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Policy Analysis

| | |
|---|------|
| C.1 Regional Growth Strategy | C-3 |
| C.2 Official Community Plan | C-4 |
| C.3 Victoria West Neighbourhood Plan | C-7 |
| C.4 Current Zoning: Roundhouse District | C-9 |
| C.5 Roundhouse Design Guidelines | C-10 |
| C.6 Master Development Agreement | C-12 |
| C.7 Affordable Housing & Amenities | C-12 |
| C.8 Policy Analysis Conclusion | C-13 |

The following policy framework, guided by the Capital Regional District's (CRD) Regional Growth Strategy, the City of Victoria's Official Community Plan (OCP) and the Victoria West Neighbourhood Plan, informs the Roundhouse at Bayview Place Master Plan. The foundational statutory and non-statutory frameworks form strong policy direction and intent for redevelopment of the Plan Area. All existing plans and strategies identify the Plan Area as a node for growth and an opportunity to address key policy goals. This policy analysis has been informed by the following plans and strategies.

Statutory Plans & Regulations:

- Regional Growth Strategy – Capital Region District (January 2018)
- City of Victoria, Official Community Plan (July 2012, updated April 17, 2019)
- City of Victoria Zoning Regulation Bylaw (No. 80-159)
- Roundhouse Design Guidelines (Revised 2015)
- Roundhouse Master Development Agreement (2008, amended in 2014 & 2018)

Non-Statutory Plans & Regulations:

- City of Victoria 2019-2022 Strategic Plan
- Inclusionary Housing and Community Amenity Policy (2019)
- Victoria Housing Strategy (2018-2025)
- Victoria Sustainability Framework (2017)
- Climate Leadership Plan (2019)
- Open Spaces Master Plan (2017)
- Urban Forest Master Plan
- Go Victoria Draft Mobility Strategy (2020)
- Pedestrian Master Plan (2013)
- Bicycle Master Plan (2015)
- Bicycle Parking Strategy (2011)



C.1 Regional Growth Strategy Capital Region District (January 2018)

The CRD Regional Growth Strategy provides common objectives to guide growth and change in the Capital Region District. This Strategy characterizes the subject site as part of the Metropolitan Core of Victoria, which is within the Urban Containment Policy Area. The following policies support the proposed Roundhouse at Bayview Place master plan:

1. Keep Urban Settlement Compact

- Reduce the demand for land in the region by accommodating 95% of the region's new dwelling units in the Urban Containment Policy Area and Metropolitan Core
- Focus increasingly on dense housing types such as townhomes and apartments

2. Create Safe and Complete Communities

- Feature a dense mix of uses within the Metropolitan Core
- Promote affordable housing options
- Preserve cultural heritage sites

3. Improve Multi-Modal Connectivity and Mobility

- Within the Metropolitan Core provide access to places of work, schools, shopping, recreation, parks and green space within walking distance
- Integrate access to pathways and transit into the site design

The project site is located within the Urban Containment Policy Area in the Regional Growth Strategy and characterized as part of the Metropolitan Core. These designations are defined as follows:

Urban Containment Policy Area: Includes residential, general employment, commercial and industrial lands, as well as other associated land uses. The Urban Containment Policy Area is intended to accommodate 95% of the region's new dwelling units. Within the Urban Containment Policy Area, planned growth and major new transportation infrastructure investments will be encouraged to align with the settlement concept shown on Map 3(b). Municipalities will determine the precise land use, intensification, density, servicing and connectivity requirements through local planning and regulatory processes.

Metropolitan Core: Scale and intensity of development supports the area's use as a regional employment, business and cultural destination and recognizes its role as a regional, multi-modal commuter destination. Surrounding areas feature a dense mix of residential, employment and cultural uses.

The Strategy also requires a minimum jobs-to-population ratio of 0.60 in the Core Area.

C.2 Official Community Plan (OCP)

City of Victoria (July 2012, updated February 2020)

Over the next 20-25 years, Victoria is expected to grow by 20,000 people. The OCP envisions that approximately 50% of these new residents will be accommodated in the city's core (including the Songhees area of Victoria West), 40% within a 5-minute walk of large urban villages, and approximately 10% in the remainder of the city. In 2016, Victoria West boasted a population of 7,500 residents, a figure that is expected to grow to 11,500 by 2041. This translates to approximately 9% of Victoria's population within 8% of Victoria's land base.

