



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Date: April 23, 2005
Author: Z. Jankovic/ K. Hemmingson
Phone No.: 7448/ 6077
RTS No.: 04711
CC File No.: 1401-83
Meeting Date: June 16, 2005

TO: Vancouver City Council

FROM: Directors of Current Planning and Housing Centre

SUBJECT: Heritage Designation and SRA Permit for 51 W Hastings Street
(DE 408389)

RECOMMENDATION

- A.) THAT, in respect of the building at 51 West Hastings Street and pursuant to sections 3 and 8 of Section 3 of the Downtown District Official Development Plan, Council approve:
- the substitution of 2.1 FSR of residential floor area in place of the commercial floor area (thereby increasing residential FSR from 2.7 to 4.8, and decreasing commercial FSR from 4.0 to 1.0); and
 - the relaxation of the residential floor area from 5.0 to 5.8 FSR to end the non-conformity.
- B.) THAT Council designate the building, listed in the " B" category on the Vancouver Heritage Register, as Protected Heritage Property, and instruct the Director of Legal Services to bring forward for enactment a heritage designation bylaw;
- C.) THAT, subject to Recommendation A, Council authorize a façade grant for a total of \$50,000 - source of funding to be the facade grant funding in the 2005 Capital Budget. (*Approval of this recommendation requires 8 affirmative votes*);
- D.) THAT Council require that an agreement be registered to secure the timely rehabilitation of the façade and its upkeep for the life of the building;

E.) THAT, subject to all 50 rooms remaining designated under the Single Room Accommodation By-law after the Agreement expires, Council approve the SRA Demolition Permit to demolish six designated rooms on condition that the owner enter into a Housing Agreement with the City to the satisfaction of the Director of Legal Services for the site containing the following:

- All 50 rooms to be rented on a monthly basis and be used for permanent residents only;
- Period of the Housing agreement to be six years; and
- Rental rates for the 20 rooms (13.94 m² [150 sq ft]) looking out into the new internal light well to be limited to 110% of the shelter component of income assistance (\$347) with any rent increase tied to an increase in the shelter component of income assistance. Rent rolls to be provided to the City on an annual basis.

AND THAT when the Housing Agreement is settled, the Director of Legal Services bring it back to Council together with an authorizing bylaw for approval and enactment.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of A, B, C, D, and E.

COUNCIL POLICY

Council's Heritage Policies and Guidelines state that the resources "identified in the Vancouver Heritage Register have heritage significance", and that "the City's long-term goal is to protect through voluntary designation as many resources on the Vancouver Heritage Register as possible" and that legal designation will be a prerequisite to granting certain floor area variances, bonuses and incentives.

Heritage Façade Rehabilitation Program Policies and Procedures for Gastown, Chinatown and Hastings Street Corridor.

Downtown District Low Cost Housing Policies and Procedures.

Single Room Accommodation: On October 21, 2003, Council enacted the Single Room Accommodation By-law to regulate the conversion and demolition of single room accommodation. The By-law requires Council approval for the conversion or demolition of single room accommodation. The By-law also allows Council to attach conditions to the approval of a conversion or demolition permit.

