work homes and envisioning ways that the hybrid living arrangement can support their individual ventures and the community as a whole.

Housing Diversity



BC Housing Strategy's Housing Continuum

The essential nature of this proposal is one of providing secure purpose-built rental (PBR) housing stock, with a diverse unit mix, for a city facing a housing crisis. PBR housing is the strongest form of tenure and represents a possible—and sometimes beneficial—alternative to homeownership. Common benefits to rental housing are the lack of maintenance or repair costs, increased access to

amenities, no property taxes, more flexibility where you live, predictable monthly payments and no requirement for a down payment. If we are going to make urban progress in affordability, climate change and social equity, we need to increase rental housing across the city in areas well connected to walking, cycling and transit corridors. As a PBR, the proposal has been designed with leasing in mind.

Sixty-one percent (61%) of households in Victoria rent their home; these are diverse people with diverse needs. The building programming in our proposal is reflective of that by providing a mix of studio, one bedroom and two bedroom units throughout. That means all rental units in our proposed development are tailored to increase livability through the form and function of the units and to support the likelihood of long-term tenancies.

The best thing we can do for affordability across the board is to build more housing, period. As Victoria's rental vacancy rate continues to remain well below the healthy threshold of 5%, an ongoing lack of available rental inventory is a strong detractor to the affordability and health of our city.

Tenant Assistance

The Aryze approach is to exceed the TAPs requirements in offers of financial assistance for both rent and moving expenses. Tenants are compensated based on "Table 1 - Rental Compensation" provided in the Tenant Assistance Policy, where we use the latest CMHC rents available for calculations.

We also add an additional month of rent to the total compensation package. For example if the tenant is eligible for 3 months rent as compensation, we are offering and paying them 4 months rent at the time of relocation. Similarly, moving expenses are also topped up by \$250 over the eligibility amount as a gesture of additional support to relocating tenants.

Each project is assigned a dedicated Tenant Relocation Coordinator (TRC) within our organisation who is the key point of contact and introduced to the tenants before the application for Rezoning and DP is submitted to the City. While the primary mode of communication is via email, tenant preference is considered where possible, if tenants prefer to communicate via phone or text message. All project updates are delivered in-person in a physical format.

The TRC ensures that the rent roll is updated at least once every two months to keep track of any change in tenancy or tenant information. Project updates are sent whenever there is either a significant change in the proposed development or the project moves to a subsequent stage in the municipal process.

Apart from the TRC, our Engagement Coordinator is also available to provide additional support to tenants when it comes to in-person meetings or guidance in filling out the relevant forms. Their contact information is provided at the outset of the project, should the tenants have any inquiries.

An updated Tenant Assistance report has been reviewed and approved by the Housing Planner dedicated to our 1702 Quadra proposal.

Community Consultation

Our goal is to create an atmosphere where people feel comfortable to share their ideas, hopes and aspirations for the community—and for them to ultimately see these values reflected in the project. In September 2020 we began our engagement with notifying tenants of the proposed development at the subject site. This was done well in advance of any other engagement activities to open up a direct dialogue with our team. Prior to our Community Information Session in December 2021, we followed up with tenants to begin the Tenant Assistance process, and later held 1:1 introductory meetings to further our assistance efforts.

Nearly 1,500 residents in the immediate vicinity to the proposed development site received invitations to our formal CALUC Community Information Session on 08 December 2021, hosted by the North Park Neighbourhood Association. We then followed up with tenant outreach and distributed an invitation for our second CALUC Community Information Session, held on 25 October 2022.

We were notified that neighbouring North Park Manor and Fiskard House residents faced difficulties with accessing technology to attend our virtual meeting. These residents are supported by the Seniors Services Society. In response, Aryze hosted an in-person Community Information Session on 07 November 2022, giving residents full opportunity to learn more about the project and have any questions answered.

Our most recent Open House event was held on 29 June 2023 at the First Metropolitan Church to provide an update on the status of the proposal and the evolution of the design.

Closing

In summary, we have gathered feedback from the City and the community, which has been incorporated in this redesign to improve the development for both future residents and the

neighbourhood at large. This proposed development will add to the diversity of rental stock and commercial offerings in North Park, while supporting a car-lite, community-driven lifestyle. While many elements of the proposal have evolved, our original goals—to create much needed mixed-use purpose-built rental housing that contributes to neighbourhood vibrancy—continue to be emphasised in the design, and in many ways, exceed what we were able to deliver with the previous iterations of the proposal.

The setbacks of the podium and the tower on this project have been the focus of a lot of attention from staff through the two years of planning and design work. We strongly believe that the current placement of the tower and the related setbacks provide an excellent solution. An SRW is secured which will allow the City to improve the Quadra Street experience and building separations are proposed that can maintain privacy and overall allow the new building to be a good neighbour to surrounding residents.

Combined, we believe that this proposal focuses on the important tenets of city building; placing the right homes in the right places, thoughtful design that acknowledges the neighbourhood context and future growth potential, all while contributing to a diversity of housing that supports a myriad of lifestyles.

Sincerely,

A handwritten signature in black ink that reads "Vinit Jain". The signature is fluid and cursive, with a horizontal line underneath the name.

