



**POLICY REPORT
DEVELOPMENT AND BUILDING**

Report Date: November 5, 2017
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VanRIMS No.: 08-2000-20
Meeting Date: December 12, 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: 5471 Wales Street (Cantone Residence)

RECOMMENDATION

- A. THAT Council bring forward for enactment, pursuant to Sections 593 and 594 of the *Vancouver Charter*, a by-law to designate the exterior of the Cantone Residence at 5471 Wales Street (the “heritage building”), which is listed on the *Vancouver Heritage Register* in the ‘B’ evaluation category, as protected heritage property (PID: 010-647-414; Lot 27 North ½ of Block 12, District Lot 394, Plan 7368; PID: 005-010-462; Lot 28 North ½ of Block 12, District Lot 394, Plan 7368 (the “site”)).
- B. THAT Recommendation A 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 the exterior of the heritage building at 5471 Wales Street, which is listed in the ‘B’ evaluation category on the *Vancouver Heritage Register*. As incentive and compensation to the owner for the proposed heritage designation, rehabilitation, and conservation of the heritage building, an increase in permitted density, as set forth in the Development Permit Number DE418896 (the ‘DP Application’) and as described in this report, is proposed. 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

Pursuant to Section 593 and Section 594 of the *Vancouver Charter*, Council may, by by-law, 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 market value caused by the designation. Often this is achieved by way of by-law variations so as to permit an otherwise impermissible development.

The proposed heritage designation for the heritage building and its exterior 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 relevant for this application:

- *Heritage Policies and Guidelines (April, 1991)*
- *Heritage Proforma Review - Interim Policy Planning By-law Administration Bulletin (June, 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 the use of available tools to conserve the City's heritage resources.

GENERAL MANAGER'S COMMENTS

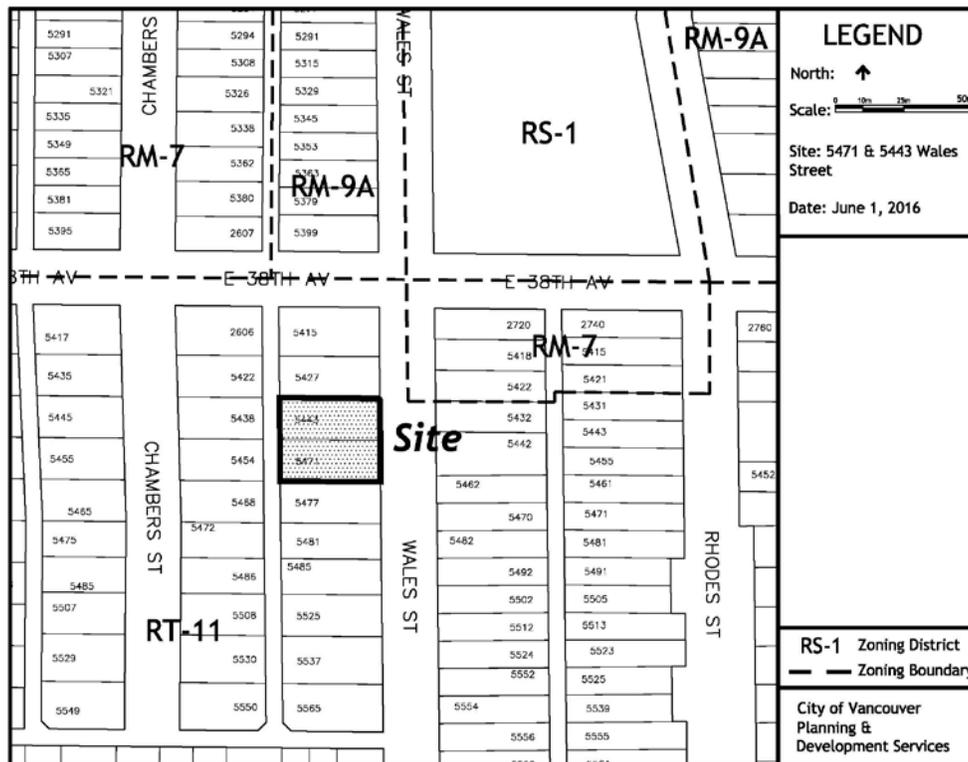
The General Manager of Planning, Urban Design, and Sustainability recommends approval of Recommendations A and B.

