

POLICY REPORT DEVELOPMENT AND BUILDING

Report Date:March 7, 2013Contact:Kent MunroContact No.:604.873.7135RTS No.:9873VanRIMS No.:08-2000-20Meeting Date:April 9, 2013

TO:	Vancouver City Council
FROM:	General Manager of Planning and Development Services in consultation with the Director of Legal Services
SUBJECT:	3091 West 3rd Avenue - Muller House - Heritage Designation and Heritage Revitalization Agreement

RECOMMENDATIONS

- A. THAT Council add to the Vancouver Heritage Register in the 'B' evaluation category the residential building at 3091 West 3rd Avenue (PID: 011-100-371; Lot 18 of Lot 1, Block 25, District Lot 192, Plan 5673 (the "site")), known as the Muller House (the "heritage building").
- B. THAT Council instruct the Director of Legal Services to bring forward for enactment, pursuant to Section 593 of the *Vancouver Charter*, a by-law to designate the Muller House as a protected heritage property.
- C. THAT Council instruct the Director of Legal Services to bring forward for enactment, pursuant to Section 592 of the *Vancouver Charter*, a by-law for the City to enter into a Heritage Revitalization Agreement in respect of the Muller House to:
 - i. secure its rehabilitation and long-term preservation; and
 - ii. vary the *Zoning and Development By-law* in respect of the site to permit the conversion of the heritage building to a Multiple Conversion Dwelling containing two Dwelling Units and to permit the construction of a new Infill One-Family Dwelling on the site as proposed under Development Permit Application DE416162 and as more particularly described in this report.

- D. THAT the Heritage Revitalization Agreement shall be prepared, completed and registered and given priority on title to the site to the satisfaction of the Director of Legal Services and the Director of Planning.
- E. THAT Recommendations A to D be adopted on the following conditions:
 - i. THAT the passage of the above resolutions creates no legal rights for the applicant or any other person, or obligation on the part of the City and any expenditure of funds or incurring of costs in relation thereto is at the risk of the person making the expenditure or incurring the cost; and
 - ii. THAT the City and all its officials shall not in any way be limited or restricted in the exercise of their authority or discretion, regardless of when they are called upon to exercise such authority or discretion.

REPORT SUMMARY

The purpose of this report is to seek Council authorization to add the Muller House at 3091 West 3rd Avenue to the Vancouver Heritage Register in the 'B' evaluation category and to designate it as a protected heritage property, and to enter into a Heritage Revitalization Agreement ("HRA") in respect of it to ensure its rehabilitation, conservation, and long-term protection. It is proposed that, as incentive and compensation to the owner for the heritage designation, rehabilitation, and conservation of the heritage building, the HRA will vary the *Zoning and Development By-law* in respect of the site to permit development as proposed in Development Permit Application DE416162 (the "Development Permit Application") and as described in this report. The General Manager of Planning and Development Services is prepared to approve the Development Permit Application should Council authorize the addition of the Muller House to the Vancouver Heritage Register, its heritage designation, and the proposed HRA.

COUNCIL AUTHORITY

Pursuant to Section 582 and Section 593 of the *Vancouver Charter*, Council may, by resolution, add real property to the Vancouver Heritage Register and, by by-law, designate heritage buildings and other heritage resources within the City of Vancouver as being protected heritage properties.

Pursuant to section 592 of the *Vancouver Charter*, Council, by by-law, may enter into HRAs with the owners of heritage properties which may vary or supplement certain kinds of by-laws and permits, including the Zoning and Development By-law.

Pursuant to section 595 of the *Vancouver Charter*, if sought, Council is required to compensate an owner of property being designated as a protected heritage property for any reduction in market value caused by the designation. Often this, along with additional compensation to offset rehabilitation costs incurred under an HRA, is achieved by way of by-law variations contained in the HRA so as to permit an otherwise impermissible development. The proposed heritage designation and HRA for the Muller House require Council approval at a public hearing and by-law enactment pursuant to Sections 592, 593 and 594 of the *Vancouver Charter*.