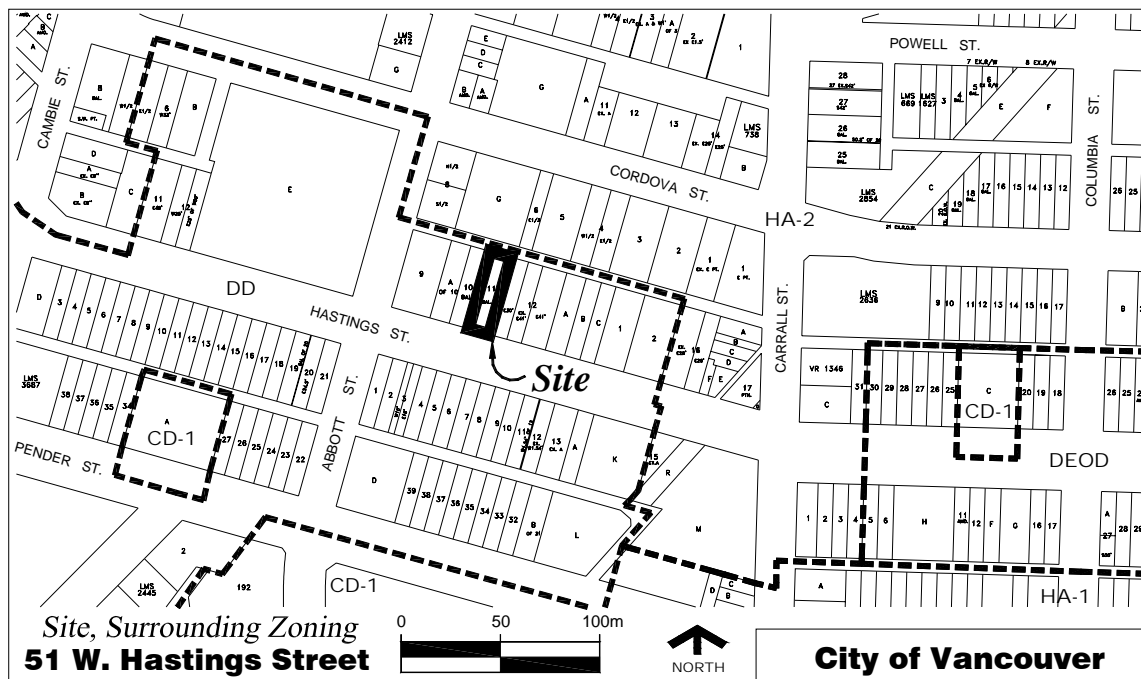
PURPOSE

This report seeks Council's approval to designate the building to secure long term protection of the building, a SRA Permit to demolish six of the units, and to secure, through a Housing Agreement, 50 units of residential accommodation.

BACKGROUND AND SUMMARY

The site is located in the downtown area of the City along the Hastings Corridor, and is zoned Downtown District (see site map below). The applicant has submitted a Development Application (DE 408389) proposing to rehabilitate and designate the building and is seeking a façade grant, permitted use substitutions and floor space relaxations to make it viable. A SRA Demolition Permit for 6 units is requested, and a Housing Agreement would protect the remaining 50 units of rental accommodation for a period of 6 years. These units will remain SRA designated after the Housing Agreement expires.

Figure #1: Site Map



DISCUSSION

Development Proposal: A development application has been received from David S. Mah Architect to make interior and exterior alterations to the existing heritage building. The proposal includes the completion of 50 units of residential accommodation on floors two through six, and retail/ commercial use on the ground and basement levels.

On each of the five residential floors, six dwelling units ranging from 19.23 to 29.82 m² (207 to 321 sq.ft.) will be equipped with three piece bathrooms and will occupy the south and north sides of the building (30 units total). Four dwelling units of 13.94 m² (150 sq.ft.) will look out into a new internal light-well, and these units will share two common bathrooms (20 units in total). A common kitchen with full cooking facilities will be installed on each floor to compliment the refrigerator and microwave installed in each living unit. A portion of the ground and basement floors are commercial use.

Heritage Value: The heritage value of this building lies in its historic relationship between this area and the economy of early Vancouver, and to Gastown's history as a mixed-use area. Designed by well-known architect Thomas Hooper of Hooper and Watkins, the structure was built in 1909 as an apartment block with commercial frontage at the street level. Originally known as the Eastern Building, 51-53 West Hastings Street, the building became the Strathcona Hotel in 1910, with Pierre Paris, retail footwear outlet at street level for sixty years. Its design and construction are significant as they reflect the transition from Victorian style to the cleaner more restrained and functional Edwardian style, and solid masonry and steel construction. Of interest is the still visible painted sign advertising Pierre Paris Shoes on the east facade.

Rehabilitation Plan: The plan proposes rehabilitation of the ground floor and the part of the basement, 50 SRA units above, as well as the façade reconstruction. The scope of the façade rehabilitation includes reconstruction of the cornice and the storefront frieze, beltcourse restoration, sandstone sills and capitals rehabilitation, extensive windows restoration including partial replacement, as well as paint removal from the brick surfaces with selective repointing. The storefront will be rehabilitated with many elements reconstructed to original form. Existing wall signage (Pierre Paris) on the east and west façade will be retained. The storefront will be rehabilitated with many elements reconstructed to original form. In addition, 4 new roof skylights will provide natural light to increase the liveability of the interior units.

Compatibility with Community Planning Objectives: The intent of the Downtown District (DD) Official Development Plan and the accompanying guidelines is as follows:

- to improve the general environment of the Downtown District as an attractive place in which to live, work, shop and visit;
- to ensure that all buildings and developments in the Downtown District meet the highest standards of design and amenity for the benefit of all users of the Downtown;
- to encourage more people to live within the Downtown District;
- to support the objectives of the GVRD as referred to in the Liveable Region Plan;
- to create a distinctive public realm and a unique and pleasing streetscape in the Downtown District.

The rehabilitation of this building significantly furthers these objectives. In addition, the rehabilitation of key buildings in this downtown precinct promotes the City's revitalization objectives and policy for the area.

