



**POLICY REPORT  
DEVELOPMENT AND BUILDING**

Report Date: January 27, 2016  
Contact: Anita Molaro  
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VanRIMS No.: 08-2000-20  
Meeting Date: February 23, 2016

TO: Vancouver City Council

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

SUBJECT: Heritage Designation and Heritage Revitalization Agreement - 1106 West 15<sup>th</sup> Avenue (McArthur House)

**RECOMMENDATION**

- A. THAT Council add the existing building at 1106 West 15<sup>th</sup> Avenue (PID: 013-244-094; Lot 2, Block 475, District Lot 526, Plan 3015 (the “site”)), known as the McArthur House (the “heritage building”) to the Vancouver Heritage Register in the ‘B’ evaluation category.
- B. THAT Council instruct the Director of Legal Services to bring forward for enactment, pursuant to Sections 593 and 594 of the *Vancouver Charter*, a by-law to designate the exterior of the heritage building as 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 authorizing the City to enter into a Heritage Revitalization Agreement in respect of the heritage building to:
  - (i) secure the rehabilitation and long-term preservation of the heritage building; and
  - (ii) vary the *Zoning and Development By-law* in respect of the site to permit development as proposed under Development Permit Application No. DE418783 (the “DP Application”) and as more particularly described in this report.
- D. THAT the HRA 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 approval to add the McArthur House at 1106 West 15<sup>th</sup> Avenue to the Vancouver Heritage Register in the 'B' evaluation category, and to designate the exterior of the heritage building as protected heritage property and to approve a Heritage Revitalization Agreement (HRA) for the site to ensure the heritage building's rehabilitation and long-term protection. Under the current RT-2 zoning applicable to the site, the existing building could be demolished or significantly altered and the site redeveloped with a density of up to 0.75 floor space ratio (FSR) without Council approval. As incentive and compensation to the owner for the heritage designation, rehabilitation, and conservation of the heritage building, an increase in permitted density, as well as other zoning variances, are proposed to permit the development as set forth in the DP Application and as described in this report. The Acting General Manager of Planning and Development Services is prepared to approve the DP Application should Council approve the recommendations of this report.

### **COUNCIL AUTHORITY**

Pursuant to Section 582 of the *Vancouver Charter*, Council, by resolution, may establish a heritage register identifying real property that Council considers to be heritage property and, by resolution, to add such properties to the register from time to time.

Pursuant to Section 592 of the *Vancouver Charter*, Council, by by-law, may enter into a Heritage Revitalization Agreement with an owner of heritage property which may vary or supplement certain kinds of by-laws and permits, including the *Zoning and Development By-law*.

Pursuant to Sections 593 and 594 of the *Vancouver Charter*, Council, by by-law, may designate real property, in whole or in part, within the City of Vancouver as protected heritage property.

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 the market value of the property 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 heritage building require Council approval at 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 Rezoning (July, 2010; last amended 2014)*

The *Heritage Action Plan*, which was approved in December 2013, responds to citizen and Council desire to encourage and support heritage conservation in the City. A number of actions were approved including maximizing the use of available tools to conserve the City's heritage resources.

### GENERAL MANAGER'S COMMENTS

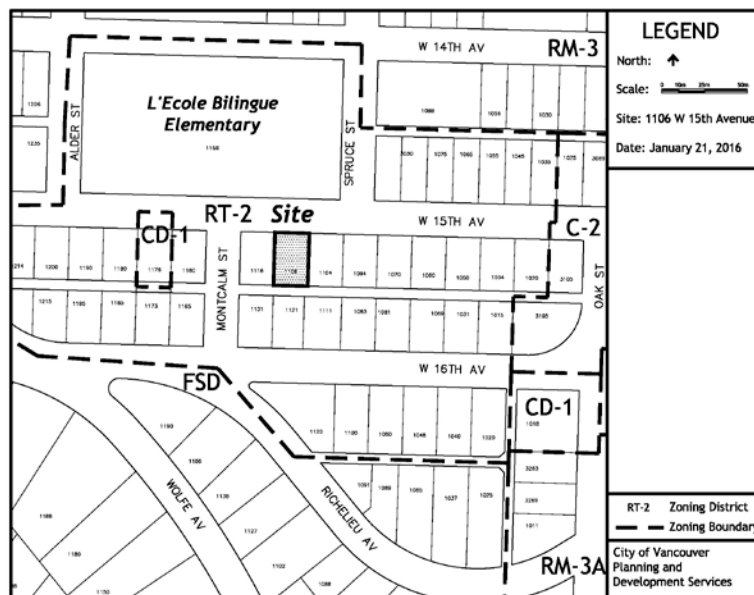
The Acting General Manager of Planning and Development Services RECOMMENDS approval of A, B, C, D, and E.

