



November 21, 2023

Mayor Alto & Council
City of Victoria
City Hall
1 Centennial Square Victoria,
BC V8W 1P6

Dear Mayor & Council,

RE: Redevelopment of 1050 Yates Street

On behalf of Chard Development Ltd., I am proud to provide this revised summary of our proposal for the redevelopment of 1050 Yates Street. This letter has been written to accompany a Development Permit with Variances Application (DPV00230) for the above noted property. A letter was previously submitted to Council on March 24, 2023.

The vision for this redevelopment is of a socially conscious, **100% Purpose-Built Rental** (PBR) housing development connected with ground-orientated retail and shared amenity spaces providing a complete, self-sustaining lifestyle for future residents.

Context

The property is the site of a former commercial car dealership and service garage and borders three main arterial streets (Johnson, Cook and Yates) on a typical block in the Harris Green residential district.

The 1050 Yates site was part of a larger parcel that was rezoned at Public Hearing on October 24, 2019. A Master Development Agreement was executed shortly after covering both the 1025-1031 Johnson Street site and the 1050 Yates Street site.

The Amended Zoning Bylaw provided for a total area of density on the site (as shown in the table below). The redevelopment of the 1025-1031 Johnson Street site, which is now complete, includes a self-contained, below-market housing building operated by a not-for-profit operator and built above a new post-disaster Firehall facility. As part of this joint rezoning, the site provided a significant affordable rental housing contribution of 130 units.

	1025-1031 Johnson Site (Complete)	1050 Yates (Permitted Density)	TOTAL*
Sq. ft	150,975	376,026	527,001
Meters	14,026	34,934	48,960

*Source - Bylaws for 1025-1031 Johnson Street and 1050 Yates Street: Official Community Plan Amendment and Rezoning Application No. 00660

The remaining available density has been apportioned to 1050 Yates Street – the remainder of the site – and carries a number of permitted uses, including 100% market condo. Chard is proposing to redevelop the site to include 100% purpose-built rental. We are not seeking to increase the allowable density as permitted under the approved Rezoning but rather have worked rigidly within the maximum density permitted. We are, however, seeking to amend the previous Zoning to increase the building height to improve livability through adaptation and articulation of the building's form and massing. Additional height is being requested in exchange for:

- A commitment to providing 100% Purpose Built Rental housing in perpetuity;

- A parking ratio of 0.35 reduced from the approved Rezoning ratio of 0.6, offset by enhanced Transportation Demand Measures (TDM);
- Full electrification of the Purpose Built Rental;
- Significant remodeling of the Yates frontage to provide an enhanced BC Transit in-lane curbside stop and an enhanced pedestrian experience; and
- Undergrounding of the BC Hydro Lines along the Yates and Cook frontage, providing for more generous sidewalks and enhancement of the public realm.

Land Lift Analysis

In January 2019, the City retained G.P. Rollo & Associates (GPRA) to undertake a land lift analysis at the time of Rezoning (report dated January 20, 2019). This analysis considered all portions of the site – including the 1025-1031 Johnson Street site and the 1050 Yates Street site. The report concluded that there was no lift from the proposed Rezoning due to the inclusion of the 130 affordable housing units and the resulting drop in supported land value. A secondary scenario considered the affordable housing units as market rental. This scenario also resulted in no land lift. Thirdly, a scenario was modelled based on the requirements of the Inclusionary Housing Policy 2019 (even though – due to timing – the application was exempt) which included more stringent base density requirements. Again, this model resulted in no lift in land value – even if the 130 units were offered as market rental – and further emphasized the significant voluntary affordable housing contribution. Not taken into consideration at the time was the provision of a public plaza along Yates Street and the enhanced public realm. It is believed that these elements would further reduce the potential for a land lift.

KEY PROJECT BENEFITS

When we consider population and housing statistics within Victoria, the need for additional purpose-built rental housing is clear and well supported. A hiatus in construction of rental housing beginning in the 1980s has resulted in a lack of rental supply that has contributed to the current housing crisis. The recently published 2023 CMHC *Rental Market Report* noted that the vacancy rate of purpose-built rental in Victoria remained one of the lowest in Canada at 1.5%.

