



Committee of the Whole Report

For the Meeting of May 2, 2024

To: Committee of the Whole

Date: April 18, 2024

From: Karen Hoesé, Director, Sustainable Planning and Community Development

Subject: **Rezoning Application No. 00796 for 1824, 1900, 1907, 1908, 1924 and 2010 Store Street and 530 Chatham Street and associated Official Community Plan Amendment**

RECOMMENDATION

Rezoning Application

1. That Council refer Application No. 00796 for the property located at 1824, 1900, 1907, 1908, 1924 and 2010 Store Street and 530 Chatham Street (the Site) back to staff to work with the applicant to:
 - a) Revise plans to reduce the heights of the proposed towers within the block bounded by Store Street, Government Street Chatham Street and Discovery Street (Block B) to be no higher than 47.5m (14 storeys) on Government Street and 35m (10 storeys) on Chatham Street and to locate strata residential units away from Discovery Street.
 - b) Revise plans to include an alternate interim harbour pathway route along Discovery Lane with 3m sidewalks, pedestrian lighting, and tree planting and a 5.0m SRW, east of buildings W1 and W2. This pathway will provide a public access route while the Harbour Pathway is closed to accommodate marine industrial uses on the waterfront.
 - c) Revise plans to include a 5m underground parking setback from the property line on the west side of the plaza on Store Street to allow for mature trees.
 - d) Revise plans to include frontage improvements surrounding the site to the satisfaction of the Director of Engineering, for the purposes of securing these improvements as a condition of Rezoning, including:
 - i. Store Street, for the full street width from Chatham to Discovery Street, as an All Ages and Abilities shared use roadway that is traffic calmed, grade-raised, of higher quality materiality, and that supports time-limited vehicle closures for public events.
 - ii. Chatham Street frontage that includes one-way protected bike lanes, widened sidewalks, street trees, and a midblock pedestrian crossing consistent with the Downtown Public Realm Plan, Downtown Core Area Plan and Greenway objectives.

- iii. Discovery Street, for the full street width from Store Street to Government Street, that accommodates an enhanced public realm and spaces for performance and festival uses, consistent with the Burnside Gorge Neighbourhood Plan, delineating the extent of work to be considered for cost sharing by the City on the portion of the roadway north of the centreline.
- e) Provide and revise plans to show an underground parking setback on Chatham Street to allow for a 4.5m x 9m below-grade sanitary pump station expansion, including an SRW or road dedication.
- f) Revise plans to retain trees 276, 277, 278.
- g) Provide a plan illustrating the scope of shared works for an agreement to cost share the design and construction related costs for improvements on Discovery Street north of centreline and up to property line that are above and beyond typical frontage improvements.
- h) Remove references to undefined land-uses and automotive sales, parkade, storefront cannabis, parking lot and storage facility land uses.
- i) Provide a replacement tree plan to show how the siting and soil volume requirements of the tree bylaw will be met on private property.
- j) Provide a landscape plan showing an enlarged plaza area on the air space parcel as an alternative amenity in the event that the development of a not-for-profit art gallery or other cultural facility is unsuccessful.
- k) Confirm that proposed buildings W1, W2 and W8 meet BC Building Code requirements for Access Route Design (BCBC 3.2.5.6.) and revise plans to ensure this code requirement is met.
- l) Provide a sewer attenuation report that identifies attenuation requirements for the development as a whole.
- m) Confirm that the heritage designation of 1824, 1900 and 1910 Store Street is to be secured in the Master Development Agreement (MDA) with subsequent Development Permit (DP) applications for these existing buildings.

LEGISLATIVE AUTHORITY

This report discusses a Rezoning application and a concurrent Official Community Plan (OCP) Amendment application for two blocks that span Victoria's Burnside Gorge neighbourhood to the north and the Downtown to the south (Block A and Block B per Figure 1 below).

Relevant rezoning considerations include:

- increasing the maximum density and building height
- allowing a range of commercial and residential uses and specifying the location of certain uses.

Relevant OCP amendment considerations include:

- Block A: permitting residential uses on sites currently located within the Core Employment Urban Place designation.
- Block B: increasing the density and building heights, as well as permitting residential uses on the north half of Block B, currently located within the Core Employment Urban Place designation.

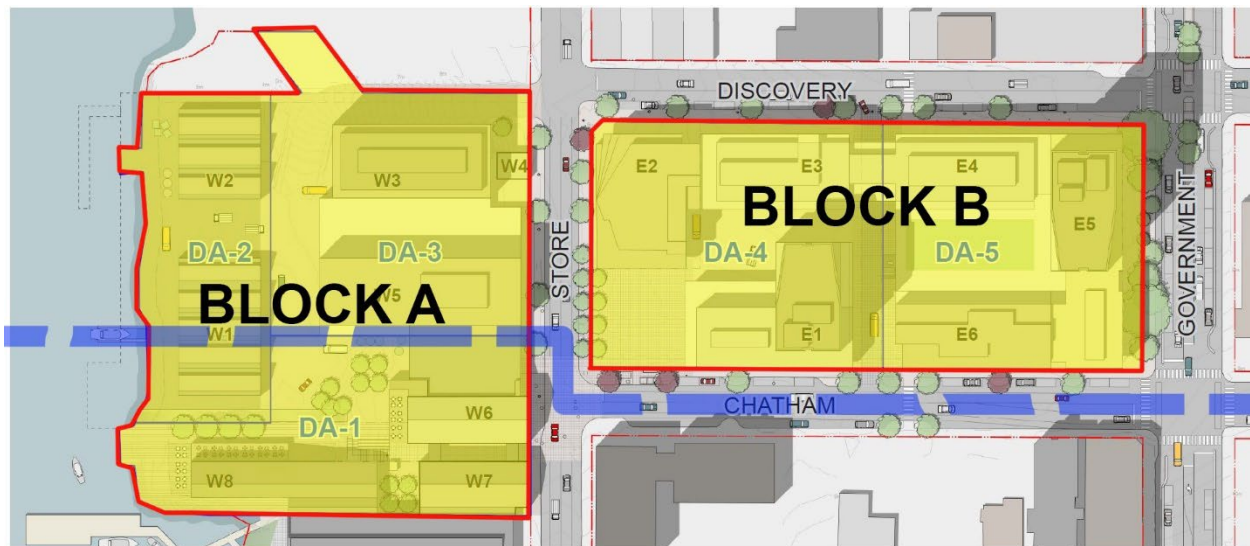


Figure 1: Development Blocks

Enabling Legislation

In accordance with Section 479 of the *Local Government Act*, Council may regulate within a zone the use of land, buildings and other structures, the density of the use of the land, building and other structures, the siting, size and dimensions of buildings and other structures as well as the uses that are permitted on the land and the location of uses on the land and within buildings and other structures.

In accordance with Section 482 of the *Local Government Act*, a zoning bylaw may establish different density regulations for a zone, one generally applicable for the zone and the others to apply if certain conditions are met.

In accordance with Section 483 of the *Local Government Act*, Council may enter into a Housing Agreement which may include terms agreed to by the owner regarding the occupancy of the housing units and provided such agreement does not vary the use of the density of the land from that permitted under the zoning bylaw.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations for a Rezoning application and an Official Community Plan amendment for the Site. The proposal is to rezone two city blocks within the Downtown and Burnside Gorge neighbourhoods from the currently zoned M-3 (Heavy Industrial District), M3-G (Government Heavy Industrial) and CA-3C (Old Town District) zones to a new comprehensive development zone to increase the density and height, and to allow residential and a variety of other uses.

The rezoning is required to permit a mixed-use development that includes three residential buildings: in Block A, a seven storey strata building and in Block B, a strata building and a secured market rental building, with heights of twenty and fifteen storeys, above a mixed-use podium with an average height of five storeys.

Greater floor to ceiling heights are proposed, particularly for the ground floor to accommodate industrial uses. This results in actual building heights that are higher than typical twenty or fifteen storey buildings. The maximum height of 80+m proposed is roughly equal in height to Hudson One in the Hudson District, which is a twenty-six storey building.