### STRATEGIC ANALYSIS

#### Site and Context

The site is located in the Fairview neighbourhood in an area zoned RT-2 (see Figure 1). The *RT-2 District Schedule of the Zoning and Development By-law* permits One- and Two-Family Dwellings, the conversion of existing buildings into suites, and in some cases new apartment buildings, and townhouses. The total area of the subject site is 620 square metres (6,670 square feet). A six metre (twenty-foot) wide paved lane exists at the rear of the site.

Figure 1: The site and the surrounding zoning



### ***Heritage Value***

The McArthur House was built in 1910 for Duncan McArthur, a retired merchant who lived at the address until 1924. In 1950, it was converted to a multi-family dwelling. The McArthur Residence is valued as a good example of the Edwardian architectural style, as evidenced by its height, symmetrical proportions, and typically wooden materials. The house is further characterized by its front-gabled roof with hipped skirt and closed soffits. Features include its front verandah, triangular pediment, square columns with square capitals, and wood balustrades, as well as a projecting gable with a recessed top floor balcony below. The building also contains original window assemblies, including wooden sash casement windows with stained glass panes, and a wood front door assembly. It is proposed to add the McArthur House to the Vancouver Heritage Register in the ‘B’ evaluation category.

### ***Development Application and Proposed Incentives***

If approved, the incentives and compensation to be provided to the owner for the heritage designation and the rehabilitation and conservation obligations in the proposed HRA will be in the form of variances to the *Zoning and Development By-law* made by the HRA, including a density variance, as set forth in the DP Application and as described below. The zoning applicable to the site is RT-2. The DP Application proposes to restore the heritage building, convert it to a Multiple Conversion Dwelling containing two Dwelling Units and to construct a new Infill One-Family Dwelling beside it (see Appendix C). Infill use is not permitted in the current zoning. The application originally proposed 0.97 FSR. Upon completion of the required reviews, including the review of the proforma, it was concluded that a maximum of 0.83 FSR would be supportable (see Table 1 and Appendix D). The drawings in Appendix C reflect the reduced density.

**Table 1: Zoning Density Summary**

Item	Existing	Permitted or Required	Proposed
FSR	310 m <sup>2</sup> (3,333 sq. ft.) 0.50 FSR	372 m <sup>2</sup> (4,000 sq. ft.) 0.60 FSR to 465 m <sup>2</sup> (5,000 sq. ft.) 0.75 FSR Maximum	521 m <sup>2</sup> (5,611 sq. ft.) 0.83 FSR
Number of Dwelling units	1	3 maximum	3
Off Street Parking	2	3 minimum	5

Staff have considered the potential impact of the proposed development, the results of notification (see the Results of Neighbourhood Notification section), the conservation approach, and the compatibility of the development with the zoning (see the discussion below), and conclude that the DP Application is supportable. The Acting General Manager of Planning and Development Services is prepared to approve the DP Application subject to Council approval of the recommendations of this report.

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

The Intent of the *RT-2 Zoning District Schedule* is to:

*“... permit two-family dwellings and to conditionally permit, in some instances, low density multiple-family housing.”*

The DP Application provides for the conversion of the heritage building to a Multiple Conversion Dwelling containing two Dwelling Units and construction of a new Infill One-Family Dwelling and is consistent with the intent of the *RT-2 District Schedule*.