STRATEGIC ANALYSIS

Site and Context

The site is located in the Renfrew-Collingwood neighbourhood in an area zoned RT-11 (see Figure 1). The *RT-11 Zoning District Schedule of the Zoning and Development By-law* permits One- and Two-Family Dwellings, the conversion of existing buildings into suites, as well as townhouses and infill development. Retention of character buildings is encouraged but not required in the zoning. The total area of the site is 1,115 square metres (11,994 square feet). A six metre (twenty foot) wide paved lane runs along the west property boundary of the site.

Figure 1: Site and surrounding zoning



Heritage Value

The Cantone family, who immigrated to Canada in 1907 from Italy, built the heritage building in 1917 and lived in it until the late 1940s. The Henkelmans, a family of German immigrants who built 5470 Wales across the Street, purchased 5471 Wales Street from the Cantone family and lived in it until recently. The fact that only two families have lived in the house for nearly a century has contributed to its survival in good condition.

The house features extensive craftsman details including a large covered porch, wood brackets and fascia boards, original trims and window casings, and wood sash windows. The building appears to have been raised in the past which has resulted in the current guard and stair assembly at the front of the house, which is not the original profile (see Appendix A).

The site is listed on 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 of the heritage building's exterior and its rehabilitation and conservation are proposed to be in the form of a 10% increase in the maximum permitted density, as set forth in the DP Application, and as described below.

The zoning applicable to the site is RT-11. The DP Application proposes to consolidate 5471 Wales Street and the adjacent parcel at 5443 Wales Street, restore the heritage building and convert it to a Multiple Conversion Dwelling containing two Dwelling Units (see Appendix B). It is to be relocated on the site and a small addition is to be added at the rear. A second house on the site, which is not a heritage building, is to be demolished and three new Infill Two-

Family Dwellings and one new Infill One-Family Dwelling are proposed which are in compliance with the RT-11 zoning provisions (see Table 1 and Appendix C). The DP Application originally indicated a density of 1.12 Floor Space Ratio (FSR) and eleven Dwelling Units. This was not supported and the DP Application was revised to show 0.99 FSR (10% over the maximum permitted density) and nine Dwelling Units, which staff concluded was the maximum density which would be considered. The density to be granted is provided for under provisions of the Zoning and Development By-law as a relaxation of regulations governing density by the Director of Planning. A Heritage Revitalization Agreement is not required in this case.

Table 1: Density Summary

	Existing*	Required or Permitted	Proposed
Overall Floor Space Ratio (FSR)	0.20 FSR 227 m ² (2,440 sq. ft.)	0.90 FSR 1,003 m ² (10,794 sq. ft.)	0.99 FSR 1,104 m ² (11,874 sq. ft.) 10% over permitted
Number of Dwelling Units	1	9** maximum	9

* With regard to the heritage building. A second building on the site also exists but is to be demolished, and its floor area is not included here).

** The requirement is 74 units per hectare which equals 8 to which the Director of Planning may allow an additional Dwelling Unit under the RT-11 zoning.

As part of the 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 with the zoning, and concluded that the current DP Application with the revised density of 0.99 FSR and nine Dwelling Units is supportable.

Compatibility with Existing Zoning and Land Use Regulations and Community Plans

The Intent of the *RT-11 Zoning District Schedule* is to:

“... allow a variety of housing options by encouraging development of multiple small houses and duplexes on larger lots and assembled sites, while continuing to permit lower intensity development on smaller sites. Siting and massing are intended to be compatible with, but not the same as, pre-existing single family development... retention of character buildings and high quality architectural design of new development is encouraged.”

The project is consistent with the intent of the *RT-11 District Schedule*. The application provides infill buildings, including duplexes, with a variety of massing and forms and with a high quality of design. The DP Application proposes retention of a character building (i.e. the heritage building).

The Renfrew-Collingwood Community Vision states that for structures listed in the Vancouver Heritage Register, the City should encourage retention by implementing additional incentives which are suitable in areas like Renfrew-Collingwood. The DP Application is consistent with community planning objectives for the neighbourhood.

