



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: June 27, 2007
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Meeting Date: July 24, 2007

TO: Vancouver City Council

FROM: The Directors of Current Planning and the Housing Centre, in consultation with the Director of Legal Services

SUBJECT: Heritage Rehabilitation and SRA Permit for 337 Smithe Street, the Homer Building and SRA Permit for 335 Smithe Street

RECOMMENDATION

- A. THAT Council designate the “B” listed building at 337 Smithe Street, the “Homer Building”, as legally protected heritage property;
- B. THAT Council authorize the City to enter into a Heritage Revitalization Agreement (HRA) to secure the long term protection and timely restoration of the Homer Building, and to grant a density bonus of 80,405 sq. ft. for use on site;
- C. THAT Council instruct the Director of Legal Services to bring forward for enactment the bylaws to authorize the designation and the Heritage Revitalization Agreement;
- D. THAT Council authorize an exemption for 10 of the 24 SRA-designated units in the buildings at 335 and 337 Smithe Street, collectively known as “The Homer Apartments”, from the requirements of the Single Room Accommodation By-law; and
- E. THAT Council approve a conversion/demolition permit for the remaining 14 SRA-designated units at 335 and 337 Smithe Street, to allow for the demolition of 335 Smithe Street and the rehabilitation of 337 Smithe Street to include a

commercial component and 15 self-contained residential rental units, on the condition that prior to the issuance of the SRA permit:

- the owner enter into a Heritage Revitalization Agreement with the City for the rehabilitation of the Homer Building, as proposed in Development Application DE410541;
- the owner pay a \$5,000 per room SRA demolition fee (totalling \$70,000) to be deposited into the City's reserve fund for the creation of replacement housing; and
- the owner enter into a Section 219 Covenant, to be registered on the title of the subject property, to ensure that the property is not strata titled for the life of the existing building.

GENERAL MANAGER'S COMMENTS

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

COUNCIL POLICY

- *Central Area Plan, and Central Business District Policies*
- *Downtown Official Development Plan (DODP)*
- *Downtown District Interim Policies for Areas C and F; and for Conversion of Existing Office Space to Residential Use*
- *Character Area Descriptions: Existing Character Area "A - Financial District"*
- *Financing Growth (Community Amenity Contributions)*
- *Downtown (except Downtown South) Design Guidelines*
- *Transfer of Density Policy and Procedure*
- *Vancouver Heritage Register*
- *View Protection Guidelines*
- *Single Room Accommodation By-law*
- *Council confirmed objectives of achieving a minimum of one-to-one replacement of Single Room Occupancy units in the Downtown South*
- *Heritage Polices and Guidelines: Specifically the following polices;*
 - *The City's long term goal is to protect through voluntary designation as many resources on the heritage inventory as possible, and that legal designation will be a prerequisite to accepting certain bonuses and incentives.*

SUMMARY AND PURPOSE

The heritage building at 337 Smithe Street (the Homer Building) is part of a proposal to redevelop a large site at the northeast corner of Homer and Smithe Streets, now addressed collectively as 399 Smithe Street. Staff are seeking Council's approval to designate the "B" listed heritage building as protected property; enter in to a Heritage Revitalization Agreement to secure the timely rehabilitation and seismic upgrading of the building; and to award a density bonus of 80,405 sq. ft., to be used on-site, as part of the proposed redevelopment.

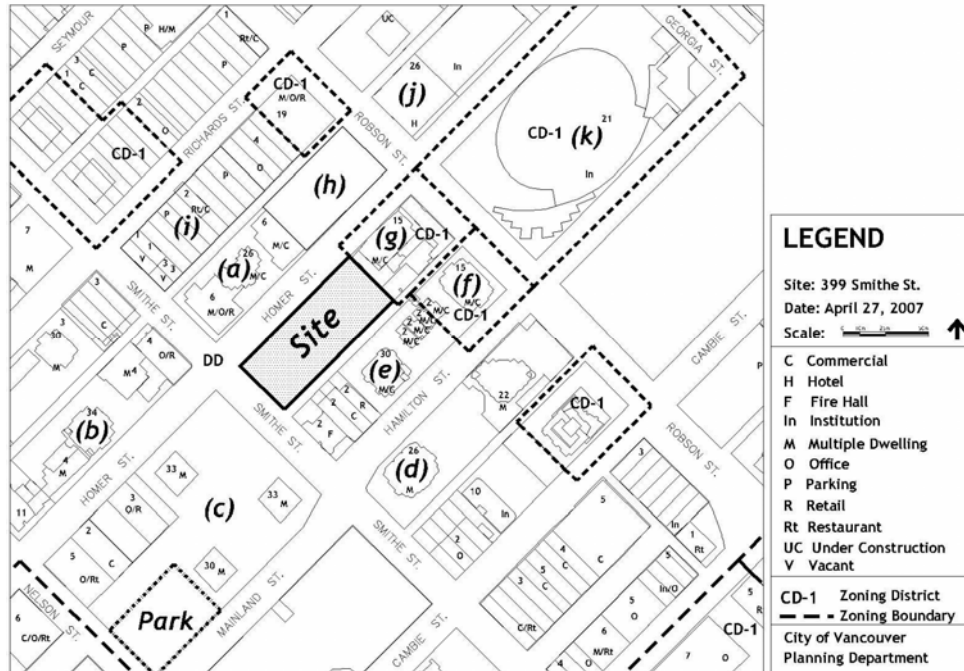
The Homer Building and the adjacent building at 335 Smithe Street, known collectively as The Homer Apartments, contain a total of 24 SRA units. While the developer intends to restore and retain the Homer Building, converting it to 15 self-contained dwelling units, the building at 335 Smithe Street is intended to be demolished. Council's approval is sought for an SRA conversion/demolition permit to convert and remove 14 designated units from the Single Room Accommodation By-law. An exemption of the remaining 10 designated units is recommended on the basis that these units are over 320 sq. ft. in area.