Substitutions and Relaxations Requested:

Regulation	Existing	Permitted	Substitution	Proposed
Residential FSR	2.7	3.0 (Conditional use)	+ 2.1	4.8
Commercial FSR	4.0	3.0	- 3.0	1.0
Total FSR (Residential & Commercial)	6.7	5.0	+ 0.8*	5.8

**Relaxation of residential floor area to regularize residential floor area non-conformity.*

To make the rehabilitation of this building economically viable, the applicant has requested a substitution of 2.1 FSR of residential area in place of the commercial, which exceeds the permitted residential floor area. Further, the proposed total floor area of 5.8 FSR exceeds the permitted floor area in the DD ODP. Accordingly, the FSR needs to be relaxed from 5.0 to 5.8 FSR so that the building is no longer non-conforming.

The DD Official Development Plan contains provisions to relax aspects of the Plan that result in unnecessary hardship in rehabilitating buildings or sites on the Vancouver Heritage Register. Staff recommend that the floor area adjustments be allowed through Section 3.3 which provides for the substitution of residential floor area and Section 3.8 which provides for relaxing the floor area.

In addition, the dwelling units are less than 320 sq.ft., currently not the standard as set out by the City's Zoning and Development Bylaw. Because these are existing units, and literal enforcement of the Bylaw would result in unnecessary hardship due to the constraints of the existing building and unit configuration, pursuant to section 3.2.5 of the Zoning and Development Bylaw, staff recommend that the Director of Planning relax the appropriate provisions of the Bylaw to permit the smaller unit size in carrying out the renovation.

The applicant is prepared to designate the heritage building and agrees that the substitution and relaxation in residential floor area is fair compensation in exchange for the designation of the property.

Real Estate Services: The Manager of Real Estate Services reviewed project economics and determined that the trade off between the additional floor area and additional heritage cost is fair and reasonable, and the development profit is reasonable and not excessive.

Single Room Accommodation Bylaw: The SRA demolition permit for this site has been reviewed in the context of designation and in the context of proposed building upgrades to this long-vacant SRA building. The Director of the Housing Centre recommends approval of the SRA Demolition Permit to demolish six designated rooms to carry out renovations to the

remaining 50 designated SRA rooms, and that the demolition fee for these six rooms be waived on the condition that the owner enter into a Housing Agreement containing the following:

- All 50 rooms to be rented on a monthly basis and be used for permanent residents only;
- Period of the Housing agreement to be six years; and
- Rental rates for the 20 rooms (each roughly 13.94 m² [150 ft.²]) looking out into the new internal light well to be limited to 110% of the shelter component of income assistance (\$347) with any rent increase tied to an increase in the shelter component of income assistance. Rent rolls to be provided to the City on an annual basis.

All 50 rooms will remain designated under the Single Room Accommodation By-law after the Agreement expires.

As outlined in the Vancouver Charter, Council is required to consider a number of factors in deciding whether or not to grant an SRA conversion or demolition permit. These factors include:

- The accommodation that will be available to the tenants affected by the conversion or demolition;
- The supply of low cost accommodation in the Downtown Core;
- The condition of the building; and
- The replacement of single room accommodation in the city.

Accommodation for Affected Tenants and Condition of the Building: There are currently no tenants in the building and it was largely gutted after fire damage in the 1990s. According to City records there were originally 56 units on floors 4 through 6 which have been closed and vacant since 1973.

Supply of low cost accommodation in the Downtown Core: According to the "2003 Survey of Low-Income Housing in the Downtown core", between January 1991 and March 2003, the creation of replacement housing geared to low-income singles in the Downtown Eastside, Chinatown, Strathcona and Gastown (sub-area in which the Strathcona is located) has kept pace with the loss of SRA rooms. However, with the end of the HOMES BC program in 2002, keeping pace with losses may not be possible without controls over conversion and demolition. The SRA replacement issue involves not only the total number of units, but also their quality and cost. There is concern that increases in rents for this type of unit, often associated with renovations that have significantly improved their quality and safety, can result in higher rents beyond the reach of their former occupants. Securing a Housing Agreement assists in addressing this issue.

Replacement of lost SRA units: While this project will result in a net loss of six SRA units, all 56 units on this site have been closed since 1973. If the permit is approved with the proposed Housing Agreement, it will result in the reopening of 50 improved SRA rooms ranging 13.94 to 29.82 m² (150 to 321 ft.²) in size, at relatively affordable rates. Furthermore, these rooms will remain SRA-designated after the Housing Agreement expires.

Public Benefits: The rebuilding and re-opening of the SRA rooms in the Strathcona Hotel are key to achieving the retention and rehabilitation of this " B"-listed Heritage building in a manner consistent with City revitalization objectives without incurring displacement of

existing residents. With the reopening of the rooms, the owner is willing to secure rents at affordable levels for 6 years, continue the SRA designation and have the building designated as Protected Heritage Property.

