



Planning and Land Use Committee Report

For the meeting of July 17, 2014

Date: July 7, 2014 **From:** Mike Wilson, Senior Planner - Urban Design
Subject: **Rezoning Application and Official Community Plan Amendment #00427 and Development Permit Application #000340 for 1515 Douglas Street and 750 Pandora Avenue**
Application to increase density to construct two-phase office building with ground floor retail space.

Executive Summary

The purpose of this report is to present Council with information, analysis and recommendations regarding a Rezoning Application and Official Community Plan Amendment #00427 and Development Permit Application #000340 for the properties located at 1515 Douglas Street and 750 Pandora Avenue.

The application is to construct a six-storey retail and office building on the western portion of the site fronting Douglas Street which is to be linked by an enclosed at-grade walkway to a 13-storey retail and office building on the eastern portion of the site. The applicant proposes to construct the development in two phases. The first phase would include the construction of the underground parking area in its entirety and the six-storey retail and office building. The building features at-grade retail units, an entry plaza fronting Douglas Street and an internal rotunda space of approximately 240 m². The second phase would include the construction of the 13-storey building and an at-grade mid-block walkway.

The applicant proposes an amendment to the *Official Community Plan (OCP)* to rescind the *Urban Design Guidelines for Proposed Subdivision and Rezoning of the 700 Block Pandora/Cormorant Street and 1520 Blanshard Street*. Instead, the more recently adopted guidelines provided within the *Downtown Core Area Plan (2011)* are proposed to guide development on this site.

The applicant proposes to demolish the former Royal Bank building at the corner of Douglas Street and Pandora Avenue. In 2009 Council added this building to the City's Heritage Register. The applicant has provided a Heritage Building Report (HBR) which includes a proposed mitigation strategy. Staff recommend that Council refer this aspect of the application to the Heritage Advisory Panel and seek feedback as to whether or not the proposed mitigation strategy is appropriate and if there are any other strategies that may be employed which may further mitigate the proposed demolition of this building.

The proposed employment-oriented land use and density are appropriate for the Central Business District. The application would benefit from design revisions provided in the staff recommendation in order to increase consistency with the applicable design guidelines. Staff also recommend that Council seek feedback from the Advisory Design Panel on various aspects of the proposal as outlined in the staff recommendation.

Staff recommend that Committee support this application.

Recommendations

1. 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; the provincial and federal governments and their agencies because of the nature of the proposed amendments and that staff be instructed to prepare the necessary *Official Community Plan Bylaw* amendment that would authorize the proposed development outlined in Rezoning Application #00427 for 1515 Douglas Street and 750 Pandora Avenue;
 - a. That Council consider giving first and second reading to the *Official Community Plan Amendment Bylaw* after the bylaw has been drafted;
 - b. That Council schedule a Public Hearing after the *Official Community Plan Amendment Bylaw* has received first and second reading.
2. That staff be instructed to prepare the necessary *Zoning Regulation Bylaw* amendment that would authorize the proposed development outlined in Rezoning Application #00427 for 1515 Douglas Street and 750 Pandora Avenue;
 - a. That Council consider giving first and second reading to the *Zoning Regulation Bylaw* amendment after the bylaws have been drafted;
 - b. That Council schedule a Public Hearing after the *Zoning Regulation Bylaw* amendment has received first and second reading, subject to the completion of the following:
 - i. That the Heritage Building Report and proposed mitigation measures be referred to the Heritage Advisory Panel for comment
 - ii. That the application be referred to the Advisory Design Panel for feedback on the following issues:
 - whether the design of the proposed Phase 1 building and public plaza sufficiently responds to the bend in Douglas Street
 - whether the proposed building massing and design of the plaza facing Douglas Street adequately respond to City Hall as a Heritage Landmark Building and the Landmark Building policy in the *Downtown Core Area Plan*
 - whether any additional architectural elements or treatments could be incorporated into each of the buildings to distinguish the top of the buildings
 - whether any design revisions are necessary to mitigate the impact of the street walls on the Cormorant Street and Pandora Avenue elevations which exceed the height guidelines
 - whether the reflectivity of the proposed glass spandrel system on the Phase 2 building is suitable
 - whether the tone of the proposed exterior terra cotta cladding is appropriate for the neighbouring context.
 - iii. the registration of a legal agreement to secure a statutory right-of-way for public access on the proposed Douglas Street Plaza and mid-block walkway to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development

- iv. the registration of a legal agreement to secure a statutory right-of-way for public access during regular business hours over the proposed internal rotunda area to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
 - v. the registration of a legal agreement to secure the construction of temporary hoarding and a maintenance agreement to the satisfaction of the City Solicitor, Director of Sustainable Planning and Community Development and the Director of Engineering and Public Works
 - vi. the registration of a legal agreement to secure the salvage and storage of building materials identified in the Heritage Building's Report to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
 - vii. the registration of a legal agreement to secure the maintenance of the proposed rain gardens for a period of three years to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
 - viii. Compliance with the Ministry of Environment's *Environmental Management Act* as it pertains to potentially contaminated sites.
3. That Council remove the former Royal Bank Building located at the southwest corner of 1515 Douglas Street and 750 Pandora Avenue from the City's Heritage Register.
4. Following the Hearing, and subject to adoption of the *Zoning Regulation Bylaw* amendments for 1515 Douglas Street and 750 Pandora Avenue, that Council authorize the issuance of the Development Permit generally in accordance with:
- a. plans for Development Permit Application #000340, stamped July 4, 2014, development meeting all *Zoning Regulation Bylaw* requirements;
 - b. final plans to be generally in accordance with plans identified above to the satisfaction of the Director of Sustainable Planning and Community Development.
5. That Council authorize City of Victoria staff to execute an Encroachment Agreement for a fee of \$750 plus \$25 per m² of exposed shored face during construction, in a form satisfactory to the City Solicitor and the Director of Engineering and Public Works. This is to accommodate shoring for construction of the underground parking structure at the property line.