The following Council policies are applicable to the project:

- *Heritage Policies and Guidelines (April, 1991)*
- Green Buildings Policy for Rezonings (July, 2010)

GENERAL MANAGER'S COMMENTS

The General Manager of Planning and Development Services supports the recommendations of this report.

STRATEGIC ANALYSIS

Site and Context

The Muller House is located in the Kitsilano neighbourhood in an area zoned RT-8 (see Figure 1). The *RT-8 Zoning District Schedule* of the *Zoning & Development By-law* permits One- and Two-Family Dwellings, the conversion of existing buildings into suites, and in some cases new apartment buildings, townhouses, and infill development. Development under the RT-8 zoning would allow, without Council decision, density up to a maximum of 0.75 floor space ratio ("FSR"). The total area of the site is 386 square metres (4,155 square feet). A six metre (twenty foot) wide paved lane exists at the rear of the site.

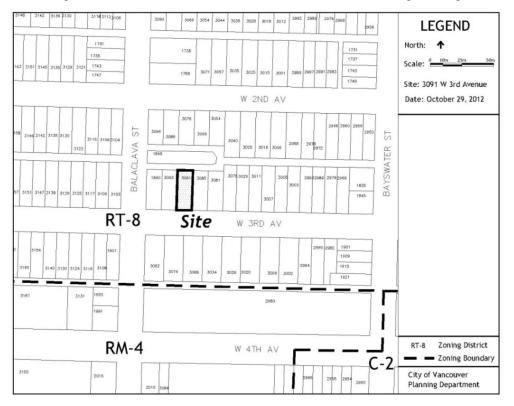


Figure 1 - The Muller House site and the surrounding zoning

Heritage Value

The Muller House at 3091 West 3rd Avenue was built in 1926 by the California Bungalow Company at a time of economic prosperity just before the global market collapse of 1929. The house is a good example of the Storybook Cottage style which became popular after the First World War (see the photographs in Appendix A). The overall design of the Muller House is meant to give the impression of a quaint English cottage. Details include its jerkin headed (or clipped gable) roof structure, a tall bay window on the east side, bell-cast front entryway with exaggerated triangular bracket support, and small, bell-cast hipped dormers. Many original wood, multi-paned windows also survive. An arched gateway exists on the west side of the house, which was a popular feature in Storybook house designs of the 1920s. The application proposes to add the building to the Vancouver Heritage Register in the 'B' evaluation category, which is supported by staff and the Vancouver Heritage Commission (see Resolutions of the Vancouver Heritage Commission).

Development Application and Proposed Incentives

It is proposed that the incentives and compensation to be provided to the owner for the heritage designation, rehabilitation, and conservation of the heritage building will be provided by the proposed HRA in the form of variances to the *Zoning and Development By-law*, including a variance to increase the permitted density for the site, as set forth in the Development Permit Application and as described below.

The application proposes to restore the Muller House and to change its use to a Multiple Conversion Dwelling containing two Dwelling Units. A new Infill One-Family Dwelling is proposed at the rear of the site (see the drawings in Appendix B). An increase in the permitted density for the site is proposed. The maximum density permitted under the RT-8 zoning is 0.75 FSR. The density originally proposed under the Development Permit Application was 0.87 FSR. Upon review of the application, including the financial analysis required for the project (see the discussion in the Proforma Evaluation section), staff concluded that a maximum density of 0.83 FSR was supportable, (see Table A and the Technical Zoning and Parking Summary in Appendix C). The drawings are to be revised to reduce the density to 0.83 FSR. Staff consider this a reasonable increase in density and an acceptable variance to assist in achieving the desired heritage conservation.