The OCP amendment is required to increase the permitted density for Block B, allow the proposed building heights, allow residential uses within the half block west of Store Street (labelled DA-3 in Figure 1) and to allow residential uses on a portion of the north half of the block bounded by Government, Discovery, Chatham and Store Streets.

The following points were considered in assessing the Rezoning application and Official Community Plan Amendment:

- The rezoning results in a net reduction in employment and light industrial development capacity by 560,000 square feet within the Core Employment land use designation of the OCP, which seeks to strengthen and preserve employment lands through increasing the employment capacity.
- Victoria is currently experiencing a scarcity of industrial lands with approximately 7% of the city designated for employment purposes, of which only 3.6% is designated for industrial.
- Over 90% of Victoria's developable land base is designated to allow residential uses and the city's industrial vacancy rate has hovered close to 0% since 2019. Lease rates continue to climb and this issue will continue to worsen if industrial land base is lost to other non-employment uses such as residential.
- The proposal includes over 330,000 square feet of new residential development capacity, with 120,000 square feet of secured market rental accommodation, consistent with OCP goals to provide housing, but inconsistent with the strategic location objectives of the plan.
- Residential development often creates conflicts for existing industrial uses and activities due to noise, odours, etc. Therefore, it is important that residential uses are carefully considered and not designed or located to create unintended impacts on the limited industrial land base.
- Two proposed residential buildings at fifteen and twenty stories are inconsistent with the Burnside Gorge Neighbourhood Plan, the Downtown Core Area Plan (DCAP), the OCP and the emerging Industry, Arts and Innovation District policies insofar as envisioned building heights, city form, and the strategic location of tall buildings and residential uses. This incompatibility undermines the stability of existing employment and cultural city assets and signals an incongruent growth direction for the area.
- A variety of new land uses would be permitted through the rezoning which would help to activate the area, create vibrancy, provide employment opportunities, and advance the resiliency and diverse economy goals of both the OCP and the emerging Industry, Arts and Innovation Action Plan. This includes a net gain of approximately 19,000 square feet (1800 square metres) of retail/commercial development capacity.
- Secured community amenities, including provision of a development site for the potential construction of an art gallery or other cultural facility (which would be funded and carried out by a non-profit organization), a plaza, a mid-block alley, access to the waterfront and a portion of the Harbour Pathway are proposed, all of which advance the goals of the OCP and DCAP to support arts and culture, create recreational, wellbeing and open space amenities.
- An SRW for public access for the entirety of the harbour frontage is offered; however, for the majority of its length, the application proposes that public access along the industrial frontage be at the landowner's discretion (rather than that of the City) and instead, directs the pathway inland to Store Street, with no alternative route being offered.

- Density is redistributed off the sites of three heritage registered buildings and the proposal does not commit to the heritage designation of these buildings
- Frontage and public realm details are consistent with some aspects of the Downtown Public Realm and Streetscape Standards, however other aspects are inconsistent with the Burnside Gorge Neighbourhood Plan insofar as how the festival street is planned and treated and where investment is directed in the public realm. The plans note that this aspect of the design is to be coordinated and amendments are anticipated.

In summary, the proposal presents an ambitious vision to revitalize a currently underutilized site. It offers a variety of amenities including an air space parcel for a future not-for-profit art gallery (or other cultural facility), rental housing and a portion of the Harbour Pathway. However, there are critical aspects of the proposal that require plan amendments prior to the application moving forward, including:

- The location of proposed residential uses within the City's scarce industrial land base and immediately next to areas of the City used for cultural and event space (with an emphasis on the strata building proposed in DA-3).
- The proposed tower-podium building forms that undermine the stability of the surrounding industrial land base.
- Alternative options for public access along the Harbour Pathway or an alternative route that does not rely on Store Street.

It is believed that these matters can be resolved to lessen the impact of the proposal on adjacent industrial lands while supporting a vibrant mixed-use development that allows for residential uses in strategic locations. The recommendation is therefore to refer the application back to staff to work with the applicant on plan changes to better align the proposal with the City's policies and the future aspirations for this very important area of the city.

BACKGROUND

Description of Proposal

This proposal is to rezone two city blocks within Downtown and the Burnside Gorge neighbourhoods to accommodate a mixed-use development as shown in Figure 2 (proposal overview). Key aspects of the proposal include:

- redevelopment of two city blocks adjacent to the waterfront, spanning over two neighbourhoods within the future Industry, Arts and Innovation District
- five development areas (DAs) of which DA-1, DA-2 and DA-3 comprise Block A and DA-4 and DA-5 comprise Block B
- two strata residential buildings of twenty storeys (DA-5) and seven storeys (DA-3) and one secured market rental building of fifteen storeys (DA-4)
- podium and standalone low-rise buildings ranging from two to seven storeys, proposed for residential, light industrial, office and commercial uses
- a total of approximately 290,000 square feet (SF) of strata residential, 120,000SF of market rental residential, 417,000SF of commercial/ retail and 50,000SF of cultural facility land uses
- retention of three heritage registered buildings (DA-1)
- provision of an air-space parcel for possible development by a not-for-profit to construct an art gallery or other cultural facility
 - although the applicant has indicated an intent to provide the air-space parcel to the Art Gallery of Greater Victoria (AGGV), the rezoning application would secure a

- more flexible commitment to provide an air-space parcel for a not-for profit art gallery (such as the AGGV) or another not-for-profit cultural facility
 - the development and construction of the art gallery or cultural facility would be funded and undertaken by the non-profit entity.
- provision of secured amenities including a mid-block pathway and a public plaza (DA-4), and an alleyway with accessible elevator for public access from Store Street to the waterfront, a portion of the waterfront pathway and a view corridor to the waterfront on Discovery Street (DA-1)
- a partially secured portion of the Harbour Pathway with future opportunity to extend the pathway if industrial uses in this area cease.

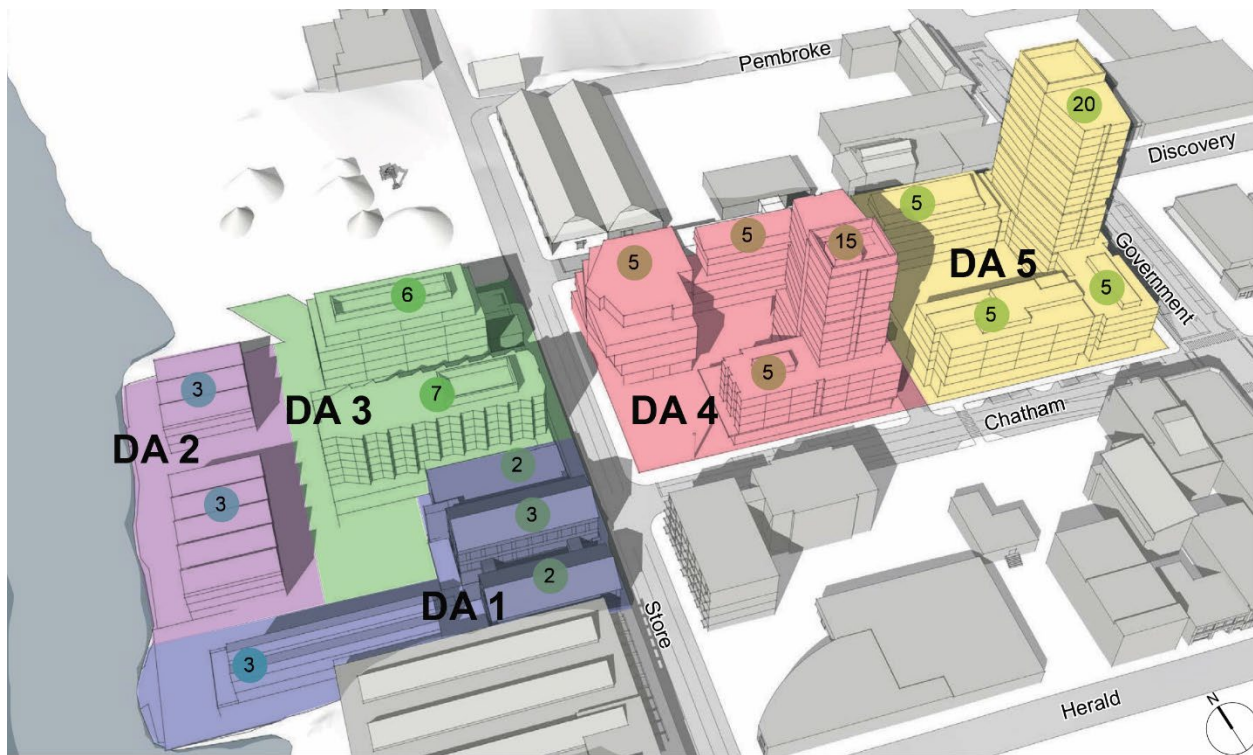


Figure 2: Proposal Overview

Changes from the three zones (see Figure 3) that currently exist on site are being proposed and would be either accommodated in a new zone or addressed as variances at the development permit stage. These are:

- An overall reduction in dedicated industrial development capacity of 560,000 SF (approximately an area equivalent in size to eight Royal Athletic Parks) and an increase in residential development capacity of 330,000 SF.
- An increase in density from 3.0:1 FSR to 4.27:1 FSR for Block B.
- The addition of commercial and residential uses including:
 - accessory building
 - assembly
 - brew pub
 - drinking establishment
 - equipment rental
 - financial services
 - liquor retail store
 - live/ work
 - multiple dwelling
 - office
 - personal service
 - retail trade

- food stand
 - high tech
 - home occupation
 - hotel
 - residential
 - small scale commercial urban food production
 - studio
- For Block A, an increase in building heights from five storeys (15m) to seven storeys (28m for residential uses or 31m for non-residential uses).
 - For Block B, an increase in building heights from five storeys (15m) to twenty storeys (68m for residential uses or 80.13m for non-residential uses).

The request to amend the *Official Community Plan*, 2012 (OCP) is necessary to:

- increase the density for Block B from 3:1 FSR to 4.27:1 FSR
- allow residential uses on sites currently located within the Core Employment Urban Place designation within a portion of Block A and on the north half of Block B
- increase building heights from five storeys to twenty storeys within a portion of Block B.

Land Use Context

The area is characterized by single storey retail and commercial businesses, surface parking lots and three registered heritage buildings. It spans two neighbourhoods and reflects the transition between Old Town's mixed residential and commercial uses in Victoria's heritage district to the city's industrial lands, with breweries, paving and asphalt plants and concrete production in Rock Bay. Immediately adjacent land uses include:

- North – industrial brewery, asphalt plant, shared workspace facilities and cultural event spaces, one to two storeys in height.
- South – mixed-use commercial, residential and heritage buildings, two to five storeys in height.
- East – one and two storey commercial buildings, an automotive garage and a health centre
- West – waterfront and working harbour.

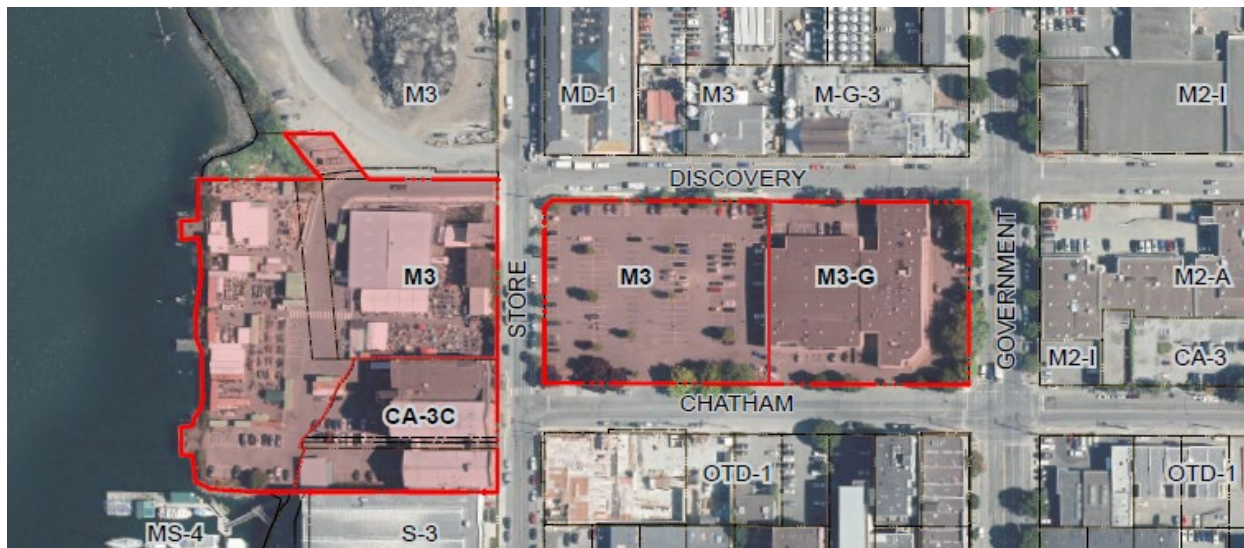


Figure 3: Aerial Image with Existing Zones

Existing Site Development and Development Potential

The site is presently used for commercial/ retail, light industrial uses and surface parking, and Discovery Street is seasonally used to host cultural and music events.

Under the current M-3 (Heavy Industrial District) and M-3G (Government Heavy Industrial District) Zones, the property could be developed to accommodate buildings up to 15m or approximately five storeys with both heavy and light industrial uses, up to a density of 3:1 FSR.

For the properties at 1824, 1830 and 1900 Store Street, under the existing CA-3C zone (Old Town District), these properties could be developed with buildings up to five storeys and densities up to 3:1 FSR to support uses including residential, commercial, retail and office.

Data Table

The following data tables for Block A and Block B compare the proposal with the existing zones and relevant Official Community Plan and neighbourhood policies. An asterisk is used to identify where the proposal does not meet the requirements of the existing Zone.

Block A						
Zoning Criteria	Proposal DA1	Proposal DA2	Proposal DA3	Existing CA-3 Zone	DCAP or Burnside Gorge Plan	OCP
Site area (m ²) – minimum	5298.35	3804.93	5977.75	N/A	N/A	N/A
Density (Floor Space Ratio) – maximum	1.48	1.3	2.86	3.0 ¹	2.0 to 3.0	3.0 ²
Height (m) from Street Average– maximum	18.0*	15.0	31.0*	15	N/A	N/A
Storeys – maximum	3	3	7*	N/A	5	5
Building Separation >23.5m (within the site) (m) – minimum	20m	20m	20m	N/A	20m	N/A
Parking – minimum	Per Schedule C					
Bicycle parking stalls – minimum	Per Schedule C					

1. Under the existing zoning 0.49:1 FSR residential is permitted and 0.50:1 FSR residential is proposed.
2. Zero FSR residential is envisioned in the OCP land use designation and DCAP and the Burnside Gorge Plan.

Block B					
Zoning Criteria	Proposal DA4	Proposal DA5	Existing M-3 Zone	DCAP or Burnside Gorge Plan	OCP
Site area (m ²) – minimum	6406.31	5723.38	N/A	N/A	N/A
Density (Floor Space Ratio) – maximum	3.47*	5.16*	3.0 ³	2.0	3.0 ⁴
Height (m) from Average Grade – maximum	57.5*	80.13*	15	15	N/A
Storeys – maximum	15*	20*	N/A	5	5
Building Separation >23.5m (within the site) (m) – minimum	20	20	N/A	20	N/A
Parking – minimum	Per Schedule C				
Bicycle parking stalls – minimum	Per Schedule C				

3. Under the existing zoning, zero FSR residential is permitted.
4. The OCP envisions 0.87:1.0 FSR residential and 2.53:1.0 FSR residential is proposed.

