



Planning and Land Use Committee Report

For the Meeting of January 29, 2015

To: Planning and Land Use Committee **Date:** January 15, 2015
From: Lucina Baryluk, Senior Process Planner
Subject: Rezoning Application #00459 for 2560 Quadra Street

RECOMMENDATIONS

Staff recommend that Committee forward this report to Council and that Council instruct staff to prepare the necessary Zoning Regulation Bylaw Amendment that would authorize the proposed development outlined in Rezoning Application #00459 for 2560 Quadra Street, that first and second reading of the Zoning Regulation Bylaw Amendment be considered by Council and a Public Hearing date be set once the following conditions are met:

1. Provision of a third-party economic land lift analysis that justifies any increase in density that exceeds the floor space ratio above the base of 1.5:1 FSR with a contribution equivalent to 75% of the increase in the land value attributed to the additional density and that it be equally divided between the Parks and Greenways Fund Acquisition Reserve Fund and the Victoria Housing Reserve Fund, to be secured to the satisfaction of the City Solicitor and the Assistant Director of Development Services.
2. Registration of Housing Agreement to ensure that the units remain rental for a period of 10 years to the satisfaction of the Assistant Director of Development Services.
3. Conditions identified in the Development Permit Report be endorsed by Council.

LEGISLATIVE AUTHORITY

In accordance with section 903(c) of the *Local Government Act*, Council may regulate within a zone the use of land, buildings and other structures, the density of the use of land, buildings and other structures, the siting, size and dimensions of (i) buildings and other structures and (ii) the uses that are permitted on the land, and the location of uses on the land and within buildings and other structures.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Rezoning Application for the property located at 2560 Quadra Street. The proposal is to increase the density from the allowable density within the existing Zone (Quadra Village District).

The following points were considered in assessing this Application:

- The subject property is within Quadra Village, which is designated as a Large Urban Village in the *Official Community Plan* (OCP). A mixed use development with residential densification is consistent with the direction of the OCP.
- The OCP provides policy direction within this designation to consider increases in density where a proposal advances the OCP objectives. The staff recommendation put forward for Council's consideration is to quantify the land lift associated with the proposed density increase through the provision of a third-party economic land lift analysis. Staff further recommend that any amenity contribution be equivalent to 75% of the increase in the land value attributed to the additional density and that it be equally divided between the Parks and Greenways Fund Acquisition Reserve Fund and the Victoria Housing Reserve Fund.

Staff recommend that Council advance this Application.

BACKGROUND

Description of Proposal

This Rezoning Application is to permit the construction of a four-storey, 18-unit residential building with ground floor commercial within Quadra Village. The existing building would be demolished.

The following changes from the current zone (Quadra Village District) are being proposed:

- increase the maximum total floor area from 868m² to 1120.12m² as determined by the maximum floor space ratio (FSR)
- increase the maximum FSR from 1.4:1 to 1.81:1.

There is a vehicle parking variance associated with this application. This variance is described in the report related to the Development Permit Application for this property.

Sustainability Features

The applicant has identified a number of sustainability features which will be reviewed in association with the concurrent Development Permit Application for this property.

Land Use Context

Quadra Street, within Quadra Village, is dominated by commercial developments, with some mixed-use projects (commercial on the main floor with residential on the upper storeys). In recent years, some commercial buildings have changed ownership accompanied by tenant improvements. However, there has been little new development in the last several years.

Existing Site Development and Development Potential

Under the current C1-QV Zone, Quadra Village District, the property could be developed for a mixed-use building (commercial-residential) with a maximum floor space ratio of 1.4:1 and a maximum height of four storeys and 15.5m.

Data Table

The following data table compares the proposal with the existing C1-QV Zone, Quadra Village District. An asterisk is used to identify where the proposal is less stringent than the existing zone. It is noted that a site-specific zone will be created for this proposal, and consequently the new zone will reflect the proposed density and siting; however, a vehicle parking variance will still be required.