Table A: Proposed Density Summary		Site Area: 386 m ² (4,155 sq. ft.)	
Item	Existing	Permitted or Required	Proposed
FSR	221 m ²	290 m ² (3,116 sq. ft.)	321 m ²
	(2,378 sq. ft.)	0.75 FSR	(3,449 sq. ft.)
	0.57 FSR	maximum	0.83 FSR*
Side yard	2.5 m (8.3 feet)	3.7 m (12 feet)	2.5 m (8.3 feet)
requirement for infill development	excluding bay window (east side yard)	minimum required on at least on side of an existing heritage building, or on a corner site	excluding bay window (east side yard)
Number of Dwelling Units	1	3 maximum (74 units per hectare)	3

* The proposed new infill building is approximately 1,200 sq. ft.in floor area

Staff have considered the proposed variances, the probable impact of the proposed development, the results of notification, the compatibility of the development with the zoning, and the financial analysis required for the application, and conclude that the proposal is supportable as an HRA. The variances proposed, including density, are commensurate with the cost of conservation, including heritage designation and rehabilitation. The General Manager of Planning and Development Services is prepared to approve the Development Permit Application subject to Council approval of the addition of the Muller House to the Vancouver Heritage Register, its heritage designation, and the proposed HRA.

Compatibility with Existing Zoning and Land Use Regulations

The Intent of the RT-8 Zoning District Schedule is to:

"... encourage the retention and renovation of existing buildings which maintain an architectural style and building form consistent with the historical character of the area. Redevelopment will be encouraged on sites where existing buildings are smaller, or do not contribute to this character. For renovations and additions, emphasis is placed on maintaining existing external architectural character; for new development, on compatibility in external character. In all cases, neighbourly building scale and placement is emphasized."

The retention of the heritage building contributes to the historic architectural character of the area and the additions are compatible with the heritage building's character. The proposal responds well to its neighbours in terms of scale, massing, privacy impact and placement. Staff conclude the proposal is consistent with the intent of the zoning.

Condition of the Heritage Building and Conservation Approach

The Muller House is in good condition generally, although some elements have experienced weather damage over time. The original roofing material has been replaced with asphalt shingles which are in poor condition and are to be replaced with wood shingles. The existing foundations, which are not adequate and have experienced settling, will be replaced. The original stucco cladding appears to be in fair to good condition and its retention is recommended in the Conservation Plan, although the stucco at the foundation level in a number of locations has experienced considerable damage due to its close proximity to the ground and it will have to be replaced.

The Muller House features a variety of original wooden sash windows, including double-hung and multi-paned casement assemblies and a large twenty-paned wood window. The windows are in good condition and are to be retained and rehabilitated where viable. The front entrance includes the original balustrade and structural curved brackets which support the roof, as well as the original door, timber steps, and chevron-patterned brick flooring. Due to the protection from the roof, elements in this area are in good condition and are to be retained or re-used.

Although the rain-screen requirements of the *Vancouver Building By-law* will create challenges for the rehabilitation of the heritage building's exterior, staff support the Conservation Plan as proposed for the Muller House and conclude that the rehabilitation scheme is consistent with the federally adopted *Standards and Guidelines for the Conservation of Historic Places in Canada.*

Results of Neighbourhood Notification

Eighty-seven surrounding properties were notified of the application and a site sign was installed. Six responses were received. One letter expressed support and all of the responses expressed concerns which are detailed in Appendix E along with staff comments.

Staff considered the results of notification and other reviews required of the application and concluded that the proposal is supportable as an HRA. The General Manager of Planning and Development Services notes that reasonable impacts on surrounding properties are often considered in return for the benefit of heritage conservation and is prepared to approve the Development Permit Application should Council approve the recommendations of this report.

Comments from the Vancouver Heritage Commission

On November 19, 2012, the Vancouver Heritage Commission supported the addition of the Muller House to the Vancouver Heritage Register in the 'B' evaluation category. On December 10, 2012, the Vancouver Heritage Commission reviewed the project and unanimously supported it (see Resolutions of the Vancouver Heritage Commission in Appendix D).

Financial Implications

The value of the on-site density bonus, which will facilitate the preservation and designation of the heritage building, is approximately \$160,000. The site is within the City-wide Development Cost Levies (DCL) District and it is anticipated that the applicant will pay approximately \$3,150 in DCLs.