Sustainable Mobility

An accessible elevator is proposed as part of the proposed amenities to provide access from Store Street to the Harbour Pathway level. This elevator would be secured with an SRW for public access.

Public Realm

The following public realm improvements are proposed in association with this application:

- widened sidewalks, rain gardens, additional street trees, special paving, seating and other pedestrian supporting amenities
- a grade-raised intersection at Chatham and Store streets
- mid-block cross walks on Chatham and Discovery streets
- sidewalk and curb bulb-outs to accommodate additional street trees and to avoid underground utilities, including the provision of soil cells
- separated, All Ages and Abilities (AAA) cycling lanes
- street bollards along Government and Store streets
- curb-less street condition on Store Street.

While all of the above improvements to the public realm commensurate with the expectations of the Downtown Public Realm and Street Standards, they are not coordinated with the emerging Industry, Arts and Innovation District standards, Greenway and AAA bike network objectives. The application plans indicate that this coordination is anticipated and as such the below public realm additions are included in the report recommendations and would be secured with a Section 219 covenant, registered on the property's title, prior to Council giving final consideration of the proposed Zoning Regulation Bylaw Amendment, if Council advances the application.

- a) Store Street, for the full street width from Chatham Street to Discovery Street, as an All Ages and Abilities shared use roadway that is traffic calmed, grade-raised, of higher quality materiality, and that supports time-limited vehicle closures for public events.
- b) Chatham Street frontage that includes one-way protected bike lanes, widened sidewalks, street trees, and a midblock pedestrian crossing consistent with the Downtown Public Realm Plan, Downtown Core Area Plan and Greenway objectives.
- c) Discovery Street, for the full street width from Store Street to Government Street, that accommodates an enhanced public realm and spaces for performance and festival uses, consistent with the Burnside Gorge Neighbourhood Plan, delineating the extent of work to be considered for cost sharing by the City on the portion of the roadway north of the centreline.

A notable consideration within the public realm is the ambition in the Burnside Gorge Neighbourhood Plan to support the cultural and event space function that Discovery Street serves. The goal is to allow the street to be transformed into a plaza for events. To support this vision, a curb-less street with unique paving and furnishings that could be easily closed and utilized for public events is suggested.

An additional public realm consideration is the full redevelopment of Discovery Street. The north side of the street does not have a sidewalk and grading and drainage issues are anticipated as part of the frontage improvements associated with this application. For this reason, a cost sharing agreement is recommended whereby the full re-design and construction related costs for improvements on Discovery Street are carried out by the applicant and works north of the centreline are paid for by the City. Appropriate wording has been provided in the report recommendations.

Community Consultation

Consistent with the *Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning Applications*, prior to submission of the application, it was posted on the Development Tracker along with an invitation to complete a comment form on September 3, 2021 and again after additional changes were made on May 24, 2023. Mailed notification was sent to owners and occupiers of properties within 200m of the subject property advising that a consultation process was taking place and that information could be obtained and feedback provided through the Development Tracker. A sign was also posted on site, to notify those passing by of this consultative phase.

Additionally, the applicant participated in an online meeting with the Downtown Residents and Burnside Gorge CALUCs on September 21, 2021 and on June 24, 2023. A letter dated September 31, 2021 along with the comment forms are attached to this report.

ANALYSIS

Official Community Plan (OCP) Amendment Application

The proposal includes a request to amend the OCP to increase the density from 3.0:1 FSR to 4.27:1 FSR in Block B, to permit residential uses in portions of both Block A and Block B and to increase the maximum allowable building heights. It is recommended that the application to incorporate residential uses, in the locations proposed, is not supportable; the primary intent of the OCP vision for this area is to restrict the growth of residential uses to protect the viability of the industrial and employment lands in the area. It is also recommended that the proposed building heights are not supportable given the negative impacts to the surrounding industrial lands and incongruency with the existing and emerging policy directions for the area.

OCP Consultation

Should Council wish to advance the application, the *Local Government Act* (LGA) Section 475 requires a Council to provide one or more opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected by an amendment to the OCP. 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, it is recommended for Council's consideration that notifying owners and occupiers of land located within 200 metres of the subject site along with posting a notice on the City's website will provide adequate opportunities for consultation with those affected.

The OCP Amendment Application is to amend the Core Employment Urban Place Designation of the site to expand the location of permitted residential uses beyond the south half of the block bounded by Discovery, Chatham, Government and Store Street and to increase the density of this block (Block B) from 3.0:1 FSR to 4.27:1 FSR, to permit residential uses within a portion of Block A. and to increase the maximum allowable building heights.

Given the surrounding area is primarily employment and light industrial lands and given that through the Community Association Land Use Committee (CALUC) Community Meeting process all owners and occupiers within a 200m radius of the site were notified and invited to participate in a Community Meeting; the consultation proposed at this stage in the process is recommended as adequate and consultation with specific authorities, under Section 475 of the LGA, is not recommended as necessary.

Should Council support the OCP amendment, Council is required to consider 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 government and its agencies. However, it is only recommended that consultation occur for the following agencies and parties:

- the Songhees and Esquimalt First Nations
- the Port of Victoria/ Transport Canada
- Gorge Waterway Initiative.

Council is also required to consider OCP Amendments in relation to the City's *Financial Plan* and the *Capital Regional District Liquid Waste Management Plan* and the *Capital District Solid Waste Management Plan*. This proposal may have an impact on these plans.

Rezoning Application

Official Community Plan

The *Official Community Plan, 2012* (OCP) identifies these properties within the Core Employment Urban Place designation. Under this designation the envisioned density is 3:1 FSR and supportable land uses include industrial, high technology, marine industrial, research and development, office and complimentary retail. To preserve and strengthen the key employment and industrial lands in this area no residential land uses are supported under this designation, except for south half of Block B facing Chatham Street.

The proposal would result in a net loss of approximately 560,000 square feet (53,000 square metres) of industrial development capacity and a net gain of over 330,000 square feet (31,000 square metres) of residential uses, making it inconsistent with the envisioned land uses for the area. While some residential use is contemplated, the location of it is intended to be away from and screened from the heavier industrial uses to the north. The entirety of Block A, the current location of the Capital Iron buildings, is also intended to be exclusively industrial and employment lands.

The tallest and highest density residential uses are proposed in Block B in the form of a twenty-storey building and located within and adjacent to lands intended for industrial uses. Its location is premised on being deferential to the historic district and lower scaled buildings to the south. However, as discussed in the Industry, Arts and Innovation (IA&I) section of this report, the lands to the north are also envisioned as low scale, four to five storey buildings, resulting in the recommendation to re-evaluate the location and form of the proposed building heights.

At a density of 5.16:1 FSR for this development area (DA5), the proposed density is also inconsistent with the OCP and further undermines the stability of the surrounding industrial land uses, as discussed in the following section on Building Height.

A lower seven-storey condominium building is proposed for Block A, where the OCP only supports industrial and employment uses. Increasing the area where residential uses are permitted within lands designated for only employment uses goes against the intentions of the OCP and the preservation of the industrial land base. However, the OCP also encourages respecting underlying zoning rights and the existing Capital Iron buildings permit residential uses.

The proposal is to shift these residential uses to a proposed building to the north, resulting in the proposed seven storey condominium building being sandwiched between the Capital Iron buildings and a proposed commercial building. In this configuration, the proposed residential building would be screened from the industrial properties to the north, however, it would still, on balance, diminish the objectives of the OCP. To redress this imbalance, providing amenities, including the heritage designation of the Capital Iron buildings and the provision of an interim harbour pathway would afford a rational to support this proposed seven-storey condominium building. Notably, neither of these amenities are proposed and as such, the recommended motion includes language to secure these features in order to support the proposed location of residential uses within Block A.

The proposed new zone would also remove the residential land use for DA-1, where it currently exists for the Capital Iron buildings so that the residential uses within Block A would be limited to the currently proposed location.

Building Height

In addition to encouraging a thoughtful and intentional transition between land uses in different areas of the city, the OCP also promotes careful building height and density transitions. The intent of this policy is to avoid destabilizing adjacent uses and land values.