Renters make up 61% of Victoria's population and this proportion continues to increase as home ownership has become increasingly out of reach. The 'Victoria Housing Strategy 2016-2025' identifies a number of critical goals to address the lack of housing:

Goal One – Focus on Renters

- Create more rental housing supply to create less competition for units.
- Create more opportunities for rental and choices in the types of rentals available.

Goal Two – Increase Supply

- Purpose-built rental should be prioritized as it's more secure than the secondary rental market and becomes more affordable over time as rental rates rise more slowly than housing prices.

Goal Three – Housing Choice

- A mix of housing types caters to a more diverse range of residents, in all ages and stages of life.

As proposed, the development supports these vital goals, bringing with it a number of additional benefits to the Harris Green neighbourhood and the City of Victoria, as outlined below.

Purpose-Built Rental Housing

This proposal will bring approximately 481 much needed purpose-built rental units to the Harris Green neighbourhood. Increased rental housing supply will help in the long term to stabilize rental rates and bring balance to the rental market, freeing up other rental properties along the housing continuum while providing security of tenure and creating a strong, vibrant community.

This housing will be delivered in one phase, unlike a condominium project which would most likely be phased in order to meet presale financing commitments and reflect absorption. This approach will reduce disruption to the community and result in faster delivery of critical purpose-built rental housing.

Further, this housing will be provided without the displacement of a single resident or business. The Pacific Mazda dealership closed some years ago and no other businesses currently exist on site. The urban infill nature of the project adheres to the principle of promoting development on existing urban sites, diverting development pressure from greenfield locations, and making more efficient use of existing infrastructure.

A Sustainable Design and Construction Approach

The proposal makes a conscious effort to achieve several sustainability objectives, supporting low-impact lifestyles as well as significantly reducing impacts on the environment.

Chard is committed to supporting the City of Victoria in meeting its long-term climate goals (*Climate Leadership Plan*) and ensuring the project is 'net zero ready' by electrifying the building and eliminating the use of fossil fuels years earlier than required. The proposed electrification results in a GHGI level of 1.2kgCO₂e/m². This reflects a 33% betterment to the Level 4 Threshold (1.8 kgCO₂e/m²) and is 12 months ahead of the City of Victoria's November 1, 2024 target. Chard has a proven ability to deliver on these targets and in 2020, Chard delivered on Vancouver's first fully electric building mechanical systems at 210 East 5th Avenue (Elenore on Fifth).

Recognizing the urgency of the Climate Emergency, Chard has partnered with ZEIC (Zero Emission Innovation Centre) whose mission statement is to rapidly accelerate the knowledge, capacity and passion for zero-emissions buildings in Vancouver and British Columbia. This partnership will support the creation of a pivotal case study that aims to help in establishing different approaches and strategies to achieve high performance, low carbon buildings. It will aid the development community to better understand costs and impacts at an early stage in the design. Such a study helps to demystify the entrenched beliefs in the industry that high performance, low carbon is high cost.

Other significant sustainability features include:

- Designed and constructed to LEED Gold Certification;
- Enhanced landscape and stormwater management strategies to achieve Victoria's Rainwater Management Standards;
- 100% of the parking is covered, enclosed or underground reducing the urban heat island effect;

- Enhanced daylight into each residential suite as a result of the taller, two tower configuration, thereby increasing passive solar gain during winter months and reducing reliance on artificial lighting; and
- Indoor and outdoor water conservation strategies to include specifying efficient fixtures and water efficient landscaping.

A Focus on Transit and Multi-Modal Transportation

In line with Council's recent direction to reduce the parking ratio on other notable purpose-built rental projects, we have sought to reduce the Parking Bylaw (Schedule C) ratio. Reducing the parking count also results in a potential to expedite the construction schedule, as excavation, shoring and foundation works are all reduced. To address the challenges that could result from this reduced parking, our proposal supports safer, integrated multi-modal transportation networks through a commitment to improved infrastructure and Transportation Demand Management (TDM).

The proposal is located along well-served transit routes. The proposal will include a relocated bus shelter on Yates and as a direct result of collaboration with City staff and BC Transit, the original pull-out bus bay will be filled in to create an in-lane curbside stop, saving time, reducing wear and improving and increasing the pedestrian space.