Respectfully submitted,



Mike Wilson
Senior Planner – Urban Design
Development Services Division



Deb Day, Director
Sustainable Planning and Community
Development Department



Report accepted and recommended by the City Manager:

Jason Johnson

Date:

July 10, 2014

MW:lw

1.0 Purpose

The purpose of this report is to present Council with information, analysis and recommendations regarding Rezoning and Official Community Plan Amendment Application #00427 and Development Permit Application #000340 for the properties located at 1515 Douglas Street and 750 Pandora Avenue.

2.0 Background

2.1 Description of Proposal

The subject lands include three separate street frontages on Cormorant Street, Douglas Street and Pandora Avenue. At 5,571 m² the site is comprised of almost an entire city block. Current uses on the site include a surface parking lot and several single storey buildings fronting Douglas Street which are proposed to be demolished including the former Royal Bank Building which is on the City's Heritage Register.

The applicant proposes a *Zoning Regulation Bylaw* amendment to permit the construction of a six-storey retail and office building on the western portion of the site fronting Douglas Street which is to be linked by an enclosed at-grade walkway to a 13-storey retail and office building on the east portion of the site. A total of 220 underground vehicle parking stalls as well as 34 Class 1 and 54 Class 2 bicycle parking stalls are also proposed. The applicant proposes to construct the development in two phases. The first phase would include the construction of the underground parking area in its entirety and the six-storey retail and office building. This building features at-grade retail units, an entry plaza fronting Douglas Street and an internal rotunda space of approximately 240 m². The second phase would include the construction of the 13-storey building and an at-grade mid-block walkway.

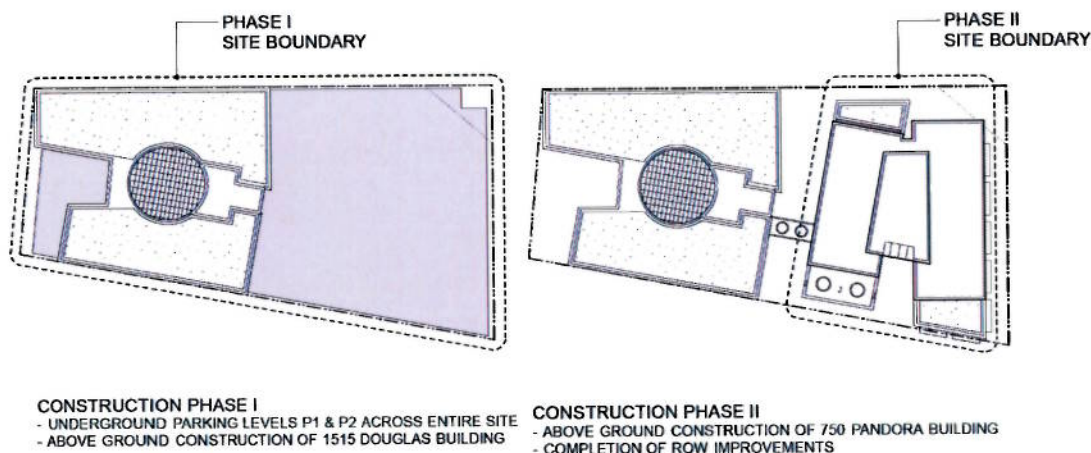


Figure 1: Phasing Diagram

Exterior materials include:

- glazed terracotta (matte white)
- exposed cast-in-place concrete
- stone cladding (repurposed from former Royal Bank Building)
- pre-patinated zinc cladding
- clear high performance curtain wall glazing system
- glass spandrel with metal back panel
- prefinished metal flashing and cladding.

Landscaping improvements include the provision of a public plaza on Douglas Street and a public mid-block walkway connecting Pandora Avenue with Cormorant Street. Landscape materials include:

- light and dark stone concrete unit paving
- various tree and shrub species (refer to landscape plan)
- rain gardens (in the public right-of-way)
- landscape water feature.

Off-site improvements include the provision of a separated bike lane on Pandora Avenue. The applicant proposes that Cormorant Street would be reconfigured to accommodate two-way traffic; a draft plan of the newly configured street and on-street parking has been provided as part of the plan submission.

The applicant proposes an *Official Community Plan* (OCP) amendment to rescind the *Urban Design Guidelines for Proposed Subdivision and Rezoning of the 700 Block Pandora/Cormorant Street and 1520 Blanshard Street*. The applicant proposes to instead utilize the more recently adopted guidelines provided within the *Downtown Core Area Plan* (2011) (DCAP) to guide the design of the development.

2.2 Existing Site Development and Development Potential

The existing site was consolidated and is now one legal parcel. The site has two different zones reflecting its previous property boundaries. The buildings fronting Douglas Street are in the CA-4 Zone, Central Area Commercial Office District. This zone permits a variety of uses including office and retail up to a floor space ratio of 3.0:1 and a building height of 43 m. The remainder of the site (existing surface parking lot) is located in the CA-40 Zone, Pandora Office District. This zone permits a base floor space ratio of 3.0:1 with a maximum floor space ratio of 5.3:1 when the following amenities are provided:

- a pedestrian walkway that:
 - (i) connects the street levels of Pandora Avenue and Cormorant Street
 - (ii) is at least 3.0 m wide throughout
 - (iii) has an average width of at least 3.7 m
- at least 140 enclosed parking spaces below grade
- lockers for cyclists and bicycles.

The maximum height permitted in this zone is also 43 m.

2.3 Sustainability Features

The project will target a minimum LEED Gold certification. The green building features included in the proposed development are summarized as follows:

- high performance building envelope incorporating triple paned glazing
- central, passively ventilated atrium in Phase 1 to allow daylight to enter interior spaces
- stormwater runoff treated via bioswales
- bicycle storage, shower and changing facilities
- low volatile organic compound (VOC) interior finishes
- water-efficient plumbing fixtures
- energy-efficient lighting and electrical system.

A more detailed sustainability description provided by a consultant is attached to this report.

2.4 Data Table

The following data table compares the proposal with the existing CA-40 Zone and CA-4 Zone.