REVIEW AND NOTIFICATION

Public Consultation: Following standard notification procedures, 670 surrounding property owners were notified and invited to comment on the proposal. Staff received 4 responses, two in favour, noting the added value to the neighbourhood in keeping and restoring this historic building and two opposed, noting concern about an over-supply of low rent housing in the area.

Council policies for this area guide the City's efforts to maintaining and expanding housing opportunities for low and moderate income households with a priority given to downtown lodging housing residents and seniors on fixed income, as well as other groups. Staff conclude this project successfully meets the objectives laid out in the policy.

Comments from the Vancouver Heritage Commission: The Vancouver Heritage Commission reviewed this project on December 6, 2004 and January 31, 2005, supported it, and commended applicant for high level of heritage conservation and attention to detail. The Commission noted an importance of compatibility and distinguishability of the new storefront component in relation to building heritage character, and the attention this issue was given in the proposed conservation plan.

Staff extensively reviewed conservation strategies proposed, especially those related to the storefront and the cornice rehabilitation and concluded that they are fully compliant with Standard and Guidelines for the Conservation of the Historic Places in Canada and that their application, as proposed, is an appropriate conservation approach.

Financial Implications: The 2003 - 2005 Capital Plan provided \$1.5 million for the façade grant program. Council approved a funding allocation of \$500,000 in 2003, and the \$1 million remainder for 2005. Over the last two years, Council has approved a total of \$535,000 in façade grants under this program. Staff recommend approval of \$50,000 for this project, to be funded from the 2005 Capital for the Façade Grant.

CONCLUSION

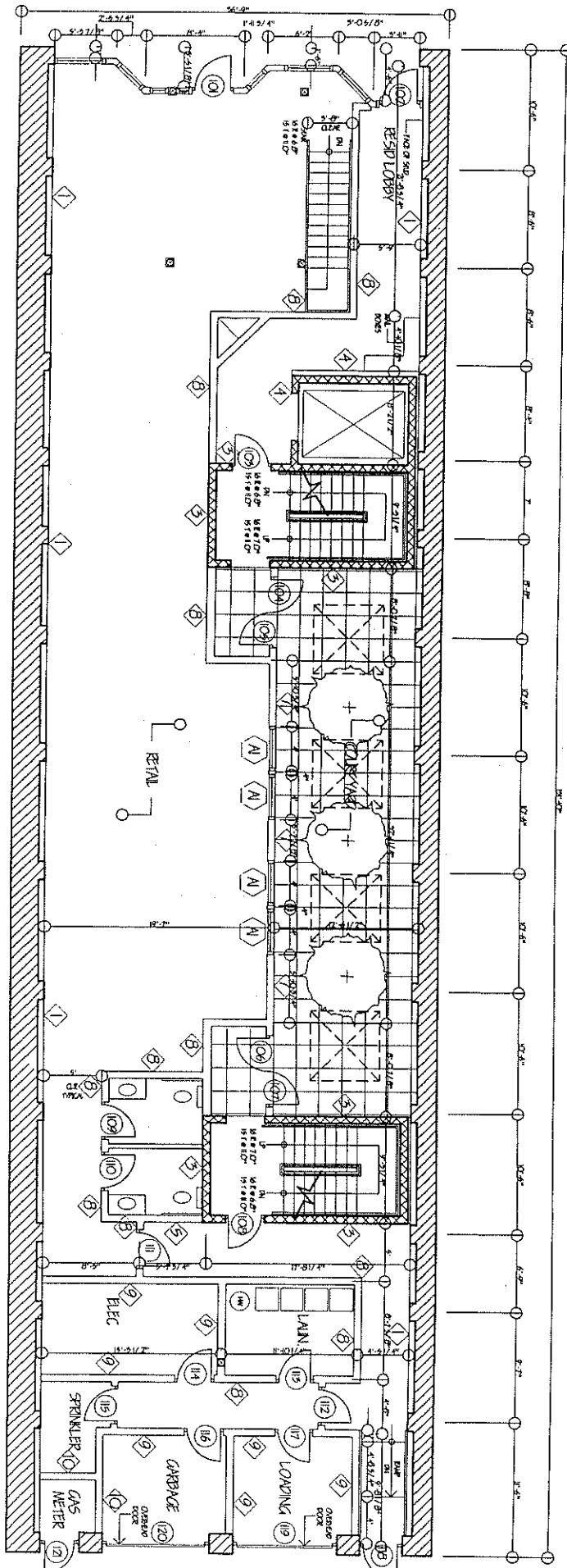
The Strathcona at 51 W Hastings Street is a valuable part of the history of the area and merits conservation. Its retention is an objective of the Downtown District Official Development Plan and is supported by the Vancouver Heritage Commission. The requested floor space substitution and relaxations, and permitting sinks and cooking facilities in the sleeping units, represent fair compensation to the owner for the hardship of conservation. Staff recommend that Council approve the SRA Demolition Permit subject to the owner entering into a Housing Agreement, and designate this Heritage "B" building as Protected Heritage Property.