Condition of the Heritage Building and Conservation Approach

The Cantone Residence is in good condition. The DP Application proposes to restore the original character of the heritage building, including the re-introduction of windows which have been removed, as well as re-instituting the original porch details where possible. Staff have concluded that the rehabilitation scheme is consistent with good conservation practices.

Results of Neighbourhood Notification and Staff Responses

A total of 132 neighbouring properties were notified of the DP Application before the application was revised to reduce the density (see Development Application and Proposed Incentives). Ten responses were received. One response is neutral. The other nine responses all express concerns and opposition. The concerns are:

- The proposed density of 1.12 FSR and eleven Dwelling Units is too much;
- The proposal will create undue traffic and parking impacts;
- The proposal is incompatible with the surrounding single family neighbourhood; and
- There is a lack of open space in the project.

The density has been reduced to 0.99 FSR and nine Dwelling Units (see Development Application and Proposed Incentives). The proposal will likely create parking and traffic impacts which are commensurate with development which will likely occur over time in the area under the current RT-11 zoning. The proposal is consistent with the RT-11 zoning (see Compatibility with Existing Zoning and Land Use Regulations), including the amount of open space achievable on the site. Staff have considered the results of neighbourhood notification and concluded that the revised scheme of 0.99 FSR and nine Dwelling Units is supportable.

Comments from the Vancouver Heritage Commission

On June 27, 2016, the Vancouver Heritage Commission reviewed the DP Application and unanimously supported the proposal (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 City-wide DCL rate of \$39.07/m² (\$3.63/square foot) is applicable to the project. On this basis, a DCL of approximately \$34,200 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 its designation of its exterior as protected heritage property, which is a highly valued community feature. The proposed on-site heritage conservation is valued at approximately \$200,000 and will be borne by the applicant.

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 Planning By-law Administration Bulletin* allows for an exemption of a financial proforma review for projects which propose no more than 10% bonus density beyond the maximum permitted density in the zoning applicable to a site. The proposal complies with the provisions of the bulletin and a proforma review is not required.

Financial Implications

As noted in the section on Public Benefits, the applicant has offered the on-site conservation and rehabilitation of the Cantone Residence valued at \$200,000.

The site is within the City-wide DCL District and it is anticipated that the applicant will pay approximately \$34,200 in DCLs should the DP Application be approved and the project proceed.

Environmental

The City's Green Buildings Policy for Rezoning does not apply to the application as a Heritage Revitalization Agreement is not required. However, the project will comply with the *Vancouver Building By-law* with respect to energy and environmental provisions contained therein.

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 proposed heritage designation for the Cantone Residence at 5471 Wales Street, which is listed on the *Vancouver Heritage Register* in the 'B' evaluation category, will ensure that the heritage building is rehabilitated, conserved, and protected from exterior alterations which affect its heritage value and character, and from demolition. The owner has agreed to accept the proposed increase in density as compensation for the designation of the heritage building's exterior and for its rehabilitation and conservation. The General Manager of Planning, Urban Design, and Sustainability is prepared to approve the DP Application should Council approve the recommendations of this report. Therefore, it is recommended that Council approve the Heritage Designation By-law for the Cantone Residence at 5471 Wales Street.

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Photo 1: 5471 Wales Street - Front View (Looking West) circa 2016

