

Planning and Land Use Committee Report For the Meeting of January 29, 2015

- To: Planning and Land Use Committee Date: January 16, 2015
- From: Brian Sikstrom, Senior Planner, Development Services Division
- Subject: Rezoning Application # 00457 and concurrent Official Community Plan Amendment Application for 521-557 Superior Street and 524-584 Michigan Street

RECOMMENDATIONS

Staff recommend that Committee forward this report to Council and consider the updated motion related to consultation requirements pertaining to the proposed Official Community Amendment (changes shown in bold below):

- 1. That Council consider giving first reading to Official Community Plan Amendment Bylaw, 2012, Amendment Bylaw (No. 11).
- 2. That Council consider Official Community Plan Amendment Bylaw, 2012, Amendment Bylaw (No. 11) in conjunction with the *City of Victoria 2014 Financial Plan* and the *Capital Regional District Liquid Waste Management Plan* and *Capital Regional District Solid Waste Management Plan* pursuant to Section 882(3) (a) of the *Local Government Act* and deem those plans to be consistent with the proposed Official Community Plan Amendment Bylaw.
 - a. That Council determine pursuant to section 879(1) of the Local Government Act, that the affected persons, organizations and authorities are those property owners and occupiers immediately adjacent to the subject properties and determine that the appropriate consultation measures would include mailed notice of the proposed OCP Amendment to the affected persons and posting of a notice on the City's website inviting affected persons, organizations and authorities to ask questions of staff and provide written or verbal comments to Council for their consideration.
 - b. That Council determine pursuant to section 879 (2)(a) of the *Local Government Act*, that having regard to the previous Community Association Land Use Committee (CALUC) Community Meeting, the consultation proposed at this stage is an adequate opportunity for consultation.
 - c. That Council consider consultation under Section 879(2) of the *Local Government Act* and determine that no referrals are necessary with the Capital Regional District Board, Councils of Oak Bay, Esquimalt and Saanich, the Songhees and Esquimalt First Nations, the School District Board, and the provincial and federal governments and their agencies due to the nature of the proposed amendments.
 - d. That Council consider giving second reading to the Official Community Plan

Amendment Bylaw, 2012, Amendment Bylaw (No. 11).

- e. That Council consider referring the Official Community Plan Amendment Bylaw, 2012, Amendment Bylaw (No.11) for consideration at a Public Hearing.
- f. That Council consider giving first and second reading to the Zoning Regulation Bylaw, Amendment Bylaw (No. 11).
- g. That Council consider referring Zoning Regulation Bylaw, Amendment Bylaw (No. 1026) for consideration at a Public Hearing.

LEGISLATIVE AUTHORITY

In accordance with section 876 of the Local Government Act, Council may adopt one or more Official Community Plans. Pursuant to section 137(1)(b) of the Community Charter, the power to amend an Official Community Plan bylaw is subject to the same approval and other requirements as the power to adopt a new Official Community Plan bylaw.

EXECUTIVE SUMMARY

The purpose of this report is to update Council on the Official Community Plan Amendment Application (OCP) and concurrent Rezoning Application for the properties located at 521-557 Superior Street and 524-584 Michigan Street. The report will summarize the status of:

- the pre-conditions set by Council in relation to these Applications
- compliance with the Environmental Management Act
- Local Government Act requirements related to statutory consultation.

Council Pre-Conditions

In accordance with Council's motion of November 27, 2014, the necessary Official Community Plan Bylaw Amendment and Zoning Regulation Bylaw Amendment that would authorize Rezoning Application #00457 for the property located at 521-557 Superior Street and 524-584 Michigan Street have been prepared. The Planning and Land Use Committee (PLUC) report dated October 30, 2014, together with the meeting minutes and the proposed Bylaw Amendments are attached. With regard to the pre-conditions that Council set in relation to this Application staff can report the following:

Master Development Agreement

The existing Master Development Agreement (MDA) has been amended for Council's consideration (attached). The proposed amendments are summarized in Appendix A of this report with changes since the October 30, 2014 report to Council highlighted in grey. The major amendments to the existing MDA include the following:

- Housing
 - requiring a minimum of 61 units suitable for families and 51 affordable units
 - adding the City's OCP definition of affordable housing as well as a definition of "small market unit" and "housing suitable for families"
 - adding a provision that ensures over half of the required affordable housing units (i.e. 26 small market units) be provided in the first phase of the development.
- Transportation Demand Management (TDM)
 - adding a schedule which specifies the minimum TDM measures that are to be provided in the development. These measures include: the provision of end of trip facilities for cyclists including lockers and showers; a requirement for market rate (non-subsidized) parking; vehicle charging stations; priority parking stalls for ride-share and high occupancy vehicles; and a parking space for a car-share vehicle.
- Amenities

Library

- extending the timeline for the initial offer of acceptance by the City, adding flexibility to the amount of space offered to the City and allowing other community uses
- replacing a two-year notice period for occupancy of space by the City with an ongoing right of first offer and providing an ongoing right for the City to occupy space 15 years after the most recent commencement of any other occupant's lease.

Central Plaza

- adding requirements for the provision of a high-quality central public plaza off Superior Street including: construction in accordance with the *Capital Park Urban Design Guidelines* and Development Permit plans, public access, completion conditions, timing and funds as security.

Public Art

- adding requirements for the provision of public art in the central plaza including: a minimum value of \$150,000.00; an approval process reviewed and approved by City's Art in Public Places Committee, the selection of the winning artwork by a selection committee; and on-going maintenance and repair by the property owner.

Financial Contribution

 adding a requirement for the payout of a community amenity contribution of \$118,000.00 to the City which may be used at its discretion to support the Greater Victoria Public Library, the development of affordable housing or for any other amenity.

Design Guidelines

Consistent with Council's direction, the proposed *Capital Park Urban Design Guidelines* were referred to the Advisory Design Panel (ADP) on November 26, 2014. The ADP recommended approval of the Rezoning Application with "staff and the applicant exploring the addition of livability guidelines to help address the relationship between the proposed mix of residential and commercial uses". The applicant has met with staff and made refinements to the design guidelines in response to the ADP's comments as well as those provided by staff. The minutes of the ADP meeting and a letter from the applicant responding to the ADP's comments and recommendation dated December 8, 2014, are attached to this report.

In addition to referencing the *Capital Park Urban Design Guidelines* in the *Official Community Plan*, an amendment to the OCP is proposed to exempt subdivision applications that are consistent with the design guidelines from the requirement for a Development Permit. The exemption would also be noted in the design guidelines. This will streamline the subdivision approval process in instances where the project proceeds in a manner consistent with the design guidelines.

Environmental Management Act Compliance

The applicant has provided a Release Letter from the Ministry of the Environment (MOE), which permits Council to approve the Official Community Plan Bylaw Amendment and Zoning Regulation Bylaw Amendment. However, a Certificate of Compliance or other Release Letter from the MOE will be required before Council approval can be given to any Development Permit Applications for buildings on the site.

Waste Management Plan, Financial Plan and Statutory Consultation

As a result of the proposed OCP Amendment, the *Local Government Act* requires that Council consider Financial Plan Implications, Waste Management Plan Implications and statutory consultation requirements as part of any proposed OCP Amendments. The following sections outline details related to these considerations:

Financial Plan Implications

There are potential financial plan implications anticipated with respect to the possible inclusion of a GVPL branch in Council's capital budget and strategic planning deliberations.

<u>Waste Management Plans (the Capital Regional District Liquid Waste Management Plan and Capital Regional District Solid Waste Management Plan</u>)

There are no waste management plan implications anticipated.

Statutory Consultation

The Local Government Act (LGA) section 879(1) requires a Council to provide one or more opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected. Consistent with section 879 (2) (a) of the LGA, Council must further consider whether consultation should be early and ongoing. This statutory obligation is in addition to the Public Hearing requirements. In this instance, staff recommend for Council's consideration, that notifying the immediately adjacent owners and occupiers of land along with positing a notice on the City's website will provide adequate opportunities for consultation with those affected.

The OCP Amendment Application to reference the *Capital Park Urban Design Guidelines* and to exempt subdivision applications that are consistent with the design guidelines from the requirement for a Development Permit will apply the design guidelines to future development of the site and streamline the subdivision approval process in instances where development proceeds in a manner consistent with the design guidelines. As these amendments are applicable to the subject properties only and all owner and occupiers within a 200 metre radius of the site were notified and invited to participate in a Community Meeting, through the Community Association Land Use Committee (CALUC) Community Meeting Notice process, the consultation proposed at this stage in the process is recommended as adequate.

Respectfully submitted,

Brian Sikstrom Senior Planner Development Services Division

Date:

Alison Meyer, Assistant Director Sustainable Planning and Community Development Department

Report accepted and recommended by the City Manager:

Jason Johnson 10,2015

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List of Attachments

- Staff Report on Rezoning and concurrent Official Community Plan Amendment for 521-557- Superior Street and 524-584 Michigan Street dated October 30, 2014, with attachments and plans
- Minutes from the Council meeting of November 27, 2014
- Official Community Plan Amendment Bylaw and Rezoning Amendment Bylaw (No. 1026)
- Minutes from the Advisory Design Panel meeting of November 26, 2014
- Letter from Jawl Development Corporation dated December 8, 2014
- Master Development Agreement for 521-557 Superior Street and 524-584 Michigan Street
- Letter from Ministry of Environment dated February 20, 2014.
- Draft Capital Park Urban Design Guidelines, January 5, 2015 (separate document)

APPENDIX A: Summary of Updated Amendments to the South Block Master Development Agreement

Section Number	Торіс	Current Provisions	Proposed Changes in Provisions	Comments/Rationale
1.0	Interpretation	Legislative Precinct Urban Design Manual (LPUMD) referenced Development Area	Replace references to LPUMD with <i>Capital</i> <i>Park Urban Design</i> <i>Guidelines.</i> Amend to match new	Update
		definition	DPAs Add definitions of "Affordable Housing Unit", "Building A2", "Building B", "CPUDG", "Central Plaza", "Small Market Unit" and "Suitable for families"	Added definitions reflect the proposal and add specificity regarding what is considered affordable housing, small market units and units suitable for
2.0	Purpose and Intent	Terms and conditions of development established.	No changes	families. N/A
3.0	Streets	Requirement to provide off-site works and services; internal lanes, walkways and courtyards open to the public; comprehensive engineering drawings and a SRW on Superior Street.	Replace LPUDM references with Capital Park Urban Design Guidelines.	Update
4.0	Subdivision and Phasing of Development	Requirements for development permit; subdivision as outlined in LPUDM (with no subdivision straddling	Replace LPUDM References with Capital Park Urban Design Guidelines.	
	-	DPA boundaries) and submission of a tree inventory showing trees to be removed and retained.	Amend to not require a Development Permit if subdivision is consistent with <i>Capital Park Urban</i> <i>Design Guidelines</i> .	Lessens approval requirements provided subdivision is consistent with the design guidelines.
			Move phasing plan requirement to this section of the MDA and	Adds certainty regarding future phases of the development.

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Section Number	Торіс	Current Provisions	Proposed Changes in Provisions	Comments/Rationale
			add Phasing to title and a requirement for a phasing plan	
			Delete Tree Inventory Requirement provisions 4.4 and 4.5	A Tree Inventory acceptable to the Parks Department was submitted with Rezoning Application.
5.0	Permitted Uses and Floor Space Allocation	Requirement to: develop in accordance with CD-2 Zone regulations; develop a tracking system to monitor assignment of floor areas; not to exceed specified floor areas in two DPAs; not to build in a "no build area"	Delete provisions specifying floor areas and requiring floor area tracking.	These provisions are redundant with maximum floor areas in all DPAs to be specified in Zoning Regulation Bylaw amendments.
6.0	Housing	Requirements for: Housing with a mix of households, income levels and tenures;	No change	N/A
		50% of housing units to be suitable for families 51% to be affordable as defined.	Require a minimum of 61 units suitable for families and 51 affordable units. Add the City's OCP definition of affordable housing as well as a definition of "small market unit" and "housing suitable for families"	Maintains commitment to provide similar number of family and affordable units as the previous Leg Precinct MDA. However, no increase would be required based on the proposed larger number of units. Added definitions of "affordable housing", "housing suitable for families" and "small market unit" adds clarity to these requirements.
¢.	2		Add a requirement for a minimum of 26 "Affordable Housing Units" in "Building B" in Phase 1 of the	Requires the provision of over half the required affordable housing units (i.e. small market units) in Phase 1 of the

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Section Number	Торіс	Current Provisions	Proposed Changes in Provisions	Comments/Rationale
		Temporary parking, if provided, to be accompanied by a Traffic Impact Study with Design Panel review of parking proposal; and	development. Delete provision 6.3 and 6.4	development. Temporary surface parking is not proposed to be installed in association with the first development of the lands
-		Require submission of phasing plan for all office and residential development with DP for first office building.	No change but move this provision to Section 4.0.	N/A
7.0	Transporta- tion Demand Management Plan	Requirements to provide: bicycle storage and shower facilities in any office development; a traffic and parking impact study and, in cooperation with the Province and the City, establish a monitoring committee.	Delete provision 7.2 and reference to Transportation Demand Study submitted as part of the Rezoning Application.	A parking and traffic impact study acceptable to the Engineering Department was submitted with Rezoning Application.
			Add a schedule outlining TDM measures to include: end of trip facilities for cyclists including lockers and showers; vehicle charging stations; priority parking stalls for ride-share and high occupancy vehicles; and a parking space for a car-share vehicle.	The minimum required TDM measures are specified in this schedule.
	2. 23		Amend monitoring committee members to include representatives of the James Bay community, the Province and the City.	Amendment updates wording of this provision to include three significant stakeholders.
8.0	Amenities	Requirements for: The provision of 700m ² of space suitable for	Amendments to: extend timeline of initial	The provision of space for GVPL will require on-

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Section Number	Topic	Current Provisions	Proposed Changes in Provisions	Comments/Rationale
		GVPL use at market rent subject to acceptance of the space by the City within six months of the issuance of a DP or upon giving two years notice.	offer acceptance, add flexibility to amount of space offered and allow other community uses; to replace two-year notice period with an ongoing right of first offer; and to provide an ongoing right to occupy space with a 15 year time-frame.	going funding from the City and the Library. Such funding would be part of Council's strategic planning and budget discussions.
	÷	The provision of a fitness facility to be available for community use six months after occupancy of an office building with operating principles and guidelines determined by the office building tenant and the City's Parks Department in consultation with community representatives.	No change	N/A
			Add requirements for the provision of a high quality central public plaza off Superior Street including: construction to be in accordance with the <i>Capital Park Urban</i> <i>Design Guidelines</i> and Development Permit plans, public access, completion conditions, timing and security provided.	These provisions secure a high quality central plaza as a community amenity of this project.
			Add requirements for the provision of public art in the central plaza including: a minimum value of \$150,000,00; an approval process reviewed and approved	These provisions secure public art as a community amenity of this project.

Section Number	Topic	Current Provisions	Proposed Changes in Provisions	Comments/Rationale
			by City's Art in Public Places Committee; the selection of the winning artwork by a selection committee; and on- going maintenance and repair by the property owner.	2 ⁰
			Add requirement for the payout of a community amenity contribution of \$118,000.00 to the City which may be used at its discretion to support the Greater Victoria Public Library, the development of affordable housing, or for any other amenity.	This provision secures a financial payout of the remaining community amenity contribution required of the developer based on the land lift analysis.
9.0	Heritage Buildings	Requirements for the relocation and restoration of heritage houses	Delete provisions 9.1 and 9.2	Plans for heritage house restoration and relocation were approved by Council on September 11, 2014.
10.0	Public Body	The agreement does not affect the powers of the City regarding its bylaws and regulations in relation to the land nor the requirements or obligations to be met by the owner under these bylaws and regulations.	No changes	N/A
11.0	General Provisions	The agreement is to be registered expeditiously and runs with the land.	Amend the provision that requires discharge of the registered Agreement if the OCP and Zoning Regulation Bylaw Amendments are not adopted from 60 days to six months.	This amendment extends the length of time for adoption of bylaws by the City before the registered Agreement has to be discharged.



Planning and Land Use Committee Report For the meeting on November 6, 2014

Date: October 30, 2014 From: Brian Sikstrom, Senior Planner

Subject: Rezoning Application # 00457 and concurrent Official Community Plan Amendment for 521-557 Superior Street and 524-584 Michigan Street -Application to amend the CD-2 Zone, Legislature Comprehensive District, to permit a multi-phased, mixed-use development comprised of offices, ground floor commercial and residential uses covering the majority of the South Block.

Executive Summary

The purpose of this report is to present Council with information, analysis and recommendations regarding a Rezoning Application and concurrent Official Community Plan Amendment for the properties located at 521-557 Superior Street and 524-584 Michigan Street.

The proposed development is similar in concept to that envisaged in the 1994 Victoria Accord Legislative Precinct Plan. It would be constructed in three or more phases beginning with construction of the first office building on Superior Street and the mixed residential/commercial building on Menzies Street.

A Rezoning Application is required to permit an increase in the total floor area of 3691 m² (mostly for residential uses) from 34,449 m² to 37,915 m² as well as changes to permitted floor areas within amended Development Area boundaries. The rezoning is also required to permit ground-floor commercial uses (e.g. retail, restaurants) along Superior Street. The applicant has prepared the proposed *Capital Park Urban Design Guidelines* to guide the development and decisions on Development Permit Applications for all development phases. An Official Community Plan amendment is required to reference in the Legislative Precinct Development Permit Area these updated design guidelines for building design as well as landscaping in all phases of the development. In addition, amendments are required to the existing covenant regarding housing and amenities and other aspects governing development of the site.

The following points were considered in reviewing this application:

- The Rezoning Application and concurrent Official Community Plan amendments are generally consistent with the Official Community Plan, 2012 and the existing Legislative Precinct Volume 1, Urban Design Manual, 1994; the Legislative Precinct Volume 2 Development Area Guidelines, 1994; and the Legislative Precinct Volume 3 Built Form Guidelines, 1994.
- The accompanying proposed Capital Park Urban Design Guidelines update the existing Legislative Precinct design guidelines based on the development proposal and are generally consistent with them.
- The proposed development is generally consistent with the Master Development Agreement (MDA) covering the site, which includes requirements for streets, subdivision, permitted uses and floor space allocation, housing, transportation demand management, amenities and heritage houses.

- The amenities required under the MDA, potential for a library branch and the provision of a fitness centre available to the community, are maintained in the proposed development. The library amenity would require substantial long-term funding from the City and the Greater Victoria Public Library (GVPL).
- An independent third party land lift analysis was undertaken and concludes that the proposed density increase would result in a land value increase of \$567,400.00. Based on the current practice, an amenity contribution of \$425,600.00 would be recovered by the City through an amenity contribution by the applicant of \$425,600.00.
- The applicant is proposing to provide and maintain additional amenities not required in the MDA, including the provision of a high quality central public plaza off Superior Street and a public art installation located within it.
- The applicant is requesting that the extra costs resulting from building these features be credited towards the required amenity contribution. Crediting these costs can be considered based on policies which support these features provided public access is secured.
- Council has a variety of options for considering the crediting or paying out of the applicant's amenity contribution.
 - The approach of amenity contributions strategically going to physical improvements that are legally secured as well as to the GVPL branch or the Victoria Housing Fund is recommended. It would result in a major enhancement on Superior Street and the Legislative Precinct and also could facilitate a GVPL branch should City and GVPL funding for it be provided or, alternately, leverage the provision of additional affordable housing in the City. The community amenity contribution allocation recommended by staff is summarized as follows:

Community Amenity Contribution Items	Proposed Amounts
Central Public Plaza enhancement	\$156,888
Public Art	\$150,000
GVPL or Victoria Housing Fund	\$118,712
Total Amenity Contribution	\$425,600

- The applicant is requesting modifications to the existing MDA regarding the provision for future GVPL space and the provision of affordable housing as well as housing suitable for families. The proposal to provide space for a library in the first phase of the proposed development has financial implications for the City. The acceptance of the offer to lease space for a branch library will require its inclusion in Council's discussion of its Financial Plan and strategic priorities in 2015 as well as in the library's own budget and priorities deliberations. If the City accepts the offer (with the GVPL's support), ongoing operational funding as well as capital tenant improvements would need to be provided beginning in the 2017 budget year upon completion of construction of the building.
- The requested MDA modifications regarding the library would increase the time the City and the GVPL have to accept the first offer of a lease; would allow the City and the GVPL to potentially reduce the possible floor area to match the need; and also would allow for other compatible uses of benefit to the City and the GVPL. Staff recommend that Council direct that these revisions be made. The other amendments proposed by the applicant can be considered with further review with respect to appropriate wording regarding the City's interests.

The requested MDA modifications regarding affordable and family housing would result in the provision of the same number of "affordable" housing units and units "suitable for families" as was envisaged in the original *Legislative Precinct* Master Development Agreement. However, no additional affordable or family units would result from the additional housing units proposed with the increase in density. This can be considered, as these additional units trigger the required community amenity contribution.

 Other MDA modifications regarding housing would include the addition of the OCP definition of affordable housing; defining housing suitable for families as units with two or more bedrooms; and providing a definition of "small market units".

- Overall, the requested MDA modifications are considered by staff to be in keeping with the original intent of the MDA and are summarized in Appendix B.
- The Transportation Impact Assessment submitted by the applicant with the Rezoning Application provides a strong basis of support for the parking numbers and the study also shows that the forecast traffic generated by the development can be handled within the existing affected streets and intersections as well as the project's access driveways.
- The applicant submitted Heritage Conservation Plans and Heritage Alteration Permit Applications for the five Heritage-Registered houses which Council approved on September 11, 2014, with conditions to be met by the applicant. The conditions include the submission of relocation plans for the houses and their Heritage Designation following relocation.
- The applicant has submitted an Arborist's Report providing an inventory of existing trees. While not all of the existing Horse Chestnut trees on the Michigan Street public right-of-way can be retained due to planning and construction parameters of the development, strategies to retain and preserve the health of the existing Horse Chestnut trees identified will be required to the maximum practical extent in order to maintain the street's tree-lined character.
- The applicant has undertaken extensive consultation with the James Bay Neighbourhood Association, the Downtown Business Association and the general public through an open house. The feedback from this consultation has been positive and supportive of the development proposal.

Based on the above, staff recommend that Council forward the Application to a Public Hearing.

Recommendations

That Committee consider the following actions and recommendations to Council:

- 1) That Council instruct staff to prepare the necessary Official Community Plan Amendment Bylaw in accordance with Section 882 of the Local Government Act and the necessary Zoning Regulation Bylaw Amendments that would authorize the proposed development outlined in Rezoning Application # 00457 for 521-557 Superior Street and 524-584 Michigan Street, that first and second reading of the Zoning Regulation Bylaw Amendments be considered by Council and a Public Hearing date be set once the following conditions are met:
 - a) Staff report back on the MDA amendments related to the library and affordable and family housing as well as new provisions that would secure and allocate the

amenity contributions as recommended in Section 3.1.6 and Appendix B of this report.

- b) Amendment of the MDA to not require Council approval of a Development Permit for subdivision where the proposed subdivision is consistent with the development as described in the proposed *Capital Park Urban Design Guidelines*.
- c) Registration of the amended MDA when finalized.
- d) Review of the proposed *Capital Park Urban Design Guidelines* by the Advisory Design Panel.
- e) Compliance with the Ministry of the Environment's Environmental Management Act as it pertains to potentially contaminated sites.
- Following consideration of Rezoning Application #00457, that Council authorize staff to prepare and enter into an Encroachment Agreement to the satisfaction of the City Solicitor and the Director of Engineering and Public Works.

Respectfully submitted,

Brian Sikstrom, Senior Planner Development Services Division

Deb Day, Director Sustainable Planning and Community Development Department

Report accepted and recommended by the City Manager:

Jason Johnson

Date:

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1.0 Purpose

The purpose of this report is to present Council with information, analysis and recommendations regarding a Rezoning Application and concurrent Official Community Plan Amendment for the properties located at 521-557 Superior Street and 524-584 Michigan Street (South Block).

2.0 Background

A Rezoning Application is required to permit an increase in the total floor area of 3691 m² (mostly for residential uses) from 34,449 m² to 37,915 m² as well as to allow changes to permitted floor areas within amended Development Area boundaries. The rezoning is also required to permit ground-floor commercial uses along Superior Street. An *Official Community Plan* amendment is required to reference new Design Guidelines for building design and finishes as well as landscaping in all phases of the development. In addition, amendments are required to the existing covenant governing development of the site.

2.1 Description of Proposal

The proposal is for a mixed-use development comprised of office, ground-floor commercial and residential land uses on South Block. The development is to be phased and is similar in concept to that of the development envisaged in the *1994 Victoria Accord Legislative Precinct Plan.*

The first phase of development is the construction of a five-storey office building on Superior Street with ground floor commercial uses (e.g. retail, professional businesses), a plaza and a retail pavilion. The first phase also includes the construction of a four-storey apartment building with ground-floor commercial space (e.g. retail, restaurants) on Menzies Street. Before construction begins, three heritage houses located within phase one are to be relocated to the southeast edge of the subject properties fronting Michigan Street.

The second phase of development is the construction of another five-storey office building further east on Superior Street. The third phase of development is comprised of three residential buildings of three to five storeys fronting on Michigan Street with a variety of unit types, sizes and tenures

The completed development will incorporate extensive landscaping, including an edible landscape garden, and underground parking. Proposed amenities include a fitness centre with public access, the provision of space for a potential Greater Victoria Public Library (GVPL) branch, the provision of a central public plaza including a public art installation.

The applicant has prepared the proposed *Capital Park Urban Design Guidelines* to guide the development and decisions on Development Permit Applications for all development phases. An Official Community Plan amendment is required to reference these Guidelines in the Legislative Precinct Development Permit Area which covers the site.

A detailed description of the proposal is provided in the applicant's letter to Mayor and Council dated July 22, 2014 and in the plans, which is attached to this report.

2.2 Sustainability Features

As indicated in the applicant's letter dated July 22, 2014, and in a detailed description of the project's green building attributes in the form of Leadership in Energy and Environmental Design (LEED) checklists, the sustainability features associated with this proposal include the following:

- minimum LEED gold target for the office and residential buildings
- green roofs and extensive green spaces
- bicycle storage and shower changing facilities for office building occupants
- electrical charging infrastructure
- potential district energy system
- potential retention and treatment of stormwater or grey water for irrigation of landscaping
- potential use of solar collectors to heat water.

2.3 Existing Site Development and Development Potential

The 23,044 m² development site occupies all of the South Block except for the provinciallyowned properties fronting on Government Street (the Queen's Printer and two heritage houses). The site is currently occupied by surface parking lots, four office buildings and five heritage houses. Under the existing CD-2 Zone, Legislature Comprehensive District, the maximum permitted total floor area is 34,449 m² comprised of 21,743 m² of offices, 1400 m² of commercial and 11,305 m² of residential uses. There are five Development Areas in the South Block, each having differing regulations related to permitted uses, floor areas, building heights, site coverage, setbacks and parking.

The existing Master Development Agreement governing development of the site requires that a minimum of 50% of the housing in the Legislative Precinct (including Q-Lot and S-Lot adjacent to South Block) be suitable for families and at least 51% to be affordable in the form of small market units or through privately sponsored initiatives such as co-ops. Other requirements include: the provision of amenities such as a government employee fitness facility available for community use and the provision of 700 m² of floor area physically acceptable for Greater Victoria Public Library use; the relocation and restoration of the heritage houses; and the provision and implementation of a transportation demand management plan.

2.4 Data Table

The following data table compares the overall proposal with the existing CD-2 Zone, Legislature Comprehensive Development District. An asterisk is used to identify where the proposal is less stringent than the existing zone.

