

May 9<sup>th</sup>, 2023

Mayor and Council  
City of Victoria  
1 Centennial Square  
Victoria, BC V8W 1P6

Dear Mayor Alto and Members of the Council,

We are pleased to update you that we have revised our rental project at 937 View Street to meet the directive from the previous mayor and council, which stated on June 14<sup>th</sup>, 2022, *“That this matter be referred to staff to work with the applicant to address concerns related to setbacks and have greater consistency with the 2022 [Downtown Area Core Plan] guidelines.”* Highlights of the revised design include the following:

- 269 residential units in a highly walkable and bikeable urban environment;
- Near total compliance with the March 2022, DCAP approved by the council;
- Full compliance with shadowing of sidewalks and open public spaces requirements;
- Efficiently sized and functionally designed units that drive affordability;
- Generous and functional amenity areas for the tenants;
- Encourages bike ownership as an alternative to car ownership;
- Residential units in a rent-controlled regulatory environment; and
- A rental housing agreement covenant for the life of the building.

937 View Street is a desirable location for residents, and with all the new development in the immediate area, soon to be one of the more attractive areas of Victoria to live. Looking at the Walk Score data for the site, we note that it is a Walker’s Paradise (99 points) and Biker’s Paradise (100 points). We have worked hard with planning since 2017 to maximize the number of units, now 269, on the site to fully utilize the site’s existing R-48 zoned allowable density on an environmentally contaminated surface parking lot.

Over the past year, we worked with our local, award-winning architect, dHKarchitects, to redesign the building to address the setback concerns raised by the 2022 DCAP. We now are in greater compliance with all setbacks, save for minor protrusions on the west, east and south elevations at levels 6 – 23 to create architectural relief to the point tower design. Please note that to maximize the rental housing density available on the site under our R-48 zoning, we increased the number of stories to 23, up from 19. Note that View Towers (circa 1970) to the west is 20 stories and that the 2023 approved Starlight Developments project to the north has 28 and 32-story towers.

We have also studied the site context for shadowing. We fully comply with DCAP shadowing regulations of sidewalks and public open spaces, including at the newly approved Starlight Development’s public courtyard on the north side of View Street.

We worked with award-winning interior designer, Bidgood, to drive affordability through efficient and compact layouts and incorporating interior design techniques, including extensive built-in cabinetry and in-board bedrooms to improve the livability, comfort, and functionality of these smaller-than-average-living spaces. Overall, all things being equal, a 389 sqft unit (our average unit size) will rent for much less than a 600 sqft unit, which means our units are generally positioned at the lower range of the affordability scale.

Extensive tenant amenities include power for e-bikes and a bike maintenance area in the long-term bike storage area, a 1,935 sqft sun-lit outdoor dog walk area and tenant community gardens on the 6<sup>th</sup>-floor side yard patio, as well as a 1,450 sqft rooftop patio and two 810 sqft interior gathering/exercise amenity space with bathrooms on the penthouse level which will enjoy ocean and mountain views and lastly, a wide and double height entrance lobby with coloured glass panels above the entrance and seating area providing a sense of arrival. We have also included a 1,350 sqft public café and lounge indoor and exterior patio amenities on the northwest corner of the ground floor. We expect this amenity and three ground-floor residential units to help activate View Street. Overall, we have over 5,500 sqft of amenity spaces.

Leveraging excellent walkability and bike-ability, we have designed the building to have no car parking and extensive EV-equipped bike storage as an alternative. The building is ideally suited to tenants who choose not to own a car or cannot afford one and would prefer to use a bike or walk. Some estimates suggest that owning a car costs approximately \$10,000 a year. It is also worth pointing out that, rather poetically, we propose converting a 45-stall surface car parking lot into 269 residential units with no parking.

In BC, we are subject to relatively significant rent control regulations. For example, the 2023 annual allowable rent increase for existing tenancies is prescribed at 2%, up slightly from last year's 1.5%, while BC CPI over the past two years has been running at between 5-8% Y/Y. Delivering residential housing units into a rent-controlled market drives affordability over time for existing tenants. It prevents them from being priced out of the market in the long term.

Finally, we are willing to secure the 269 residential housing units as permanent rental housing in the form of rental housing agreement with the City of Victoria.

We thank you for considering our modern, affordable, urban residential rental project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chris Nelson', written in a cursive style.

Chris Nelson, Nelson Investments Inc.

cc: Merhdad Ghods, Pivotic Properties  
Chris Owen, Interior Plumbing & Heating, Ltd