



## Planning and Land Use Committee Report

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**Date:** December 4, 2013      **From:** Jim Handy, Development Agreement Facilitator  
**Subject:** Amendment to Master Development Agreement for 1701 Douglas Street (The Hudson)

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### Executive Summary

The purpose of this report is to present Council with information, analysis and recommendations regarding a proposed amendment to the Master Development Agreement (MDA) for 1701 Douglas Street (The Hudson).

The MDA requires that the Developer provides permanent public art installations on the site with a value of no less than \$60,000. Furthermore, prior to the issuance of a Building Permit for any building to be constructed on the site, the MDA requires that the Developer must provide the City with plans describing the full details of the proposed public art installations and a security deposit for their full value.

The Developer has provided the required security deposit of \$60,000, however, they wish to provide full details of the public art installations at a later stage, stating that this deferral will allow for further consideration of appropriate artwork which responds to both its location and the development context. Should Council accept this request, the deferment of these details requires an amendment to the MDA.

Staff support the request and recommend that the MDA be amended to require that full public art installation details be submitted prior to the issuance of a Building Permit for any building to be constructed on Phase IV of the development.

### Recommendation

That Council authorize an amendment to the Master Development Agreement for 1701 Douglas Street, in a form satisfactory to the City Solicitor and the Director of Sustainable Planning and Community Development, requiring that the Developer submit plans describing full details of the required public art installations, prior to the issuance of a Building Permit for any building to be constructed in Phase IV of the development.

Respectfully submitted,

  
Jim Handy  
Development Agreement Facilitator  
Development Services



  
Deb Day, Director  
Sustainable Planning and Community  
Development Department

Report accepted and recommended by the City Manager:

  
Jocelyn Jenkins

JH:aw

## **1.0 Purpose**

The purpose of this report is to present Council with information, analysis and recommendations regarding a proposed amendment to the Master Development Agreement (MDA) for 1701 Douglas Street (The Hudson).

## **2.0 Background**

### **2.1 Description of Proposal**

In 2007, the City entered into a MDA with the Developer of the Hudson building and associated lands at 1701 Douglas Street. The MDA was made in conjunction with a Rezoning Application proposing the rehabilitation of the Hudson building and the construction of three residential towers.

Section 5 of the MDA relates to public art and requires that the Developer provides permanent public art installations on the site with a value no less than \$60,000. Furthermore, prior to the issuance of a Building Permit for any building to be constructed on the site, the MDA requires that the Developer provide the City with plans describing the full details of the proposed public art installations and a security deposit for their full value.

The Developer has now provided the required security deposit of \$60,000, however, they wish to provide full details of the public art installations at a later stage. As work has now advanced on Phase II of the development, the Developer has not fulfilled their obligations under the terms of the MDA in respect of the public art requirements.

Should Council accept the request, the deferment of the public art details requires an MDA amendment.

## **3.0 Issues**

The key issue relates to the deferment of full details of the public art installations to a later phase of construction.

## **4.0 Analysis**

The MDA requires that plans describing full details of the proposed public art installations be submitted to the City prior to the issuance of a Building Permit for any building to be constructed on the lands associated with the Hudson development. The completion of the public art installations are then not required until prior to the issuance of a final Occupancy Certificate for any building associated with Phase IV (the final phase) of the development. A diagram illustrating the phasing sequence of development and identifying Phase IV is attached to this report.

In light of the above and given that the City is in receipt of the required security deposit for public art installations, it is the opinion of staff that it would be reasonable to amend the MDA to allow the submission of full details of these installations at a later stage of development. As the area in which the public art installations will be located is still in the early stages of development, staff agree with the rationale provided by the Developer that this deferral will allow for further consideration of appropriate artwork which responds to both its location and the development context. Therefore, staff recommend that these details be submitted, to the satisfaction of the Director of Sustainable Planning and Community Development, prior to the issuance of a Building Permit for any building to be constructed on Phase IV of the development.