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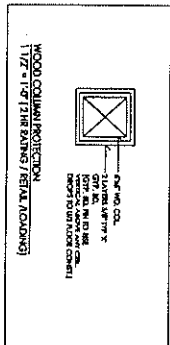


RECEIVED
CITY OF VANCOUVER
APR 14 2004
COMMUNITY SERVICES GROUP
DEVELOPMENT SERVICES

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MAIN LEVEL



- REVISION
1. ISSUED FOR FIELD REVIEW APPLICATION
 2. COL. RETAIL HEIGHT TO MANAGER
 3. CHANGE IN UNIT SIZES

4. REVISED FOR D.P. APPLICATION
5. REVISED FOR D.P. APPLICATION

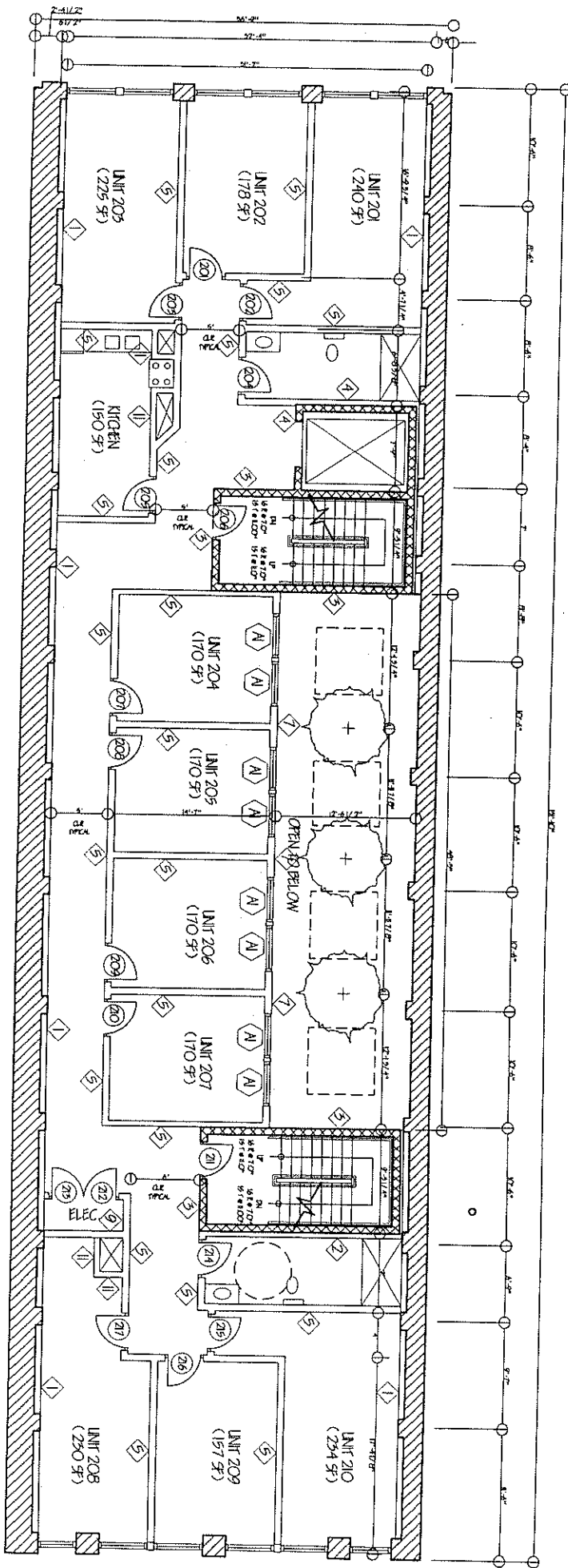
51 W. HASTINGS
 RETAIL / RESIDENTIAL
 RETROFIT

DT: SEPTEMBER 21/03
 DWN: JP
 SC: 1/4" = 1'-0"

david s. mah. architect

3

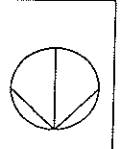




LEVEL 2



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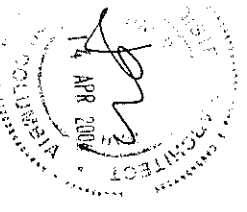
REVISION	DATE
1. ISSUED FOR FIELD REVIEW APPLICATION	AUG 20/00
2. PRESENTATION SWIFT HOORNOTES	MAR 20/00
3. PERMITS/ISSUE FOR B.P.	MAY 15/01
4. CHANGE IN UNIT SIZES	NOV 20/00
5. REVISED FOR D.P. APPLICATION	DEC 22/00
6. REVISED FOR D.P. APPLICATION	MAR 20/01

