



**POLICY REPORT  
DEVELOPMENT AND BUILDING**

Report Date: June 18, 2013  
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VanRIMS No.: 08-2000-20  
Meeting Date: July 9, 2013

TO: Vancouver City Council

FROM: General Manager of Planning and Development Services in consultation with the Director of Legal Services

SUBJECT: Heritage Designation of 1119 Hornby Street - Murray Hotel

**RECOMMENDATION**

- A. 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 as a protected heritage property the heritage building known as the Murray Hotel located at 1119 Hornby Street (PID: 029-078-555; Lot 1, Block 90, District Lot 541, New Westminster District Plan EPP 31030) ("the site").
- B. THAT Council approve the granting of an increase to the floor space ratio permitted for the site, as proposed in Development Permit application No. DE412314 and approved by the Development Permit Board on July 30, 2012, as compensation for the conservation and rehabilitation of the Murray Hotel and the designation of it as protected heritage property under section 593 of the *Vancouver Charter*.
- C. THAT Recommendations A and B 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 approval to designate as a protected heritage property, pursuant to section 593 of the *Vancouver Charter*, the building known as the Murray Hotel, which is located at 1119 Hornby Street and which is listed in the 'B' evaluation category on the Vancouver Heritage Register, to protect it from exterior alteration and demolition that would affect its heritage value. The Development Permit application DE 412314 proposes that, as incentive and compensation to the owner for the heritage designation and for the rehabilitation and conservation of the Murray Hotel, an increase to the floor space ratio be permitted for the site to allow for the construction, within the site, adjacent to the Murray Hotel building, of a proposed new 20-storey residential building. The Development Permit Board (DP Board) approved the development permit application on July 30, 2012 subject to a number of conditions including the designation of the Murray Hotel as a protected heritage property and the registration on the land title of a covenant requiring heritage rehabilitation and conservation of the Murray Hotel as proposed in the development permit application. The proposed increase to the permitted floor space ratio also requires Council approval.

## **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

Pursuant to Sections 593 and 594 of the *Vancouver Charter*, Council, by by-law, may designate heritage buildings and other heritage resources within the City of Vancouver as protected heritage properties.

Pursuant to Section 595 of the *Vancouver Charter*, 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.

The *Downtown Official Development Plan* (in paragraph 9 of Section 3 - Density), provides that the DP Board, taking into account certain specified considerations, may permit an increase in the floor space ratio for any development that includes the restoration of an existing building listed on the Vancouver Heritage Register, subject to prior approval of Council and designation of the building as a protected heritage property.

The following Council policies are applicable to the project:

- *Heritage Policies and Guidelines (April, 1991)*
- *Zoning and Development By-law*
- *Downtown Official Development Plan.*