The proposed uses and existing context of this development provide residents, workers, and visitors with access to most, if not all, of their day-to-day needs within a short walk, cycle or transit trip. A car-free or car-light lifestyle will be a viable, safer alternative for residents and visitors alike as a result of the TDM measures included:

- Four on-site carshare vehicles supplied in partnership with MODO will support a car-light lifestyle for residents;
- A diverse selection of secured bike parking, in excess of Schedule C, is provided on L1 and P1 accessed from grade via a dedicated, separated ramp;
- Enlargement of the bicycle parking provisions which will ensure a minimum of 10% of the required bicycle parking is suitable for cargo bicycles or mobility devices;
- A separate and dedicated fully equipped bike repair centre will ensure easy access to the tools and resources needed to keep bikes in good repair for daily use;
- End-of-trip bike facilities (including WC, Shower and Private Lockers) will support employees to use active transportation;
- Relocation of the bus stop on Yates will enable in-lane pickups resulting in time efficiencies and enlarging the sidewalk;
- Dedicated space on the sidewalk to accommodate a future bike / scooter sharing scheme;
- Service access (including tenants move in/out), garbage and recycling is located at street level off Johnson to minimize disruption for neighbouring residents;
- Dual-use visitor and commercial parking spaces recognize the opposing peaks of these uses and further reduces parking; and
- Multi-modal wayfinding signage will direct and orient residents, employees and visitors to transit, bike share, car share and bicycle parking and amenities.

Bike Parking Summary (Residential & Commercial)

	OVERSIZED	HORIZONTAL	VERTICAL	TOTAL
Required				584
Provided	62	259	283	604
% Split	10.3%	42.9%	46.8%	100%

A Public Plaza, Public Realm Improvements and Community-Serving Retail

The interface between the public and private realm occurs primarily at the base of buildings, and in particular, at the ground floor. This is where pedestrians interact with the building and where the building can contribute to the public life on the sidewalks and streets. The project provides several improvements which seek to achieve a seamless and vibrant interface between the public and private realm.

- 1. A publicly accessible plaza (area 250m²)** – To align with the *Downtown Core Area Plan* (DCAP) the plaza has been positioned to maximize sunlight throughout the day – a goal that is supported by the revised building massing – and to be easily accessible from sidewalks and animated by outdoor dining spaces. A Public Charrette was held in person on February 1, 2023, to elicit feedback from a diverse cross section of area residents. The presentation was also distributed online. The feedback received has been used to shape the final design of the Plaza.
- 2. An average front setback on the ground-floor of 2.5m** – The proposed setbacks encourage generous sidewalk widths and help to improve the pedestrian experience.
- 3. Extended frontage and sidewalk on Yates Street** – The extended frontage and sidewalk will allow for an in-lane curbside transit stop with a large rain garden, intercepting stormwater runoff.
- 4. Community serving retail** – Retail space around the public plaza is envisioned to include a restaurant and coffee shops spilling into the public plaza. Additional community-serving retail space along Cook Street will put daily needs and local businesses within easy reach of thousands of new residents.

With a development of this size, we are conscious about providing long lasting, positive change to the frontages of the building that will:

- Enhance the use of public spaces;
- Improve the visual aesthetics of public areas;
- Mitigate any disruption in the future; And
- Support long-term sustainability.

Based on the above we are committed to fully undergrounding all BC Hydro lines along both Yates and Cook. This will ultimately ensure:

- The long-term viability of any replacement trees (as no regular pruning process will be required for BC Hydro clearance, thereby allowing trees to reach their full potential);
- No future disruption to the frontages;
- No financial investment is required by the City of Victoria (as the undergrounding will be 100% funded by

Chard); and

- Acceleration of the beautification of Victoria.

Overall building design, access points, public areas and circulation have been designed to prioritize the safety and security of all users, at every scale of the development. All hard and soft landscape features have been designed using Crime Prevention Through Environmental Design (CPTED) principals to eliminate hidden corners and ensure clear sightlines for users thereby promoting security, comfort and quality of life.