Zoning Criteria	Proposal Tower 1 (Douglas)	Proposal Tower 2 (Pandora)	Proposal (Overall)	Zone Standard (CA-4)	Zone Standard (CA-40)	Zone Standard Total
Site area (m ²) (min.)	5571.90			2,185	3,385	
Lot width (m) (min.)	60.8			n/a	n/a	
Floor Space Ratio (max.)	4.78:1			3:1	5.3:1	
Floor area (m ²) (max.)	10,263	16,397	26,660	6,556	17,944	24,495
Office	8,663	14,987	23,650	n/a		
Retail (Level 1)	1,600	1,410	3,010	n/a		
Height (m) (max.)	27.4	53.6	53.6	10.00 at all lot lines bordering a street; 43.00 overall		
Average Grade	18.6			n/a		
Storeys (max.)	6	13	13	n/a		
Pedestrian walkway width (m) (min.)	5.0 (Level 1)			n/a	3.7m (avg.)	
Setbacks (m) (min.)						
Douglas St.	nil			n/a		
Pandora Ave.	nil			n/a		
Side	nil			n/a		
Side (East)	5.29 (Level 2 to 13)			4.5		
Site coverage (%) (max.)	72.0			n/a		
Open site space (%)	28.0			n/a		
Parking (min.)	220			n/a	140 enclosed parking spaces	
Bicycle Parking	34 Class 1	54 Class 2	88 total	68 34 Class 1 34 Class 2	1 per 205m ² for the first 5000m ² , plus 1 per 500m ² of floor area. 50/50 Class 1 and Class 2	

2.5 Land Use Context

The subject lands are located on the westerly portion of the 700 block of Pandora Avenue at Douglas and Cormorant Streets.

West

- City Hall: A Heritage-Designated building and a National Historic Site in the CA-C3 Zone, Central Area General Commercial District.

East

- 1520 Blanshard Street: A three-storey commercial office building in the CA-41 Zone, Blanshard Office District.

North

- 1609 Douglas Street: The Heritage-Registered Fairfield Block, a mixed use building with retail at-grade and transient accommodation on the upper floors.
- 722 Cormorant Street: A two-storey commercial office building in the CA-4 Zone, Central Area Commercial Office District.
- 732 Cormorant Street: A 12-storey residential building with live/work townhouses on the ground floor. This building is located in the CA-49 Zone, Cormorant Street District.

South

- 1483 Douglas Street: A 7-storey retail and office building in the CA-4 Zone, Central Area Commercial Office District.
- 715 Pandora Avenue: A three-storey, Heritage-Registered, restaurant and office building in the CA-4 Zone, Central Area Commercial Office District.
- 735 Pandora: A two-storey restaurant and office building in the CA-4 Zone, Central Area Commercial Office District.
- 753 Pandora: A four-storey residential building in the CA-4 Zone, Central Area Commercial Office District.

2.6 Legal Description

Lot 1 of Lot 1247, 1248 and 1257 Victoria EPP27886

2.7 Relevant History

2.7.1 CA-40 Zone, Pandora Office District

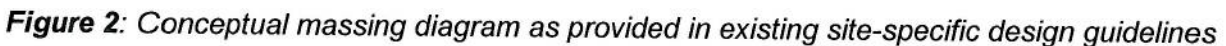
The portion of the subject lands that is currently occupied by a surface parking lot was subject to a zoning bylaw amendment application in 1994. At the time, the proposal was to construct a 10-storey building with 17,805 m² of new office space. The application included the subdivision of the subject lands from a large parcel that included the existing office building located at 1520 Blanshard Street (Rotherham Building). The application included the transfer of unused density from the 1520 Blanshard Street site to the subject lands. As part of the rezoning approval, a series of amenities were secured in the *Zoning Regulation Bylaw* as follows:

- a total of 140 enclosed parking spaces
- lockers for cyclists and bicycles
- a pedestrian walkway between Pandora Avenue and Cormorant Street.

As part of this zoning bylaw amendment application Council adopted new design guidelines for the site that are referenced in the OCP. The transfer of density from one site to another was justified under the *Downtown Victoria Plan*, 1990. That plan permitted consideration of density transfers to meet the following urban design objectives:

1. Provision of public open space in the form of a south facing entrance forecourt along Pandora Avenue and retention of the existing Rotherham Plaza.
2. Provision of mid-block pedestrian walkway at street level overlooking the Rotherham Plaza. The portion adjacent to the new building would feature a weatherproof canopy.
3. The creation of a multi-storey lobby with the lower levels of the new building which is oriented on an east-west axis that aligns with the City Hall Clock Tower. This allows for the potential of a direct connection to the Bank sites immediately to the west, particularly should redevelopment of these sites take place.

- The massing diagram provided below provides a conceptual massing of the proposed development at the time the design guidelines were being approved. Note that this diagram did not contemplate the redevelopment of the buildings fronting Douglas Street.



The former Royal Bank Building at 1501 Douglas Street was constructed in 1955 and designed by Montreal-based architect E.P. Warren. The statement of significance for this building is attached to this report. It was recognized for its value as one of a small number of commercial structures of the modern International style remaining in Downtown Victoria. Architecture from this period is often described as the Modern Movement, growing out of the International style founded in Europe in the 1920s. There are a number of examples of Modern Movement architecture in downtown Victoria, which have architectural, historical and social significance.

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Rezoning Application and *Official Community Plan* Amendment #00427
and Development Permit Application #000340 for 1515 Douglas Street and 750 Pandora Avenue

2.7.3 Community Consultation

In accordance with the City's Community Association Land Use Committee (CALUC) procedures, this application was considered by the Downtown Residents' Association Land Use Committee. Comments from the Downtown Residents' Association are attached to this report.

3.0 Issues and Analysis

The following section analyzes the proposal's consistency with City policy and also identifies issues associated with this proposal.

3.1 Consistency with Planning and Heritage Policy

3.1.1 Official Community Plan (2012)

The OCP identifies the subject property as being within the "Core Business" designation which envisions buildings up to approximately 24 storeys with density ranging from a base commercial floor space ratio (FSR) of 4:1 to a maximum of 6:1 FSR.