## **GENERAL MANAGER'S COMMENTS**

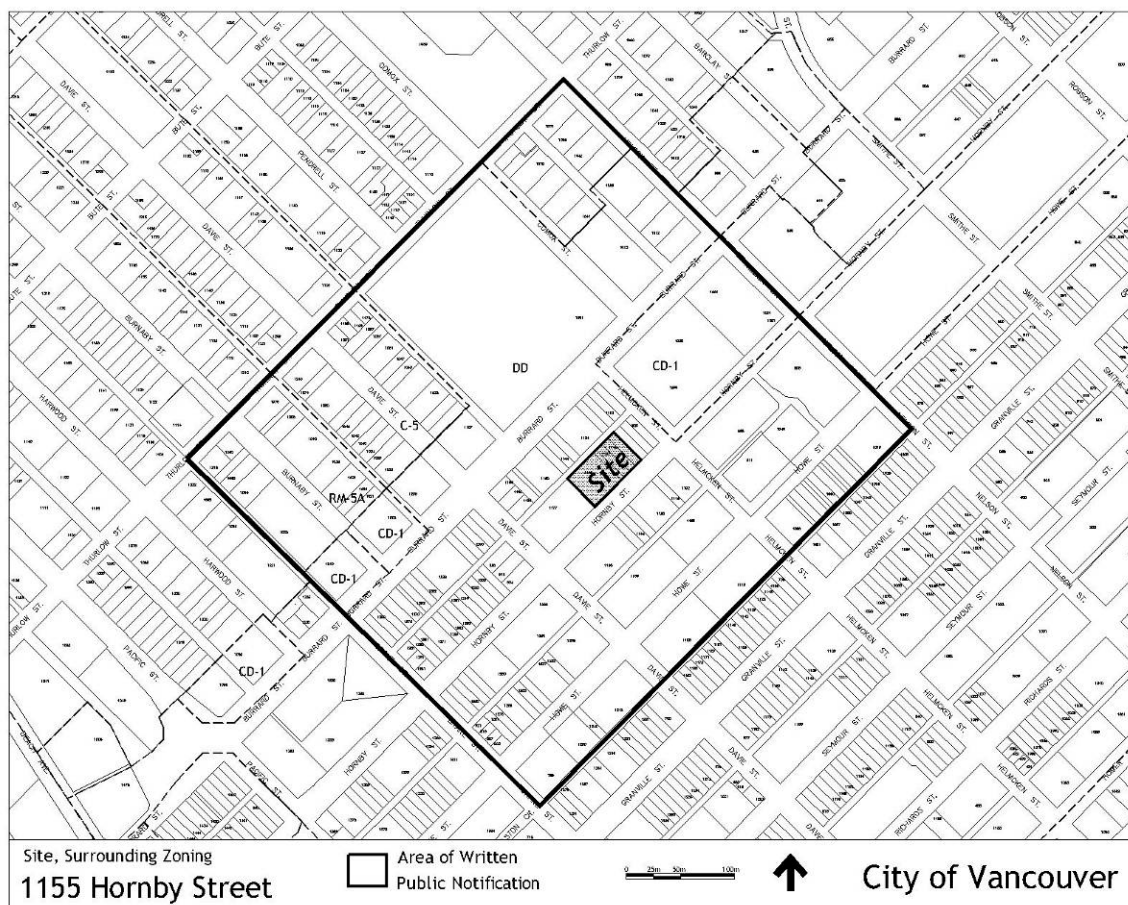
The General Manager of Planning and Development Services supports the recommendations of this report.

## STRATEGIC ANALYSIS

### Site/Context

This is a mid-block site located on the west side of Hornby Street, between Helmcken and Davie Streets, and has a frontage of 60.9m (200 ft.) and a depth of 36.5m (120 ft.) with a total site area of approximately 2,229 sq. m. (24,000 sq. ft.) (see Figure 1). The site is located in sub-area “M” of the *Downtown Official Development Plan* which permits a variety of uses, including residential, up to 5.0 FSR for sites with a frontage of 200 feet or more. The Murray Hotel is located at the northerly end of the site. Much of the remainder of the site is vacant, but it also contains a two-storey commercial building at 1149 Hornby Street which is to be demolished.

**Figure 1 - 1119-1155 Hornby Street site and the surrounding zoning**



### Heritage Value

The Murray Hotel has heritage value as an example of a mid-sized downtown residential hotel with notable architectural features and a history that is informative of residential hotel architecture in Vancouver and the role of small developers in building the city. Constructed between 1912 and 1915 for original owner and contractor Fred Murray, the building was designed by architect E. E. Workman. The building’s architectural qualities are reminiscent of

the Richardsonian Romanesque style, which is typified by heavy pilasters, rounded stone arches and a rusticated base. Other notable features include the elaborate metal cornice with dentils, the brick façade, and the arched windows. It was originally built as an apartment building containing studio and one-bedroom units, but was converted to a hotel shortly after its completion. In 1919 the hotel was leased to the “Royal North West Mounted Police” (which later was amalgamated with the Dominion Police to form the Royal Canadian Mounted Police) and used as temporary barracks for two years. For the majority of the building’s life it has served as long-term hotel/rooming house providing low income housing and was designated as Single Room Accommodation in 2003. Other distinguishing details are the recessed light wells on both interior side walls.

### ***Development Permit Application and Proposed incentive***

Development Permit Application DE412314 proposes to retain and rehabilitate the existing heritage building (the Murray Hotel) including the existing 108 Single Room Accommodation (SRA) units and to allow development on the remainder of the site with a new 20-storey building containing 164 multiple dwelling and townhouse units. The DE Application also proposes an increase to the permitted floor space ratio for the site from 5.0 FSR (11,145 sq. m/119,964 sq. ft.) to 6.09 FSR (13,575 sq. m/146,120 sq. ft.) for purposes of the proposed development, as compensation and incentive to rehabilitate and designate the Murray Hotel. The DE application was approved by the DP Board on July 30, 2012, subject to the conditions, among others, that the Murray Hotel be designated as a protected heritage property and a covenant be registered on the land title requiring the heritage rehabilitation and conservation of it as proposed in the application.