To accommodate growth, the OCP favours "compact development", an approach that encourages higher densities in the Urban Core, large urban villages, and town centres. This strategy is intended to reduce building footprints, limit sprawl, and increase transit options while facilitating walkable, mixed-use communities. The project site, located within the Victoria West neighbourhood, is designated by the OCP as both Employment Lands and Core Songhees, a sub-designation of the Urban Core.

The OCP recognizes the limitations of existing zoning, stating "the Zoned Land Capacity analysis prepared for this Plan indicates there is sufficient capacity in 2011 to just match this demand". The OCP also states that the "forecast growth of approximately 20,000 additional residents by 2040 is expected to reach Victoria's capacity available under existing zoning for new ground-oriented residential and exceed that for apartments, running the risk that housing will become increasingly more expensive as available capacity is depleted". No additional capacity analysis or projections are available beyond 2040. From a visual aerial survey, there are few identified vacant/underutilized lands in the city (outside of the master plan areas in Core Songhees) that would accommodate additional growth. This is similarly true for the Urban Core as a whole.

Urban Core: Section 6.1.10 - The Urban Core contains the highest density and greatest mix of uses in Victoria, including:

- Civic and institutional facilities of regional and provincial importance
- Primary retail, entertainment, office and other commercial uses
- High-rise multi-unit residential apartment and office buildings
- Visitor accommodation and services
- Intensive employment, marine-oriented industrial and transportation uses

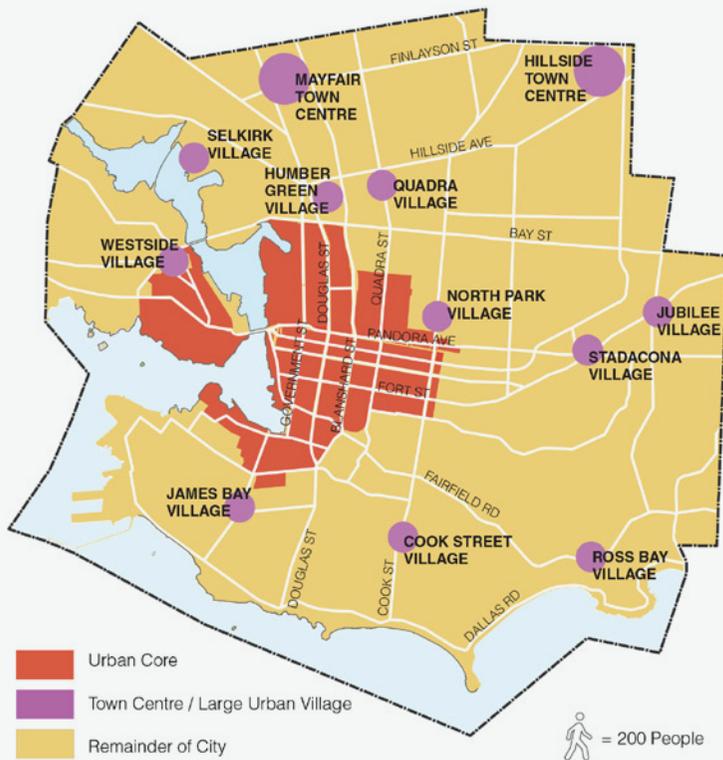
Walking, cycling, and public transit are preferred travel modes within the Urban Core, which is served by rapid and frequent transit, local circulating transit, and inter-regional rail, air, marine and bus transport. Its public realm is well-defined with wide sidewalks, public squares and open spaces, regularly spaced tree planting, and buildings set close to the street frontage.