Zoning Criteria	Overall Proposal	CD-2 Zone Standard	
Site area (m²) – minimum	23043.7	23043.7	
Total floor area (m ²) – maximum	37915.30*	34449.00	
Office	21,846.50*	21743.00	
Commercial	1641.80*	1400.00	
Residential	14427.00*	11305.00	
Density (Floor Space Ratio) – maximum	1.65:1*	N/A	
Height (m) – maximum	7.30-27.89*	10.70-23.50	

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Rezoning Application # 00457 and concurrent Official Community Plan Amendment for 521-557 Superior Street and 524-584 Michigan Street.

Zoning Criteria	Overall Proposal	CD-2 Zone Standard	
Site coverage (%) – maximum	41.20	51.00	
Open site space (%) – minimum	52.00	49.00	
Storeys – maximum	1-5	3-5	
Setbacks (m) – minimum			
Superior St.	2.44	2.44	
Michigan St.	3.00	3.00	
East	Nil	N/A	
Menzies St.	2.60	2.40	
Parking – minimum	412	294	
Bicycle storage – minimum	299	232	
Bicycle rack – minimum	58*	. 93	

2.5 Land Use Context

The development site is bounded by:

North (across Superior St.): West (across Menzies St.):	the Legislature and its grounds an apartment building, service station and other commercial buildings
South (across Michigan St.):	a variety of residential buildings, a community building, a church and a commercial building
East (provincially property):	the Queen's Printer and two heritage houses.

2.6 Legal Descriptions

- Lot 2 of Lots 1720-1743, Victoria City, Plan EPP38872 (Applicant's property)
- Lot 1 of Lots 1892-1895, Victoria City, Plan EPP38870 (Province's property).

2.7 Relevant History

On March 13, 2014, City Council approved an amendment to the CD-2 Zone, Legislature Comprehensive District, to reinstate office uses, which had been removed due to changes in the definition of public building. Council also approved a Development Permit for subdivision of provincial lands on the South Block and Q-Lot to enable the sale of two parcels to the private sector. As part of the subdivision of the parcels, Council also approved the replacement of the *Legislative Precinct Master Development Agreement* (MDA) with updated agreements. The agreements, registered as covenants on the newly subdivided lots, retain and transfer the previous MDA obligations to the new owners.

Following a Request for Proposals by the Province and Council's zoning, subdivision and covenant approvals, the applicant acquired this site and a portion of Q-Lot from the Province. As part of the sale, the Province agreed to a 21-year lease of approximately 16,723 m² of office space to be provided by the applicant in two newly constructed buildings. The sale agreement includes a completion deadline of March 1, 2017, for provincial occupancy of at least 5574 m² in the first new office building and a deadline of March 31, 2019, for occupancy of the remaining office space.

2.8 Consistency with City Policy

2.8.1 Official Community Plan, 2012

The proposed Zoning Regulation Bylaw Amendments are generally consistent with the Official Community Plan, 2012 (OCP) policies which support office, residential and commercial development in the Legislative Precinct. The OCP policies relevant to this Application are attached in Appendix A.

Because this Application contains an Official Community Plan Amendment to reference the proposed *Capital Park Urban Design Guidelines* in the Legislative Precinct Development Permit Area which covers the site, the *Local Government Act* requires that Council consider Financial Plan Implications, Waste Management Plans and statutory consultation requirements.

Should Council support the OCP amendment, consultation with the Capital Regional District Board; Councils of Oak Bay, Esquimalt and Saanich; the Songhees and Esquimalt First Nations; the School District Board; and the provincial and federal governments and their agencies should be considered by Council, however, in this instance it is not recommended as necessary because the amendment can be considered under approved City policies. The staff recommendation reflects this approach.

Council is also required to consider OCP Amendments in relation to the City's Financial Plan, the Capital Regional District Liquid Waste Management Plan and the Capital District Solid Waste Management Plan.

With respect to the City's *Financial Plan*, the proposal to provide space for a library in the first phase of the proposed development has financial implications for the City. The acceptance of the offer to lease space for a branch library will require its inclusion in Council's discussion of its capital budget and strategic priorities in 2015 as well as in the library's own budget and priorities deliberations. If the City accepts the offer (with the GVPL's support), funding would need to be provided beginning in the 2017 budget year upon completion of construction of the building.

This proposal will have no impact on the Capital Regional District Liquid Waste Management *Plan* or the Capital District Solid Waste Management Plan, as no major increase in density is proposed.

2.8.2 Consistency with Design Guidelines

The site is included in Development Area 12 (HC) Legislative Precinct, with objectives to enhance the area through high quality architecture, landscape and urban design. The Legislative Precinct Volume 1, Urban Design Manual, 1994; the Legislative Precinct Volume 2 Development Area Guidelines, 1994; and the Legislative Precinct Volume 3 Built Form Guidelines, 1994, currently regulate the form and character of buildings as well as exterior design, finishes and landscaping in this Development Area.

In support of the current proposal and future development of the site, the applicant has prepared a new set of urban design guidelines. The proposed *Capital Park Design Guidelines* (under separate cover) are based on the current guidelines but update the vision, objectives, guiding principles as well as specific design features and directions.

2.8.3 Consistency with Master Development Agreement

The proposed development is consistent with the Master Development Agreement (MDA) covering the site, which includes requirements for streets, subdivision, permitted uses and transportation demand management measures with modifications reflecting the proposal with respect to floor space allocation, housing, amenities and heritage houses.

The major features of the MDA are outlined in the Issues and Opportunities section of this report with a description of modifications proposed by the applicant. A summary of the applicant's proposed modifications to the MDA is provided in Appendix B.

2.9 Community Consultation

Consistent with the *Community Association Land Use Committee Procedures for Processing Rezoning Applications*, a community meeting was held on September 10, 2014. A letter dated September 18, 2014, from the James Bay Neighbourhood Association documenting the comments and feedback received at the meeting is attached. In addition, the applicant held an open house on September 10, 2014, as well as meetings with the James Bay Community Project and the Downtown Victoria Business Association. Documentation provided by the applicant from the open house and these meetings is also attached to this report.

3.0 Issues and Analysis

The following issues and analysis are associated with this application and are addressed below.

- Provision of Amenities
- Provision of Affordable Housing and Housing Suitable for Families
- Transportation Demand Management Measures
- Heritage Houses
- Urban Design Guidelines.

3.1 Provision of Amenities

The Application requires the provision by the applicant of amenities cited in the MDA as well as consideration of an amenity contribution resulting from the proposed increase in density. To determine the latter, a land lift analysis of the applicant's proposal has been undertaken by an independent third party. The analysis (attached) concludes that the proposed density increase would result in a land value increase of \$567,400. Based on the City's current and past practice, a 75% proportion of the land lift would be recovered by the City though an amenity contribution by the applicant of \$425,600. Where amenities rather than a financial contribution are proposed by an applicant outside the Downtown, preferred amenities include City-wide projects and projects identified in an existing City plan. On-site and adjacent amenities are supported only in exceptional circumstances where the amenity is identified in an existing City plan, is a new feature that adds positively to the public realm and is of a public nature with secured public access.

The amenities required in the existing MDA and those proposed by the applicant are described below. An analysis of these amenities and options for crediting these towards an amenity contribution by the applicant are also discussed and conclusions provided.

3.1.1. Amenities Required in the Existing MDA

3.1.1.1 Fitness Centre

The existing MDA requires the provision of a government employee fitness facility on the ground floor of one of the proposed office buildings. Consistent with the existing MDA, the fitness centre must be available for community use six months after an occupancy permit has been issued with operating principles and guidelines developed by the tenant, the applicant and the City's Director of Parks and Recreation (due to its nature as a recreational amenity).

The applicant is proposing to provide a fitness centre on the ground floor of the office building in phase one of the development. The centre will be made available to the public with the details of its operation to be established.

3.1.1.2 Public Library

The existing MDA requires the applicant to provide 700 m² of floor space that is physically acceptable for use by the Greater Victoria Public Library (GVPL) in a mixed-use building fronting on Menzies Street. This space must be offered to the City for GVPL use at market rent. The City has up to six months after the issuance of the Development Permit for the building to accept the offer. If the offer is not accepted within the six months, the City must give the applicant at least two years notice if it wants to occupy space for the GVPL.

The applicant is concerned with the two year notice period for lease of space by the City for the GVPL should it not accept the initial offer to lease space. The applicant has advised that this provision will discourage leasing of space to commercial tenants who wish to install high quality improvements. Such improvements would not be financially feasible unless there is a standard lease period of 10 years with possible renewals for at least one or two additional five-year terms.

The alternative MDA provisions proposed by the applicant would:

- extend the timeline for acceptance by the City of the offer to lease the space for the GVPL from six months to one year from the date of approval of the Development Permit for the first phase of development
- permit flexibility in the amount of space offered with a range from 350 m² to 700 m².
- reduce the lease rate from full market to a percentage of full market (e.g. 75%) for a period of 10 years provided the amount of this subsidy is credited towards the required amenity contribution
- expand the permitted occupancy of the space to include alternative community uses compatible with the retail character of the proposed mixed-use building
- provide an ongoing right of first offer to lease any space of 350 m² or greater that becomes available. Note: This would replace the two-year notice period for an intention to lease the space for the GVPL.
- provide a right for the City's lease to occupy 350 m² to 700 m² of space for GVPL 15 years after the commencement of any other occupant's lease on a rolling basis. This would require advance notice of no less than two years.

The proposed MDA amendments would give the City and the GVPL more time to consider the initial offer to lease space. In addition, the amount of space offered and leased would be tailored to the GVPL functions and needs in this location. Should the extent of the leased space be lessened, the costs to the City and the GVPL could be reduced. A reduced lease rate that is credited to the applicant's amenity contribution would be of no net benefit to the City financially. The replacement of the existing two-year notice period for an intention to lease the space with an ongoing right of first offer and future right to occupy recognize the leasing and fitting out realities of the development but may lessen the chances of the GVPL locating in the development in future should the City not accept the initial offer to lease. A timeframe for a future right to occupy and lease space of 15 years is preferable to 20 years.

3.1.2. Additional Amenities Proposed by the Applicant

3.1.2.1 Central Public Plaza

The existing Master Development Agreement requires that the applicant provide and maintain a series of lanes, walkways and courtyards open to the public as shown in the *Legislative Precinct Design Manual*. In addition to walkways and courtyards, the applicant is proposing to provide and maintain a central public plaza off Superior Street with legally secured public access. The details of its design are still to be finalized but the applicant is envisioning high quality hard and soft landscape areas, water features, natural and structural seating areas, infrastructure provisions for events and performances and other features including public art (see below). Based on the premium construction costs, the applicant is requesting that a portion of the cost difference from a standard level plaza be credited to the required amenity contribution. An initial estimate of this cost difference has been provided by the applicant and is in the order of \$300,000.

The applicant's rationale for consideration of the central plaza as an amenity by the City is fourfold:

- the proposed central plaza is an added feature with no equivalent feature in the current Legislative Precinct urban design concept
- the proposed plaza will be of high quality
- the improvement of the public realm with the creation of new urban plazas is a *Downtown Core Area Plan* objective which qualifies for density bonus funding. This objective should also be considered for this site as it is adjacent to the Downtown
- the proposed central plaza will be public and access legally secured.

3.1.2.2 Public Art

The existing MDA does not require the provision of public art. The applicant is proposing to provide public art in the central public plaza of a minimum value of \$150,000. The proposed public art would follow the City's Public Art Policy with future maintenance of the art work by the applicant.

The applicant's rationale for consideration of public art as an amenity by the City is fourfold:

 the proposed public art is an added feature with no equivalent feature in the current Legislative Precinct urban design concept

- the provision of the public art would generally follow the City's Public Art Policy with a design competition
- the location of the public art in the central public plaza would be in keeping with the improvement of the public realm objective of the *Downtown Core Area Plan*, which qualifies for density bonus funding. This objective should also be considered for this site as it is adjacent to the Downtown
- the proposed public art will have access to it legally secured.

3.1.6. Considerations and Conclusions

The requirement in the MDA that the applicant provide 700 m² of space physically acceptable for the GVPL at market rates is unusual in that its realization would require substantial long-term funding from the City and the GVPL. The reduced leasing rate for 10 years is contingent on accepting the applicant's request that this lease reduction be credited towards the required amenity contribution of \$425,600.00. The applicant has estimated that the net present value of a lease at 75% of market rate would be approximately \$400,000. A reduced lease rate that is credited to the applicant's amenity contribution could be seen as the City undertaking full payment for the space (for the amenity contribution).

Currently, funding of a GVPL branch in James Bay is not in the City's Financial Plan and there are other priorities which could be impacted with its inclusion. The applicant's proposed amendments to increase the time the City and the GVPL have to accept the first offer of a lease, to reduce the possible floor area and to allow for other compatible uses are of benefit to the City and the GVPL. Staff recommend that Council direct that these revisions be made. The other amendments proposed by the applicant can be considered with further review with respect to appropriate wording regarding the City's interests.

With the uncertainty regarding acceptance of the initial offer of space for the GVPL, this may not be the amenity that should be considered for an amenity contribution credit. In addition, treating a reduced leasing rate as an amenity contribution would negate any financial subsidy to the City in leasing the space. However, if a reduced lease rate for 10 years were offered by the applicant without the City crediting the amenity contribution, this would clearly be a subsidy and incentive provided by the applicant for the GVPL in the development in addition to the other proposed amenities.

The rationale provided by the applicant for consideration of the Central Public Plaza as an amenity contribution to the project is generally supportable based on the creation of a larger and enhanced public realm in an important location relative to the Provincial lands and James Bay (provided public access is legally secured) and the cost difference from a standard plaza (to be confirmed by an independent quantity surveyor). This notwithstanding, the proposed central public plaza can be seen to be of equal, if not more, benefit to the applicant and the occupants of the adjacent office buildings; however, the applicant seems to have recognized the private benefit by requesting that a significant, but not a full, portion of the costs be considered an amenity contribution. Assuming an equal share of public and private benefit, allowing 50% of the cost difference between a standard and premium quality plaza as the amenity contribution is one option that can be considered.

The applicant has provided a cost estimate illustrating the difference in costs between a standard plaza and the proposed central public plaza. The amount is estimated at \$313,776. Halving this cost difference reflecting the joint public and private benefit would result in an amenity contribution of \$156,888.

The rationale provided by the applicant for consideration of public art located in the proposed central public plaza is generally supportable based on the provision of public art following the City's Public Art Policy as well as its location in the proposed central public plaza with public access legally secured. The amount estimated by the applicant at \$150,000 would a significant amenity contribution.

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This would leave an amenity contribution of \$118,712 to be credited or paid out by the applicant.

It is proposed that the most direct approach would be to provide this as a cash contribution for the City to hold and then allocate to the provision of the library, the Victoria Housing Fund or other amenities of Council's choosing. If allocated to the Housing Fund, the provision of additional non-profit affordable housing units in the City could be assisted (see below).

Based on the above, Council has a variety of options regarding the allocation of a potential amenity contribution. Additionally, Council may choose to not require an amenity contribution in association with this Application. The following table summarizes the major options available for Council's consideration.

	Community A	menity Contributio	n Items – Total \$	425, 600
	GVPL benefit	Victoria Housing Fund	Central Public Plaza*	Public Art
Major Options				
Contribution not required	x	x	x	x
All GVPL	\$425,600	Х	X	X
All Victoria Housing Fund	x	\$425,600	×	x
Combinations of O	ptions	and the second		
Housing + Physical Improvements	x	\$118,712	\$156,888	\$150,00
GVPL + Physical Improvements	\$118,712	x	\$156,888	\$150,000

Notes: *a contribution of half the cost difference between standard and proposed treatments of the central public square is assumed.

Given the uncertainty of leasing space for a library and the benefit of a reduced lease rate negated by being credited as amenity contribution, the best choice of options may be a combination of:

- crediting the applicant for the central public plaza and public art, and
- requiring the applicant to pay out the remaining community amenity contribution to the City either for the GVPL (possibly for a lease rate reduction or some fitting out costs) or to the Victoria Housing Fund. Note: The timing of the City's

decision on this could allow for a reasonable time for acceptance of the initial offer of space for the GVPL, e.g. the one-year period proposed by the applicant.

The approach of amenity contributions strategically going to physical improvements that are legally secured, as well as to the GVPL or the Victoria Housing Fund, would result in a major enhanced public space adjacent to Superior Street and the Legislative Precinct. It would also facilitate a GVPL branch should City and GVPL funding for it be provided or, alternately, leverage the provision of additional affordable housing in the City. Whether or not part of the community amenity contribution is directed to the GVPL branch library, the opportunity for a library in this location would be retained and would be facilitated with the further review and analysis of the MDA amendments proposed by the applicant.

The community amenity contribution allocation recommended for Council's consideration is summarized as follows:

Community Amenity Contribution Items	Proposed Amounts
Central Public Plaza enhancement	\$156,888
Public Art	\$150,000
GVPL or Victoria Housing Fund	\$118,712
Total Amenity Contribution	\$425,600

3.2 Affordable and Family Housing

The existing MDA requires that at least 50% of the housing in the Legislative Precinct (including Q-Lot and S-Lot) be suitable for families and that at least 51% of the dwellings be affordable. The covenant does not define the term "suitable for families". Affordable housing, however, is described as "housing provided through government sponsored programs, if available; small market units; or through privately sponsored initiatives such as co-ops".

The original development envisaged a total of approximately 201 dwellings on the Legislative Precinct Lands. The Legislative Precinct Lands are defined to include all the properties covered by the CD-2, Zone, Legislature Comprehensive District, including:



Legislative Precinct Lands

- all of South Block
- "Q" Lot covering the western portion of the block bounded by Menzies Street, Kingston Street and Superior Street
- "S" lot comprised of 507 and 525 Government Street on the east side of Government Street opposite the South Block

To date, the Kew Court townhouses on Michigan Street and Heritage House Abbeyfield Seniors' Housing on Government Street have been constructed. Together, they comprise 50 affordable and 40 family-oriented units. Another 20 units in a seniors "care-a-minium" have been constructed on Superior Street, which do not fit either the affordable or family housing categories. Taking into account what has been constructed to date, the remaining housing provided by the applicant must be comprised of at least 51 affordable units and 61 units suitable for families. The applicant is planning to provide the affordable housing units, as defined in the MDA, as well as the housing units that would be suitable for families.



Kew Court

Abbeyfield House

An additional 41 housing units are proposed by the applicant above the number of housing units originally planned. The applicant is requesting an amendment to the MDA to exempt these units from the minimum affordable and family housing percentage requirements in the MDA. These additional units account for most of the density increase requested in the Rezoning Application and the lift in land value resulting in the requirement for an amenity contribution from the applicant.

The applicant is also proposing that the definition of "affordable housing" in the existing MDA be amended to include the affordable housing definition in the *Official Community Plan, 2012*, i.e. housing that costs no more than 30% of a household's annual income. In addition, the applicant is recommending that "housing suitable for families" be defined as housing units containing two or more bedrooms.

3.2.1 Considerations and Conclusions

The amendments to the MDA proposed by the applicant would result in the provision of a similar number of "affordable" housing units and units "suitable for families" as was envisaged in the original Legislative Precinct Master Development Agreement. In this way, the original agreement would be kept whole. However, no additional affordable or family units would result from approximately 41 additional proposed housing units. Instead, the increased floor area (mostly comprised of housing units) would trigger an amenity contribution of \$425,600.00 based on the increased value of land. If Council wished to support an increase in affordable housing, the full or a part of the amount of this amenity contribution could be directed to the Victoria Housing Fund. This would preclude crediting or paying out this amount of contribution towards

Camelot "Care-a-minium"

other amenities such as the GVPL, the central public plaza or public art as requested by the applicant.

The applicant's proposed amendments to the definition of affordable housing and housing suitable for families would add further specificity to both types of housing. However, the definition of affordable housing in the MDA would remain broad, i.e. "small market units" requiring more than 30% of a household's income would still qualify as "affordable". In addition, the existing MDA lacks a definition of "small market unit". This uncertainty could be removed by defining "small market unit" in the MDA.

Currently, the minimum permitted size of apartment units is 33 m² in some of the City's standard apartment zones and less in some of the newer zones. The applicant has advised that, based on their market analysis, units approximating the minimum size are not economic in this James Bay location. Consequently, the applicant has suggested that units of up to 52 m² should be considered "small market units" that meet the MDA definition of "affordable".

With the lack of affordable housing provided through government-sponsored programs and change of the Legislative Precinct from government sponsored to a private market project, the provision of non-market, affordable housing in the Legislative Precinct is unlikely to occur. The provisions of the existing MDA are very broad, notwithstanding possible amendments to more clearly define what constitutes affordable housing, housing suitable for families and small market units. When viewed with the changed lens of today, the proposed development will provide a mix of housing types as well as tenures with market rental units proposed in the relocated heritage houses. These units will result in a mix of residents of varying ages, incomes and household characteristics. However, the affordable component will most likely be a relative one based on the size and tenure of units.

The inclusion of the City's OCP definition of "affordable housing" as well as adding a definition of "housing suitable for families" as proposed by the applicant should be made to the MDA. In addition, a definition of "small market unit" should be added to the MDA in consultation with the applicant and staff. Consideration should be given to directing the applicant's amenity contribution to the Victoria Housing Fund in a further review of the amenities and the applicant's request for crediting the required amenity contribution to the provision of these amenities, i.e. the GVPL, the central public plaza and public art.

3.3 Transportation Demand Management Measures

The existing MDA requires the provision of a traffic and parking impact study that sets out the proposals for Transportation Demand Management (TDM). It also requires the provision of bicycle storage and shower facilities for any office development. In addition, the MDA requires that the applicant establish an ongoing operations committee, including representatives of the James Bay community, the province, government employees and BC Transit to monitor the implementation of the TDM.

The Rezoning Application includes a Transportation Impact Assessment prepared by Bunt & Associates (the Executive Summary is attached). The study concludes that the amount of parking proposed for office, retail and residential uses will meet the anticipated demand in part due to the location of the site close to the Downtown, bus routes and major ferry and float plane terminals. Parking demand is also expected to be lessened by Transportation Demand Management (TDM) measures which include the removal of subsidized parking for government employees with parking at market rates and the promotion and encouragement of car sharing, cycling and transit use. The proposed TDM measures include:

- a comprehensive information brochure for residents and employees on transportation alternatives
- electric car charging utilities
- one onsite parking space for a car share provider
- priority parking spaces for ride share vehicles.

There are currently 317 surface parking stalls on the property with 264 spaces reserved for Provincial employees. The applicant's proposed parking standards and current parking standards as set out in Schedule C of the *Zoning Regulation Bylaw* by land use are the following:

Use	Proposed Parking Standard (Stalls)	Proposed Parking Stalls	Current Parking Stall Standard	Current Required Parking Stalls
Office	1 per 110.5 m ²	198	1 per 74 m ²	296
Commercial*	1 per 37.5 m ²	44	1 per 37.5 m ^{2*}	44*
Residential*	1 to 1.5 per unit	162 to 243	1.3 to 1.4 per unit*	211 to 226*
Heritage Houses*	0.62 per unit	8	1.3 per unit*	17*
Total All Uses		453		575

* Note: the existing CD-2 Zone does not require parking for commercial or residential uses. However, the standards cited are the standards for these uses in Schedule C of the *Zoning Regulation Bylaw.*

The applicant is proposing to provide bike storage facilities, including covered and secure bike rooms for use by residents and employees, as well as outside bike racks, in all phases of the development. In addition, the applicant will be providing a separated bike track on Superior Street, which is designated a Shared Greenway and a proposed bikeway in the *Official Community Plan, 2012*.

The traffic component of the Transportation Impact Assessment report forecasts trip generation levels for the project that are 25% below those shown in a standard trip generation model. This is attributed to the location, context and design of the project as well as the timing of existing office peak hour trips. The analysis indicates that street intersections will operate well within their capacity with low delays at build out of the project even using conservative trip generation forecasts. The proposed access driveways to the project from Superior Street and Menzies Street are also shown to operate well, with minimal delays.

The overall trip generation figures for the project at build out are provided below:

Existing Peak PM Hour Vehicle Trips*	Peak Hour PM Vehicle Trips at Project Build Out – model	Peak Hour PM Vehicle Trips at Project Build Out –
	output	modified model output
82	404	299

*Note: The figures are for week days.

The details of the membership and operation of an ongoing operations committee to monitor the implementation of the TDM have not been provided by the applicant. These would need to be provided and the committee established prior to occupancy of the first phase of the project in order to meet the requirements of the existing MDA.

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Since the traffic and impact study has been submitted, the requirement that the applicant provide it can be deleted from the existing MDA.

3.3.1 Considerations and Conclusions

The Transportation Impact Assessment submitted by the applicant provides a strong basis of support for the parking numbers and their allocation of office, commercial and residential uses in the proposed development. The amount of parking proposed is further supported by the Transportation Demand Management measures as outlined in the Transportation Impact Assessment report. The report also shows that the forecast traffic generated by the development can be handled within the existing affected streets and intersections as well as the project's access driveways. The wording of the existing MDA will ensure bicycle facilities are provided and that a committee is established to monitor the implementation of TDM measures. However, a number of TDM measures described in the report are not legally secured. Staff recommend that it would be appropriate to secure the on-site car share parking stall as well as the electric charging station and to reference the Transportation Impact Assessment report in the MDA. With the Transportation Impact Assessment report submitted, the requirement in the MDA to submit a traffic and parking impact study has been met and this provision can be deleted.

3.4 Heritage Houses

The existing MDA requires that the applicant provide the extent of restoration of the heritage houses in future development proposal guidelines and submit a plan for restoration and relocation of the houses for approval by the City. The heritage houses must be restored in accordance with the approved conservation plans in the approved locations whether on-site or off-site.

The three Heritage-Registered houses on Superior Street (521, 539 and 545) are proposed to be relocated to the southeast quadrant of the development site to allow the first phase of development to proceed. In addition, two Heritage-Registered houses on Michigan Street (524 and 526) are proposed to be relocated to receiving sites elsewhere in the James Bay neighbourhood.

The applicant has submitted Heritage Conservation Plans and Heritage Alteration Permit Applications for the five Heritage-Registered houses which Council approved on September 11, 2014, with conditions to be met by the applicant. The conditions include the submission of relocation plans for the houses and their Heritage Designation following relocation.

3.4.1 Considerations and Conclusions

With submission of the Heritage Conservation Plans and approval of the Heritage Alteration Permits with conditions, the MDA requirements have been met. The Heritage provisions in the MDA have been met and can be deleted from it.

3.5. Urban Design Guidelines

The existing MDA requires that development of the site include a series of lanes, walkways and courtyards open to the public and maintained by the owner as shown in the *Legislative Precinct Urban Design Manual* (LPUDM). The covenant also requires subdivision into lots generally outlined in the LPUDM and the submission of an inventory of existing trees showing those to be removed and those to be retained.

The LPUDM is comprised of the Legislative Precinct Volume 1, Urban Design Manual, 1994, the Legislative Precinct Volume 2 Development Area Guidelines, 1994 and the Legislative Precinct Volume 3 Built Form Guidelines, 1994. These documents are also cited in the Official Community Plan, 2012 and form the basis for staff and Council review and approval of Development Permits Applications for siting, form, exterior design and finish of buildings, as well landscaping in Development Permit Area 12 (HC): Legislative Precinct.

