

October 11, 2018

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

Re: Rezoning and Development Permit Application 952 Johnson/ 1400 Vancouver Street, Victoria, BC

PROPOSAL - PURPOSE OF REZONING AND DEVELOPMENT PERMIT APPLICATION

This application proposes a mixed use residential / commercial development located at 1400 Vancouver Street in downtown Victoria. The current zoning S-2 Special District Zone allows for funeral home use. The Developer requests rezoning and development approval to construct a new fifteen-storey tower and to restore an existing chapel for future commercial use.

The residential building will have total of 93 units including 41 one-bed, 50 two-bed and 3 three-bed units. Indoor and outdoor amenities are proposed too, including ground level plaza integrated with the heritage building located on the same site. Building site area is 23,160 sq.ft. The proposed net FSR area is 105, 208 sq.ft., which represents FSR of 4.5:1.

APPLICABLE POLICIES

Official Community Plan

- Core Residential Urban Place Designation permits a base density of 3:1 FSR, up to maximum of 5.5:1 FSR
- This designation envisions mixed use, residential and commercial building up to approximately 20 storeys
- The property falls within DPA 3 (HC) Core Mixed Use where heritage conservation is an objective
- DPA 3 (HC): CORE MIXED-USE RESIDENTIAL, Section 5. Guidelines.

Downtown Core Area Plan

- Residential Mixed Use District where commercial use is limited to 1:1 FSR
- 50m height limit (MAP 32)
- Street wall guidelines designate Vancouver Street to be a "wide" street and Johnson Street to be a "narrow" street.

DESIGN RATIONALE

The massing of the project follows the Downtown Core Area building and street interface guidelines with upper floors stepped back from Vancouver Street and all other sides, to reduce visual impact and to minimize shadowing of adjacent lots. In addition to increased setbacks and to accommodate the historic chapel the east building face has been recessed at the ground level to further enlarge public realm and to improve and diversify the proposed green zone. A similar, although not as dramatic setback treatment, has been proposed at the north and west side.

The extended façade is also a result of a desire to create better at-grade pedestrian experience resulting in transfer of the building floor area to the upper levels. The at-grade building recess visually extends public realm, allows for additional noise attenuation using layers of shrubs and adds to passive energy conservation solution by providing shading. The extended landscaped area brings also benefits to bird and human habitat, and creates larger canvas for biodiversity in this development.

The project is being coordinated with the adjacent to the north development to assure proper spacing between the two future buildings and to provide view and natural light to all units. To the East is the CRA building. To the West is a smaller five storey condo building. The impact will be little to none on this building as their East side, which abuts the development, is a masonry wall for the most part. Any windows on that side of their building are set quite far in. Also, to further diminish the impact the project has a greater side yard than livability guidelines demand. Last, across the street is '989'; there should be no impact on that building.

BUILDING FORM AND HERITAGE PRESERVATION

When deciding on how to proceed with this site the owner was faced with a difficult proposal. The chapel of what was once the 'McCall Brothers Funeral Home' is an interesting architectural piece. The exterior is from a style now known as 'Mid-Century Modern', and although it is not a perfect representation of this era, it is a somewhat iconic structure in Victoria and was designed by an important Victoria architect. Even more notable is its interior, especially the ceiling. The structure of the ceiling is quite beautiful, hence the owner decided it is worth saving.

The Developer also met and conferred with the Downtown Residents Association, and has met with the Heritage Committee. The building is not on the Heritage Registry, but it does have some historical significance. It was generally agreed though the Chapel is its principal feature. The Developer was asked by all parties that above all else, to please try to save it. The Developer concurred, having come to the same conclusion, and hence out of that came this design.

The Chapel takes up so much of the site though that the allowable floor space could not be accommodated within the heights and setbacks allowed. And, the Chapel, to make a proper statement, needs space around it, which further cut into the building envelope. The design the team embarked on will create a unique architectural statement and will be restore the Chapel to its original form. The project does give up a substantial amount of allowable floor space, but by cantilevering the building over the Chapel makes the project financially viable.