## **5.0 Resource Impacts**

There are no resource impacts anticipated.

## **6.0 Options**

### Option 1 (recommended)

That Council authorize an amendment to the Master Development Agreement for 1701 Douglas Street, in a form satisfactory to the City Solicitor and the Director of Sustainable Planning and Community Development, requiring that the Developer submit plans describing full details of the required public art installations prior to the issuance of a Building Permit for any building to be constructed as Phase IV of the development.

### Option 2

That Council decline the request to amend the Master Development Agreement for 1701 Douglas Street.

## **7.0 Conclusions**

The Developer has provided the required security deposit of \$60,000 for public art installations at 1701 Douglas Street, however, they wish to provide full details of the art installations at a later stage. This deferral of these details requires an amendment to the MDA. Staff support the request and recommend that the MDA be amended to require that these details be submitted prior to the issuance of a Building Permit for any building to be constructed on Phase IV of the development.

## **8.0 Recommendations**

That Council authorize an amendment to the Master Development Agreement for 1701 Douglas Street, in a form satisfactory to the City Solicitor and the Director of Sustainable Planning and Community Development, requiring that the Developer submit plans describing full details of the required public art installations prior to the issuance of a Building Permit for any building to be constructed as Phase IV of the development.

## **9.0 List of Attachments**

- Letter from Developer dated November 27, 2013
- Schedule E (Phasing Diagram) of the MDA.



T O W N

November 25, 2013

Jim Handy, MCIP RPP  
Development Agreement Facilitator  
Sustainable Planning and Community Development Department  
City of Victoria  
1 Centennial Square  
Victoria, BC V8W 1P6



Jim,

*Reg 00101*

Re: Public Art Requirement – 1701 Douglas Street

With reference to our recent discussions and, in accordance with our obligations under the Master Development Agreement for The Hudson, 1701 Douglas Street, we enclose our cheque in the amount of \$60,000 as security for the public art requirement for this multi-phased site. We also enclose a letter from Merrick Architecture describing their recommendation for the preferred location for the public on the site and an illustrative plan. These recommendations will locate the art in areas of the site that are intended to be accessible by public.

We apologize for the long delay in getting this information to you and hope this satisfies our current obligations in the MDA.

Sincerely,

Bob Pearce

Vice President Development  
**Townline Developments Ltd.**  
100 – 1803 Douglas Street  
Victoria, BC V8T 5C3

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# MERRICK ARCHITECTURE ■ BOROWSKI SAKUMOTO FLIGG

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MERRICK

Nov 1, 2013

VIA: Email

Jim Handy, MCIP RPP  
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Sustainable Planning and Community  
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Mike Wilson, MCIP RPP  
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Dear Jim & Mike:

RE: PUBLIC ART COMPONENT – THE HUDSON MASTER DEVELOPMENT AGREEMENT  
FOR 1701 DOUGLAS STREET

As discussed during our October 17<sup>th</sup>, 2013 meeting with you and Bob Pearce of Townline, please find attached a plan diagram illustrating the Hudson Lands area bounded by Douglas, Blanshard, Herald and Fisgard Streets, which identifies our proposed suitable locations for the Public Art component required to satisfy the requirements of the Hudson Master Development Agreement.

We believe that the final and most suitable location should be located such that it is significantly near the center of the illustrated multiple phases. Upon the completion of the illustrated phases, a final location can be ultimately selected, and an appropriate Artwork which responds to both its location and the development context can be commissioned.

Yours truly,

MERRICK ARCHITECTURE ■ BOROWSKI SAKUMOTO FLIGG LTD.



