CITY OF VICTORIA

Planning and Land Use Committee Report
For the Meeting of July 9, 2015

To:	Planning and Land Use Committee	**Date:**	June 25, 2015
From:	Brian Sikstrom, Senior Planner, Development Services Division		
Subject:	**Development Permit with Variances Application No. 000425 for 755 Caledonia Avenue**		

RECOMMENDATION

Staff recommend that Committee forward this report to Council and that after giving notice and allowing an opportunity for public comment, that Council consider the following motion:

"That Council authorize the issuance of Development Permit Application No. 000425 for 755 Caledonia, in accordance with:

1. Plans date stamped May 7, 2015.
2. Development meeting all *Zoning Regulation Bylaw* requirements, except for the following variances:
   i. Section 6.8.1(e) Increase of up to 435m^2 in permitted residential use on the first storey.
3. The Development Permit lapsing two years from the date of this resolution."

LEGISLATIVE AUTHORITY

In accordance with Section 920(2) of the *Local Government Act*, Council may issue a Development Permit in accordance with the applicable guidelines specified in the *Community Plan*. A Development Permit may vary or supplement the *Zoning Regulation Bylaw* but may not vary the use or density of the land from that specified in the Bylaw.

Pursuant to Section 920(8) of the *Local Government Act*, where the purpose of the designation is the revitalization of an area in which a commercial use is permitted, a Development Permit may include requirements respecting the character of the development, including landscaping, the siting, form, exterior design and finish of buildings and other structures.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Development Permit Application for the property located at 755 Caledonia. The proposal is for the replacement of ground floor retail space with residential units. The proposal includes added street trees and patios with some minor exterior changes to the building.

The following points were considered in assessing this Application:

- The proposal is generally consistent with the applicable design guidelines found within *the Downtown Core Area Plan*, 2011.
- The increase in ground floor residential use and reduction in retail use recognizes the limited potential for viable retail space in this location on the northern edge of Downtown.
- Other opportunities for retail space exist in the second phase of the development as well as future phases of the adjacent Hudson Mews development.
- Additional residential units increase the viability of future retail and other commercial uses in the area and have been designed to ensure a positive connection with the adjacent public and semi-public areas.

BACKGROUND

Description of Proposal

The proposal is for the replacement of ground floor retail space with residential units. A similar variance was granted by Council on December 18, 2014, which allowed 218m^2 of residential floor area fronting onto Caledonia Avenue. This Application seeks to expand the ground floor residential floor by 435 m^2 with the introduction of units along the east and west sides of the building.

Specific details include:

- The addition of four townhouse units fronting on the Carriageway (east side) with patios and landscaping including the addition of street trees.
- The addition of four apartment units on the west side of the residential tower at the first level, where previously a fitness centre and storage room were shown.
- The relocation of fitness and storage room facilities into part of the space previously identified for retail uses.
- The retention of approximately 250m^2 of retail space primarily fronting on Herald Street.

The proposed variance is related to the location of residential uses on the ground floor of the building.

Previously Approved Proposal

A variance for ground floor residential uses fronting on Caledonia Avenue was previously approved as part of the initial Development Permit Application for this development. The staff report on this Development Permit Application is attached for information. Sustainability features, transportation impacts and public realm improvements are incorporated into the development as approved under the previous Development Permit Application.

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variances Applications*, on May 19, 2015, the Application was referred for a 30-day comment period to the Downtown CALUC. At the time of writing this report, a letter from the CALUC had not been received.

This Application proposes variances, therefore, in accordance with the City's *Land Use Procedures Bylaw,* it requires notice, sign posting and a meeting of Council to consider the variances.

CONCLUSIONS

The proposed variance to increase the amount of ground floor residential space is appropriate in this location on the northern edge of Downtown, particularly as commercial space is retained on the Herald Street frontage of the development and there are other opportunities for ground-floor commercial in Phase 2 of the development.

