



December 2, 2024

District of Saanich
770 Vernon Avenue
Victoria, BC V8X 2W7

Attention: Planning Department

RE: Development Permit Extension at 1555-1595 McKenzie (DPR00821) PID: 001-455-397
Legal Description: Lot 1, Section 41 & 57 Victoria District Plan 28938 Except Part In Plan 51323.

On behalf of Nicola MPC Limited Partnership, please accept this letter and accompanying application as a formal request to extend the approved Development Permit (DPR00821) for the redevelopment of 1555-1595 McKenzie Avenue for an **additional 2 years** beyond its current expiry of January 10, 2025. The purpose of this extension is to allow additional time for the redevelopment to proceed with the significant mixed-use project which will deliver 384 rental homes and new retail to the transforming University Centre. The 2-year extension is requested based on the advice of the Planning Department.

As has been broadly communicated, the unprecedented rise in interest rates to combat persistent cost inflation created a notably challenging environment for the delivery of rental housing across Canada and therefore negatively affected construction starts. Given the scale of this project, the consideration of the economic environment is paramount for its financial viability and monetary policy conditions have improved, facilitating the project to proceed.

Despite the delay in commencement from the initial approval of the development permit in January 2023, we have made considerable progress towards a construction start including:

- In June 2024, completion of hazardous abatement and demolition of the existing buildings and structures on-site which required 13 months and applied for CMHC financing
- In October 2024, received financing approvals from CMHC under the MLI Select Program
- In November 2024, the general contractor began tendering the project to the sub-trade market
- In December 2024, we have received term sheets from potential lenders for the project

Given this progress and the full intention to build the project, with excavation targeting to commence in March 2025, we strongly request the approval to extend the development permit and appreciate the consideration by Council & Staff.

Sincerely,

Josh Anderson on behalf of Nicola MPC Limited Partnership

A handwritten signature in dark ink, appearing to read 'Josh Anderson', written over a light blue rectangular background.

Date: December 2, 2024