The CA-4 Zone includes a maximum density entitlement of 3:1 FSR. The applicant proposes to increase the commercial density of this portion of the site to 4:1 FSR. This density is supported by OCP policies and does not trigger the density bonus provision provided in the DCAP. The applicant also wishes to maintain the density entitlement within the CA-40 Zone of 5.3:1 FSR and provide the amenities required in that zone. Staff recommend that Council support this proposed approach.

The proposal is generally consistent with the place character features envisioned for the Core Business designation through the provision of continuous retail uses at-grade, buildings set close to the sidewalk and the provision of underground parking. However, the proposal is not consistent in terms of the recommended height of street walls. Further analysis will be provided in section 3.2 of this report.

In relation to the proposed demolition of the Heritage-Registered, former Royal Bank Building, the broad objectives of the OCP require that heritage values are considered in land management at every scale from sites to local areas (OCP 8 (i)) and that heritage property is conserved as resources with value for present and future generations (OCP 8 (j)). In addition, City Form policy (OCP 8.50) encourages new development to avoid the demolition of heritage property, or one or more of its facades. As mentioned, this application meets many of the objectives of the OCP and although the loss of the Heritage Registered building is not completely consistent with OCP, on balance the merits of the application outweigh this loss.

3.1.2 Downtown Core Area Plan, 2011

The subject lands are located in the Central Business District (CBD). One of the primary objectives of the CBD is to accommodate commercial and office development while the CBD develops over the next 30 years. The DCAP envisages that the CBD will accommodate a strong concentration of commercial employment uses and support new development that reinforces and enhances the position of the CBD as the primary employment centre in the City and region. The current proposal is consistent with these objectives as it contributes a significant amount of new commercial office space in the CBD which is further supported by retail uses on the ground floor.

The densities and building heights envisioned for this district reflect what is identified in the OCP (a commercial base FSR of 4:1 to a maximum of 6:1 FSR). The applicant proposes to increase the density on the westerly portion of the lands to a base density of 4:1 FSR and to retain the existing zoning potential of 5.3:1 FSR for the remainder of the site. This does not trigger any of the density bonus provisions in the DCAP. The proposed upper storey office uses with at-grade retail and restaurant is supported under the CBD designation.

3.1.3 Proposed Amendment to Official Community Plan (2012)

The applicant proposes to amend the OCP by rescinding the applicable guidelines for the portion of the lands located in the CA-40 Zone (east portion of the site). The guidelines that are proposed to be rescinded are the *Urban Design Guidelines for Proposed Subdivision and Rezoning of the 700 Block of Pandora/Cormorant Street, and 1520 Blanshard Street*. These guidelines (attached) were adopted in 1994. In 2011, Council adopted the DCAP which contains new guidelines that are applicable to the entire Downtown area.

The existing *Urban Design Guidelines for Proposed Subdivision and Rezoning of the 700 Block of Pandora/Cormorant Street, and 1520 Blanshard Street* were written in anticipation of the development of a single office building on the site and did not contemplate the inclusion of the adjacent properties fronting Douglas Street. As a result, staff recommend that Council support the proposed amendment to the OCP. Staff have evaluated the proposal against the more current and relevant guidelines provided in the DCAP.

As a result of the proposed OCP Amendment, the *Local Government Act* requires that Council consider Financial Plan Implications, Waste Management Plans 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 no financial plan implications anticipated.

Waste Management Plans (the Capital Regional District Liquid Waste Management Plan and Capital Regional District Solid Waste Management Plan)

There are no waste management plan implications anticipated.

Statutory Consultation

The *Local Government Act* requires a local government to consult with persons, organizations and authorities it considers will be affected by an OCP amendment. This consultation requirement is in addition to the Public Hearing requirement and is intended to provide consultation opportunities earlier in the process.

Should Council consider moving the OCP amendments forward to a Public Hearing 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 amendments can be considered under approved City policies. The staff recommendation reflects this approach.

3.1.4 Demolition of Heritage-Registered Building

In 2009 Council added the former Royal Bank Building at 1515 Douglas Street to the City's Heritage Register. The applicant has provided a Heritage Building Report (HBR) which is attached to this report.

It is important to differentiate between buildings on the Heritage Register versus buildings that are Heritage-Designated. A Heritage-Registered property is officially listed in the Register because it may have sufficient heritage value to warrant preservation actions by the City in the future. The Register provides a system to review and monitor proposed changes to properties of heritage value.

Heritage-Registered status does not give any formal protection to a site and is not the same as Heritage Designation. This property is also within a Heritage Conservation area as established by the OCP. A Heritage Conservation Area does not offer any protection from demolition. Protection from demolition is only offered through Heritage Designation, restrictive covenant or Heritage Revitalization Agreement.

A proposal to demolish or alter a Heritage Register building is referred to City Council to determine whether a designation bylaw may be required to protect the property. A Heritage-Designated property is protected by a municipal heritage designation bylaw and may not be altered or demolished without the approval by City Council.

The HBR describes some context for post-war modernist buildings in Victoria, the impact of retaining the former Royal Bank building on the proposed development, as well as a proposed mitigation strategy. Ultimately, demolition of the Heritage-Registered building and its replacement with the proposed development represents a trade-off for Council's consideration. Section 4 of the HBR states that the retention of the Heritage-Registered building would have a negative impact of the proposed Douglas Street public plaza and the building massing as it relates to City Hall, a Heritage-Designated building.

Both the OCP and DCAP contain policies that support the conservation of heritage buildings as well as redevelopment through revitalization. This can be summarized as follows:

- To revitalize a central business district through high-rise commercial buildings and low-to-medium rise residential mixed-use buildings
- To enhance the area through a high quality of architecture, landscape and urban design that reflect the function of a central business district in scale, massing and character while responding to its historic context.
- To conserve and enhance the heritage value, special character and the significant historic buildings, features and characteristics of this area.

It is difficult for staff to determine to what degree alternative massing options that would include the retention of the former Royal Bank building, have been considered given that alternative massing studies have not been provided, although requested.

The applicant has proposed a two-pronged approach with respect to a strategy that attempts to mitigate the demolition of the former Royal Bank building. The first of the two strategies is to contribute to the education and awareness of the post-war modernism movement in architecture through the provision of a lecture and exhibits in the rotunda space. The applicant has indicated that this exhibit would open with a lecture followed by a one to two week exhibition in collaboration with the University of Victoria.