The existing LPUDM envisages development, which includes the following features:



- an urban frame for the legislature and a comfortable transition to surrounding residential areas
- a mix of uses including a mix of housing types including market and affordable units
- pedestrian-friendly streets and interior block courtyards and interspersed walkways
- view corridors retained and created towards the Legislature Buildings
- relocation and restoration of heritage houses
- underground parking
- high quality government offices fronting on Superior Street with building heights ranging from four to five storeys
- apartments and townhouses along Michigan Street with building heights ranging from three to four storeys

mixed commercial/residential development fronting on Menzies Street with building heights up to 3.5 storeys

The existing LPUDM includes overarching goals, urban design objectives and development area guidelines. In addition, it includes built-form guidelines on building, landscaping and paving materials.

The proposed *Capital Park Urban Design Guidelines*, submitted by the applicant, would replace the existing LPUDM. This requires an amendment to the *Official Community Plan, 2012* to reference the updated guidelines in the Legislative Precinct Development Area. Amendments to the existing MDA to replace the references to LPUDM are also required. The proposed *Capital Park Urban Design Guidelines* are largely based on the LPUDM with an updated vision, guiding principles, overall design guidelines and guidelines specific to Development Areas that reflect the current proposal. The updated guidelines are comprehensive but have a simplified and user-friendly structure with layout focused on design with ample use of photos and graphics. The updated guidelines include clear statements on their purpose and how they are to be used and administered. The document includes a section on project implementation (including subdivision and phasing) and appendices that provide site history, relevant planning background and a glossary of terms. The modifications in content from the LPUDM are largely due to differences in the features of proposed development from the original 1994 proposal.



These differences include:

- development of two rather than three office buildings fronting on Superior Street
- provision of a central public plaza on the Superior Street frontage with a retail pavilion
- provision of a small plaza on the southwest corner of the site
- provision of water features and an edible landscape garden
- relocation of three heritage houses to the southwest corner of the site and the relocation two heritage houses to sites in the neighbourhood

a building height of five storeys for one proposed apartment building fronting Michigan Street.

These modifications notwithstanding, the proposed *Capital Park Urban Design Guidelines* reflect the spirit of the LPUDM and its vision for a high quality mixed-use development on the South Block that complements the Legislature and integrates well with the surrounding James Bay neighbourhood.

The existing LPDUM includes details regarding the provision of trees on the site. The applicant has submitted an Arborist's Report providing an inventory of existing trees, which is required in the MDA. While not all of the existing Horse Chestnut trees on the Michigan Street public right-of-way can be retained due to planning and construction parameters of the development, strategies to retain and preserve the health of the existing Horse Chestnut trees will be required to the maximum practical extent in order to maintain the street's tree-lined character. The existing trees on the Menzies Street and Superior Street public rights-of-way are not in healthy condition and are proposed to be replaced with new, appropriately placed trees. The plan related to the provision of trees is reflected in the proposed *Capital Park Urban Design Guidelines*.

3.5.1 Considerations and Conclusions

If Council wishes to advance this Application to a Public Hearing, the *Official Community Plan*, 2012 should be amended to reference the proposed *Capital Park Urban Design Guidelines* in Development Permit Area 12, Legislative Precinct. In addition, the existing MDA should be amended to replace references to the LPUDM with the updated design guidelines document. The updated design guidelines would benefit from a review by the Advisory Design Panel before any consideration of the *Official Community Plan*, 2012 amendment by Council.

Since the Arborist's Report has been submitted, the requirement that the applicant provide it can be deleted from the existing MDA.

4.0 Resource Impacts

The resource impacts anticipated with this Application are financial with respect to the possible inclusion of a GVPL branch in Council's capital budget and strategic planning deliberations. Staff or consulting resources may also be required should an initial offer to lease space for the GVPL be accepted.

5.0 Conclusions

The Rezoning Application, Official Community Plan Amendment and proposed Capital Park Urban Design Guidelines set the stage for a mixed-use development that will provide improved office space for the Provincial government and potentially other employers as well as significant urban benefits in this historic and symbolic area of the City. A major benefit will be the reinforcement of Victoria as the Provincial capital and employment centre. In addition, the development will embody the revitalization and enhancement of the Legislative Precinct envisaged in the Victoria Accord and the Legislative Precinct zoning, plans and design guidelines adopted in 1994.

The proposed development, with a modest increase in floor space, continues the positive scale and design relationship with the Parliament Buildings. The proposed central pubic square off Superior Street will add to the attractiveness and vitality of the public realm directly across from the Parliament Buildings. This plaza and the interior block courtyards, pathways and gardens provide additional views towards the Parliament Buildings. These pathways will also provide attractive pedestrian routes through the block which will link with the residential neighbourhood to the south. The three to five storey scale of the proposed residential development on the south, Michigan Street side of the block and the mix of townhouses, apartments and heritage houses will provide a range of housing types and tenures that are in keeping with the scale and

the variety of housing nearby. In addition, the applicant is proposing to meet the requirements for a minimum number of affordable units and units suitable for families required under the existing agreement. The proposed mixed-use building with upper-floor residential and ground floor commercial uses on Menzies Street will reinforce and add to the vitality of the James Bay Village Centre.

As with the *Legislative Precinct Plan*, the proposed development includes the relocation and restoration of the remaining heritage houses on the block. The proposal also retains full underground parking for all uses with the implementation of Transportation Demand Measures such as bicycle storage and shower facilities for employees and a committee to monitor these and other measures. The Transportation Impact Assessment submitted by the applicant provides a strong basis of support for the parking numbers and the study also shows that the forecast traffic generated by the development can be handled within the existing affected streets and intersections as well as the project's access driveways.

The proposed development includes a fitness centre to be available for community use and potential space for a GVPL branch which are required amenities in the existing MDA. The central public plaza and a major public art installation to be located in the plaza are two proposed amenities not required in the in the existing MDA. These additional amenities warrant consideration of the applicant's request that at least a portion of their costs be credited towards the required community amenity contribution due to the land lift resulting from the rezoning. The potential GVPL branch as well as the Victoria Housing Fund are other options for allocating the community amenity contribution. The approach of amenity contributions strategically going to physical improvements that are legally secured as well as to the GVPL or the Victoria Housing Fund would result in a major enhancement on Superior Street and the Legislative Precinct. It would also facilitate a GVPL branch should City and GVPL funding for it be provided or, alternately, leverage the provision of additional affordable housing in the City.

The proposed *Capital Park Urban Design Guidelines* update the existing Legislative Precinct Guidelines based on the development proposal and are generally consistent with them. Moreover, the Guidelines reflect the spirit of the LPUDM and its vision for a high quality mixed-use development on the South Block that complements the Legislature and integrates well with the surrounding James Bay neighbourhood.

Based on all of the considerations above, staff recommend that the Committee support the application.

6.0 Recommendations

6.1 Staff Recommendations

That Committee consider the following actions and recommendations to Council:

1) That Council instruct staff to prepare the necessary Official Community Plan Amendment Bylaw in accordance with Section 882 of the Local Government Act and the necessary Zoning Regulation Bylaw Amendments that would authorize the proposed development outlined in Rezoning Application # 00457 for 521-557 Superior Street and 524-584 Michigan Street, that first and second reading of the Zoning Regulation Bylaw Amendments be considered by Council and a Public Hearing date be set once the following conditions are met:

- a) Staff report back on the MDA amendments related to the library and affordable and family housing as well as new provisions that would secure and allocate the amenity contributions as recommended in Section 3.1.6 and Appendix B of this report.
- b) Amendment of the MDA to not require Council approval of a Development Permit for subdivision where the proposed subdivision is consistent with the development as described in the proposed *Capital Park Urban Design Guidelines*.
- c) Registration of the amended MDA when finalized.
- d) Review of the proposed *Capital Park Urban Design Guidelines* by the Advisory Design Panel.
- e) Compliance with the Ministry of the Environment's Environmental Management Act as it pertains to potentially contaminated sites.
- Following consideration of Rezoning Application #00457, that Council authorize staff to prepare and enter into an Encroachment Agreement to the satisfaction of the City Solicitor and the Director of Engineering and Public Works.

6.2 Alternate Motion

That Council decline Application #00452 and the associated Official Community Plan amendment.

8.0 List of Attachments

- Zoning map
- Aerial map
- Letters from the applicant dated July 22 and September 17, 2014
- Consultation Information provided by the applicant dated September 18, 2014
- Letter from the James Bay Community Association dated September 18, 2014
- Plans dated July 22, 2014
- South Block Land Lift and Amenity Contribution Analysis dated September 16, 2014
- Executive Summary of the Capital Park Transportation Impact Assessment by Bunt & Associates, September 12, 2014.

APPENDIX A: Relevant Sections of the Official Community Plan, 2012

Section 6 – Land Management and Development

Victoria accord lands are designated "Core Inner Harbour/Legislative" on map 2. Figure 8 indicates the following permitted uses in this designation:

- Public institutional and assembly
- Commercial, including office, retail and visitor accommodation
- Marine water and air transportation
- Recreation and tourism related uses
- Multi-unit residential and mixed-use
- Home occupations.

Section 14 – Economy

- Policy 14.15: Increase the supply of office space in the Inner Harbour/Legislative and Core Business areas through medium and high-density commercial mixed use development, respectively.
- Policy 14.18: Consider the place-based conditions for economic sectors generally as described in Figure 17 in support of Victoria's economic structure, as identified on Map 14. [For the Core Inner Harbour/Legislative designation, figure 17 identifies the following economic sectors: Transportation and warehousing; public administration; finance, insurance, real estate; advanced technology; healthcare services; tourism and visitor services; arts, culture and entertainment; residential goods and services (retail, commercial and community services)].
- Policy 14.26: Continue to encourage the concentration of specialty retail in the Core Historic and Core Inner Harbour/Legislative areas through pedestrian-oriented uses at street level in defined locations, short-term parking, and in enhanced public transit, particularly rapid transit along Douglas Street.
- Policy 14.27: Work with the Province to maintain the city's status as the headquarters of the Provincial Government, through:
 - 14.27.1: Meeting its needs for institutional and office space in the Urban Core; and,
 - 14.27.2: Working toward a long-term development strategy for under-used lands in the Legislative Precinct.
- Policy 14.28: Support employment growth in government services, professional services and the finance, real estate and insurance sector through the strategic location of commercial mixed-use development in close proximity to the Legislature and throughout the Core Business area.
- Policy 14.42: Foster the development of cultural hubs, with clusters of cultural industries and related activity in the arts, culture, and entertainment sector, by:
 - 14.42.1: Retaining and enhancing the supply of work/live for cultural producers in the Core Historic and Core Inner Harbour/Legislative areas.

Section 21 - Neighbourhood Directions

- Policy 21.16.2: Focus commercial development in the Legislative Precinct and James Bay Village
- Policy 21.16.7: Realize development opportunities near the Parliament Buildings in a way compatible with neighbourhood character.
- Policy 21.16.9: Enable the expansion of cultural assets in the Inner Harbour/Legislative district.

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APPENDIX B: Summary of Proposed Amendments to the South Block Master Development Agreement

Section Topic		Current Provisions	Proposed Changes in	Comments/Rationale	
Number 1.0 Interpretation		Legislative Precinct Urban	Provisions Replace references to	Update	
		Design Manual (LPUMD) referenced	LPUMD with Capital Park Urban Design Guidelines.		
		Development Area definition	Amend to match new DPAs		
2.0	Purpose and Intent	Terms and conditions of development established.	No changes	N/A	
3.0	Streets	Requirement to provide off- site works and services; internal lanes, walkways and courtyards open to the public; comprehensive engineering drawings and a SRW on Superior Street.	Replace LPUDM references with Capital Park Urban Design Guidelines.	Update	
4.0	Subdivision	Requirements for development permit; subdivision as outlined in LPUDM (with no subdivision straddling DPA boundaries) and submission of a tree	Replace LPUDM References with <i>Capital</i> <i>Park Urban Design</i> <i>Guidelines.</i> Amend to not require a DP if subdivision is consistent	A Tree Inventory acceptable to the Parks Department was submitted with Rezoning Application.	
		inventory showing trees to be removed and retained.	with Capital Park Urban Design Guidelines.	11	
			Delete Tree Inventory Requirement provisions 4.4 and 4.5		
5.0	Permitted Uses and Floor Space Allocation	Requirement to: develop in accordance with CD-2 Zone regulations; develop a tracking system to monitor assignment of floor areas; not to exceed specified floor areas in two DPAs; not to build in a "no build area"	Delete provision 5.4 on specified floor areas for two DPAs.	Maximum floor areas in all DPAs to be specified in Zoning Bylaw amendments.	
6.0	Housing	Requirements for: a) housing with a mix of households, income levels and tenures;	No change	N/A	
	(*	b) 50% of housing units to be suitable for families 51% to be affordable as defined;	b) require a minimum of 61 units suitable for families and 51 affordable units. Add the City's OCP	 b) maintains commitment to provide similar number of family and affordable units as the previous Leg 	

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Section Number	Topic	Current Provisions	Proposed Changes in Provisions	Comments/Rationale	
NUMBER			definition of affordable housing to the definition in the MDA and add a definition of housing suitable for families. Add a definition of "small market unit"	Precinct MDA. However, no increase would be required based on the proposed larger number of units. Added definitions of "affordable housing", "housing suitable for families" and "small market unit" adds clarity to these requirements.	
				The option of a payout of an amount of a community amenity contribution will be detailed.	
		c) temporary parking, if provided, to be accompanied by a Traffic Impact Study with Design Panel review of parking proposal; and	c) Delete provision 6.3 and 6.4	c) Temporary surface parking is not proposed to be installed in association with the first development of the lands	
		d) require submission of phasing plan for all office and residential development with DP for first office building	d) No change	N/A	
7.0	Transportation Demand Management Plan	Requirements to provide: bicycle storage and shower facilities in any office development; a traffic and parking impact study and, in cooperation with the Province and the City, establish a monitoring committee.	Delete provision 7.2 and reference Transportation Demand Study submitted as part of the Rezoning Application.	A parking and traffic impact study acceptable to the Engineering Department was submitted with Rezoning Application.	
8.0 Amenities Requirement a) the pro- of space sinuse at main to acceptation by the City of the issue		Requirements for: a) the provision of 700 m ² of space suitable for GVPL use at market rent subject to acceptance of the space by the City within 6 months of the issuance of a DP or upon giving two years notice.	a) Amendments to: extend timeline of initial offer acceptance, add flexibility to amount of space offered and allow other community uses; to replace two-year notice period with an ongoing right of first offer; and to provide an ongoing right to occupy space with a 15 year time-frame.	The provision of space for GVPL will require on-going funding from the City and the Library. Such funding would be part of Council's strategic planning and budget discussions. The option of a payout to the City of an amount of a community amenity contribution will be detailed further with its allocation to be determined by Council.	

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Section Number			Proposed Changes in Provisions		
		b) the provision of a fitness facility to be available for community use six months after occupancy of an office building with operating principles and guidelines determined by the office building tenant and the City's Parks Department in consultation with community representatives.	b) No change	N/A	
			c) Add provisions for a central public plaza off Superior Street.	Crediting an amount of the community amenity contribution will be detailed.	
			d) Add provisions for public art	Crediting an amount of the community amenity contribution will be detailed.	
9.0	Heritage Buildings	Requirements for the relocation and restoration of heritage houses	Delete provisions 9.1 and 9.2	and Plans for heritage house restoration and relocation were approved by Council on Sept. 11, 2014.	
10.0	Public Body	The agreement does not affect the powers of the City regarding its bylaws and regulations in relation to the land nor the requirements or obligations to be met by the owner under these bylaws and regulations.	No changes		
11.0	General Provisions	The agreement is to be registered expeditiously and runs with the land.	No changes		

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521-557 Superior Street and 524-584 Michigan Street Rezoning #00457 Bylaw #



Jawl Development Corporation



July 22, 2014

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

Attention: Mayor and Council

Re: Application for Rezoning to a New Comprehensive Development Zone, the modification of an existing Section 219 covenant and an OCP Amendment in respect to Lands commonly known as South Block.

Introduction

Jawl Precinct Lands Corp and South Block (Concert) Ltd (collectively the "Applicant") are pleased to submit this letter and the enclosed documents in support of an application for rezoning, the modification of an existing Section 219 covenant and an OCP Amendment relating to lands municipally described as 521, 525, 531, 537, 539, 541, 543, 553, and 557 Superior Street and 524, 526, 540, 544, 548, 550, 552, and 584 Michigan Street, Victoria, BC. and legally described as Lot 2 of Lots 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730, 1731, 1732, 1733, 1734, 1735, 1736, 1737, 1738, 1739, 1740, 1741, 1742, and 1743, Victoria City, Plan EPP38872 (the "Site"). Located in the James Bay neighbourhood, the Site totals 23,044 square meters (248,044 square feet) and is bordered by Superior Street, Menzies Street and Michigan Street. At its eastern edge, the Site is bordered by a land parcel owned by the Province of British Columbia (the "Province") on which is located the Queen's Printer and two heritage homes. The Site currently accommodates a number of surface parking lots, four commercial buildings accommodating provincial government offices and five unoccupied heritage houses.

The Applicant acquired the Site from the Province in March, 2014 following an extensive public offering process. As part of the acquisition, the Applicant agreed to provide the Province with upwards of 16,723 m2 (180,000 square feet) of high quality office space for a twenty year lease term in two newly constructed office buildings on the Site. Through the land sale and its commitment to a long term lease back of premises, the Province confirmed its intention to see the Site developed to a higher and better use and reaffirmed its long term commitment to retaining government offices in the City of Victoria.



Subject Site

Guiding Principles

Since November of 2013, the Applicant and its design team, led by Endall Elliot Associates in collaboration with CEI Architecture, have been engaged in the formulation of a development proposal for the Site (the "Development Proposal" or the "Project"). This work has endeavoured to devise a high quality mixed use concept involving market leading office space, dynamic and vital retail amenities, a range of housing options and a comprehensive network of well-appointed public areas. Guiding the team throughout this undertaking have been a number of core principles:

- The Project should be heavily informed by the urban design parameters of the Victoria Accord and the land use directions of the existing CD-2 zone.
- The Project should respond in a sensitive and complementary way to the Site's unique context proximate to the Legislature and the James Bay neighbourhood.
- The Project should facilitate an enhanced public realm that prioritizes public accessibility and permeability to and through the Site via an integrated network of welcoming and well-appointed plazas, courtyards and walkways.
- The Project should respect and enhance street level sight lines towards the Legislature from various approach
 angles and create new publicly accessible areas to enjoy this vista.
- The Project should prioritize forward thinking approaches to environmental and operational building performance.
- The Project's office space should be designed to market leading quality standards and meet the Province's long term needs.
- The Project's residential units should be designed to accommodate a range of unit types and resident profiles to ensure a healthy diversity of unit options in an attractive and highly liveable setting.
- The Project's retail units should contribute to a dynamic street interface, particularly on Menzies Street, and contribute to an expanded array of retail offerings in the James Bay neighbourhood.

Following numerous design iterations, dialogue with representatives from the City of Victoria and consultation with key stakeholders, we believe the Development Proposal that forms the basis of this application meets these objectives.

Project Overview

The proposed multi-phased mixed use development incorporates approximately 37,915 m2 (408,115 square feet) of total floor area comprised of the following primary components:

- Approximately 21,846 m2 (235,154 square feet) of office space in two 4 5 storey buildings, to be developed in two phases on the northern portions of the Site. The Province has already agreed to lease over 16,720 m2 of this office space for a 20 year term. The buildings will be designed to achieve a minimum standard of LEED Gold certification from the CGBC.
- Approximately 14,427 m2 (155,289 square feet) of residential uses in four separate buildings on the west and southern portions of the Site, to be developed in two or more phases. The residential buildings will vary in height from three to five stories and will provide a range of unit types, sizes and tenures to respond to diverse market needs and demands.
- Three existing Heritage Houses currently fronting onto Superior Street will be relocated and restored as a group, suitable for rental residential use, at the southeast corner of the Site facing Michigan Street. The floor area for these houses is included in the residential area noted above. Two other existing Heritage houses located on Michigan Street will be relocated and rehabilitated off-site in alternative locations within the James Bay neighbourhood.
- Approximately 1,642 m2 (17,672 square feet) of street level retail uses, predominantly located along the Menzies Street frontage on the west side of the Site. Approximately 209 m2 (2,246 square feet) of the retail space will be located in a plaza pavilion between the two office buildings that is intended to accommodate a food and beverage tenancy.
- An extensive and integrated network of streetscapes, plazas, landscaped courtyards and pedestrian pathways
 providing a full range of well-appointed public spaces which will contribute to a unique sense of place for the
 Project.
- All vehicular parking will be provided on the Site in a below grade parking structure that will accommodate a total of approximately 412-494 spaces. The Project will also include extensive bicycle storage and support facilities as well as accommodate off-street loading facilities.



Development Proposal

The proposed form of development for the Project has evolved in direct response to the rich and varied aspects of the Site's unique urban context. In addition to the core principles listed above, the development of the overall site plan has been informed by the following urban design considerations:

- The introduction of street fronting buildings, reinforcing and animating the major street frontages and relating to the varying characteristics of the Legislative and commercial precinct to the north, the mixed use / street retail oriented Menzies Street corridor, and the quieter, tree lined residential neighbourhood along Michigan Street.
- 2. As prescribed in the Victoria Accord, the office building frontage along the central portion of the Superior Street frontage is aligned to establish a formal, axial relationship with the Legislature to the north.
- 3. The preservation and enhancement of views and pedestrian access through the Site to the Legislature northwards from Menzies, Parry and Powell Street are of particular importance. A thorough study of street level view sequences from these and other vantage points has resulted in the provision of clear, inviting public pedestrian pathways and sight lines through the Site, strengthening north / south connections between James Bay, the Legislature grounds and the Downtown Core.
- 4. Recognizing the programmatic requirement to achieve adequately sized office buildings with large floor plates suitable for phased construction, a significant public plaza directly on axis to the Legislature has been introduced in lieu of a third, small and separate office building as originally envisioned in the Victoria Accord. Framed by the two office buildings to the west and east, this plaza promises to become an active and vibrant public space for the City and the surrounding neighbourhood.
- 5. To reinforce the definition of the space and contribute animation, a small food and beverage oriented retail pavilion has been introduced on the south edge of the plaza. Integrated with contoured landscaping on its south edge, the pavilion will also assist in facilitating a sense of privacy between the commercial and residential zones of the project.
- To further reinforce and define the south edge of the public plaza, the Michigan Street fronting residential building situated between the north-south walkways aligned with Parry and Powell Streets was also aligned perpendicular to the central axis of the Legislature.
- 7. The existing Superior Street heritage houses are to be relocated and restored at the southeast corner of the Site, adjacent to the two existing Provincially owned heritage houses on Government Street to the east. Together with a small row of 3 storey townhouses to the west, these heritage houses form a residential grouping compatible in scale and character with the residential neighbourhood on the opposite side of Michigan Street.

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- Retail and residential uses on the west portions of the Site fronting Menzies and Michigan Street are consistent in scale and character with existing buildings to the south and to future development anticipated to the west.
- Most importantly, the public pedestrian realm is to be carefully developed to the highest standards with an
 integrated network of streetscapes, plazas, courtyards and pedestrian pathways, providing a full range of public
 spaces and experiences and a unique sense of place.

Although we remain at the early stages of detailed design, the Development Proposal is intended to demonstrate a commitment to a high quality of contemporary design and construction, strongly influenced by considerations of sustainability, that achieves a complementary contextual fit with the surrounding neighbourhood. A more detailed description of each of the major building components and the public realm / landscape network is provided in the Project Description section of this letter.

Applicable Policies

The City of Victoria's 2012 Official Community Plan (the "OCP") classifies the Site as spanning two urban place designations. The Menzies Street frontage falls within the "Large Urban Village" designation which promotes mixed-use commercial and multi-unit residential as primary uses. The balance of the Site falls within the "Core Inner Harbour / Legislative" designation, which promotes institutional, office, retail and multi-unit residential as primary uses. In both cases, the Development Proposal is well aligned with the land uses identified in each urban place designation. Further, the proposed building typologies and public space characteristics are consistent with the place character features and built form directions identified in the OCP. Indeed the Project presents a notable opportunity to materially advance the objectives of the OCP within the James Bay neighbourhood.



The Site also falls within an area commonly known as the Legislative Precinct and is part of a number of undeveloped land parcels subject to the CD-2 zone and the design guidelines that supplemented the Victoria Accord. There is also a Section 219 covenant registered as a charge against the title to the Site. It spells out the terms of the Master Development Agreement (the "MDA"), which governs future development activities on the Site. The Project has endeavoured to respect the core principles outlined in the CD-2 zone, the existing design guidelines and the MDA; however, certain updates are proposed to each in the context of this application.

CD-2 Legislature Comprehensive District Zone

The existing CD-2 zone is divided into a number of development areas and applies to additional properties besides the Site. A new Comprehensive Development Zone is proposed under this application so as to allow for modest amendments to certain terms of the zone applicable to the Site. These include an approximately 3,446 m2 (37,313 square feet) increase in the aggregate permitted density on the Site and the refinement and simplification of the development area boundaries. No material modifications to the land uses contained in the existing zone are being requested.

The Victoria Accord Design Guidelines

Three supplements to the Victoria Accord were created to govern the design of the build out of the undeveloped Provincially owned lands in the Legislative Precinct which included the Site:

- Volume One Part One: Urban Design Manual
- Volume One Part Two: Development Area Guidelines
- Volume Two Built Form Guidelines

These guidelines have been strongly considered in formulating the Development Proposal and we believe the foundational urban design strategies codified in these documents remain relevant today. That said, a number of aspects of the design guidelines require amendment to reflect:

- Current best practices for sustainable building and site design.
- A subdivided parcel from the balance of the Legislative Precinct with amended development area boundaries.

- Provincial requirements for office floor plates of certain dimensions to meet specific functional parameters and the need to consolidate into two office buildings instead of three.
- · A modified and expanded approach to enhancing site permeability and publically accessible open space.
- A cohesive architectural expression that is optimized to its context and meets the functional parameters of future occupants, residents and the public.

Supplementing this application are proposed updated design guidelines for the Site. These design guidelines follow the same format as the existing guidelines and reflect edits and updates to the original text to account for the items noted above. The OCP amendment proposed under this application reflects the necessity to amend and update the existing design guidelines.

The Master Development Agreement

In connection with the sale of the Site to the Applicant, the provisions of the Victoria Accord applicable to the Site were secured going forward by way of a Section 219 covenant. The covenant spells out the basis on which the development of the Site shall be permitted to proceed. To conform to the terms of this application and to reflect current stakeholder and proponent aspirations, it is anticipated that a number of modifications to the MDA shall be required. That said, we are committed to respecting all core attributes of the MDA and anticipate that any proposed amendments will result in equal or improved outcomes for the City and community stakeholders.

Development Density

The Development Proposal includes a total gross area of 37,915 m2 (408,115 square feet) comprised of 21,846 m2 (235,154 square feet) of office space, 14,427 m2 (155,289 square feet) of residential space and 1,642 m2 (17,672 square feet) of street level retail space. The New Comprehensive Development Zone being requested for the Site has an allowable aggregate density level of 1.65:1 as further described in the following table:

	FLOOR AREAS ACCORD PROVISION	DENSITY	FLOOR AREAS PROPOSED	DENSITY
OFFICE:	21,743 M ² 234,044FT ²	1. 二乙酰胺酸	21,846 M ² 235,154FT ²	Section 14
RESIDENTIAL:	11,305 M ² 121,688 FT ²		14,427 M ² 155,289 FT ²	
COMMERCIAL	1,400 M ² 15,069 FT ²		1,642 M ² 17,672 FT ²	
TOTALS:	34,449 M ² 370,802 FT ²		37,915 M ² 408,115 FT ²	E Berner of the State of States in Sec.
SITE AREA:	23,044 M ² 248,044 FT ²	1.49:1	23,044 M ² 248,044 FT ²	1.65:1

As the table above notes, the density framework implied by the Development Proposal reflects an increase in the permissible density for the Site currently contained in the existing CD-2 zone (34,449 m2 / 1.49:1). Notwithstanding the requested increase, we believe that the Development Proposal improves upon the development concept outlined in the Victoria Accord while respecting its core principles. Indeed extensive examination of the Project's impact on view corridors, shadowing, the public realm, traffic and other affected areas gives us confidence that the massing strategy and the implied density for the Project is appropriate and equals or in some cases improves upon the quality, character and contextual fit of the Victoria Accord concept. Further, as summarized in the table above, the majority of the requested increase in permissible density relates to the residential components of the Project thus moving closer to a more equitable balance between residential and commercial uses and more thoroughly embracing mixed-use objectives. Finally, as noted elsewhere in this letter, the Development Proposal features numerous incremental public amenities versus the Victoria Accord concept, which in part, are facilitated by the density framework outlined above.