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

The McArthur House is in good condition. The Conservation Plan proposes to retain and rehabilitate existing original feature where possible, and to replicate lost features such as windows where newer replacements exist. Staff support the Conservation Plan proposed for the McArthur House and conclude that the rehabilitation scheme is consistent with best conservation practices.

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

Sixty-one surrounding property owners were notified of the application. No responses were received.

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

On March 23, 2015, the Vancouver Heritage Commission reviewed DP Application and supported it (see Appendix E).

### ***Public Benefits***

**Development Cost Levies (DCLs):** DCLs collected from development help pay for facilities made necessary by growth, including parks, childcare facilities, replacement housing (social/non-profit housing) and various engineering infrastructure. The subject site is in the City-wide DCL District, where the rate for residential use developed at a density at or below 1.2 FSR is 33.26/m<sup>2</sup> (\$3.09/square foot). On this basis, a DCL of approximately \$7,040 is anticipated.

DCLs are payable at building permit issuance and are subject to an annual inflationary adjustment which takes place on September 30 of each year. When a DCL By-law with higher rates is introduced, a number of rezoning, development permit and building permit applications may be at various stages of the approval process. An application may qualify as an in-stream application and therefore may be exempt from DCL rate increases for a period of 12-months from the date of DCL bylaw rate amendment provided that it has been submitted prior to the adoption of annual DCL By-law rate adjustments.

If a related building permit application is not issued within the 12-month period, the rate protection expires and the new DCL rate will apply.

**Heritage:** The owner has offered to conserve and rehabilitate the heritage building and to accept the designation of the heritage building's exterior as protected heritage property,

which is a highly valued community feature. If approved, the designation will be effected by enactment of a Heritage Designation By-law and the owner will enter into an HRA which, among other things, will secure the conservation and rehabilitation of the heritage building. The cost to the applicant of the proposed on-site heritage conservation is estimated to be approximately \$180,000.

See Appendix F for a summary of the public benefits that would be achieved should this application be approved.

### ***Financial Implications***

As noted in the section on Public Benefits, the applicant has offered the on-site conservation and rehabilitation of the McArthur House valued at \$180,000.

The site is within the City-wide DCL District. It is anticipated that the applicant will pay approximately \$7,040 in DCLs should the application be approved and the project proceed.

### ***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 that the by-law variances proposed, including the revised density of 0.83 FSR, will offset the costs of the rehabilitation and conservation of the heritage building and will not result in any undue profit.

### ***Environmental***

The City's *Green Buildings Policy for Rezoning*s applies to the application. 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.

### ***Legal***

The by-law variations proposed will provide an improved development potential on the site. The owner's proposal to rehabilitate and conserve the heritage building, and accept the designation of the heritage building's exterior as protected heritage property, in exchange for obtaining the by-law variations needed to get that improved development potential will be appropriately secured as legal obligations contained in the HRA 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.

Section 595 of the *Vancouver Charter* requires that, if sought, Council must compensate an owner for any reduction in the market value caused by a heritage designation. The owner has signed the HRA and in doing so has explicitly accepted the by-law variances to be provided, and the resulting development advantages to be gained thereby, as full compensation for the heritage designation of the heritage building and the obligations to rehabilitate and conserve it. The HRA will be executed by the City and registered on title following Council's enactment of the by-law authorizing the City to enter into the HRA and before a development permit for the project may be issued.

### **CONCLUSION**

The approval of the addition to the Vancouver Heritage Register of the McArthur House at 1106 West 15<sup>th</sup> Avenue, the heritage designation of its exterior, and the proposed HRA, will ensure that the heritage building is rehabilitated, conserved, and protected from demolition and from exterior alterations which might affect its heritage value. The proposed HRA 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 as a protected heritage property and for its rehabilitation and conservation under the proposed HRA. The Acting General Manager of Planning and Development Services is prepared to approve the DP Application for the project should Council approve the recommendations of this report. Therefore, it is recommended that Council approve the addition of the McArthur House at 1106 West 15<sup>th</sup> Avenue to the Vancouver Heritage Register in the 'B' evaluation category and the proposed heritage designation and HRA.

