



Planning and Land Use Committee Report For the Meeting of February 19, 2015

To: Planning and Land Use Committee **Date:** February 5, 2015
From: Jim Handy, Senior Planner – Development Agreements
Subject: Proposed Amendment to Master Development Agreement for 1952 Bay Street (Royal Jubilee Hospital)

RECOMMENDATIONS

1. That Council consider directing staff to prepare an amendment to Section 16 of the Master Development Agreement for the Royal Jubilee Campus, to the satisfaction of the Assistant Director, Development Services Division and the City Solicitor, that:
 - a. extends the deadline for submission of a comprehensive Master Plan for the Campus to June 30, 2015; and
 - b. allows the construction of a replacement boiler plant prior to City Council approval of the comprehensive Master Plan for the Campus, subject to obtaining all necessary permits from the City.
2. That Council consider directing the Mayor and Corporate Administrator to execute the amendment to the Master Development Agreement and other instruments to effect its registration in the Land Title Office.

LEGISLATIVE AUTHORITY

Under section 219 of the Land Title Act, the owner of land may grant a covenant in favour of a municipality in respect of the use of the land or the use of a building on the land.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations regarding a request from Island Health to extend the deadline for submission of a comprehensive Master Plan for the Royal Jubilee Hospital Campus and to allow the replacement of the existing hospital boiler plant. The proposal would require an amendment to Section 16 of the Master Development Agreement (MDA) for the Royal Jubilee Hospital.

It should be noted that, in addition to outlining a deadline of June 29, 2011, for the submission of a comprehensive Master Plan, the MDA identifies a range of issues that should be addressed in that Plan to the satisfaction of the Assistant Director of Sustainable Planning and Community Development. The MDA also states that, with the exception of the Patient Care Centre (which is now complete and operating), a power plant addition, links from the Diagnostic and Treatment Centre to the Patient Care Centre and various surface parking lot works, no further development on the land can take place until City Council have approved the Master Plan.

A Draft Plan was submitted to the City prior to the June 29, 2011, deadline and work continued on this document into 2012. In October 2012, staff provided Council with a memo providing an update on the status of the Master Plan explaining that Island Health was working towards a final draft of the Plan and that, upon completion, the document would be subject to further review from both City staff and the community. The latest iteration of the draft document was submitted in November 2013 and does not fully satisfy the obligations of the MDA. In a letter to staff dated July 31, 2014, Island Health have requested that the submission deadline for the comprehensive Master Plan be extended to June 30, 2015, in order to respond to the issues raised by staff.

Staff will continue to work with Island Health and will meet with their representatives to resolve outstanding issues in the preparation of this Plan.

BACKGROUND

In January 2008, Council approved a comprehensive rezoning proposal creating the CD-11 Zone, RJH District, and, in conjunction with the rezoning process, Island Health entered into a Master Development Agreement (MDA) with the City. Section 16 of the MDA requires that Island Health undertake the development of a comprehensive Master Plan for the Royal Jubilee Hospital Campus, at their sole cost, and present that Master Plan to the City by June 29, 2011. The MDA requires that the comprehensive Master Plan address (but not be limited to) the following issues:

- use and density
- site planning
- building massing
- landscaping
- site open space
- tree protection
- Bowker Creek
- parking
- Transportation Demand Management (TDM)
- access to and from the land
- site servicing
- storm water management
- heritage issues.

It should be noted that, under the terms of the MDA, Island Health have agreed that they shall undertake no further development at the Royal Jubilee Hospital, other than the Patient Care Centre (which is now complete and operating), a power plant addition, links from the Diagnostic and Treatment Centre to the Patient Care Centre, various surface parking lot works and that they shall not construct any new buildings until the comprehensive Master Plan has been approved by City Council.

A Draft Master Plan was submitted to the City prior to the June 29, 2011, deadline and work continued on this document into 2012. In October 2012, staff provided Council with a memo providing an update on the status of the Master Plan explaining that Island Health were working towards a final draft of the Plan and that, upon completion, the document would be subject to further review from both City staff and the community. The latest iteration of the draft document was submitted in November 2013 and staff have provided feedback to Island Health requesting that further work be undertaken in relation to parking, heritage issues and general Plan content.

In order to address the issues raised by staff, Island Health submitted a letter to the City dated June 31, 2014, requesting that the deadline for submission of a comprehensive Master Plan be extended to June 30, 2015. This deadline extension requires a revision to Section 16 of the MDA. A staff report was subsequently presented to the Planning and Land Use Committee (PLUC) on August 21, 2014, with staff recommending that Council consider approving the request from Island Health to amend the MDA. Committee postponed consideration of the motion pending receipt of further information from Island Health, particularly: details of the boiler plant replacement and consultation with the community regarding the proposed MDA amendment and boiler plant replacement. A copy of the PLUC report dated August 7, 2014, and the resulting Committee minutes are attached.

ANALYSIS

Community Consultation

On January 7, 2015, consistent with the Royal Jubilee Good Neighbour Agreement, Island Health convened a Royal Jubilee Neighbourhood Committee to discuss the proposed MDA amendments and the replacement boiler plant. The Committee included representatives of the North Jubilee and South Jubilee Neighbourhood Associations. A copy of the Royal Jubilee Neighbourhood Committee minutes are attached to this report.

Proposed New Date for Submission of a Master Plan

This deadline extension is required to accommodate meetings with staff and further work on the Plan to ensure that a satisfactory comprehensive Master Plan is submitted in accordance with requirements outlined in the MDA. Since Island Health are still actively pursuing the establishment of the Master Plan, staff recommend that Council approve the deadline extension until June 30, 2015, as requested by the applicant.

Proposed Replacement Boiler

Under the terms of the MDA, with the exception of specific developments identified in this report, no further development of the site can take place until the comprehensive Master Plan has been approved by City Council. Island Health have confirmed that the existing hospital boiler plant needs to be replaced at the earliest opportunity. This is critical hospital infrastructure and staff recommend that Council support an amendment to the MDA that allows construction of the replacement boiler to begin prior to approval of the Master Plan.

At the request of the PLUC, Island Health have submitted plans of the boiler plant replacement which includes a building addition and the relocation of four parking stalls. The building addition would have a floor area of approximately 183m² and a height of 11.55m.

On the basis that the building addition is accessory to an institutional use and no variances from the *Zoning Regulation Bylaw* are proposed, the work is exempt from requiring a Development Permit.

Primary Outstanding Issues

As identified in the PLUC report dated August 7, 2014, the issue of on-site parking is providing a significant challenge. Island Health have confirmed that they are in the process of engaging a Transportation Consultant to address the above and they anticipate that this work will be complete by April 2015.

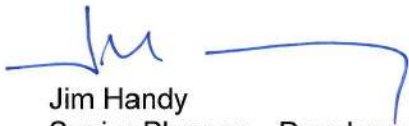
CONCLUSIONS

The proposed deadline extension for the submission of a comprehensive Master Plan for the Royal Jubilee Hospital Campus is required so that Island Health can respond to issues raised by City staff. The boiler plant is critical hospital infrastructure and needs to be replaced at the earliest opportunity. City staff will continue to assist Island Health in their preparation of a comprehensive Master Plan and recommend that Council support the requested deadline extension and amendments to the MDA.