BACKGROUND

Site: The subject site is at the northeast corner of Homer and Smithe Streets. The site consists of eight legal parcels and has a frontage on Smithe Street of 300 ft. and an area of approximately 36,000 sq. ft. The site is currently developed with four buildings, including the "Homer Building" (Appendix A), a "B" listed building on the Vancouver Heritage Register, containing 15 SRA units and a commercial unit at grade and a second 9-SRA unit building which are the subject of this report.

Context: The surrounding context is highly varied and ranges from early 20th century to recently-constructed buildings. The existing use pattern in the immediate area is a mix of residential (podium-level townhouses and residential towers), ground-level retail commercial, and commercial office use on upper floors. Seven other heritage buildings are within a one block radius with five of these designated as part of previous rezoning approvals. Surrounding development includes:

- (a) 889 Homer St. - 27-storey residential/commercial (5 storey podium)
- (b) 939 Homer St. - 24-storey residential/commercial (4 storey podium)
- (c) 901 Mainland St. (Yaletown Park) - 33-, 31- and 29-storey residential towers and park
- (d) 888 Hamilton St. - 26-storey residential
- (e) 863 Hamilton St. (Jardine's Landing) - 30-storey residential/commercial development, containing 4 designated heritage properties
- (f) 819 Hamilton St. (Heritage Court) -15 storey residential/commercial development
- (g) 822 Homer St. (Galileo) 16-storey residential/commercial development
- (h) 833 Homer St. - proposed 29-storey residential/commercial (5 storey podium)
- (i) Potential future "North Downtown Park" (275 ft. frontage on Richards Street)
- (j) 433 Robson St. (The Westin Grand Hotel) - 26-storey hotel/retail development
- (k) 300 W. Georgia St. (Library Square) - Vancouver Public Library and 21-storey office tower



Development Proposal: A development application has been submitted proposing (Appendix B):

- Retention and rehabilitation (including seismic upgrading) of the Homer Building, to contain retail use at grade and a reconfiguration of the SRA-designated rooms to 15 self-contained dwelling units which will be secured for market-rental accommodation through a Section 219 Covenant;
- Demolition of the building at 335 Smithe Street;
- Demolition of the vacant building at 856 Homer Street;
- Development of a new 33-storey retail/office/residential building comprised of retail use at grade, two floors of office use and 29 floors of residential use with a total of 203 dwelling units, over seven levels of underground parking; and
- Retention of the existing five-storey office building at 856 Homer Street and its integration into the development.

Requested Heritage Bonus Density: The owner is seeking compensation in accordance with Council's Heritage Policies and Procedures in exchange for restoration, including seismic upgrading, and retention of the Homer Building. The amount of compensation requested is 80,405 sq. ft., to be used on-site in the proposed residential tower.

Heritage Significance - The Homer Building: Constructed in c.1909, and standing prominently at the corner of Smithe and Homer Streets, the Homer Building is a fine example of an early 20th century Edwardian-style three-storey apartment block. (See Appendix C) The building was designed to provide modest self-contained single room rental accommodation for single people or couples who would have worked in the downtown or adjacent warehouse district of the city now known as Yaletown. Listed as a "B" on the Vancouver Heritage Register, the Homer Building retains many of its important character defining elements as described in the Conservation Plan section of this report. In addition to the seven other heritage buildings within the immediate vicinity, "The Homer" contributes to the overall

character of the area.

Single Room Accommodation (SRA) By-law: On October 21, 2003, Council enacted the Single Room Accommodation (SRA) By-law to regulate the conversion and demolition of single room accommodation buildings. An owner wanting to convert or demolish designated SRA rooms must apply for and obtain approval from Council of an SRA permit. Council may refuse the permit, approve the permit outright, or approve the permit subject to conditions - such as a Housing Agreement, a Heritage Revitalization Agreement, and a \$5,000 per room conversion/demolition payment to be made towards the City's replacement housing fund. Although recent amendments to the SRA By-law have resulted in the increase of the conversion/demolition fee to \$15,000/room, among other changes, all of the analysis for this joint SRA/HRA project was completed prior to enactment of the SRA By-law amendments. As a result, staff recommend that the former fee apply.

Under the By-law, owners of designated rooms may also apply for an exemption of any designated room that is larger than 320 sq. ft. If the applicant satisfies Council that the requirements and conditions of exemption are met, Council must grant the exemption.

The Homer Apartments at 335 and 337 Smithe Street are included in Schedule A of the SRA By-law as the buildings provide permanent accommodation to low-income tenants. The two buildings contain a total of 24 SRA-designated rooms/units – 335 Smithe contains 9 SRA rooms/units; and 337 Smithe contains 15 SRA rooms/units.

As noted above, as part of the redevelopment proposal, the building at 335 Smithe would be demolished and The Homer Building would be retained and restored with the existing 15 SRA rooms/units converted to 15 self-contained dwelling units.

DISCUSSION

SINGLE ROOM ACCOMMODATION (SRA) BY-LAW:

Application for Exemption: On October 18, 2006, the owner submitted an application for exemption (Appendix D), seeking Council approval to exempt 10 SRA-designated units from the By-law, as these units, from and after the enactment date to the date of this application, consist of more than 320 sq. ft. Floor plans have been submitted showing the existing layout and dimensions of these units (Appendix E). Staff visited the site to verify the number of units and their dimensions and confirmed that the information submitted to support the SRA exemption application meets the requirements of the By-law.