\* \* \* \* \*

1106 West 15<sup>th</sup> Avenue  
PHOTOGRAPHS



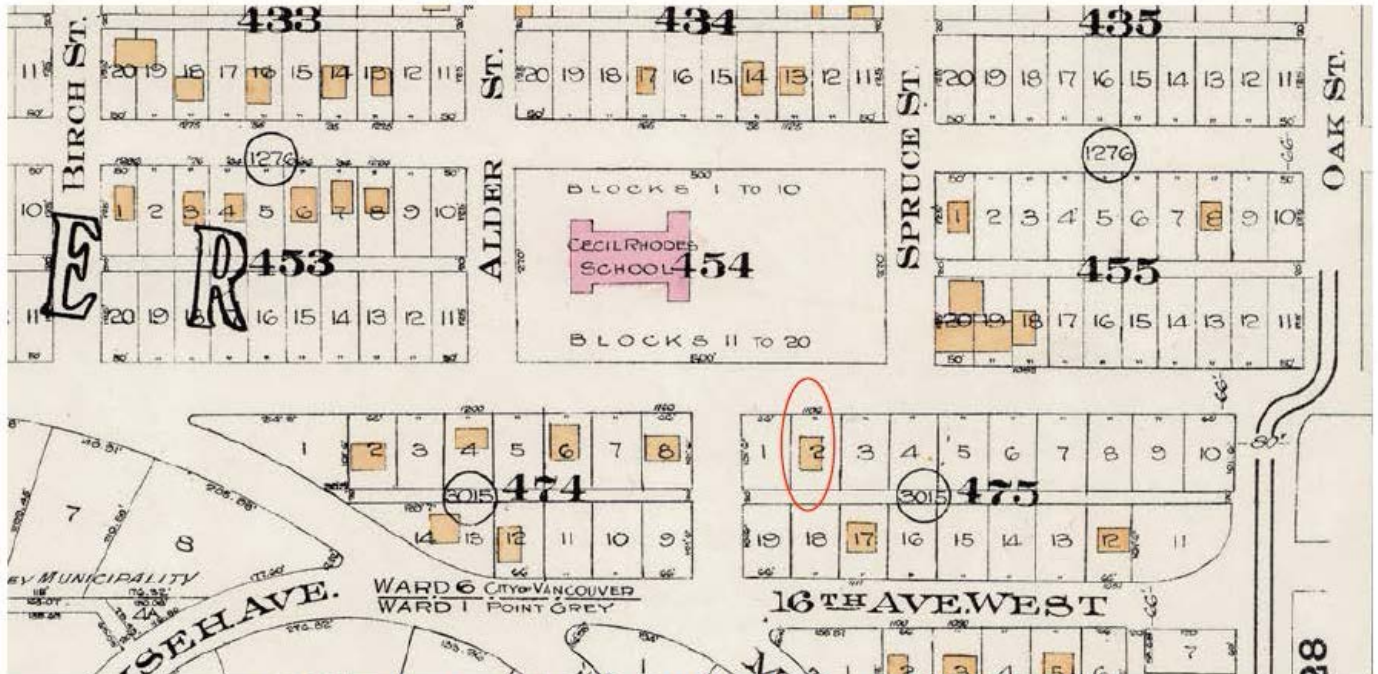
Photo 1: 1106 West 15<sup>th</sup> Avenue - Front - Looking South (2015)



