

March 24, 2023

Mayor Alto & Council
City of Victoria
City Hall
1 Centennial Square
Victoria, BC V8W 1P6

Dear Mayor & Council,

RE: Redevelopment of 1050 Yates Street

On behalf of Chard Development Ltd., I am proud to provide this summary of our proposal for development of 1050 Yates Street. This letter has been written to accompany a Development Permit Application, with variances for the above noted property.

The property is the site of a former commercial car dealership and service garage and borders three main arterial streets (Johnson, Cook and Yates) on a typical block in the Harris Green residential district.

The vision for this redevelopment is of a socially conscious **100% Purpose-Built Rental** (PBR) housing development connected with ground-orientated retail and shared amenity spaces providing a complete, self-sustaining lifestyle for future residents.

The 1050 Yates site was part of a larger parcel that was rezoned at Public Hearing on October 24, 2019. A Master Development Agreement was executed shortly after covering both the 1025-1031 Johnson Street site and the 1050 Yates Street site.

The Amended Zoning Bylaw provided for a total area of density on the site (as shown in the table below). The redevelopment of the 1025-1031 Johnson Street site, which is now complete, includes a self-contained, below-market housing building operated by a not-for-profit operator and built above a new post-disaster Firehall facility. As part of this joint rezoning, the site provided a significant affordable rental housing contribution of 130 units.

	1025-1031 Johnson Site (Complete)	1050 Yates (Permitted Density)	TOTAL *
Sqft	150,975	376,026	527,001
Meters	14,026	34,934	48,960

**Source - Bylaws for 1025-1031 Johnson Street and 1050 Yates Street: Official Community Plan Amendment and Rezoning Application No. 00660*

The remaining available density has been apportioned to the remainder of the site, 1050 Yates Street and carries a number of permitted uses, including 100% market condo. Chard is proposing to redevelop the site to include 100% purpose-built rental.

We are not seeking to increase the allowable density as permitted under the approved Rezoning but rather have worked rigidly within the maximum density permitted. We are, however, seeking to amend the previous Zoning to increase livability through adaptation and articulation of the buildings' form and massing. Additional height is being requested on one building within the complex in exchange for:

- A commitment to providing 100% Purpose Built Rental housing in perpetuity.
- Full electrification of the building.

- A parking ratio of 0.32 reduced from the approved Rezoning ration of 0.6, offset by enhanced Transport Demand Measures (TDM).
- Significant remodeling of the Yates frontage to provide an enhanced BC Transit in-lane curbside stop and an enhanced pedestrian experience and space.
- Undergrounding of the BC Hydro Lines along the Yates frontage, providing for more generous, flexible sidewalks.

Land Lift Analysis

In January 2019, the City retained G.P. Rollo & Associates (GPRA) to undertake a land lift analysis at the time of Rezoning (report dated 30-Jan-19). This analysis considered all portions of the site – including the 1025-1031 Johnson Street site and the 1050 Yates Street site. The report concluded that there was no lift from the proposed Rezoning due to the inclusion of the 130 affordable housing units and the resulting drop in supported land value. A secondary scenario considered the affordable housing units as market rental. This scenario also resulted in no land lift. Thirdly, a scenario was modelled based on the requirements of the Inclusionary Housing Policy 2019 (even though – due to timing – the application was exempt) which included more stringent base density requirements. Again, this model resulted in no lift in land value – even if the 130 units were offered as market rental – and further emphasized the significant voluntary affordable housing contribution. Not taken into consideration at the time was the provision of a public plaza along Yates Street and the enhanced public realm. It is believed that these elements would further reduce the potential for a land lift.

KEY PROJECT BENEFITS

When we consider population and housing statistics within Victoria, the need for additional purpose-built rental housing is clear and well supported. A hiatus in construction of rental housing beginning in the 1980s has resulted in a lack of rental inventory supply that has contributed to the current housing crisis. The recently published 2023 CMHC Market Rental Report noted that the vacancy rate of purpose-built rental in Victoria remained one of the lowest in Canada at 1.5%.

Renters make up 61% of Victoria's population and this proportion continues to increase as home ownership has become increasingly out of reach. The '**Victoria Housing Strategy 2016-2025**' identifies a number of important goals to address the lack of housing:

Goal One – Focus on Renters

- Create more rental housing supply to create less competition for units.
- Create more opportunities for rental and choices in the types.

Goal Two – Increase Supply

- Purpose-built rental should be prioritized as it's more secure than the secondary rental market and becomes more affordable over time as rental rates rise more slowly than housing prices.

Goal Three – Housing Choice

- A mix of housing types means that a more diverse range of residents, in all ages and stages of life.