Application for Conversion/Demolition Permit: In addition to the exemption application, the owner is also applying for a conversion/demolition permit for the remaining 14 SRA-designated rooms. As outlined in the Vancouver Charter, Council is required to consider the following factors in deciding whether or not to grant an SRA conversion or demolition permit:

- The accommodation that will be available to the tenants affected by the conversion or demolition;
- The condition of the building;
- The supply of low-cost accommodation; and
- The need to replace or improve, over time, single room accommodation in the City.

Accommodation for Affected Tenants: As of the date of this report, 18 of the 24 SRA-designated units/rooms are occupied, with monthly rental rates between \$350 and \$900 (Appendix F). As required, the owner (Amacon) submitted a tenant relocation plan (Appendix G) as part of the SRA conversion/demolition permit application (Appendix H). Amacon has indicated that all tenants can expect to continue residing in their respective units, until such time as the Development Permit and the Building (Demolition) Permit become issuable and proper termination notices have been served in accordance with the requirements of the Residential Tenancy Act. Amacon will also provide tenants a list of available comparable accommodation in the area and offer each tenant a compensation package equivalent to two months' rent. The existing tenants will also have the first right to apply to move into the renovated building. Amacon is committed to ensuring that all tenants are satisfied with the relocation procedures, and signed a Letter of Understanding with the City in this regard (Appendix H).

Condition of the Building: Like many SRA buildings built in the early 20th century the rooms at 337 Smithe Street require upgrading. If the SRA conversion/ demolition permit is approved, proposed building renovations in the Homer Building would result in 15 self-contained rental dwelling units greater than 320 sq. ft., with private bathroom and cooking facilities. The proposed renovations would provide a seismic upgrade and improved life-safety features to the building, thus resulting in significant improvements to the quality of this housing stock. The proposed rehabilitation project would offer standard market rental dwelling units in an area where these are not readily available.

Supply of Low-Cost Accommodation: Since enactment of the SRA By-law in October 2003, Council has approved conversion/demolition permits for four SRA-designated buildings in the Downtown (DD) area representing a net loss of 59 rooms. One of these permits was for the City-owned Granville Hotel where the demolition of 17 rooms facilitated upgrades to the remaining 83 SRA units to include washrooms and cooking facilities, with rents tied to the shelter component of income assistance. In 2006 the City, in partnership with BC Housing and the Vancouver Coastal Health Authority, agreed to fund a social housing project at 1321 Richards Street. This is a project consisting of 87 self-contained units for low-income singles of the Downtown Eastside and Downtown South, some of whom have concurrent disorders and who have started on the road to recovery. The goal is to provide supported housing outside the Downtown Eastside while the residents make the transition to greater health and independence. Construction of this project is slated to start this year.

The Need to Replace or Improve, over time, Single Room Accommodation in the City: As a condition of the SRA conversion/demolition permit, staff recommend that the owner pay \$70,000 (\$5,000/unit as per the fee in affect at the date of this application) to be earmarked for replacement housing. It should be noted that this amount would be deducted from the Development Cost Levy (DCL) payable for the new development, as required by the Vancouver Charter. See further discussion of DCL implications on page 12.

Another condition of the conversion/demolition permit is that the owner enter into a Section 219 Covenant (Housing Agreement) under the Land Title Act, in order to secure the tenure of the 15 units as rental accommodation for the life of the building. While those 15 market rental dwelling units will not be geared towards low-income individuals, they would provide a relatively affordable housing alternative not widely available in this part of the Downtown. Staff further note that the project at 1321 Richards Street, when completed, will provide 87 units of non-market housing geared towards low-income singles and the replacement of SRA.

As recently reported by staff in the “SRA By-law Status Report”, market conditions in the Downtown Core are currently experiencing an upward trend. Staff will therefore continue to monitor the development climate and will report to Council on a case-by-case basis with regard to HRA/SRA applications.

HERITAGE CONSERVATION PLAN - DESIGNATION AND BONUS DENSITY

As an integral part of the proposed development, it is proposed to designate the Homer Building and rehabilitate it as follows:

Exterior/Structure:

- 2nd-3rd floor levels: repair and conserve the external upper wall elevations including their character-defining elements (bay windows with their wood double hung sashes, brick masonry wall finishes, cementitious plaster friezes and cornice);
- Ground floor level: Reinststate the corner entrance to the ground floor retail unit and reintroduce retail windows consistent with the general design, fenestration pattern and proportions of windows of early 20th century retail units;
- Reinststate brick masonry support piers at ground level between retail store windows;
- Seismically upgrade the building to appropriate standards for heritage buildings;
- Undertake paint tests to identify original colour finishes to guide the selection of finishes for wood and plaster elements; and
- Re-inststate the two domes originally constructed over the projecting corner bay windows, which are now missing.

Interior:

- Circulation areas; to conserve the hallway and stairwell with their detailing and elements including wood stair, stained glass windows and roof-light above the stair;
- Dwelling units; the existing units are proposed to be reconfigured to create 15 market residential SRO residential units;
- Three units at ground level on the east side to have entrances from a pedestrian landscaped court space between the Homer Building and the townhouse wing on the south eastern corner of the site extending from the mid-block residential tower podium; and
- Original interior character-defining elements of the dwelling interiors are to be conserved and reused to the greatest degree possible, including doors, wood trim and mouldings.

Requested Heritage Density Bonus/Rehabilitation Cost: Real Estate Services Staff have analysed the applicant’s calculation of shortfall costs, in accordance with the City’s Heritage Policies and Guidelines. Staff conclude that the applicant’s requested bonus density of 80,405 sq. ft., which equates to 2.2 FSR, is supportable and represents justifiable compensation for the designation and restoration of the building.