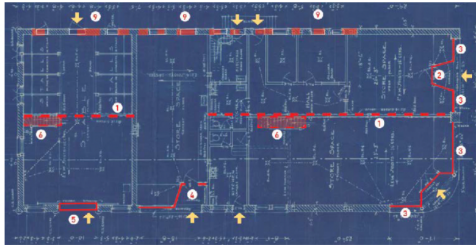
Vinit Jain

Development Manager
Aryze Developments
Aryze.ca

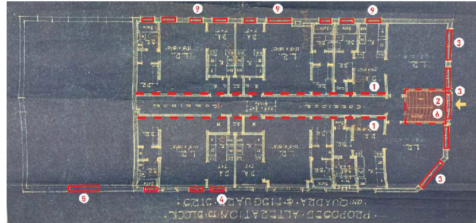
Appendix

LEVEL 01 PLAN

1911 ORIGINAL DRAWING



1942 PROPOSED ALTERATIONS



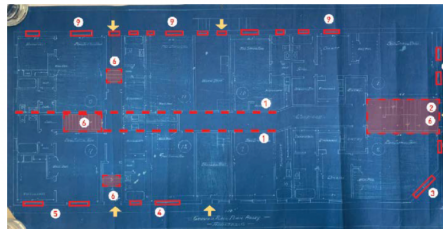
1911 ORIGINAL

1. Central column line.
2. Quadra Street secondary entrance.
3. Original large plate glass windows along Quadra Street
Original corner building entrance at Fisgard & Quadra.
4. Original large plate glass along Fisgard St. with entrance.
5. Original double sliding door stable entrance with brick archway.
6. Original interior main building staircase locations.
9. North facade original window types / window locations

1942 RENOVATIONS

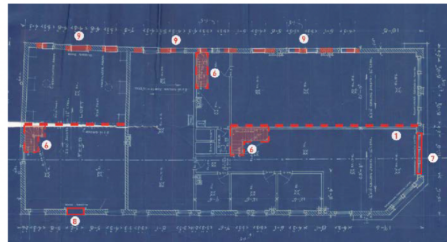
1. Central column line split to create corridor.
2. Quadra Street entrance relocated. New staircase added.
3. Plate glass removed for smaller window openings & infilled wall areas.
Removal of corner building entrance at Fisgard & Quadra.
4. Removal of plate glass for smaller window openings, entrance removed.
5. Stable door infilled with new smaller windows. Archway reference remains.
6. New interior main building staircase locations.
9. Modified north facade window types / window locations.

1942 ALTERATIONS

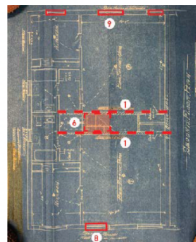


LEVEL 02 PLAN

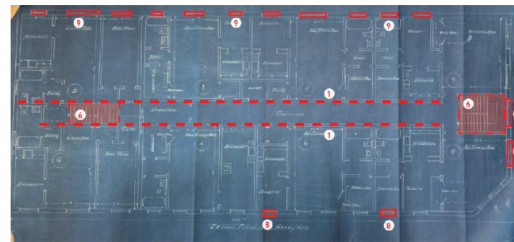
1911 ORIGINAL DRAWING



1942 PROPOSED ALTERATIONS



1942 ALTERATIONS



1911 ORIGINAL

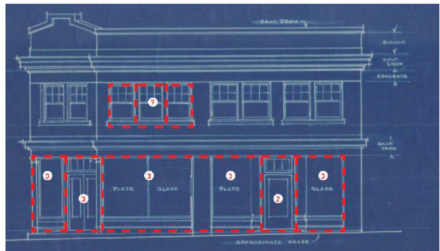
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7. Original window pattern/window type along Quadra Street.
8. Original window pattern/window type along Fisgard St.
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1942 RENOVATIONS

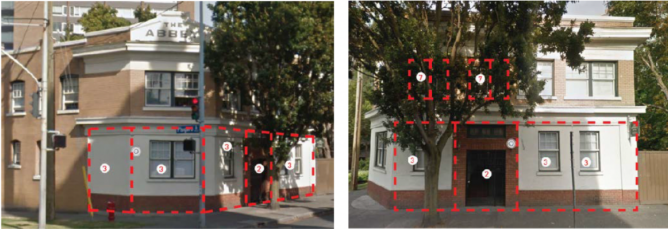
1. Central column line split to create corridor.
6. New interior main building staircase locations.
7. New window pattern/window type along Quadra Street.
8. Additional or modified window pattern/window type along Fisgard St.
9. Modified north facade window types / window locations

QUADRA STREET ELEVATION

1911 ORIGINAL DRAWING



CURRENT [GOOGLE STREET VIEW 2017]



1911 ORIGINAL

2. Quadra Street secondary entrance.
3. Original large plate glass windows along Quadra Street & corner of Fisgard St. Original corner building entrance at Fisgard & Quadra.
7. Original window pattern/window type along Quadra Street.

CURRENT

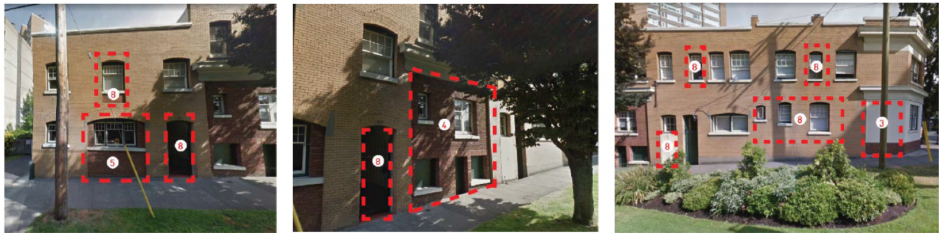
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7. New window pattern/window type along Quadra Street.

FISGARD STREET ELEVATION

1911 ORIGINAL DRAWING



CURRENT [GOOGLE STREET VIEW 2017]



1911 ORIGINAL

3. Original large plate glass windows along Quadra Street Original corner building entrance at Fisgard & Quadra.
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1942 RENOVATIONS

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