

Mayor and Council
Victoria, BC.

April 8, 2018

1201 Fort Street / 1050 Pentrelew Place Development Proposal

Dear Mayor and Council,

I am dismayed by the large amount of wealth created by the rezoning awarded to the developer compared to the only sizable community amenity mentioned in this exchange between the applicant and the City: affordable housing.

The lack of affordable housing in the proposal is proven by the applicant's offer to build ten affordable units somewhere else within two years. However, in the event all of these units are not built, then a penalty of \$25,000 per unit will be paid to the City.

The total exchange of the wealth awarded to the developer of approximately \$32 million for the extra floor space requested and the total amount of the penalty of \$250,000.00 is not justifiable.

Here are the calculations.

Floor Space	Floor Space Current	Floor Space
Buildable	Zoned Density	Extra Density
10,156 sq m	6,153 sq m	4003 sq m

The price of \$750 per sq ft is probably below the eventual selling price of the 1201 Fort Street proposal, but it is a useful number and it is in line with the low end of industry predictions for luxury units in Victoria.

For curiosity's sake, the price of \$750 per square foot predicts a selling price of the development in the range of \$82 million. (10,156 sq m x 10.76 = 109,279 sq feet. Multiply this square footage by \$750 is \$ 81.95 million)

The amount of extra floor space created by the zoning, from the table above is 4,003 square meters, or 43,072 square feet. (1 sq m = 10.76 sq ft). There is no charge for this. There is no Land Lift. There is no Density Bonus. The Mayor and Councillors are unwilling to consider this application based on the failed non-existent policy of zero income from increased density awarded to developers. And, there is no path to developing a better working policy in the near future. So, this awarded extra floor space is free.

Imagine being given 4,003 square meters (43,072 square feet) of buildable space for free!

Here are the calculations to determine the wealth provided to the applicant with the rezoning.

4003 sq m of extra density x 10.76 sq ft per sq meter =43,072 sq feet of extra density.

Multiply 43,072 square feet by the \$750 selling price for each square foot awarded equals the extra income to the developer of \$32.3 million.

To gift the applicant \$32 million extra for only \$250,000.00 in community amenities is not justifiable and is too shockingly disproportionate for me to support. I do not think that you should support it either.

I ask you, therefore, to **decline this application** because there is no affordable housing on this site, which is acknowledged by the applicant's offer to build ten affordable units somewhere else, or pay a penalty of \$25,000.00 for each unit not built somewhere else within 2 years.

And, I ask you to **decline this application** because this offer of \$250,000 (the cash value of ten affordable units) is far too small in comparison to the wealth awarded to the developer by the gift of increased zoning making the proposal worth in the range of \$32 million more that it would otherwise be worth.

Thank you for reading my letter.

Don Cal
1059 Pentrelew Place

www.pentrelew.com