A Resident-Centric Approach

The proposed development has been designed using a resident-centric approach that acknowledges the needs of a diverse cross section of residents and family models, reflective of the larger population of the City.

Unique and extensive amenities will service residents of all demographics, including children and pets, improving livability and the likelihood of long-term tenancies. These include:

- Extensive indoor and outdoor fitness facilities located on the rooftop include a gym, indoor and outdoor fitness studio, running track and meditation garden;
- Indoor amenities include a multi-purpose social room, dining area, co-working spaces and study spaces;
- Outdoor seating and dining areas are located on the upper rooftop;
- A large outdoor area on the lower rooftop of the podium will feature a dedicated pet run and children's play area;
- A dedicated medical clinic (operated by Cleveland Clinic) will provide residents with immediate access to medical professionals virtually; and
- A selection of guest suites will accommodate family and friends.

All these amenities are designed to not only enhance lifestyles but also to increase affordability; this "all inclusive" approach eliminates the need for additional gym and co-working memberships. Guest suites allow residents to pay only for the space they need on a daily basis, without having to forgo visits from family or friends as a result.

Further, this development recognizes the acute housing challenges faced by families with children and the impact that a lack of housing choices has on residents entering the prime family formation years. Families account for approximately 11% of renter households in Core Housing Need. This project addresses this need by including:

- Ground-orientated three-bedroom townhouses;
- Two- and three-bedroom apartment homes;
- A dedicated children's play area; and
- Access to amenities such as guest suites, a large private dining room, social rooms and study spaces to meet growing demands without having to move away from established communities.

Over 35% of Canadians own a pet, and these families have also been accommodated. While many secondary rental suites do not allow pets or have restrictions on the size of pets permitted, these homes will be pet friendly with a large, dedicated rooftop pet run and dog wash.

Significant Economic Benefits

The addition of 481 rental homes to the City of Victoria carries with it significant economic benefit. Throughout construction, over 1,000 jobs will be created. The influx of workers to the area will help to support local businesses. Upon completion, new residents will continue to support these businesses. In addition, once operational, the development is

expected to generate \$1.2M in property taxes for the City.

ZONING AMENDMENTS

The development of this property unlocks a key site within the Harris Green community. The development will create a community of high-quality homes and retail spaces equal to the landmark status of this site at the eastern gateway into Downtown Victoria.

The density already prescribed to this site, through a previous Rezoning, has been carefully and thoughtfully apportioned in response to surrounding buildings, urban context, a focus on livability for residents and creating an active and vibrant city street frontage.

To realize the many benefits outlined above, we are seeking amendments to the existing Zoning and asking Council to approve the following relaxations to the OCP included below.

Under the previous rezoning it was proposed that the development occur over four phases with the Firehall – referred to as Development Area 1 – being the first. This Development Permit will combine Development Areas 2,3 and 4 and delivers the public improvements connected with the site in one.

Height

The proposed development contemplates variances in height, as provided below. The proposal to allocate the allowable density in one taller tower, rather than three shorter towers allows for improved livability by providing better separation between buildings, less overshadowing, more light permeability, more open view corridors for neighbouring properties and better air flow.

Setbacks

The current rezoning setback and separation requirements anticipated three separate, deep towers above a continuous podium. The original rezoning setbacks are based on this approach. Our massing and architectural approach differs to the original design, which therefore results in the variances as noted. We have worked closely with City staff to minimize variances and provide a development which works aesthetically and functionally. The Advisory Design Panel (ADP) reviewed the design on June 28, 2023 and recommended approval with some minor changes. These recommended changes proposed by the ADP were incorporated into the current design and the variances below reflect this.