Zoning Criteria	Proposal	Zone Standard C1-QV
Site area (m ²) - minimum	620	N/A
Total floor area (m ²) – maximum	1120.12*	868.38
Commercial floor area (m ²)	60.89 (ground floor)	Ground floor requirement
Density (Floor Space Ratio) - maximum	1.81*	1.4
Number of units - maximum	18	n/a
Height (m) - maximum	15.07	15.5
Site coverage (%) – maximum	74	N/A
Open site space (%) – minimum	16	N/A
Storeys – maximum	4	4
Setbacks (m) - minimum		
Front - 1 st and 2 nd storey	3.2	3
Front - 3 rd and 4 th storey	3.2*	6
Rear	0.2	N/A
Side (north)	0	N/A
Side (south)	0*	3.65 (1/4 building height)
Parking: Residential - minimum	10*	23 1.3 per unit
Parking: Visitor – minimum	0*	2
Parking: Commercial – minimum	0*	2
Landscape strip along surface parking – south	0*	0.6 m
Bicycle storage for residential units	37	18
Bicycle racks for short-term and commercial use	6 space rack provided	6 space rack required

Relevant History

On November 24, 2011, Council approved a Development Permit for this site. The previously approved Development Permit was for 17 residential units with ground floor commercial. The four-storey building did not require a rezoning as the density provisions of the current zoning (Quadra Village District) were not exceeded. However, this previously approved Development Permit has expired and the new proposal differs from the previous application.

It is also relevant to note that in the intervening time period, the new *Official Community Plan* has been adopted.

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications*, the applicant has consulted the Hillside-Quadra Neighbourhood Action Group at a Community Meeting held on May 22, 2014. A letter dated July 1, 2014, is attached to this report.

ANALYSIS

Official Community Plan (OCP) and Proposed Increase in Density

The existing zone for this site permits densities with a floor space ratio (FSR) of up to 1.4:1. The OCP provides policy direction within the Large Urban Village Designation to consider increases in density beyond the base floor space ratios of 1.5:1 and up to 2.5:1 in strategic locations for the advancement of plan objectives. The proposal for residential densification within a Large Urban Village satisfies the OCP objective of contributing to provision of dwelling units within an Urban Village. In addition, the commercial component can support a number of commercial services that support an Urban Village.

The previous proposal had 17 units, while the current proposal has only one more unit, but with a larger building floor area (see Data Table for further details). However, the applicant has not provided a specific rationale detailing how this project advances the OCP objectives and has indicated they do not wish to undertake a land lift analysis.

As the proposal exceeds this density (proposing 1.81:1 FSR), a land lift analysis is recommended to justify the increase in density above 1.5:1 FSR. The contribution of a community amenity may justify extra density above 1.5:1 FSR and is consistent with City policy and past practises. This would be determined through the provision of a third-party economic analysis of the project. Consistent with the normal process, the third-party consultant would work under the direction of staff but be paid for by the applicant.

Hillside-Quadra Neighbourhood Plan

The *Hillside-Quadra Neighbourhood Plan* stipulates a residential component in any redevelopment and also encourages the continuity of the street front without blank walls or garage entrances. This development satisfies both these objectives.

Housing Agreement

The applicant has indicated that they are willing to enter into a Housing Agreement to ensure the units are provided as rental accommodation for a 10-year period.

CONCLUSIONS

This Application for increased density is supportable in the context of Quadra Village, and the policies pertaining to Large Urban Villages, with the stipulation that a density lift analysis be undertaken. The unit mix and size of units would add to the diversity of rental housing in the area and the rental housing could be secured for a period of 10 years.

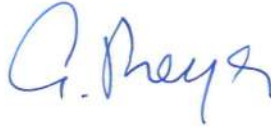
ALTERNATE MOTION

That Council decline Rezoning Application #00459 for the property located at 2560 Quadra Street.

Respectfully submitted,

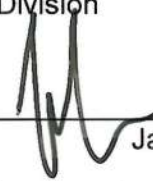


Lucina Baryluk
Senior Process Planner
Development Services Division



Alison Meyer
Assistant Director
Development Services Division

Report accepted and recommended by the City Manager:



Jason Johnson

Date:

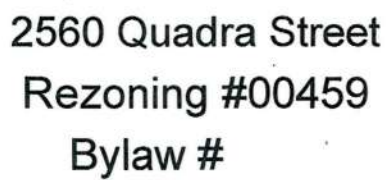
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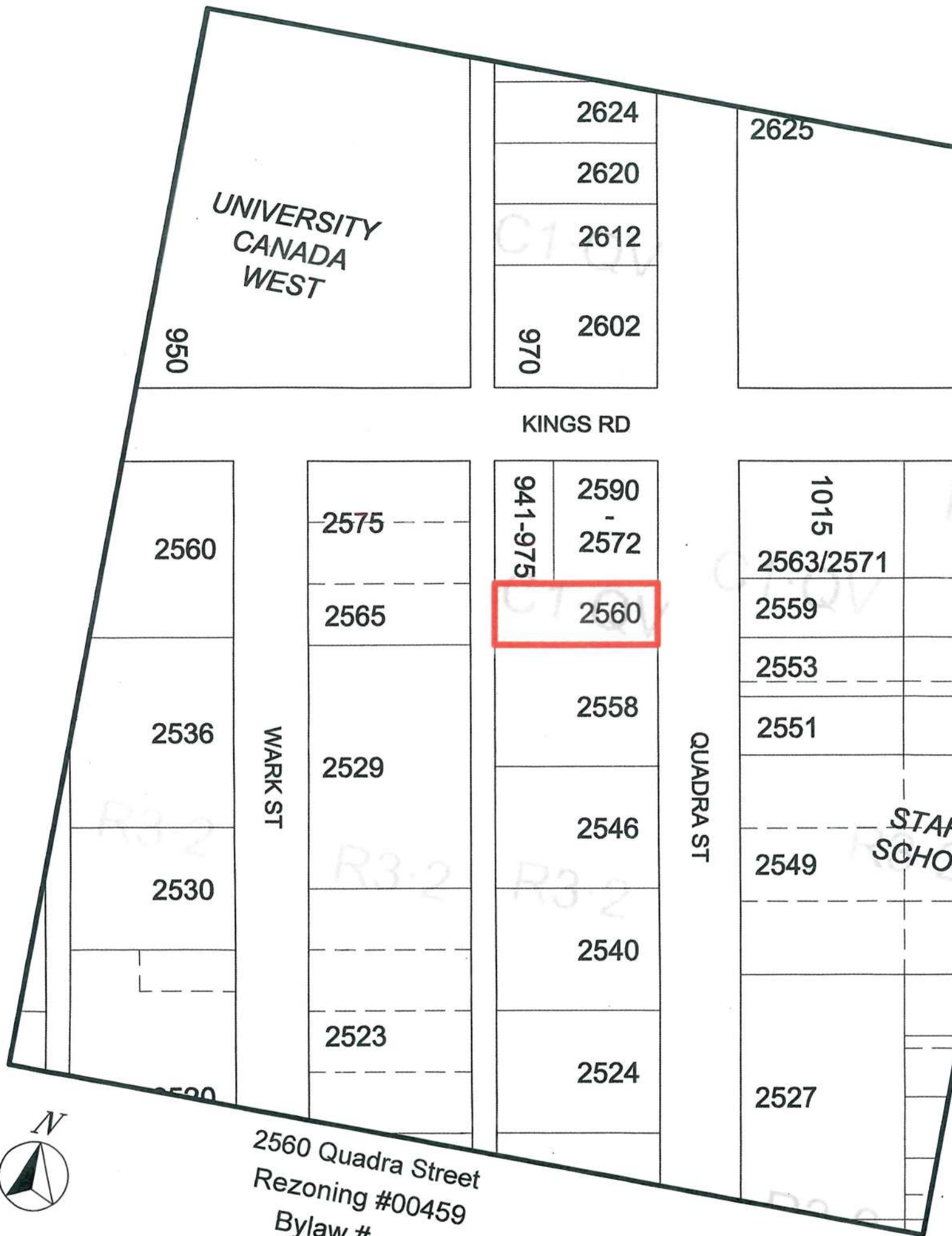
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List of Attachments

- Air photo
- Subject property map
- Letter from Eric Barker, Architect, dated December 5, 2014
- Letter from the Hillside-Quadra Neighbourhood Action Group dated July 1, 2014.





2560 Quadra Street
Rezoning #00459
Bylaw #



December 5 / 2014

Mayor and Council
City of Victoria
1 Centennial Square
Victoria , B.C.
V8w 1P6

RE: 2560 Quadra for the Denux Group of Companies

Mayor and Council

The site in question is located at the south end of Quadra Village acting as a gateway to the commercial area. The OCP describes the need to develop Quadra Village as a complete Urban Village with increased residential and commercial density which could, under some circumstances, be as high as a 2.5 FSR. This is an opportunity to intensify use in an important Urban Village in the City of Victoria to take advantage of a strong local commercial base supported by good public transportation close to Victoria's downtown.

My client is a developer of a different type – building property to rent and hold for the long term. Their experience as a property management firm tells them that a MIXTURE of small bachelor units with larger two bedroom units works better in the long term attracting a more stable mix of tenants. The tenant profile will include focusing on the needs of the aging household demographic. The senior couple downsizing into rental units tuned to their needs is a growing consideration in the current market.

Therefore, we are proposing to re-zone the current C1-QV zone to enable an increase in the total floor area available from the 1.4 FSR in the current zone to 1.8. This will enable a typical floorplate to have 3 – bachelors in the 400 sf range and 3- 2-bedroom units in the 775 sf range for a total of 18 unit. To conform to the existing zone with the same number of units would result in all units sized in the 435 sf range.

