



POLICY REPORT
DEVELOPMENT AND BUILDING

Report Date: May 1, 2017
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VanRIMS No.: 08-2000-20
Meeting Date: May 16, 2017

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability in
consultation with the Director of Legal Services

SUBJECT: Heritage Designation - 3750 Prince Edward Street, Gardiner Residence

RECOMMENDATIONS

- A. 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 as protected heritage property the exterior of the existing building at 3750 Prince Edward Street (PID: 012-833-703; Lot E, Block 27, District Lot 301, Plan 3476 (the "site")), known as the Gardiner Residence (the "heritage building"), which is listed on the Vancouver Heritage Register in the 'C' evaluation category.
- B. THAT Recommendation A be adopted on the following conditions:
 - i. THAT the passage of the above resolution 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 the exterior of the Gardiner Residence at 3750 Prince Edward Street, which is listed in the 'C' evaluation category on the Vancouver Heritage Register, as protected heritage property. Under the current RS-1 zoning applicable to the site, the existing building could be demolished and the site redeveloped with a density of up to 0.7 floor space ratio (FSR) without Council approval.

As incentive and compensation to the owner for the heritage designation and conservation of the heritage building's exterior, certain discretionary zoning relaxations are proposed to permit the development as set forth in the Development Permit Application Number DP-2016-00570 (the "DP Application") and as described in this report. The General Manager of Planning, Urban Design, and Sustainability is prepared to approve the DP Application should Council approve the recommendations of this report.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

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 Sections 593 and 594 of the *Vancouver Charter*, Council, by by-law, may designate real property, in whole or in part, 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 is achieved by way of zoning relaxations so as to permit an otherwise impermissible development.

The proposed heritage designation for the exterior of the heritage building requires Council approval at public hearing and by-law enactment pursuant to Sections 593 and 594 of the *Vancouver Charter*.

The following Council policies are applicable to the project:

- Heritage Policies and Guidelines (May 1986, last amended September 2002)

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.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

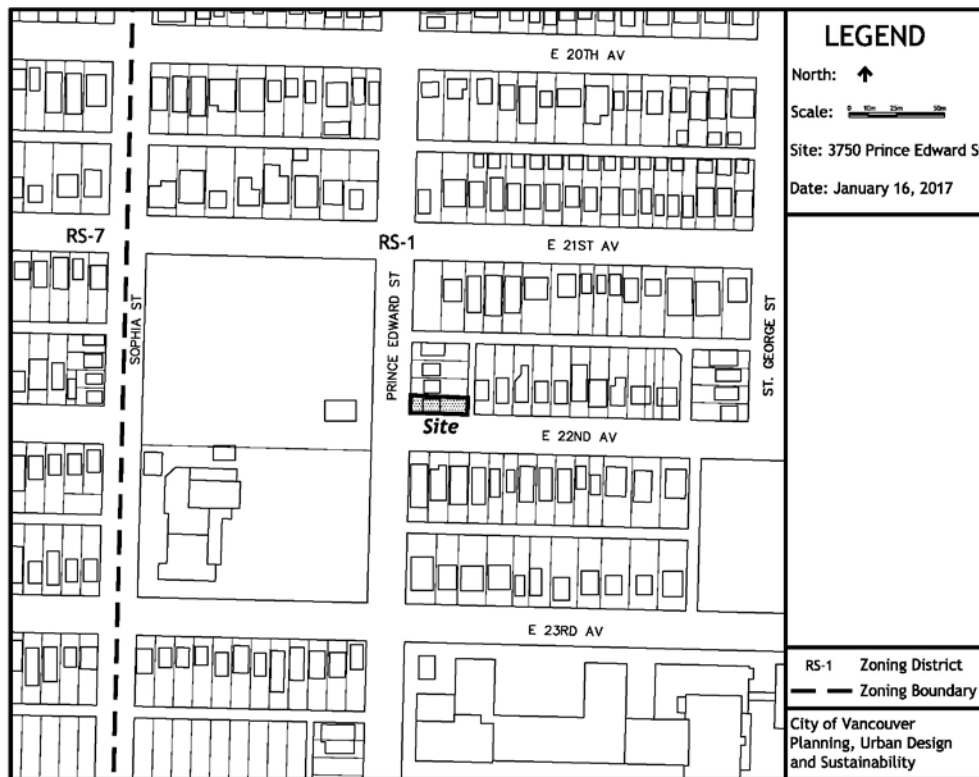
The General Manager of Planning, Urban Design, and Sustainability RECOMMENDS approval of A and B.