Proforma Evaluation

Real Estate Services staff reviewed the applicant's proforma evaluation in accordance with Council's approved policies. The Director of Real Estate Services advises the proposed density of 0.83 FSR, and other by-law variances, sought to offset the costs and compensate for any reduction in land value resulting from the designation, rehabilitation, and conservation of the heritage building, will not result in any undue profit.

Environmental

The City's *Green Buildings Policy for Rezonings* applies to the application and requires developments of this scale to achieve BuiltGreen BC^{TM} Gold with a score of EnerGuide 82, or an equivalent achievement in green design. The policy allows for exemptions for heritage components provided reasonable design efforts are made to improve green performance where appropriate, while respecting heritage aspirations and promoting heritage retention. Staff encourage owners for applications such as this to seek registration and certification with BuiltGreen BC^{TM} . Conditions of the development application approval will require that the drawings incorporate the proposed sustainable features, noting as well that the "Green Homes Program" requirements in the *Vancouver Building By-law* will be applicable to the project as well.

Legal

The by-law variations contemplated for the proposed HRA will provide an improved development potential for the site. The owner's proposal to rehabilitate and conserve the heritage building in exchange for obtaining the by-law variations needed to get that improved development potential will be appropriately secured as legal obligations contained in various covenants to be registered on title to the site so as to enable the City to enforce those obligations and ensure that they will be fulfilled at the owner's expense. City staff and the owner have negotiated and completed a proposed form of HRA, to be registered on title to the site, which includes rehabilitation and conservation obligations on the part of the owner and enforcement provisions for the City.

Section 595 of the *Vancouver Charter* requires that, if sought, Council compensate an owner for any reduction in the market value caused by a heritage designation. The owner has signed the proposed HRA which includes a provision by which the owner explicitly acknowledges that he has been fully compensated for the heritage designation and the rehabilitation and conservation obligations contained in the HRA. The HRA is to be registered on title to the site before a development permit for the project may be issued.

CONCLUSION

The approval of the addition of the Muller House to the Vancouver Heritage Register, its heritage designation, and the proposed Heritage Revitalization Agreement, will ensure that the building is rehabilitated, conserved, and protected from demolition and from exterior alterations which might affect its heritage value. The proposed Heritage Revitalization Agreement will vary the *Zoning and Development By-law* to allow for the development as proposed, and the owner has agreed to accept the proposed variances as compensation for the designation of the heritage building and for its rehabilitation and conservation. The General Manager of Planning and Development Services is prepared to approve the Development Permit Application for the project should Council approve the recommendations of this report. Therefore, it is recommended that Council approve the addition of the Muller House to the Vancouver Heritage Register, its heritage designation, and the proposed Heritage Register.

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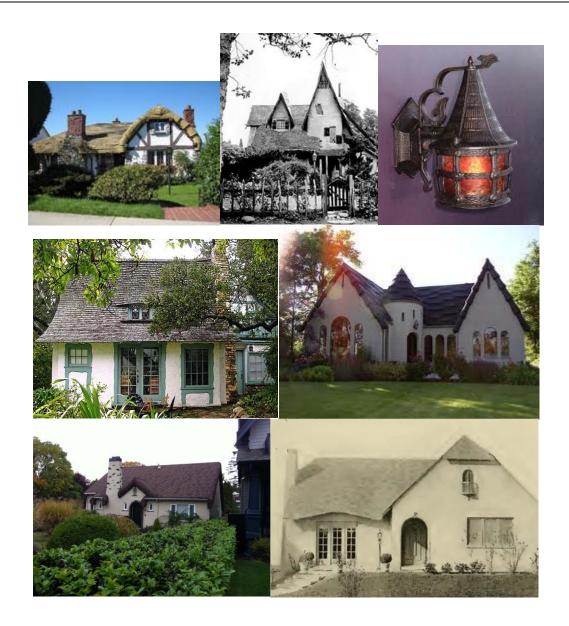
3091 West 3rd Avenue PHOTOGRAPHS AND MAPS



