

12th September 2024

To the Downtown Community,

**RE: 1306-1330 Broad Street and 615-625 Johnson Street, Victoria, BC
Rezoning and Heritage Alteration Permit**

For nearly 20 years, Chard Development Ltd. (“Chard”) has been developing neighborhood enhancing, mixed-use projects in the City of Victoria. From Corazon (2005) to Cook Street Plaza (2024) - and the many projects in between and currently underway - these projects have helped to strengthen the City, bringing diverse housing options and retail vigor to a diverse section of Victorians. Now, with our continued investment in downtown Victoria’s first purpose-built hotel since 2004, Chard is excited to once again demonstrate that we are builders of – and believers in – Victoria.

Chard’s involvement in 1306-1330 Broad Street and 615-625 Johnson Street (“Broad” or “The Project”) rehabilitation and redevelopment began in 2016 with initial community engagement commencing in 2017. The significant heritage abatement, structural retention of the brick promotes public facing aspects of the former Duck’s building and rubble wall, as well as salvage of existing heritage building elements began in mid 2023 and remain on-going.

Since our original application was made in 2019 for a 135 room, 6-storey, lifestyle hotel, there have been significant shifts in construction costs, policy changes, and the tourism sector. In this time, we have seen the hotel construction budget balloon by more than \$200 per sf or 51%, hotel vacancy rates drop to under 10% during the peak (May – September) tourism months, and AirBnB operations restricted within Victoria. We have also discovered that the retained heritage walls were in poorer condition than initial assessment had indicated and have had to incur material expense and schedule impact in order to safely support them in a sensitive and respectful manner. The safety adjustments were required for the team completing the work, public sidewalks, and the long-term safety of the building. When we first began this project, the original costing was \$394 per sq ft. Today, the project was recently tendered at \$595 per sq ft. for just the new structure. In addition, the heritage abatement and restoration budget was originally \$1.6M and is now \$5.1M.

In response to these challenging realities we are submitting for new Rezoning and Heritage Alteration Permits. This new application proposes a modest, significantly setback two-storey addition and 31 guestroom increase. The additional height and

commiserate density will allow the project to remain economically viable, provide additional hotel rooms, and offer additional public benefit in the form of community arts and culture contributions. The application respects the form and character of our originally approved HAP and heritage retention/restoration commitments made.

PROJECT SUMMARY

This proposed development occupies property owned by the University of Victoria ("UVic") along the 1300 block of Broad Street bordered by Johnson Street to the north. Chard is seeking to increase the room count from 135 to 166, of which a number of rooms are tailored towards families with connected rooms and additional flexible space. This lifestyle hotel will be operated by a well-known and well-respected international flag chosen specifically for their commitment to procuring locally-sourced products in all aspects of the hotel operation. Working in consultation with professional heritage consultant Donald Luxton and the recommendations made in the submitted Conservation Plans, the proposed development incorporates the rehabilitation of the historic Duck's Building and the rubble stone wall of the original Duck's Carriage Factory as the central heritage design features. Built to current building and seismic codes - with sprinklers and enhanced life-safety systems - yet adhering to the Old Town Design Guidelines (2019) and in keeping with the Old Town context, the development will provide significant economic benefit while allowing UVic - by way of a 99-year land lease - to obtain annual income and retain ownership of the land.

To compliment the lifestyle brand and interior design of the future hotel, Chard is looking to make a commitment to the local creative community to showcase their work on a rotating basis in a selection of hotel rooms. This is a unique opportunity for the Victoria creative community to put their work on display to the visiting public. The project will also make available meeting space to the art and culture community free for a period of 10 years with a set number of hours each quarter.

Chard truly believes this hotel will significantly strengthen the local economy of the Old Town, enhance the activation of Broad Street both day and night given the hotel use of the project, and offer an opportunity to promote local events in the ground floor restaurant and meeting space. To further support this vision, Chard is also offering to fund a neighborhood enhancing catenary lighting installation along the 1300 block of Broad Street, utilizing the infrastructure that was previously installed to support this future use. Chard hopes this will encourage Broad Street to be utilized for local events, celebrations, farmer's markets, and other community building events, providing an additional cultural epicenter to Downtown Victoria.

An important part of this new Rezoning and Heritage Alteration Permit Application package is the attention to compliance with the Victoria's existing Official Community Plan ("OCP") and the 2050 Emerging Policy Framework that is part of the ongoing OCP Update. Chard recognizes that the City is undergoing significant policy changes that will shape the built form of Victoria's neighbourhoods for decades to come. Chard has conducted a comprehensive OCP review and identified key areas where this proposal responds to the contents of the OCP and Emerging Policy Framework. This is included in the fulsome application available on Victoria's development tracker.

KEY PROJECT BENEFITS

Heritage Retention and Significance

Throughout the design process, careful consideration has been given to the Old Town Design Guidelines with each guideline incorporated in a meaningful way that respects the intent. Continued work with professional heritage consultant Donald Luxton has ensured that the proposed development remains responsive to the identified character-defining elements as noted in the Conservation Plans' Statements of Significance and adheres to the Old Town Heritage Guidelines, Design Principles of Good Fit, Reinforcement of Existing Character, Human Scale, Cohesiveness and Authenticity.