Vancouver Heritage Commission: The development application was considered by the Vancouver Heritage Commission on December 11, 2006. Staff, along with the applicant, reviewed the project and responded to questions relating to heritage interior list, windows, materials, suite sizes, occupancy, and components of the HRA, ownership/management, FSR, Development Cost Levies, and bonus density.

The Commission resolved as follows:

THAT, regarding the project at 399 Smithe Street (“The Homer”), the Vancouver Heritage Commission (VHC) supports in general the project as presented at the December 11, 2006 meeting, noting the following:

- the Applicant should provide further design development of the retail façade of the heritage building, increasing mass and overall strength through additional research of similar heritage facades;
- support for:
 - Statement of Significance;
 - Conservation Plan;
 - relationship between the heritage building, surrounding new development and streetscapes; and
 - exterior design at main floor level and relationship with the outdoor areas of the complex.

CARRIED UNANIMOUSLY

RESOLVED

THAT the Vancouver Heritage Commission supports research and design development of the original three domes on the Homer Building at 399 Smithe Street; and

FURTHER THAT, if feasible, the three domes be restored.

CARRIED (four votes to three)

In conclusion, the applicant accepted all of the recommendations of the Commission.

Options for use of Heritage Density Bonus: Pursuant to Council’s Heritage Policies and Guidelines, heritage bonus density may be used on site, transferred off site pursuant to the Council’s Transfer of Density Policy and Procedure, or a combination the two. In this instance, the developer has requested that all of the heritage bonus density be used on site, within the proposed residential tower. Pursuant to Section 3.9 of the DDODP, the Development Permit Board may permit an increase in the FSR for any development which includes restoration of an existing building listed on the Vancouver Heritage Register, as of August 1986, subject to prior Council approval and designation of the building as a Municipal Heritage site.

COMPATIBILITY WITH THE OFFICIAL DEVELOPMENT PLAN FOR THE DOWNTOWN ZONING

This sub-area of the Downtown District (DD) permits a maximum Floor Space Ratio (FSR) of 5.0, of which no more than 3.0 FSR may be residential uses. Office and other uses are required to comprise the remaining 2.0 FSR. The applicant has requested that the heritage density bonus of 80,405 sq. ft., which equates to approximately 13 floors in the tower form and an FSR of 2.2, be for residential use, for a total site FSR of 7.2.

The maximum height permitted in this sub-area of the DD is 300 ft. to which the tower conforms.

Urban Design: In terms of overall urban design and built form, the proposal sensitively accommodates the additional density (from 5 FSR to 7.2 FSR) in a massing that closely adheres to the Downtown South (DTS) Guidelines that apply to the area immediately south and are used to assess developments in the blocks between Smithe and Robson Streets.

The tower location and massing have been designed to integrate with the surrounding context to minimize shadow, privacy and view impacts. The typical floor plate of 6,560 sq. ft. is only marginally greater than the maximum 6,500 sq. ft. recommended in the DTS Guidelines and has been well articulated to present the slimmest profile possible to neighbouring towers. Tower height, within the 300 ft. maximum, will not cast shadows on the Library Square Plaza at the Robson and Homer Streets corner at the equinox, the criteria used to assess shadow impact. Overall, the proposed design has achieved a compatible urban design fit, despite the additional density.

Interface with the Homer Building: The new development is designed in a contemporary style to be distinguishable but respectful and recessive in terms of site planning and detailing to the Homer Building. In particular, along the Smithe Street elevation, care has been taken to design the new three-storey extension to the south east corner of the site to relate harmoniously with the scale, overall form, details and brick finishes of the Homer Building, although employing contemporary elements such as window designs and the white parapet wall. The simple details of the new element are designed so as not to compete with the more elaborate detailing of the Homer Building. In addition the proposed court space between the Homer Building and the new three-storey element creates a shared entrance way and space.

Along the Homer Street elevation, the proposed podium is designed to incorporate a brick-finished three-storey high “stepped” façade between the Homer Building and the retained 70’s five-storey office building, with the proposed tower rising above and behind.

The form of the 33-storey residential tower is designed as a combination of interconnecting tall rectangular forms of either glazed curtain wall, or punched window concrete wall facades. This asymmetric articulation of the massing modulates the overall form of the tower and enables a mix of glazing and solid wall surfaces which parallels that of the Homer Building.

Overall, the articulation of the mid-section of the development succeeds in integrating with, and uniting, the various elements of the site, including the Homer Building as well as the office building at 846 Homer Street, particularly when viewed at street level.

Urban Design Panel: On December 6, 2006, the Urban Design Panel voted (5-4) to support the revised development application. While the Panel commented that the applicant had responded well to most of the concerns that had been raised in the earlier review and vote of non-support, there were four items which required further consideration:

- A better placement for the amenity area on the lane;
- Revisions to the base of the tower on Homer Street, including deletion of the brick frame elements;
- Enrichment of the design and material palette in the public realm; and
- Improvements to better integrate the lantern element at the top of the tower with the rest of the building expression.

Staff are confident that if this development application is approved by the Development Permit Board, all issues raised by both the Heritage Commission and Urban Design Panel can be resolved through the applicant's response to "prior-to" conditions.

Parking and Loading: The 6 m (20 ft.)-wide lane servicing this block contains significant above-grade utilities, including four large utility 'H' poles supporting several electrical transformers. At least one pole would be relocated as a consequence of this development. Staff believe that the proposed development, while increasing the amount of lane traffic, will assist in the overall function of the lane by wholly internalizing on-site loading and garbage functions. Layout changes will be required to the parking and loading arrangement on site, but staff are confident that these requirements can be dealt with through the prior to conditions with specific recommendations regarding parking, loading and bicycle functions considered by the Development Permit Board. Should a parking relaxation be required, the Director of Planning or DPB has the authority to relax parking and is prepared to if Council supports the requisite HRA.