Alternate Recommendation

That Council decline the request to amend the Master Development Agreement for the Royal Jubilee Hospital Campus.

Respectfully submitted,




Jim Handy
Senior Planner – Development Agreements
Development Services Division



Alison Meyer, Assistant Director
Sustainable Planning and
Community Development

Report accepted and recommended by the City Manager:



Jason Johnson
Feb 11, 2015

Date:

JH:aw

W:\Master Development Agreements\MDA General\1952 - Jubilee Hospital\MDA Amendments 2015\RJH MDA Amendment Jan 2015.doc

List of Attachments

- Letter from Island Health dated January 23, 2015
- Proposed boiler plant plans dated January 23, 2015
- RJH Neighbourhood Committee minutes, January 7, 2015
- PLUC report dated August 7, 2014
- PLUC minutes, August 21, 2014
- Aerial map.

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everywhere, every time.

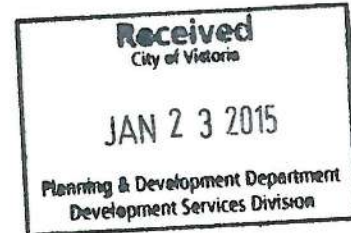


January 23, 2015

Jim Handy, MCIP RPP
Senior Planner – Development Agreement
Agreement Services
City of Victoria
1 Centennial Square
Victoria, BC V8W 1P6

via email: jhandy@victoria.ca

Dear Mr. Handy:



Re: Royal Jubilee Hospital Boiler Plant Replacement

This letter is to follow up on our meeting on January 21, 2015 regarding the current status of the boiler plant replacement at Royal Jubilee Hospital (RJH).

The issue of the aging boiler plant was known when the current Master Development Agreement (MDA) was signed in January 2008. In that document, it was noted that the Vancouver Island Health Authority (now Island Health) would "... undertake no further development of the Land, other than the Patient Care Centre, **power plant addition**, links from the ..." (emphasis added).

Correspondence from Island Health to the City of Victoria (July 31, 2014) provided an update on progress of the Master Campus Plan (MCP) and specifically described the Emerging Boiler Plant Issue. We requested approval from the City to allow Island Health to proceed with requesting a building permit to upgrade the aging boilers at the RJH site.

Since that letter was sent, Island Health's Design & Construction Department has retained a consulting team to design the replacement boiler plant and develop construction documents. To maintain the project schedule, we will need to apply for a building permit in February 2015 in order to meet a construction start in early summer 2015. An abridged set of drawings have been attached to this letter for information and illustration of the building design.

During the design process, we have endeavored to meet both the requirements and the spirit of the MDA and our Good Neighbour Agreement. On January 7, 2015, we presented the proposed design to the RJH Neighbourhood Committee (comprised of North Jubilee, South Jubilee, and Camosun Neighbourhood Associations) in a session facilitated by Island Health's Planning & Community Engagement (PACE) Department. We fielded many questions about both the design decisions made and potential impact to the community.

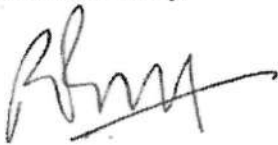
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Notes from this meeting are attached as well as Island Health's follow-up responses to some specific questions. Items of particular concern were emissions, noise and parking; we were able to respond to all these items. The project has been designed to improve upon current levels of noise and emissions, based on newer technology and better equipment layout. We have also engaged an acoustic consultant to measure and verify all noise levels. The project will have no net impact to the campus' parking count. The four parking spaces displaced by this boiler plant project will be relocated under the food services building. This area is currently assigned for loading and storage, and will be repurposed. Hence, there is no net gain or loss to the overall parking supply on the campus.

The PACE Department at Island Health is in the process of engaging a transportation consultant to update the Parking and TDM Plan by April 2015 in order to meet the June 30, 2015 deadline for submission of the final MCP.

We understand from our meeting that we may apply for a building permit in order for the City's departments to review the project per standard process, but the permit cannot be granted without approval from City Council because of the outstanding MCP. Therefore, we request that City Council be asked to approve consideration of a building permit in order for Island Health to upgrade the aging the boiler plant.

Yours sincerely,



Richard Brown, Architect AIBC
Manager, Department of Design & Construction
Island Health

cc: Joe Murphy, Vice President, Operations & Support Services, Island Health
Cecil Rhodes, Corporate Director, Facilities Management, Island Health
Grant Hollett, Corporate Director, Planning & Community Engagement, Island Health
Chris Sullivan, Director, Capital Planning, Island Health

Attachments:

- 1 - July 31, 2014 Letter to the City of Victoria
- 2 - January 7, 2015 Neighbourhood Committee Meeting Notes
- 3 - Island Health Follow-up Responses to January 7, 2015 Meeting
- 4 - Drawings of the Proposed Boiler Plant Replacement
- 5 - Select Drawings from the Master Campus Plan



DEPARTMENT OF DESIGN & CONSTRUCTION

building for better healthcare

BOILER HOUSE ADDITION

Royal Jubilee Hospital, 1952 Bay Street, Victoria BC V8R 1J8

VIHA PROJECT NUMBER: DCJ-17-12
STANTEC PROJECT NUMBER: 144314195

ARCHITECTURAL
STANTEC ARCHITECTURE LTD.

A-000 COVER SHEET
A-001 EXISTING AND DEMO PLAN
A-002 BUILDING ADDITION
A-111 NEW FLOOR PLAN
A-131 ROOF PLAN
A-201 BUILDING ELEVATIONS
A-202 BUILDING ELEVATIONS
A-301 BUILDING SECTION
A-302 BUILDING SECTION



ISSUED FOR: INFORMATION

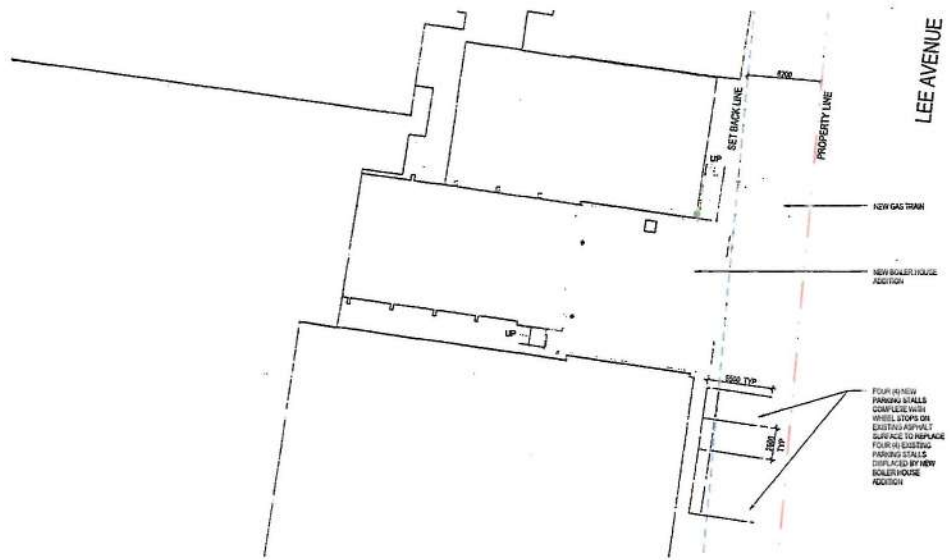
DATE: JANUARY 23RD, 2015



Suite 220, 645 Tye Road, Victoria, BC V8A 0K5 Canada
Office 250.386.7794 Fax 250.381.7900 www.rjc.ca



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A
B
C
D
m



① **SITE PLAN - BUILDING ADDITION**
1 : 200



② **BOILER HOUSE ADDITION**



Stantec Architecture Ltd.
400 - 455 Yates Road
Victoria BC V8A 4R5
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REVISION/ISSUED	BY	APPD	DATE

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ROYAL JUBILEE HOSPITAL
BOILER HOUSE ADDITION
1952 BAY STREET, VICTORIA

Title
BUILDING ADDITION

Project No. 144314195
Revision
Scale 1:200
Drawing No.

