



POLICY REPORT
DEVELOPMENT AND BUILDING

Report Date: April 29, 2015
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Meeting Date: May 13, 2015

TO: Standing Committee on City Finance and Services
FROM: General Manager of Planning and Development Services
SUBJECT: Issues Report - Proposed Rezoning - Sinclair Centre - 757 West Hastings Street

RECOMMENDATIONS

- A. THAT Council advise Public Works and Government Services Canada that it is willing to consider an application to amend CD-1 (243) for the Sinclair Centre at 757 West Hastings Street (Block 15, D.L. 541, Plan 20191) to increase the density and height permitted for the site to accommodate additional commercial space (e.g. office, hotel and other non-residential uses), with consideration of the following:
1. The achievable commercial density on the site be carefully balanced with achieving heritage retention objectives, with an emphasis on maintaining the existing buildings intact to the greatest extent possible.
 2. The height of the development not to exceed the height of the protected public view corridors crossing the site.
 3. The activation of frontages with retail and other active uses to support the vitality of the Central Business District.
 4. All buildings in the future development that are listed on the Vancouver Heritage Register on the site be seismically up-graded and designated.
 5. Parking Bylaw requirements be met through on- and off-site parking provision, payment-in-lieu of parking, additional bicycle parking, and/or consideration of car-share incentives.
 6. Provision for public benefits to address the impacts of a rezoning within the context of the City's financing growth framework, which could include but not be limited to heritage retention, density transfers from

- heritage amenity bank, childcare, and other on- and/or off-site community facilities or public space.
7. The proposal to comply with the City's *Green Buildings Policy for Rezoning* and the *Rezoning Policy for Sustainable Large Developments*.
 8. Consultation be undertaken with the general public, heritage groups, business groups and other interested parties, prior to submitting the rezoning application.
- B. THAT passage of the above resolutions will in no way fetter Council's discretion in considering any rezoning application for the subject site and does not create any legal rights for the applicant or any other person, or obligation on the part of the City; and expenditure of funds or incurred costs are at the risk of the person making the expenditure or incurring the cost.

REPORT SUMMARY

The purpose of this report is to advise City Council that a rezoning enquiry has been received from the Federal Government (Public Works and Government Services Canada [PWGSC]) for the downtown Sinclair Centre site at Hastings and Granville Streets (see Map 1). In 1989, in recognition of the heritage assets on the site, Council passed a CD-1 By-Law, and subsequently approved the form of development through a separate report to Council, that limits development on the site to the form of development (i.e. the height and massing) of existing buildings.

Since that time however, Council has passed policy to intensify commercial uses in this area of the Central Business District (Metro Core Policy) and to increase employment near rapid transit to advance our transportation and sustainability objectives (Transportation 2040). Additional development on the site could also meet heritage objectives by allowing for increased seismic protection of the important heritage assets. This report seeks Council direction on whether it is willing to consider a rezoning application to increase the commercial density on the Sinclair Centre site while maintaining as much heritage structure in tact as possible, and recommends that staff work with Federal Government staff on the preparation of a rezoning application that addresses Council policies and objectives regarding heritage, economic development, built form and view corridors, sustainability and public consultation.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- 1986: Council adopted the Vancouver Heritage Inventory (now the Vancouver Heritage Register) which lists all four buildings on the Sinclair site as heritage resources.
- 1989: Rezoning of the Sinclair Centre to CD-1 in order to restrict development on the site to the existing form of development, and permit uses which include those that presently exist, as well as those approvable in the area.
- 1991: Central Area Plan which focuses employment areas and office developments adjacent to transit.

- 2008: *Rezoning Policy for the Central Business District (CBD) and CBD Shoulder* (Metro Core Study) which supports rezonings that increase commercial densities in the Central Business District.
- 2009: *Central Waterfront Hub Framework* which facilitates increased transit ridership and 'job space' in the downtown.
- 2009: '*Greenest City*' initiative which identifies key goals such as reducing our carbon footprint and the production of GHG's.
- 2012: *Transportation 2040 Plan* which seeks to have two-thirds of all trips be by foot, bike and transit, and to focus job growth on rapid transit.
- 2013: *Rezoning Policy for Sustainable Large Developments* which requires studies for sustainable site design, access to nature, sustainable food systems, green mobility, rainwater management, zero waste planning, affordable housing and low carbon energy supply for large development sites, having a site size of 1.98 acres or more, or containing 484,375 sq. ft. or more of new floor area.
- 2013: *Heritage Action Plan* which encourages and supports heritage retention in the city.
- 2014: *Green Buildings Policy for Rezonings* which requires new buildings on rezoned sites be designed and built to meet and apply for Passive House or LEED® Gold (or better) certification.