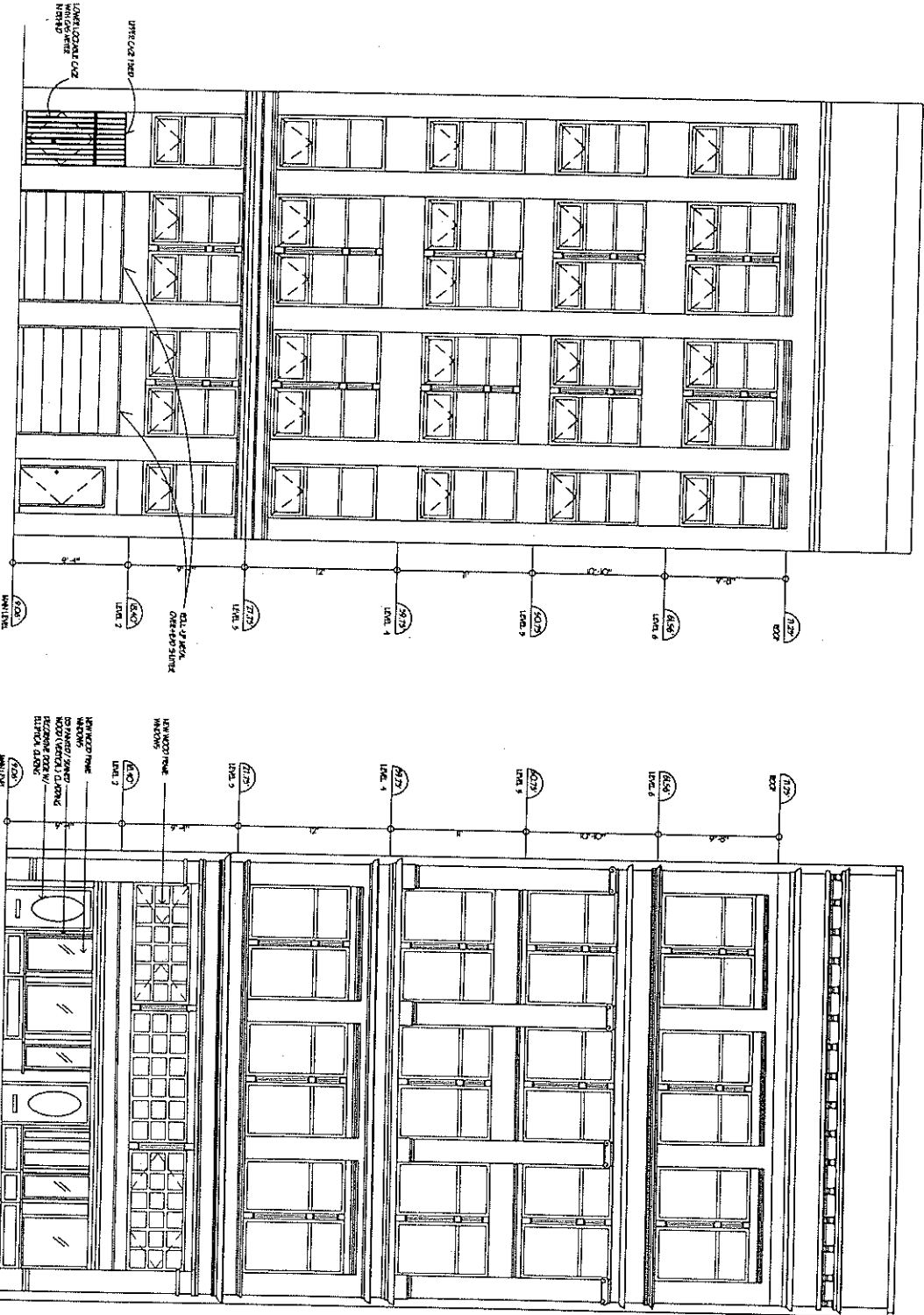
SI W. HASTINGS
RETAIL / RESIDENTIAL
RETROFIT

DT: SEPTEMBER 2000
DRN: JP
SCALE: 1/4" = 1'-0"
JB: A2300

DAVID S. MATH ARCHITECT

4





LANE ELEVATION



HASTINGS STREET ELEVATION

NOTE REFER TO SHEET 1 FOR MATERIALS AND FINISHES. MATERIALS AND FINISHES NOTED BY MEANS OF A P.E.S.