STRATEGIC ANALYSIS

Site and Context

The site is located in the Riley Park neighbourhood in an area zoned RS-1 (see Figure 1). The *RS-1 District Schedule* of the *Zoning and Development By-law* permits residential use and an overall density of up to 0.7 Floor Space Ratio (FSR). The site area is 274 m² (2,955 sq.ft.) and a 3.6-metre (12 ft.) wide lane exists at the rear of the property.

Figure 1: Site and Surrounding Zoning



Heritage Value

Built in 1912, the Gardiner Residence is a good example of an early Craftsman style house. It is unusual in that it was designed by an architectural firm, Horel and Roberts. Their work focused on development in what was then South Vancouver, prior to the closure of their firm in 1913. It represents some of the earliest development found in the Riley Park neighbourhood tied to early real estate speculation and the expansion of transportation networks in the pre-war building boom. This particular area was annexed to the City of Vancouver in 1911, but it was not until the following year that services such as water and sewer were brought in, which, combined with streetcar services extending up Main Street, were the catalyst to development.

Development Application and Proposed Incentives

The incentives and compensation to be provided to the owner for the heritage designation of the exterior of the heritage building together with the rehabilitation, and conservation of the heritage building will be in the form of relaxation of requirements in the *Zoning and Development By-law* as set forth in the DP Application which are within the discretion of the General Manager of Planning, Urban Design and Sustainability and are further described below.

The zoning applicable to the site is RS-1. A modest extension to the rear and minor alteration to the south side of the house, along with its restoration, are proposed in the DP Application.

The house will remain a One-Family Dwelling (see the Table 1 zoning summary below and drawings in Appendix B).

Table 1: Zoning Summary

Site Area: 274 m² (2,955 sq.ft.)

RS-1 District Schedule	Existing	Required or Permitted	Proposed
4.7.1 (d) Floor Space Ratio	0.75 207.3 m ² (2,231 square feet)	0.7 191.8 m ² (2,064 square feet)	0.77 212.5 m ² (2,288 square feet)
4.5.1 Side Yard (South)	0.27 m (0.9 feet)	0.9 m (3 feet)	0.27 m (0.9 feet)

The maximum permitted density under the RS-1 zoning for the site is 0.7 FSR overall and the total density for the proposed development is 0.77 FSR (see the Technical Zoning Summary in Appendix C). Pursuant to section 3.2.5 of the *Zoning and Development By-law*, the General Manager of Planning, Urban Design and Sustainability may relax requirements of the *Zoning and Development By-law* where Council has determined that the development would make a contribution to conserving protected heritage property. In accordance with *Heritage Policies and Guidelines* approved by Council, the Director of Planning may approve an increase in density up to 10% beyond that which is permitted in the zoning without Council approval. The DP Application, which is the subject of this report, proposes to add 57 sq. ft. to the existing house which would result in an overall increase of 10.9% above the permitted floor area. The total floor area proposed would be 2,288 sq. ft. (0.77 FSR) which is 13 sq. ft. above the 10% threshold and would typically require a pro forma review. In this case, the Director of Planning, in consultation with the Director of Real Estate Services has determined that since the floor area increase of 13 sq. ft. is minimal and the proposed additions would not result in any undue profit, the pro forma review is not required. This approach would constitute a waiver by Council of the current requirements in the *Heritage Policies and Guidelines* noted above.

The south side yard is existing non-conforming due to a projecting bay. A modest addition (0.56 m² / 6 square feet) is proposed next to the bay that will bring a small section of wall out to this same point. Similar to density, the Director of Planning is prepared to approve this under section 3.2.5 of the *Zoning and Development By-law*.

As part of the DP Application review, staff considered the probable impact of the proposed development, including the results of notification (see the Results of Neighbourhood Notification and Staff Comments section), as well as the compatibility of the development, and concluded that the application is supportable.