Photo 2: Rear of 1106 West 15<sup>th</sup> Avenue



1106 West 15<sup>th</sup> Avenue  
MAPS



1912 Fire Insurance Map showing the McArthur Residence on Lot 2

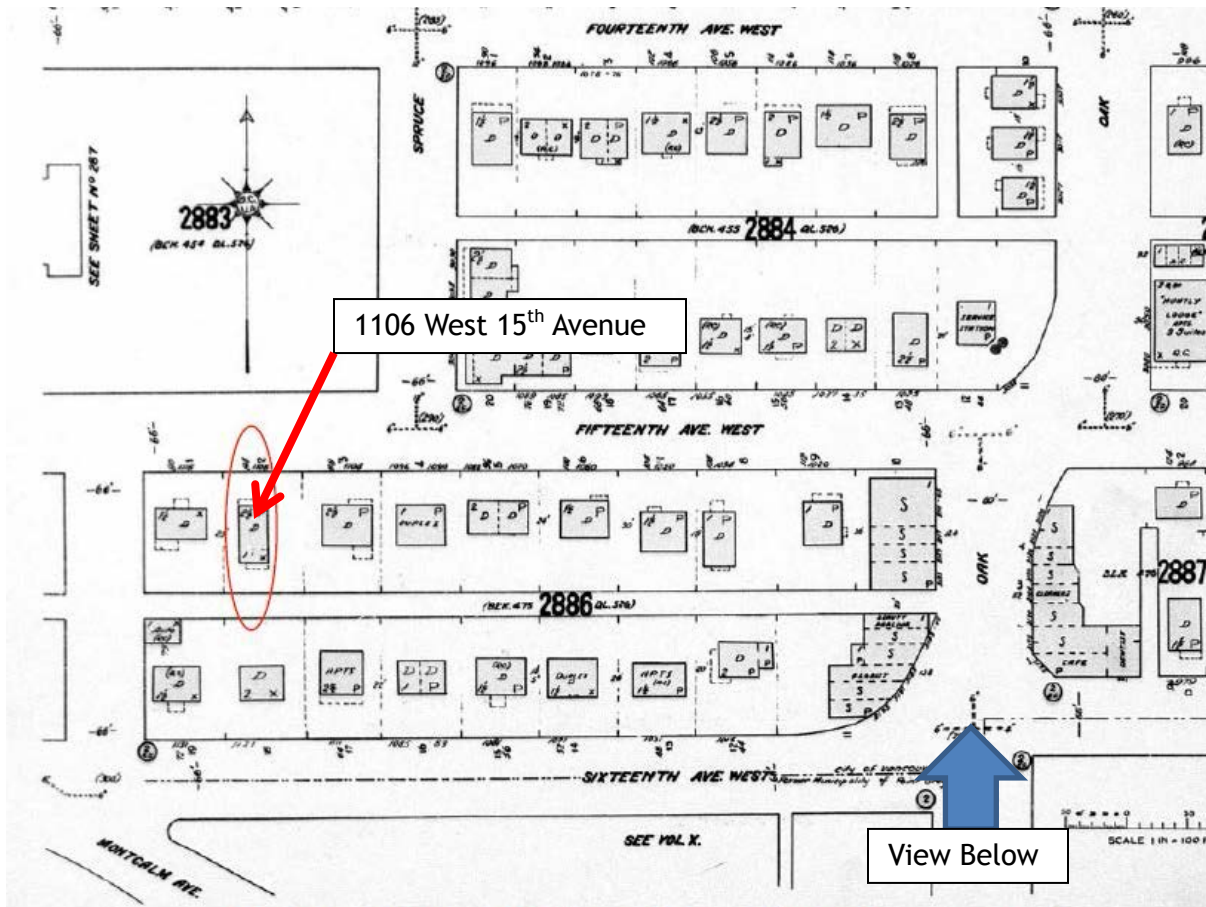
Map1: Fire Insurance Map circa 1912

Note that the McArthur House at 1106 West 15<sup>th</sup> Avenue was the first house constructed on the block.



**Photo A: Aerial Photograph 1924**

1106 West 15<sup>th</sup> Avenue is indicated by the arrow. The 'Ecole Bilingue' school building is visible in the middle of the photograph. The estates at the bottom of the photograph are located in what is now the First Shaughnessy District.