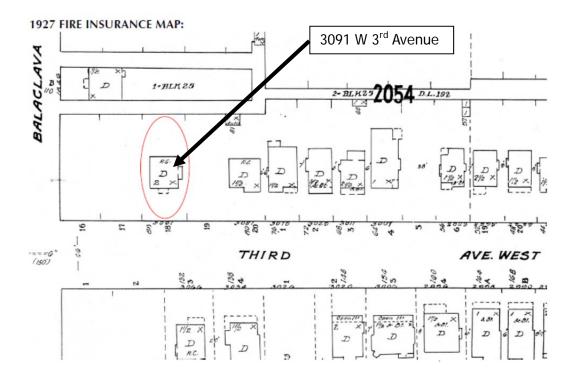
Photo 1: The Muller House at 3091 West 3rd Avenue, looking north from West 3rd Avenue



Photo 2: West side bay window



During the 1920s and 1930s home owners generally came to expect their houses to have an immediately identifiable style. The Storybook style, which encompasses a host of sub-styles, is one of many Revivalist movements in design which became popular at the time. The Storybook style is noted for its emphasis on nostalgic references to domestic values, ideals, and aesthetics of pre-war eras, often with a pastiche of romantic elements, even to the point of deliberate whimsy. As well, the rise of films and movies as entertainment, and an increase in international travel, exposed people to exotic locations and the vernacular styles of other cultures. Examples shown above (clockwise from the upper left) include a Cotswold house in Vancouver, the Spadena House in Berkeley (which still exists), an antique light fixture from a Cottage style house, a Chateau style house, a house from the California Bungalows Company catalogue meant to evoke the kind of house "built by people of moderate means in Latin countries", an English Cottage style house in Vancouver, and a small Bavarian style house in North Vancouver.

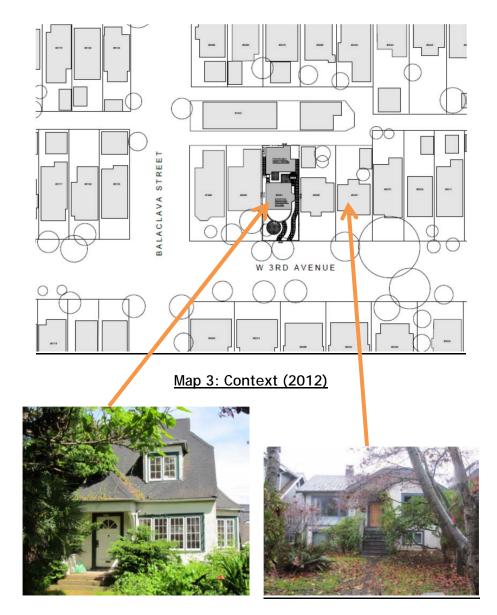


Map 1: Fire Insurance Map (1927)

The unusual parcel behind the site still exists (see below). The reason for its existence is not known but likely related to the location of the house on that property (the house still partially exists) at the time the overall subdivision of the block was completed. The impact on this parcel is one of the issues staff assessed in the review of the application.

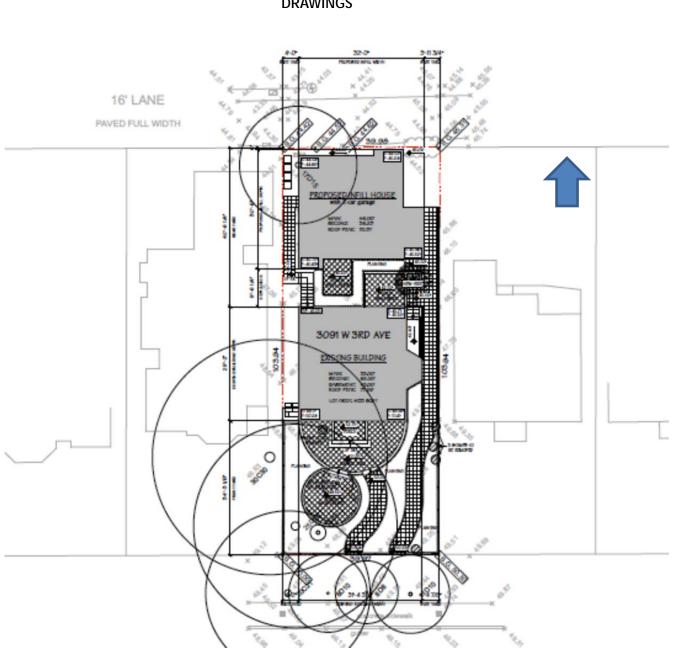


Map 2: Context (2012)