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RESIDENTIAL BUILDING C RESIDENTIAL BUILDING D RESIDENTIAL BUILDING E HERITAGE HOUSES

Project Description

The design of the proposed form of development has been informed by and is highly conformant with the 1994 Victoria Accord Urban Design Manual and Built Form Guidelines. Although prepared over 20 years ago, in our opinion the urban design principles established in the Victoria Accord are still very relevant and useful in guiding the formulation of a project that recognizes and responds to the unique attributes of the Site and the surrounding neighbourhood.

The Development Proposal has evolved in response to the core principles and key urban design considerations outlined in the preceding sections of this letter, rather than simply seeking to conform solely to the prescribed density, floor area, heights and massing strategies permitted in the existing land use directions. Indeed the Project strives to build and improve upon the form of development described in the Victoria Accord documentation.

Office Buildings A1 and A2

These two commercial office buildings are located on the north portion of the Site along Superior Street, reinforcing the Superior Street frontage and establishing a formal massing relationship with the Legislature buildings and grounds. To address the Provincial tenant's programmatic requirements, the buildings are to be developed in two phases with a central public plaza located between the two buildings, on axis with the Legislature. Both office buildings are in general conformance with the maximum densities and 4 - 5 storey building heights identified in the Victoria Accord.

Each office building has a 2 storey entrance lobby oriented to Superior Street and the Legislature and flanking the east and west sides of the plaza. As viewed from the south lawn of the legislature, the office building entries are designed to create a dramatic invitational gesture to the public plaza and the pedestrian walkways leading southwards through the Site to Parry, Powell and Menzies Street. To further reinforce the formal axial relationship to the Legislature, the office building penthouse levels are aligned with the 'shoulder' wings of the Legislative Building.

Subtle, contemporary architectural references to the materiality, as well as the horizontal and vertical proportioning of the historic Legislature and Queens Printer buildings will inform the architectural expression of the office buildings. Vertical interruptions in the continuous four storey streetwall along Superior Street will relieve the long expanse and modulate the scale of the buildings' frontage. A rhythm of continuous, transparent retail oriented frontage complete with weather protection canopies will be provided at street level. The main floor level of each building will be aligned as closely as possible with the adjacent slope of the street to allow for multiple potential entry points to service commercial / retail spaces. The architectural expression of the plaza and courtyard facing portions of the buildings is intended to shift slightly as the design of these facades takes into account potential shading strategies to mitigate

solar heat gain. Other sustainable design considerations, including natural daylighting to building interiors, stormwater management, green roofs, solar collectors, and integration with landscape strategies will also inform the design and expression of buildings A1 and A2.

Plaza Retail Pavilion

Retail oriented uses are envisioned at the ground level where each office building fronts onto the plaza. To further animate and define the south edge of the plaza, a transparent retail pavilion intended for restaurant tenants and complete with outdoor seating is proposed. The pavilion form is strongly integrated with the central landscaped courtyard behind to provide a transition zone and deal with privacy / overlook issues between the commercial and residential zones of the Site.



Building B

Continuous street level retail uses with 3 storeys of residential above are proposed on the Menzies Street frontage. The building is consistent in scale and character with existing development to the south and to future development anticipated to the west. With subtle references to traditional 2 -3 storey scale commercial retail buildings similar to those found at the 'five corners' intersection of Menzies and Toronto Streets, this building is intended to have the grain and texture of a traditional "village" retail streetscape. The massing of the building will be articulated to modulate the scale of the long street frontage in a manner similar to smaller buildings that have been constructed incrementally over a period of time.

The street level spaces will be flexible and able to accommodate a range of retail tenants of varying sizes with large transparent individual shop front windows and entries, continuous weather protection canopies and integrated signage and lighting. Located at the northwest corner at the termination of the Superior Street end view from the west is a prominent 2 storey retail space capable of accommodating a potential library tenant. At the southwest corner of Menzies and Michigan Streets, double height retail space with room for a potential mezzanine and expressed on the exterior as a corner "flat iron" building, has been provided. This space would be ideal for a larger food and beverage tenant associated with outdoor



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seating on a sunny corner plaza. One of two primary vehicular access points to the below grade parking is positioned midway along the block. This frontage will also incorporate pedestrian and bicycle access to the interior landscaped courtyards and walkways. A landscaped amenity roof terrace for residents is proposed at level 3 at the south end of the building. The 4th level of the building is set back slightly on both the street and courtyard sides of the building, and with a change in exterior finish material will contribute to maintaining a lower scale perception of the building.

Building C

Lower scale residential uses are located along the Michigan Street frontage, relating to the scale of James Bay residential areas to the south. All residential buildings fronting onto Michigan Street will have a consistent 2 - 3 storey townhouse expression in keeping with the rhythm and scale of this quiet, tree lined residential street. The 4 storey building C is the largest of the Michigan Street residential buildings and is compatible in scale with the 2 - 3 storey commercial and residential uses directly across the street. Together with the 'flat iron' retail building and plaza at the south end of building B, building C helps to frame the view from Menzies Street to the dome of the



Legislature and creates a strong invitational gesture to the west courtyard space. The main entry lobby and residential amenity space are located along the Parry Street walkway through the Site, providing animation and overlook for the public walkway areas. The fourth level is set back from the lower face of the building to diminish the perceived scale of the building and to allow for generous, outdoor terraces.

Building D

This 5 storey residential building, located between the north / south pedestrian walkways on the Parry and Powell Street alignments, is situated perpendicular to the Legislature central axis and scaled to be consistent with office buildings A1 and A2 to better define the south edge of the central public plaza. The plan form of the building is therefore skewed in relation to the Michigan Street frontage, creating a strong invitational gesture to the public pedestrian walkways through the Site and a triangular landscaped forecourt and pocket park between the Parry and Powell Street ends. The southwest and southeast corners of Building D will work together with the entry corner of Building C and the west corner of the Building E townhousees to bookend the Parry and Powell street walkway entries, adding to the sense of invitiation to and through the Site. As for all residential buildings fronting onto Michigan Street, a 2 - 3 storey townhouse expression is consistent with the continuous, lower scale residential streetscape.

The north façade of Building D performs a critical role as a backdrop to the central public plaza, and will be highly visible from the Legislative grounds. Much attention will be afforded to the design and detail of this façade, and it is intended that it relate closely to the expression of the office building facades framing the plaza, rather than assuming the appearance of a typical residential apartment building. At this preliminary stage of the design process, the design team is exploring strategies to maintain a clean, controlled order to this façade without compromising outdoor living spaces and the splendid views to the Legislature from the building.

Building E

This row of 2 ½ storey townhouses is clustered together with the relocated and restored heritage houses at the southeast corner of the Site. The townhouses are scaled to be consistent with the height and proportion of the adjacent heritage houses, and they relate well to the lower scale, predominantly single family residential neighbours across Michigan Street. They have individual street facing entries with front yards overlooking the street, and rear yards with integrated landscaping to provide privacy and separation from the public walkway and office zones on the north side. Though distinctly contemporary in character, the townhouses will also be designed to relate to neighbouring residential buildings in material, colour and detail.

Heritage Houses

As mentioned above and as described in more detail in the Heritage Considerations section of this letter, three existing Superior Street heritage houses will be relocated and restored on-site. As with the building E townhouses, the southeast corner of the site was considered the preferred location for the heritage houses given the lower scale residential character of the east portion of Michigan Street. More importantly, together with the two Provincially owned Government Street heritage houses and grounds immediately adjacent, an authentic cluster of houses reminiscent of the traditional single family character of the neighbourhood is preserved.



Project Phasing and Future Subdivision

Given the scope of the undertaking and to accommodate interim use requirements for some of the existing Provincial office tenancies on the Site, it is intended that construction of the overall project will be completed in two or more phases. Phase 1 entails the removal of the existing 2 storey office block at 525 Superior Street and the relocation of three heritage houses to make way for the construction of the A1 office building and building B (the Menzies fronting retail / residential building). Phase 1 construction is targeted to commence in the summer of 2015 and be completed in approximately 18 – 24 months. Phase 2 construction includes the demolition of the existing 541 / 553 Superior Street office block to allow for the construction of the A2 office building on the eastern portion of the Site. Phase 3 construction requires the demolition of the existing 544/548 Michigan office block to enable the construction of residential buildings C, D and E. Phase 3 construction may commence concurrently or partially overlap with the construction of Phase 2 depending upon construction logistics and prevailing market conditions.

In addition to accommodating the phased construction requirements, the project has been designed to allow for the future potential subdivision of the Site into as many as six separate legal parcels. Office buildings A1 and A2, together with the plaza retail pavilion form one parcel, and building B another. Buildings C, D and E would form a third parcel, and the 3 restored heritage houses would each be subdivided into separate parcels. A Project Phasing and Subdivision Plan has been submitted as part of this application.

Architectural Expression / Materials

For the purposes of this application, the design team has primarily focused on broader urban design, site planning, building form and massing issues. Detailed design of individual buildings has yet to be completed and will be done in conjunction with the preparation of the development permit applications for each discrete building. Nonetheless, at this early stage of the design process, conceptual directions regarding architectural expression and detailed design of the project have begun to emerge. The proposed form and massing of the development has been derived to respect and be complimentary to the Site's unique historical context, and the architectural design and detailing of the project should achieve an exemplary level of contemporary design consistent with that objective.

To that end, the architectural expression of buildings will be informed by subtle, rather than literal references to neighbouring traditional and / or historical architecture. More importantly, the detailed design of buildings will develop in response to considerations of sustainability, durable materials and construction, and current market leading quality standards. We believe that these parameters and objectives are reflected and confirmed in the proposed design guidelines for the Project which form part of this application.

The Public Realm

The relationship between the Site and the surrounding context of the Legislative Precinct and the James Bay neighborhood is paramount in informing the character and form of the public realm. The Project seeks to convey a narrative focused on the immediate and regional identity of place, while seeking to create a seamless integration of architecture and landscape as expressed in a 'folded landscape' aesthetic.

Contextually, the public realm seeks to merge the formal character of the Legislative Precinct with a finer grain, informal character expressive of the James Bay community. The open space becomes the transition between these two distinct adjacencies, whereby the pedestrian scale of the surrounding neighbourhood is reflected in the design of the public realm along Menzies Street and Michigan Street, and a more symmetrical and axial expression for the Project's central plaza forecourt and streetscape fronting Superior Street relates to the Legislature and its south lawn.

The folded aesthetic of the internal courtyard landscape merges with the folded façade forms of the inward-facing building adjacencies to achieve a design expression within the interior of the block that serves as a 'foil' to the more formal massing relationship of the office buildings with the Legislature. Thus, the interior expression of the Project creates a contrasting form expression with the outward facing frontages.

The public realm landscape plays a critical role in telling a narrative for the site that speaks to the natural, cultural and historical context of the Site and its surroundings. The landscape expression is an angular abstraction of the Garry Oak meadow ecology that is distinctive to Victoria and the Capital Region. Rolling hills and rock outcroppings with Garry Oak trees are expressed in the form of angular berms and timber outcrops that become sculptural seating forms, play walls, protruding decks and furnishings. A shallow meandering stream follows the course of the east west greenway, depicting the ephemeral watercourses that once flowed across the sand flats of James Bay. The Garry Oak meadow is further expressed on the green roofs of the surrounding office and residential buildings, creating a functional urban ecology and a means of "rewilding" the urban landscape.

Streets



The transitions between the Project and the surrounding community is fundamentally expressed within the streetscape environment. Each of the street frontages is unique in its design response, with careful consideration given to complimenting the facing side of the street, retaining existing street trees, considering sustainable stormwater management practice, and creating a pedestrian environment that responds to the uses, texture and scale of building adjacencies.

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The design expression for Superior Street is predicated upon reinforcing the formal relationship between the Project and the south portion of the Legislature grounds. The layering of modal uses includes a widened sidewalk and interactive zone that accommodates potential retail along the office building frontages, a boulevard zone designed to accommodate rain gardens, street trees and seating alcoves, and reconfiguration of the street to allow for dedicated bike lanes. A bus pullout and passenger loading zone, street parking, and maneuvering lanes for vehicular traffic access to the Site will all be considered in the detailed design of the streetscape.

A mid-block crossing is proposed as part of an extension of the plaza ground plane across Superior street to connect with the axial walkway of the Legislature lawn. A change in paving material combined with a potentially level pedestrian crossing will provide additional cues to both cyclists and motorists that this is a pedestrian priority zone. Where crossings are flush with sidewalks, entry points will be defined with shrub planting and bollards to limit pedestrian access to designated crossing zones. Special paving within the plaza extension into the street will use vehicular rated unit paving conforming to City of Victoria Engineering requirements.

Menzies Street is designed to accommodate a vibrant retail environment with anticipated retail uses that will enhance what is seen as the neighbourhood high street. The scale is more intimate and finer grained with shallow interactive zones to accommodate outdoor retail displays and café seating. A segmental planted boulevard interspersed with seating enables additional opportunities for pedestrian activity. Paving sections between boulevard planting provides access points for parallel parking and loading.

Michigan Street is a quiet, tree-lined residential street fronted with private 'front yards' and terraces that correspond with the scale and grain of the residential homes on the facing side of the street. Mature Horse Chestnut trees line both sides of the street to create a beautifully enclosed street corridor with a leafy shade canopy. Provisions will be made to maintain the generously sized lawn boulevards which have enabled these mature trees to thrive and reach their full genetic potential. An adequately sized sidewalk provides access to the ground oriented residential units. While no formal demarcation for cyclists is anticipated, it is seen that the narrow street with parking on either side will continue to facilitate reduced traffic speeds and create a safe mixed modal travel street appropriate for cyclists.



Plazas

CENTRAL PUBLIC PLAZA

The public central plaza serves as the front door to the Capital Park Project, and becomes a community focused destination for social gathering, performances and public life for the both the Legislative Precinct and James Bay. The Plaza bears a formal axial relationship to the south lawn of the Legislature with a continuous ground plane that follows the alignment of the Legislature's south lawn. At the same time, the folded elements of the interior landscape environment are layered over top in the form of angular timber seating terraces and lawn berms to create an iconic plaza form that merges both the formal and informal. The arrangement of timber seating elements on the north and east sides responds to the desired orientation towards the morning and afternoon sun creating comfortable edge conditions for respite, informal gathering and spectating. Actively programmed building edges infuse activity into the plaza, consisting of a restaurant/café pavilion with outdoor patio space, as well as lobby spaces and potential retail frontage in the flanking office buildings. The plaza could be animated by a series of water jets, integrated into the ground plane as a visual and water play attraction, or turned off to accommodate outdoor performances, farmer's market and other programmed events to ensure the full breadth of the plaza's use potential.

The southwest corner plaza at Menzies and Michigan Street serves as an informal, neighbourhood scale meeting point and a spill out space for a café patio and casual outdoor seating. This plaza becomes an invitational gesture for public access into and through the west courtyard. A central seating deck becomes an iconic and sculptural meeting point that alludes to the character of the folded landscape that is expressed in the interior of the site, coupled with diagonal paving that reinforces the centerline of the building prow.



Courtyards

EAST WEST PEDESTRIAN GREENWAY

The interior of the Site is characterized by a series of courtyards that provide publicly accessible green space coupled with both active and passive outdoor programming elements to facilitate healthy active living within the community. This courtyards become a series of interconnected rooms linked together by an east/west pedestrian path that provides public access through the site. They are visually connected through the use of water and the folded Gary Oak landscape as a common theme throughout.

The west, central and east courtyard spaces all incorporate extensive contoured landforms, as part of the common 'folded landscape' vocabulary. These landforms serve the multiple purposes of concealing parking access ramps and service spaces, creating natural visual buffers between the residential and commercial buildings, and providing a natural setting for the provision of a variety of uses. Each courtyard is envisioned as having its own unique and distinct character, yet unified by common elements such as the water courses, tree lined pathways, seating, and lighting details that link them together.

In addition to providing sunny, outdoor seating areas for office and residential occupants, the west courtyard presents opportunities for play potential, including climbing elements, play sculpture, a slide and sunning lawn. A shallow water feature to the southeast of the landscaped mound provides a privacy separation and amenity for the ground oriented residential units in Building C. The central courtyard serves as a soft transition between the main entry plaza and residential building D. A sloping lawn integrated with the south side of the restaurant/ café pavilion continues the theme of the folding landscape, and creates a desirable south facing slope for sunning. The east west pedestrian pathway parallel to the toe of the slope runs alongside a water channel that provides separation from the adjoining ground-oriented residential units. The knoll of the east courtyard features an edible landscape comprised of a robust assortment of food producing shrubs and herbs that provide year round appeal.

Public Pedestrian Pathways

Supported by the extensive improvements to the Michigan, Menzies and Superior streetscapes, the provision of multiple obvious and inviting pedestrian walkways is vital to achieving a publicly accessible open space network through the central zones of the Site. Extensive street level view analysis and 3D modeling has been used by the design team to consider the visual and experiential aspects of how one approaches the Site from different directions and moves through it on any of the multiple pathways provided.



Street Level View looking north on Menzies Street

The approach and access routes north south through the Site from Menzies Street and from the Parry and Powell Street alignments, are designed to take into account critical sightlines to the Legislature. Upon entering the site from the south or the north, these walkway alignments are characterized by an inviting, sequential experience of moving between the smaller, more intimate passageways framed by the Michigan Street residential buildings and the central public plaza with its water feature, café pavilion and animated office building frontages. A greenway serves as the primary east-west linkage, connecting the southwest corner of the Site and the Menzies Street commercial retail environment through to the eastern boundary of the Site and the park-like space between the two Government Street heritage houses.



Parry walkway through the Site from Michigan to Superior Street



Powell walkway through the Site from Michigan to Superior Street

Project Benefits and Amenities

The Development Proposal described above strives to improve upon the form of development and public realm strategies prescribed by the Victoria Accord design guidelines and produce an enhanced array of benefits and amenities to community and project stakeholders. In addition to the overall benefits that will derive from the addition of sustainable designed high quality office, retail and residential premises on the Site, the following amenities and public benefits (or modest variations thereof subject to on-going MDA discussions) are envisioned to be provided in accordance with the provisions of the existing MDA:

- A 700 square meter retail space suitable for library use
- A fitness facility on the main level of the first office building
- The relocation and restoration of 5 heritage houses
- Threshold numbers of affordable (51) and family (61) housing units
- A series of lanes, walkways and courtyards open to the public



Additional amenities and public benefits arising from the Development Proposal and enabled by the proposed increase in density outlined above include:

- The provision of a high quality public plaza with supporting retail amenities on Superior Street, consistent with the public amenity space objectives outlined in the 2011 Downtown Core Area Plan.
- Improved sightlines through the Site and to the Legislature from the south versus the Victoria Accord concept.
- Improvement upon the scope and quality of the courtyard spaces as envisioned in the Victoria Accord through the incorporation of water features, improved sun path exposure, high quality furnishings and landscape and other public realm enhancements.

- The introduction of a publicly accessible 'edible landscape' garden as a component of the landscape plan, consistent with the Food Systems objectives outlined in the 2012 Official Community Plan.
- A more equitable balance in the ratio of office space to residential space reinforcing a true mixed-use character.
- Significantly enhanced commitment to sustainable design (proposed minimum standard of LEED Gold for all newly constructed buildings) as compared to the Victoria Accord (no green building commitments).

Need and Demand

In addition to the numerous community benefits and amenities of the Development Proposal noted above, the Project also responds to specifically identified demands and needs of the marketplace. The Provincial requirement for high quality, environmentally responsive office space customized to their specific parameters was a core motivation for undertaking the sale of the Site and the corresponding leaseback of office premises. Of the 21,846m2 (235,154 square feet) of office space proposed for the Project, 16,723m2 (180,000 square feet) has already been leased by the Province with phased occupancy required in 2017 and 2019. Of the total area leased by the Province, a significant component will be utilized to relocate occupants of the existing buildings on the Site that have come to be regarded by the Province as functionally obsolete. In Victoria's 2012 Economic Development Strategy, the number one strategic focus area identified is to "maintain the City's role as the headquarters of the Provincial Government." No other land parcel or development undertaking in the City of Victoria is more vital to meeting this strategic priority than this Development Proposal.

With respect to the commercial retail components of the Project, we regard it as essential that key street level interface areas benefit from the animation and vitality that comes from active retail uses. Further, a 2013/2014 community survey commissioned by the James Bay Neighbourhood Association identified the addition of expanded retail amenities on the Site as being one of the most appealing and important community contributions of the Project. Finally, while a sales and marketing campaign has not yet commenced, our preliminary assessment of the market and experience with similar projects indicates a healthy demand for residential offerings in this location. Indeed we believe a thoughtfully curated mix of unit types, sizes, and tenures as well as the incorporation of both affordable units and units appropriate for families will be positively received by local residents and play a key role in realizing the Project's mixed-use aspirations.

Safety and Security Considerations

The Project design has considered factors impacting the safety and security of visitors and occupants of the buildings as well as members of the surrounding community. CPTED principles have been incorporated extensively including:

- The encouragement of natural surveillance through extensive windows at the ground level of the Project which look onto adjacent streets and sidewalks.
- Active retail uses at strategic street level frontages to promote natural surveillance as well as positive and desirable activity on Superior Street, Menzies Street and in the central public plaza.
- Individual entries and semi-private outdoor terraces for ground level residential units fronting onto Michigan Street to enhance the neighbourhood character and contribute 'eyes on the street' surveillance.
- The positioning of all building entrances and access to the network of courtyards and pedestrian walkways
 through the Site in locations that are easily identifiable from street level.
- Sidewalk and street design and multiple open and inviting access points to the network of courtyards and walkways through the Site to encourage high volume pedestrian and bicycle traffic.
- Locating primary residential building entry lobbies and amenity spaces adjacent to the Parry and Powell
 pedestrian walkway passages to / from Michigan Street.
- Lighting design for interior and exterior public spaces which has been coordinated so as to eliminate dark corners and encourage warmly lit, highly visible areas conducive to positive public activity.
- Carefully considered landscape design which minimizes visual barriers and hiding spots so as to ensure adequate surveillance, particularly in areas within the courtyards and proximate to building entrances.
- 24 hour overlook and surveillance of the public courtyards by office building users during the day and courtyard facing residential units in the evening.
- The provision of a high density project with active office, residential and retail uses which will offer natural surveillance and activity support from the thousand plus people expected to occupy, visit, and pass through the Site each day.

In addition to the CPTED principles noted above, the Project will also incorporate on-site security personnel, CCTV at building entrances, and a card access system controlling ingress to the secure areas of the buildings. As the detailed

design of the project develops further over the coming months, the project team is committed to ongoing study and consideration of CPTED parameters.



Transportation

The Project's location and design make it very well suited to facilitate multi-modal transport access for occupants, residents and visitors. Pedestrian movement is encouraged through numerous access points to the Site on the north / south and east / west alignments to the extensive internal pathway and courtyard network. Further, all pedestrian areas are envisioned to feature high quality paving, lighting and streetscape furnishings, landscaping which separates sidewalks from adjacent traffic lanes, numerous pedestrian refuge areas and prominent building entries with good visibility and overlook. Bus access to the Site is encouraged as Government Street, Superior Street, and Menzies Street are all are significant transit routes and one of the downtown's key bus interchange stations is immediately adjacent to the Site. It is also noted that the potential transit exchange location for the envisioned Douglas Street Rapid Transit Corridor is located just two blocks from the Project. Bicycle access to the Site is encouraged by the Project from a number of perspectives. The Project will be advancing the Cycling Network envisioned in the Downtown Core Area Plan (2011) with the creation of a bike lane along the Project's Superior Street frontage. Each phase of the Project will also provide extensive secured and public bicycle parking in excess of the City of Victoria's specified requirements. Cycling is further encouraged by the incorporation of end of trip facilities in the office building component of the Project through the inclusion of shower, changing and locker facilities for use by building occupants.

All vehicular parking for the Project is proposed to be accommodated underground with access provided via two entry ramps (one off Menzies Street and another off Superior Street). In total, a minimum of 206 parking spaces are proposed for the office components and 44 spaces for the commercial retail components. Parking for the residential components will be provided at a ratio of 1-1.5 spaces per residential unit (162-244 spaces total). The proposed parking ratios for the newly constructed residential components and the commercial retail components are compliant with City of Victoria Schedule C guidelines. The Applicant proposes the waiver of the parking requirements associated with the three heritage houses being retained on-site due to the construction impracticalities dictated by the home's heritage features, subdivision boundary constraints, and the priority of rental unit affordability for the suites. The application also proposes a revision of the required parking ratio for the commercial office component of the Project. The application proposes a parking ratio of 1 stall per 106.0 square meters of office space versus 1 stall per 74.0 square meters as currently provided for in the existing CD-2 zone. The proposed level of parking appears more than adequate based on parking demand studies of precedent office projects owned by the Applicant in the Downtown Victoria area. Further, the Province (the occupant of the office space) has advised that the proposed parking ratio would comfortably exceed their anticipated demand for employee parking. Bunt Engineering has prepared a comprehensive traffic and parking assessment based on the proposed parking counts and trip generation expectations of the Proposed Development. Bunt's report notes that the proposed parking ratios are more than adequate to meet anticipated demand and the Project is not expected to contribute materially to any negative traffic conditions at surrounding intersections. A copy of Bunt's report is included in the Application package for further reference.

Heritage Considerations



An overriding heritage consideration for this prominent site is its proximity to the Legislature building and grounds, and to the historic Downtown Core and harbourfront. The scale and form of the Development Proposal has been derived substantially in response to the Site's formal, axial relationship to the Legislature. This relationship will continue to influence the detailed design and architectural expression of the buildings through the design development phases of the Project.

At present, there are five heritage houses located on the Site, all of which are listed on the City of Victoria's Heritage Register. To facilitate the office, residential, retail and public realm aspects of the Development Proposal and to create an enhanced context for the heritage houses it is required that all five houses be relocated. The Development Proposal contemplates relocating the three houses presently situated at various points along the Superior Street frontage to the southeast quadrant of the Site. This relocation strategy is intended to facilitate the creation of a unified cluster of heritage homes along Michigan Street supporting the heritage context of the two adjacent heritage houses that front onto Government Street that are owned by the Province and complementing the residential form on the southern side of Michigan Street. The remaining two heritage homes, currently situated along the Michigan Street frontage, are proposed to be relocated within James Bay to a location that is complementary to their heritage value. The two Michigan Street houses are typical in style and form to houses of their era and would fit in comfortably on a residential street within James Bay. The three Superior Street houses were selected for on-site retention as they possess a higher level of heritage value and are more impressive examples of homes from their time period. We believe that this relocation strategy will improve the context of all five of the heritage homes.