It is important to understand that the genesis of the decision to increase the total building area and re-zone was to create some larger units - not more units. This is not about generating more value but rather creating a mix of units that will be viable and sustain over time. Being a rental property it has less value than a strata property and if monthly return was the key criteria a collection of smaller units on a smaller floor plate within the existing zone would have been the approach. Because of this my client would request that the requirement for a land-lift analysis be removed from the list of development conditions.

On the ground floor there is commercial space fronting on Quadra reinforcing the commercial character of the Village . The parking is provided on grade behind the commercial accessed off the public lane behind thereby not disturbing the streetscape with a driveway .The parking is screened from neighbouring property by a landscaped area between the open stairs to the north and by metal architectural fencing with vines along the south and west faces.

There are 10 parking stalls provided which require a parking variance . Adept Transportation Solutions has completed an analysis of the parking and concluded the parking ratio of our proposal - .55/unit - matches the rental buildings in the immediate area .The location in Quadra Village and the proximity to public transportation and to downtown are important supportive factors .We propose to mitigate the variance both by doubling the bicycle parking on site from that required in the by-law and by putting 8 spaces in locked closets on each floor close to the unit .The informal open walkway to the units is well suited to residents bringing their bicycles up their floor and locking them in a closet close to the front door of their unit .

The majority of the neighborhood supports the project and importantly two of the three immediate neighbors do as well . Fifteen business owners on Quadra from this end of Quadra to Hillside were shown the plans and indicated their support .There was concern initially in meetings with the neighborhood that a height variance was being requested . When it was clarified that the building conforms to the 4-storey height within the current zone , this concern dissipated . Several meetings were held with the owner of the Café Fantastico who is concerned about the project . Shadow studies were completed to illustrate our proposal did not shadow a new deck and the planned location of solar panels on the café building . An offer was made to make further modifications to deal with other concerns but no interest was shown in further contact.

A pictorial description of the evolution of the proposal through the consultation process is appended to our application . There is a letter from the resident association in your package which , in part , describes comments arising out of an advertised neighborhood meeting in May of this year. The attendance at the meeting was very low – 4 or 5 people - and therefore not representative of broader neighborhood opinion .

In 2011 a development permit for a residential / commercial project, known as the Seto, was approved by Council .In many ways it was almost identical to our proposal.

1. Commercial on the ground floor facing Quadra with 3 floors of residential above .
2. Surface parking behind the commercial accessed off the lane behind
3. 4 stories in height
4. Footprints within 5% of each other
5. 18 units in our proposal vs 17 in the Seto
6. 10 surface parking stalls vs 11 in the Seto

The main difference that triggers the re-zoning is the total floor area of our proposal is larger than the 1.4 FSR in the C1-QV zone. The area of the proposal equates to a 1.8 FSR – an increase of 2670 sf which has been distributed over three floors to increase the size of the 2 bedroom units as has been mentioned earlier. To compensate for this additional area we have added a 280 sf landscaped area – 31 ft x 9 ft- between the stairwells on the north side to provide screening to the parking and visual relief .

The building will have the following ' green features '

1. Drain parking area and roof into treatment swale in landscaped area
2. Energy Star appliances
3. 35 % of all construction material will be re-cycled
4. 35 % of all construction material will be produced within 500 k
5. 70 % of all construction waste will be diverted from the landfill
6. Low VOC paints / green label carpets / formaldehyde free products
7. Wire one parking stall for rapid charging EV
8. Reduced car parking and increased bicycle parking
9. Low E glazing

In summary, we believe this site is a great opportunity to make the best use of an site in an Urban Village close to Downtown by building new needed rental housing .

Regards,



Eric J. Barker, Architect AIBC, LEED AP

EJB/jj

Hillside-Quadra Neighbourhood Action Group
c/o 901 Kings Road
Victoria BC V8T 1W5
nag@quadravillagecc.com

July 1, 2014

To the Mayor and Council
City of Victoria
#1 Centennial Square
Victoria BC V8W 1P6

RE: Proposed Development at 2560 Quadra

I am writing this letter on behalf of the Hillside-Quadra Neighbourhood Action Group (NAG) to discuss community input on the above-noted proposal based on comments made during the CALUC (Community Association Land Use Committee) process.

Community Consultation Process

The proponent originally contacted NAG March 6, 2014 seeking a meeting to discuss the proposal.

The proponent attended a preliminary meeting, held during our regular NAG meeting on April 7, 2014. The proponent provided drawings and answered questions.

The Community Meeting under the CALUC process was held May 22, 2014 after the usual mail-out, and was attended by 4-6 community members. The proponent presented drawings and answered questions. A copy of the proposed plans was not made available immediately, but was sent on June 11, 2014.