The second of the strategies is the proposed salvage of building materials from the former Royal Bank Building and their proposed re-use in the new project. The HBR provides further detail on which elements of the existing building will be salvaged and re-used. Plan A2.3 provides detail on where these materials will be re-used in the new buildings. The success of this strategy is heavily dependent on the successful salvage of these materials and their careful storage. The applicant's demolition contractor has provided information as to the extent to which it is expected that these materials can be salvaged. Staff recommend that Council require the applicant to enter into a legal agreement with the City to salvage these items, to the extent possible. This will ensure the greatest likelihood of success of the proposed mitigation strategy.

The proposal for the addition of a mixed use building of this scale and density achieves many of the policies within the OCP and DCAP. The proposed demolition of the former Royal Bank Building presents a difficult trade-off. Given the information provided, staff recommend that Council refer the proposed HBR and mitigation strategy for the former Royal Bank Building to the Heritage Advisory Panel. The Panel should be asked to determine whether or not the proposed mitigation strategy is appropriate and if there are any other strategies that may be employed which may further mitigate the demolition of this building.

3.2 Consistency with Design Guidelines within the *Downtown Core Area Plan, 2011*

With respect to urban design, the DCAP provides both broad objectives for the Downtown Core and more detailed design guidelines for specific districts. The DCAP includes policies related to the design of buildings including: height, massing and built form, building floor plate and building separation.

Bend in Douglas Street

Another key policy objective that relates to this site is the slight bend in Douglas Street where it meets Pandora Avenue. Section 6 of the DCAP identifies this condition as a location at the end of an important sight line that could be enhanced by a building or landmark. Figure 3 below depicts this consideration.



Figure 3: Inflection in street grid (blue); subject lands (red)

The applicant has responded to this by providing an at-grade public plaza. The building massing at this location is pulled back from Douglas Street in order to provide an urban design response to the bend in the street grid. The provision of a public space of this scale is supported in the applicable design guidelines.



Figure 4: *Conceptual pedestrian view looking north on Douglas Street*

The guidelines further suggest that the design of the proposed building and its elements should address this relationship. Staff recommend that the Committee seek feedback from the Advisory Design Panel on the design of the proposed Phase 1 building, the public plaza, and their response to this street condition.

Heritage Landmark Buildings

Another key urban design objective for this site is the building's relationship to City Hall. The DCAP identifies City Hall as a heritage landmark building and provides policy direction to give special design consideration to development applications within a 90 m radius to ensure that the height, setbacks, siting, and overall massing of proposed new buildings respect the prominence and character-defining importance of these heritage landmark buildings. The 90 m radius is measured from the centre of the historic building.



Figure 5: Public Plaza (right) proposed as a forecourt to City Hall (left)

The applicant has not only responded to this by providing a public space to act as a forecourt to City Hall (Figure 5), but has also paid close attention to the building height, limiting it to six storeys and pulling back the massing away from Douglas Street in order to open up views to pedestrians travelling west down Pandora Avenue (see Figure 6).



Figure 6: Edge of 90 m radius from City Hall clock tower

Staff are generally satisfied with the proposed design response; however, it is recommended that the Committee refer this aspect of the application to the Advisory Design Panel for feedback on whether this proposed design solution sufficiently meets the intent of the heritage landmark policy.

Building Height

The subject lands are located in the “primary skyline” as defined in the urban amphitheatre concept of the DCAP. This policy supports taller buildings on the subject lands up to a maximum of 72 m on the easterly portion of the site and 45 m on the westerly portion fronting Douglas Street. The proposed 28 m building height for the building fronting Douglas Street and 53.5 m for the building in the centre of the block are consistent with this policy direction, and will aid in distinguishing the CBD as the primary employment centre in the City and region.

Floor Plate Size

The DCAP provides guidelines for new buildings with respect to floor plate sizes. The intent of the guidelines is to avoid bulky buildings and contribute to a more graceful skyline.

Height	Floor Plate Limitation	Phase 1	Phase 2
Portion of building less than 20 m	No restriction	n/a	n/a
Portion of building between 20 m and 30 m	1,500 m ² (16,146 ft ²)	1,794 m ² (19,310 ft ²), exceeded on level 6 only	consistent
Portion of building greater than 30 m	1,000 m ² (10,764 ft ²)	n/a	1,227 m ² (13,207 ft ²), exceeded on levels 9-13

The applicant has informed staff that a larger floor plate is required to respond to market demand and for office layout efficiency. Generally, staff are supportive of the larger than anticipated floor plates; however, there are impacts on the public realm. Larger floor plates often accentuate the bulk of buildings. As a result it is important that the visual impact of larger floor plates is broken down through careful design consideration and material selection. Staff have provided further analysis on how this may be achieved later in this section.

Building Massing and Response to Context

The DCAP provides general guidelines relating to massing and built form, including guidelines for street wall heights based on the width of the street. The intent of these guidelines is to:

- reduce building bulk of upper storeys
- minimize the effects of shading and wind
- maintain views to the open sky
- avoid the visual presence of bulky upper building mass.

Douglas Street – Phase 1

For Douglas Street, the proposed six-storey, 20 m street wall is taller than anticipated in the guidelines. However, the extent to which the building face intrudes into the setback requirement is minimal. The applicant has pulled much of the building mass away from Douglas Street in order to respect the prominence of the City Hall Clock Tower. Staff recommend that the Committee support the proposed design response, in terms of building massing, on Douglas Street.

Cormorant Street – Phase 1

Cormorant Street is much narrower than Douglas Street and the design guidelines recommend a maximum street wall height of 15 m. The applicant proposes a street wall height of 24.4 m which is significantly taller (9.4 m) than recommended by the guidelines. The applicant's rationale is that the desired floor plate sizes must be maintained for economic viability of the project and that there are significant massing changes on the Douglas Street frontage in order to respond to other policy objectives within the DCAP. Staff note that the presence of the enclosed rotunda area within the centre of the building pushes the building bulk and massing out towards the street frontage, which results in additional massing and a taller street wall which are inconsistent with the design guidelines relative to Cormorant Street.