Where large height, density or land use juxtapositions exist, lower, less dense areas face intensified development pressure. This may be desired where existing conditions perpetuate low-density single-family homes or other inefficient land uses, but when the objective is to strengthen and preserve the industrial land base, severe height and density differences undermine this goal. For this reason, the report recommendation provides language to set building heights at a level that can maintain the proposed amount of residential land use, but in a way that reduces the destabilizing effect the proposed heights and density have.

Victoria 3.0/ Industry, Arts and Innovation District

Victoria 3.0, the City's long-term economic action plan, includes the objective of building a strong innovation ecosystem and creating a resilient economy. Part of this plan includes the Industry, Arts and Innovation District, intended as a place for continued industrial uses, future-oriented jobs and where Victoria's arts and culture sector can continue to flourish.

The proposed 19,000 square feet (1800 square metres) of retail/commercial development capacity, which can also accommodate industrial uses, as well as the development site for a future not-for-profit art gallery or other cultural facility, all serve to advance the goals of this plan. High quality public and private spaces are also proposed, supporting the 22nd century well-being aims of the district.

Contrary to many mixed-use developments, where co-located residential and employment uses are desirable, there are tensions with allowing more non-industrial uses in industrial areas. This tends to drive away industrial users, meaning that the objectives to strengthen the employment sector may be jeopardized as much as they are advanced with this application.

Where and how residential uses have been proposed also conflict with the festival street aims for Discovery Street and nearby businesses that support outdoor festivals. This emphasizes the need to locate residential uses only along Chatham and Government Street where they can be oriented or screened by other buildings to mitigate the noise and nuisance potential between where people live and where people congregate for events, and heavy industry uses operate.

Policy for the Industry, Arts and Innovation Action Plan is still being developed. However, from the consultation and economic analyses to date, the direction is to maintain a low scaled, four to seven storey, employment focused area. That means that the proposed twenty storey point tower will remain out of character with the area, signal an incongruent growth direction and potentially threaten the viability of cultural events that currently utilize the district.

Burnside Gorge Neighbourhood Plan

In 2017, Council approved the Burnside Gorge Neighbourhood Plan which includes a vision for future land use, urban form and public realm design. It reaffirmed and updated the OCP goals to limit the spread of residential uses into the area and emphasized an "industrial first" guiding principal. Consequently, the proposal is also inconsistent with this plan in terms of the proposed location and height of residential land uses.

Victoria is currently experiencing a scarcity of industrial lands with approximately 7% of the city designated for employment purposes, of which only 3.6% is designated for industrial. Over 90% of Victoria's developable land base is designated to allow residential uses and the city's industrial vacancy rate has hovered close to 0% since 2019 and lease rates continue to climb. This issue will continue to worsen if industrial land base is lost to other non-employment uses such as residential.

As noted below, the recommended motion includes language to redistribute the residential density into lower building forms and away from industrial land uses. And, as per Figure 4, this is achievable in a way that maintains the amount of residential area proposed without undermining the viability of existing and future businesses.

Downtown Core Area Plan (DCAP)

DCAP anticipates buildings up to five storeys in height along Store Street and buildings up to ten storeys for the block east of Store Street.

At fifteen and twenty storeys, the two residential buildings in Block B are inconsistent with the building heights set out in DCAP. That said, massing studies have shown that the same densities can be supported in lower building forms. Per Figure 4 below, buildings of twelve and ten storeys with four to six storey podiums deliver the same density and do so in a way that places the majority of residential uses away from the industrial lands. The advantages of this are:

- Lower building forms distinguish and recognize the special character of the district. They signal the “employment first” aspirations of the area and, in support of employment land uses, less emphasis is placed on shadowing and views
- Lower building forms support more affordable residential units because they can be constructed in timber, do not attract the high values associated with views and penthouse units and do not inflate adjacent land values to the same extent as taller buildings
- Lower building forms require larger parcels or land assemblies to construct, meaning that small, individual industrial parcels will be less likely to replicate tall building forms, further insulating surrounding industrial sites from development pressure.

DCAP also encourages the development of mid-block walkways. Here, the proposal advances this ambition with a mid-block walkway proposed for Block B and secured with a Statutory Right of Way (SRW).

Lower Heights at 3.0 FSR



Proposed at 3.0 FSR



Figure 4: Same Densities within Different Building Heights

Victoria Harbour Pathway Plan 2001

The Victoria Harbour Pathway Plan provides the most salient policies for the Harbour Pathway, however, most policy documents (OCP, DCAP, Burnside Gorge Neighbourhood Plan) speak to developing a continuous public path system around the harbour as a long-term goal. It is a defining feature for the city and helps to advance recreational, tourism, accessibility and liveability goals.

To this end, the proposal includes building and securing a portion of the pathway in association with the development areas one, two and three (DA1, DA2, DA3) in Block A as follows:

- the southernmost section would be 26m in length and up to ten metres wide at the waterfront
- an additional 5m wide statutory right of way (SRW) (shown as “Secured 5m SRW” in Figure 5), would then direct the Harbour Pathway eastward, to Store Street
- the pathway would continue along Store Street on the sidewalk to connect to a future Harbour Pathway link, associated with the neighbouring property, currently occupied by an asphalt plant.

The applicant has offered an additional 5m wide SRW for the remainder of the property's waterfront frontage, shown as a dotted line in Figure 5. While the SRW would be secured with this rezoning, the applicant proposes that public access would be at the discretion of the property owner and that access would not be available if the adjacent business was an industrial use. This creates a situation where the City may never realize a harbour pathway at this location, so long as incompatible industrial uses are operating. With a rezoning of this scale and to anticipate development well into the future, the City needs to ensure that an operable pathway is secured and not at the discretion of a third party. Therefore, an alternative approach to ensure future public access is available when appropriate is recommended.

To provide assurance that the City does secure a harbour pathway with this rezoning, it is recommended that an interim 5m wide SRW be secured within the lane that serves the residential and commercial underground parking for the proposed buildings on Store Street. This SRW would ensure public have access across the site when the waterfront parcels get developed and would be discharged if public access was granted over the future Harbour Pathway. Wording is provided in the recommended motion for this purpose.

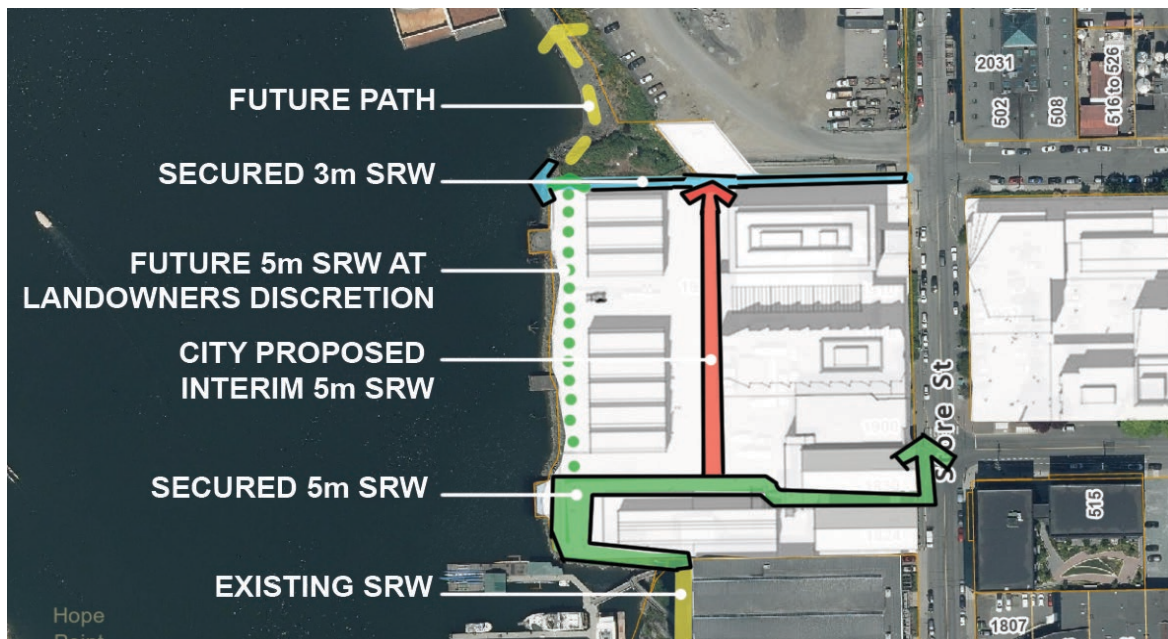


Figure 5: Harbour Pathway

Further, a clear indication of what is proposed for the Harbour Pathway has not yet been provided. One plan shows it separated by a stormwater feature (see Figure 6), while another rendering shows it as contiguous. Ensuring the details of the pathway are solidified as part of this rezoning is critical to securing this key public amenity. As such, the report recommendations include language to address this.