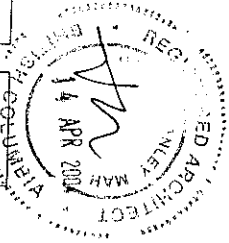
REVISION
 1. ISSUED FOR FIELD REVIEW APPLICATION AUG 29/06
 2. REVISED FOR B.P. APPLICATION MAR 29/04

CONVERSION OF 51 W. HASTINGS
 INTO AFFORDABLE (RETAIL)
 RESIDENTIAL UNITS

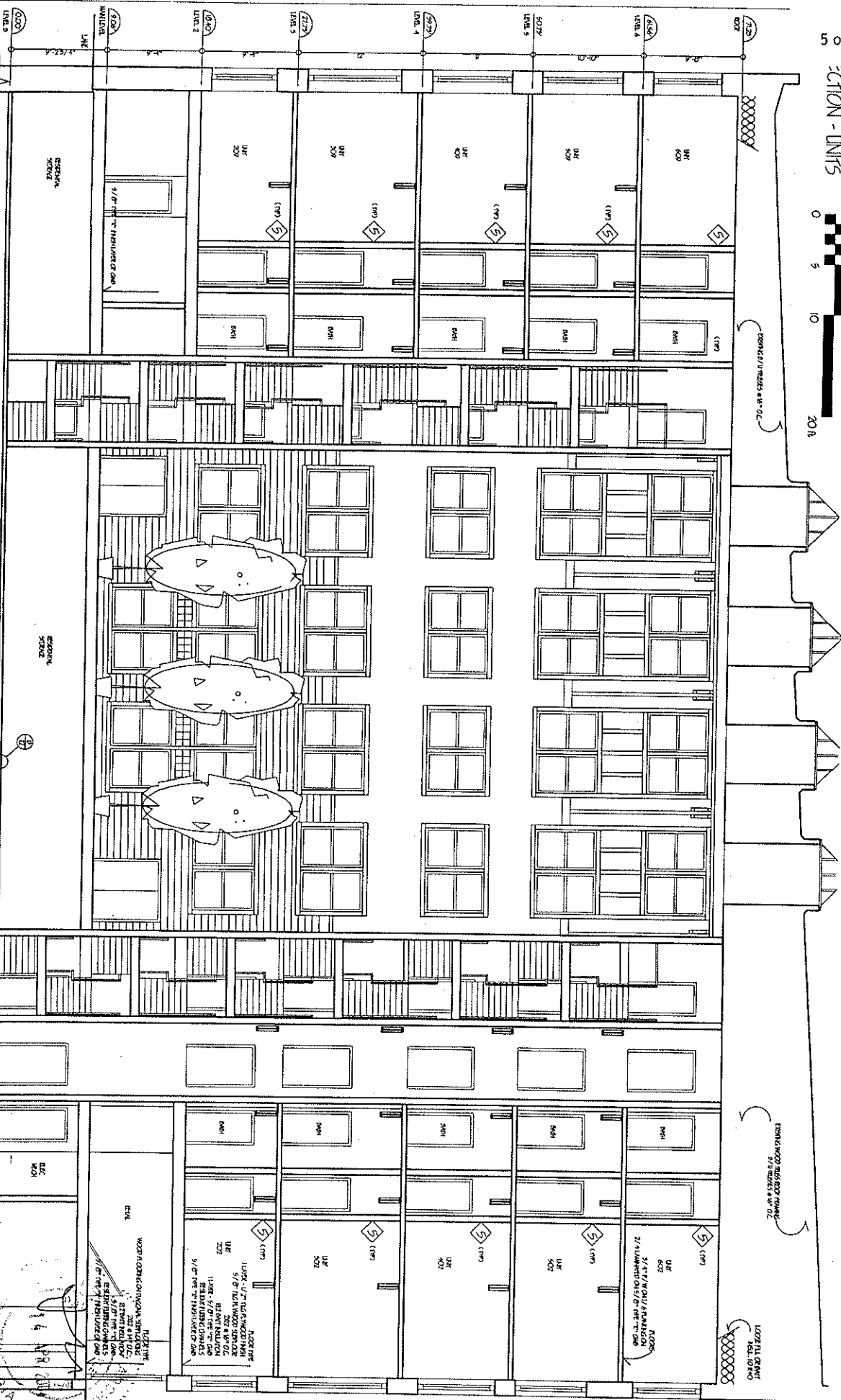
DATE: SEPTEMBER 27/00
DRAWN BY: [Name]
SCALE: 1/4" = 1' - 0"
PROJECT NO: 04-12013

david s. mah o architect

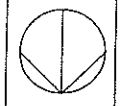
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SECTION - UNITS