A-002

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Revision	By	Appr	Date

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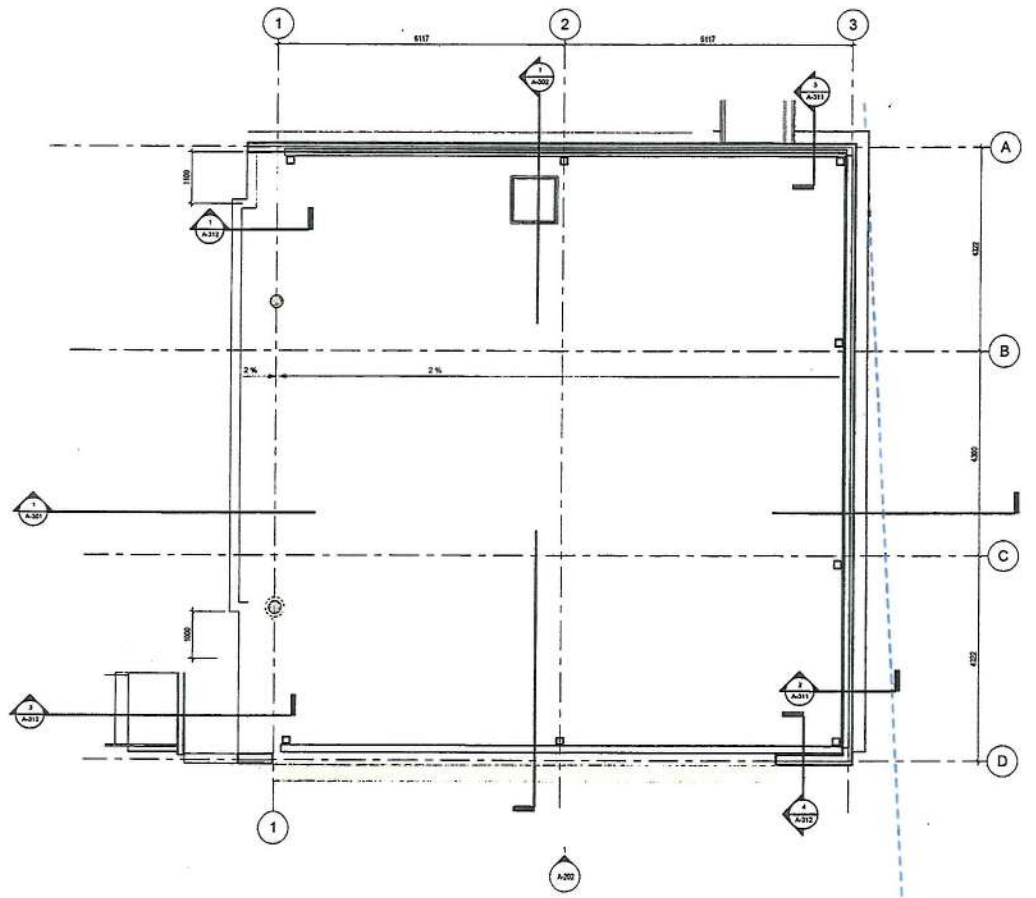
Client/Project
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BOILER HOUSE ADDITION
 1952 BAY STREET, VICTORIA

Title
ROOF PLAN

Project No. 144314195
 Scale 1:50
 Revision
 Drawing No.

Sheet **A_131**

- NEW ROOF PLAN KEYNOTES**
- 1) NEW INSULATED SBS ROOF ON METAL DECK ON SLOPED STRUCTURE OVER NEW BOILER HOUSE, BACK SLOPED TO DRAIN AS INDICATED ON PLAN.
 - 2) NEW LOW LEVEL ROOF INSULATED SBS ROOF ON METAL DECK ON SLOPED STRUCTURE OVER NEW ENTRANCE VESTIBULE AT REAR OF NEW BOILER HOUSE
 - 3) NEW PARAPET, MINIMUM 1200MM HIGH, ALONG NORTH, SOUTH AND EAST ELEVATIONS, AND FOR 1M LENGTH AT EACH END AS INDICATED AT WEST ELEVATION FACING ONTO ROOF OF EXISTING BOILER HOUSE.
 - 4) METAL FLASHING AS REQUIRED TO ALL ROOF AND PARAPET EDGES, AND AT EXPANSION JOINTS BETWEEN ADJACENT BUILDINGS, TO MATCH GREY METAL CLADDING.
 - 5) NEW VERTICAL GALVANIZED METAL SERVICE LADDER FROM WITH NEW BOILER HOUSE TO ROOF LEVEL, COMPLETE WITH ROOF ACCESS HATCH. LOCATION TO BE DETERMINED ON NEW ROOF.
 - 6) NEW GALVANIZED METAL SERVICE LADDER BETWEEN FROM EXISTING BOILER HOUSE ROOF TO NEW BOILER HOUSE ROOF.
 - 7) NEW ROOF MOUNTED MECHANICAL EQUIPMENT, REFER TO MECHANICAL. PROVIDE FRAMING, ROOFING AND FLASHING AS REQUIRED AT ALL ROOF CURBS AND PENETRATIONS.



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 Project: 144314195
 Date: 11/26/2014
 User: jkelly

