



September 24, 2026

City of Victoria
1 Centennial Square
Victoria BC, V8W 1P6
VIA ELECTRONIC DELIVERY

Attention: Mayor Alto, Council, and Planning Staff

Re: REZ00902- Re-zoning and Development - 2580 & 2582 Vancouver Street, Victoria

On behalf of the Victoria Native Friendship Centre (VNFC), M'akola Development Services (MDS) is pleased to submit the following material in response to the Application Review Summary received on August 25th, 2026, from City of Victoria Planning Staff. The submission regards the Re-zoning and Development Permit Application submitted on July 18th, 2025 that proposes 40 units of non-market Indigenous housing at 2580 & 2582 Vancouver Street, Victoria BC.

The re-submission package includes:

- **Updated Project Plans:** Revised Architectural, Civil, & Landscape Plans (includes Replacement Tree Plan)
- **Revision Marked Plans:** A duplicate set of the revised Architectural, Civil, & Landscape Plans with revisions bubbled and numbered

In addition to these resubmission materials, MDS and VNFC understand that City of Victoria staff will be bringing forward a Housing Agreement draft for consideration by Council. Below is a summary of important background information on the proposed project, specifically regarding affordability and proposed tenure, which provides rationale for the current Housing Agreement proposal. Included below is also a summary of the rationale for the variances requested through this rezoning and DP application, which are further articulated in letters to Council dated July 25th, 2025 and March 10th, 2026.

Housing Agreement

Victoria Native Friendship Centre is proposing to develop 40 units of non-market housing at 2580/2582 Vancouver St in Victoria, BC. Though this project was originally developed in alignment with BC Housing's Community Housing Fund affordability limits, due to the cancellation of the BC Housing program, the Society no longer has certainty on the affordability parameters that can be achieved for the proposed project. Currently, no available provincial or federal funding programs achieve the same depth of affordability as BC Housing's Community Housing Fund, and non-profit housing providers across the province, including VNFC, are now trying to maintain momentum in moving projects forward without clear funding parameters.

It is difficult for a non-profit society to make profound and detailed commitments to high levels of affordability through a registered Housing Agreement until a primary funder is secured for the project; however, a rezoning approval is a critical element to federal funding applications as it indicates that the project has removed risk associated with municipal approvals. Currently, VNFC is unable to further conversations with interested funders, including the federal Build Canada Homes program, because the zoning for the property is not confirmed. This leaves VNFC in a challenging standstill.

As a result, the current Housing Agreement proposes a level of affordability that the Society intends to exceed, once a project funder can be secured. The proposal includes at minimum 60 years of operation of rental housing units by VNFC or another public housing body. At minimum, 5% of units would be rented at below market rent, *with the intent to increase the number of below market units offered once project funding can be secured and funding parameters are confirmed*. VNFC's objective for the project is to fulfill their mission to create culturally-safe housing options for their community members, which includes maximizing affordability for all end-users.

In support of increasing affordability of the project, VNFC is currently pursuing funding for the project from Build Canada Homes, and other funding sources. As well, VNFC is exploring creative funding scenarios, value engineering, and planning fundraising campaigns to subsidize construction and/or provide rental subsidies to their tenants on a yearly basis – achieving a full rezoning will support these further conversations with future funders.

One option being considered by the VNFC to increase affordability, and better align with anticipated future federal funding programs, is to explore affordable home-ownership for a portion of the building. The Society may return to Council with a proposal to modify the existing Housing Agreement to reflect home-ownership instead of rental-only tenure if funding programs are viable.

Given the importance of a complete rezoning for funder consideration, we appreciate the opportunity to present a Housing Agreement that aligns with City policies and still provides VNFC a degree of flexibility to pursue funding opportunities.

Proposed Variances and OCP Alignment

This project represents VNFC's deep commitment to creating safe, accessible, and culturally grounded housing that meets the intergenerational needs of Indigenous peoples in Victoria. An approved re-zoning application to increase density would allow VNFC to maintain a unit count that will be cost-effective to build, appealing to future funders, and would provide 40 units of much needed affordable family-size rental housing for urban Indigenous peoples in Victoria. Notably, the increased FSR proposed allows the project to exceed CoV recommendations for the provision of family-housing units in new multi-family housing developments. This project proposes 25% 3-bedroom units, 25% 2-bedroom units and 12.5 % 4-bedrooms, which exceeds the zone standard of 10%, 20% and 0% respectively. The larger unit types align with Indigenous housing design principles, the City's Housing Need and Demand Report, and OCP policies, however providing this significantly impacts FSR calculations and should be considered alongside the request for increased density at this site.

A courtyard was prioritized for the project in alignment with City of Victoria design guidelines and due to the Owner's vision to develop housing which promotes tenant wellbeing, cultural safety, and community building. In early engagement, prospective tenants and community members indicated that they valued safety in housing, expressing desire for an area for families to gather in the centre of the building. The courtyard approach directly responds to this community feedback. To achieve this vision, variances to setbacks are requested, and the public-realm interface along the frontage has been carefully designed to ensure the densification and reduced setbacks are sensitive to existing residential neighbourhood character and complements the evolving and vibrant streetscape. The proposed design prioritizes the quality of the outdoor community amenity space, which has been prioritized for families to gather, play, and build strong community bonds, without compromising the public realm.

With a constrained site and a goal of maximizing the number of affordable family sized units offered, the project team is confident the proposed design aligns with the OCP and carefully harmonizes a functional public interface with the VNFC's vision for creating Indigenous housing units and meaningful tenant indoor and outdoor spaces. The building's massing, proposed setbacks, and public/private space allocation also align with other recent developments on neighbouring properties (ex. 1025 Kings Rd and 2570 5th Street). Initial Neighbourhood CALUC meetings and the Advisory Design Panel all indicated strong support for the project, and we hope Council can support VNFC's vision as well.

Thank you for your consideration and ongoing support for this non-profit Indigenous rental housing project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jamie Bégin', with a stylized flourish at the end.

Jamie Bégin

Project Manager | M'akola Development Services

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