### ***Retention of SRA Rooms***

The Murray Hotel contains 108 SRA designated rooms that will be retained and remain designated under the SRA By-law. The majority of tenants living at the Murray Hotel are older men with the average length of stay of three years and all are receiving some form of income assistance. Given its location and close proximity to St. Paul’s Hospital and other service providers in the Downtown South, the Murray Hotel manager has established a good working relationship with these organizations and makes rooms available as much as possible to house their clients. The applicant has already completed upgrades to the washrooms on his own initiative.

The proposed heritage conservation work will involve upgrades to the exterior building envelope including repairs to the exterior walls and windows to improve livability. The owner will be required to relocate tenants within the building during renovations. As a condition of the development permit application, a tenant relocation/mitigation plan outlining the phasing of the work and how tenants will be relocated within the building during construction is required.

Housing Policy supports the development permit application as approved by the DP Board on July 30, 2012. The project supports the implementation of Council’s Housing and Homelessness Strategy 2012-2021 which identifies the strategic priority of enhancing and protecting existing rental stock.

### ***Compatibility with Existing Zoning and Land Use Regulations***

Zoning and land use regulations applicable to this site are contained in the *Downtown Official Development Plan*. Section 3, paragraph 9 provides that, for any development that includes the restoration of an existing building which is listed on the Vancouver Heritage Register, the DP Board may permit an increase in floor space ratio, subject to prior approval by City Council and the designation of the building as a protected heritage property. This section of the Downtown ODP specifies that “in determining the increase in floor area that may be permitted, the DP Board shall consider: the cost of heritage related restoration; value of the increased floor area; the impact upon livability and environmental quality of the neighbourhood; and all applicable policies and guidelines adopted by Council.”

In considering the increase in density proposed in the Development Permit application, the DP Board reviewed all of the criteria noted above, including the specific cost of heritage related restoration, as described in the staff report to the DP Board prior to approving the application. An urban design analysis and full review of applicable policies and guidelines was completed by City staff and concluded that this proposal meets the intent of the zoning and design guidelines for this site.

### ***Condition of the Heritage Building and Conservation Approach***

A building condition assessment/engineering report was completed which indicates that the building appears to be in fair condition and well maintained and concluded the building was structurally sound. The report indicated repairs are needed to all exterior wall facing materials and windows. The exterior walls of the building are a mixture of brick and stone on the east and south elevations and painted plaster on the north and west elevations. Recessed light wells on the north wall are faced with painted aluminium sheathing. Cracking in the plaster may be indicative of water penetration into the wall cavity, in which case, a more extensive repair to the building envelope may be required.

The conservation work includes the following:

- repointing and repairing masonry, remove paint from brick surfaces and replace damaged bricks where required;
- repair plaster surfaces, re-paint;
- repair damaged metal cornice, repaint;
- repair and repaint existing wood windows on the front façade and metal windows on the sides and rear façade;
- repair metal fire exit stairs, repaint;
- replicate original storefront along Hornby Street, using archival photos and drawings; and
- refurbish original painted building signs on the side elevations.

With the exception of some minor work to the main floor lobby area, the existing floor plans and SRA unit layouts will remain as they are. All work is intended to occur without displacing the existing tenants of the building. The proposed conservation and rehabilitation work is consistent with the Standards and Guidelines for the Conservation of Historic Places in Canada and is supported.

### ***Results of Neighbourhood Notification***

Neighbouring property owners were notified of the most recent development permit application. There were 16 formal responses (14 of which were opposed) and two speakers at the DP Board meeting. Those comments were taken into consideration during the DP Board's deliberations in making a decision to approve the DE application.

Notification requirements for the heritage designation of the Murray Hotel as specified by the Vancouver Charter have been completed.

### ***Comments from the Vancouver Heritage Commission***

The Vancouver Heritage Commission has reviewed and supported the proposed development (see minutes in Appendix A).