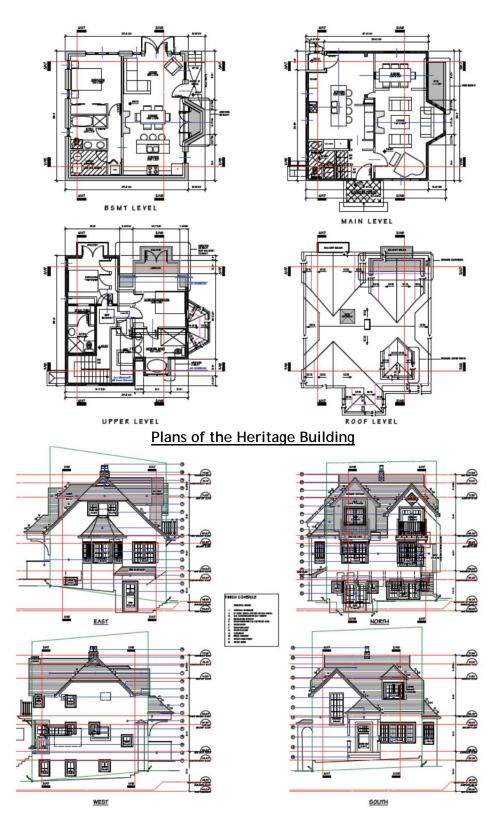
The Muller House on the left and the house at 3181 West 3rd Avenue to the right were both built by the California Bungalow Company. The company's 1920-1921 catalogue cover is shown below.

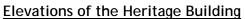


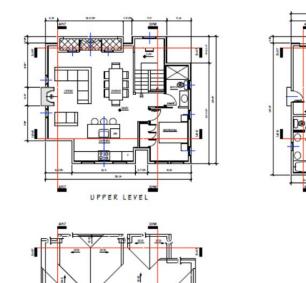


3091 West 3rd Avenue DRAWINGS

<u>Site Plan</u>







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ROOF LEVEL

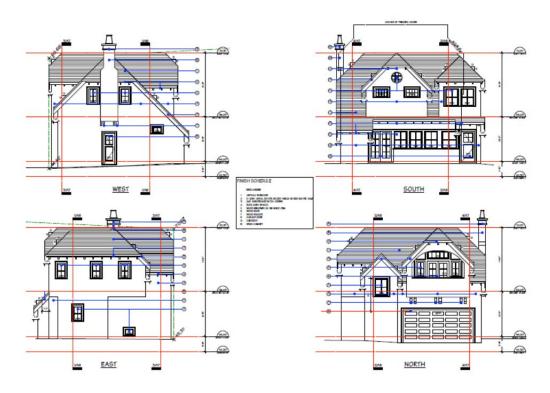
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Plans of the New Infill Building