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Key Plan

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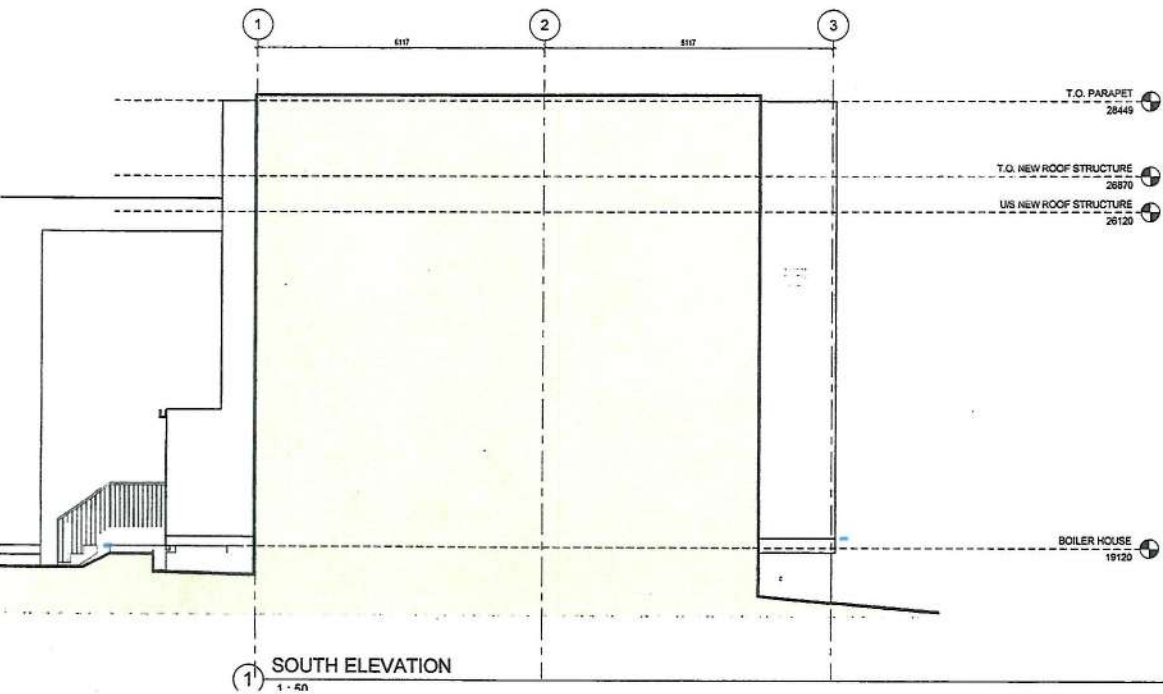
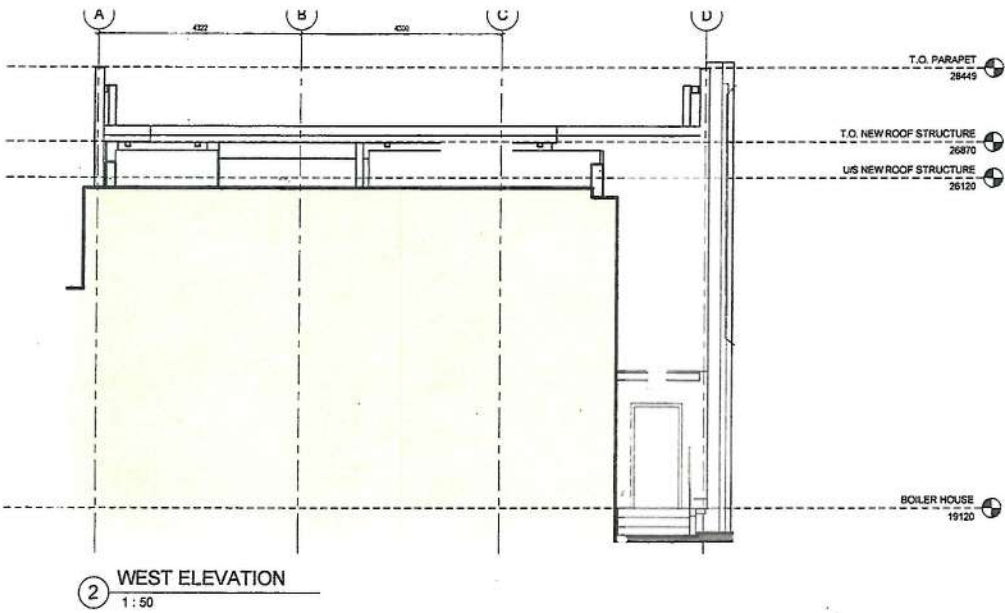
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1952 BAY STREET, VICTORIA

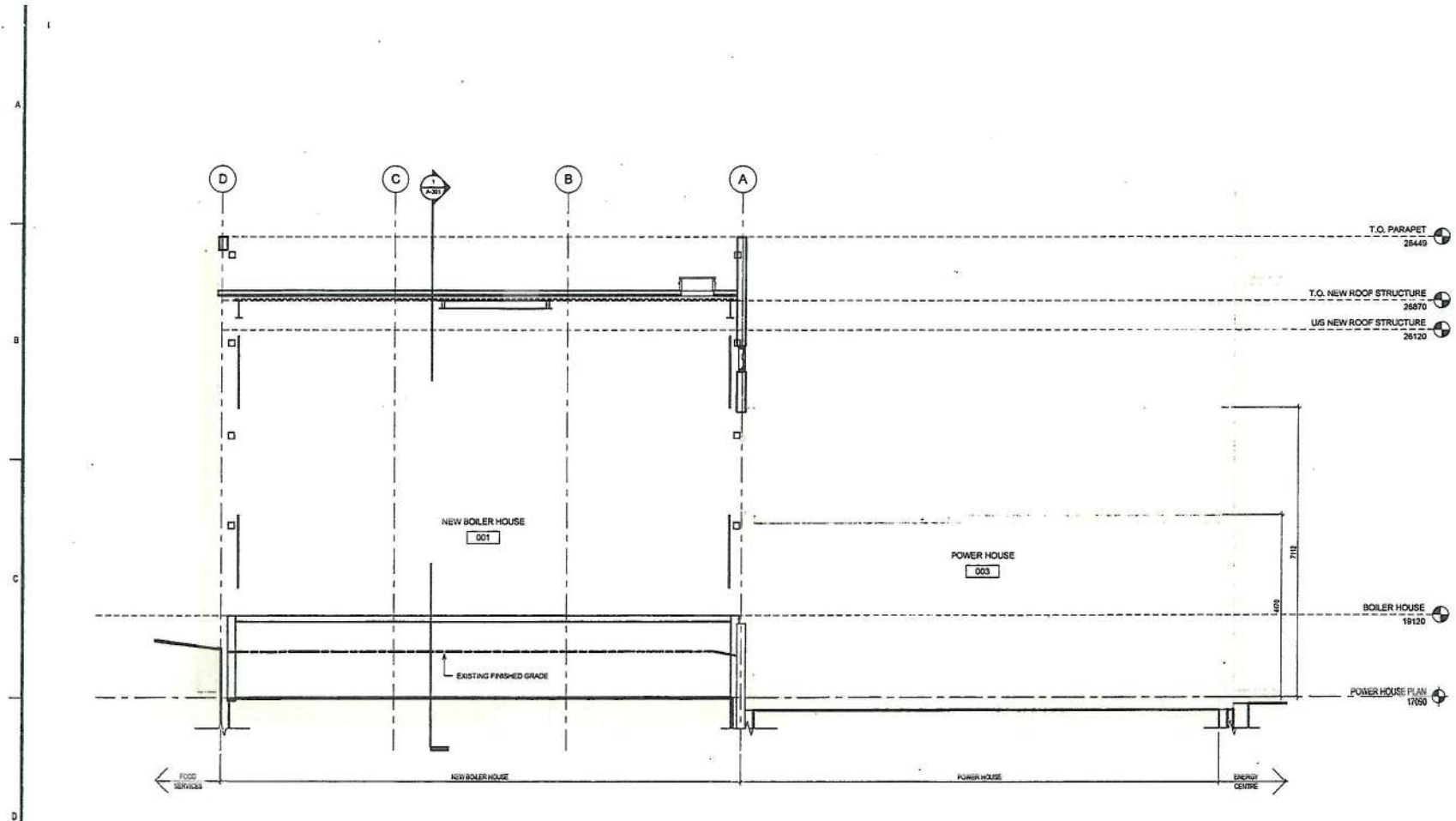
Title
BUILDING ELEVATIONS

Project No. 144314195
Scale 1:50

Revision
Drawing No. A-202



Approved for Construction: [Signature]



1 SECTION 2
1 : 50

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BOILER HOUSE ADDITION
1952 BA Y STREET, VICTORIA

Title
BUILDING SECTION

Project No. 144314195
Scale **1:50**

Revision Drawing No.