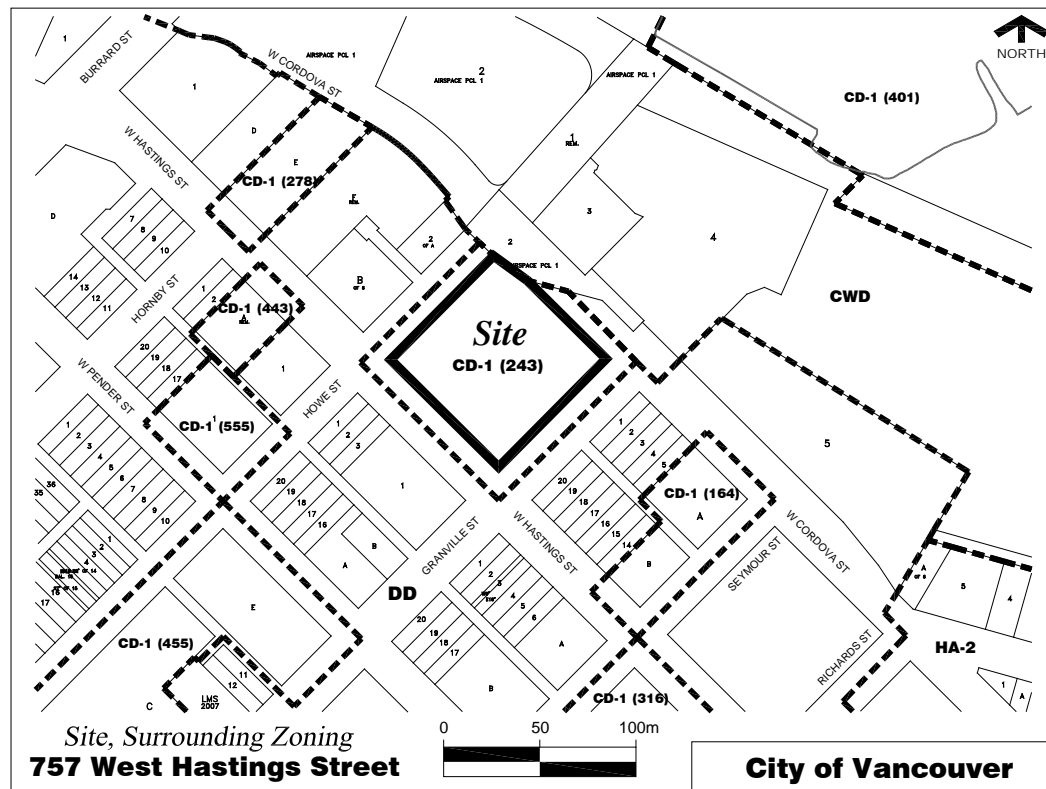
CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Planning and Development Services recommends APPROVAL of the foregoing.

REPORT

Background/Context

Site and Context: *The Sinclair Centre* is a prominent and important group of historic public buildings that are between 80 and 100 years old located in the City's historic business district. The site (see Map 1) and buildings (Block 15, D.L. 541, Plan 20191), bounded by West Hastings, Granville, Cordova and Howe streets, are owned by the Federal Government (see Map 1). It is zoned CD-1 (243) which permits commercial and institutional uses and a maximum permitted floor space ratio (FSR) of 5 FSR. The maximum height prescribed by the form of development and approved by Council, is the same as the highest building on the site (approximately 8 storeys).