It is our observation that the proponent has met the consultation requirements within this phase of the CALUC process.

Our Understanding of the Proposal

The property is currently the site of a bungalow on a 50' x 133' lot and is zoned C1-QV - Quadra Village District. It was the subject of a Development Permit application to build a 17 unit retail and strata residential building named the Seto in 2011, which included variances in the areas of setbacks and parking. After consultations with the then-owners, NAG wrote a letter on the subject to Council September 10, 2011, and Council approved the application on November 24, 2011. However, the planned project was not built and the permit expired, followed by the sale of the property.

The current proponent wishes to seek site-specific zoning to allow the construction of an 18-unit, 4 story rental apartment building, with fenced-in parking and a single retail space on the first floor, and residential suites on the floors above. Nine units would be bachelor apartments, with the other nine having 2 bedrooms. The proponent spoke of their wish to build larger units with higher ceilings as a way to seek a more stable rental base. Much of the building is proposed to be built to the lot line, with a floor area-to-lot area ratio of 1.8 rather than the currently allowed 1.4. Although four stories are allowed under the current zoning, the proponent does not envision their total height being within the C1-QV zone. Eleven motor vehicle parking spaces (four open and 7 secured) and 42 bicycle spaces (36 enclosed, 6 on bike rack) are proposed. It was said to be likely to include a car-share space, but this was not committed to. Exterior staircases and walkways, as well as a small area of

landscaping, is proposed for the North side of the building. Some current trees would be removed, and the proponent said that replacement trees would be put in the neighbourhood, although likely not on the same property.

Consistency with the Surrounding Area

The property fronts on Quadra Street at the South end of the commercial core of Quadra Village, and backs on an unnamed alley running between Kings Road and Bay Street. To the North it is bordered by commercial properties currently housing a laundromat, small shop, cafe, and the offices of local non-profit organizations. The properties to the South are predominantly multi-family residential. Across the alley to the West is a child-focused park, Wark St. Commons, with multi-family buildings to the South of the park. The area across Quadra also shows a mix of predominantly multi-family residential transitioning into buildings with both retail and residential. The adjacent properties to the North and South are also zoned C1-QV, as are most properties immediately across Quadra Street.

Within the 1994 Hillside Quadra Neighbourhood Plan, this section of Quadra Street has the objective of "Consider reduction of allowable height, more street retail". Within the 2012 Official Community Plan, this section of Quadra Street is designated as "Large Urban Village" with a strategic direction of "Further develop Quadra Village as a complete Large Urban Village with increased residential and commercial density, community and commercial services, and additional public realm enhancements."

Concerns or Comments of Which We Are Aware

We do not as a neighbourhood group advocate or oppose particular developments, preferring to play a role that ensures proper consultation and due process in advance of public hearings and Council deliberations. However, through our involvement in the CALUC process, we do become aware of neighbourhood concerns and views.

In the case of this property, the following views on the proposal were expressed by participants in the Community Meeting or by individuals providing written feedback following the meeting:

1. A number of people expressed concern with the height of the proposed building and its potential to overshadow surrounding areas. It was stated that most of the surrounding buildings are three stories and that this building would not fit that profile, tending to loom over the area. The proponent had prepared shadow studies of four and three-story versions of the proposal and these were reviewed at the community meeting.
2. Concern was expressed about building right to the property line with limited setbacks and no terracing on the upper stories. This was seen by some as undermining the intent of the Quadra Village guidelines and might set precedents for other development to follow.
3. There was some concern about the appearance of the design and whether it fits the character of the Village. Some individuals see some combination of the overall massing, the visible parking lot and exterior stairwells, the perceived lack of "softening" features to the frontage, and limited greenscaping as creating an unattractive appearance.
4. The vehicle access for the proposed building would be through the narrow alley at the rear. There was concern expressed about the volume of traffic on the alley (and on Kings Road, when considered in combination with other current proposals in the area) and the safety risk this may pose, particularly for the adjacent park and pedestrians walking along Kings Road. The lack of visitor parking was also cited as a possible source of parking pressure for neighbouring properties.
5. It was stated by one individual that if the development is approved as a rental building it should have a covenant to guarantee that it remain so for a number of years.

We would be pleased to provide further information or comments on any of the above if that would be helpful. I

can be reached at nag@quadravillagecc.com.

Sincerely,

Keith Macgowan
Chair, Hillside-Quadra Neighbourhood Action group

cc: Lucina Baryluk (Planner, City of Victoria)
Eric Barker (Representative for the Proponent)
Sophie Denux (Proponent)