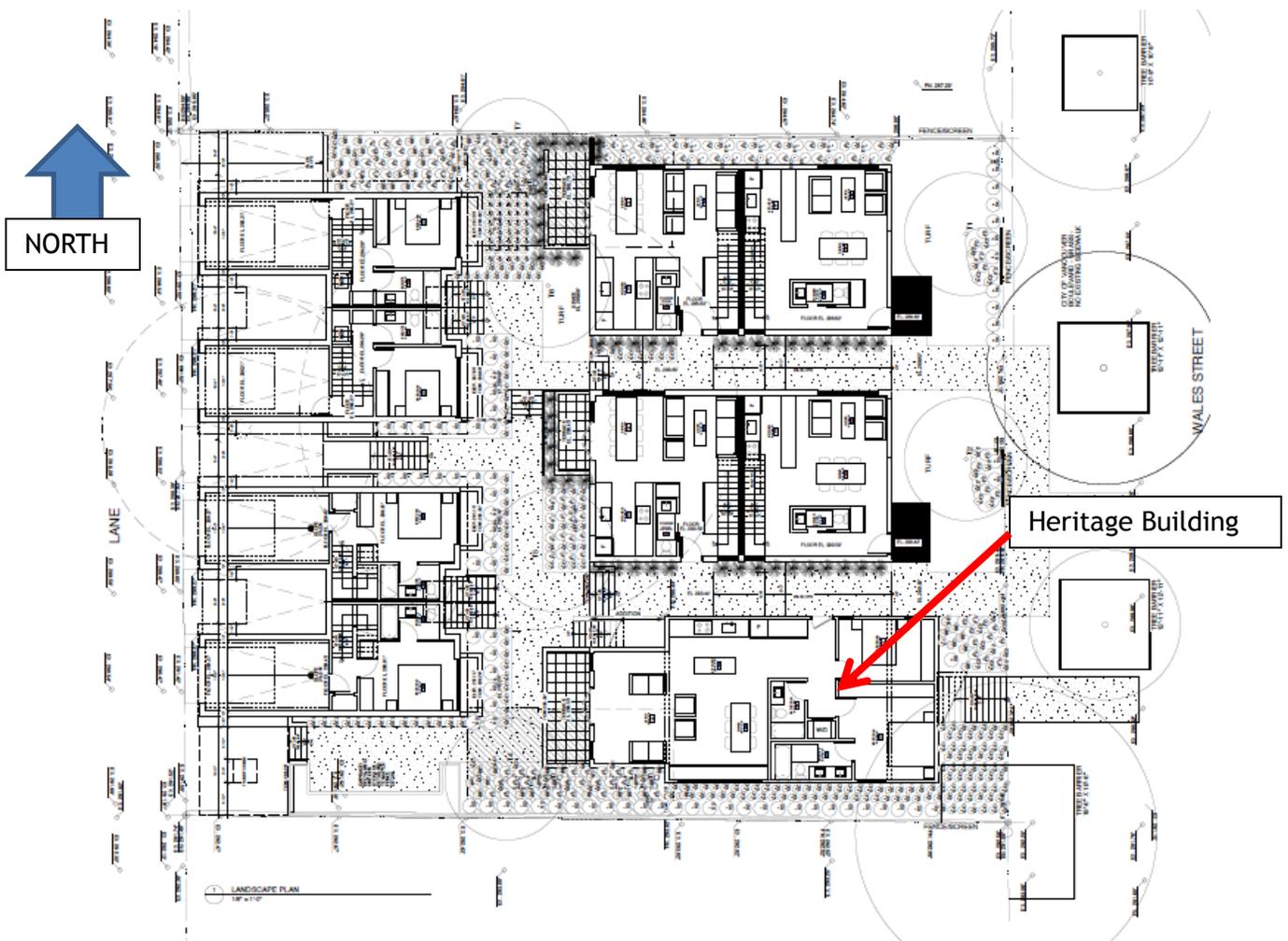


Photo 2: 5471 Wales Street - View of South Side (circa 2016)