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RJH Neighbourhood Committee
Meeting Notes January 7, 2015
Patient Care Centre – Learning Room 150A

In attendance:

Jean Johnson	North Jubilee NA	JJ
Patrick May	North Jubilee NA	PM
Kathrynn Foster	North Jubilee NA	KF
Ian Graeme	Camosun CA.	IG
Heather Parker	Camosun CA and City Harvest	HP
Emily Sinclair	CRD – BCI Coordinator	ES
Tom Sellgren	South Jubilee NA	TS
Jani Urquhart	Island Health, Planning	JU
Rory Allen	Island Health, Planning	RA
David Neufeld	Island Health, Design & Constr.	DN
Deanna Fourt	Island Health, Energy Management	DF
Richard Brown	Island Health, Design & Constr.	RB
<i>Brenda McBain, CitySpaces Consulting Ltd. facilitator</i>		<i>BMB</i>

Business

Action By

1 Agenda

Two items were added to the agenda. #7. Next meeting date and #8. Setting aside time for review of GNA. Item #5. Master Campus Plan Update was moved ahead of #4. Update on Saanich Tree Appreciation and Planting Day.

2 Introductions

Participants introduced/re-introduced themselves. It was noted that the new City of Victoria mayor has not yet made Council liaison appointments. JJ reported that Mayor Helps has met with all Land Use Committee Chairs and that North Jubilee has requested an experienced Councillor as liaison due to the complexity of the Royal Jubilee Hospital Master Campus Plan.

3 Boiler Plant Upgrade Presentation

Island Health Design and Construction staff presented information on the required upgrade to the boiler plant. This will be a phased upgrade with the addition of 2 new boilers and removal of 2 of the 3 existing

boilers. A future project (not funded at this time) will replace the 3rd boiler.

Participants discussed potential impacts as highlighted in the presentation:

- no change to noise levels
- lowered emissions
- improved safety
- neighbourhood impact – similar to construction of Electrical Energy Centre (EEC)

IG asked if the boilers are powered by natural gas. DN confirmed they are with diesel back-up.

KF noted the difference in noise level when the shed door is open and when the door is closed. DN said that the new design will mean that the doors don't have to be open.

In light of the discussion and concern raised about potential noise issues, RB said that Clare Wakefield (acoustic consultant) who worked on the EEC will be engaged to review the boiler plant upgrade project. DN said that an additional mitigating factor will be that the fan will point away from the door instead of towards it, as is currently the case.

DF – info on current emission levels

TS asked about current emission levels. DF said that new boilers will be about 5% more efficient and will allow for heat recovery. She will get information about current emissions.

IG asked about consideration of a district energy system and combining with geo-thermal. DF responded that Island Health had talked to the CRD about the sewer trunk and that this is definitely an objective of Island Health to reduce emissions. The boilers need to be replaced now, but if they move to a district energy system in the future, they still need a redundant system. They have investigated using a bio-mass burner and this remains a possibility.

HP asked about the class of boilers. They are Industrial 25lbs steam/hr.

KF asked whether there would be an increase in the gas feed. DB said there would not, but the gas feed will need to be moved which will result in the loss of some current parking that will be replaced with additional parking around the vacant food services building. There will be no net gain or loss of parking spaces.

JU said this would also be addressed in the updated parking and TDM

study that will be undertaken shortly.

RB said that the boiler plant building has been seismically upgraded. DN confirmed that there would be no change to the stack.

4 Master Campus Plan (MCP) Update

JU provided a written summary of the current status of the MCP. A deadline of June 30, 2015 has been set by the City of Victoria for submission of the MCP.

One of the City's requirements is for an updated Parking and TDM Plan. Island Health has issued an RFP for a transportation consultant with the objective of having this work completed no later than April 2015.

Island Health will be completing edits to the MCP and integrating the results of the updated Parking and TDM study.

KF requested that any edits to the current draft MCP be included alongside the current wording so that committee members can easily see the changes.

JU will inform the Neighbourhood Committee when the consultant has been selected. JU suggested that a meeting with the transportation consultant and the Neighbourhood Committee be set to review their preliminary findings. This meeting will be no sooner than late Feb.

JU to inform committee of selected transportation firm and set meeting for review of preliminary findings

5 Update on the Saanich Tree Appreciation and Planting Day

RA reported and gave a brief ppt presentation on the Nov.2 planting day. This was undertaken in response to the Transport Canada requirement for tree trimming along Bowker Creek. The Neighbourhood Committee suggested that rather than just trim the trees, that invasive species that will require frequent trimming, be replaced with native species. The Camosun Community Association, Greater Victoria Green Team and Saanich Parks participated along with Island Health.

RA – check funding for maintaining Bowker Creek planting

KF asked if this was one time or ongoing funding. It will be more cost effective to have some funding for volunteers to maintain plantings rather than have to undertake tree trimming every 5 years. RA will check on funding.

6 Update on the Use of the RJH Community Space

IG reported that the CCA is in transition and he did not know if there were any issues related to use of the community space. They have used it a few times. JJ said that North Jubilee NA uses the space regularly and also appreciates having the office space. It was noted that having the visible community presence in the hospital benefits

Island Health as well.

7 **Next Meeting Date**

JU will schedule the next meeting in late Feb. or early March. Monthly meetings will be scheduled until the MCP edits are completed and it is submitted to the City of Victoria. (through June, 2015)

8 **Good Neighbour Agreement Review**

This item will be carried forward to the next meeting's agenda

These notes will remain as a draft until reviewed and approved at a meeting of the RJH Neighbourhood Committee

Prepared by: Brenda McBain, CitySpaces Consulting Ltd.

Copy of January 23, 2015 e-mail sent to PACE.

As per the request of the RJH Neighbours regarding boiler emissions please see the following:

From products of combustion from testing of existing boiler plant

%CO₂: 11.02

%O₂: 6.06

%CO: 0.0

%N₂: 82.9

%SO₂: 0

Opacity: N/A

Products of combustion from proposed boiler plant

CO₂ 8.3 %

H₂O 18.1 %

N₂ 71.2 %

O₂ 2.5 %

SO₂ - - - -

It is our expectation that the new plant will have lower emissions than the existing plant. Island Health produces an annual Carbon Neutral Action Report that shows what our greenhouse gas emissions are as an organization and what actions have been taken to reduce emissions. The report is available on Island Health's public website under environmental sustainability. In 2013 Island Health's total greenhouse gas emissions were 32,023 tonnes CO₂e. To reach Island Health's 2020 we need to lose or reduce emissions by 11,000 tonnes CO₂e. Royal Jubilee is Island Health's largest emitter due to the size of the campus. In 2013 RH emitted 9,267 tonnes CO₂e. Our report for 2014 emissions will be available July 1, 2015.