As proposed, the development supports these goals bringing with it a number of additional benefits to the Harris Green neighbourhood and the City of Victoria, as outlined below.

Purpose-Built Rental Housing

This proposal will bring approximately 488 much needed purpose-built rental units to the Harris Green neighbourhood, helping in the long term to stabilize rental rates and bring balance to the rental market by increasing supply, freeing up other rental properties along the housing continuum, providing security of tenure and creating a strong, vibrant community.

This housing will be delivered in one phase, unlike a condominium project which would most likely be phased in order to meet presale financing commitments and reflect absorption. This approach will reduce disruption to the community and result in faster delivery of critical purpose-built rental housing.

Further, this housing will be provided without the displacement of a single resident or business. The Pacific Mazda dealership closed some years ago; no other businesses currently exist on site. The urban infill nature of the project adheres to the principle of promoting development on existing urban sites, diverting development pressure from greenfield locations, and making more efficient use of existing infrastructure.

A Sustainable Design and Construction Approach

The proposal makes a conscious effort to achieve several environmental and sustainability objectives to support a sustainable lifestyle as well as significantly reducing its impact on the environment.

Chard is committed to supporting the City of Victoria in meeting its long-term climate goals (Climate Leadership Plan) and in doing so is ensuring the project is 'net zero ready' by electrifying the building and eliminating the use of fossil fuels years earlier than required. Chard has a proven track record and ability to deliver on these targets. In 2020, Chard delivered on Vancouver's first fully electric building mechanical systems at 210 E5th Avenue (Elenore on Fifth).

Recognizing the urgency of the Climate Emergency, Chard is partnering with BC Hydro and other stakeholders to lead a pivotal case study which will help in establishing different approaches and strategies to achieve high performance, low carbon buildings. It will help the development community to easily understand costs and impacts at an early stage in the design. Such a study helps to demystify the entrenched beliefs in the industry that high performance, low carbon is high cost.

Other significant sustainability features include:

- Designed and constructed to LEED Gold Certification.
- Enhanced landscape and stormwater management strategies to achieve Victoria's Rainwater Management Standards.
- 100% of the parking is covered, enclosed or underground reducing the urban heat island effect.
- Enhanced daylight into each residential suite as a result of the taller, two tower configuration, thereby increasing passive solar gain during winter months and reducing reliance on artificial lighting.
- Indoor and outdoor water conservation strategies to include specifying efficient fixtures and water efficient landscaping.

A Focus on Transit and Multi-Modal Transportation

In line with Council's recent direction to reduce the parking ratio on other notable purpose-built rental projects, we have sought to reduce the Parking Bylaw (Schedule C) ratio. Reducing the parking count also results in a potential reduction in the construction schedule, as excavation, shoring and foundation works are all reduced. To address the challenges that

could result from this reduced parking, our proposal supports safer, integrated multi-modal transportation networks through a commitment to improved infrastructure and Transportation Demand Management (TDM).

The proposal is located along well-served transit routes. The proposal will include a relocated bus shelter on Yates and as a direct result of collaboration with City staff and BC Transit, the original pull-out bus bay will be filled in to create an in-lane curbside stop, saving time, reducing wear and improving and increasing the pedestrian space.

The proposed uses and existing context of this development provide residents, workers, and visitors with access to most, if not all, of their day-to-day needs within a short walk, cycle or transit trip. A car-free or car-light lifestyle will be a viable, safer alternative for residents and visitors alike as a result of the TDM measures included:

- An on-site car share program supplied in partnership with Modo, will support a car-light lifestyle for residents.
- A diverse selection of secure bike parking, in excess of Schedule C, is provided on L1 and P1 accessed via dedicated ramp at grade
- A range of bike parking will accommodate larger cargo bikes, accessible bikes and EV bikes through the inclusion of charging outlets.
- A separate dedicated fully equipped bike repair centre will ensure easy access to the tools and resources needed to keep bikes in good repair for daily use.
- End-of-trip bike facilities (including WC, Shower and Private Lockers) will support employees to use active transportation.
- Relocation of the Bus Stop on Yates to include the enlargement of the sidewalk will enable in-lane pickups resulting in time efficiencies.
- Dedicated space on the sidewalk to accommodate a future bike / scooter sharing scheme.
- Service access (including tenants move in/out), garbage and recycling is located at street level off Johnson to minimize disruption for neighbouring residents.
- Dual-use Visitor and Commercial parking spaces recognize the opposing peaks of these uses and further reduces parking.
- Multi-modal wayfinding signage will direct and orient residents, employees and visitors to transit, bike share, car share and bicycle parking and amenities.