OFFICIAL COMMUNITY PLAN
CORE SONGHEES DESIGNATION

| Designation | Core Songhees |
|---------------------------------|---|
| Built Form | <ul style="list-style-type: none"> • Multi-unit residential, commercial and mixed-use buildings from 3 to 6 storeys • Buildings up to approximately 22 storeys in select locations • Commercial, light industrial and institutional buildings oriented to the street |
| Place Character Features | <ul style="list-style-type: none"> • Buildings set close to the street to define the public realm along retail streets, with landscaped setbacks in more residential areas and ground-oriented commercial in mixed-use areas. Wide sidewalks, regularly spaced tree planting. • Concentration of building height near the centre of the Songhees Peninsula along Esquimalt Road • Off-street parking structured underground or at the rear |
| Uses | <ul style="list-style-type: none"> • Diverse housing types and sizes, including low, mid, and high-rise multi-unit residential and mixed-use • Commercial, including office, retail and visitor accommodation • Institutional • Light industrial and complementary uses • Home occupations |
| Density | <ul style="list-style-type: none"> • Total floor space ratios ranging up to approximately 2.5:1 |



OFFICIAL COMMUNITY PLAN
30-YEAR GROWTH MANAGEMENT CONCEPT



The OCP defines the project site as Development Permit Area 13 (DPA13): Core Songhees, for the purpose of:

- a) Revitalization of an area in which a commercial use is permitted
- b) Establishment of objectives for the form and character of commercial, industrial and multi-family residential development

Additionally, the OCP applies the following site-specific regulations:

- Section 2(b)(5): Subdivision of lands within the Roundhouse site, noted and circumscribed by dotted lines in Map 64 (see OCP), provided the subdivision is in accordance with the Development Area (DA) boundaries noted in the Roundhouse Design Guidelines (2008)
- Section 3(c): (c) The E&N Roundhouse is a National Historic Site for its heritage value as one of the most intact and high quality examples of historic railway facilities in Canada. This industrial landscape has a rare grouping of buildings and structures including but not limited to, the roundhouse, a machine shop, car repair shops and a locomotive turntable. Revitalization of this former heavy industrial site for a variety of commercial uses, as well as residential use, merits special consideration given the close proximity to rail operations, and the guidance required for new development to respond to its historic context.

C.3 Victoria West Neighbourhood Plan

City of Victoria (May 2019)

The Victoria West Neighbourhood Plan identifies the project site as Core Songhees and a Master Planned Area. The Master Planned Area identifies the following features for the Roundhouse site:

| Designation | Core Songhees |
|----------------|---|
| Uses | <ul style="list-style-type: none"> Varied commercial, residential, and limited light industrial |
| Density | <ul style="list-style-type: none"> Up to 2.5 floor space ratio or as identified in a Master Development Agreement.*** |
| Building Types | <ul style="list-style-type: none"> Commercial, residential or mixed-use buildings of varying heights Buildings set close to the street to define the public realm along retail streets, with landscaped setbacks in more residential areas. Upper floors above the streetwall generally set back Parking located in structures or underground |

The Roundhouse Historic Railway Precinct is intended to create a mixed-use community centred on Turntable Plaza inclusive of an open public space surrounded by heritage railroad buildings that feature retail, restaurant, arts and commercial uses. The neighbourhood is expected to be a destination for the surrounding community and visitors.

VICTORIA WEST NEIGHBOURHOOD PLAN
FUTURE LAND USE



The precinct envisions the following additional features:

- Enhanced connectivity to surrounding areas achieved through completion of the E&N Rail Trail, pedestrian crossings, and connections to Victoria West Park
- Establishment of Lime Bay Mews, an important walking route and view corridor, framed with small retail and workspaces that connects the waterfront and Turntable Plaza
- Housing in townhouses and taller multi-unit buildings that step away from the waterfront and surround a network of semi-private courtyards and open spaces
- Enhancements to adjacent Lime Bay Park, Sitkum Park and the Garry oak-camas meadow natural area southeast of Esquimalt Road and Kimta Road
- A community space or equivalent cash amenity contribution to the City of Victoria to provide improvements elsewhere in the neighbourhood
- Stormwater management features
- A potential passenger rail station, provided E&N rail service resumes; however, the primary station location for Victoria West is at the west end of the Johnson Street Bridge

C.4 Affordable Housing & Community Amenities

Affordable housing is a key policy area addressed by a number of Victoria's plans and strategies due to the city's housing crisis. Increasing residential densities in market strata developments have exacerbated the need for affordable housing while putting increased pressure on community amenities. The City's Inclusionary Housing and Community Amenity Policy seeks to address this tension by requiring the supply of new affordable housing as part of new multi-unit or mixed-use strata residential developments. As per this policy, affordable housing is defined as on-site secured rental or ownership units that meet the City's housing affordability targets.