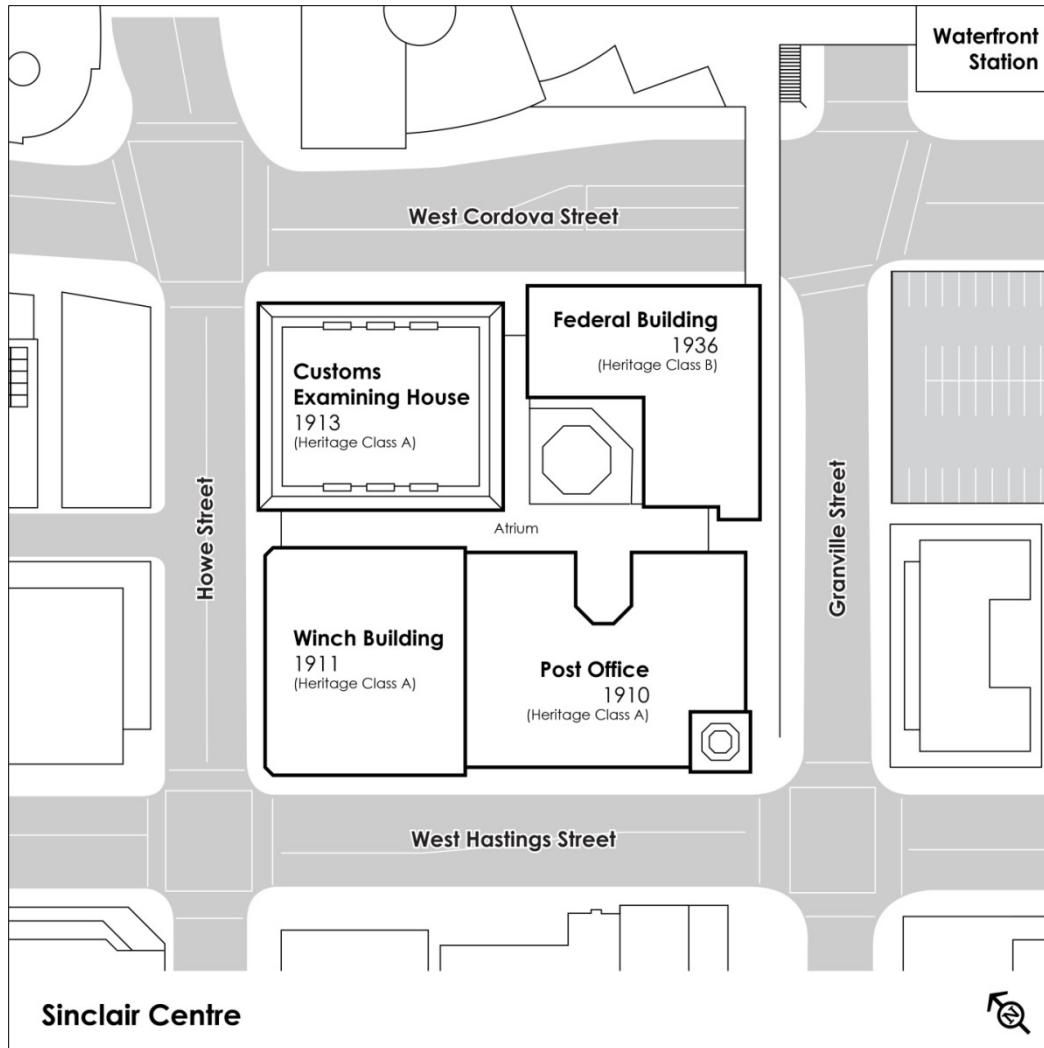


Map 1 - Site Location and Zoning

The site is adjacent to the Waterfront Station, with significant rapid transit links to the Greater Vancouver region. Economic development and the development of 'job space' is the focus for the area. It is located in one of the densest areas of the city with commercial buildings up to approximately 30 storeys in height. The permitted height and density in the adjacent zoning, sub-area 'B' of the Downtown District, is 300 ft. (discretionary up to 450 ft.) and 9.0 FSR.

The Sinclair Centre is comprised of four heritage buildings all listed on the City's Heritage Register (see Map 2):

- the former Main Post Office (built in 1910) – Municipally Designated and Federally Recognized Heritage Building, listed as an 'A'.
- the R.V. Winch Building (built in 1911) – Municipally Designated and Federally Recognized Heritage Building, listed as an 'A'.
- the Customs Examining Warehouse (built in 1913) – Vancouver Heritage Register, listed as an 'A,' and Federally Recognized Heritage Building, listed as an 'A'.
- the Federal Building/Post Office Extension (built in 1936) – listed as a 'B' (but not designated).



Map 2 - Four Heritage Buildings are incorporated into Sinclair Centre

In 1986 the four buildings were restored by the Federal Government. While the buildings were seismically up-graded, they would not meet today's standards and some portions of the buildings received very modest up-grades. New skylights were installed to create an atrium space and galleria walkways were constructed connecting the four heritage buildings in what used to be a back lane and parking area. The complex has housed retail outlets, a food court and federal government offices.

Council Decision to Rezone the Site: In 1989 Council approved a rezoning to CD-1 of the Sinclair Centre site with the intent of restricting development to the existing land uses and form of development. This rezoning was initiated by the City after a proposal was received for a transfer of density from the Sinclair Centre site to the proposed Terminal City Club tower (which was subsequently built at 837 West Hastings Street without the proposed density transfer).

After considering a number of options, Council concluded that transfers of density from publicly-owned sites should be considered on a case-by-case basis. Council did not support

the proposal to transfer density from Sinclair Centre because it was deemed that the buildings on the Sinclair Centre side were not at risk for demolition.

On June 29, 1989 Council approved the following motions:

- A. THAT Council advise Aitken Wreglesworth Associates it will not consider a transfer of density from the Sinclair Centre.
- B. THAT the Acting Director of Planning report back advising the appropriate zoning for Sinclair Centre.

On July 25, 1989 Council directed staff to make an application to rezone Sinclair Centre site to CD-1 to limit the form of development to the existing development.

On October 24, 1989 Council approved a CD-1 By-law for Sinclair Centre site limiting form of development to the existing buildings and 5.0 FSR, and following this decision confirmed the development potential to only the existing buildings on the site by approving a separate Council report on form of development.