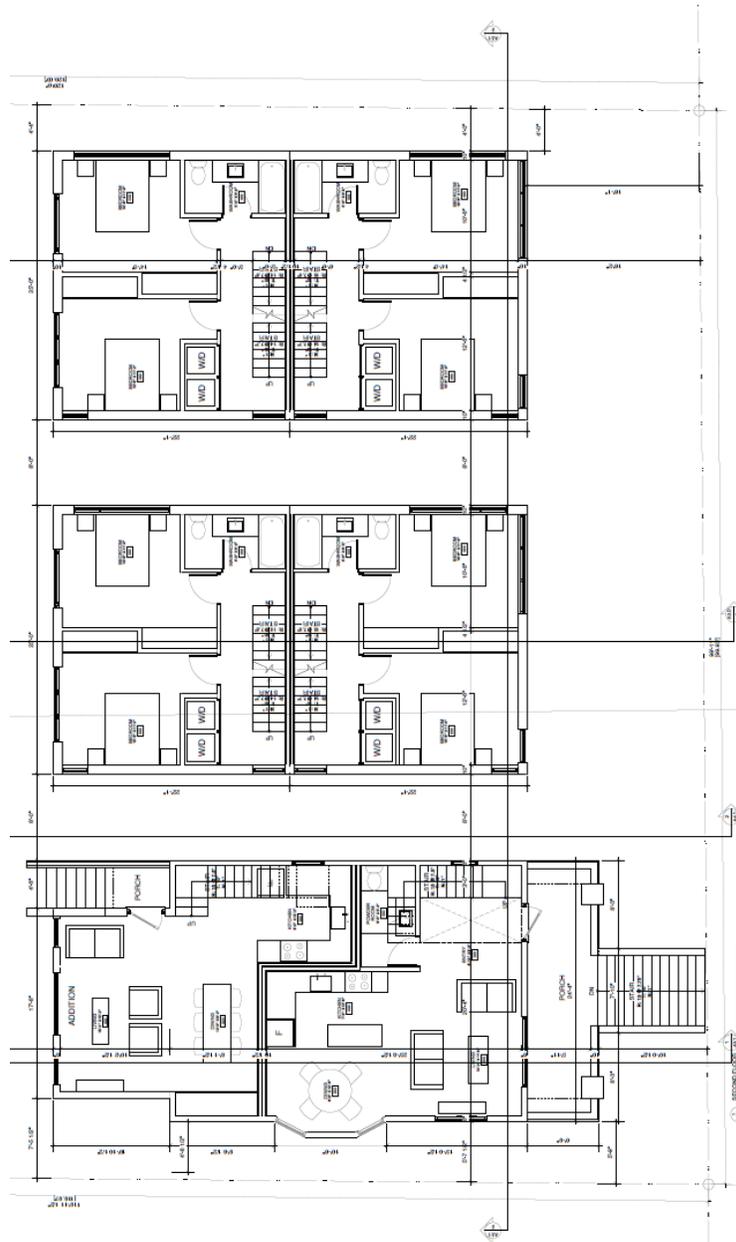
5471 Wales Street
DRAWINGS



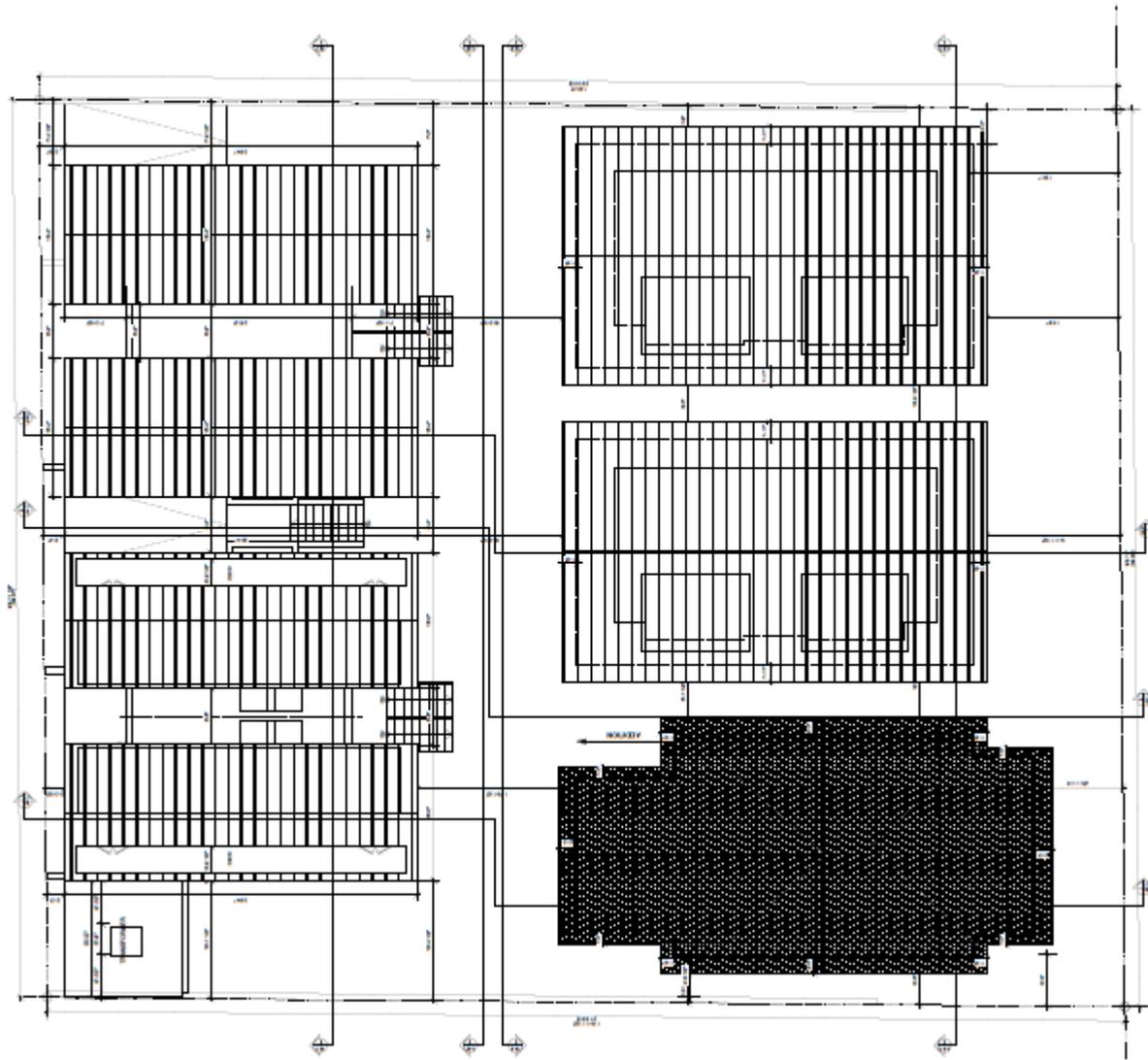
Context Plan



Main Floor and Site Plan



Main Floor Plans - Front Buildings



Roof Plans



Elevations of New Infill Buildings



East (Front) Elevations - Looking West From Wales Street

Heritage Building

5471 Wales Street
TECHNICAL SUMMARY

Table A: Zoning and Parking Summary

	Existing*	Required or Permitted	Proposed
Front Yard	7.3 metres (24 feet)	2.4 metres (8 feet) minimum	3.1 metres (10 feet)
Height	10.0 metres (32.8 feet)	10.7 metres (35.1 feet) maximum	Heritage Building: 10.0 metres (32,8 feet); New Buildings: 10.7 metres (35.1 feet)
Overall Floor Space Ratio (FSR)	0.20 FSR 227 m ² (2,440 sq. ft.)	0.90 FSR 1,003 m ² (10,794 sq. ft.)	0.99 FSR 1,104 m ² (11,874 sq. ft.) 10% over permitted
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5471 Wales St
RESOLUTIONS OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS

On June 27, 2016, the Vancouver Heritage Commission reviewed the DP Application and resolved the following:

THAT the Vancouver Heritage Commission supports the application for 5471 Wales Street - Cantone Residence, and commends the applicant for the compatible infill buildings;

FURTHER THAT the Commission urges the Chief Building Official to respect the integrity of the heritage house by not requiring the applicant to change the consistent finish to non-combustible hardy plank.