Compatibility with Community Planning Objectives, Existing Zoning and Land Use Regulations

The *Riley Park/South Cambie Community Vision* was adopted by Council on November 1, 2005. The proposal to retain and protect this heritage building is consistent with the Vision, particularly:

13.1 Retain Buildings on the Vancouver Heritage Register

“For buildings listed in the Vancouver Heritage Register, the City should encourage retention by implementing additional incentives which are suitable in RPSC.”

The intent of the *RS-1 District Schedule* of the *Zoning and Development By-law* is generally to maintain the single-family residential character of the RS-1 District, and also to permit one-family dwellings with secondary suites. A modest renovation such as proposed in the DP Application, that maintains virtually all the external architectural character, along with conservation and long-term protection of the heritage building, meets this intent and is consistent with the Council-adopted Community Vision.

Condition of the Heritage Building and Conservation Approach

The heritage building is in very good condition. Only minor repair is necessary and all character defining elements will be retained. The proposed additions will have cladding to match existing. Staff have concluded that the proposal is consistent with best conservation practices and supportable in this regard.

Results of Neighbourhood Notification

Ten surrounding property owners were notified of the application, and no responses were received.

Comments of the Vancouver Heritage Commission

On November 14, 2016, the Vancouver Heritage Commission reviewed the DP Application and unanimously supported it with comments (see Appendix D).

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 site is subject to the City-wide DCL rate of \$34.77/m² (\$3.23/sq.ft.). On this basis, a DCL of approximately \$180 is anticipated.

DCLs are payable at building permit issuance and are subject to an annual inflationary adjustment which takes place on September 30th 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 its exterior as protected heritage property, which is a highly valued community feature. If approved, the protection will be secured with a Heritage Designation By-law and the owner will enter into a legal agreement to secure the conservation and

rehabilitation of the property as further set out in Appendix E. The cost to the applicant of the proposed on-site heritage conservation is estimated to be approximately \$65,000.

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

Proforma Evaluation

The *Heritage Proforma Review - Interim Policy* approved in June 2014 allows an application to be exempt from a proforma review subject to certain conditions, including that any bonus density granted to the site for heritage conservation does not exceed 10% beyond the maximum permitted density in the zoning. As noted above the DP Application proposes additions to the house exceeding that which could be considered under the *Heritage Proforma Review - Interim Policy* by 13 sq. ft. The Director of Planning in consultation with the Director of Real Estate Services are of the opinion that a pro forma review is not required on the basis that the additional floor area is minimal and would not create any undue profit.

Financial Implications

As noted in the section on Public Benefits, the applicant has offered the on-site conservation and rehabilitation of the Gardiner Residence valued at \$65,000.

The site is within the City-wide DCL District and it is anticipated that the applicant will pay approximately \$180 in DCLs should the DP Application be approved and the project proceed.

Environmental

The City's *Green Buildings Policy for Rezonings* does not apply to the project as an HRA is not proposed. However, the application will comply with all the environmental provisions embodied in the current *Vancouver Building By-law*.

Legal

The discretionary relaxations of the *Zoning and Development By-law* proposed will provide an improved development potential on the site. The owner's proposal to rehabilitate and conserve the heritage building's exterior in exchange for obtaining the relaxations needed to get that improved development potential will be appropriately secured as legal obligations in an agreement 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 an agreement, 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 must compensate an owner for any reduction in the market value of property caused by a heritage designation. The owner has signed the agreement noted above and in doing so has explicitly accepted the discretionary zoning relaxations to be provided, and the resulting development advantages to be gained thereby, as full compensation for the heritage designation of the heritage building's exterior and the obligations to rehabilitate and conserve the heritage building. The agreement will be executed by the City and registered on title to the site before a development permit for the project may be issued.