### ***Financial Implications***

The value of the on-site density bonus, which will facilitate the preservation and designation of the heritage building is approximately \$4 million. The site is within the Downtown South Development Cost Levies (DCL) District and it is anticipated that the applicant will pay approximately \$2,065,546 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 to offset the costs and compensate for any reduction in land value resulting from the designation and the rehabilitation and conservation of the heritage building will not result in any undue profit.

### ***Legal***

Section 595 of the *Vancouver Charter* requires that an owner be compensated for any reduction in the market value caused by a heritage designation. In this case, it is proposed that the owner is to be compensated for any reduction in the market value caused by the heritage designation, and for the costs associated with the proposed rehabilitation and conservation of the heritage building, which are to be secured by way of a covenant to be registered on the land title, by an increase in permitted floor space ratio for the lands as proposed in Development Permit application DE412314 which has been approved by the Development Permit Board. The owner has signed an agreement which explicitly acknowledges that it has been fully compensated for the heritage designation and the rehabilitation and conservation obligations to be undertaken and has waived any right to claim any further compensation in connection with them. That agreement, which also contains the covenant requiring for the rehabilitation and conservation of the Murray Hotel is to be registered on the land title for the site before the development permit for the project may be issued.

**CONCLUSION**

This report recommends the approval of the heritage designation of the Murray Hotel at 1119 Hornby Street which will ensure the long term protection of the building from alterations and demolition that would affect its heritage value. The owner has agreed to accept the increase in the permitted density as full compensation for the designation and rehabilitation and conservation of the building. The DP Board has approved the development permit application, subject to, among other things, the heritage designation of the building. Therefore, it is recommended that Council approve the designation of the Murray Hotel at 1119 Hornby Street.

\* \* \* \* \*

### Comments from the Vancouver Heritage Commission

On September 8, 2008,\* the Heritage Commission reviewed the application on 1155 Hornby Street and unanimously passed the following resolution:

THAT, regarding the project at 1119 Hornby Street (Murray Hotel - Project Address: 1155 Hornby Street), the Vancouver Heritage Commission (VHC) supports the project as presented at its September 8, 2008 meeting, specifically noting the following:

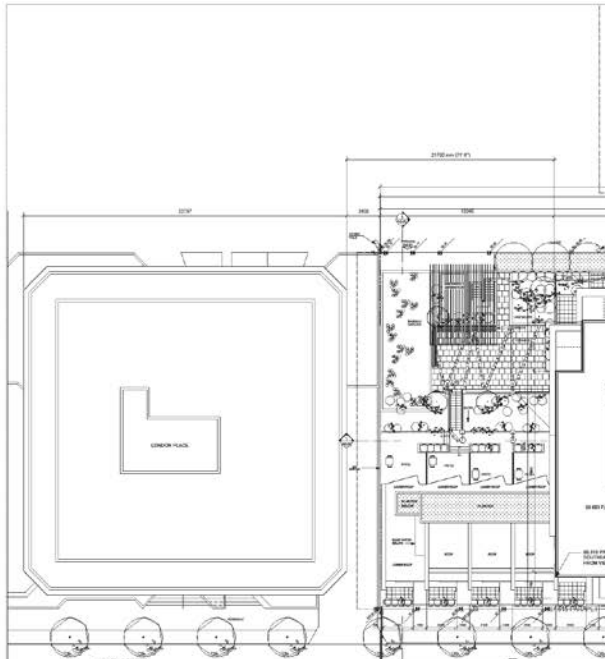
- i) support for the Draft Statement of Significance with the following additions to the character-defining elements:
  - south light well wall finish; and
  - the original configuration of the transom windows of the ground floor front façade;
- ii) support for the conservation plan as presented with the addition of the finish to the south light well wall, and masonry around the windows seismically tied, if required on the Murray Hotel façade;
- iii) support for relationship between the Murray Hotel and the new development as presented;
- iv) support for the proposed tower location noting its relaxation;
- v) support for the front yard relaxations as proposed; and

FURTHER THAT the VHC supports designation of the Murray Hotel and the restoration covenant.