Deanna Fourt, ASCT

Director of Energy Efficiency and Conservation

Vancouver Island Health Authority

1190 Seafield Crescent, Nanaimo, B.C. V9S 5K5

Ph 250-740-2674 Fx 250-755-3394 Cell 250-713-4476



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Planning and Land Use Committee Report For the Meeting on August 21, 2014

Date: August 7, 2014 **From:** Jim Handy, Senior Planner - Development Agreements

Subject: Proposed Amendment to Master Development Agreement for 1952 Bay Street (Royal Jubilee Hospital)

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Respectfully submitted,


Jim Handy
Senior Planner - Development Agreements
Development Services Division


Deb Day, Director
Sustainable Planning and
Community Development Department

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

Date: _____

JH/ljm

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1.0 Purpose

The purpose of this report is to present Council with information, analysis and recommendations regarding a request from Island Health to extend the deadline for submission of a comprehensive Master Plan for the Royal Jubilee Hospital Campus and to allow the replacement of the existing hospital boiler plant.

2.0 Background

In January 2008, Council approved a comprehensive rezoning proposal creating the CD-11 Zone, RJH District, and, in conjunction with the rezoning process, Island Health entered into a Master Development Agreement (MDA) with the City. Section 16 of the MDA requires that Island Health undertake the development of a comprehensive Master Plan for the Royal Jubilee Hospital Campus, at their sole cost, and present that Master Plan to the City by June 29, 2011. This deadline has passed and Island Health are in default of this obligation. The MDA requires that the comprehensive Master Plan address (but not be limited to) the following issues, to the satisfaction of the Director of Sustainable Planning and Community Development:

- use and density
- site planning
- building massing
- landscaping
- site open space
- tree protection
- Bowker Creek
- parking
- Transportation Demand Management (TDM)
- access to and from the land
- site servicing
- storm water management
- heritage issues.

It should be noted that, under the terms of the MDA, Island Health have agreed that they shall undertake no further development at the Royal Jubilee Hospital, other than the Patient Care Centre (which is now complete and operating), a power plant addition, links from the Diagnostic and Treatment Centre to the Patient Care Centre, various surface parking lot works and that they shall not construct any new buildings until the comprehensive Master Plan has been approved by City Council.

A Draft Master Plan was submitted to the City prior to the June 29, 2011, deadline and work continued on this document into 2012. In October 2012, staff provided Council with a memo providing an update on the status of the Master Plan explaining that Island Health were working towards a final draft of the Plan and that, upon completion, the document would be subject to further review from both City staff and the community. The latest iteration of the draft document was submitted in November 2013 and staff have provided feedback to Island Health requesting that further work be undertaken in relation to parking, heritage issues and general Plan content. This is discussed further in Section 4 of this report. In order to address the issues raised by staff, Island Health have submitted a letter to the City dated June 31, 2014 (attached), requesting that the deadline for submission of a comprehensive Master Plan be extended to June 30, 2015. This deadline extension requires a revision to Section 16 of the MDA.

3.0 Issues

The key issues related to this request are:

- proposed new date for submission of a Master Plan
- proposed replacement boiler
- primary outstanding issues.

4.0 Analysis

4.1 Proposed New Date for Submission of a Master Plan

This deadline extension is required to accommodate meetings with staff and further work on the Plan to ensure that a satisfactory comprehensive Master Plan is submitted in accordance with requirements outlined in the MDA. Since Island Health are still actively pursuing the establishment of the Master Plan, staff recommend that Council approve the deadline extension until June 30, 2015, as requested by the applicant.

4.2 Proposed Replacement Boiler

Under the terms of the MDA, with the exception of specific developments identified in this report, no further development of the site can take place until the comprehensive Master Plan has been approved by City Council. Island Health have confirmed that the existing hospital boiler plant needs to be replaced at the earliest opportunity. This is critical hospital infrastructure and staff recommend that Council support an amendment to the MDA that allows construction of the replacement boiler commence prior to approval of the Master Plan.

4.3 Primary Outstanding Issues

As identified in the letter from Island Health, the issue of on-site parking is providing the greatest challenge. The latest iteration of the Draft Master Plan indicates a shortfall of between 235 and 670 parking stalls based on projected future Campus floor space requirements and assumed parking demand. Further work on this issue is required to provide a clear understanding of parking demand as it relates to:

- the future growth of the Campus
- options for providing on-site parking to satisfy that demand
- the effectiveness of Transportation Demand Measures in offsetting parking demand
- minimizing any impact on the community as a result of visitors to the hospital and hospital staff parking in the adjacent residential areas.

The other major outstanding issue is related to heritage. The Draft Master Plan proposes the demolition of Begbie Hall. This building is located adjacent to Richmond Road in the southwest corner of the Campus and is a Heritage-Registered Property; however, this is not correctly acknowledged in the Plan and a compelling argument has not been made for the demolition of this building. Staff have advised Island Health that the Plan should correctly reference and acknowledge the heritage status of the building and, as a guiding principle, identify that the building (and all other heritage resources on-site) be retained and rehabilitated where necessary.

5.0 Conclusions

The proposed deadline extension for the submission of a comprehensive Master Plan for the Royal Jubilee Hospital Campus is required so that Island Health can respond to issues raised by staff. The boiler plant is critical hospital infrastructure and needs to be replaced at the earliest opportunity. Staff will continue to assist Island Health in their preparation of a comprehensive Master Plan and recommend that Council support the requested deadline extension and amendments to the MDA.

6.0 Recommendations

6.1 Recommendations

1. That Council direct staff to prepare an amendment to Section 16 of the Master Development Agreement for the Royal Jubilee Campus, to the satisfaction of the Director of Sustainable Planning and Community Development and the City Solicitor, that:
 - a. extends the deadline for submission of a comprehensive Master Plan for the Campus to June 30, 2015; and
 - b. allows the construction of a replacement boiler plant prior to City Council approval of the comprehensive Master Plan for the Campus, subject to obtaining all necessary permits from the City.
2. That Council direct the Mayor and Corporate Administrator to execute the amendment to the Master Development Agreement and other instruments to effect its registration in the Land Title Office.

6.2 Alternate Recommendation

That Council decline the request to amend the Master Development Agreement for the Royal Jubilee Hospital Campus.

7.0 List of Attachments

- Letter from Island Health dated July 31, 2014
- Section 16.0 of the Master Development Agreement for the Royal Jubilee Hospital Campus
- Aerial map.

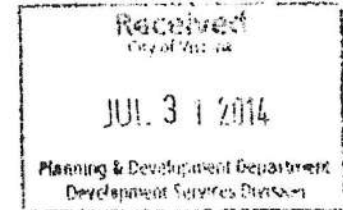
Excellent care, for everyone,
everywhere, every time.



July 31, 2014

Ref# 15820

Attention: Alison Meyer, Assistant Director, Development Services
The City of Victoria
1 Centennial Square
Victoria BC V8W 1P6



Dear Ms. Meyer:

Re: Royal Jubilee Hospital Master Campus Plan
Master Development Agreement - Timelines and Update

Please accept this letter as an update on the current progress and projected timeline for the completion and submission of the Royal Jubilee Hospital Master Campus Plan.

BACKGROUND

In January 2008 the Vancouver Island Health Authority (now Island Health) entered into a Master Development Agreement (MDA) with the City of Victoria. Subsequently, the Royal Jubilee Hospital site was rezoned to accommodate the addition of the Patient Care Centre (PCC). The MDA outlined key requirements for Island Health to address in consideration of the development of the PCC. The PCC was completed in 2010 and has significantly improved the delivery of health care services to Vancouver Islanders. The Royal Jubilee Hospital site continues to provide a broad range of services to residents and remains a major employment center in the City of Victoria and south Vancouver Island.