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- REVISION
- 1. ISSUED FOR FIELD REVIEW APPLICATION AUG 29/00
 - 2. WALL DETAIL, BUBBLES/NOTES
 - 3. GEN. NOTES/RE-ISSUE FOR D.P. FLOORS BIVZ/S
 - 4. REVISED FOR D.P. APPLICATION
 - 5. REVISED FOR D.P. APPLICATION

SI W. HASTINGS
RETAIL / RESIDENTIAL
RETROFIT

DT: SEPTEMBER 21/00
DWG: 004
SC: 1/4" = 1' - 0"

DAVID S. MAN ARCHITECTS

9A



April 8, 2005

637362 B.C. Ltd.
Attention: Baljit Gill
14268 29A Avenue
Surrey, BC V4P 2H6

Dear Sir/Madam:

RE: Housing Agreement: Strathcona 51 West Hastings Street

On March 23, 2005, SRA and Housing Centre staff met with Doug Leung and David Mah to discuss the above noted property and the SRA Demolition Permit application. This is to confirm what we discussed at our meeting. As per the email Doug sent March 29, 2005, you are proposing the following:

- the completion of 50 units of residential accommodation on floors two through six and retail/commercial on the ground and basement level;
- On each residential floor six living units ranging from 207 to 321 ft.² with three piece bathrooms will occupy the south and north sides of the building. Four units of 150 ft.² will look out into the new internal light-well and these units will share two common bathrooms. A common kitchen with full cooking facilities will be completed on each floor to compliment the refrigerator and microwave installed in each living unit;
- Storage lockers for residents and laundry facilities will be located in the basement area;
- A CRU with 2775 ft.² will occupy a portion of the main and basement level; and
- In anticipation of the evolving needs of the area the developer has designed the electrical and mechanical systems to allow the living units to be combined and 30 fully self-contained units created. Basic rough-ins for future electrical and mechanical requirements will be installed in the walls and capped off until required.

The Director of the Housing Centre is prepared to recommend support of the SRA Demolition Permit to demolish six designated rooms and to carry out renovations to the remaining 50 designated SRA rooms provided you enter into a Housing Agreement containing the following:

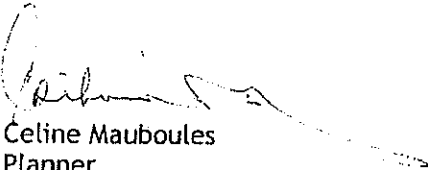
- The Agreement will cover all 50 designated rooms in the Strathcona (51 West Hastings);
- All 50 rooms will be rented on a monthly basis and (as defined by the By-law) be used for permanent residents only;
- Period of the Housing Agreement will be six years;
- Rental rates for the 20 rooms (each roughly 150 FT.²) looking out into the new internal light-well in the Strathcona (51 West Hastings) will be limited to 110% of the shelter component of income assistance (\$357.50); any rent increases will be tied to increases in the shelter component of income assistance. Rent rolls will be provided to the City on an annual basis; and

- All 50 rooms will remain designated under the Single Room Accommodation By-law after the Agreement expires; if, as noted above, there is a proposal to combine the designated SRA rooms into 30 fully self contained units, an SRA Demolition Permit application will have to be made and approved by Council.

No legal rights or obligations shall arise or be created until all legal documentation is fully executed on terms and conditions to the satisfaction of the City's Director of Legal Services.

If you are agreeable to the above noted terms, please sign in the space provided below and return to Catherine Wong (Fax: 604.871.6488) or Daniel Naundorf. Staff will then draft a Council report seeking the SRA Conversion Permit, including a copy of this letter of understanding. Should Council approve the SRA Conversion Permit for the Strathcona (51 West Hastings Street), a Housing Agreement would then be drafted by the Housing Centre and our Legal Services department for your review. The Housing Agreement would be registered on the land title of the 51 West Hastings.

Yours truly,



Celine Mauboules
Planner

Celine.mauboules@vancouver.ca

Phone: 604.871.6198

Fax: 604.871.6488

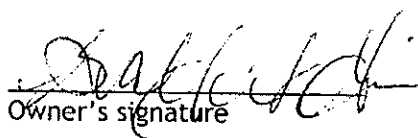
CM/cm

cc: Cameron Gray, Director
Housing Centre
Property File

Catherine Wong, SRA By-law Coordinator
Housing Centre

Daniel Naundorf, Planner

Doug Leung (via email)


Owner's signature

Baljit Gill
(Printed name)

April 13/05
Date