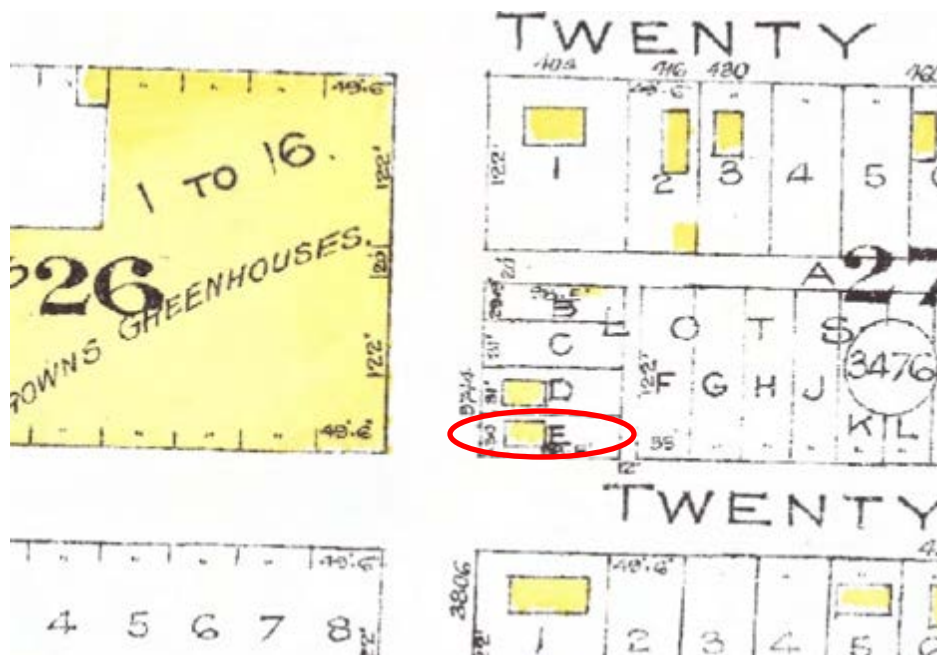
CONCLUSION

The approval of the heritage designation of the Gardiner Residence at 3750 Prince Edward Street will ensure that the heritage building is rehabilitated and protected from exterior alterations which affect its heritage value, and from demolition. The owner has agreed to accept the proposed zoning relaxations as compensation for the heritage building's designation. The General Manager of Planning, Urban Design, and Sustainability 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 proposed heritage designation of the Gardiner Residence at 3750 Prince Edward Street.

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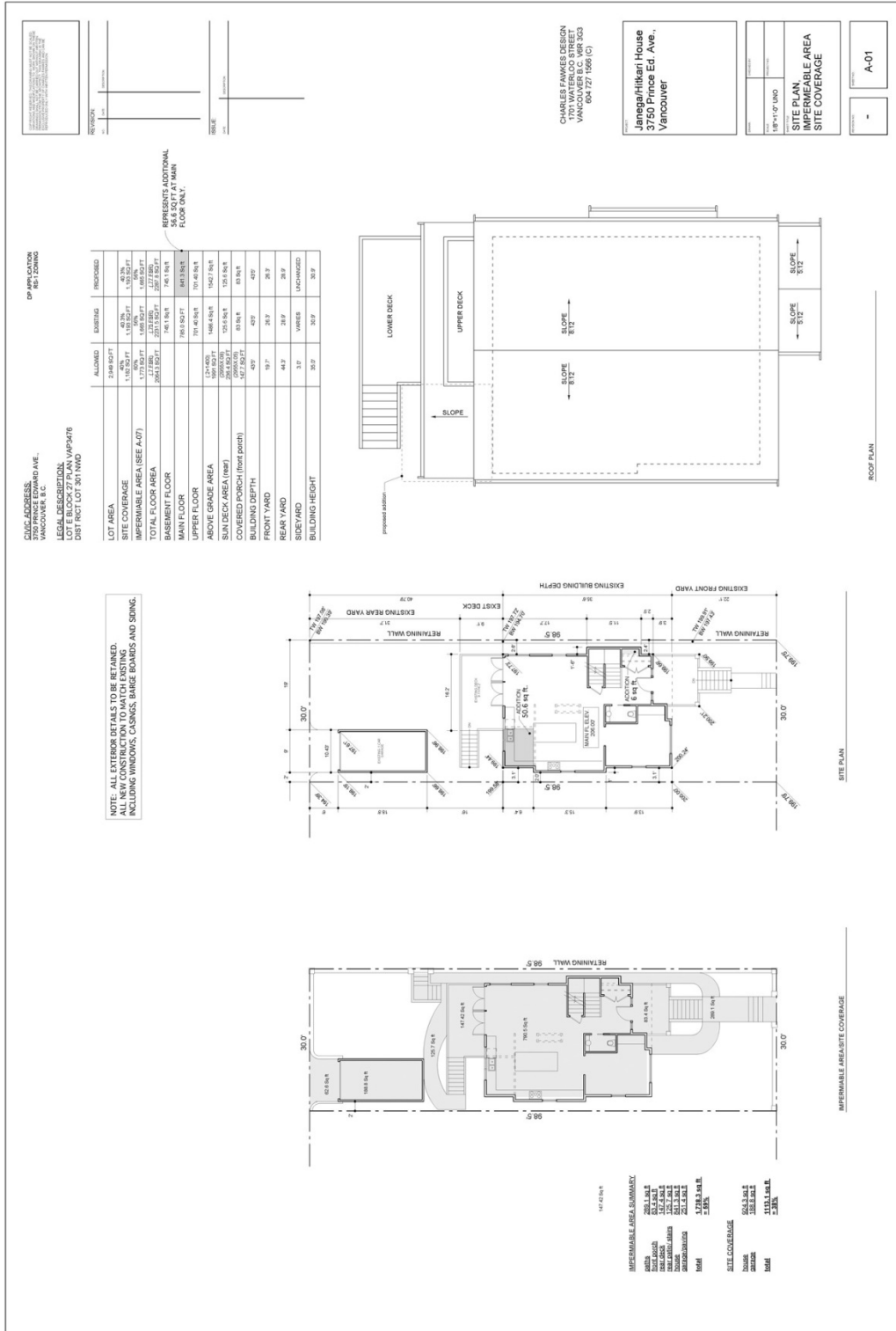
3750 Prince Edward Street, Gardiner Residence, in the context of its neighbour to the north