SUSTAINABILITY

Sustainability is a core concept of the proposed development and sustainability principles were established at the inception of development planning and design work. The project proposes to demonstrate responsible and advanced approaches to sustainable design that are essential to any important development in Vancouver. The applicant aims to achieve LEED™ Gold. Key features include: demand balance of energy by proposing mixed use; an on-site co generation plant; solar control and natural ventilation; and a rainwater collection system for irrigation.

The City does not yet have comprehensive requirements in regulations or policy regarding sustainable or 'green building' development. An interim baseline "green building strategy" has been developed, but has not received final Council approval. At this time, any proposal should, through best efforts, attempt to meet the provisions of this strategy and/or meet a minimum LEED™ Canada Certified standard (with full LEED™ registration and documentation). As noted, the applicant is aiming to achieve LEED™ Gold status.

REVIEW AND NOTIFICATION

Public Consultation/Input: Following standard notification procedures, signs describing the project were installed on site and 1,337 surrounding property owners were notified in writing, and invited to comment on the proposal. Staff received 8 responses, which expressed the following concerns:

- The neighbourhood is already dense, with too many large towers and not enough public open space;
- Proximity of the proposed tower to existing towers - privacy and shadowing;
- Parking and loading traffic in the lane;
- The architecture is dull and uninteresting; and
- Is the bonus density justified for the restoration that will be done?

Staff Response:

Density, Number of Towers, Open Space: Under the area zoning, this site would have redeveloped with a tower and podium at 5.0 FSR (or 5.5 FSR if the 10% heritage density transfer provision in the zoning would have been used as has often occurred with recent Downtown developments). The zoning and applicable guidelines also envision up to four towers per block. The build-out of this block, including the proposal, will result in only two tall towers (30-storeys) and two lower (15 and 16-storeys) buildings fronting Robson Street. (Note: The four remaining small properties at the northwest corner of Smithe and Hamilton are unlikely to redevelop because of the Fire Hall at the corner - Refer to Context Map, Page 3.) While the area is dense, as contemplated under downtown zoning, it is not over-developed in the context of either Vancouver's high density downtown or the vision for this precinct. A balancing of buildings (towers and low to mid-rise podiums) and open space has occurred, including existing and future public open space such as the Library Square plazas, the soon-to-be-completed urban park at the northwest corner of Nelson and Mainland (as part of the Yaletown Park development) and the future potential park at the northeast corner of Richards and Smithe.

Tower Location, Privacy and Shadowing: The position of the proposed tower relative to existing has been carefully considered, particularly in respect to the nearest "Jardine's Landing" tower. The guidelines call for a minimum tower separation of 80 ft. which has been achieved. The proposed tower's position has been offset from the "Jardine's Landing" and 889 Homer Street towers so that proposed units do not look directly at existing neighbouring units, thereby respecting, as much as possible, privacy. Shadowing has been assessed against prescribed criteria and judged to be acceptable.

Parking and Loading: Consistent with policy, all proposed parking and loading for commercial and residential uses occurs from the lane. While this lane serves numerous properties, including commercial uses, and will be busy, Engineering believes the proposed use of the lane by this development to be appropriate and far preferable to the alternative of street access.

Architecture: The Urban Design Panel has reviewed the proposed design and supported it, while providing a number of comments. Generally urban design staff believe a worthy architectural design has been proposed. The detailed architecture of the proposal will be further advanced, taking into account, Panel comments and the development application design development conditions to be addressed as the application proceeds to the Development Permit Board.

Density Bonus: Regarding the requested heritage density bonus, the rehabilitation work proposed to ensure the long-term conservation of the Homer Building is extensive, both in terms of interior and exterior upgrading. It includes a full seismic and building code upgrade in addition to conservation work, and the rehabilitation of 15 dwelling units. As stated earlier in this report, the costs have been analysed in accordance with the methodology approved by Council. Staff believe that the requested density bonus is supportable on that basis.

PUBLIC BENEFITS

In response to City policies which address changes in land use, density and building height in the Downtown, the application offers a number of public benefits including:

- designation and restoration of the heritage “B” building, “The Homer” at 337 Smithe Street; and
- rental tenure of 15 residential units, secured for the life of the building, in an area where such housing is not widely available.

DEVELOPMENT COST LEVIES (DCLs)

DCLs will apply to all new floor area on the site, with payment being a condition of building permit issuance. The Downtown South DCL rate is \$102.26 per m² (\$9.50 per sq. ft.). The new floor area of the proposed development is approximately 204,500 sq. ft. resulting in \$1,942,750 of DCLs, of which \$763,847 are achieved through granting the density bonus. DCLs do not apply to heritage buildings, or other existing buildings which are to be retained. The amount of the DTS DCL allocated to replacement housing is 47.25% of the total DCL collected. As a result, this site would yield approximately \$917,949 earmarked for the creation of replacement housing, in addition to the SRA demolition fee.

FINANCIAL IMPLICATIONS

Approval of the report recommendations will have no financial implications with respect to the City’s operating expenditures, fees or staffing.