1955 Fire Insurance Map showing the McArthur Residence on Lot 2

Map 2: Fire Insurance Map circa 1955



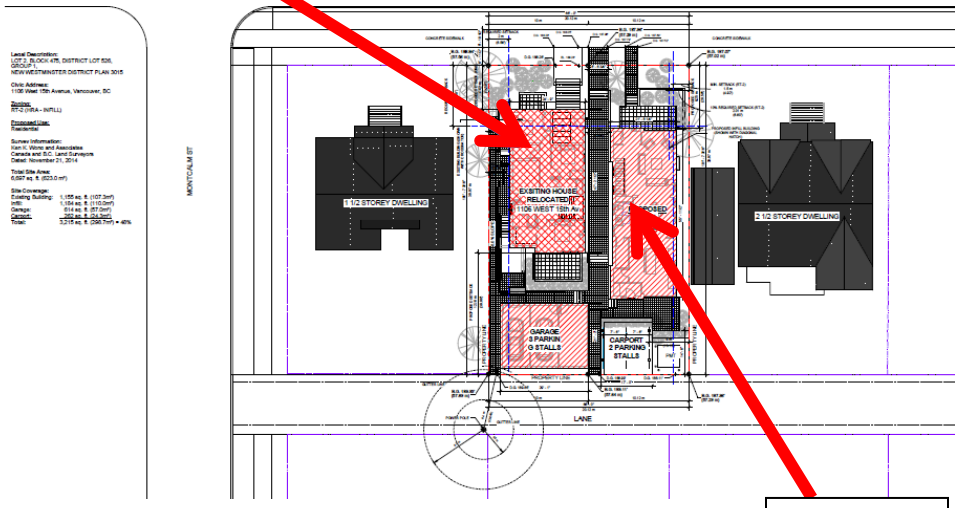
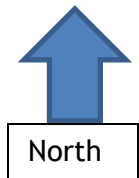
West 16th Avenue and Oak St - Looking North - 1920s