In addition, the design picks up elements of 'Mid-Century Modern' and plays with them throughout the building. Although it will be a thoroughly modern building the architect, Doug Austin, has honoured John Di Castri by adding to his original work.

LAND USE, PROGRAM, TRANSPORTATION AND COMMUNITY

This building is being designed and built with people in mind who wish to make downtown Victoria their home for many years to come. It is not a 'transitional' building. It is aimed at a younger crowd, at a crowd that will become the core of the City over the next decades. The project intent is to create a long term living community, especially for those in the tech sector.

To this end the project delivers the following:

- For all our two bedroom suites one of the bedrooms will be large enough to have a king size bed. Living downtown is expensive now, with current land and construction costs. It is not unreasonable for residents to expect homes that reflect the rents and prices they must pay in living space and comfort.
- The proposed amenity space will include a usable full size co-working space. Many people work out of their homes, especially those in the tech sector. This can be troublesome for cohabitants, and can be isolating for those who work at home. The project will provide a functional usable co-work space for tenants, including having private offices and a boardroom.
- Most of suites are two bedroom suites, averaging 860 to 920 sq.ft. These will allow couples to live and work in them comfortably, and won't rule out having a child and continuing to live downtown.
- Developer's focus in the last project was to build a community for outdoors oriented people, specifically the biking crowd, and to create a building where families will feel comfortable. The proposed building will continue developer's legacy; it is being aimed at young creative working families, possibly from the tech sector, active, enjoying outdoor activities, and pets. We hope through the co-work space, amenities and by building larger suites, people who work largely in their homes will be able to comfortably build their lives in downtown Victoria.
- To this end the project will be adding such features as having a filtered cold water system tap in the lobby so those who exercise will be able to fill their water bottles before they leave.
- For dog owners the project will offer a 'doggy wash'.
- The project will include a proper gym for residents, a necessary adjunct for those working at home. One can easily become sequestered. The gym and co-work space will pull people out of their homes for some needed exercise and 'people' time. The child's play area will face the gym so parents can work out and still watch their children.
- The developer intends on having the highest available cable speeds installed. Our electrical contractor will be providing us with a report on all features we can add that will enhance the living and working at home experience.

- The developer is currently costing and will attempt to add a solar panel system. The roof has been design specifically to serve this purpose.
- Storage lockers and bike storage will be provided.
- There will be a large patio space off the amenity area for those who wish to congregate or entertain. And, there will be a roof top deck.

Downtown Victoria is experiencing an alarming tendency, a trend to build buildings with very small suites. Some buildings have living rooms that are only eight feet wide. Two bedroom suites are being built that are under 600 square feet. Many, many very small suites as little as 275 square feet have been built. The reason for this is the rapidly escalating construction cost. The cost of land and fees of all types have skyrocketed too.

Although the developer agrees with the concept of having a wide range of types of suites, even though some might not be suites one can make a life in, as people have widely varying needs, the owner thinks that, as a general rule, suites should be large enough to comfortably live in for an extended period of time. 275 square foot studios, sub 500 sf one bedrooms and two bedrooms under 650 square feet are not adequate housing for extended periods. It is the developer's strong belief that a sustainable downtown community can not be built on this.

To this end the project is bucking the trend and is proposing larger suites. Although smaller units are included, most of the suites are about 150 square feet larger than the average being built now in Victoria. For example our 1 bedroom suites range from upper 500 sq.ft to upper 700 sq.ft. Our two bedroom units are from mid 800 sq.ft to mid 1,200 sq.ft. The three bedroom suite exceed 1,450 sq.ft.

Developer's intention is to run the project as a rental building. As the owners say: "We are primarily landlords, not condo developers. We love providing good rental housing for people. And, we believe in it as a social good. We strongly believe downtown cores should be built around rentals, not condos. Condos should be secondary. It is renters who are younger and who build the businesses and provide the energy a downtown core needs to thrive.