	CA-90 Zone	Current
6.99.5 Development Area 2	Height of building (maximum) - 45m	47.05m
6.99.5 Development Area 2	b. Building separation (minimum) (south and west) above 20m above grade – 12m	West – Comply 20.5m South – Non-Compliant 0m
6.99.6 Development Area 3	Height of building (maximum) - 45m	47.05m
6.99.6 Development Area 3	b. Building separation (minimum) (north and west) above 20m above grade – 12m	West – Comply 27.84m North – Non-Compliant 0m
6.99.7 Development Area 4	Height of building (maximum) - 50m	76.78m
6.99.7 Development Area 4	a. Side yard setback (minimum) (west) 0-20m above grade – 3m	0.11m
6.99.7 Development Area 4	b. Building separation (minimum) (north) 0-20m above grade – 6m	0.44m - 7.11m above grade 5.40m - 1.63m above Compliant - from 8.74m above grade

	CA-90 Zone	Current
6.99.8 Setbacks and Building Separation	d. Shortest horizontal distance from any property line shared with Yates Street and Cook Street to the face of the nearest wall of a building for that portion of building above 20m in height - 1cm for each 5cm in height	Cook St. – 2.71m Yates St. – 8.69m
	e. Shortest horizontal distance from any property line shared with Johnson Street to the face of the nearest wall of a building for that portion of building above 15m in height - 1cm for each 5cm in height	Johnson St. – 4.37m
	i - Balconies, cornices, guardrails, fin walls, slab edges, eaves, window overhangs and sunscreens – 0.6m	Balconies, cornices, guardrails, fin walls, slab edges, eaves, window overhangs and sunscreens – 1.45m
	ii -Exterior wall treatment, insulation and rainscreen systems – 0.17m	Exterior wall treatments, insulation and rainscreen systems – 2.2m

Parking

A relaxation to the residential parking requirement is proposed. This reduction reflects the goal of a transit-oriented community that supports multi-modal, active transportation as supported by the central and accessible urban location. This site benefits from existing, immediate access to transit in an area earmarked for continued growth. The overall design approach reflects a development where residents have access to their day-to-day needs within a distance manageably achieved by walking, cycling or rolling. Reduced reliance on vehicles is further supported by the inclusion of a diversity of bike and /or mobility-device parking, bike maintenance facilities, end-of-trip facilities, and an improved pedestrian public realm.

A comprehensive car-share program has also been proposed to address longer trip requirements while also helping to reduce parking needs.

	REQUIRED*		PROPOSED		VARIANCE	
	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio
Purpose Built Rental (481 Suites)	300***	0.62 per suite per	166***	0.35 per suite	(134)	(0.28) per suite
Visitor (Residential)	49	0.1 spaces per dwelling	10**	0.021 spaces per dwelling	(39)	(0.081) per suite
Restaurant (831m2)	21	1 per 40m2	19	1 per 43m2	(2)	
Retail (696m2)	9	1 per 80m2	7	1 per 99m2	(2)	
Car Share			4		4	
Accessible Stalls****	16		16		0	
TOTAL	379		206		(173)	

* Schedule C, Zoning Regulation Bylaw (no. 80-159)

** Proposing dual-use visitor and commercial parking spaces recognizing the opposing peaks of these uses.

*** Includes accessible stalls.

**** Included in the purpose-built rental numbers.

SUMMARY

For over 18 years, Chard Development Ltd. has been developing mixed-use, primarily residential projects in the City of Victoria. From Corazon to Haven and the many projects in between and currently underway, these developments have helped to reinvigorate communities, bringing diverse housing options and retail vigor to a broad section of Victorians. We are proud to have delivered on all projects approved by Council in the history of our company. With the development of 1050 Yates Street, Chard is excited to have the opportunity to once again demonstrate that we are builders of, and believers in, Victoria.

At 1050 Yates Street, we remain committed to developing a socially conscious and inclusive community that meets the needs of residents while positively contributing to the long-term urban fabric for the Harris Green neighbourhood and the City as a whole. Purpose-built rental housing of this nature contributes to the economic, environmental, and social vibrancy of Victoria by adding to the housing spectrum in a dense and environmentally sustainable way.

Guided by proven urban planning principles and socially conscious objectives, we believe this proposal delivers much needed rental housing, extensive community benefits and significant economic benefit to the City of Victoria in both the short and long term. We look forward to the introduction of bylaws and thank you in advance for Council's favorable consideration.

Sincerely,

CHARD DEVELOPMENT LTD.



Byron Chard
President & CEO

CC: Karen Hoese, Director of Sustainable Planning & Community Development, City of Victoria
Miko Betanzo, Senior Planner, Sustainable Planning & Community Development, City of Victoria
Anthony Quin, Director of Development, Chard Development Ltd.