### 1106 West 15<sup>th</sup> Avenue DRAWINGS

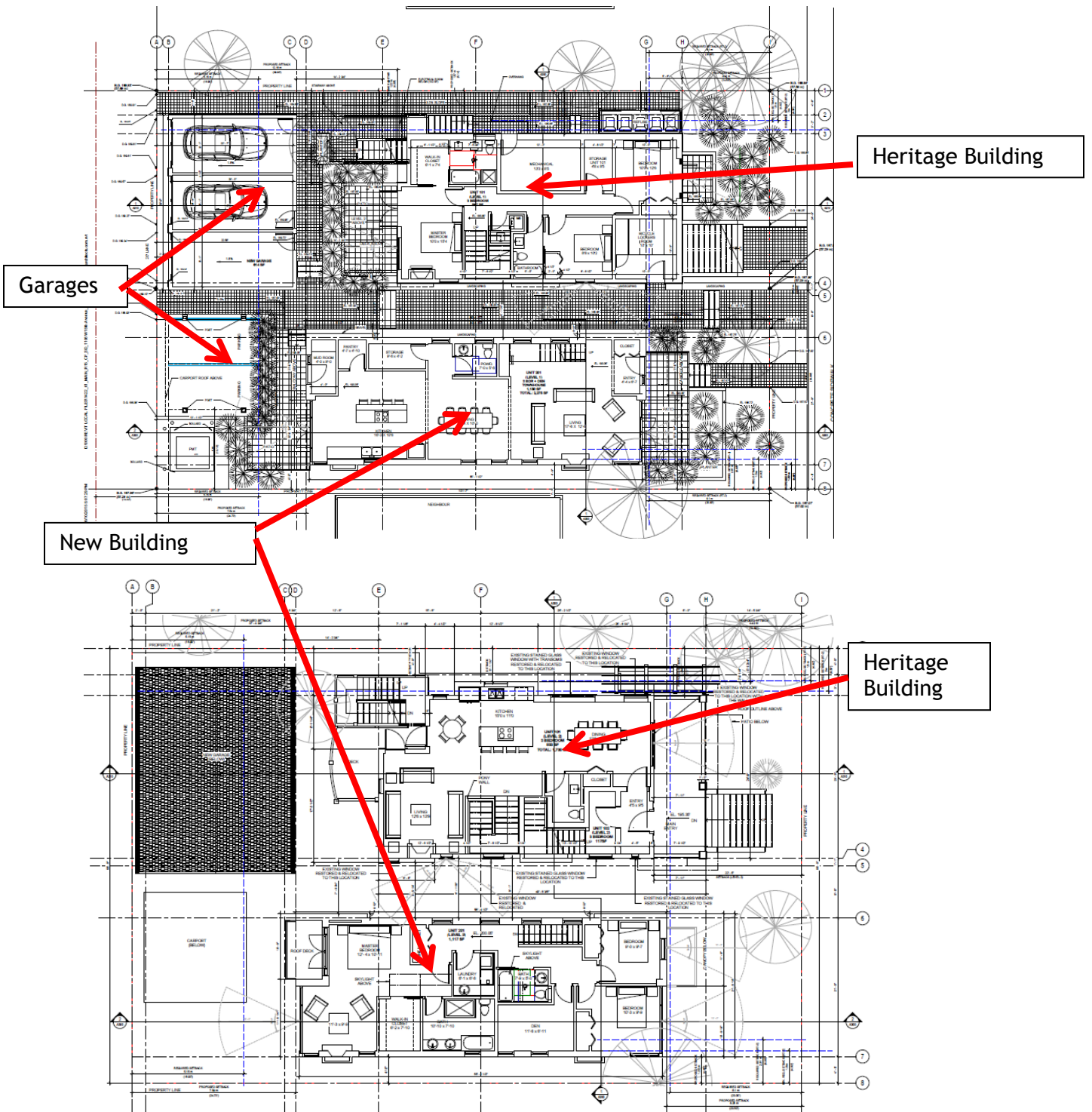


McArthur House



Site Diagram and Context

New Building



**Plans - Proposed**



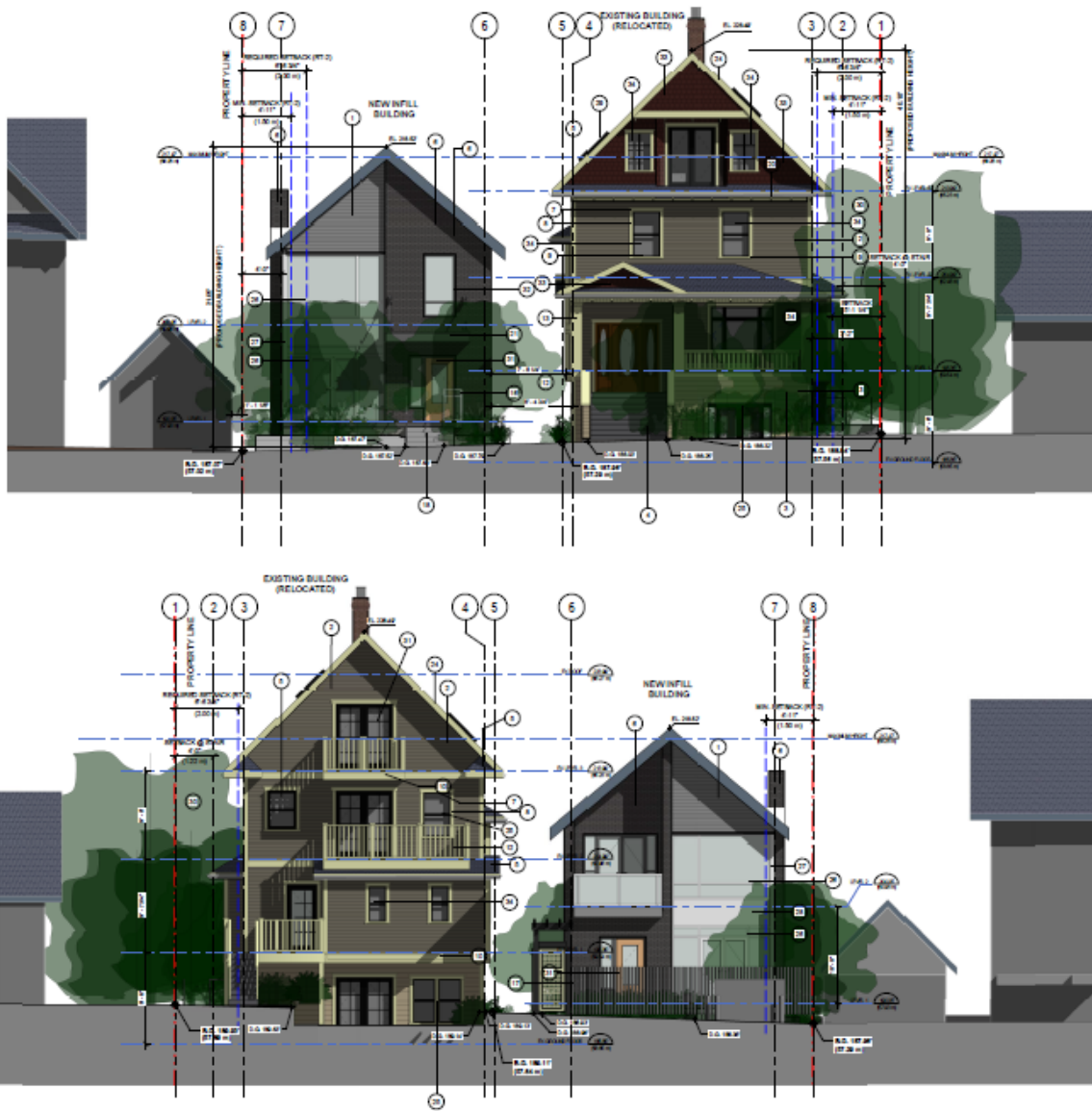




Rendering - Looking Southwest



Aerial View of Proposal



Front and Rear Elevations of the Buildings





Side Elevations of the Buildings



Side Elevations of the Buildings



**Shadow Analysis**

1106 West 15<sup>th</sup> Avenue  
TECHNICAL ZONING SUMMARY

Regulations of the RT-2 district schedule	Required or Permitted	Proposed
3.2.DW [Dwelling] Conditional Use	Infill uses are not permitted	Infill use is permitted
Section 4.3.1	9.2 m (30 feet) in height and shall not have more than two storeys plus a cellar or one storey plus a basement.	41 feet and three storeys in height (existing)
Section 4.7.1 Floor Space Ratio	The floor space ratio shall not exceed 0.60, except for multiple dwellings or seniors supportive or assisted housing in which case the floor space ratio shall not exceed 0.75.	0.83 FSR 521 m <sup>2</sup> (5,611 sq. ft.)
Section 4.8.1 Site Coverage	40% maximum	48% maximum

**1106 West 15<sup>th</sup> Avenue**  
**RESOLUTIONS OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS**

On March 23, 2015, the Vancouver Heritage Commission reviewed the DP Application and resolved the following:

THAT the Vancouver Heritage Commission reserves its support noting design development consideration for the Conservation Plan of 1106 West 15<sup>th</sup> Avenue, McArthur Residence, including the application to add three infill dwelling units to its interior and to construct a contrasting, subordinate infill duplex beside the existing house;