CONCLUSION

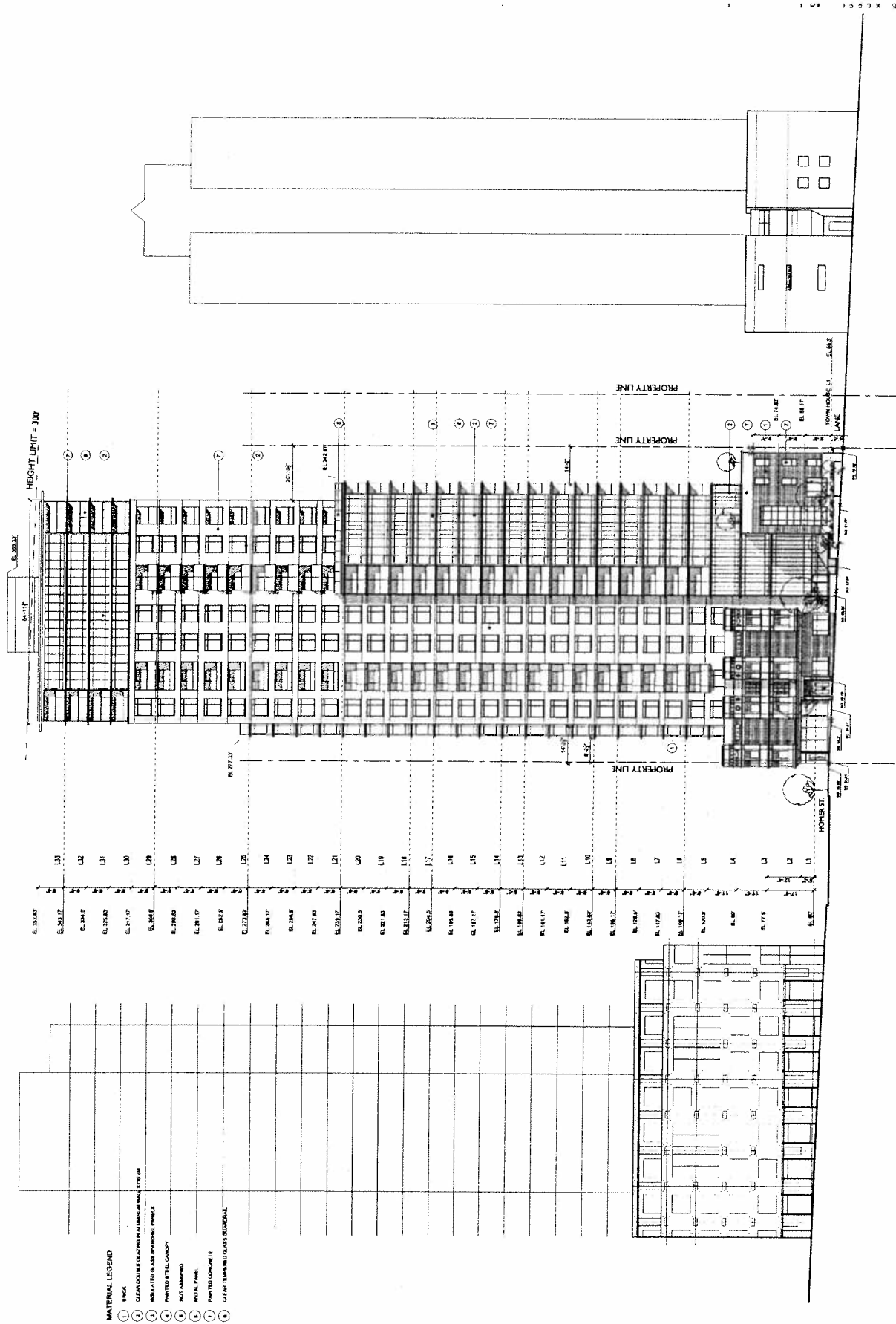
Rehabilitating the historic building at 399 Smithe Street is consistent with the City’s Heritage Policies and Procedures. The proposed density bonus would compensate the owner for the cost involved in rehabilitating and designating this Class B Heritage Register building. The recommended Heritage Revitalization Agreement will secure the City’s interest of ensuring the building is promptly rehabilitated and maintained in perpetuity. The resultant form of development has been carefully analyzed and complies with Councils vision for the area.