A Public Plaza, Public Realm Improvements and Community-Serving Retail

The interface between the public and private realm occurs primarily at the base of buildings, and in particular, at the ground floor. This is where pedestrians interact with the building and where the building can contribute to the public life on the sidewalks and streets. The project provides several improvements which seek to achieve a seamless and vibrant interface between the public and private realm.

1. *A publicly accessible plaza (area 250m²)* – To align with the Downtown Core Area Plan (DCAP) the plaza has been positioned to maximize sunlight throughout the day – a goal that is supported by the revised building massing – and to be easily accessible from sidewalks and animated by outdoor dining spaces. A Public Charrette was held in person on February 1, 2023, to elicit feedback from a diverse cross section of area residents. The presentation was also distributed online. The feedback received has been used to shape the final design of the Plaza.
2. *An average front setback on the ground-floor of 2.5m* – The proposed setbacks encourage generous sidewalk widths.
3. *Extended frontage and sidewalk on Yates Street* – The extended frontage and sidewalk will allow for an in-lane curbside transit stop with a large rain garden, intercepting stormwater runoff.
4. *Community serving retail* – Retail space around the public plaza is envisioned to include a restaurant and coffee shops spilling into the public plaza. Additional community-serving retail space along Cook Street will put daily needs and

local businesses within easy reach of thousands of new residents.

Overall building design, access points, public areas and circulation have been designed to prioritize the safety and security of all users, at every scale of the development. All hard and soft landscape features have been designed using Crime Prevention Through Environmental Design (CPTED) principals to eliminate hidden corners and ensure clear sightlines for users thereby promoting security, comfort and quality of life.

A Resident Centric Approach

The proposed development has been designed using a resident centric approach that acknowledges the needs of a diverse cross section of residents and family models, reflective of the larger population of the City.

Unique and extensive amenities will service residents of all demographics, including children and pets, improving livability and the likelihood of long-term tenancies. These include:

- Extensive indoor and outdoor fitness facilities located on the rooftop include a gym, indoor and outdoor fitness studio, running track and meditation garden.
- Indoor amenities include a multi-purpose social room, dining area, co-working spaces and study spaces.
- Outdoor seating and dining areas are located on the upper rooftop.
- A large outdoor area on the lower rooftop of the podium will feature a dedicated pet run and children's play area.
- A selection of Guest Suites will accommodate family and friends.

All of these amenities are design to not only enhance lifestyles but also to increase affordability, eliminating the need for gym and co-working memberships, Guest suites allow residents to pay only for the space they need on a daily basis, without having to forgo visits from family or friends as a result.

Further, this development recognizes the acute housing challenges faced by families with children and the impact that a lack of housing choices has on residents entering the prime family formation years. Families account for approximately 11% of renter households in Core Housing Need. This project addresses this need by including:

- Ground-orientated three bedroom townhouses.
- Two and three bedroom apartment homes.
- A dedicated children's play area.
- Access to amenities such as Guest Suites, a large private dining room, social rooms and study spaces to meet growing demands without having to move away from established communities.

Over 35% of Canadians own a pet, and these families have also been accommodated. While many secondary rental suites do not allow pets or have restrictions on the size of pets permitted, these homes will be pet friendly with a large, dedicated rooftop pet run and dog wash.

Significant Economic Benefits

The addition of 488 rental homes to the City of Victoria carries with it significant economic benefit. Throughout construction, over 1,000 jobs will be created. The influx of workers to the area will help to support local businesses. Upon completion, new residents will continue to support these business. In addition, once operational, the development is expected to generate \$1.2M in property taxes for the City.

ZONING AMENDMENTS

The development of this property unlocks a key site within the Harris Green community. The development will create a community of high-quality homes and retail spaces equal to the landmark status of this site at the eastern gateway into Downtown Victoria.

The density already prescribed to this site, through a previous Rezoning, has been carefully and thoughtfully apportioned in response to surrounding buildings, urban context, a focus on livability for residents and creating an active and vibrant city street frontage.

To realize the many benefits outlined above, we are seeking amendments to the existing Zoning and asking Council to approve the following relaxations to the OCP included below.

Under the previous rezoning it was proposed that the development occur over 4 phases with the Firehall being the first and referred to as Development Area 1. This Development Permit will combine Development Area 2,3 and 4 and deliver those public improvements connected with the site in one.

Height

The proposed development contemplates a height as follows for Development Area 4. The proposal to allocate the allowable density across two taller towers rather than three shorter towers allows for better separation between buildings, less overshadowing, more light permeability, more open view corridors for neighbouring properties and better air flow.

	Zoning – Development Area 4	PROPOSED
TOWER	50m	74.22m
STOREYS	Approx. 17	25

Setbacks

The current rezoning setback requirements anticipated three separate towers above a continuous podium and therefore the original rezoning setbacks are based on this approach. Our proposal based on construction in one phase and two towers results in a number of revised setback requirements.