A taller than desired street wall may be achievable on Cormorant Street; however, design refinements may be warranted. Refinements may include the provision of a visual break in the massing. This could be achieved through a change in materials, fenestration, and a bay or a series of bays to break up the design of the wall-face. If the Committee is supportive of the taller street wall in this location, staff recommend that this aspect of the proposal be referred to Advisory Design Panel.

Pandora Avenue – Phase 1

Similar to Douglas Street, the width of Pandora Avenue allows for a taller street wall. The proposed street wall height is 24.4 m which is 4.4 m taller than recommended in the guidelines. A taller than desired street wall is achievable on Pandora Avenue; however, refinements to the primary street wall are suggested. Similar to the comments relating to Cormorant Street above, refinements may include the provision of a visual break in the massing. It is recommended that this also be reviewed by the Advisory Design Panel if the Committee is supportive of a taller street wall in this location.

Pandora Avenue – Phase 2

The proposed street wall height on Pandora Avenue is the same as the phase one building (at 24 m in height). This is taller than the recommended street wall height of 20 m. The guidelines further recommend that the street wall be located at or within 3 m from the property line for 60% of the building frontage. However, the street wall, as it relates to the property line, occupies only 39% of this frontage. The intent of these guidelines is to frame the street and provide a sense of enclosure to pedestrians. However, the applicant has made a positive gesture toward the public realm by providing a well-designed, easily identifiable primary building entrance to the office tower facing the street. As a result, staff recommend that the Committee support this design solution.

With respect to the upper storey massing (above the sixth floor), the applicant proposes an alternative approach to breaking up the building mass. The guidelines recommend stepping back the building from the property line as the building increases in height. The guidelines further recommend accentuating the building mass into three parts: base, body and top.

The applicant has proposed an alternative approach by off-setting the mass mid-way up the building. In addition to this structural change, a change in materials further accentuates this break. This represents a more contemporary approach that will result in a tall building that stands out from the surrounding context. Further design development may help the proposal to achieve a more contextual response to the surrounding buildings. Recommended design refinements as discussed below may also assist in advancing this design objective.

Roof Line

The applicable design guidelines state that the design of upper floors and building tops should express the roof line of buildings. In relation to the historic context, the proposed roof lines of each of the proposed buildings is not well defined yet many historic buildings in this district are often characterized by their cornice lines.

Further design development of the proposal may help to meet the objectives of this Development Permit Area. Staff recommend that Council seek input of this aspect of the proposed design from Advisory Design Panel, specifically, if any additional architectural elements or treatments could be incorporated into each of the building designs to distinguish the top of each building.

Exterior Materials

There are a range of materials and colours used on other buildings in the immediate vicinity. The proposed exterior cladding of the Phase 1 building and the first six storeys of the Phase 2 tower is terra cotta in a matte white colour. The proposed cladding is consistent with the guidelines as it is of a high quality and compliments the many examples of masonry in the surrounding context. However, staff have expressed concern with respect to the tone of the cladding. Staff recommend that this aspect of the application be referred to Advisory Design Panel for further input on the chosen colour to ensure the tone reads as adequately "warm" to compliment and respond to the neighbouring context.

The proposed exterior cladding of the upper storeys of the Phase 2 building consists of a glass curtain wall and spandrel system. Staff are supportive of the clear high performance glazing; however the proposed spandrel system is finished with a metallic backing that is reflective. Staff have expressed concern with respect to the performance of this material and its potential for impact on adjacent buildings. Staff recommend that this aspect of the proposal also be reviewed be ADP.

Through Block Walkway

In order to achieve the maximum density provided in the CA-40 Zone, the provision of a through block walkway is required. The walkway must:

- connect the street levels of Pandora Avenue and Cormorant Street
- be at least 3.0 m wide throughout
- have an average width of at least 3.7 m.

The current proposal satisfies the requirements of the CA-40 Zone.

Map 16 in the DCAP provides clear direction for the provision of a through block walkway on this block adjacent to the existing Rotherham Plaza. The current application achieves this policy objective.

Appendix 3 of the DCAP also provides general design criteria for through block walkways. The guidelines recommend that walkways be open to the sky, provide direct access to grade-level commercial uses and provide access to multiple commercial entryways. The current application generally satisfies these guidelines. The only guideline that has not been respected is that for portions of buildings that are above 20 m in height, a 2.5 m upper storey step-back in building massing be provided. The current application does not include a building step-back; however, staff recommend that Council support the proposed design of the mid-block walkway as the effect of this deviation from the guidelines will not have a significant negative impact on the

walkway and the adherence to the floor plate size is required to meet the office space planning needs.

The applicant has agreed to provide a statutory right-of-way to secure public access over the walkway.

3.3 Other Development Conditions

The following section outlines other necessary development conditions associated with this proposal and the relevant legal agreements required.

Timing of Delivery of Amenities

The applicant proposes to phase the construction of this project into two separate phases. As required by the existing CA-40 Zone, the first phase will include:

- 140 underground parking space
- lockers for cyclists and bicycles.

The second phase of the project would deliver the through block walkway. Staff recommend that Council support this approach.

Temporary Hoarding

In order to facilitate the second phase of this development, temporary hoarding will be required for the east portion of the site. To secure the construction and maintenance of the temporary hoarding, staff recommend that Council require registration of a legal agreement on title, prior to a Public Hearing, that describes the design and maintenance responsibilities of the owner with respect to the hoarding.

Conversion of Cormorant Street to Two-Way Traffic

Cormorant Street currently functions as an eastbound one-way street. This configuration prohibits vehicle access from Blanshard Street. In order to accommodate vehicular access for inbound vehicles from Blanshard Street, the applicant proposes to pay for conversion of Cormorant Street to a two-way street. To accommodate two-way traffic, some angle parking must be replaced with parallel parking. The street currently includes 55 parking stalls. The conversion to two-way traffic will result in the loss of 26 on-street parking stalls leaving 29 on-street parking stalls. A schematic street design is attached to this report. The proposed traffic and parking changes have been reviewed by Engineering and Public Works and are considered acceptable.