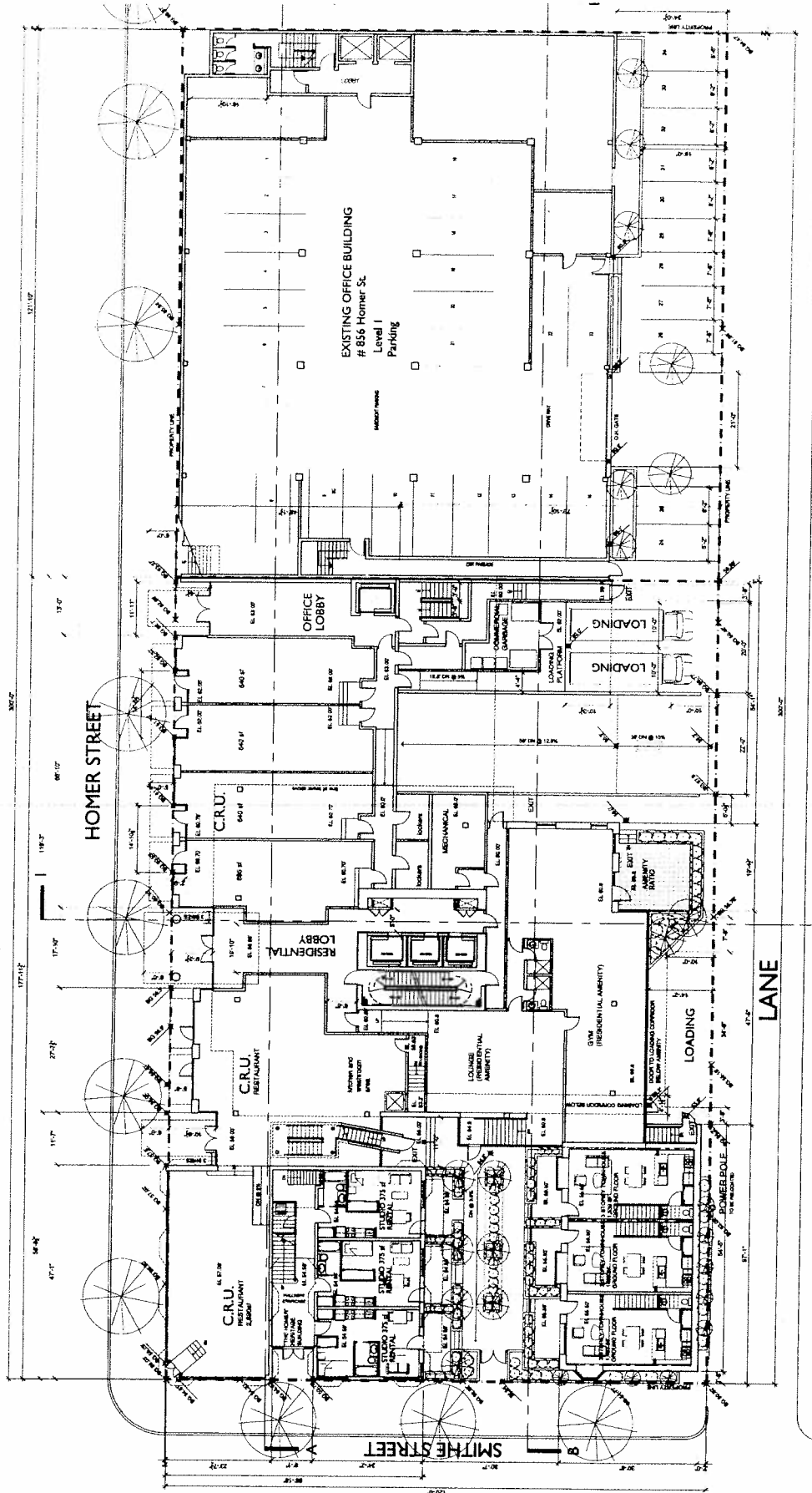
Staff recommend the approval of an exemption of 10 SRA-designated units from the Single Room Accommodation By-law as these units, from and after the enactment date to the date of this application; consist of more than 320 square feet. Staff also recommend the approval of an SRA conversion/demolition permit for 14 designated SRA rooms at 335 and 337 Smithe Street, thereby permitting the development of 15 self-contained market rental dwelling units with the condition that the applicant pay the \$5,000 per room demolition fee for the 14 SRA rooms (total of \$70,000) and subject to securing in registered legal agreements, heritage revitalization and non-stratification of the rental dwelling units.

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Existing Site Image







Appendix C: Statement of Significance: The Homer Building, 337 Smithe Street

DRAFT 14 Feb 06

City of Vancouver Statement of Significance The Homer

Name Of Historic Place
The Homer

Street and Street Number
345 Smithe Street
Vancouver, B.C.



Description of Historic Place

Situated on the northeast corner of the intersection of Smithe and Homer Streets, the Homer is a three-storey apartment building composed of two symmetrical blocks flanking the main entry facing Smithe Street.

Value of Historic Place

The Homer is an outstanding resource from its era principally because much of its fine original form and details are intact and in repairable condition. It is also historically important as a record of the transition of the area from one composed largely of single-family residences to a more densely populated mix of uses before the Great War.

Built in 1913, at the end of the city's Edwardian development boom, the building's exterior is representative of good speculative development: the classically-derived exterior composition of base, body and capital regions; the substantial brick base to the wall assemblies and between bays on the floors above; the dominant window bays on the second and third floors overhanging the public space; and the substantial cornice-work with classically-inspired details in relief.

The mostly-original internal circulation space, the modest apartment sizes, and the fact that The Homer replaced a then-reasonably-new house, all attest to the sudden growing demand for respectable accommodation for singles (men and women) and couples in this increasingly commercial area of the residential downtown. Commercial space on the ground floor reflects the development of Homer in the early 20th century as an increasingly commercial street.

Character-Defining Elements

- Location tight to the corner of the intersection of Homer and Smithe, with bays overhanging the street
- Commercial corner space
- Original exterior wood detailing in the bay window areas on three sides of the second and third stories, and original wood windows
- Original brickwork of ground floor exterior walls, and upper floor walls between bays
- Original frieze and cornice work, including the words "THE" and "HOMER" prominently displayed facing Smithe
- Small self-contained residential units with main rooms *ensuite*
- Grand entry lobby staircases, lit both by windows with original coloured art glass and by skylight
- Original stair construction and detailing and original wood doors to suites
- Interior windows (giving light to bathrooms and kitchens via well-lit central stair hall)

The Homer
Statement of Significance
February 2006

1

SRA Exemption Application and Affidavit (4 pages):

**APPLICATION TO EXEMPT DESIGNATED ROOMS FROM
SCHEDULE A OF SINGLE ROOM ACCOMMODATION BY-LAW**

To: Housing Centre Director
Vancouver City Hall
453 West 12th Avenue
Vancouver, BC V5Y 1V4



City of
Vancouver

The undersigned applies to Council to exempt the following property or specific rooms therein from Schedule A of the Single Room Accommodation By-law.