A Conservation Plan has been prepared for each home which outlines the steps to be taken to rehabilitate the houses and protect their heritage value. We plan to undertake this work on the three Superior Street houses as soon as practical following their relocation. At that time, they will also be revitalized for use as rental residential properties. It is anticipated that the three houses will contain a total of 13 rental suites. Anticipating this use, the design team's priority has been the preservation of the historic structures of the buildings and letting the natural constraints of the homes dictate the unit count, size and format as opposed to altering the houses to accommodate a prescribed housing program.

The Applicant has started the process of identifying suitable potential receiver sites within James Bay for the two Michigan Street houses and will be requiring that the recipients of the homes complete the work outlined in the Conservation Plan. It is anticipated that these two homes will also be converted for use as rental residential properties.

A Heritage Submission was made to the City on June 16, 2014 to address the treatment of these five heritage homes. The existing MDA requires that the restoration and relocation plan for these houses be approved by the City. The submission included the Conservation Plan and Relocation Plan for each home (or in the case of the Michigan Street houses, criteria that a receiver site must meet) and is intended to address the requirements outlined in the MDA.

Green Building Features

In addition to the architectural features noted above, the Applicant and design team are committed to embracing green building principles into the Project's design and long term operations. All newly constructed components of the Project will be registered with the Canadian Green Building Council's LEED program and will target a minimum designation of Gold for the office and residential buildings. We envision the Project becoming a showcase project for environmentally responsive office and residential building construction though the utilization of:

- High performance building envelope systems
- Extensive green spaces including vegetated roof areas to address the heat island effect and manage stormwater run-off
- · Significant enhancements to the scope of permeable landscape surfaces as compared to the existing condition
- Energy efficient lighting and electrical systems including a reduced lighting power density in all buildings
- Water efficient plumbing fixtures in all buildings
- Bicycle storage and shower and changing facilities for office building occupants
- Fitness facilities for office building occupants
- Energy Star appliances for residential buildings
- Electrical vehicle charging infrastructure
- Low VOC interior finishes in all buildings
- · Building designs optimized for interior daylighting
- Redevelopment of an under utilized urban site in an area that is well served by transit and highly accessible by
 pedestrians and cyclists

Other sustainability strategies under consideration by the design team include:

- A potential ground-source geoexchange based HVAC system
- A potential district energy system solution to diversify overall heating and cooling loads and permit the sharing
 of excess thermal energy between buildings
- The retention and treatment of either stormwater or grey water for the use of irrigating the building landscapes and green roofs
- The use of solar thermal collectors on building roofs to heat domestic hot water and recharge the geoexchange loops during summer months

A more detailed description of the Project's green building attributes in the form of separate preliminary LEED checklists for the Office and Residential building components are included with this application.

Infrastructure

The design team has consulted with City of Victoria staff to review existing City infrastructure locations and proposed services planned for the Project. The Site is presently serviced on all three frontages with sanitary sewer, storm drain, water, hydro, communications and gas. Preliminary servicing locations for individual development phases have been identified and will be refined during the next stages of the design process. Extensive frontage improvements within the right-of-way are anticipated for the Project and existing grades along project boundaries will be met.

The design team has initiated coordination with utility companies with services adjacent to the Site to review existing infrastructure and review potential conflicts with proposed right-of-way improvements. Additionally, we are exploring the option of the beautification of some Project frontages through moving existing overhead utilities underground. The Project is integrating sustainability into the design process and it is anticipated that this approach will minimize the impact of this project on City infrastructure.



Conclusion

The Applicant and the design team believe the Development Proposal presents a significant opportunity to bring new life to a key block that links the James Bay community with the Downtown Core. We have proceeded thoughtfully at each stage of the conceptual design development process conducted to date and believe that this Project responds to both the vision set forth in the City of Victoria's applicable planning guidelines as well as the more general community aspirations for the Site. Indeed consultation efforts to date with a wide array of community stakeholders have affirmed our conviction in the direction we have taken with the Development Proposal.

In the months to come, we anticipate following this application with building specific development permit applications for the first phase of construction. This shall include the first of the two office buildings and the residential and retail building along Menzies Street. To meet the Province's targeted occupancy date for the first office building, construction must be complete by March of 2017. To enable this timeline to be achieved, it is critical that on-site construction activity begin no later than the summer of 2015. We sincerely appreciate the time and effort put forth thus far by members of staff at the City of Victoria in assisting with a collaborative and expedited approach to this application. We look forward to working with City staff in connection with this application in the months ahead and are available as necessary to answer any questions or furnish additional information as required.

Sincerely,

JAWL DEVELOPMENT CORPORATION

Robert Jawl

CONCERT REAL ESTATE CORPORATION

Brian McCauley

Jawl Development Corporation



September 17, 2014

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

Attention: Brian Sikstrom

Re: South Block Application Review Summary – Rezoning File # 00457

Dear Brian:

We received a copy of the Application Review Summary dated August 21, 2014 in connection with our application for the rezoning of South Block (Rezoning Application #00457). We appreciate the efforts made by City of Victoria staff in providing this initial feedback. Many of the comments raised are for information purposes and we will be mindful of those points as we proceed towards both development permit and building permit applications for the respective project components. A number of items however require immediate attention and I would like to update you on our responses / action items in connection with those topics. For convenience, this letter will follow the same categorical organization as the Application Review Summary.

Sign Posting:

 We have received four site signs from Laura Wilson and they were installed on site as of September 12, 2014.

Development Services Division Review:

- We understand that the City has now received a copy of the third party land lift analysis applicable to the site. We look forward to discussion this topic and the valuation of the proposed amenities with the Planning Department staff in due course.
- The additional view studies requested by Planning Department staff were provided on August 29, 2014.

Transportation Review:

Further to staff comment pertaining to the proposed parking variance applicable to the 13 residential units in the three relocated heritage houses, we agree to modify our proposed parking strategy for the project. Specifically, we propose to include 8 parking stalls in the adjacent parkade (below the A2 office building) which will be allocated to the 13 residential units in the 3 relocated heritage homes. This will also involve a reduction of 8 stalls from the allocation proposed for the commercial office components of the project. The 8 stalls applicable to the heritage homes (a ratio of 0.62 stalls per unit) will be supplemented with the TDM measure of including storage facilities for the 13 residential units suitable for on-site secure bicycle storage. It should be noted that the 8 underground parking stalls will be constructed in connection with the second phase of work whereas the heritage homes will be relocated. rehabilitated, and occupied during phase one. Accordingly, there will be a time lag post occupancy until the associated parking is able to be provided. We distributed a revised traffic and parking impact report from Bunt Engineering to the Engineering Department on September 12, 2014. On September 15, 2014 we received confirmation from Steve Hutchison indicating that he was satisfied with the revised report which reflects the modifications noted above.

Land Development Review:

- WSP Civil Engineers (Stephen Childs) has been engaged to prepare a civil site servicing plan for review by the Engineering Department prior to any building permit application.
- We anticipate submitting a preliminary subdivision application prior to the end of 2014.

Parks Division Comments:

- A meeting was convened between Architecture, Landscape Architecture, and Arborist project team
 members and Brooke Daitl of the Parks Department on September 10, 2014 to discuss the proposed
 approach to managing the project's impact on the Horse Chestnut trees along Michigan Street. A
 strategy was discussed aimed at mitigating the impact to the trees proposed to be retained while
 accommodating construction requirements and critical dimensions within the underground parking
 structure. A letter describing the proposed tree management strategy was provided to Brooke for his
 consideration and we are awaiting response from the Parks Department with comment on our proposed
 approach.
- We acknowledge the comments from the Parks Department describing concerns surrounding the proposed "dog friendly" status of the green space in front of Residential Building D. Accordingly, we agree to remove this proposed designation / use for this green space.

Permits and Inspections Division Comments:

Representatives of the project team convened a meeting with Avy Woo and other members of the
permits and inspections team to review the comments noted in the Application Review Summary. We
understand the comments raised and will continue an ongoing dialogue with Departmental staff as the
detailed design is prepared.

We hope the action items noted above adequately reflect the required responses to the immediate items noted in the Application Review Summary however if you feel any items are unaddressed or require further action on our part, please don't hesitate to let us know.

Sincerely,

JAWL DEVELOPMENT CORPORATION

Per Robert Jawl



James Bay Neighbourhood Association

234 Menzies St Victoria, B.C. V8V 2G7

www.jbna.org

September 18th, 2014

Deb Day, Director, Planning, City of Victoria.

Dear Deb,

Re: Capital Park - CALUC rezoning from existing CD-2 zone to a Comprehensive Development Zone, OCP amendments, & modification of Section 219 Covenant

The Capital Park project was presented at the September 10th, 2014 JBNA General Meeting as per the CALUC process. Representatives of the Jawl/Concert consortium and project team leaders were present and responded to resident questions.

Attached please find the excerpt from the Minutes of the meeting that pertain to the proposal. Although the minutes provide a reporting of the questions/responses, we offer the following comments that capture the essence of the response to the proposal and major points made during the meeting.

There were approximately 120 present at the meeting. Poster boards were set up in advance of the meeting and a model provided a gathering place before and after the meeting where residents could speak one-to-one with members of the team.

The proposal met with applause at several points during the presentation and Q/A session. However, concerns remain, some specific to neighbours directly to the south of the project. Concerns included:

- construction logistics (noise and crew parking)
- concerns about street parking and increased traffic upon completion
- amenities no consultation (Note: although JBNA had done a survey and the Victoria Accord specified amenities as identified 20 years ago, the City has not consulted regarding current community amenity needs/wishes)

Should you have any questions concerning the points raised, please contact us.

Yours truly,

Marg Gardiner President, JBNA

Jon Coyle

Tom Coyle, JBNA CALUC Chair

Cc: Brian Sikstrom, Planning Robert Jawl, Jawl/Concert JBNA Board of Directors

JBNA September 10th, 2014 General Meeting Minutes: EXCERPT

 Capital Park (South Block) Rezoning and OCP amendments Robert Jawl, Jawl/Concert Consortium Alan Endall – Endall Elliot Assoc: Architect Derek Lee – PWL: Landscape Architect

The proposal involves a rezoning, OCP amendments, and modification of an existing Section 219 Covenant to facilitate the development of a multi-phased mixed-use complex incorporating office, retail, and residential uses. The rezoning proposal would be from the existing CD-2 zone to a Comprehensive Development Zone.

Phase 1 including Building A1 (Superior) and Residential B (Menzies) should start approximately in a year. Phase 2 is building A2 at the east end and Phase 3 is Michigan residential buildings.

Q: See need for traffic calming on Michigan St

A: Haven't started work on that as yet and as there will be no parking access of Michigan should mitigate traffic calming. Have a traffic consultant on the project.

Q: How firm are plans for library and is there any daycare?

A: Nothing has been firmed up – there will be critical thinking of what and who will be entertaining for the retail. Will require a floor load to facility the library space. Have made proposal to City. Do not yet know if City will accept.

Q: Did I hear that there are 188 parking stalls for office workers

A: 198

Q: How many office workers

A: estimate 1000

Q: Where will overflow park?

A: 1 parking stall for 9 people in other businesses up town – this proposal ratio is greater, including bike storage, change room and shower facilities, encourage busing. Gov't feels adequate and that not everyone will request parking.

Q: Concern about using residential street parking.

A: This will be a case of policing.

C: Questioned consultation as the plan seemed quite complete.

A: Chair responded that the project had already been to JBNA on 2 other occasions and that the Victoria Accord had driven aspects of the development. The Victoria Accord was agreed upon by the city. Government and community in 1993.

Q: Thank you presenting a quality project, however have concern of height of buildings on Michigan, 5-storey building feels out of place with the other residential buildings, green space on inside at expense of pushing setbacks to sidewalks.

A: The Accord states a 5-storey cap and have tried to mitigate the height concerns, angling the 5 storey building on Michigan which provides front green space. The tree canopy will also mitigate the height and the upper part of the building may not even be visible from Michigan.

Since Capital Park is on the north side of Michigan, there will be no shade effects on existing residences on Michigan.

Q: Will there be an exercise pool in the fitness area?

A: No. Didn't have special allowances and would have to managed by City or YMCA and neither requested it.

C: Would like to see, at a future presentation, the proposed lighting for evening, concerns for safety issues.

A: Will be warmly lighted, will avoid darkened areas, to provide safe traffic areas and natural safety and will have onsite security – will be safe and welcoming all hours.

Q: As an amenity would like to see a performance space for plays or other community events.

A: Outdoor plaza may serve that purpose and perhaps for the Community Market some day.

Q: 5-storey building behind Leg, will it be seen above Leg?

A: No

Q: Question whether there will be adequate bus service for employees.

A: Bus service on Government Street.

C: 4 of the Schematics will be on JBNA website, thank you for coming tonight.

C: There has been consultation with JBNA and the community through a survey late last year. There has been consultation between the developers and the community. There has not been consultation between the City and the community.

C: Thank you for a happy experience with developers, feels trying to work with everyone in community and this will be a very beautiful project.

Q: Will the 3 heritage homes be residential or commercial?

A: Rental residential units, following upgrading will be designated as heritage

Q: 198 parking spaces for residential use?

A: For office workers only. Residential and retail will be separate, over 200 more.

C: Entry & egress very concerned about left hand turns.

C: Interesting evening. Perhaps the project could be altered to include the removal of the "bunker building" on the south east corner of the leg grounds once government workers move into new office space.

A: Will have to consult with government what their intentions will be for the continued use of the building.

Q: handicap access?

A: entire development will be accessible, which is mandated by building codes

Q: How long for complete development of site?

A: Hope to commence first phase next year and complete in 18 months, 2017, then start phase 2 for completion in summer or fall of 2019, earliest residential on Michigan 2019 or shortly thereafter.

Q: Will there be provisions for the contractors workers parking?

A: There will be parking on site and parking on Q-lot during building phase.

General applause from those present.



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PROJECT TEAM OWNERS

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VICTORIA, B.C. LOT 2 OF LOTS 1720 - 1743 INCLUSIVE, VICTORIA CITY, PLAN EPP38872

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JULY 21,2014

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LAND SURVEYOR POWELL & ASSOCIATES 250 - 2950 Douglas Street, Victoria, BC V8T 4N4 Contact: Jamen Worton

DRAWING LIST ARCHITECTURAL

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CONTEXT IMAGES SHADOW STUDIES

LANDSCAPE

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. EXISTING SITE SURVEY





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CONCERT PROPERTIES & JAWL PROPERTIES

CAPITAL PARK MIXED USE DEVELOPMENT VICTORIA, B C. LOT 2. VICTORIA CITY, PLAN EPP38872 EAST SECTION A-A - WEST COURTYARD & EAST SECTION B-B - CENTRAL PLAZA



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June Properties Ltd. CONCERT



Janel Proparties Ltd. CONCERT

CONCERT PROPERTIES & JAWL PROPERTIES 21 July 2014 REZONING APPLICATION

CAPITAL PARK MIXED USE DEVELOPMENT LOT 2. VICTORIA CITY, PLAN EPP38872

'SAUST SECTION C-C - EAST COURTYARD & SOUTH SECTION D-D - OFFICE BUILDINGS A1 + A2

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NORTH ELEVATION - SUPERIOR STREET

CONCERT PROPERTIES & JAWL PROPERTIES 21 July 2014 REZONING APPLICATION

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CAPITAL PARK MIXED USE DEVELOPMENT LOT 2, VICTORIA CITY. PLAN EPP38872

WEST ELEVATION A-A - SERVICE ACCESS ROAD & SOUTH ELEVATION B-B - SUPERIOR STREET



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Jaw Properties Ltd CONCERT

CONCERT PROPERTIES & JAWL PROPERTIES

CAPITAL PARK MIXED USE DEVELOPMENT VICTORIA B C LOT 2, VICTORIA CITY, PLAN EPP38872 SOUTH-FACING 3D MODEL PERSPECTIVE

Architecture endall elliot



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CONCERT PROPERTIES & JAWL PROPERTIES

CAPITAL PARK MIXED USE DEVELOPMENT VICTORIA, B C LOT 2, VICTORIA CITY, PLAN EPP38672 NORTH-FACING 3D MODEL PERSPECTIVE

endall elliot

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MENZIES STREET - EAST SIDE



SUPERIOR STREET - EAST SIDE



MICHIGAN STREET - NORTH SIDE



CONTEXT IMAGES

CAPITAL PARK MIXED USE DEVELOPMENT VICTORIA, BC LOT 2, VICTORIA CITY, PLAN EPP38972

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1:00 PM

CONCERT PROPERTIES & JAWL PROPERTIES

21 July 2014 REZONING APPLICATION

CAPITAL PARK MIXED USE DEVELOPMENT LOT 2. VICTORIA CITY. PLAN EPP38872

SHADOW STUDIES NOT TO SCALE

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4:00 PM

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- 3 SECTION C-C



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CONCERT PROPERTIES & JAWL PROPERTIES

CAPITAL PARK MIXED USE DEVELOPMENT VICTORIA, B.C. LOT 2, VICTORIA CITY, PLAN EPP38872

AERIAL PERSPECTIVES

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Bud CONCERT



Pavilion / Entry Plaza

Green Roof



Sitting Plaza



endall el

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Architecture

Children's Playground



Streetscape / Rain Gardens



Spine



Stormwater Course / Collection & Remediation Pond



CAPITAL PARK MIXED USE DEVELOPMENT VICTORIA, B.C. LOT 2, VICTORIA CITY, PLAN EPP38872

L4 PRECEDENT IMAGERY source N.T.S.

Jawl Pro



Jawl Development Corporation

CONCERT

September 18, 2014

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

Attention: Brian Sikstrom

Re: South Block Application (Rezoning File # 00457) – Stakeholder Engagement Summary

Dear Brian:

At our meeting on September 17th, 2014 regarding the South Block rezoning application (rezoning file #00457), we provided you with an update describing the stakeholder consultation activities completed to date in connection with the proposal. As requested, this letter further details these undertakings.

- On April 9, 2014, the project team presented an overview of the project at the James Bay Neighborhood Association monthly meeting. This presentation was supported by extensive presentation boards and a formal PowerPoint presentation describing the preliminary proposal for Capital Park. The meeting included a 45 minute question and answer period. Approximately 50 community members were in attendance.
- On May 7, 2014, the project team presented an overview of the project to the directors and invited guests of the James Bay Community Project. This presentation was supported by presentation boards describing the preliminary proposal for Capital Park. The meeting included a 15 minute discussion period. Approximately 20 directors and guests of the James Bay Community Project were in attendance.
- On May 14, 2014, Robert Jawl attended the James Bay Neighborhood Association monthly meeting and addressed community member questions relating to the project during the open Q&A session at the end of the meeting. Approximately 45 community members were in attendance.
- On June 11, 2014, Robert Jawl presented updated project materials at the James Bay Neighborhood Association monthly meeting. This presentation was supported by a formal PowerPoint presentation describing items including density and height parameters, parking metrics, view studies, and shadow analysis. The meeting included a 30 minute question and answer period. Approximately 50 community members were in attendance.
- On June 18, 2014, Robert Jawl presented an overview of the project to the directors and invited guests of the Downtown Victoria Business Association. This presentation was supported by updated presentation boards describing the proposal for Capital Park. The meeting included a 30 minute discussion period. Approximately 15 directors and guests of the DVBA were in attendance.
- On September 10, 2014, the project team convened a community open house in the former Samuels Restaurant space (655 Douglas Street) from 2-6pm to share and discuss updated project details with a wide array of stakeholders. Presentation materials included extensive display boards, a physical model of the proposed project, booklets indicating view analysis from a multitude of perspectives, and a video flythrough of the site. Ten members of the project team were on hand to meet with community members, answer questions, and receive feedback. The open house was widely promoted including an advertisement in the James Bay Beacon, a notification in the James Bay Community Project newsletter, promotional signage displayed by

retail businesses in the James Bay neighborhood, and direct invitations to groups including the Downtown Residents Association. Approximately 150 community members attended the event.

1-1-1

- On September 10, 2014, the project team presented a comprehensive overview of the most current project materials at the James Bay Neighborhood Association monthly meeting. This represented the formal CALUC meeting and was advertised via a City of Victoria mail out in advance of the mandated notification date. This presentation was supported by a formal PowerPoint presentation, extensive display boards, a physical model, booklets indicating view analysis from a multitude of perspectives, and a video flythrough of the site. The meeting included a 45 minute question and answer period. Approximately 80 community members were in attendance.
- Since the purchase of the Capital Park site, the project team has also made itself available to local media outlets to share information pertaining to the proposed project. Media pieces in connection with the proposed project have run multiple times in the Times Colonist, the Victoria Daily News, the James Bay Beacon, and on CFAX 1070.

We believe that the proposed project has been enhanced as a result of this extensive community and stakeholder dialogue. Further, we have been encouraged by the overwhelmingly positive and supportive comments received during these discussions. We would be pleased to offer further details pertaining to the events noted above should that be of interest.

Sincerely,

JAWL DEVELOPMENT CORPORATION

Per: Robert Jawl



September 16, 2014

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

Re: South Block Land Lift and Amenity Contribution Analysis

G.P. Rollo & Associates (GPRA) has been retained by the City of Victoria to complete an Amenity Contribution Analysis for the South Block property in Victoria bounded by Menzies Street, Michigan Street, and Superior Street, across from the Provincial Legislature (hereafter referred to as 'the Site') in order to determine an estimate of potential contribution that could be collected for public amenities from the lift in land values created from increasing the density of development on the Site.

Specifically, GPRA has been retained to estimate the land lift and amenity contribution from an increase in density from that which is allowed under current zoning and the requirements of the 2014 South Block Master Development Agreement (covenant) and the density and development which is proposed by Jawl Precinct Lands Corp and South Block (Concert) Ltd (the Proponent) for their Capital Park project. Specifically, the increased area amounts to 37,329 square feet, or 3,466 square metres in gross building area (GBA) based on information made available to GPRA by the Proponent.

The analysis consisted of preparation of residual land value analyses which determines the maximum value that a developer could afford to pay for the Site assuming it already had the proposed density under current market conditions, as well as to determine the value that could be afforded if developed under the current zoning and requirements of the covenant on title. GPRA used standard developer proformas for each case to model the economics of typical development as proposed/allowed under the new density. The 'Lift' is then calculated as the difference in residual land values under both current zoning and the proposed new zoning/density.

METHODOLOGY & ASSUMPTIONS

The Site is roughly 23,044 square metres in area and can be developed under the current zoning and the covenant on title for a mix of office, commercial retail, and residential at a density up to 1.49 FSR, or 34,449 square metres of GBA. At a proposed new density of 1.65 FSR there would be 37,915 square metres of GBA, comprised of 22,056 square metres of office (the majority of which is pre-leased to the Province), a 4,660 square metre mixed residential/commercial building.



9,613 square metres of strata apartments, and 1,587 square metres of ground oriented townhouses and refurbished heritage homes.

The analyses are created using a standard developer proforma wherein estimates of revenues and costs are inputs and the remaining variable is the desired output. In typical proformas this output is usually profit, following a revenues minus costs equals profit formula. For a residual land valuation, however, an assumption on developer's return needs to be included in order to leave the land value as the variable to solve for. GPRA has prepared separate proformas for 5 distinct parcels of the overall Site to isolate the residual land values for each of these parcels. The residual values are the maximum supported land value a developer could pay for the Site (under the density and conditions tested) while achieving an acceptable return for their project.

For these analyses GPRA has determined the residual value based on the developer achieving an acceptable profit of 15% on total project costs (calculated as a representative portion of overall project costs for the proposed development) for the parcels developed for strata uses. For the parcels developed as office and mixed use GPRA has relied upon adjusting the land value to achieve an acceptable Internal Rate of Return (IRR), set at 7% for office and 7.5% for the mixed use parcel.

The residual land value determined from this analysis is then compared to the value of the site under the current zoning to establish a 'lift' in value that arises from the change in density. This lift in value is the total potential monies that are available for public amenities or other public works not considered as part of the analysis. GPRA have made no allowances for streetscape and public realm improvements that would typically be incurred through development in both sets of analysis. Any significant improvements that would be required only from the proposed density of 1.65 FSR and not from the 1.49 FSR base analysis would impact the lift and would need to be identified, priced, and taken off whatever contribution has been established.

Typically there is some sharing of the lift value between the Municipality/District and the developer, but the percentage shared varies by community and by project. It is GPRA's understanding that the City has determined that they will seek 75% of the lift for amenities.

GPRA determined strata revenues used in the analyses from a review of recent sales and offerings for sale of recently developed apartments of concrete construction within roughly 10 km of the Site, with a focus on projects that were deemed comparable to that which has been proposed for the Site. A similar review of office and retail rents was conducted within the same general radius. GPRA also received estimates of revenues from the proponents which have been considered. Project costs were derived from sources deemed reliable, including estimates provided by the proponents, as well as information readily available from quantity surveyors on average hard construction costs in the City. Development or soft costs have been drawn from industry standards, and from the City's sources. All other assumptions have been derived from a review of the market and from other sources deemed reliable by GPRA.



CONCLUSIONS & RECOMMENDATIONS

As indicated above GPRA has not made any cost allowance for on-site improvements or amenities as part of this analysis. GPRA's understanding is that there are requirements from the covenant that must be fulfilled regardless of the application for additional density, and thus these will not impact the lift in any way. However, any additional requirements by the City arising solely from the additional density would need to be considered and deducted from the contribution indicated below, as would any public benefits that the have been proposed by the developers that the City deems as being creditable toward the contribution.

GPRA identifies the lift on the South Block Site from the increased density as being roughly \$567,400 when using a base FSR of 1.49 and a new density of 1.65 FSR.

As indicated above it is our understanding that the City would be seeking 75% of the lift in value, which would be approximately \$425,600 using the current zoning as a base value with a developer building a 1.49 FSR mixed use development.

I trust that our work will be of use in the City's determination of the Amenity Contribution they will seek as part of the density increase on the South Block. I am available to discuss this further at your convenience.

Gerry Mulholland |Vice President G.P. Rollo & Associates Ltd., Land Economists T 604 275 4848 | M 778 772 8872 | E gerry@rolloassociates.com | W www.rolloassociates.com

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Capital Park Transportation Impact Assessment

Final Report

Prepared for Jawl Precinct Lands Corp and South Block (Concert) Ltd.

Date September 12, 2014

Prepared by Bunt & Associates

Project No. 4025.34



bunt , associates

Survey St.

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bunt associates

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EXECUTIVE SUMMARY

Jawl Precinct Lands Corp and South Block (Concert) Ltd. are proposing to redevelop the western portion of the block south of Victoria's BC Legislature Building. This block is bounded by Superior Street, Government Street, Michigan Street and Menzies Street. The property's current land uses are office uses and public surface parking lots. This site is located within the Legislative Precinct, and is planned to be redeveloped as a mixed use comprehensive development in keeping with the overall plan for the Precinct. The Province will remain a major office tenant; these office uses will be complemented by multi-family residential, commercial uses and public amenity space.

For the purposes of this study, we have assumed the development will replace the current office space of approximately 13,750 m² (148,000 sq.ft), and 317 surface parking stalls with 21,847 m² (235,154 sq.ft.) of office space, 175 residential apartment units and 1,642 m² (17,672 sq.ft.) of street level retail/ commercial space which may include a 743 m² (8,000 sq.ft.) library. The development is proposed to be built over three phases, with a forecasted completion date of 2021.

Access

Vehicle access to the site will be provided with two access points: one access point will be on Superior Street, located west of the Queens Printer building which will remain in its current location and the second access point is on Menzies Street.

Traffic

The existing site generates approximately 82 total two-way vehicle trips (4 inbound and 78 outbound) during the Weekday PM peak hour. At project build-out, the proposed development was modeled with 404 total site generated two-way vehicle trips (120 inbound and 284 outbound) in the Weekday PM peak hour. The net traffic increase associated with the redevelopment of the site was therefore calculated at 322 two-way vehicle trips per weekday PM peak hour (116 inbound and 206 outbound).