Amongst several requirements detailed in the MDA, Island Health agreed to:

1. "....undertake the development of a comprehensive master plan for the Land, at VIHA's sole cost, and to present that comprehensive master plan to the City within thirty (30) months of the date that Council for the City gives final adoption to the Rezoning Bylaw....".
2. "....provide for a reasonable degree of consultation with the City and the residents of the surrounding neighborhood, to the satisfaction of the City's Director of Planning and Development."
3. "....address (but is not to be limited to) the following issues to the satisfaction of the City's Director of Planning and Development:

.../2

Executive Offices
Located at 2101 Richmond Road | Victoria, BC V8R 1J8 Canada
Mailing address: 1952 Bay Street | Victoria, BC V8R 1J8 Canada

Tel: 250-370-8699 | Fax: 250-370-8750
viha.ca

- use and density;
 - site planning;
 - building massing;
 - landscaping;
 - site open space;
 - tree protection;
 - Bowker Creek;
 - parking;
 - transportation demand management;
 - access to and from the Land;
 - off-site servicing and improvements;
 - site servicing;
 - storm water management; and
 - Heritage issues.”
4. “...undertake no further development on the Land, other than the Patient Care Centre, power plant addition, links from the Diagnostic and Treatment Centre to the Patient Care Centre and various surface parking lot works, and that, for certainty, it shall not construct any new buildings, until completion of the comprehensive master plan in accordance with this Master Development Agreement, and until Council for the City has approved that comprehensive master plan and considered that plan for inclusion in the City's Official Community Plan or other City policies and regulations.”

The MDA also required the implementation of a Transportation Demand Management Program at the Royal Jubilee Hospital.

OVERVIEW OF PROGRESS OF MASTER CAMPUS PLAN

Upon adoption of the CD-11 ZONE, RJH DISTRICT Zoning Bylaw in January 2008, Island Health proceeded with the preparation of the Master Campus Plan (MCP) with the intent to submit within the prescribed timeframe of mid-2010.

Since 2008, significant effort and cost has been allocated to this project by Island Health, including extensive consultation and engagement with the local community. The City of Victoria and the District of Saanich (who share municipal boundaries on the property) have both provided input and interim review of the MCP.

From the feedback we have received, City of Victoria Staff generally supports the current plan as laid out in our December 2013 submission. The remaining key planning issues to resolve include:

- a) Current parking shortfall based on the new projected build out and density;
- b) Transportation Demand Management objectives and metrics; and
- c) Future plans for the existing Heritage Buildings of Begbie Hall and the Memorial Pavilion.

We would like to address these concerns as quickly as possible in order to complete the MCP and be ready to meet future demands as opportunities arise over the next decades. Given that the projected time period of 30 months to complete the MCP has expired, we are requesting additional time to complete the MCP and make every effort to address the City of Victoria's concerns.

Addressing Parking Shortfall and Transportation Demand Management

During the development of the MCP, Island Health retained the services of Boulevard Transportation Group to prepare a parking demand study for the campus that would determine a reasonable ratio of parking to gross development area of buildings. This study assessed the impacts of the new PCC tower to ascertain any demand change for parking on site due to the construction of the facility. The PCC was created to replace and consolidate in one building inpatient beds from the obsolete South, East and Centre Blocks and other parts of the site. Changes in numbers of employees, staff and visitors as a result of the PCC were not considered significant enough to change demand. It is also noted that due to limited available areas for parking on site this continues to be a significant challenge operationally for the hospital in meeting day-to-day parking needs of staff, visitors and patients.

As part of its obligations to the MDA, Island Health has continued to provide regular reports on the progress of the Transportation Demand Management Program which has had some success with a broad range of programs adopted by Island Health over the past few years (Attachment 1). However the program still has challenges in fully meeting the requirements outlined in the MDA and providing adequate justification to the City's satisfaction on an appropriate parking supply rate to address future growth.

As a specialized tertiary care site, RJH requires a large, highly skilled staff. Many staff members are shift workers that reside across the Capital Region, and many work up to 12 hour shifts across all times of the day and night. Adding extra hours to these long shifts to commute on public transit is very challenging. Transit infrastructure leading to the RJH site is increasing, but it still does not fully meet the needs of staff in a way that will significantly decrease vehicle use.

We are subsequently challenged with either increasing the MCP total parking supply or Island Health committing to increasing investments in transportation demand management. In our last iteration of the Master Campus Plan submitted to City Staff, we had achieved a significant reduction in parking shortfall from previous drafts. This was due in part to a change in development area requirements that reduced the parking demand ratio outcome, as well as integration of parking structures with the building footprint above grade.

Capital budgets for new structures must be approved by the Ministry of Health, and in the current challenging fiscal environment parking structures cannot be prioritized ahead of facilities to support patient care. Additionally the geotechnical conditions of the site are found to be largely comprised of shallow bedrock ranging from 1-2 metres below grade, and make the incorporation of underground parking very difficult and cost prohibitive.

As parking shortfall appears to be the main challenge City Staff have with the current draft of the MCP, we are requesting more time to work with the City to find a proposed solution that works for all parties.

Emerging Boiler Plant Issue

Island Health also has an imminent need to replace the aging boiler plant on the RJH site. The existing plant is 60 years old, and three boilers must be replaced as soon as possible. This is a significant risk to the ongoing operation of the RJH campus. Replacing the boilers will require an extension to the existing plant footprint.

Under the Master Development Agreement Island Health cannot undertake any further development on site until the Master Campus Plan is complete. We are requesting that the MDA be amended to allow Island Health to request a building permit to replace the RJH boiler plant. Island Health will then follow the regular city planning procedures to get approval to move forward with the boiler plant upgrade in parallel to completing the Master Campus Plan.

The new boilers will not add any additional staff members to the site, and will not increase the amount of patients visiting the hospital. The plant addition will also not affect parking on site. Further, we are committed to working with the City of Victoria planning team to resolve the outstanding issues and complete the Master Campus Plan within the new proposed deadline.

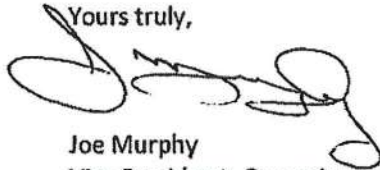
NEXT STEPS

As part of our response to City staff comments, and determining next steps for the MCP, we are requesting:

1. A clear Terms of Reference from City Staff on acceptable information and materials to address the parking shortfall and Transportation Demand Management requirements. In order to fully understand the City's position on this we need direction on what studies or actions should be undertaken to achieve approval of the MCP.
2. Approval from Council to extend the deadline for submission to June 30, 2015, to address the City of Victoria's additional feedback on the latest draft.
3. Approval from the City of Victoria to allow Island Health to proceed with requesting a building permit to upgrade the aging boilers on the RJH site.

We continue to be committed to providing a Master Campus Plan that will guide future growth on the Royal Jubilee Hospital site with as much certainty as possible. We believe that we have prepared a detailed document that addresses the majority of concerns within our current understanding of the future requirements of the health care services available on this site. We look to the City of Victoria to assist us in providing formal written direction that will reasonably ensure that this document will meet the intent of the MDA.