We would like to commit to this as being a rental building, but the costs are skyrocketing. At some point rentals cannot work. If we could get into the ground today, we would and could commit to this being a rental. As it is we believe we can build this and put it into the rental stock for Victoria. But, the faster we get in the ground the better the chance of this.

We are designing the building though as a rental building, reflecting our intent. A condo building would have far fewer two-bedroom suites, for example. Two bedroom suites sell well as re-sales, but sell last as new sales. Typically 100% of one-bedroom suites sell before 20% of two bedroom suites in a project sell, whereas two bedroom suites rent before one bedrooms. More than half our suites have two bedrooms."

CPTED

As we are all aware, security is a top priority. The project provides 'air flow' around the Chapel to give it context. This has left an area at the back on Vancouver, and between the two buildings, on Johnson at the front, that will be landscaped. These areas will be secured with metalwork gates, but will provide a pleasant visual greenery to the core. The entire public realm, public and private is very transparent and well lit. It is also visually integrated and landscaped promoting activity and positive public experience.

PUBLIC REALM

This building fits within the neighbourhood plan. It will further upgrade the area, and increase walking traffic downtown. With the Supermarket being built in the St. Andrews building we don't anticipate there will be much of an increase in traffic. Everything is within walking distance. If anything, for those currently working downtown who move into the building, this should decrease traffic in the downtown core, as those people will now not have to drive anywhere.

An improved public realm will be implemented on the Vancouver and Johnson street frontage including new trees, landscaping, benches, patterned paving, lawns and bike racks.

- Active edges consisting of windows, commercial spaces and entrances facing both streets are implemented into the building design.
- Extensive landscape with several layers of vegetation is proposed
- Public realm amenities including benches, bollards, trash receptacles, bike racks and pedestrian level lighting facing both street will be provided.

We think this building will be a very interesting addition to Victoria's housing inventory.

SUSTAINABILITY

This project will exceed the BC Energy Step Code, Step 1. Heat recovery ventilation will be implemented for all suites. And, hi efficiency gas fired domestic hot water generation is proposed. Carbon footprint could be reduced by utilizing air cooled heat pump domestic hot water generation in a central plant or individual suite units. Variable frequency drives are proposed for parking ventilation fans, operating on CO detection controls.

This project will commit to achieving up to 110 point (LEED Platinum) with 11 water efficiency point, 3 storm water point and a 22% reduction in energy cost as compared with ASHRAE 90.1 2010. As well, this application will follow LEED program, or other equivalent program as permitted by City of Victoria Sustainable Planning and Community Development current policies.

The proposed development has provision for a neighbourhood energy system connection. The parking structure has several extra spaces, which could be easily converted into a heat exchange mechanical

room. Specific allowances will be made during design development phase addressing requirements of the district energy, if such an option exists.

The Green Building Design noted in the *Green Building Indicator list* will be achieved through combination of passive, active and hybrid design solutions. Passive will include daylighting and natural ventilation, as well as "double skin" building envelope wherever possible, while active will focus on efficiency of heat pumps, radiant panels and electric lights. The hybrid strategies may include heat recovery ventilation, economizer ventilation, solar thermal systems, radiant facades and possibly ground source heat pumps.

CONCLUSION

Our project is bold, not only in looks and engineering. It is a bold and dynamic take on the future of downtown Victoria. We are going against the advice of the developer community and moving back towards a more comfortable living situation for residents and tenants. We will not get the same price per square foot on rentals, or condos (if costs force us to sell as condos), so there are risks involved as our costs are current. Therefore, our profit margins will be skinnier than we would like. But, we believe this project will best serve Victoria, now and in the future. And, we save a landmark building – The McCall Brothers Funeral Home Chapel. We believe too we will be providing an anchor for the tech community, which is essential to Victoria's future.

We believe the enclosed material illustrates that the requested increase to density and height can be comfortable accommodated on this site while meeting neighbourhood urban design objectives. We also believe it addresses City comments and policies, adding a much needed enhancement to the rapidly growing downtown Victoria community.