Due to various factors including location, alternative transportation mode options and Transportation Demand Management strategies, the actual site generated trips are expected to be substantially lower than those modeled (calculated as approximately 100 fewer total two-way vehicle trips during the peak hour).

Detailed peak hour intersection capacity analyses of 17 surrounding intersections suggest the local road network is able to accommodate the modelled and conservatively calculated increase of vehicle trips to and from the site. The site access points are also shown to operate well, with minimal delays.

Parking

Parking for the development will be located underground; the site plan proposes a total of 453 parking spaces; 198 for office use, 44 for commercial (and/or library) use and 211 for residential use.

Transportation Impact Assessment Final Report - Capital Park Victoria bont & associates - Project No. 4025-34, September 12, 2014

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The proposed parking supply is equivalent to an office parking rate of one vehicle space per 110.5 m², a commercial parking rate of one vehicle space per 37.5 m², and a residential parking rate that ranges from 1.0 to 1.5 spaces per unit, visitor inclusive (the average 1.25 spaces per unit rate used herein) for the regular condo units and 0.62 spaces per unit for the Heritage Home rental units. All of these parking supply rates are expected to accommodate peak period parking demands.

Significant reductions in office employee parking cost subsidies from those currently provided by the Province will allow the developer to lower the office vehicle parking supply without compromising current on-street parking supplies. The site has good transit connections which, along with the reductions in parking subsidy, will support the goal of shifting current office employee travel modes from private automobiles to other modes.

The proposed residential vehicle parking supply rate is consistent with expected parking demand for this location, based on review of other similar development in Victoria. The proposed parking supply is expected to accommodate site generated parking demand yet is not so high as to encourage excess private vehicle ownership and use.

The development's proposed parking supply for the commercial (and/ or library) component is in compliance with the City of Victoria bylaw requirement for these uses.

The Heritage Home residential units are expected to have parking demands lower than the other residential units as they will be smaller units and will be rental units. The 13 residential units in the three Heritage Homes located along Michigan Street are proposed to be serviced with eight parking spaces in the parkade structure under the office 2 building. These spaces will not be built until the office 2 building is complete, hence there will be an approximate 3 year lag on these parking spaces. The Heritage Home residential unit's parking demands will be supported with storage for each unit that could be used for a bicycle and newly created on-street parking spaces immediately adjacent on Michigan Street's north curb. These proposed 'Resident Only' parking spaces will become available with the removal of six existing driveway letdowns along this block edge (approximately 115m of curbside space will be made available or approximately 16 parking spaces). These spaces will accommodate resident demand in the interim while the 8 parkade spaces are being constructed. When the 8 spaces are provided with the office 2 building the newly created 16 on-street parking spaces will accommodate the Heritage Home residential visitor demand as well as provide additional on-street 'resident only' parking spaces.

Parking demand surveys conducted by Bunt of publically available on-street parking spaces located within a one block radius of the site undertaken on Wednesday May 28, 2014 suggest a peak day time occupancy of 58% at 1:00 PM during an in-session BC Legislature weekday. On the day of the parking surveys, the surrounding on-street parking area experienced a demand peak after 6:00PM when publically available parking spaces become free of charge. To confirm this finding, subsequent spot counts of on-street parking occupancy after 6:00 PM were undertaken; these follow up surveys suggest that on the first day of the parking surveys, there was likely an event at a nearby site (possibly the Royal BC Museum that resulted in an atypical demand pattern after 6:00 PM). The follow up surveys confirmed that there is a peak in on-

> Transportation Impact Assessment Final Report - Capital Park Victoria bunt & associates - Project No. 4025-34, September 12, 2014
street peak demand patterns at 7:00 PM however it is typically not as pronounced as observed during our first survey (7:00 PM peak average occupancy approximately 65 -70% on 158 spaces). With the new data, it was concluded that the currently available on-street parking supply can absorb additional on-street demand if some residential visitors or commercial visitors choose to use on-street parking rather than the spaces provided on-site.

The parking demand surveys indicated that the north side of Michigan Street, which is currently signed "90 Minute Parking", experiences the highest parking demand. With the redevelopment of the site, the north side of Michigan Street will become residential frontage, so it is recommended that the current "90 Minute Parking" restriction be changed to "Resident Only" in keeping with the south side of the street.

Loading

On-site loading, recycling and garbage collection facilities will be provided at both the Superior Street and Menzies Street vehicle access points. Loading, recycling and garbage collection loading facilities will be designed to accommodate a SU-9 loading truck design vehicle.

Multi-Modal Analysis

The site is well located within a short five to ten minute walk from both Victoria's downtown area and to the James Bay residential community.

Internally to the site plan, the development scheme and proposed building locations provide a significant improvement to internal block pedestrian routes, resulting in better overall neighbourhood area pedestrian route connectivity.

The site will have strong pedestrian connections across Superior Street to the BC Legislature building and the adjacent transit facilities on Government Street. The central area of the block will have an enhanced pedestrian realm with outdoor seating areas, and open space landscaping.

Future City of Victoria goals to increase cycling mode split are encouraged with the site's provision of Class 1 and Class 2 bicycle parking and cycling end-of-trip facilities, all in excess of bylaw requirements. The proposed development will be well equipped with bike storage facilities, including covered and secure bike rooms for resident and employee use, and outside bicycle racks in convenient locations for shorter term visitor and customer bike parking.

Transportation Demand Management (TDM)

The development plan offers various TDM measures aimed at promoting non-private vehicle use. These initiatives include, perhaps most importantly, the reduction of subsidized vehicle parking for Provincial office employees, which currently accounts for 264 of the site's 317 surface parking spaces, down to approximately 30 subsidized parking spaces. Parking costs for Provincial office employees will hence increase from current levels of \$15 per month to approximately \$175 per month. This is expected to result in a decrease in office parking demand and subsequent private vehicle use.

TRANSPORTATION PLANNERS AND ENGINEERS

11-1-12-1

Other TDM initiatives include ride-share initiatives, promotion of car sharing, cycling and transit use.

In summary, it is our opinion that the proposed development plan is well suited to this site due to the location's strong connections to transit and its proximity to a vibrant walking community. The site plan's sustainable transportation mode focus and the shared use synergies between the land uses reflected in internal trip capture abilities of the site mark a considerable step towards Smart Growth development principles and overall community sustainability.

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REPORTS OF THE COMMITTEE

2. Planning and Land Use Committee – November 6, 2014

Councillor Young withdrew from the meeting at 10:10 p.m. due to a pecuniary conflict of interest as his family owns property within the notification area for the following Official Community Plan amendment.

- 1. <u>Rezoning Application # 00457 and Concurrent Official Community Plan</u> <u>Amendment for 521-557 Superior Street and 524-584 Michigan Street</u> It was moved by Councillor Alto, seconded by Councillor Coleman,
 - That Council instruct staff to prepare the necessary Official Community Plan Amendment Bylaw in accordance with Section 882 of the Local Government Act and the necessary Zoning Regulation Bylaw Amendments that would authorize the proposed development outlined in Rezoning Application # 00457 for 521-557 Superior Street and 524-584 Michigan Street, that first and second reading of the Zoning Regulation Bylaw Amendments be considered by Council and a Public Hearing date be set once the following conditions are met:
 - a. That staff report back on the MDA (Master Development Agreement) amendments related to the library and affordable and family housing as well as new provisions that would secure and allocate the amenity contributions as recommended in Section 3.1.6 and Appendix B of this report.
 - b. Amendment of the MDA to not require Council approval of a Development Permit for subdivision where the proposed subdivision is consistent with the development as described in the proposed Capital Park Urban Design Guidelines.
 - c. Registration of the amended MDA when finalized.
 - d. Review of the proposed Capital Park Urban Design Guidelines by the Advisory Design Panel.
 - e. Compliance with the Ministry of the Environment's Environmental Management Act as it pertains to potentially contaminated sites.
 - Following consideration of Rezoning Application # 00457, that Council authorize staff to prepare and enter into an Encroachment Agreement to the satisfaction of the City Solicitor and the Director of Engineering and Public Works.

Councillor Gudgeon said concerns have been expressed by the public that the City is not receiving sufficient amenities for this development.

Deb Day: That would be a concern for people to express at the Public Hearing.

Councillor Isitt asked about the Royal Canadian Legion who didn't receive a parking entitlement with their relocation and he suggested possible solutions to this issue.

Councillor Coleman advised that the relocation of the Legion was an arrangement with the Province and the applicant wasn't involved.

Carried Unanimously

Council meeting November 27, 2014

DRAFT

NO. 15-009

A BYLAW OF THE CITY OF VICTORIA

The purposes of this Bylaw are to amend the Official Community Plan, 2012 to exempt subdivision applications that are consistent with the *Capital Park Urban Design Guidelines, January 2015* (CPUDG) from the requirement for a Development Permit and to reference the *Capital Park Urban Design Guidelines, January 2015* (CPUDG)" in Appendix A: Development Permit Area 12 (HC), Legislative Precinct.

Under its statutory powers, including sections 875 to 878, and 919.1 to 920 of the *Local Government Act*, the Council of the Corporation of the City of Victoria enacts the following provisions:

- 1 This Bylaw may be cited as the "OFFICIAL COMMUNITY PLAN BYLAW, 2012, AMENDMENT BYLAW (NO. 11)"
- 2 Bylaw No. 12-013, the Official Community Plan Bylaw, 2012, is amended in Appendix A: Development Permit Areas and Heritage Conservation Areas:
 - (a) in Section 2(b) (ii) by adding:

"(4) subdivision of Lot 2 of Lots 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730,1731, 1732, 1733, 1734, 1735, 1736, 1737, 1738, 1739, 1740, 1741, 1742, and 1743, Victoria City, Plan EPP38872 into two or more of the separate legal parcels described in section 6.2 (Subdivision) of the the Capital Park Urban Design Guidelines , January 2015 (CPUDG)";

- (b) in Section 2(b) (ii) by deleting the word "or" at the end of subparagraph 2 and replacing the period at the end of subparagraph 3 with "; or";
- (c) in Section 5 of DPA 12(HC): Legislative Precinct by adding the following after the references to the Legislative Precinct Guidelines, Volumes 1,2 and 3:

"(not applicable within Lot 2 of Lots 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730,1731, 1732, 1733, 1734, 1735, 1736, 1737, 1738, 1739, 1740, 1741, 1742, and 1743, Victoria City, Plan EPP38872)";

- in Section 5 of DPA 12(HC): Legislative Precinct by adding the following to the list of Guidelines that apply in DPA 12(HC): Legislative Precinct:
 - Capital Park Urban Design Guidelines, January 2015 (CPUDG) (applicable only within Lot 2 of Lots 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730,1731, 1732, 1733, 1734, 1735, 1736, 1737, 1738, 1739, 1740, 1741, 1742, and 1743, Victoria City, Plan EPP38872).

READ A FIRST TIME the	day of	2015.

READ A SECOND TIME the

day of

2015.

Public hearing held on the

day of

day of

2015.

READ A THIRD TIME the

ADOPTED on the

day of

2015.

2015.

CORPORATE ADMINISTRATOR

MAYOR

DRAFT

NO. 15-008

A BYLAW OF THE CITY OF VICTORIA

The purposes of this Bylaw are to amend the Zoning Regulation Bylaw for the CD-2 Zone, Legislature Comprehensive District, to modify the boundaries of Development Areas LP-2A, LP-2B, LP-2C, LP-2D and LP-2E and permit increased density and additional land uses with amended building siting, building height, parking and landscaping regulations.

The Council of The Corporation of the City of Victoria enacts the following provisions:

- 1 This Bylaw may be cited as the "ZONING REGULATION BYLAW, AMENDMENT BYLAW (NO. 1026)".
- 2 Bylaw No. 80-159, the Zoning Regulation Bylaw, is amended in Schedule B by replacing Part 12.2 [*CD-2 Zone, Legislature Comprehensive District*] with the provisions in Schedule 1 of this Bylaw.

READ A FIRST TIME the	day of		2015
READ A SECOND TIME the	day of	12	2015
Public hearing held on the	day of		2015
READ A THIRD TIME the	day of		2015
ADOPTED on the	day of		2015

CORPORATE ADMINISTRATOR

MAYOR

Schedule 1

PART 12.2 - CD-2 ZONE, LEGISLATURE COMPREHENSIVE DISTRICT

Definitions	1	In this part,
		<u>"build to line"</u> means the minimum horizontal distance at which 20% of the <u>building</u> wall, excluding entrance canopies and porches, must be located from a designated street;
		"Building D" means the building that is illustrated in the Capital Park Urban Design Guidelines (as those guidelines are referred to in DPA 12(HC): Legislative Precinct of the Official Community Plan) as being within Development Area LP-2C;
		"Retail Pavilion" means the building that is illustrated in the Capital Park Urban Design Guidelines (as those guidelines are referred to in DPA 12(HC): Legislative Precinct of the Official Community Plan), as being within Development Area LP-2A;
		<u>"maximum floor area"</u> means the gross area of all <u>buildings</u> that are used for specified uses in a Development Area, and unless expressly stated otherwise in the regulations for a Development Area, includes <u>basements</u> .
Area	2	This zone is divided into Development Areas as shown on the maps attached as Schedule 2.
General Siting	3	More than one <u>building</u> may be sited on a <u>lot</u> .
	4	A <u>building</u> may straddle a <u>lot</u> line or a Development Area boundary.
Development Area LP-1A		
Uses	5	The only use permitted in Development Area LP-1A is residential.
	6	In Development Area LP-1A
Maximum Floor Area		 (a) the <u>maximum floor area</u> must not exceed 9,300m²;
Site Coverage		(b) the <u>site coverage</u> must not exceed 49%;

Height		 (c) a <u>building</u> must not exceed 10.7m nor 4 <u>storeys</u> in <u>height;</u>
Setbacks		(d) the <u>setback</u>
		 (i) from Superior Street must be at least 4.3m, and (ii) from Kingston Street must be at least 3.0m;
Open Site Space		(e) <u>open site space</u> must be at least 40%.
Development Area LP-1B		
Uses	7	The following uses are permitted in Development Area LP-1B:
	15	 (a) <u>public buildings;</u> (b) offices; (c) professional businesses; (d) retail; (e) restaurants; (f) daycare; (g) chartered banks.
	8	In Development Area LP-1B
Maximum Floor Area		 (a) the <u>maximum floor area</u> must not exceed 23,400m²:
		 (i) <u>public buildings</u> and offices together may be up to the <u>maximum floor area</u> of 23,400m², (ii) retail and restaurant uses together must not exceed 2,050m², (iii) daycare use must not exceed 700m²;
Site Coverage		(b) the site coverage must not exceed 50%;
Height		 (c) a <u>building</u> must not exceed 22m nor 6 <u>storeys</u> in <u>height;</u>
Setbacks		(d) the <u>setback</u>
		 (i) from Menzies Street is 5.0m and nil for <u>accessory buildings</u>, (ii) from Kingston Street is nil, and (iii) from Superior Street is 2.44m;
Open Site Space		(e) <u>open site space</u> must be at least 35%; and

Parking

Development Area LP-2A

Uses

- (f) 1 parking space for each 84m² of office space must be provided.
- The following uses are permitted in Development Area LP-2A:
 - (a) fitness clubs;
 - (b) public buildings;
 - (c) offices;

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- (d) bakeries used predominantly for the retail sale of bakery products sold from the premises;
- (e) financial institutions, including but not limited to chartered banks, credit unions, trust, insurance and mortgage companies;
- (f) retail;
- (g) restaurants and coffee shops;
- (h) launderettes and dry-cleaning establishments used or intended to be used for the purpose of dealing with the public served thereby;
- personal services including but not limited to barbering, hairdressing, tailoring, shoemaking and shoe repair, optical, watch and jewelry repair and small animal services;
- (j) cultural facilities including museums, galleries and exhibits;
- (k) studios;
- (I) high tech;
- (m) call centre.
- 10 In Development Area LP-2A
 - (a) the <u>maximum floor area</u> must not exceed 22,060m², excluding <u>basement</u> as well as floor <u>area</u> and stair access required for enclosed non-habitable roof top service areas, mechanical equipment, elevator control rooms, stair landings and elevator landings;
 - (b) the <u>site coverage</u> must not exceed 40%;
 - (c) a building must not exceed 21m in <u>height</u>, excluding enclosed non-habitable service areas, mechanical equipment, elevator control rooms, and enclosed stair landings and elevator landings that project above the roof of a building.
 - (d) the <u>build to line</u> is 2.44m from Superior Street, except for the Retail Pavilion;

Maximum Floor Area

Site Coverage

Height

Build to Line

Open Site Space

Vehicle Parking

Location of Vehicle Parking

Bicycle Parking

Development Area LP-2B

Uses

- (e) open site space must be at least 53%;
- (f) in accordance with the regulations in Schedule "C", provided that the number of stalls required is as follows:
 - (i) offices, <u>public buildings</u>, <u>high tech</u> and <u>call centre</u> – 1 space per 110.5 m².
 - (ii) all other commercial uses 1 space per 37.5 m²;
- (g) parking required under section 10 (f) may be located within any <u>lot</u> within the CD-2 Zone regardless of the <u>lot</u> where the parking is actually required, provided it is secured by an easement, and a covenant in favour of the City, both registered in accordance with section 6 of Schedule "C" of this Bylaw. Parking spaces may also be bisected by a <u>lot</u> <u>line;</u>
- (h) in accordance with the regulations in Schedule "C", except that the minimum number of Class 1 and Class 2 bicycle parking spaces required is increased by 10% over the number otherwise required under Schedule "C".
- 11 The following uses are permitted in Development Area LP-2B:
 - (a) commercial-residential buildings
 - the ground floor and any mezzanine floor of which is used or intended to be used only for commercial uses listed (b) to (m) and (p) below, and
 - the floors above the ground floor and any mezzanine floor of which are used or intended to be used only for <u>multiple</u> <u>dwelling</u> and <u>home occupation</u> uses;
 - (b) fitness clubs;
 - (c) offices;
 - (d) bakeries used predominantly for the retail sale of bakery products sold from the premises;
 - (e) financial institutions, including but not limited to chartered banks, credit unions, trust, insurance and mortgage companies;

Maximum Floor Area

Site Coverage

Height

Build to Line

Setbacks

Open Site Space

Vehicle Parking

- (f) retail;
- (g) restaurants and coffee shops;
- (h) launderettes and dry-cleaning establishments used or intended to be used for the purpose of dealing with the public served thereby;
- personal services including but not limited to barbering, hairdressing, tailoring, shoemaking and shoe repair, optical, watch and jewelry repair and small animal services;
- (j) studios;
- (k) high tech;
- (I) <u>call centre;</u>
- (m) cultural facilities including museums, galleries and exhibits;
- (n) multiple dwelling;
- (o) <u>home occupation</u> subject to the regulations in Schedule "D";
- (p) public building.

12 In Development Area LP-2B

- (a) the <u>maximum floor area</u> must not exceed 4,660m², excluding <u>basement</u> as well as floor <u>area</u> and stair access required for enclosed non-habitable roof top service areas, mechanical equipment, elevator control rooms, stair landings and elevator landings,
- (b) the site coverage must not exceed 52%;
- (c) a <u>building</u> must not exceed 17m in <u>height</u>, excluding enclosed non-habitable service areas, mechanical equipment, elevator control rooms, and enclosed stair landings and elevator landings that project above the roof of a building.
- (d) the <u>build to the line</u> is 2.4m from Menzies Street;
- (e) the setback
 - (i) from Superior Street is 2.44m, and
 - (ii) from Michigan Street is 4.5m;
- (f) open site space must be at least 40%;
- (g) in accordance with the regulations in Schedule "C", provided that the number of stalls required is as follows:

- (i) offices, <u>public buildings</u>, <u>high tech</u> and <u>call</u> <u>centre</u> – 1 space per 110.5 m²,
- (ii) all other commercial uses 1 space per 37.5 m²,
- (iii) <u>dwelling units</u> in commercial-residential <u>buildings</u> – 1 space per dwelling unit;
- (h) Parking required under section (12(g) may be located within any <u>lot</u> within the CD-2 Zone regardless of the <u>lot</u> where the parking is actually required, provided it is secured by an easement and a covenant in favour of the City, both registered in accordance with section 6 of Schedule "C" of this Bylaw. Parking spaces may also be bisected by a <u>lot line</u>.;
- (i) in accordance with the regulations in Schedule "C", except that the minimum number of Class 1 and Class 2 bicycle parking spaces required is increased by 10% over the number otherwise required under Schedule "C".
- 13 The following uses are permitted in Development Area LP-2C:
 - (a) multiple dwelling;
 - (b) attached dwelling.
 - (c) <u>home occupation</u> subject to the regulations in Schedule "D";
- 14 In Development Area LP-2C
 - (a) the <u>maximum floor area</u> must not exceed 10,440m², excluding <u>basement</u> as well as floor <u>area</u> and stair access required for enclosed non-habitable roof top service areas, mechanical equipment, elevator control rooms, stair landings and elevator landings.
 - (b) the <u>site coverage</u> must not exceed 50%;
 - (c) a <u>building</u> must not exceed 17.5m in <u>height</u>, excluding enclosed non-habitable service areas, mechanical equipment, elevator control rooms, and enclosed stair landings and elevator landings that project above the roof of a building.

Location of Vehicle Parking

Bicycle Parking

Development Area LP-2C

Uses

Maximum Floor Area

Site Coverage

Height

Build to Line

Open Site Space

Vehicle Parking

Location of Vehicle Parking

Bicycle Parking

Development Area LP-2D

Uses

Maximum Floor Area

Site Coverage

Height

Setbacks

Open Site Space

- (d) the <u>build to line</u> is 3.0m from Michigan Street, except for Building D;
- (e) <u>open site space</u> must be at least 48%;
- (f) in accordance with the regulations in Schedule "C", provided that the number of stalls required is as follows:
 - (i) <u>multiple dwelling</u> 1 space per <u>dwelling</u> <u>unit</u>,
 - (ii) <u>attached dwelling</u> 1 space <u>dwelling unit;</u>
- (g) parking required under section 14 (f) may be located within any <u>lot</u> within the CD-2 Zone regardless of the <u>lot</u> where the parking is actually required, provided it is secured by an easement, and a covenant in favour of the City, both registered in accordance with section 6 of Schedule "C" of this Bylaw. Parking spaces may also be bisected by a <u>lot</u> <u>line;</u>
- (h) in accordance with the regulations in Schedule "C", except that the minimum number of Class 1 and Class 2 bicycle parking spaces required is increased by 10% over the number otherwise required under Schedule "C".
- 15 The following uses are permitted in Development Area LP-2D:
 - (a) multiple dwelling.
- 16 In Development Area LP-2D
 - (a) the <u>maximum floor area</u> must not exceed 757m², excluding <u>basement</u>;
 - (b) the <u>site coverage</u> must not exceed 49%;
 - (c) a building must not exceed 3 storeys in height;
 - (d) the <u>setback</u> from Michigan Street must be at least 2.5m;
 - (e) open site space must be at least 52%;

Vehicle Parking

Location of Vehicle Parking

Bicycle Parking

Development Area LP-2E

Uses

Maximum Floor Area

Site Coverage

Height

Setbacks

Open Site Space

Vehicle Parking

Development Area LP-4

- (f) in accordance with the regulations in Schedule "C", subject to the following:
 - (i) <u>multiple dwelling</u> 0.6 spaces per <u>dwelling</u> <u>unit;</u>
- (g) parking required under section 16 (g) may be located within any <u>lot</u> within the CD-2 Zone regardless of the <u>lot</u> where the parking is actually required, provided it is secured by an easement and a covenant in favour of the City, both registered in accordance with section 6 of Schedule "C". Parking spaces may also be bisected by a <u>lot line;</u>
- (h) in accordance with the regulations in Schedule
 "C", subject to the following:
 - (i) 1 Class 1 space per dwelling unit,
 - (ii) 1 2-space rack per <u>building</u> or 1 6-space rack per three <u>buildings</u>.
- 17 The following uses are permitted in Development Area LP-2E:
 - (a) public buildings;
 - (b) offices;
 - (c) fitness clubs;
 - (d) residential;
 - (e) surface parking.
- 18 In Development Area LP-2E
 - (a) the <u>maximum floor area</u> must not exceed 4,615m²;
 - (b) the <u>site coverage</u> must not exceed 54%;
 - (c) a <u>building</u> must not exceed 23.5m nor 5 <u>storeys</u> in <u>height;</u>
 - (e) the setback from Government Street is nil;
 - (f) open site space must be at least 30%;
 - (g) 1 parking space for each 74m² of office space must be provided.

Uses

19 The following uses are permitted in Development Area LP-4, in any building constructed prior to 1931:

- (a) rest homes Class B;
- (b) adult day care;
- (c) duplexes and multiple dwellings.
- 19A The following uses are permitted in Development Area LP-4 in any <u>building</u>:
 - (a) offices;
 - (b) caretaker's suite.
- 20 In Development Area LP-4
 - (a) floor space ratio must not exceed 1:1;
 - (b) the <u>maximum site coverage</u> must not exceed 50%;
 - (c) a <u>building</u> must not exceed 11m nor 2.5 storeys in <u>height;</u>
 - (d) the <u>setback</u> from Government Street must be at least 3.0m;
 - (e) <u>open site space</u> must be at least 40%;
 - (f) parking for office purposes may be located on a <u>lot</u> other than the <u>lot</u> on which that office is located provided it is secured by an easement, and a covenant in favour of the City, both registered in accordance with section 6 of Schedule "C".

Maximum Floor Area

Site Coverage

Height

Setbacks

Open Site Space

Parking

Schedule 2



Schedule 2



<u>MINUTES OF THE</u> <u>ADVISORY DESIGN PANEL</u> <u>HELD WEDNESDAY, NOVEMBER 26, 2014, 12 P.M.</u>

1. THE CHAIR CALLED THE MEETING TO ORDER AT 12:19 P.M.

Panel Members Present:	Christopher Rowe, (Chair); Barry Cosgrave; Brad Forth; Cynthia Hildebrand; Mike Miller; Ann Katherine Murphy; Rod Windjack	
Absent:	Mickey Lam; Larry Podhora	
Staff Present:	Mike Wilson – Senior Planner-Urban Design; Charlotte Wain – Senior Planner- Urban Design	

2. APPLICATIONS

Mr. Windjack recused himself from the meeting at 12:19 PM due to a pecuniary conflict of interest.

2.1 Rezoning Application #00457 for 521-557 Superior Street & 524-584 Michigan Street

The Application is to permit a multi-phased, mixed-use development comprised of offices, retail and residential uses covering the majority of South Block. An OCP amendment, subdivision and Development Permit approvals are also required.

Applicant Meeting attendees:

Mr. Robert Jawl, Jawl Properties Ltd. Mr. Mohan Jawl, Jawl Properties Ltd. Ms. Karen Jawl, Jawl Properties Ltd. Mr. Brian McCauley, Concert Properties Ltd. Mr. Jim Aalders, CEI Architecture Mr. Alan Endall, Endall Elliot Associates Mr. Derek Lee, PWL Partnership

Ms. Wain provided the Panel with a brief introduction of the Application and requested that the Panel provide advice to Council on the proposed *Capital Park Urban Design Guidelines*. Ms. Wain also requested that the Panel provide Staff with feedback on areas of the Guidelines that could be improved.

Mr. Jawl then provided the Panel with a brief introduction of the presentation.

Mr. Endall provided a detailed presentation of the proposal to the Panel including the guiding principles influencing the guidelines.

Mr. Lee then provided a detailed presentation of the landscape proposal to the Panel.

Mr. Endall then provided the Panel with some information on the proposed phases of development.

Mr. Jawl concluded the presentation and requested feedback from the Panel.