Additional relevant policies and targets that guide housing development include:

- Section 13, Housing and Homelessness, Official Community Plan, City of Victoria
- Victoria Sustainability Framework
- Strategic Objective Three: Affordable Housing, 2019-2022 Strategic Plan
- Victoria Housing Strategy 2016-2025 (Phase One and Phase Two)
- Inclusionary Housing and Community Amenity Policy

Roundhouse at Bayview Place will address the City's desire for affordable housing using the following methods, subject to input and refinement by City staff, BC Housing, and community engagement:

- Level 'B' Bonus Density requirements and policies may apply to Roundhouse at Bayview Place due to the requested increase in residential density above OCP base density.
- Conduct an economic analysis to determine the amount of cash-in-lieu contributions and the number of Inclusionary Housing Unit Ownership the project can support.
- Amenity contributions secured by a Master Development Agreement.
- Where the amenity is a monetary contribution, the amenity contribution may be divided proportionately between different phases of development.

The City of Victoria requires Roundhouse at Bayview Place offer a diverse range of housing options, including market and non-market rental and strata housing alongside additional public amenities, retail, employment and hospitality space. The goal is to provide housing that reflects the target audience across all ages, incomes and abilities.

C.5 Current Zoning

Part 12.12 – CD-12 Zone, Roundhouse District

The site is located at 251, 253, 259 Esquimalt Road, and Catherine Street. City of Victoria Zoning Regulation Bylaw (No. 80-159) designates the Plan Area as CD-12 Zone: Roundhouse District. This zone is divided into 5 development areas, as shown on the map below:

EXISTING ZONING LIMITATIONS

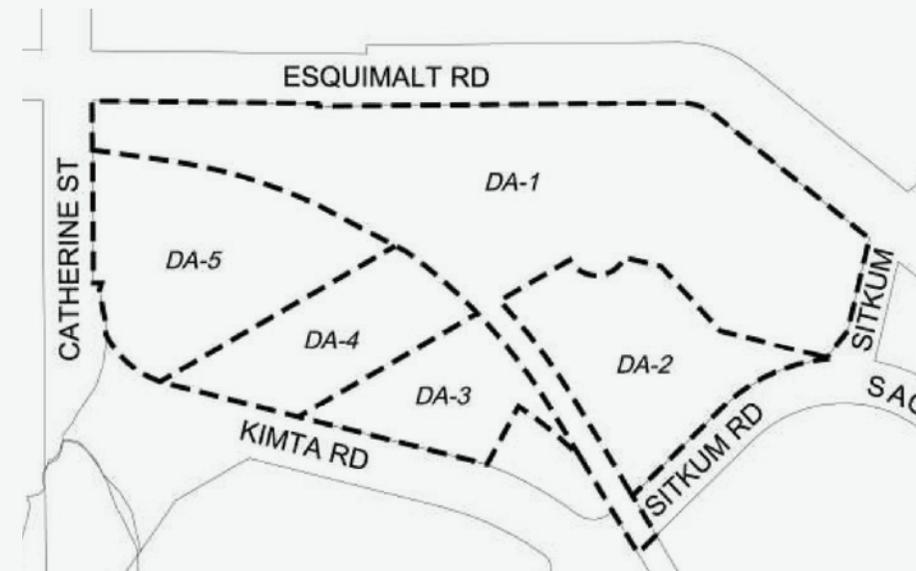
OVERALL:

Maximum non-residential uses: 9,180 m²

Maximum Floor Space Ratio: 2.0:1

| | Maximum Floor Area (m ² /SF) | Maximum Height (m) |
|------|--|--------------------|
| DA-1 | 5,000/53,820 (commercial) | 19m |
| DA-2 | 14,500/156,077 (condo, hotel) 2,200/23,681 (other uses) | 76m |
| DA-3 | 19,000/204,514 (residential) 8000/8,611 (non-residential) | 88m |
| DA-4 | 15,000/161,459 (residential) 1,180/12,701 (non-residential) | 66m |
| DA-5 | 17,000/182,986 (residential) | 52m |