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MAIN LEVEL



Elevations of the New Infill Building



3091 West 3rd Avenue TECHNICAL ZONING AND PARKING SUMMARY

Table 1: Zoning and Parking		Site Area: 386 m ² (4,155 sq. ft.)		
Item	Existing	Permitted or Required	Proposed	
FSR	221 m ²	290 m² (3,116 sq. ft.)	321 m ²	
	(2,378 sq. ft.)	0.75 FSR	(3,449 sq. ft.)	
	0.57 FSR	maximum	0.83 FSR*	
Side yard	2.5 m (8.3 feet)	3.7 m (12 feet) minimum	2.5 m (8.3 feet)	
requirement for	excluding bay	required on at least on side	excluding bay window	
infill development	window	of an existing heritage	(east side yard)	
	(east side yard)	building, or on a corner site		
Site Coverage	20%	45% maximum	38%	
Number of Dwelling	1	3 maximum	3	
Units		(74 units per hectare)		
Separation of Infill	-	4.9 metres (16 feet)	2.9 metres (9.5 feet)	
Building and		minimum	to 3.5 metres (11.5	
Principal Building			feet)	
Height of the Infill	-	7.7 metres (25.2 feet) and	7.7 metres (25 feet)	
Building		two storeys maximum	and two storeys	
Off Street Parking	2	3 minimum	3	
spaces		(one per unit)		

* The proposed new infill building is approximately 1,200 sq. ft in floor area.

Table 2: Comparison of Recent Heritage Projects in RT-5, RT-6, and RT-8 for Typical Infill or MCD parcels where bonus density has been sought (0.75 FSR is the maximum permitted in the zones in all cases).

Address	Zone	FSR	FSR	FSR	Site Area
		Principal	Infill	Total	Sq.ft.
Subject proposal	RT-8	0.71	0.29	0.83	4,155
1975 W 15 th Av	RT-8	0.67	0.23	0.90	6,249
1906 W 11 th Av	RT-8	0.71	0.15	0.86	6,250
305 West 13 th Av	RT-6	0.56	0.39	0.93	6,250
2356 W 5 th AV	RT-8	0.58	0.25	0.76*	5,500
1842 W 12 th AV	RT-8	0.83	none	0.82	
2496 West 8 th Av	RT-8	0.64	0.18	0.82	5,750
470 East 10 th Av	RT-6	0.67	0.25	0.92	4,108
1720 Waterloo St	RT-8	0.85	none	0.85*	
356 W 11 th Av	RT-6	0.70	0.26	0.96**	7,500
335 W 11 th Av	RT-6	0.63	0.17	0.80	6,250
2627 W 7 th Av	RT-8	0.60	0.13	0.83	4,375
1237 E 14 th Av	RT-5	0.44	0.35	0.79	4,237
1784 E 14 th Av	RT-5	0.60	0.23	0.83	4,026

* Not counted in average due to unique basement parking exclusions

** 3 units proposed whereas 5 permitted, which in part is why FSR is larger than typical AVERAGE DENSITY= 0.86 FSR

3091 West 3rd Avenue RESOLUTIONS OF THE VANCOUVER HERITAGE COMMISSION

On November 19th, 2012, the Vancouver Heritage Commission reviewed the Statement of Significance and the Register Evaluation prepared for 3091 West 3rd Avenue and resolved the following:

THAT the Vancouver Heritage Commission supports the Statement of Significance and addition of the building at 3091 West 3rd Avenue to the Vancouver Heritage Register in the "B" evaluation category.

CARRIED UNANIMOUSLY

On December 10th, 2012, the Vancouver Heritage Commission reviewed the proposal and resolved the following:

THAT the Vancouver Heritage Commission (VHC) supports the conservation plan and the overall proposal for 3091 West 3_{rd} Avenue (The Muller House), including the compatibility of the infill building, as presented at its meeting on December 10, 2012; and

FURTHER THAT the VHC supports the existing dormer being kept on the heritage house and the change to the shed dormer roof to reduce apparent massing of the south elevation of the infill building, and urges the Homeowner Protection Office to work with the architect to retain as many existing single-glazed windows as possible.

CARRIED UNANIMOUSLY

Staff Comments: The drawings will be amended so that the front dormer is not altered. The Homeowner Protection Act allows for exemptions for heritage building. However, exemptions from environmental separation requirements may not be possible under the Vancouver Building By-law, particularly if strata titled dwelling units are proposed. A condition of the Development Permit Application approval requires that all opportunities to maximize retention of building elements and materials be exhausted with respect to the requirements of the Vancouver Building By-law, including the option for alternative solutions and equivalencies.