Shaun C. McIntyre  
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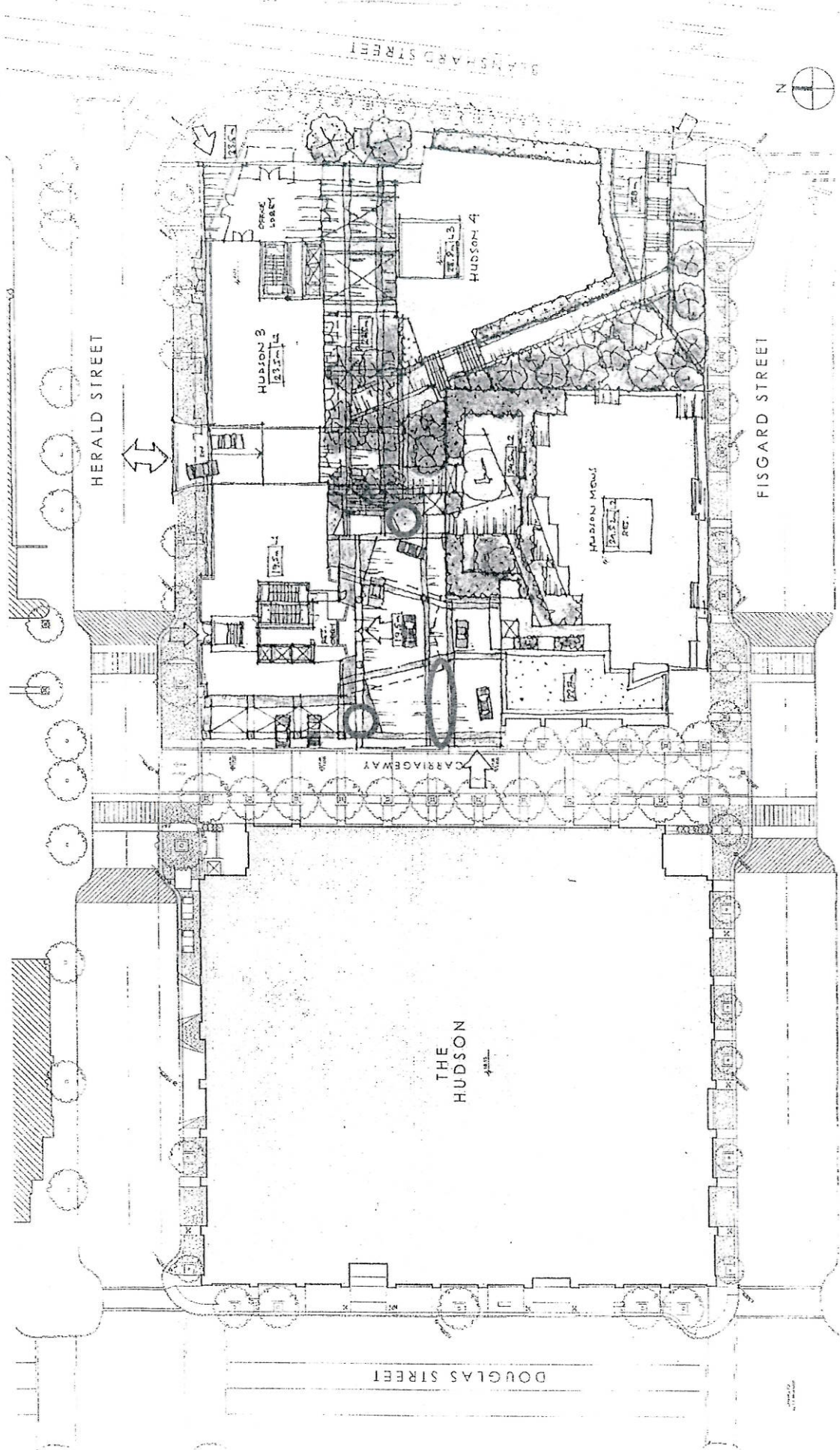
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SM/bb





# PROPOSED PUBLIC ART LOCATIONS

MURRICK ARCHITECTURE  
 1000 W. 1ST AVE. SUITE 100



TOWN

LANDSCAPE



SCHEDULE "E"

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Phasing Diagram

SCHEDULE E — Phasing Diagram