ALTERNATE MOTION

That Council decline Development Permit Application No. 000425 for the property located at 755 Caledonia.

Respectfully submitted,

Brian Sikstrom, Senior Planner, Development Services Division	Alison Meyer, Assistant Director, Development Services Division	Jonathan Tinney, Director Sustainable Planning and Community Development

Report accepted and recommended by the City Manager: _____
Jason Johnson

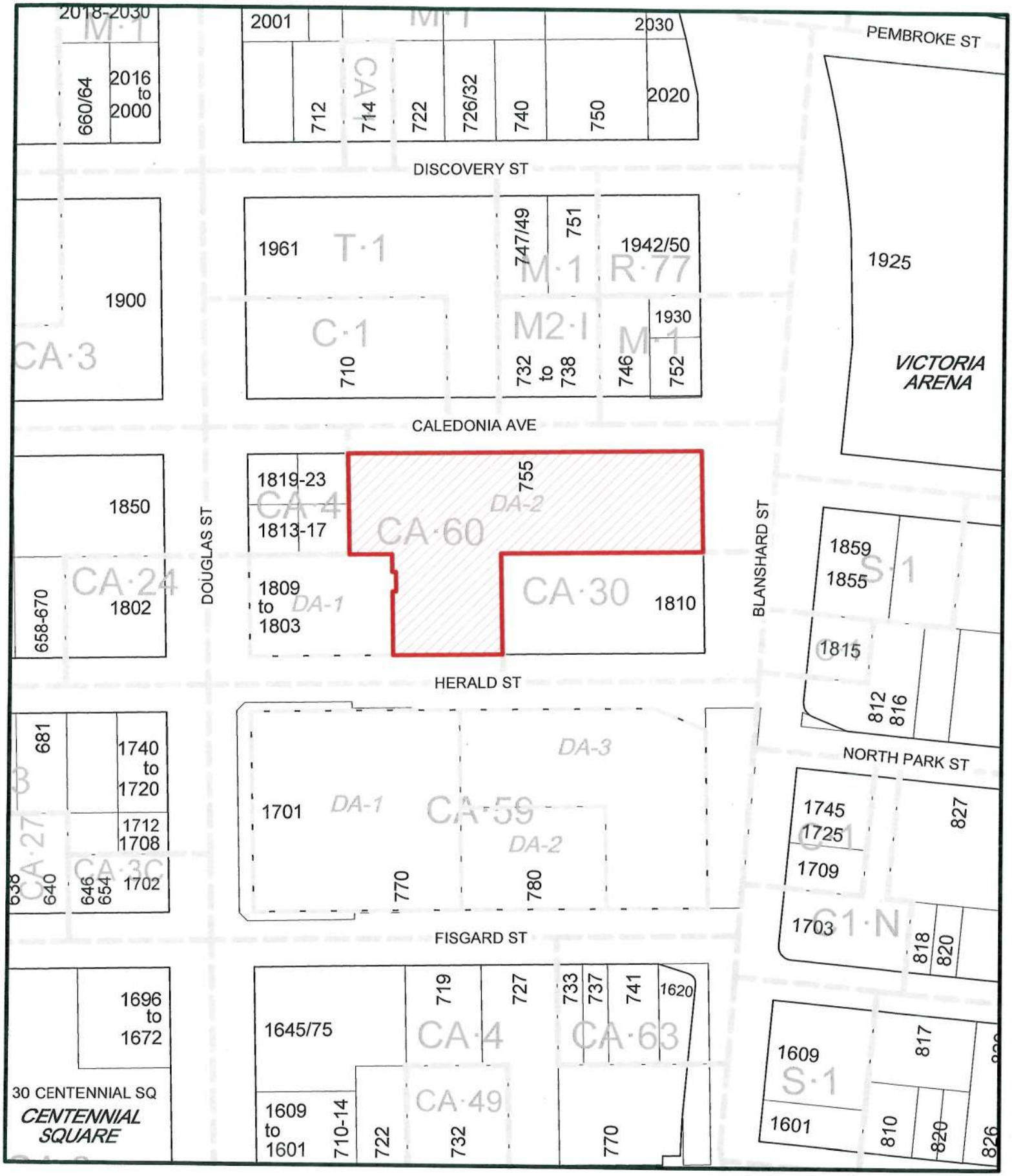
Date: June 30, 2015

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List of Attachments

- Zoning map
- Aerial map
- Letter from the Applicant dated May 7, 2015
- Plans date stamped May 7, 2015
- Previous Development Permit report dated September 25, 2015, with attachments.



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755 Caledonia Avenue

Development Permit #000425

CITY OF VICTORIA



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755 Caledonia Avenue

Development Permit #000425

CITY OF VICTORIA

TOWNLINE

May 7, 2014

Received
City of Victoria
MAY 07 2015
Planning & Development Department
Development Services Division

City of Victoria
1 Centennial Square
Victoria, BC V8W 1P6

Dear Mayor Helps and Council;

RE: Development Permit Amendment - Hudson Walk" Phase 1
755 Caledonia Avenue, Victoria, B.C.
Legal - PID 027-272-338 Lot 1 of Lots 712, 713, 714, 715, 716, 723, 724, 725, 726, 727, 728, 729 Victoria City Plan VIP 838911

As you are aware, a Development Permit was issued to PTR Developments Ltd, a Townline Company (i.e. Townline) on December 18, 2014 for our project at 755 Caledonia. We have since received our building permit application and commenced construction at the site. We are very excited to be underway with such an exciting project and want to extend our gratitude to the continued support from both City of Victoria staff and council on the permitting process.

We are submitting a development permit application to amend the amount of approved retail space in Hudson Walk Phase I in favour of more residential units. Specifically, we are proposing to add 8 more residential units to Hudson Walk in two locations on the main floor of the building along with the following changes:

- Four (4) additional townhouse units are proposed fronting the Carriageway, south of the residential entrance of the tower. While there will not be changes to the exterior design of the building, Townline is proposing to add patios with privacy landscaping similar to the other townhouse units fronting the carriageway north of the residential entrance. These units will be unique in that they will feature high ceilings (i.e. 11 to 12 ft.), allowing more natural light through upper windows throughout the day;
- We have also added street trees in front of these units where previously we had planned for 2 to 3 retail parking spaces;
- Four (4) additional units are proposed on the west side of the tower portion of the building on level 1, where previously a fitness centre and storage room were shown. The layout of the units and the exterior treatment of the building will mimic level 2 above;
- The gym and storage room have been relocated into part of the CRU space. The gym has been expanded and located to be more accessible as it may become a shared amenity for other residents in the Hudson District. Further, the storage room will be better accessed from the approved Herald Street loading back, a large overhead door is also proposed as part of this change; and
- The retail portion of the building has been reduced to approximately 2800 sq. ft. and will primarily front Herald Street.

Our rationale for reducing the amount of retail space, specifically along the Carriageway is based on our analysis and feedback from potential retail tenants which has not been positive. We feel there are better opportunities in the future phases of the Hudson District to provide more successful retail space. Further, we are confident in the demand for high-quality urban rentals in downtown Victoria based on the success of

our Hudson Mews project and pre-registration for rentals at Hudson Walk. As such we feel this will be a positive benefit to the project by growing the residential population it will only help to support and cultivate local businesses. Future phases of the Hudson District will include further opportunities for retail that we feel will be more viable, particularly as more residents move into the area.

City of Victoria planning and building staff have been supportive of the proposed changes to the building and have requested us to submit this revised application to amend our development permit and seek a further variance for the addition of the at grade residential changes.

If you have any questions on the submission or would like further details, please contact me directly at 604.276.8823 ext 259.

Sincerely,

Justin Filuk
Development Manager
justin.filuk@townline.ca