CARRIED UNANIMOUSLY

Staff Comments:

As part of the Building Permit Application process, the applicant will pursue an alternative solution or an exemption with regard to allowing for a wood siding finish instead of a cementitious panel product.

**5471 Wales Street
PUBLIC BENEFITS SUMMARY**

Project Summary:

Rehabilitation and conservation of a heritage building and construction of new infill development

Public Benefit Summary:

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

	Current Zoning	Proposed
Zoning District	RT-11	RT-11
FSR (Site Area = 1,115 m ² (11,994 sq. ft.))	0.90	0.99
Buildable Floor Area	1,003 m ² (10,794 sq. ft.)	1,104 m ² (11,874 sq. ft.)
Land Use	Residential	Residential

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed (\$)
Required*	DCL (City-wide) (See Note 1)	39,000	34,200
	DCL (Area Specific)		
	Public Art		
	20% Social Housing		
Offered (Community Amenity Contribution)	Childcare Facilities		
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage		200,000
	Housing (e.g. supportive, seniors)		
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
Other			
TOTAL VALUE OF PUBLIC BENEFITS		\$39,000	\$234,200

Other Benefits: None

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. The RT-11 zoning does not generally require retention and therefore the value under the first column (i.e. "under Current Zoning") is based on full redevelopment (all new floor area).