With regard to public consultation on the proposed change in the supply of on-street parking, the applicant provided a schematic design at the Community Association Land Use Committee meeting. The applicant has informed staff that there was no negative feedback on the proposed change.

A letter from the Downtown Residents' Association (DRA) is attached to this report. The DRA is generally supportive of the proposal, stating that the project appears to be of a very high quality and will bring vitality to the City Hall Precinct.

Statutory Rights-of-Way

As mentioned, the applicant proposes an entry plaza to the development from Douglas Street.

The applicant has further offered a statutory right-of-way in favour of the City to permit public access over the outdoor area.

Similar to the function of the Atrium at 800 Yates Street, the applicant has also offered a statutory right-of-way in favour of the City to permit public access over the interior rotunda space during regular business hours. This indoor space is approximately 240 m² in size.

Consistent with the requirements of the existing CA-40 Zone, the applicant will register a statutory right-of-way in favour of the City to permit public access through the outdoor through block walkway which would ensure this walkway is to be open to the public.

Environmental Site Remediation

The applicant has submitted a satisfactory site profile to the Ministry of Environment (MOE). The MOE has informed City staff that the Rezoning and Development Permit applications are to be suspended until the proponent has applied for, and obtained one of the following instruments, as applicable: a determination that the site is not contaminated, a Voluntary Remediation Agreement, Approval in Principle of a remediation plan or a Certificate of Compliance confirming the satisfactory remediation of the site. Consistent with the normal process, the application should not proceed to a Public Hearing until the MOE requirements have been met.

Underpinning

The proposed development includes an underground parking structure. If the excavation requires anchor-pinning into the City right-of-way during the excavation process, this would be legally secured with terms to the satisfaction of the Director of Engineering and Public Works and the City Solicitor. This will allow temporary shoring anchors to be placed in the public right-of-way under all infrastructure and then abandoned once shoring is no longer required. The anchors will be left in the right-of-way as there is no practical way to remove them once the building walls are installed. There should be no impact to the existing City of Victoria or Utility infrastructure.

4.0 Resource Impacts

There are resource impacts anticipated with this proposal. The applicant proposes to construct rain gardens within the City-owned right-of-way. Once the project is complete, the maintenance of these areas will rest with the Parks, Recreation and Culture Department. It is estimated that the annual maintenance of this off-site landscaping will add approximately \$17,000 in annual maintenance costs. The breakdown is as follows:

- rain gardens: \$12,000.00
- shrub beds: \$4,400.00
- irrigation infrastructure: \$600.00 (water meter fees and spring/winter maintenance).

The applicant has offered to maintain the rain gardens for a period of three years after which the rain gardens will become the responsibility of the City to maintain. Staff recommend that Council require that this offer be secured by legal agreement.

5.0 Conclusions

The proposal to construct two mixed-use buildings of this scale and density achieves many of the policies within the OCP and DCAP. The proposal includes high-quality building materials and landscape finishes. The inclusion of a public plaza on Douglas Street provides an

interesting design response to City Hall, a notable heritage landmark in the Downtown. The application proposes to demolish the former Royal Bank building at the corner of Douglas Street and Pandora Avenue. Staff concur with the proposed mitigation strategy and recommend that Council seek further feedback whether or not the proposed mitigation strategy is appropriate and if there are any other strategies that may be employed which may further mitigate the proposed demolition of this building.

The proposed employment-oriented land use and density are appropriate for the Central Business District. The application would benefit from design revisions provided in the staff recommendation in order to increase consistency with the applicable design guidelines. Staff also recommend that Council seek feedback from the Advisory Design Panel on various aspects of the proposal as outlined in the staff recommendation.

In conclusion, staff recommend that Committee support this application.

6.0 Recommendations

6.1 Staff Recommendations

1. 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; the provincial and federal governments and their agencies because of the nature of the proposed amendments and that staff be instructed to prepare the necessary *Official Community Plan Bylaw* amendment that would authorize the proposed development outlined in Rezoning Application #00427 for 1515 Douglas Street and 750 Pandora Avenue;
 - c. That Council consider giving first and second reading to the *Official Community Plan Amendment Bylaw* after the bylaw has been drafted;
 - d. That Council schedule a Public Hearing after the *Official Community Plan Amendment Bylaw* has received first and second reading.
2. That staff be instructed to prepare the necessary *Zoning Regulation Bylaw* amendment that would authorize the proposed development outlined in Rezoning Application #00427 for 1515 Douglas Street and 750 Pandora Avenue;
 - a. That Council consider giving first and second reading to the *Zoning Regulation Bylaw* amendment after the bylaws have been drafted;
 - b. That Council schedule a Public Hearing after the *Zoning Regulation Bylaw* amendment has received first and second reading, subject to the completion of the following:
 - i. That the Heritage Building Report and proposed mitigation measures be referred to the Heritage Advisory Panel for comment
 - ii. That the application be referred to the Advisory Design Panel for feedback on the following issues:
 - o whether the design of the proposed Phase 1 building and public plaza sufficiently responds to the bend in Douglas Street
 - o whether the proposed building massing and design of the plaza facing Douglas Street adequately respond to City Hall as a Heritage Landmark Building and the Landmark Building policy in the *Downtown Core Area Plan*