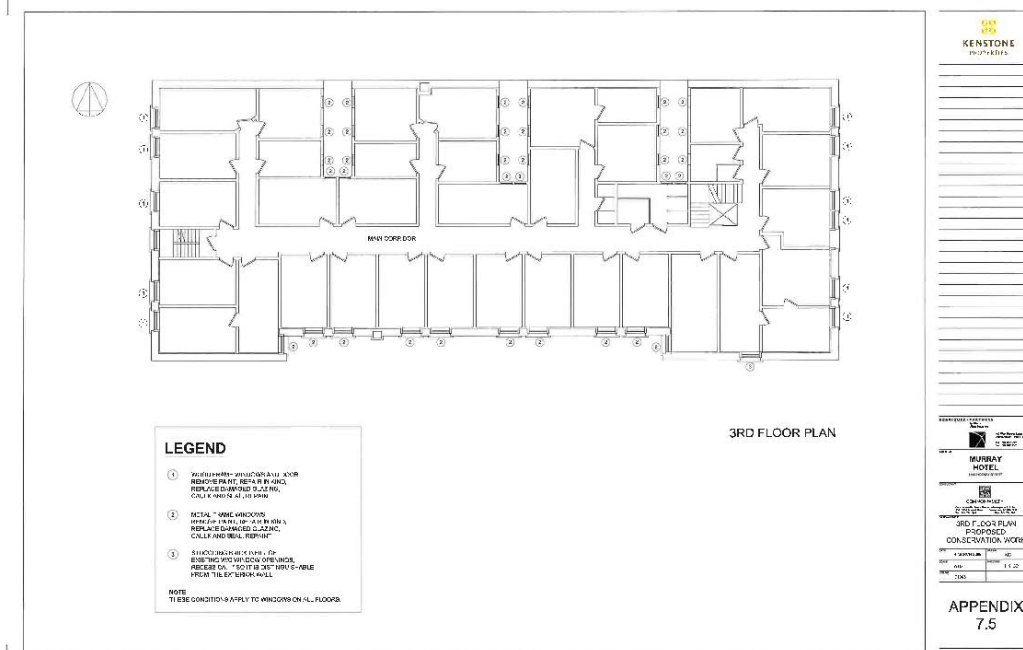
**\*Note:**

A development application proposing a similar development was submitted in 2008 and later revised in 2010. It was the put on hold by the applicants until they decided to proceed with the current project earlier in 2012.