Figure 6: Harbour Pathway Clarification

Recent work undertaken by the City on the Harbour Pathway includes the now completed sections at the Craft Beer Market, Reeson Park and under the Johnson Street Bridge. A portion adjacent the Pearl building is now open and a connection at the Northern Junk site has been secured. There is an existing SRW for the pathway at the rear of Value Village and the owners of both the Matullia Lands and Island Asphalt have expressed interest in completing portions on their lands. Through public investment and property redevelopment, the vision to complete this major public amenity for the entire city is steadily advancing. The proposed rezoning of the Capital Iron lands is an opportunity to continue to advance this vision.

Heritage

There are three existing heritage registered buildings on site. They are the:

- Spratt building at 1910 Store Street.
- Dickson, Campbell & Co. building at 1900 Store Street.
- Victoria Rice and Flouring Mills building at 1824 Store Street.

Typically, the only opportunity the City has to encourage the seismic upgrading and designation of heritage buildings is through rezonings for additional density. Although there are no additions proposed to the heritage buildings, density is being redistributed off these sites to other areas of the overall proposed development.

Currently, the proposal does not commit to the heritage designation of these buildings. As such, the alternative recommendation provides language to ensure that the associated master development agreement (MDA) requires that each building be designated and seismically upgraded when an adjacent development permit is applied for.

Master Development Agreement

A master development agreement is proposed to accompany this rezoning application. Its primary purpose will be to secure the phasing and timing of amenities with each subsequent development permit application. If the application were to move forward as currently proposed, the following phasing and associated provision of amenities could be anticipated:

1. Phase 1: DA-4. This first phase would include the provision of the air space parcel for an art gallery or other cultural institution operated and paid for by a not-for-profit entity, a publicly accessible plaza and a midblock walkway (both secured with SRWs), a pump station SRW, as well as a purpose-built market rental building with a minimum of 120,000 square feet of rental residential units.
2. Phases 2, 3 and 4. The timing and order of the following phases would be at the proponent's discretion, and would provide the following amenities:
 - a. DA-1, including the harbour concourse and accessible elevator, the south portion of the Harbour Pathway, the heritage designation and seismic upgrading of 1824 and 1900 Store Street.
 - b. DA-2 and DA-3, including the construction of the remaining portion of the Harbour Pathway and the heritage designation of 1910 Store Street and its seismic upgrading along with the view corridor SRW at the north property line.
 - c. DA-5, including the treed promenade and the full reconstruction of Discovery Street through a cost sharing agreement with the City.

The MDA will also define interim measures for how areas of the site will be dealt with between phases. For example, it might make sense to underground overhead power lines for the entirety of Discovery Street with Phase 1, rather than in a phased fashion.

Other aspects of the application that the MDA will address and secure include:

- Transportation Demand Management (TDM) measures where vehicle parking standards are not met
- land use – noise and nuisance mitigation measures to reduce impacts between residential and industrial uses, which may include requiring triple pane windows, additional buyer agreements or sound proofing measures

- green building and sustainability features as outlined in the application
- the provision of an expanded plaza area in the space allocated for the not-for-profit art gallery (or other cultural facility) air space parcel in the event that the AGGV is unable to commence construction prior to the submission of a development permit within the last phase of development.

Inclusionary Housing and Community Amenity Contribution Policy (IHCA)

This proposal is considered an atypical application under the IHCA policy and therefore the fixed rate contribution targets do not apply. Instead, a land lift analysis is used to calculate the land value created by the rezoning proposal beyond the land value under existing zoning.

A third-party land lift analysis was carried out to determine the lift in land value as a result of the proposed rezoning. It assessed the maximum value that a developer could pay for the site assuming it already had the new zoning in place and compares this to the maximum value a developer could pay for the site at the base density. The 'lift' is then calculated as the difference in residual land values between the base and rezoned densities.

Per the City's IHCA policy, 75% of the lift in residual land value is considered as a reasonable contribution to put toward inclusionary housing units or, as is the case for this application, other community amenity contributions (CACs) for Council's consideration. The CACs offered as part of this application include:

- an air space parcel to be donated to a not-for-profit art gallery or other cultural facility
- a publicly accessible plaza
- a minimum of 120,000 square feet of purpose-built (approximately 160 units), market rental accommodation.

These amenities are proposed to be secured through legal agreements and a bonus density bylaw, should Council choose to move this application forward, the appropriate language for this is provided in the alternative recommendation.

The land lift analysis established that there is a lift of \$51,085 for Block 1 and \$534,726 for Block 2, for a combined residual land lift of \$585,812. At 75% of this value, this amounts to \$439,359 for a CAC.

The estimated value of the not-for profit art gallery (or other cultural facility) air-space parcel is \$3.25 million dollars, which exceeds the net CAC value. As such, it is not recommended that further CACs be sought.

Other amenities, consistent with City policies, are proposed and will be secured for the site, including a mid-block walkway, an alley access to the waterfront, and portions of the waterfront pathway (accessible and controlled). However, the IHCA policy specifies that these amenities are not discounted against the lift in land value and are included in the development costs for the project. Notably, as with all development costs, 15% profit is included, meaning that the land lift analysis accounts for the developers profit on construction costs as well as the costs for these amenities before determining what the 75% CAC contribution is.

Housing

The application, if approved, would add approximately 160 new market rental residential units and 390 market strata residential units, which would increase the overall supply of housing in the

area and contribute to the targets set out in the *Victoria Housing Strategy*. The 160 market rental units are proposed to be designed to promote live-work units, which may reduce total number of units proposed.

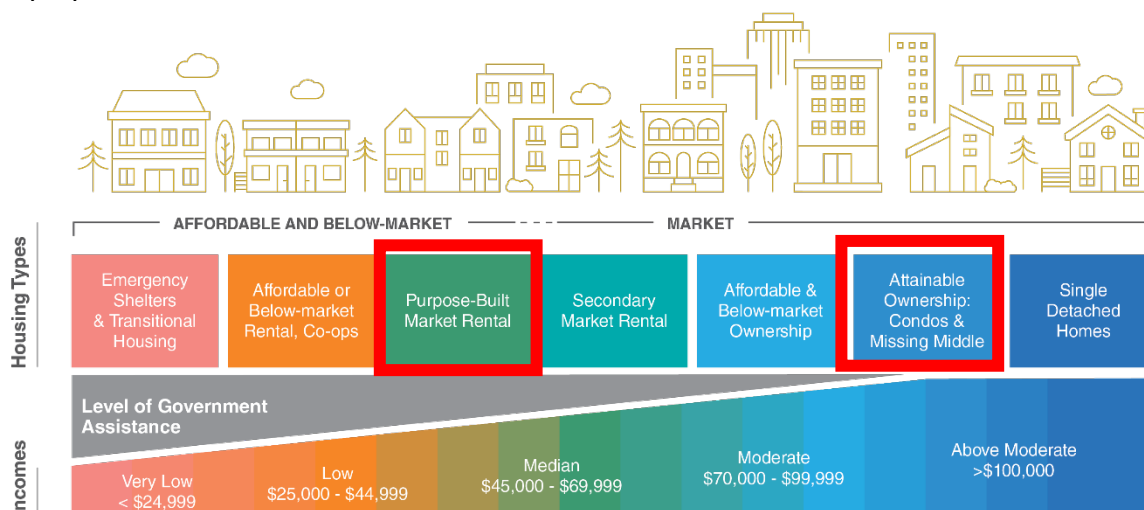


Figure 7. Housing Continuum

Housing Mix

At present there is no policy that provides targets regarding housing mix and unit type is not regulated or secured. However, the OCP identifies a mix of units as an objective and identifies the need for a diverse range of housing units including family housing. Given that this application does not include a concurrent development permit, the unit mixes have not yet been determined. Should Council wish to add a proposed unit mix target to be achieved in the Master Development Agreement (MDA), the rezoning would be the appropriate time to do so. The City's forthcoming Family Housing Policy suggests the following percentages:

- Strata: 30% two or more bedrooms with at least 10% of that as three or more bedrooms.
- Rental: 25% two or more bedrooms with at least 5% of that as three or more bedrooms.