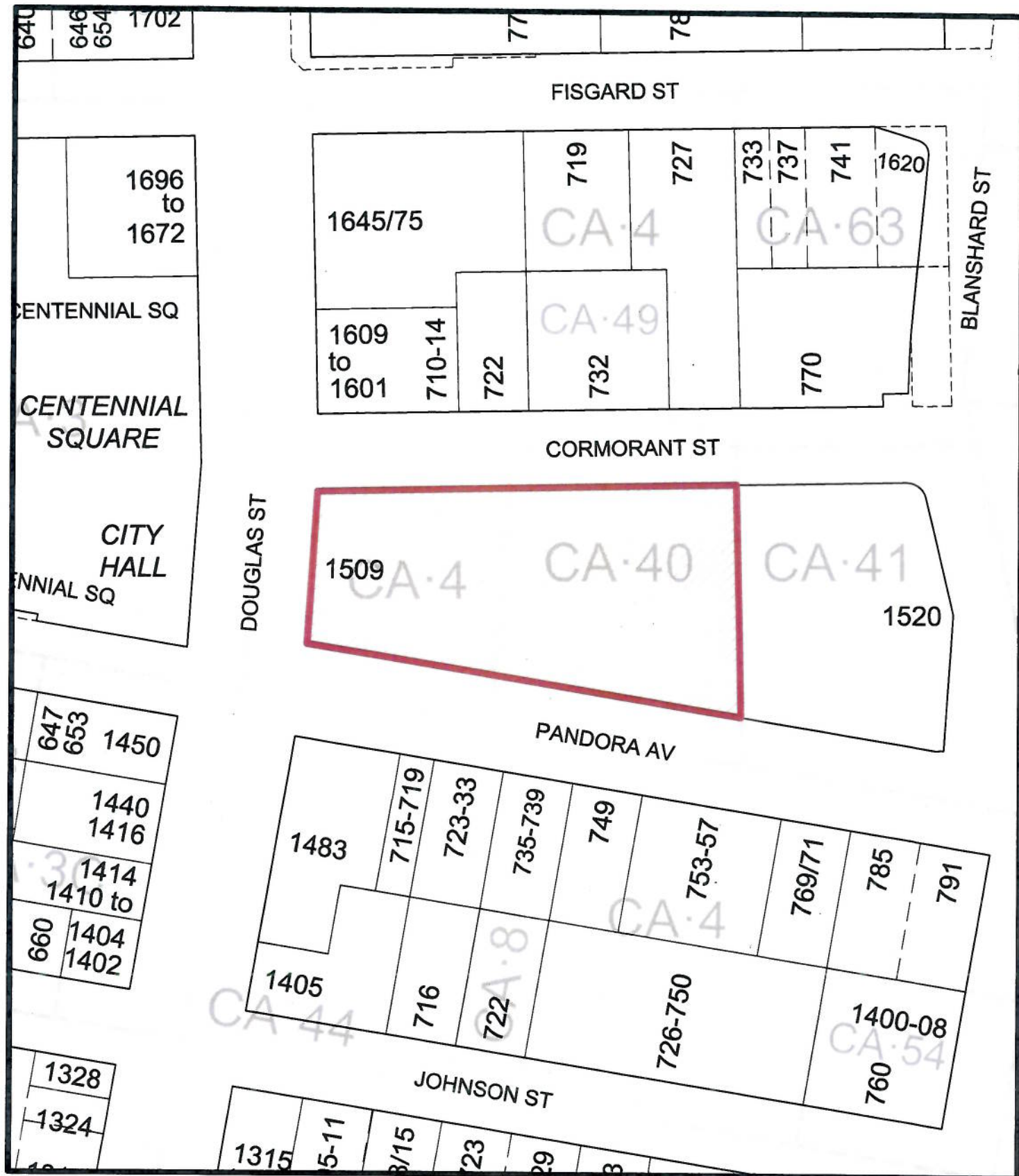
- whether any additional architectural elements or treatments could be incorporated into each of the buildings to distinguish the top of the buildings
 - whether any design revisions are necessary to mitigate the impact of the street walls on the Cormorant Street and Pandora Avenue elevations which exceed the height guidelines
 - whether the reflectivity of the proposed glass spandrel system on the Phase 2 building is suitable
 - whether the tone of the proposed exterior terra cotta cladding is appropriate for the neighbouring context.
- iii. the registration of a legal agreement to secure a statutory right-of-way for public access on the proposed Douglas Street Plaza and mid-block walkway to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
 - iv. the registration of a legal agreement to secure a statutory right-of-way for public access during regular business hours over the proposed internal rotunda area to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
 - v. the registration of a legal agreement to secure the construction of temporary hoarding and a maintenance agreement to the satisfaction of the City Solicitor, Director of Sustainable Planning and Community Development and the Director of Engineering and Public Works
 - vi. the registration of a legal agreement to secure the salvage and storage of building materials identified in the Heritage Building's Report to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
 - vii. the registration of a legal agreement to secure the maintenance of the proposed rain gardens for a period of three years Report to the satisfaction of the City Solicitor and the Director of Sustainable Planning and Community Development
 - viii. Compliance with the Ministry of Environment's *Environmental Management Act* as it pertains to potentially contaminated sites.
3. That Council remove the former Royal Bank Building located at the southwest corner of 1515 Douglas Street and 750 Pandora Avenue from the City's Heritage Register.
 4. Following the Hearing, and subject to adoption of the *Zoning Regulation Bylaw* amendments for 1515 Douglas Street and 750 Pandora Avenue, that Council authorize the issuance of the Development Permit generally in accordance with:
 - a. plans for Development Permit Application #000340, stamped July 4, 2014, development meeting all *Zoning Regulation Bylaw* requirements;
 - b. final plans to be generally in accordance with plans identified above to the satisfaction of the Director of Sustainable Planning and Community Development.
 5. That Council authorize City of Victoria staff to execute an Encroachment Agreement for a fee of \$750 plus \$25 per m² of exposed shored face during construction, in a form satisfactory to the City Solicitor and the Director of Engineering and Public Works. This is to accommodate shoring for construction of the underground parking structure at the property line.

6.2 Alternate Recommendation

That council decline Rezoning Application and Official Community Plan Amendment #00427 and Development Permit Application #000340, for 1515 Douglas Street and 750 Pandora Avenue.

7.0 List of Attachments

- Zoning Map
- Aerial Map
- Letter from Applicant dated December 9, 2013
- Letter from Architect dated April 24, 2013
- Sustainability Narrative, dated November 21, 2013
- Arborist Report, dated December 6, 2013
- Traffic Impact Assessment, dated October 7, 2013
- Heritage Building Report
- Letter from Downtown Residents Association dated November 26, 2103
- E-mail from Mr. Rod Fimrite, dated October 28, 2013
- Letter from Mr. Ken Kelly, dated November 25, 2013.



1515 Douglas Street & 750 Pandora Avenue

Rezoning #00427

Bylaw #





Bylaw #