Development Inquiry from Public Works and Government Services Canada: In 2014 Public Works and Government Services Canada (PWGSC) shared with City staff a 'letter of enquiry' outlining a proposed revitalization project for the buildings. They envisage that Sinclair Centre would be one of two Canadian Government office 'hubs' in the Lower Mainland (the other in Surrey City Centre) with the addition of more office space to consolidate their holdings across the downtown.

PWCGS would like to work with the City to explore the possibility of further developing the site beyond what the current density permitted by the existing CD-1 zoning. PWGSC have advised that the scope of their proposal could include:

- The provision of up to approximately 100,000 m² or 1.1 million ft² of office space and the complex is envisaged as a hub of federal government services (currently there is approximately 40,000 m² or 390,000 ft² of floor space in Sinclair Centre).
- A Proposed FSR up to 17.0 - 20.0 FSR.
- LEED Gold for new construction and LEED Silver or Gold for renovations of existing buildings.
- The development will adhere to the City's urban design considerations, including the View Corridors which limit maximum height to no more than 106.7 m (350 ft.) or approximately 29 commercial storeys.

Staff have not yet reviewed this inquiry from the perspective of urban design, heritage, or acceptable density, pending Council's decision on this report.

Strategic Analysis

Many of the benefits of this opportunity to revitalize the site are aligned with the City's economic development and 'Greenest City' initiatives (e.g. Rezoning Policy for Sustainable Large Developments). There are also issues that require direction from Council through the recommendations of this report so that staff can collaborate on solutions with Public Works and Government Services Canada.

Increased Office Space on the Sinclair Centre Site: Increasing the amount of office and employees close to Waterfront Station is an important City objective because it encourages the use of transit. It aligns with the *Rezoning Policy for the Central Business District (CBD) and CBD Shoulder* which supports increasing commercial floor space.

Heritage: All four Sinclair Centre buildings are prominent and highly valued heritage buildings (three are listed as 'A's and one as a 'B'). Together these buildings add significantly to the heritage fabric of the downtown.

A significant addition of office space to Sinclair Centre could result in the loss of portions or all of one or two of the heritage buildings on the site.

Staff recommend that during the rezoning process, heritage retention options be considered, with an emphasis on maintaining the buildings intact to the greatest extent possible. Additional seismic up-grading of the buildings should also be a priority.

Parking Requirement: Parking requirements for heritage buildings are generally based on the new floor area added to the site. While the provision of underground parking on this site will be challenging given the presence of four heritage buildings, the Parking By-law includes options to meet requirements through provision of off-site parking, additional bicycle parking, and payment-in-lieu for parking. On some recent commercial rezoning applications, Council has also approved the use of a carshare incentive (1 carshare vehicle and space credits 5 required parking spaces) and staff can consider whether a similar incentive is appropriate for this site. Staff recommend that the site meet the requirements of the Parking By-law, noting that only a portion of the requirement would be provided through the provision of on-site parking.

Permitted Height: Staff recommend that the development adhere to the City's view corridors. In this location this will result in a maximum height of approximately 106.7 m (350 ft.) or 29 storeys.

Sustainability: The City's Green Buildings Policy for Rezonings requires new buildings on rezoned sites be designed and built to meet and apply for Passive House or LEED® Gold (or better) certification. This requirement does not apply to heritage buildings. However, design efforts for these buildings should seek to improve green performance. The Rezoning Policy for Large Developments would also apply to this site. The viability of connecting with a district energy system must also be studied as part of the rezoning application.

Public Benefits: Rezonings for large office developments have been relatively infrequent and an approach to determining needed public benefits has not been established to the same level as that for residential rezonings. With the assistance of Vancouver Economic Commission staff, staff will review key public amenities which will be supportive of the goals of the Vancouver Economic Action Plan, the Metro Core Jobs Strategy, as well as all other land use policy within the Downtown core, with a report back to Council in 2015.

Implications/Related Issues/Risk (if applicable)***Financial***

Subject to Council direction, staff will report back as part of a rezoning report on applicable developer contributions (e.g. DCLs, CACs, and Public Art), as well as proposals for on-site and/or off-site amenities and an appropriate funding strategy.

Environmental

Fostering the development of 'job space' close to transit will assist in reducing GHG's and increasing transit ridership. Commercial floor area generates significantly more ridership as compared to a similar amount of residential floor area.

The rezoning policy requires that new buildings be LEED® Gold to address the City's Greenest City Objectives and the reduction of GHG's.

CONCLUSION

The Federal Government has presented the City with a proposal to increase the amount of office space on the Sinclair Centre site that addresses some of the City's strategic objectives. Achieving these objectives, while at the same time restoring the heritage buildings on the site, will require an innovative approach. Federal staff have confirmed they want to pursue a co-operative approach for the preparation of a rezoning application.

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