ROUNDHOUSE DISTRICT CURRENT ZONING



The City of Victoria strives to accommodate growth through the creation of sustainable and compact village hubs where shops, facilities and jobs are close to where people live. This strategy and the City's overall land use goals no longer align with the current Roundhouse zoning and policy provisions. The prescriptive nature of the current zoning:

- Limits density and permissible floor area needed to help offset the extreme cost of creating a vibrant public realm with integrated historic resources
- Reduces housing opportunities by limiting residential floor area
- Constrains innovative site planning and urban design
- Generally, limits building heights
- Restricts development that could be complementary to historically designated buildings (i.e., restricts residential uses in DA-1)

The 2008 zoning limitations can no longer meet Victoria's goal of accommodating 10,000 people within the Urban Core by 2041. These limitations prevent the City of Victoria from capitalizing on strategic investments and contradicts the regional and city-wide goals that encourage compact and sustainable growth.

C.6 Roundhouse Design Guidelines (Revised 2015)

The Roundhouse Design Guidelines, created in July 2008 and last updated in 2015, prescribe the form of development and design quality to be achieved through redevelopment of the project site. The overall vision for the area is a community that caters to local residents and visitors through provision of a variety of uses and activities including retail, restaurant, arts and crafts, railway interpretation, railway maintenance, office, hotel, residential and recreation. The guidelines were developed based on the Development Concept Plan, revised in 2015.

While the proposed new site design still aligns with the overall vision for Roundhouse at Bayview Place, the detailed Development Concept Plan has changed. Most of areas in the document will need to be updated to reflect the proposed new site design including policies and maps.

C.7 Roundhouse Master Development Agreement

The Roundhouse Master Development Agreement (MDA) was adopted in 2008 in conjunction with the original rezoning to provide a framework within which Roundhouse at Bayview Place would deliver key public amenities over the project's phased development.

The current application proposes rezoning the property to realize a more complete and diverse mix of uses that will intensify and activate retail amenities and public spaces, and provide additional community amenities in the form of additional housing and a redesigned public realm. A new Master Development Agreement will be drafted to capture the development amenities to be provided by the project and could include the following topics:

- Provision of Rental and Affordable Housing
- Provision of Adaptable Residential Units
- Rehabilitation of the Heritage Designated Buildings & Structures
- Development of the E&N Rail Trail Multi-Purpose Pathway
- Development of On-site Public Realm Improvements
- Development of Off-site Park and Streetscape Improvements
- Provision of Transportation Demand Management (TDM) Strategies
- Confirmation of Rail Crossing Agreements
- Confirmation of Development Phasing Strategy
- Confirmation of Noise Attenuation/Mitigation Measures
- Provision of Site Servicing

C.8 Policy Analysis Conclusion

Roundhouse at Bayview Place aligns with the City of Victoria’s aspirational vision and city-building goals and will target specific policy gaps identified by this analysis. Victoria is a growing city, with pressing housing affordability and sustainability challenges. Roundhouse at Bayview Place provides an opportunity to address this situation through thoughtful, focused urban densification within its strategic Urban Core location - a place where growth is targeted.

This project will build on the example set by Bayview Place while remaining committed to the principles and values that guided the 2008 concept plan. The new plan represents a better implementation of those principles and values, one that can succeed considering new needs and challenges: it’s an implementable plan based on the City’s aspirational goals, policies, plans and Council’s overarching vision and commitment to sustainability.

Given Victoria’s lack of vacant sites, high land prices and the cost of converting existing buildings, it remains unclear how the City plans to accommodate anticipated population growth, especially if zoning for all master plan areas remains at a 2.5:1 Floor Space Ratio (FSR). As noted in the Victoria Housing Strategy: Phase Two and the City’s Inclusionary Housing and Community Amenity Policy, housing supply for both affordable and market units continues to fall short of demand. With current vacancy rates, growth patterns, and housing costs within Victoria West, additional allocation of density to master plan projects may be necessary to accommodate future residents.