3091 West 3rd Avenue COMMENTS FROM NEIGHBOURHOOD NOTIFICATION AND STAFF RESPONSES

Concerns noted in the six responses received as a result of neighbourhood notification include the following:

- 1. The infill building is too large and its site coverage too great. The infill building is not contextual with other surrounding properties.
- 2. The proposal will create traffic and garbage/ recycling pick-up challenges.
- 3. The proposal will create shadowing, privacy, and massing impacts on neighbouring properties.
- 4. The lot is shallow and the separation between the two buildings is less than that required in the RT-8 Guidelines.
- 5. The basement suite in the heritage building is compromised with respect to liveability;
- 6. Alterations of the heritage building cannot be permitted as the building is to be designated.
- 7. The house sits over an old stream bed and this has caused stability problems with the house in the past, and the foundations are likely inadequate.
- 8. The site is overgrown and a large spruce tree on the boulevard has damaged sidewalks and should be removed as part of the project.

The off-street parking and garbage/recycling provisions proposed in the application meet City requirements. Staff have reviewed the shadowing, privacy, and massing impacts and conclude that the massing proposed is only marginally greater than that which would otherwise be permitted under the existing RT-8 zoning and that the amount of additional density proposed is reasonable, and is appropriate compensation for the heritage designation and rehabilitation of the heritage building, and is therefore supportable. Conditions of the Development Permit Application approval will require that privacy impacts be minimized. The separation between the heritage building and the infill building is a challenge for the site given its shallow depth and the existing setback of the heritage building. However staff conclude the impacts created by the reduced separation have been addressed in the design with respect to privacy and light access. Alterations to the heritage building may be considered as part of the application. In the future, a Heritage Alteration Permit would be required for any proposed changes to the exterior of the building. New foundations are proposed which will meet the geo-technical and engineering requirements of the Vancouver Building By-law. A high guality landscape plan is proposed which will address the current overgrown state of the site. The removal or retention of the spruce tree on the boulevard is being assessed by Engineering Services staff. The infill building is typical in size compared to other infill buildings approved as part of similar applications (see Table 2 in Appendix C). Staff consider the infill building to be compatible with nearby development.

3091 West 3rd Avenue PUBLIC BENEFITS SUMMARY

Project Summary:

Rehabilitation and conservation of a heritage building and construction of an infill building

Public Benefit Summary:

The project would result in the conservation and long-term protection of a heritage resource.

	Current Zoning	Proposed
Zoning District	RT-8	HRA
FSR (Site Area: 386 m ² / 4,155 sq. ft.)	0.75	0.83
Buildable Floor Space	290 m ² (3,116 sq. ft.)	321 m ² (3,449 sq. ft.)
Land Use	Residential	Residential

	Public Benefit Statistics	Value if built under Current Zoning (\$)	Value if built under Proposed HRA (\$)
*	DCL (City-wide) (See Note 1)	2,170	3,150
irec	DCL (Area Specific)		
Required*	Public Art		
Å	20% Social Housing		
ty	Childcare Facilities		
Amenity	Cultural Facilities		
(Am	Green Transportation/Public Realm		
(Community Contribution)	Heritage (See Note 2)		160,000
nmu ribu	Housing (e.g. supportive, seniors)		
Con	Parks and Public Spaces		
	Social/Community Facilities		
Offered	Unallocated		
0	Other		
	TOTAL VALUE OF PUBLIC BENEFITS	2,170	163,150

Other Benefits (non-market and/or STIR components):

Note: DCLs, Public Art and Social Housing may have exemptions and/or minimum thresholds for qualification. For the City-wide DCL, revenues are allocated into the following public benefit categories: Parks (41%); Replacement Housing (32%); Transportation (22%); and Childcare (5%). Revenue allocations differ among Area Specific DCL Districts.

Note 1: DCLs do not apply to existing floor area which in this case is 2,378 sq. ft. in the heritage building. As retention would be required in order to achieve 0.75 FSR, it is assumed an application under the zoning would involve retention of the existing floor area.

Note 2: Represents the value of on-site density bonus to facilitate heritage building rehabilitation, conservation, and protection.