



The Corporation of the District of Saanich

Report

To: Mayor and Council
From: Lindsay Chase, Director of Planning
Date: December 17, 2024
Subject: Development Permit Amendment Application • 1555 McKenzie Avenue
File: DPA01072

RECOMMENDATIONS

1. That Development Permit Amendment DPA01072 be approved.

PURPOSE

The purpose of this Report is to seek Council's decision on an application to amend Development Permit DPR00821 (1555 McKenzie Avenue) to request a 24-month extension to the timeline for the Owner to substantially start the development. The applicant is MCM Partnership Architects (Mark Grimsrud).

BACKGROUND

Development Permit DPR00821, alongside an application to rezone from the C-2 (General Commercial) Zone to the C-17 (Neighbourhood Mixed Use) Zone, was approved by Council on January 9, 2023, permitting a multi-storey 384-unit apartment building with commercial space and one level of underground parking (see attached Council Report and Supplemental Report dated June 29, 2022, and July 5, 2022). A Housing Agreement has been executed securing all 384 units as rental units for a minimum of 60 years. A Community Amenity Contribution (CAC) of \$750,000 committed to numerous reserve funds, public art, and community organizations, was secured through a covenant executed on November 9, 2022. CACs must be paid prior to building permit issuance.

Section 4 of the Development Permit states that "The Owner shall substantially start the development within 24 months from the date of the issuance of the Permit, in default of which the Municipality may at its option upon 10 days prior written notice to the Owner terminate this Permit and the Permit shall be null and void and of no further force or effect." As the Owner has not substantially started the development within 24 months from the date of permit issuance, the permit is set to expire on January 10, 2025.

DISCUSSION

Development Permit DPR00821 was approved under the District of Saanich's previous Official Community Plan (OCP). Despite the change to a new OCP, the Land Use designation for the site remains the same, with the proposal compliant with the current OCP policy context. Furthermore, the development adheres to core design principles, while also being largely consistent with updated general and typology-specific design guidelines. The development addresses key design guidelines by providing public outdoor and private amenity areas, ground-level commercial spaces ancillary to residential units, and streetscape improvements – all of which contribute to an active and human-scaled pedestrian realm.

The applicant has provided a letter outlining the circumstances which have resulted in the need for a Development Permit extension (Attachment B). They note that a challenging economic environment, coupled with the scale of a significant mixed-use project, delayed the initiation of construction.

The applicant has indicated that they have made significant progress toward starting the development, anticipating excavation of the site to commence early in 2025.

The proposed amendment to DPR00821 would provide a one-time extension of 24-months to the original DP timeline resulting in a new expiry date of January 10, 2027. If the project is not substantially started by this date the DP will expire and will not be extended.

COUNCIL OPTIONS

1. That Council approve the recommendations in the staff Report.
2. That Council reject the application.
3. That Council provide alternative direction to staff.

FINANCIAL IMPLICATIONS

There are no immediate implications to the District of Saanich's 2024 – 2028 Financial Plan.

STRATEGIC PLAN IMPLICATIONS

The subject proposal aligns with the Housing theme in the District of Saanich's 2023 – 2027 Strategic Plan by improving the supply of diverse forms of housing in the community.

CONCLUSION

The proposed amendment to extend the development start date of Development Permit DPR00821 by 24 months is administrative in nature and does not impact the form, character, or function of the original proposal. Should the Development Permit expire, it will result in the use of additional Saanich resources to process a new application, as well as create a significant delay in the provision of new dwelling units and community amenities. For the above noted reasons, staff support the Development Permit Amendment application.

Prepared by: Daniel Lake, Planning Analyst

Reviewed by: Amber Walker, Acting Manager of Current Planning

Approved by: Lindsay Chase, Director of Planning

Attachments: A. Development Permit Amendment
B. Applicant Letter
C. Council Report DPR00821

DL/kb

ADMINISTRATOR'S COMMENTS:

I endorse the recommendation from the Director of Planning.

Brent Reems, Chief Administrative Officer