1912 Fire Insurance Map showing 3750 Prince Edward Street and its neighbor to the north (constructed in 1911)

Drawings and Elevations

Site Plan



3750 Prince Edward Street
TECHNICAL ZONING SUMMARY

Variances of the RS-1 Zoning District Schedule of the Zoning and Development By-law:

Site Area: 274 m² (2,955 sq.ft.)

RS-1 District Schedule	Existing	Required or Permitted	Proposed
Section 4.7.1 (d) Floor Space Ratio	0.75 FSR 207.3 m ² (2,231 square feet)	0.7 FSR (191.8 m ² /2,064 square feet)	0.77 FSR 212.5 m ² (2,288 square feet)
Section 4.5.1 Side Yard (South)	0.27 m (0.9 feet)	(3 feet)	0.27 m (0.9 feet)
Section 4.8 Site Coverage *	40.3% (1,193 sq.ft.)	40% (1,182 sq.ft.)	40.3% (1,193 sq.ft.)

* No variance required

**3750 Prince Edward Street
RESOLUTION OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS**

On November 14, 2016, the Vancouver Heritage Commission reviewed the proposed heritage designation of the building known as the Gardiner Residence at 3750 Prince Edward Street and resolved the following:

THAT the Vancouver Heritage Commission supports the application to retain and rehabilitate 3750 Prince Edward Street, Gardiner Residence, as presented at its meeting on November 14, 2016, including the addition of 6 square feet to the front and 50 square feet to the rear; and

FURTHER THAT the Commission requests that the front and back porch railings be sensitively restored.

Staff Comments:

The applicant will be directed to address the front and back porch railings in the form of prior-to conditions in the Development Permit

3750 Prince Edward Street
PUBLIC BENEFITS SUMMARY

Project Summary:

Rehabilitation and conservation of a heritage building with modest additions at rear and south side.

Public Benefit Summary:

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

	Current Zoning	Proposed
Zoning District	RS-1	RS-1
FSR (site area = 274 m ² (2,955 sq. ft.))	0.75	0.77
Buildable Floor Area	207.3 m ² (2,231 sq. ft.)	212.5 m ² (2,288 sq. ft.)
Land Use	Residential	Residential

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed DE (\$)
Required*	DCL (City-wide) (See Note 1)	6680	180
	DCL (Area Specific)		
	Public Art		
	20% Social Housing		
Offered (Community Amenity Contribution)	Childcare Facilities		
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage		65,000
	Housing (e.g. supportive, seniors)		
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
TOTAL VALUE OF PUBLIC BENEFITS		\$6680	\$65,180

Other Benefits (non-market and/or STIR)

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 exceeds permitted. However in this case since RS-1 does not require retention, "Value if Built Under Current Zoning" is based on floor area of new dwelling built at 0.7 FSR.