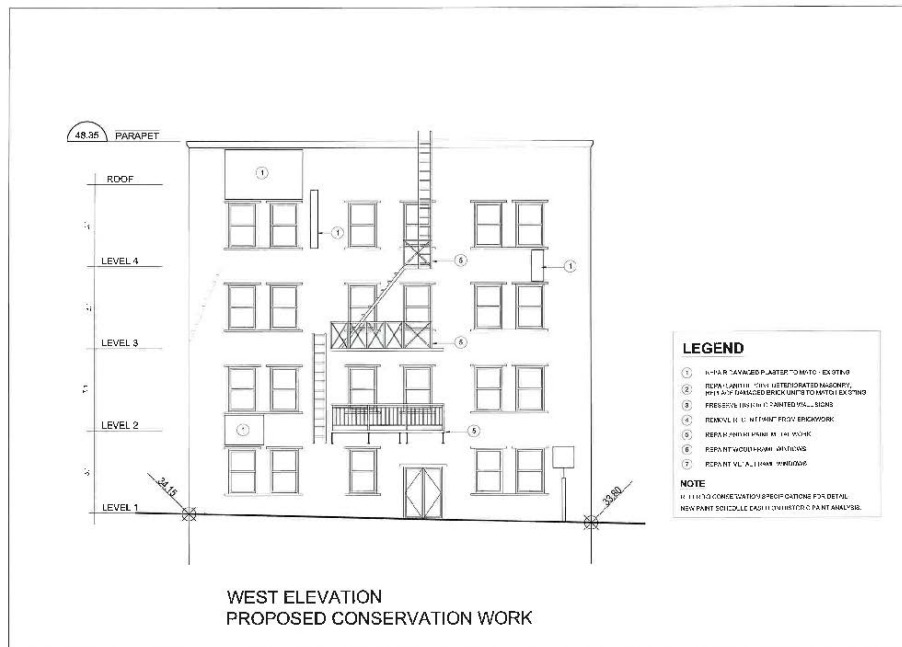


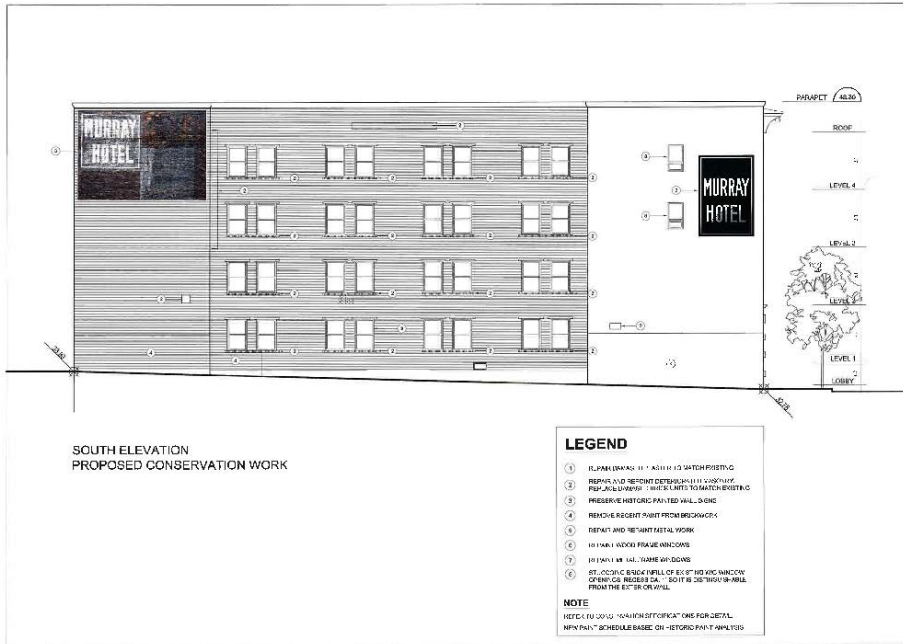


Site Plan (Murray Hotel is on right)



Murray Hotel - typical floor plan



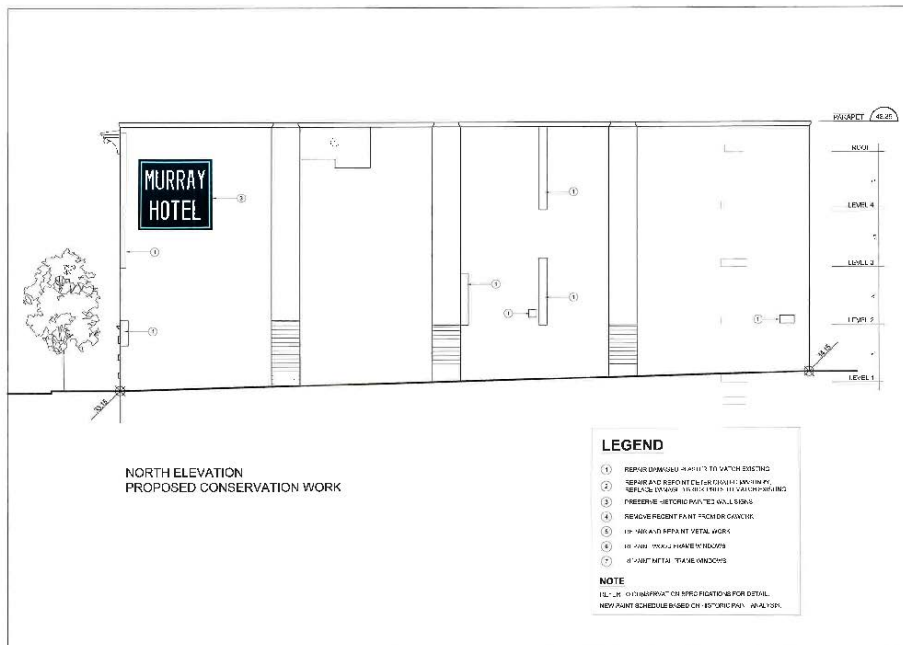


**KENSTONE PROJECTS**

**MURRAY HOTEL**

**SOUTH ELEVATION ON PROPOSED CONSERVATION WORK**

APPENDIX 7.2



**KENSTONE PROJECTS**

**MURRAY HOTEL**

**NORTH ELEVATION ON PROPOSED CONSERVATION WORK**

APPENDIX 7.4