Panel Members discussed:

- Possibility of using some of the plaza space as a sub-venue for special events held at the Legislature by including a stage.
- The strong symmetry with the Legislature may be putting too much emphasis on the proposed residential building to the south as a terminus to the visual axis.
- Concerns regarding the townhouses proposed location in building E (location, height and privacy).
- Preferences for balconies facing the office buildings rather than the proposed yards.
- The varying heights of the residences.
- Further work needs to be done on the south-east corner where the Heritage Buildings are being relocated for a better visual transition to the other residential buildings.
- Streetscape on Superior Street.
- The east-west link through the site, and providing a better link to Menzies Street.
- Green Buildings section seems weak.
- Potential CPTED issues with the 3D landscape terrain.
- The finer design details of the Proposal can be worked through at the Development Permit stage.
- Adding livability guidelines to the document.
- Concerns of the edible garden being available to all of the James Bay Community and associated management issues.

Action:

MOVED / SECONDED

It was moved by Mr. Cosgrave, seconded by Ms. Hildebrand, that the Advisory Design Panel recommend to Council that Rezoning Application #00457 for 521-557 Superior Street & 524-584 Michigan Street be approved as presented subject to:

 Staff and the applicant exploring the addition of livability guidelines within the document to help address the relationship between the proposed mix of residential and commercial uses.

CARRIED UNANIMOUSLY

Mr. Windjack returned to the meeting at 1:58 PM.

Jawl Development Corporation



December 8, 2014

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

Attention: Brian Sikstrom

Re: South Block Application (Rezoning File # 00457) – Advisory Design Panel Review of the Capital Park Urban Design Guidelines

Dear Brian:

On November 26, 2014 the City of Victoria Advisory Design Panel ("ADP") convened to review and discuss the proposed Capital Park Urban Design Guidelines that have been developed in connection with the South Block rezoning application (rezoning file # 00457). Subsequent to the meeting, we received a copy of the meeting minutes including ADP's unanimously carried motion recommending that the design guidelines be approved as presented subject to "staff and the applicant exploring the addition of livability guidelines within the document to help address the relationship between the proposed mix of residential and commercial uses."

At our meeting with Alison Meyer, Jeff Mitton, and yourself on December 4, 2014, we reviewed the design guidelines in light of ADP's motion and discussed the ways in which the guidelines currently incorporate strategies to address livability concerns as well as some proposed language amendments to further address ADP's recommendation. We also discussed a number of additional enhancements to the design guidelines aimed at responding to other comments and discussion points raised by ADP.

The amendments and clarifying points pertaining to the design guidelines pursuant to ADP's motion are summarized as follows:

- Section 1.6.6 Guiding Principle #6 states "The Project's residential units should be designed to
 accommodate a range of unit types and resident profiles to ensure a healthy diversity of unit options in
 an attractive and highly livable setting" making clear that livability considerations are paramount in
 individual building design.
- Section 3.2.C Form and Massing / Building Frontage Guideline C is proposed to be amended to read: "courtyard facing frontages must carefully consider issues of sunlight access, shadowing, privacy, and security to enhance livability" to emphasize livability considerations.
- Section 3.7.E Architectural Expression Guideline E reads, "the architectural expression of the different frontages of individual buildings may vary dependent on considerations of solar orientation, privacy and daylight access, and between street facing and courtyard facing frontages of the building" to emphasize livability considerations.
- Section 3.9.3.A Window and Window Materials Guideline A reads: "window placement and detailing should be carefully considered such that the façade of each building may achieve a sense of rhythm and proportion that is appropriate to its urban and historical context, while at the same time considerations of views; daylighting, privacy, overlook, and the visual and special connection between interior and exterior spaces" to emphasize livability considerations.
- Section 5.1.L Plaza Retail Pavilion Guideline L reads: "the Pavilion form should be integrated with the central landscaped courtyard to the south to provide a transition zone and deal with privacy / overlook issued between the commercial and residential zones of the Site" to emphasize livability considerations.
- Section 5.2.J Development Area 2B Guideline J reads: "opportunities to architecturally differentiate between the Menzies Street frontage and courtyard facing frontages in consideration of daylighting, acoustic and privacy issues are encouraged" to emphasize livability considerations.
- Section 5.3.G Development Area 2C Building C Guideline G reads: "consideration of shadowing, daylight access, acoustics and privacy should inform the detailed design of Building C, possibly

resulting in some differentiation in the architectural expression between the Michigan Street and courtyard facing frontages of the building" to emphasize livability considerations.

 Section 5.3.0 – Development Area 2C Building E Guideline O reads: "rear yards should also be provided together with integrated landscaping to provide privacy measures and separation from the public walkway and office zones to the north" to emphasize livability considerations.

Proposed additional amendments and clarifying points pertaining to the design guidelines pursuant to ADP's comments and discussion points (beyond the panel's motion) are summarized as follows:

- Section 3.5.F Safety and Security / CEPTED Principles Guideline F is proposed to be amended to read: "carefully consider landscape design and topography which minimizes visual barriers and hiding spots so as to ensure adequate surveillance, particularly in areas within the courtyards and proximate to building entrances" to respond to ADP comments pertaining to CEPTED considerations for the three dimensional landscape terrain.
- Section 4.4.B Plazas Guideline B is proposed to be amended to read: "designated places for seating
 must be integrated into plaza design which allow for a range of seating options including the ability to
 accommodate larger groupings of people or events" to respond to ADP comments encouraging that
 plaza spaces be used as possible event locations.
- Section 4.4.J Plazas Guideline J reads: "the Superior Street Plaza's potential to accommodate passive and active outdoor events should be considered including provision for power sources in strategic locations" indicating further support for event provisioning in plaza locations.
- Section 5.2.B The following language is proposed to be added to Development Area 2B Building B Guideline B: "the potential for access to the Building B retail premises from the east side of the building should be considered where feasible in collaboration with the ultimate building retail tenants" in response to ADP comments pertaining to enhancing the visual and physical east-west linkages between the Building B retail spaces, the West Courtyard, and Menzies Street.

At our December 4th meeting, we also discussed a number of additional minor edits to the design guidelines in response to comments raised by Alison Meyer. These additional changes will also be reflected in the next version of the design guidelines presented to City of Victoria staff for review.

We sincerely appreciate the efforts of staff and the ADP members in offering feedback to improve the design guidelines, which shall govern the future build out of this important site. We feel confident that the guidelines have been enhanced through these collaborative efforts.

Sincerely,

JAWL DEVELOPMENT CORPORATION

Robert Jawl

LAND TITLE ACT FORM C (Section 233) CHARGE **GENERAL INSTRUMENT - PART 1** Province of British Columbia

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

PAGE 1 OF 7 PAGES

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

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2.	PARCEL IDENTIFIER AND LEGA	L DESCRIPTION OF LA LEGAL DESCRIPTION			
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4.	TERMS: Part 2 of this instrument con				
	(a) Filed Standard Charge Terms I A selection of (a) includes any addition				ss Charge Terms Annexed as Part 2 schedule annexed to this instrument.
5.	TRANSFEROR(S):				
	SEE SCHEDULE				
6.	TRANSFEREE(S): (including postal	address(es) and postal c	code(s))		
	THE CORPORATION OF		/ICTORIA		×
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7.	ADDITIONAL OR MODIFIED TER	MS:			
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8.					overns the priority of the interest(s) described in Item 3 and cknowledge(s) receipt of a true copy of the filed standard
	Officer Signature(s)	г	Execution	Contraction of the second	Transferor(s) Signature(s)
			Y M	D	SOUTH BLOCK (CONCERT) LTD.
					by its authorized signatory(ies):
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OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

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XECUTIONS CONTINUED				PAGE 2 of 7 pages
Officer Signature(s)	Exe Y	ecution I M	Date D	Transferor / Borrower / Party Signature(s)
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				(AS TO PRIORITY)
	15			TULISTA ESTATES LTD. by its authorized signatory(ies):
				Name:
				Name:

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

FORM	D1	1/10

FORM D EXECUTIONS CONTINUED			PAGE 3 of 7 pag
Officer Signature(s)		ecution Date	Transferor / Borrower / Party Signature(s)
	15	M D	(AS TO PRIORITY) SUN CHARIOT HOLDINGS LTD. by it authorized signatory(ies):
			Name:
			Name:
	15		(AS TO PRIORITY) CRIMSON INVESTMENT CORP. by in authorized signatory(ies):
			Name:
	22.		Name:
	15		(AS TO PRIORITY) HARO INVESTMENT CORPORATIO by its authorized signatory(ies):
			Name:
			Name:

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

FORM	D1	V19

ECUTIONS CONTINUED			PAGE 4 of 7 p
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1	Y 15	M D	(AS TO PRIORITY) INDRANI ENTERPRISES INC. by its authorized signatory(ies):
			Name:
			Name:
	15		(AS TO PRIORITY) CONCERT REAL ESTATE CORPORATION by its authorized signatory(ies):
			Name:
			Name:

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

LAND TITLE ACT

HEDULE		PAGE 5 OF 7 PAGE	
	R AND LEGAL DESCRIPTION OF LAND: [LEGAL DESCRIPTION]		
029-274-486 STC? YES	LOT 2 OF LOTS 1720 1721 1722 1723 1724 1725 1726 1727 1728 1729 1730 1731 1732 1733 1734 1735 1736 1737 1738 1739 1740 1741 1742 1743 VICTORIA CITY PLAN EPP38872		
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STC? YES

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FORM E		
CHEDULE		PAGE 6 OF 7 PAGE
JATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Covenant	¥	Entire document, except Page 20, Paragraph 11
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		Granting this Covenant with one registration number less than this priority agreement priority over Mortgage CA3667618, Assignment of Rents CA3667619, Mortgage CA3667620 and Assignment of Rents CA3667621; Page 20, Paragraph 11
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION

LAND TITLE ACT FORM E

SCHEDULE

PAGE 7 OF 7 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

5. TRANSFEROR(S):

SOUTH BLOCK (CONCERT) LTD., INC. NO. BC0994984, as to an undivided 1/2 interest (As to Covenant)

JAWL PRECINCT LANDS CORP., INC. NO. BC0992197, as to an undivided 1/2 interest (As to Covenant)

As to the undivided half interest of South Block (Concert) Ltd. (As to Priority): TULISTA ESTATES LTD., INCORPORATION NO. BC0618495 SUN CHARIOT HOLDINGS LTD., INCORPORATION NO. BC0618497 CRIMSON INVESTMENT CORP., INCORPORATION NO. BC894156 HARO INVESTMENT CORPORATION, INCORPORATION NO. BC0632609 INDRANI ENTERPRISES INC., INCORPORATION NO. BC0240284

As to the undivided half interest of Jawl Precinct Lands Corp. (As to Priority): CONCERT REAL ESTATE CORPORATION, INCORPORATION NO. C0424436

TERMS OF INSTRUMENT - PART 2

Section 219 Covenant

THIS AGREEMENT dated for reference the day of , 2015.

AMONG:

JAWL PRECINCT LANDS CORP.

Incorporation Number: BC0992197 100-3350 Douglas Street Victoria, British Columbia V8Z 3L1

and

SOUTH BLOCK (CONCERT) LTD.

Incorporation Number: BC0994984 9th Floor, 1190 Hornby Street Vancouver, British Columbia V6Z 2K5

(collectively the "Transferor")

OF THE FIRST PART

AND:

THE CORPORATION OF THE CITY OF VICTORIA

#1 Centennial Square Victoria, British Columbia V8W 1P6

(the "Transferee")

OF THE SECOND PART

WHEREAS:

A. The Transferor is the registered owner in fee-simple of those lands and premises located within the City of Victoria, in the Province of British Columbia, more particularly described as :

PID 029-274-486

Lot 2 of Lots 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730, 1731, 1732, 1733, 1734, 1735, 1736, 1737, 1738, 1739, 1740, 1741, 1742, and 1743, Victoria City, Plan EPP38872

(hereinafter referred to as the "Lands")

- B. The Transferee is a municipality incorporated under the laws of the Province of British Columbia;
- C. The Transferor has applied to amend the City of Victoria Zoning Regulation Bylaw No. 80-159 as it applies to the Lands, under the terms of **[insert title and number of zoning bylaw amendment bylaw]** (the "Zoning Amendment Bylaw"), and has applied to amend the provisions of Development Permit Area 12 (HC): Legislative Precinct, as those provisions apply to the Lands, under the terms of **[insert title and number of OCP amendment bylaw]** (the "OCP Amendment Bylaw").
- D. The Transferor acknowledges that it is in the public interest that the use and development of the Lands be restricted as set out in this Agreement.
- E. Section 219 of the *Land Title Act* provides that a covenant, whether of negative or positive nature, in respect of the use of land or the use of a building on or to be erected on land, or that land is not to be built on or subdivided except in accordance with the covenant may be granted in favour of the Transferee and may be registered as a charge against the title to the Lands.

NOW THEREFORE THIS AGREEMENT WITNESSES that under Section 219 of the *Land Title Act*, and in consideration of the premises and the mutual covenants and agreements contained herein, and the sum of ONE (\$1.00) DOLLAR of lawful money of Canada now paid to the Transferor by the Transferee (the receipt and sufficiency of which is hereby acknowledged), and for other good and valuable consideration the parties covenant and agree each with the other as follows:

1.0 INTERPRETATION

1.1 In this Agreement,

"Affordable Housing Unit" means a housing unit that:

- a) falls within the financial means of a household living in either a market or nonmarket dwelling unit, such that the total costs for rent or mortgage (including a 10% down payment) plus taxes, insurance and utilities equals thirty percent or less of the household's gross annual income; or
- b) is otherwise developed on the Lands in accordance with the requirements of section 6.3 of this Agreement;

"**Building A2**" means the office building that is to be developed within Development Area 2A and labeled "Office Building A2" on the site plan that is attached to this Agreement as Schedule "A";

"Building B" means the residential and retail building that is to be developed within Development Area 2B and labeled "Building B" on the site plan that is attached to this Agreement as Schedule "A";

"**CD-2 Zoning Regulations**" means Part 12.2 of the City of Victoria Zoning Regulation By-law No. 80-159, as amended from time to time;

"CPUDG" means the design guidelines titled "Capital Park Urban Design Guidelines" that will be incorporated by reference into the provisions of Development Permit Area 12 (HC): Legislative Precinct under the City of Victoria Official Community Plan Bylaw No. 12-013, upon the adoption of the OCP Amendment Bylaw;

"**Central Plaza**" means the high quality plaza that is to be constructed as part of the Development within Development Area 2A, as generally depicted on the plan that is attached to this Agreement as Schedule "B";

"**Development**" means the development that the Transferor proposes to construct on the Lands as contemplated under this Agreement;

"Development Area" means an area of the Lands designated as a Development Area under the CD-2 Zoning Regulations, and the words "Development Area" where immediately followed by a combination of letters and numerals such as "2A", "2B", "2C", or "2D" means the Development Area with the corresponding alpha-numeric designation as shown on Schedule 2 to the CD-2 Zoning Regulations;

"**Q-Lot**" means the lands legally described as PID: 029-274-451, Lot 2 of Lots 1888, 1890, 1891, 1892, 1893, 1915, 1916, 1917, 1918, and 1919, Victoria City, Plan EPP38870;

"Small Market Unit" means a housing unit that is equal to or less than fifty-two (52) square metres in floor area;

"suitable for families" means a housing unit that contains two or more bedrooms.

2.0 PURPOSE AND INTENT

2.1 The purpose of this Agreement is to establish the terms and conditions under which the Transferor agrees that it will subdivide and develop the Lands, and the Transferor therefore covenants and agrees with the Transferee that it shall not use or permit the use of the Lands or any building on the Lands, construct any building on the Lands or subdivide the Lands except in accordance with this Agreement.

2.2 The Transferor shall be solely responsible for all costs and expenditures required to fulfill its obligations under this Agreement, whether or not those costs and expenses are specifically referred to herein.

3.0 STREETS

- 3.1 The Transferor shall not construct any new buildings on the Lands unless it constructs on the highways that immediately adjoin the portion of the Lands being developed the off-site works and services that are required for the development of the Lands, in accordance with the standards (including requirements for security) and specifications under the Transferee's Victoria Subdivision and Development Servicing Bylaw No. 12-042 (the "Subdivision Bylaw"), and in accordance with the requirements of the CPUDG, unless alternative standards or specifications are agreed to by the Transferor and the Transferee.
- 3.2 Concurrently with the development of any portion of the Lands for which a development permit has been issued by the Transferee, and in order to provide internal public circulation, the Transferor will provide on the portion of the Lands being developed a series of lanes, walkways and courtyards open to the public as shown in the CPUDG, all to be provided, constructed and maintained at the expense of the Transferor in the locations and in accordance with the CPUDG.
- 3.3 Concurrently with the first application for a development permit for an office building on the Lands, the Transferor must provide comprehensive engineering drawings detailing the works and services to be provided on the Superior Street, Michigan Street, and Menzies Street frontages of the Lands. The Transferor shall also provide comprehensive engineering drawings for the Michigan and Superior Street frontages lying immediately to the east of the Lands to the extent reasonably required by the Transferee's Director of Engineering to verify that the frontage works constructed by the Transferee on highways immediately adjoining the Lands will be capable of tying into and connecting with, in accordance with good engineering and construction practices, the frontage works and services to be constructed in future by the owner of the adjoining lands to the east.
- 3.4 Concurrently with the application for a building permit for the construction of Building A2 the Transferor shall grant to the Transferee a statutory right of way for highway purposes pursuant to section 218 of the Land Title Act, over those areas of the Lands shown outlined and identified as "Area B" and "Area D" on Explanatory Plan EPP38874, a reduced copy of which is attached hereto as Schedule "C", the statutory right of way to be on the terms attached to this Agreement as Schedule "D".

4.0 SUBDIVISION AND PHASING OF DEVELOPMENT

- 4.1 The Transferor proposes to subdivide the Lands into the lots generally described in section 6.2 of the CPUDG.
- 4.2 Concurrently with the first development permit application for an office building on the Lands, the Transferor must submit a phasing plan showing the proposed phasing of all office and residential development on the Lands, for the Transferee's review and approval. The phasing plan may be amended from time to time subject to the Transferee's review and approval.

5.0 NO BUILD AREA

5.1 The Transferor covenants and agrees that it shall not construct any aboveground buildings or structures on that part of the Lands shown outlined and identified as "Area B" on Reference Plan EPP38873, a reduced copy of which is attached hereto as Schedule "E" (the "No-Build Area"). Upon the demolition or destruction of the building that, as of the date of this Agreement, is located on the Lands immediately to the west of the No-Build Area, the Transferee shall execute a modification of this Agreement in a form that may be registered in the Land Title Office, releasing the Transferor from the restriction under this section 5.1.

6.0 HOUSING

- 6.1 The development of the Lands must include the provision of housing for a mix of households, income levels and tenures.
- 6.2 The Transferor agrees to develop housing on the Lands such that:
 - (a) a minimum of 61 of the housing units on the Lands are suitable for families; and
 - (b) a minimum of 51 of the housing units on the Lands are Affordable Housing Units.
- 6.3 The Transferor shall fulfill its obligation under section 6.2(b) to provide Affordable Housing Units through one or more of the following:
 - (a) the development of housing units through government sponsored programs;
 - (b) the development of housing units through privately sponsored initiatives such as housing co-operatives;
 - (c) the development of Small Market Units;

- (d) the development of housing units that conform to paragraph (a) of the definition of "Affordable Housing Unit" under section 1.1 of this Agreement.
- 6.4 Concurrently with each development permit application for the Lands, or any part of the Lands, the Transferor must submit for the Transferee's review and approval a report identifying the number and location of all Affordable Housing Units, and housing units that are suitable for families, that are proposed to be developed under the terms of that development permit.
- 6.5 The Transferor covenants and agrees to develop a minimum of twenty-six (26) Affordable Housing Units on the Lands in Building B and that Building B shall form part of the first phase of construction contemplated in the phasing plan submitted in connection with section 4.2.

7.0 TRANSPORTATION DEMAND MANAGEMENT PLAN

- 7.1 The Transferor covenants and agrees to provide and implement the traffic demand management ("TDM") strategies listed in Schedule "F" to this Agreement as an integral and ongoing part of the Development.
- 7.2 In cooperation with the registered owner of Q-Lot, the Transferor must establish and provide for the ongoing operation of a committee to monitor the implementation of the TDM strategies referred to in section 7.1. The committee must include representatives from the James Bay community, the Province of British Columbia (as the intended tenant of the office portion of the Development) and the Transferee.

8.0 AMENITIES

Library Premises

- 8.1 In Development Area 2B, the Transferor must provide approximately seven hundred (700) square metres of rentable floor space constructed so that it is physically suitable to accommodate library use (the "Option Premises") in accordance with the following requirements:
 - (a) Prior to the issuance of a development permit for Development Area 2B, the Option Premises must be offered for lease to the Transferee for use by the Greater Victoria Public Library (the "Initial Option"). The annual base rent (net rent) applicable to the Initial Option shall be 100% of market rent. The Transferee will have up to 12 months following the issuance of a development permit for Development Area 2B to accept the offer. Failing acceptance of the Initial Option within this timeline, the Initial Option will be deemed to be void and the Transferor shall have the right to lease the Option Premises to one or more third party tenants in the Transferor's sole discretion. If the Transferee does not accept the Initial Option, from and

after the date on which an occupancy certificate is granted for the retail premises in Development Area 2B (which includes the Option Premises), the Transferee shall have an on-going right of first offer to lease any three hundred fifty (350) square metres or larger retail premises (including all or a portion of the Option Premises) that becomes available in Development Area 2B at any point in the future for use by the Greater Victoria Public Library (the "Ongoing ROFO"). The annual base rent (net rent) applicable to the Ongoing ROFO shall be 100% of market rent.

- (b) If the Transferee does not accept the Initial Option and has not leased any premises offered to the Transferee pursuant to the Ongoing ROFO, then subject to no less than two years prior notice, the Transferee shall have the right to lease the Option Premises for use by the Greater Victoria Public Library on the date that is the later of:
 - i) 15 years following the date on which an occupancy certificate is granted for the retail premises in Development Area 2B (which includes the Option Premises); or
 - ii) 15 years following the proposed lease commencement date of the most recent Ongoing ROFO applicable to the Option Premises which has been offered to the Transferee (the "Future Option").
- (c) While the Option Premises must be constructed so as to comprise approximately seven hundred (700) square metres of rentable floor space in size, the Transferee may lease space pursuant to the Initial Option, the Ongoing ROFO, or the Future Option which is less than seven hundred (700) square metres in its sole discretion provided that the leased premises is no less than three hundred fifty (350) square metres and that the size of the leased premises does not leave any adjacent premises with less than one hundred (100) square metres in rentable floor space or result in adjacent premises having a configuration which would make it unreasonably difficult to lease those adjacent premises to a third party tenant.
- (d) While this section 8.1 contemplates the use of the Option Premises by the Greater Victoria Public Library, if the Option Premises are leased by the Transferee, the Transferee shall be permitted to utilize the Option Premises (including for certainty any premises leased by the Transferee pursuant to the Initial Option, the Ongoing ROFO, or the Future Option) for an alternative use provided that such a use is similarly public in nature, has a retail character, is generally consistent with the character and quality of the Development, and provides a benefit to the community.

Fitness Facility

8.2 The Transferor must construct an adequate government employee fitness facility on the ground floor of an office building in Development Area 2A. This facility must be made available for community use six months after an occupancy permit has been issued and must be used according to operating principles and guidelines to be developed by the office building tenant and the Transferee's Director of Parks and Recreation in consultation with community representatives. The Transferor shall organize and facilitate one or more meetings of the parties referred to in the preceding sentence, to assist with the development of those operating principles and guidelines.

Central Plaza and Public Art

- 8.3 Without limiting section 3.2 of this Agreement the Transferor covenants and agrees that as part of the development of Development Area 2A the Transferor shall construct the Central Plaza, in accordance with CPUDG and subject to the terms and conditions of the Development Permit to be issued by the Transferee.
- 8.4 The Transferor further covenants and agrees to register against title to the Lands a statutory right of way in favour of the Transferee for public access over the Central Plaza on the terms set out in Schedule "G" to this Agreement.
- 8.5 Subject to section 8.6, the Transferor shall complete the construction of the Central Plaza, and shall register the statutory right of way referred to in section 8.4, prior to the issuance of an occupancy permit for Building A2.
- 8.6 If the Central Plaza has not been completed prior to the Transferor's application for an occupancy permit for Building A2, then the time limit for completion of the Central Plaza under section 8.5 may be extended, with the advance written consent of the Transferee, if:
 - (a) a registered British Columbia landscape architect, or other professional with qualifications that are acceptable to the Transferee (the Transferor's Professional"), certifies that the Central Plaza is at least seventy-five (75%) percent complete,
 - (b) the statutory right of way referred to in section 8.4 has been registered in favour of the Transferee,
 - (c) the Transferor has placed with the Transferee a letter of credit issued by a Canadian financial institution (the "Letter of Credit") on terms that are acceptable to the Transferee, equaling 120% of the estimated cost to complete the Central Plaza, such estimated cost to be certified by the
Transferor's Professional, with such cost estimate subject to the acceptance and written approval of the Transferee,

- (d) the Transferor has provided the Transferee with a written schedule for the completion of the Central Plaza that is acceptable to the Transferee,
- (e) the Letter of Credit is kept in effect until the Transferor's Professional certifies that the Central Plaza is one hundred (100%) percent complete.
- 8.7 If the Letter of Credit provided under section 8.6(c) is not renewed at least thirty (30) days prior to any expiry date, the Transferee may draw upon the Letter of Credit and hold the funds as security under this Agreement for the completion of the Central Plaza, which may be performed by the Transferee at its discretion.
- 8.8 If the Transferor does not complete the Central Plaza within the time provided for in the scheduled referred to in section 8.6(d), the Transferee may at its discretion draw upon the Letter of Credit and enter upon the Lands to complete the Central Plaza.
- 8.9 The Letter of Credit to be provided under this section shall be in addition to and not a substitute or replacement for any security that is required to be provided by the Transferor under section 925 of the *Local Government Act* as a condition of a Development Permit for the construction of the Central Plaza.
- 8.10 As part of the improvements to be constructed in the Central Plaza, the Transferor covenants and agrees that it shall provide a permanent public art installation with a value of no less than One Hundred and Fifty Thousand (\$150,000.00) Dollars.
- 8.11 Prior to the issuance of a building permit for Building A2, the Transferor must provide the Transferee with security in the form of an irrevocable letter of credit in the amount of One Hundred and Fifty Thousand (\$150,000.00) Dollars, as security for the Transferor's obligations under section 8.10 and which may be drawn upon up to its full extent to provide the public art installation (or any aspect thereof) in the event the Transferor or its successors in title, fail to complete the public art installation under this Agreement within four (4) years of the issuance of a building permit for Building A2. Once the Transferor's obligations to install the public art as set out in this Agreement have been fulfilled, the irrevocable letter of credit contemplated under this section 8.11 shall be released by the Transferee.
- 8.12 The Transferor must comply with the following process for the selection of the public art installation required under section 8.10:
 - (a) The Transferor shall develop a draft request for proposal document for the selection of the artist and public artwork concept. The draft request for

proposal document shall contemplate either an invited competition or a direct commission process.