Beyond the Old Town Design Guidelines, the proposed development adheres to the Standards and Guidelines for the Conservation of Historic Places in Canada. Complete Conservation Plans have been prepared to guide the on-going respectful rehabilitation of the heritage resources.

As part of the originally approved Rezoning and Heritage Permit conditions, the retention and rehabilitation of historically significant components of the Duck's Building and the Duck's Carriage Factory rubble stone wall is already underway. To-date much of the work to temporarily (and permanently) support the retained rubble wall and brick facades has been completed, with shotcrete, steel walers and concrete support beams installed on site. Numerous placemaking building elements have also been salvaged and will be reused as design features within the future hotel. These elements include the 'Madame's Fireplace', original wainscoting and chair rail, period accurate wood doors and exterior wood windows from the upper floors. Large quantities of existing brick have also been carefully stockpiled and are designated for reuse in both interior and exterior areas of the building.

While there were components of the existing Duck's Building and Duck's Carriage Factory that are beyond retention, it is vital that the significance of these buildings be remembered and celebrated. To this end, as part of the interior work to be undertaken, existing salvaged components will be used in highly visible public areas and will be celebrated by way of a Heritage Acknowledgement Program as mentioned in the original proposal and previously committed to. The future hotel use providing a unique opportunity to educate both guests and the general public about the history of Simeon Duck, the Ducks Building and Carriage Factory, and the broader Victoria landscape in the late nineteenth century.

Investment in Victoria's Local Creative Community

It is recognized that space, access and visibility continue to be a challenge for members of Victoria's local creative community, with many of the spaces available to organizations being temporary, older and/or inaccessible. Therefore, as part of this proposal to further increase the number of hotel rooms in this project, Chard is proposing a number of benefits to support and enhance Victoria's local arts and business communities. These meaningful benefits include:

- Designating five rooms within the hotel as 'artist rooms'. These rooms would feature a curated rotating art program featuring the works of local artists. We envision this being something that changes twice yearly and during the period an artist is featured there would also be opportunity to be featured across the hotel's social media, hold public events, etc.
- Make the hotel meeting room(s) available to the Victoria Arts Council or other local arts and culture organizations on a regular basis to use for board meetings, public art exhibitions, workshops or classes, etc. More specifically, this could be an agreed upon number of hours or days based on what would be of most value to the selected organization(s).
- Fund catenary lighting installation along the 1300 block of Broad Street, utilizing the infrastructure that was previously installed to support this future use. This installation enhances ambiance and creates an additional "third space" for hotel guests, business patrons and neighbours to gather into the evening, bringing further community connection to this area.



Catenary Lighting (Example 1) - Montreal Pedestrian Street, *Credit: Caroline Perron*



Catenary Lighting (Example 2) Coquitlam Centre, *Credit: Morguard Investments*

Public Realm Enhancements

With this proposed development, character of place has been considered and enhanced through a continuity of commercial uses at grade, wide sidewalks, appropriate tree planting, and built form compatibility between the historic and new buildings. The public nature of the hotel use - with restaurant and cafe at grade - will help to further animate the public realm. The main lobby entrance, now situated at the intersection of Broad and Johnson Street will contribute to the pedestrian activation of this corner and allows for visibility and public access from multiple directions.

A restaurant use is being proposed within the Duck's Building portion of the Broad St. facade, utilizing the existing Ducks Building entrance. A smaller cafe is also intended to operate in between the Legacy Art Gallery and the restaurant. This commercial presence along Broad Street will enhance the frontage, pedestrian connections and activity along streetscape. There is opportunity for further street activation by way of restaurant patio or small-scale spillover seating from the cafe.

Further, as a result of the previous rezoning a Statutory Right of Way over a portion of the site was established, allowing the City to administer a wider laneway to the west of the Duck's Building. Better serving the proposed development and the existing properties that utilize this laneway for loading, access, and exiting.

A secondary valet entrance to the hotel, set near the southern end of the rubble stone wall, will be accessed through Duck's Alley, benefitting both the circulation through the hotel and public realm along the lane. Based on staff comments, this entrance - which will serve as a drop-off for guests with vehicle and bike valet pick-up - has been refined with pilasters and repurposed brick. Signage, lighting and visual cues - including sensitively designed signage at the rubble stone wall - will help to direct visitors. Benefitting hotel guests and adjacent buildings, these changes will reestablish Duck's Alley as an important connection to Johnson Street and a significant piece of Old Town's history.

SUMMARY

This proposed hotel and retail development will result in a community asset that will provide significant economic benefits to the City of Victoria while rehabilitating an important part of the City's history and retaining an on-going source of income for the University of Victoria. This is a unique opportunity to enhance the local and tourist experience in Old Town while contributing to the overall public realm, local creative scene, and vibrancy of the community. As mentioned above, construction cost escalations and heritage retention costs have challenged the redevelopment of the hotel

and the additional public and community benefits. The two additional, setback storeys are critical in achieving these meaningful community benefits and delivering on our commitments to the City of Victoria.

We appreciate the community's feedback on this application and look forward to continuing to engage with you to make a new hotel in Downtown Victoria a reality. We look forward to feedback at the upcoming CALUC Community Meeting on Wednesday 9th October 2024. We encourage you to attend, appreciate your consideration and look forward to your comments and questions.

Sincerely,

CHARD DEVELOPMENT LTD.



Byron Chard
President & CEO