FURTHER THAT the Commission requests design development to the following:

- that the applicant reconsider moving the heritage house in favour of a new garage;
- that the applicant consider reducing site cover; and
- that the applicant consider using double hung windows for the third storey of the heritage house.

CARRIED

**Staff Comments:**

The depth of the new infill building will be revised and improved upon in the final drawings. Single or double-hung windows will be required for the third storey windows in the heritage building.

**1106 West 15<sup>th</sup> Avenue  
PUBLIC BENEFITS SUMMARY**

**Project Summary:**

Rehabilitation, conservation, and designation 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-2	HRA
FSR (site area = 620 m <sup>2</sup> / 6,670 sq. ft.)	0.75	0.83
Buildable Floor Space (sq. ft.)	5,000 sq. ft.	5,611 sq. ft.
Land Use	Residential	Residential

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed HRA (\$)
<b>Required*</b>	DCL (City-wide) (See Note 1)	5,150	7,040
	DCL (Area Specific)		
	Public Art		
	20% Social Housing		
<b>Offered (Community Amenity Contribution)</b>	Childcare Facilities		
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage		180,000
	Housing (e.g. supportive, seniors)		
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
<b>TOTAL VALUE OF PUBLIC BENEFITS</b>		<b>\$5,150</b>	<b>\$187,040</b>

Other Benefits (non-quantifiable items):

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 in the heritage building