Yours truly,



Joe Murphy
Vice President, Operations and Support Services

cc: Grant Hollett, Corporate Director, Planning and Community Engagement, Island Health
Chris Sullivan, Director, Capital Planning, Island Health

- (b) participation at joint meetings; and
 - (c) mechanisms for addressing neighbourhood concerns related to construction or hospital operations, as those activities impact the surrounding neighbourhood, including but not limited to a means of contacting a VIHA representative twenty-four (24) hours per day, seven (7) days per week.
- 15.2 Prior to the issuance of a structure permit for the Patient Care Centre, VIHA shall provide to the Director of Planning and Development a copy of the Good Neighbour Agreement, executed by VIHA, in terms that are satisfactory to the Director, acting reasonably.
- 16.0 DEVELOPMENT OF MASTER PLAN**
- 16.1 VIHA covenants and agrees to undertake the development of a comprehensive master plan for the Land, at VIHA's sole cost, and to present that comprehensive master plan to the City within thirty (30) months of the date that Council for the City gives final adoption to the Rezoning Bylaw. VIHA shall retain the services of a competent professionals, such as professional architects, planners and landscape architects, to assist in preparation of the comprehensive master plan.
- 16.2 In preparing the comprehensive master plan, VIHA shall provide for a reasonable degree of consultation with the City and the residents of the surrounding neighbourhood, to the satisfaction of the City's Director of Planning and Development.
- 16.3 The comprehensive planning study must address (but is not to be limited to) the following issues to the satisfaction of the City's Director of Planning and Development:
- (a) use and density;
 - (b) site planning;
 - (c) building massing;
 - (d) landscaping;
 - (e) site open space;
 - (f) tree protection;
 - (g) Bowker Creek;
 - (h) parking;

- (i) transportation demand management;
 - (j) access to and from the Land;
 - (k) off-site servicing and improvements;
 - (l) site servicing;
 - (m) storm water management; and
 - (n) heritage issues.
- 16.4 VIHA covenants and agrees that it shall undertake no further development on the Land, other than the Patient Care Centre, power plant addition, links from the Diagnostic and Treatment Centre to the Patient Care Centre and various surface parking lot works, and that, for certainty, it shall not construct any new buildings, until completion of the comprehensive master plan in accordance with this Master Development Agreement, and until Council for the City has approved that comprehensive master plan and considered that plan for inclusion in the City's Official Community Plan or other City policies and regulations.

17.0 LEED® GOLD CERTIFICATION

- 17.1 VIHA covenants and agrees that the Patient Care Centre shall be designed and constructed so as to achieve LEED® Gold Certification from the Canada Green Building Council.
- 17.2 VIHA covenants and agrees to provide the City with evidence of registration of the Patient Care Centre for certification with the Canada Green Building Council prior to the issuance of a Building Permit for the Patient Care Centre.
- 17.3 VIHA further covenants and agrees to provide the City with evidence of LEED® Gold Certification of the Patient Care Centre upon receipt of that certification from the Canada Green Building Council.

In the event that VIHA fails to provide the City with the certification required under section 17.3 within eighteen (18) months after the issuance of an occupancy permit for the Patient Care Centre, VIHA shall make such improvements or modifications to the Patient Care Centre as are necessary to achieve LEED® Gold Certification, provided that VIHA shall not be required to expend any more on such improvements or modifications than it is lawfully entitled to receive from Project Co by way of contractual penalties imposed due to Project Co's failure to achieve LEED® Gold Certification. In that respect, VIHA covenants that its contract with Project Co shall require Project Co to pay VIHA the amount of ONE HUNDRED THOUSAND (\$100,000.00) DOLLARS for each LEED® credit less than thirty-nine (39) achieved, to a maximum payment amount



Royal Jubilee Hospital Lands



5.7 Proposed Amendment to the Master Development Agreement for 1952 Bay Street

Committee received a report regarding a request from Island Health to extend the deadline for submission of a comprehensive Master Plan for the Royal Jubilee Hospital Campus and to allow the replacement of the existing hospital boiler plant. The proposal would require an amendment to Section 16 of the Master Development Agreement (MDA) for the Royal Jubilee Hospital.

In addition to outlining a deadline of June 29, 2011, for submission of a comprehensive Master Plan, the MDA identifies a range of issues that should be addressed in the Plan to the satisfaction of the Director of Sustainable Planning and Community Development. The MDA also states that, with the exception of the Patient Care Centre (which is now complete and operating), a power plant addition, links from the Diagnostic and Treatment Centre to the Patient Care Centre and various surface parking lots works, no further development on the land can take place until City Council have approved the Master Plan.

A Draft Plan was submitted to the City prior to the June 29, 2011, deadline and work continued on this document into 2012. In October 2012, staff provided Council with a memo providing an update on the status of the Master Plan explaining that Island Health were working towards a final draft of the Plan and that, upon completion, the document would be subject to further review from both City staff and the community. The latest iteration of the draft document was submitted in November 2013 and does not fully satisfy the obligations of the MDA. In a letter to staff dated July 31, 2014, Island Health has requested that the submission deadline for the comprehensive Master Plan be extended to June 30, 2014, in order to respond to the issues raised by staff.

- Action:** It was moved by Councillor Helps, seconded by Councillor Coleman, that Committee recommends:
1. That Council direct staff to prepare an amendment to Section 16 of the Master Development Agreement for the Royal Jubilee Campus, to the satisfaction of the Director of Sustainable Planning and Community Development and the City Solicitor, that:
 - a. Extends the deadline for submission of a comprehensive Master Plan for the Campus to June 30, 2015; and
 - b. Allows construction of a replacement boiler plant prior to City Council approval of the comprehensive Master Plan for the Campus, subject to obtaining all necessary permits from the City.
 2. That Council direct the Mayor and Corporate Administrator to execute the amendment to the Master Development Agreement and other instruments to affect its registration in the Land Title Office.
- North Jubilee Neighbourhood Association raised the issue that they are a small association with small membership and they have been involved for many years dealing with issues raised by the Jubilee Hospital, often with frustration. They have seen changes in planning but indicate they are representing the neighbourhood and the city. Is there a way to widen the net in regard to feedback for the hospital?

Councillor Coleman withdrew from Committee at 10:45 a.m. returned at 10:46 a.m.

- Committee recognizes the services the hospital delivers and the employment it provides to the region. Is there a way to encourage feedback from a wider community to share the burden of the community association?
- There has been frustration that there is not meaningful consultation taking place.
 - This is a historic issue and the MDA has specific language regarding consultation and staff will be ensuring the MDA requirements are fulfilled.
- It is not known what the order of magnitude of the size of boiler plant will be. There have been no details provided.
 - It may not come back to Council, it depends on what is being done. If it is using the same footprint then a Development Permit would not come back here. If it does not need rezoning it will not come back to this table. Committee cannot make a decision when they do if it is not understood what is being proposed.
- Concerns that Begbie Hall could be demolished without consultation or discussion with the City or community.

Action: It was moved by Councillor Isitt, seconded by Councillor Gudgeon, that Committee postpone consideration of the motion pending receipt of further information from the applicant.

CARRIED UNANIMOUSLY 14/PLUC0197

Committee recessed at 11:15 a.m.

Committee reconvened at 11:20 a.m.



Royal Jubilee Hospital Lands