- (b) The draft request for proposal document shall be submitted to the City of Victoria's Art in Public Places Committee for review and approval.
- (c) The Transferor shall coordinate the implementation of the invited competition or direct commission process in the manner specified in the approved request for proposal document.
- (d) Artist responses to the invited competition or direct commission process shall be reviewed by a five (5) person selection committee (the "Selection Committee") comprised of the following members:
 - One representative who is a member of and is appointed by the Art in Public Places Committee;
 - ii) One representative who is a member of and is appointed by the James Bay Neighbourhood Association;
 - One representative who is a member of the Transferor's architectural or landscape architectural design team for the Development and who is appointed by the Transferor;
 - iv) One representative appointed by the Transferee's Manager, Arts, Culture and Special Events; and
 - v) One representative appointed by the Transferor.
- (e) The Selection Committee shall select a preferred artist submission from the invited competition review or review and approve the artist proposal from the direct commission process, as the case may be. The choice of artist and public art proposal confirmed by the Selection Committee shall be binding upon the Transferor.
- (f) The Transferor may not deviate from the public art selection process outlined in this section 8.12 unless a request by the Transferor to do so has been agreed to by the Transferee in writing. In considering any request by the Transferor to deviate from the public art selection process outlined in this section 8.12, the Transferee shall consult with the Art in Public Places Committee.
- 8.13 The Transferor covenants and agrees to provide for the ongoing maintenance and repair of the public art installation to a high standard. In the event that the public art installation is destroyed or otherwise removed from the Lands, the Transferor shall replace it with a permanent public art installation of at least equal

value and quality.

Financial (Amenity) Contribution

8.14 Prior to the issuance of a building permit for any buildings or structures on the Lands, the Transferor covenants and agrees to make a financial contribution to the Transferee in the amount of One Hundred Eighteen Thousand (\$118,000.00) Dollars, which the Transferee may use in its sole discretion to support the Greater Victoria Public Library, the development of affordable housing, or for any other amenity of the Transferee's choosing.

9.0 PUBLIC BODY

- 9.1 Nothing contained or implied within this Agreement shall prejudice or affect the duties, rights and powers of the Transferee in the exercise of its functions under any public or private statutes, bylaws, orders or regulations, all of which may be fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered.
- 9.2 Nothing in this Agreement shall relieve the Transferor from any obligation or requirement arising under any applicable statute, bylaw or regulation in respect of the development of the Lands.

10.0 GENERAL PROVISIONS

- 10.1 At the Transferor's expense, the Transferor must do everything necessary to secure priority of registration and interest for this Agreement and the Section 219 Covenant it creates over all registered and pending charges and encumbrances of a financial nature against the Lands.
- 10.2 If the Zoning Amendment Bylaw and OCP Amendment Bylaw are not each given third reading and final adoption within six (6) months following the registration of this Agreement against title to the Lands, the Transferee shall provide the Transferor with a discharge of this Agreement in registrable form.
- 10.3 Upon the final adoption of the Zoning Amendment Bylaw and the OCP Amendment Bylaw, the Transferee shall provide the Transferor with a discharge of Covenant No. CA3641384 in registrable form, with the express understanding that following final adoption of the Zoning Amendment Bylaw and the OCP Amendment Bylaw, to the extent of any conflict between the terms of this Agreement and Covenant No. CA3641384, this Agreement and not Covenant No. CA3641384 shall govern the use and development of the Lands by the Transferor.
- 10.4 Time is of the essence of this Agreement.

- 10.5 The Transferor covenants and agrees for itself, its heirs, executors, successors and assigns, that it will at all times perform and observe the requirements and restrictions set out in this Agreement and they shall be binding upon the Transferor as personal covenants only during the period of its respective ownership of any interest in the Lands.
- 10.6 It is mutually understood, acknowledged and agreed by the parties hereto that the Transferee has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Transferor other than those contained in this Agreement.
- 10.7 The waiver by a party of any breach of this Agreement or failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar, and no waiver shall be effective unless it is in writing signed by both parties.
- 10.8 Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.
- 10.9 No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.
- 10.10 The enforcement of this Agreement shall be entirely within the discretion of the Transferee and the execution and registration of the Agreement against title to the Lands shall not be interpreted as creating any duty on the part of the Transferee to the Transferor or to any other person to enforce any provision or the breach of any provision of this Agreement.
- 10.11 The restrictions and covenants herein contained shall be covenants running with the Lands and shall be perpetual, and shall continue to bind all of the Lands when subdivided, and shall be registered in the Victoria Land Title Office pursuant to section 219 of the Land Title Act as covenants in favour of the Transferee as a first financial charge against the Lands.
- 10.12 The Transferor agrees to execute all other documents and provide all other assurances necessary to give effect to the covenants contained in this Agreement.
- 10.13 If any part of this Agreement is found to be illegal or unenforceable, that part will be considered separate and severable and the remaining parts will not be affected thereby and will be enforceable to the fullest extent permitted by law.
- 10.14 This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

11.0 PRIORITY AGREEMENT

- 11.1 Tulista Estates Ltd., Sun Chariot Holdings Ltd., Crimson Investment Corp., Haro Investment Corporation, and Indrani Enterprises Inc. (collectively, the "Jawl Group"), who are the registered holders of a charge by way of Mortgage CA3667618 and Assignment of Rents CA3667619 registered against the Lands (collectively the "Jawl Charges") in the Land Title Office at Victoria, British Columbia, for and in consideration of the sum of One (\$1.00) Dollar paid by the Transferee to the Jawl Group (the receipt whereof is hereby acknowledged), agree with the Transferee, its successors and assigns, that the within section 219 Covenant shall be an encumbrance upon the Lands in priority to the Jawl Charges in the same manner and to the same effect as if it had been dated and registered prior to the Jawl Charges.
- 11.2 Concert Real Estate Corporation ("Concert"), who is the registered holder of a charge by way of Mortgage CA3667620 and Assignment of Rents CA3667621 registered against the Lands (collectively the "Concert Charges") in the Land Title Office at Victoria, British Columbia, for and in consideration of the sum of One (\$1.00) Dollar paid by the Transferee to Concert (the receipt whereof is hereby acknowledged), agrees with the Transferee, its successors and assigns, that the within section 219 Covenant shall be an encumbrance upon the Lands in priority to the Concert Charges in the same manner and to the same effect as if it had been dated and registered prior to the Concert Charges.

The Transferor and Transferee acknowledge that this Agreement has been duly executed and delivered by the parties executing Forms C and D (pages 1 and 2) attached hereto.



SCHEDULE "A"

21

SCHEDULE "B"







SCHEDULE "C"

PLAN EPP38874

23

SCHEDULE "D"

STATUTORY RIGHT OF WAY – HIGHWAY PURPOSES

TERMS OF INSTRUMENT - PART 2

WHEREAS:

A. The Transferor is the registered owner in fee simple of the following land in the Province of British Columbia:

(the "Lands")

B. The Transferee is the Corporation of the City of Victoria;

C. This Right of Way is necessary for the operation and maintenance of the Transferee's undertaking as described in Recital D;

D. The Transferee wishes to be able to construct, operate and maintain a public highway and other works including but not limited to a system of roadways, sidewalks and utility services in perpetuity over a portion of the Lands; and

E. To facilitate the construction and use by the Transferee and the public of a public highway, and to facilitate the installation and use of works that may be placed by the Transferee on, under or over the highway including pavements, sidewalks, boulevards, curbs, gutters, drains, sewers, utility poles, wires, fences, overhead and underground cables, traffic signals, transit shelters, and landscaping including but not limited to trees, shrubs, flowers and grass, and irrigation works required for the maintenance of that landscaping, and any other works, facilities or appurtenants necessary for the use of the Right of Way as a public highway (collectively the "Works"), the Transferor has agreed to grant the Right of Way in this Agreement.

NOW THEREFORE, in consideration of the sum of One (\$1.00) Dollar of lawful money of Canada, now paid by the Transferee to the Transferor (the receipt and sufficiency of which is now acknowledged by the Transferor), and in consideration of the covenants and conditions agreed to be observed and performed by the parties and for other valuable consideration:

1.0 THE TRANSFEROR:

1.1 Pursuant to Section 218 of the Land Title Act, hereby grants, conveys, confirms and transfers, in perpetuity, to the Transferee, its officers, employees, contractors, licensees and invitees, including without limitation the general public, the full, free and uninterrupted right, licence, liberty, privilege, permission and right of way to use as a public highway, including but not limited to the right to enter onto, use, go, return, pass over and across for highway purposes, that portion of the Lands, shown in heavy outline on the Right of Way Plan prepared by [Name of Surveyor] and filed in the Victoria Land Title Office under Plan No. _____a reduced copy of which is attached hereto as Schedule "A" (the "**Right of Way**");

1.2 Covenants and agrees to and with the Transferee that in connection with the grant under Section 1.1 of this Agreement, the Transferee and its officers, employees, contractors, licensees and invitees shall have the full, free and uninterrupted right, licence, liberty, privilege, permission and right of way to lay down, install, construct, entrench, operate, maintain, inspect, alter, repair, remove, replace, bury, cleanse, string, and otherwise establish one or more system of Works upon the Right of Way;

- 1.3 Covenants and agrees to and with the Transferee that the Transferee shall:
 - for itself and its agents, workers, contractors and all other licensees of the Transferee;
 - (b) together with machinery, vehicles, equipment, and materials;
 - upon, over, under and across the Right of Way;
 - (d) as may be necessary, useful, or convenient for the purposes in Section 1.1 and Section 1.2; and
 - (e) in connection with the operations of the Transferee in relation to the Works;

be entitled at all times to enter, use, pass and repass, labour, construct, erect, install, dig, carry away soil or other surface or subsurface materials, and clear of all trees, growth, buildings or obstructions now or hereafter in existence (other than those underground buildings or structures that the Transferee's Director of Engineering has approved in writing pursuant to section 2.1 of this Agreement) upon, over, under and across the Right of Way;

1.4 Grants, conveys, confirms and transfers unto the Transferee for itself, and its employees, agents, workers, contractors and all other licensees of the Transferee together with machinery, vehicles, equipment and materials, the right at all times to enter upon and to pass and repass over such of the Lands of the Transferor as may reasonably be required for the purpose of ingress to and egress from the Right of Way;

1.5 Transfers, assigns and conveys to the Transferee all right, title and interest in and to any Works that the Transferee, or the Transferor have prior to this Agreement established or constructed or maintained or operated within the Right of Way or in relation to any similar Works previously constructed by any party whatsoever within the Right of Way.

2.0 THE TRANSFEROR COVENANTS:

2.1 Not, and not to permit or allow any other person, to erect, place, install or maintain any building, structure, addition to a building or structure, paved driveway or patio, pipe, wire or other conduit on, over or under any portion of the Right of Way, except those that are constructed underground at a depth that will not interfere with or obstruct the use of the Right of Way for the purposes identified in section 1.1, as approved in writing by the Transferee's Director of Engineering;

2.2 Not to do anything or to permit any act or thing which in the opinion of the Transferee in any way interferes with or damages or prevents access to or use of the Right of Way or is likely to cause harm to the Works installed in or upon the Right of Way;

2.3 To trim or, if the Transferee determines it is necessary, cut down any tree or other growth on the Lands which in the opinion of the Transferee, constitutes or may constitute a danger or obstruction to the Right of Way or the Works or those using same;

2.4 From time to time and at all times at the reasonable request and at the cost of the Transferee to do and execute or cause to be made, done or executed any further and other lawful acts, deeds, things, devices, conveyances and assurances in law required to ensure the Transferee of its rights under this Agreement; and

2.5 To permit the Transferee to peaceably hold and enjoy the rights hereby granted.

3.0 THE TRANSFEREE COVENANTS:

3.1 As far as reasonably possible, to carry out all work in a proper and workmanlike manner so as to do as little injury to the Lands as possible; and

3.2 To make good at its own expense damage or disturbance which may be caused to the Lands in the exercise by the Transferee of its rights under this Agreement except as permitted under this Agreement.

3.3 Not to exercise its rights under this Agreement until completion of the demolition of the building that is situated on the Right of Way as of the date of this Agreement, and following completion of such demolition and during the period of construction of the building that is to be constructed on that part of the Lands adjoining the Right of Way, not to exercise its rights under this Agreement in a manner that will unreasonably interfere with that construction.

4.0 THE PARTIES COVENANT TO AND AGREE WITH EACH OTHER, as follows:

4.1 The Transferor shall not diminish or increase the soil cover over any pipe installed in the Right of Way without the Transferee's prior written consent;

4.2 No right herein granted to or reserved by the Transferee shall require the Transferee to clear, repair or maintain the Works or the Right of Way unless the Transferee is expressly required herein to perform such cleaning, repairing or maintenance;

4.3 If the Transferor defaults in observance or performance of its obligations hereunder, the Transferee, after 10 days prior written notice to the Transferor specifying the default and at any time in case of emergency, may (but is not obligated to) rectify the default, and the Transferor shall pay to the Transferee, on demand, its reasonable costs in connection with so rectifying;

4.4 The Transferor shall, after execution hereof by it at the expense of the Transferor, do or cause to be done all acts necessary to grant priority to this Agreement over all financial charges and encumbrances which are registered, or pending registration, against the Title to the Lands in the Land Title Office save and except those as have been specifically approved in writing by the Transferee or have been granted in favour of the Transferee;

4.5 Waiver of any default by either party shall not be deemed to be a waiver of any subsequent default by that party;

4.6 Whenever this Agreement creates a power or obligation of the Transferee to make a decision or to exercise any contractual right or remedy, the Transferee may do so in accordance with the provisions of this Agreement and no public law duty, whether arising from the principals of fairness or the rules of natural justice, shall have any application;

4.7 Notwithstanding anything herein contained, the Transferee reserves all rights and powers of expropriation otherwise enjoyed by the Transferee;

4.8 Without limiting Section 4.7, nothing contained or implied in this Agreement will derogate from the obligations of the Transferor under any other agreement with the Transferee or prejudice or affect the Transferee's rights, powers, duties or obligations in the exercise of its functions under all public and private statutes, by-laws, orders and regulations, which may be as fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by Transferor and the Transferee;

4.9 In spite of any rule of law or equity to the contrary, the Works brought on to, set, constructed, laid, erected in, upon or under the Right of Way by the Transferee shall at all times remain the property of the Transferee, even if the Works are annexed or affixed to the freehold, and the Works shall at any time and from time to time be removable in whole or in part by the Transferee;

4.10 No part of the title in fee simple to the Lands of the Transferor shall pass to or be vested in the Transferee under or by virtue of this Agreement, and the Transferor may

fully use and enjoy all of the Lands of the Transferor subject only to the rights and restrictions in this Agreement;

4.11 If any section, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of the Agreement;

4.12 This Agreement shall attach to and run with the Lands and each and every part to which the Lands may be divided or subdivided whether by subdivision plan, strata plan or otherwise howsoever, provided that if a parcel into which the Lands are subdivided does not have within its boundaries any portion of the Right of Way as defined on plan EPP______, the Transferee shall at the request of the Transferor execute a release of this Right of Way from the title to such parcel, and the Transferor shall be responsible for the cost of preparation and registration of the release;

4.13 The Transferor acknowledges that (a) these Covenants are enforceable against the Transferor and his successors in title, but (b) the Transferor is not personally liable for breach of these Covenants where such liability arises by reason of an act or omission occurring after the Transferor named herein or any future owner ceases to have a further interest in the Lands;

4.14 If at the date hereof the Transferor is not the sole registered owner of the Lands of the Transferor, this Agreement shall nevertheless bind the Transferor to the full extent of his interest therein, and if he acquires a greater or the entire interest in fee simple, this Agreement shall likewise extend to such after-acquired interests;

4.15 Where the expression "Transferor" includes more than one person, all covenants made by the Transferor shall be construed as being several as well as joint with respect to all persons constituting the Transferor;

4.16 This Agreement shall continue to benefit and be binding upon the Transferor and Transferee, and their respective heirs, administrators, executors, successors and permitted assigns, as the case may be;

4.17 Gender specific terms include both genders and corporations, and the singular and plural forms are interchangeable, according to the context; and

4.18 This Agreement will be governed and construed according to the laws of the Province of British Columbia.

The parties hereto acknowledge that this Agreement has been duly executed and delivered by the parties executing Forms C and D attached hereto.

SCHEDULE "E"

PLAN EPP38873



SCHEDULE "F"

TDM MEASURES

The Transferor shall provide the following TDM measures as an integral and ongoing part of the Development:

- 1. End of trip facilities for cyclists (shower and change facilities) shall be provided for use by the occupants of the office buildings within Development Area 2A. These facilities shall provide no less than an aggregate of 1 shower stall per 2,400 square metres of office space constructed on Development Area 2A. These facilities shall also include clothing lockers for use by cyclists. The aggregate number of clothing lockers provided shall be no less than 1.4 times the minimum number of Class 1 bicycle parking spaces required on Development Area 2A (where "Class 1" has the meaning ascribed to that term under Schedule C to the City of Victoria Zoning Bylaw No. 80-159). These clothing lockers shall be a minimum of 45 centimetres in depth, 30 centimetres in width and 90 centimetres in height.
- 2. The Transferor shall not charge for the use of off-street parking spaces associated with the office use at less than the prevailing market rate for parking spaces in similar office buildings situated within 1 kilometre of the Lands.
- 3. The parking area associated with the office buildings shall include no less than 5 electric vehicle charging stations.
- 4. The parking area associated with the office buildings shall include no less than 4 parking stalls which are to be offered on a priority basis for ride-share or high occupancy vehicles. These stalls are to be located in priority locations within the parking area of the office buildings (with "priority location" meaning a location which is no further than 40 metres from an office building elevator lobby entry on the first level of underground parking). For the purposes of this section, "ride share" means two or more people sharing a car rather than driving as a single occupancy.
- 5. The Transferor shall offer one vehicle parking space on the Lands for lease at no cost to a car share program, where "car share program" means a program for the common use of one of more motor vehicles by members of the program.

SCHEDULE "G"

STATUTORY RIGHT OF WAY – CENTRAL PLAZA

Page 4 of 9 Pages

Statutory Right of Way – Central Plaza

TERMS OF INSTRUMENT - PART 2

WHEREAS:

A. The Transferor is the registered owner of the following land in the Province of British Columbia:

(the "Lands");

- B. The Transferor has agreed to provide certain amenities for the better integration of the development into its neighbourhood in connection with the development of the Lands, including the right of public access to and use of a public plaza developed and maintained in perpetuity over a portion of the Lands;
- C. The Transferee is The Corporation of the City of Victoria;
- D. The Transferee wishes to be able to access, for itself and all members of the public, a public plaza developed and maintained in perpetuity over a portion of the Lands;
- E. The Transferor has agreed to grant a Statutory Right of Way on the terms hereinafter set forth;
- F. It is necessary for the operation and maintenance of the Transferee's undertaking of a public plaza (the "Central Plaza") for the enjoyment of the general public that a right of way be established in accordance with this document;

NOW, THEREFORE, THIS INDENTURE WITNESSES that in consideration of the sum of Ten (\$10.00) Dollars of lawful money of Canada, now paid by the Transferee to the Transferor and other valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Transferor), and in consideration of the covenants hereinafter contained:

1.0 STATUTORY RIGHT OF WAY

1.1 Pursuant to Section 218 of the Land Title Act, the Transferor does hereby grant, convey, confirm and transfer, in perpetuity, to the Transferee, its successors and assigns, and all of its employees, agents, servants, licensees and invitees including all members of the public who might so desire, at all times by day or night, the full, free and uninterrupted right, licence, liberty, privilege, permission and right of way, for the purpose of a public plaza, to enter, use, go, return, pass

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over and across that part of the Lands (the "Right of Way Area") shown as "Statutory Right of Way Area ____" on an Explanatory Plan registered at the Victoria Land Title Office under number _____, a reduced copy of which is attached hereto as Schedule A.

- 1.2 The Transferor will permit the Transferee and every member of the public to peaceably hold and enjoy the rights hereby granted, provided however that notwithstanding the foregoing the Transferor and those claiming authority through the Transferor, and their respective agents may bar entry to or eject from the Central Plaza any person who:
 - acts in a manner disruptive to the business operations of the tenants in the buildings on the Lands;
 - (b) acts in a disorderly or offensive manner, or interferes with, threatens or obstructs any other person;
 - acts in a manner that damages or poses a threat to damage any landscaping or improvements on the Lands;
 - (d) loiters or appears to be asleep or unconscious; or
 - (e) otherwise creates a nuisance.

2.0 GENERAL

- 2.1 For certainty, nothing in this Agreement relieves the Transferor of any obligation or duty in relation to the maintenance of the Transferor's Lands, including the Right of Way, and whether arising or imposed by common law, statute or agreement.
- 2.2 The Transferor and the Transferee agree that enforcement of this Agreement shall be entirely within the discretion of the Transferee and that the execution and registration of this Agreement against title to the Lands shall not be interpreted as creating any duty on the part of the Transferee to the Transferor or to any other person to enforce any provision or prevent or restrain the breach of any provision of this Agreement.
- 2.3 At the Transferor's expense, the Transferor must do everything necessary to secure priority of registration and interest for this Agreement over all registered and pending charges and encumbrances of a financial nature against the Lands.
- 2.4 This Agreement does not
 - (a) affect or limit the discretion, rights or powers of the Transferee under any enactment (as defined in the *Interpretation Act*, R.S.B.C. 1996, c. 238, on the reference date of this Agreement) or at common law in relation to the

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Transferor or the Lands all of which may be exercised or enforced by the Transferee as if this Agreement did not exist,

- (b) affect or limit any enactment relating to the use or subdivision of the Lands, or
- (c) relieve the Transferor from complying with any public or private enactment, including in relation to the use or subdivision of the Lands.
- 2.5 Where the Transferee is required or permitted by this Agreement to form an opinion, exercise a discretion, express satisfaction, make a determination or give its consent, the Transferor agrees that the Transferee is under no public law duty of fairness or natural justice in that regard and agrees that the Transferee may do any of those things in the same manner as if it were a private party and not a public body.
- 2.6 No part of the title in fee simple to the soil shall pass to or be vested in the Transferee under or by virtue of these presents and the Transferor may fully use and enjoy all of the Lands subject only to the rights and restrictions herein contained.
- 2.7 The covenants herein shall be covenants running with the Lands upon which the Right of Way is situated and none of the covenants herein contained shall be personal or binding upon the parties hereto, save and except during the Transferor's ownership of any interest in the Lands, and with respect only to that portion of the Lands of which the Transferor shall have an interest, but that the Lands, nevertheless, shall be and remain at all times charged herewith.
- 2.8 The parties hereto shall do and cause to be done all things and execute and cause to be executed all documents which may be necessary or desirable to give proper effect to the intention of this instrument.
- 2.9 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their successors and assigns and their heirs and administrators respectively.
- 2.10 Whenever the singular or masculine are used they shall be construed as including the plural, feminine or body corporate where the context requires.
- 2.11 If any part of this Agreement is found to be illegal or unenforceable, that part will be considered separate and severable and the remaining parts will not be affected thereby and will be enforceable to the fullest extent permitted by law.

3.0 PRIORITY AGREEMENT

3.1______, the registered holder of a charge by way of ______ registered against the Lands, which said charge is registered in

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the Land Title Office at Victoria, British Columbia, under ______, for and in consideration of the sum of Ten (\$10.00) Dollars paid by the Transferee to the said Chargeholder (the receipt of whereof is hereby acknowledged), agrees with the Transferee, it successors and assigns, that the Statutory Right of Way shall be an encumbrance upon the Lands in priority to the said charge in the same manner and to the same effect as if it had been dated and registered prior to the said charge.

The parties hereto acknowledge that this Agreement has been duly executed and delivered by the parties executing Forms C and D attached hereto.

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SCHEDULE "A"

(Reduced Copy of Explanatory Plan Showing Statutory Right of Way Area)



20 February, 2014

Victoria File:

26250-20/16418 SITE: 16418

VIA EMAIL ONLY: michael.masson@gov.bc.ca and bsikstrom@victoria.ca

Shared Services BC Ministry of Labour and Citizen Services 4000 Seymour Street Victoria, BC V8W 9V1 Attention: Michael Masson

City of Victoria #1 Centennial Square Victoria, BC V8W 1P6 Attention: Brian Sikstrom

Dear Michael Masson and Brian Sikstrom:

Re: Site Profile Submission – Zoning and Subdivision Applications 505, 515, 521, 525, 539, 541, 553 and 563 Superior Street, 506 and 514 Government Street, and 524, 526, 544 and 584 Michigan Street, Victoria PIDs: 009-195-050, 009-195-068, 009-195-092, 009-397-591, 009-397-604, 009-397-612 and 009-397-787

This letter is to acknowledge receipt of a satisfactorily completed site profile pertaining to the above-referenced site.

Based on the information provided by the applicant, the ministry is prepared to provide the necessary release so that the City of Victoria may proceed with approval of the zoning and subdivision applications. To that end, please accept this letter as notice pursuant to the *Local Government Act* (section 946.2(2)(b)) or the *Land Title Act* (section 85.1) in the case of subdivision that the City of Victoria may approve the zoning and subdivision applications under this section because the Director does not require site investigation prior to approval of the zoning and subdivision applications. This decision is for the limited purpose of the zoning and subdivision applications.

In accordance with section 7(1) of the Contaminated Sites Regulation (Regulation), the Director requires a preliminary site investigation for the subject site <u>following</u> completion of the zoning and subdivision applications. Investigation of all environmental media must be conducted until

Ministry of Environment

Land Remediation Environmental Management Environmental Protection Division Mailing Address: 2 Fl 10470 152 St Surrey BC V3R 0Y3 Telephone: 604 582-5200 Facsimile: 604 584-9751 Website: www.gov.bc.ca/env the full extent of contamination is determined at the site and which has migrated from the site. Section 58 and 59 of the Contaminated Sites Regulation describe the requirements for the conduct of preliminary and detailed site investigation and the content of reports based on those investigations.

Pursuant to the Local Government Act (section 946.2), Vancouver Charter (section 571B), Islands Trust Act (section 34.1) or the Land Title Act (section 85.1) in the case of subdivision, this decision will suspend approval of <u>future</u> applications for the site identified in section 40 of the Act, until:

- the proponent has applied for, and obtained one of the following instruments, as applicable:

 a Determination that the site is not a contaminated site, a Voluntary Remediation
 Agreement, an Approval in Principle of a remediation plan or a Certificate of Compliance
 confirming the satisfactory remediation of the site. A copy of the legal instrument must be
 provided to the approving authority; or
- the approving authority has received notice from the ministry that it may approve a specific application because a) in the opinion of the Director, the site would not present a significant threat or risk if the specified application were approved; b) the Director has received and accepted a Notification of Independent Remediation with respect to the site; or c) the Director has indicated that a site investigation is not required prior to the approval of the specified application.

For more information regarding the freeze and release provisions of the site profile process, refer to Fact Sheet 37, "<u>Site Profile Freeze and Release Provisions</u>" and Administrative Guidance 6, "<u>Site Profile Decisions and Requesting Release Where Local Government Approvals are Required</u>" available on the Land Remediation Section Website at http://www.env.gov.bc.ca/epd/remediation/.

Please be advised of the following:

- The absence of a requirement to undertake a site investigation does not necessarily mean that the site is not a contaminated site. It is recommended that the proponent retain a qualified environmental consultant to identify and characterize any soil and/or groundwater of suspect environmental quality encountered during any subsurface work at the subject site;
- Those persons undertaking site investigations and remediation at contaminated sites in British Columbia are required to do so in accordance with the requirements of the Act and its regulations. The ministry considers these persons responsible for identifying and addressing any human health or environmental impacts associated with the contamination; and
- Penalties for noncompliance with the contaminated sites requirements of the Act and Regulation are provided in section 120(17) of the Act.

Decisions of a Director may be appealed under part 8 of the Act.

Please contact the undersigned at 604 582-5377 if you have any questions about this letter. Yours truly,

oper mo

Vincent Hanemayer for Director, Environmental Management Act

vch\

cc: Paul Webb, Hemmera, Fax: 604 669-0430