These ratios are approximately what the market seems to be doing 'organically, and the economic analysis undertaken as part of this policy development determined that these ratios could 'reasonably' be achieved without significantly impacting the viability of a project.

Security of Tenure

A Housing Agreement is being proposed which would ensure that a minimum of 120,000 square feet (approximately 160 units) of purpose-built, market residential rental units are provided and secured in perpetuity within the first phase.

Existing Tenants

There are no existing residential tenants on site.

Tree Preservation Bylaw and Urban Forest Master Plan

The goals of the *Urban Forest Master Plan* include protecting, enhancing, and expanding Victoria's urban forest and optimizing community benefits from the urban forest in all

neighbourhoods. Based on 2019 LiDAR analysis, the canopy cover in the Burnside neighbourhood is 14.6% which is among the lowest in the city; this development borders downtown which has a tree canopy cover of 9%.

Forty-seven trees have been inventoried including 14 trees bylaw protected on the subject lot and 23 municipal trees. All trees on the subject lot and 12 municipal trees are proposed for removal. Retaining the row of nine healthy, established municipal trees on the Government Street frontage in a treed promenade as well as three large, healthy, and established, bylaw protected pin oaks along Chatham Street are a priority, to ensure healthy tree canopy is retained in an area of very low canopy cover. The building and underground parkade will be set back on the Government Street frontage to accommodate the existing and future trees, and staff recommend setbacks on the Chatham Street frontages to retain the existing healthy pin oaks.

To comply with the tree minimum requirements of the Tree Protection Bylaw, 136 new trees are required. These trees are proposed to be planted at ground level and in plazas, incorporating soil cells where feasible, and in elevated greenspace terraces. New trees are also proposed in the public realm, incorporating soil cells to ensure adequate soil volumes are achieved.

Encroachment Agreement

A number of street-level canopies are proposed along Store, Discovery and Chatham streets, which project above the City Right-of-Way. These are encouraged in the Guidelines to provide pedestrian weather protection and welcoming streetscapes. To facilitate these canopies, the applicant is required to enter into an Encroachment Agreement with the City. Appropriate wording is included in the recommendation for Council's consideration.

CONCLUSIONS

The proposal to rezone and pursue an OCP amendment for the site presents a challenging range of benefits and disbenefits. From one perspective, it advances art and culture goals by providing a development site for a not-for-profit art gallery or other cultural facility and develops currently underutilized lands. It proposes housing during a housing crisis as well as employment space and public amenities. A portion of the Harbour Pathway, a mid-block lane and a public plaza are all also on offer. However, the proposed location and form of residential uses undermines the stability of adjacent industrial lands. Scarce cultural and event spaces may be threatened and public access to the Harbour Pathway is at the discretion of the landowner.

There are other forms and more appropriate on-site locations to make the proposed residential uses less impactful; further, this can be done without reducing the overall number of residential uses proposed. Other opportunities also exist to amicably deliver the Harbour Pathway.

In addition to a housing crisis, Victoria faces an industrial land shortage and reducing the developable industrial land base by 560,000 square feet while also proposing residential uses next to and within the most impactful building forms doesn't serve either crisis well. As the city moves to accommodate needed housing in the areas best suited to address that emergency, the need for employment lands will only become more pressing. Therefore, referring the application back to staff to improve its alignment with existing and emerging City policies is recommended.

ALTERNATE MOTION

Alternate Option 1: Advance to OCP Consultation with Changes

This alternate recommendation includes a number of additional plan changes (in bold) that Council may wish to consider to better align the application with policy and to provide more specific directions which will help to provide an accurate OCP notification and provide sufficient detail to direct legal agreements.

Staff will bring forward a resolution at ratification with direction for the appropriate legal agreements should Council make changes.

Rezoning Application

1. That Council instruct the Director of Sustainable Planning and Community Development to prepare the necessary Zoning Regulation Bylaw amendment that would authorize the proposed development outlined in the staff report dated February 29, 2024 for 1824, 1900, 1907, 1908, 1924 and 2010 Store Street and 530 Chatham Street.
2. That first and second reading of the zoning bylaw amendment be considered by Council and a public hearing date be set once the following conditions are met:
 - a) Revise plans to reduce the heights of the proposed towers within the block bounded by Store Street, Government Street, Chatham Street and Discovery Street (Block B) to be no higher than 47.5m (14 storeys) on Government Street and 35m (10 storeys) on Chatham Street and to locate strata residential units away from Discovery Street.
 - b) **Revise plans to locate the strata residential building to Chatham Street and the live-work rental building to Government Street**
 - c) **Reconsider the proposed residential uses within Block A**
 - d) Revise plans to include an alternate interim harbour pathway route along Discovery Lane with 3m sidewalks, pedestrian lighting, and tree planting and a 5.0m SRW, east of buildings W1 and W2. This pathway will provide a public access route while the Harbour Pathway is closed to accommodate marine industrial uses on the waterfront.
 - e) Revise plans to include a 5m underground parking setback from the property line on the west side of the plaza on Store Street to allow for mature trees.
 - f) Revise plans to include frontage improvements surrounding the site to the satisfaction of the Director of Engineering, for the purposes of securing these improvements as a condition of Rezoning, include:
 - i. Store Street, for the full street width from Chatham to Discovery Street, as an All Ages and Abilities shared use roadway that is traffic calmed, grade-raised, of higher quality materiality, and that supports time-limited vehicle closures for public events.
 - ii. Chatham Street frontage that includes one-way protected bike lanes, widened sidewalks, street trees, and a midblock pedestrian crossing consistent with the Downtown Public Realm Plan, Downtown Core Area Plan and Greenway objectives.
 - iii. Discovery Street, for the full street width from Store Street to Government Street, that accommodates an enhanced public realm and spaces for performance and festival uses, consistent with the Burnside Gorge Neighbourhood Plan, delineating the extent of work to be considered for cost sharing by the City on the portion of the roadway north of the centreline.
 - g) Revise plans to retain trees 276, 277, 278.