	CA-90 ZONE	PROPOSED
6.99.5 Development Area 2	b. Building separation (minimum) (south and west) above 20m above grade – 12m	West – Comply / South – om
6.99.6 Development Area 3	b. Building separation (minimum) (north and west) above 20m above grade – 12m	West – Comply / North – om
6.99.7 Development Area 4	a. Side yard setback (minimum) (west) 0-20m above grade – 3m	om
6.99.7 Development Area 4	b. Building separation (minimum) (north) 0-20m above grade – 6m	0.44m
6.99.8 Setbacks and Building Separation	d. Shortest horizontal distance from any property line shared with Yates Street and Cook Street to the face of the nearest wall of a building for that portion of building above 20m in height - 1cm for each 5cm in height	Greatest distance over setback: Cook St. – 2.71m Yates St. – 8.69m
6.99.8 Setbacks and Building Separation	e. Shortest horizontal distance from any property line shared with Johnson Street to the face of the nearest wall of a building for that portion of building above 15m in height - 1cm for each 5cm in height	Greatest distance over setback: Johnson St. – 4.37m

6.99.8 Setbacks and Building Separation	f. Projections into setbacks and building separations (maximum) i. Balconies, cornices, guardrails, fin walls, slab edges, eaves, window overhangs and sunscreens – 0.6m ii. Exterior wall treatments, insulation and rainscreen systems – 0.17m	Balconies, cornices, guardrails, fin walls, slab edges, eaves, window overhangs and sunscreens – 1.45m Exterior wall treatments, insulation and rainscreen systems – 2.2m
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Parking

A relaxation to the residential parking requirement is proposed. This reduction reflects the goal of a transit-centric community that supports multi-modal, active transportation as supported by the central and accessible urban location. This site benefits from existing, immediate access to transit in an area earmarked for continued growth. The overall design approach reflects a development where residents have access to their day-to-day needs within a distance manageably achieved by walking, cycling or rolling. Reduced reliance on vehicles is further supported by the inclusion of a diversity of bike parking, bike maintenance facilities, end-of-trip facilities, and an improved pedestrian public realm. A car-share program has also been proposed to address longer trip requirements while also helping to reduce parking needs.

	REQUIRED*		PROPOSED		VARIANCE	
	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio
Purpose Built Rental (488 Suites)***	296	0.6 per suite per	160	0.32 per suite	(136)	(0.28) per suite
Visitor (Residential)	49	0.1 spaces per dwelling	11**	0.023 spaces per dwelling	(38)	(0.077) per suite
Restaurant (705m2)	18	1 per 40m2	17	1 per 42m2	(1)	
Retail (787m2)	10	1 per 80m2	10	1 per 80m2	0	
Car Share			2		2	
Accessible Stalls	16		16		0	
TOTAL	373		200		(173)	

*Schedule C, Zoning Regulation Bylaw (no. 80-159)

** proposing Dual-use Visitor and Commercial parking spaces recognizing the opposing peaks of these uses

*** includes Accessible Stalls

SUMMARY

For over 18 years, Chard Development Ltd. has been developing mixed-use, primarily residential projects in the City of Victoria. From Corazon to Haven and the many projects in between and currently underway, these developments have helped to reinvigorate the community, bringing diverse housing options and retail vigor to a broad section of Victorians. We are proud to have delivered on all projects approved by Council in the history of our company. With the development of 1050 Yates Street, Chard is excited to have the opportunity to once again demonstrate that we are builders of – and believers in – Victoria.

At 1050 Yates Street, we remain committed to developing a socially conscious and inclusive community that meets the needs of residents while positively contributing to the long-term urban fabric for the Harris Green neighbourhood and the City as a whole. Purpose-built rental contributes to the economic, environmental, and social vibrancy of Victoria by adding to the housing spectrum in a dense and environmentally sustainable way.



Guided by proven urban planning principles and socially conscious objectives, we believe this proposal delivers much needed rental housing, extensive community benefits and significant economic benefit to the City of Victoria in both the short and long term. We look forward to the introduction of bylaws and thank you in advance for Council's favorable consideration.

Sincerely,

CHARD DEVELOPMENT LTD.

A handwritten signature in black ink, appearing to read "Byron Chard", is placed over a light gray rectangular background.

Byron Chard
President & CEO

CC: Karen Hoese, Director of Sustainable Planning & Community Development, City of Victoria
Miko Betanzo, Senior Planner, Sustainable Planning & Community Development, City of Victoria
Mackenzie Biggar, VP, Development, Chard Development Ltd.