- h) Revise plans to provide an underground parking setback on Chatham Street to allow for a 4.5m x 9m below-grade sanitary pump station expansion, including an SRW or road dedication.
 - i) Provide a landscape plan showing an enlarged plaza area on the air space parcel as an alternative amenity in the event that the development of a not-for-profit art gallery or other cultural facility is unsuccessful.
 - j) Provide a plan that illustrates the scope of works to enter into an agreement to cost share the design and construction related costs for improvements on Discovery Street north of centreline and up to property line that are above and beyond typical frontage improvements.
 - k) Remove references to undefined land-uses and automotive sales, parkade, storefront cannabis, parking lot and storage facility land uses on the plans and the rezoning booklet.
 - l) Provide a replacement tree plan to show how the siting and soil volume requirements of the tree bylaw will be met on private property.
 - m) Confirm that proposed buildings W1, W2 and W8 meet BC Building Code requirements for Access Route Design (BCBC 3.2.5.6.) and/ or revise plans to ensure this code requirement is met.
 - n) Provide a sewer attenuation report that identifies attenuation requirements for the development as a whole.
 - o) Confirm commitment to heritage designate the three existing heritage registered buildings on-site.
3. That subject to approval in principle at the public hearing, the applicant prepare and execute the following legal agreements, with contents satisfactory to the Director of Sustainable Planning and Community Development, Director of Engineering and Public Works, Director of Parks, Recreation and Facilities and form satisfactory to the City Solicitor prior to adoption of the bylaw:
- a) Provision of a Master Development Agreement to secure:
 - i. Phasing with associated utility and frontage upgrades, with the first phase including the provision of an air space parcel for a not-for-profit art gallery or other cultural facility, a public plaza, a mid-block lane, utility relocation (including underground of Hydro on Discovery Street, and Telus / Shaw on Government Street) and 120,000 square feet (approximately 160 units) secured rental dwelling units. Subsequent phases (DA1,2,3) or (DA 5) can occur in any order, however DA1,2,3 must occur concurrently and provide the Harbour Pathway and its associated SRW.
 - ii. Provision and maintenance of a continuous waterfront pathway (Harbour Pathway) from the property's southernmost boundary to its northern most boundary, including a 5m Statutory Right of Way over the entire portion of pathway that secures public access 24 hours a day, 7 days a week, with limited restrictions when required to support marine industrial uses.
 - iii. Provision and maintenance of an alternate, interim pathway route along Discovery Lane with 3m sidewalks, pedestrian lighting, and tree planting and a 5.0m SRW, east of buildings W1 and W2. This pathway will accommodate a public access route while the Harbour Pathway is closed to accommodate marine industrial uses on the waterfront.
 - iv. Interim site conditions.
 - v. Provision and maintenance of a SRW for a portion of the Harbour Pathway with a width of between 5m and 10m and an area no less than 478m², open to public access 24 hours a day, 7 days a week.

- vi. Provision and maintenance of a volumetric SRW between buildings W6 and W7 to secure public access between Store Street and the waterfront, and for the realignment of the storm drain, of an area no less than 745m² and a width no less than 5.4m that includes underground utilities, a publicly accessible/ universally accessible elevator and is open to the public between 8am and 8pm.
 - vii. Provision and maintenance of a SRW over a public plaza at the corner of Chatham and Store Street of an area no less than 780m² open to the public 24 hours a day, 7 days a week.
 - viii. Provisions and maintenance of a 6m wide volumetric SRW on the mid-block lane between Chatham and Discovery Streets to be open for public access between 8am and 8pm, 7 days a week.
 - ix. Provision and maintenance of a 6m wide SRW on Government Street for a linear park of approximately 442m² and to secure the retention of the existing street trees.
 - x. Provision of a 3.0 m wide SRW at the northern most boundary of Development Area 2 and Development Area 3.
 - xi. Provision of an airspace parcel to be provided to a not-for-profit art gallery or other cultural institution at no cost and of a size no less than 1416m².
 - xii. Provision of a plaza in the area designated for an air space parcel for an art gallery or other cultural institution should construction not commence prior to submitting a development permit within the last development area.
 - xiii. Encroachment agreements for decorative features that may extend over the City ROW, prior to applying for a building permit.
 - xiv. Provision of a 4.5m x 9m SRW on a portion of the plaza at Chatham and Store street to accommodate a below grade sewer pump station.
 - xv. Provision of a 5m underground parkade setback on Chatham Street to accommodate the location of mature trees.
 - xvi. Land use and noise and nuisance mitigation measures identified within report by a qualified professional at each DP phase to ensure residential and industrial land use compatibility.
 - xvii. Green building/ sustainability measures including a commitment to provide:
 - green roofs as indicated on page 54 of the Rezoning Booklet dated June 16, 2023
 - a rain garden and wetland water treatment feature at the waterfront edge, used to treat stormwater prior to its discharge into the harbour
 - storm water treatment features as indicated on page 50 of the Rezoning Booklet dated June 16, 2023
 - a report that demonstrates how the proposed stormwater designs will meet the City's Rainwater Management Standards required prior to DP issuance.
 - xviii. TDM measures where parking standards are not met to the satisfaction of the Director of Planning.
 - xix. Provision of proposed shoreline design and bank retention details, prior to a development permit application being submitted for development proposals within DA1 and DA2.
 - xx. Heritage designation and seismic upgrading of 1824, 1900 and 1910 Store Street in association with the DP applications for these properties.
- b) Provisions of the following frontage improvements that are in addition to the standard works and services required in the Subdivision and Development Servicing Bylaw:

- i. Store Street, for the full street width from Chatham to Discovery Street, as an All Ages and Abilities shared use roadway that is traffic calmed, grade-raised, of higher quality materiality, and that supports time-limited vehicle closures for public events.
 - ii. Chatham Street frontage that includes one-way protected bike lanes, widened sidewalks, street trees, and a midblock pedestrian crossing consistent with the Downtown Public Realm Plan, Downtown Core Area Plan and Greenway objectives.
 - iii. Discover Street, for the full street width from Store Street to Government Street, that accommodates an enhanced public realm and spaces for performance and festival uses, consistent with the Burnside Gorge Neighbourhood Plan.
- c) Housing agreement to secure no less than 120,000 square feet (approximately 160 units) of purpose-built market, residential rental units in perpetuity at building S1 in Phase 1.
 - d) Cost sharing agreement for the design and construction of frontage upgrades north of the centre line on Discovery Street between Store and Government Street.
 - e) All required main extensions or realignments of storm drains and sanitary sewers to the satisfaction of the Director of Engineering.
 - f) The Requirements of the Sanitary Attenuation Report.
- 4. That adoption of the zoning bylaw amendment will not take place until all of the required legal agreements that are registrable in the Land Title Office have been so registered to the satisfaction of the City Solicitor.
 - 5. That the above Recommendations be adopted on the condition that they create no legal rights for the applicant or any other person, or obligation on the part of the City or its officials, and any expenditure of funds is at the risk of the person making the expenditure.

OCP Amendment

- 1. That Council instruct the Director of Sustainable Planning and Community Development to explore the possibility of amending the Official Community Plan to amend the Core Employment Urban Place Designation of 1824, 1900, 1907, 1908, 1924 and 2010 Store Street and 530 Chatham Street to change the location of permitted residential uses from the south half of the block bounded by Discovery, Chatham, Government and Store Street and to increase the density of this block from 3.0:1 FSR to 4.27: 1 FSR and to permit residential uses within the block west of Store Street, south of Discovery Street and North of Swift Street, and to increase building heights.
- 2. That Council consider who is affected by the proposed changes to the Official Community Plan, and determine that the following persons, organizations and authorities will be affected:
 - a) those within a 200 m radius of the subject property
 - b) the Songhees and Esquimalt First Nations
 - c) the Port of Victoria/ Transport Canada
 - d) Gorge Waterway Initiative.
- 3. That Council provide an opportunity for consultation pursuant to section 475 of the *Local Government Act*, and direct the Director of Sustainable Planning and Community Development to:
 - a) mail a notice of the proposed OCP Amendment to the persons within a 200 m radius of the subject property

- b) post 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.

Respectfully submitted,

Miko Betanzo
Senior Planner Urban Design
Development Services Division

Karen Hoesel, Director
Sustainable Planning and Community
Development Department

Report accepted and recommended by the City Manager.

List of Attachments

- Attachment A: Subject Map
- Attachment B: Rezoning Booklet Dated December 11, 2023
- Attachment C: CCD Supplemental Data Dated December 11, 2023
- Attachment D: Capital Cultural District Revisions Dated December 11, 2023
- Attachment E: Land Lift Analysis Dated March 9, 2024
- Attachment F: Community Association Land Use Committee Comments dated September 30, 2021
- Attachment G: Pre-Application Consultation Comments from Online Feedback Form
- Attachment H: Correspondence (Letters received from residents).