1. Civic Address: 337 SMITHE STREET
Legal Description: Lot 18+19 Subdivision _____ Block 66 District Lot 541 Plan 210
Building Name: THE HOMER

2. Total number of rooms in the above building: 15 Proposed # of rooms to be exempt: 9

Floor level	# of rooms on this floor	Proposed Room Nos. to be exempt	(Attach separate sheet if more space required)
337: GROUND	3	Room Nos. #10	
2	6	Room Nos. #1, #2, #3, #4	
3	6	Room Nos. #5, #6, #7, #8	
335: BASEMENT	1	Room Nos. BASEMENT SUITE	

3. The following documents are attached and form part of this Application (see "Required Information for Application to Exempt Designated Rooms from Schedule A of SRA By-law" on the reverse side of this form):

- ① AFFIDAVIT
- ② FLOOR PLANS
- ③ CERTIFICATE OF INCORPORATION
- ④ BC COMPANY SUMMARY

(Please note that any information and documents provided with this SRA exemption application will be attached to the report to Council and as such, be made available to the public.)

4. Please print names and addresses of owner(s). If owner is a corporation, you must provide Incorporation Certificate and names and addresses of all directors and associates (Attach separate sheet if more space required):
PLEASE SEE ATTACHED.

5. I am the: Property Owner Property/Building Manager Agent for owner Other EMPLOYEE OF OWNER

6. I file this application with the full consent of the owner(s).

7. I declare that the statements contained in this application and all attached documents and plans are true and correct.

Name of Applicant (Please print): RICHARD WETTSACK
Name of Company (if applicable): AMAZON
Mailing Address: 300-911 HOMER ST. City: VANCOUVER Postal Code: V6B 2W6
Telephone: (604)602-7700 Cell Phone: (604)319-9400 Fax: (604)602-7110

Signature of Applicant: [Signature] Date: 10/18/06

Office Use:		Date Received:	
Application No. <u>SA 430013</u>		Decision:	
To Council:			

SRA Exemption Application and Affidavit:

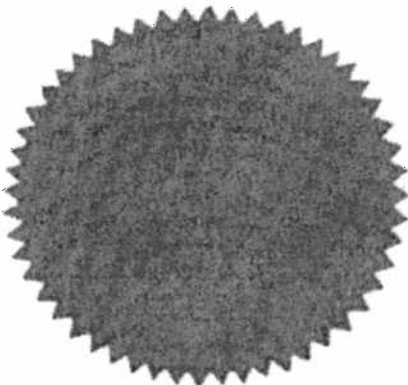


Number: BC0750224

**CERTIFICATE
OF
INCORPORATION**

BUSINESS CORPORATIONS ACT

I Hereby Certify that AMACON DEVELOPMENT (HOMER) CORP. was incorporated under the Business Corporations Act on February 28, 2006 at 12:45 PM Pacific Time.



*Issued under my hand at Victoria, British Columbia
On February 28, 2006*

A handwritten signature in black ink, appearing to read "Ron Townshend".

RON TOWNSHEND
Registrar of Companies
Province of British Columbia
Canada

SRA Exemption Application and Affidavit (cont'd):



**BRITISH
COLUMBIA**

Ministry of Finance
Corporate and Personal
Property Registries
www.corporateonline.gov.bc.ca

Mailing Address:
PO BOX 9431 Stn Prov Govt.
Victoria BC V8W 9V3

Location:
2nd Floor - 940 Blanshard St.
Victoria BC
250 356-8628

BC Company Summary

For
AMACON DEVELOPMENT (HOMER) CORP.

Date and Time of Search: October 18, 2006 10:10 AM Pacific Time
Currency Date: August 09, 2006

ACTIVE

Incorporation Number: BC0750224
Name of Company: AMACON DEVELOPMENT (HOMER) CORP.
Recognition Date and Time: Incorporated on February 28, 2006 12:45 PM Pacific Time
Last Annual Report Filed: Not Available
In Liquidation: No
Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:
P.O. BOX 10424, PACIFIC CENTRE
1300 - 777 DUNSMUIR STREET
VANCOUVER BC V7Y 1K2
CANADA

Delivery Address:
P.O. BOX 10424, PACIFIC CENTRE
1300 - 777 DUNSMUIR STREET
VANCOUVER BC V7Y 1K2
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
P.O. BOX 10424, PACIFIC CENTRE
1300 - 777 DUNSMUIR STREET
VANCOUVER BC V7Y 1K2
CANADA

Delivery Address:
P.O. BOX 10424, PACIFIC CENTRE
1300 - 777 DUNSMUIR STREET
VANCOUVER BC V7Y 1K2
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
De Cotiis, Marcello

Mailing Address:
#200 - 911 HOMER STREET
VANCOUVER BC V6B 2W6
CANADA

Delivery Address:
#200 - 911 HOMER STREET
VANCOUVER BC V6B 2W6
CANADA

NO OFFICER INFORMATION FILED.

SRA Exemption Application and Affidavit (cont'd):

Canada

Province of British Columbia

In the Matter of the City of Vancouver
Single Room Accommodation By-law (the "By-law")

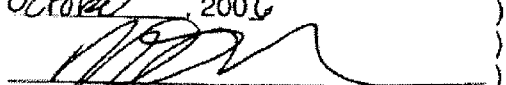
AFFIDAVIT


1. MARCELLO DECOZZIS, of 300-911 HOMER ST.
Vancouver, British Columbia, make oath and say as follows:

1. I am a director of AMACON DEVELOPMENT (HOMER) CORP., the registered owner of real property in Vancouver, British Columbia bearing the legal description PARCEL IDENTIFIER: 004-422-473 LOT 18 BLOCK 66 DISTRICT LOT 541 PLAN 210; PARCEL IDENTIFIER: 004-431-243 LOT 19 BLOCK 66 DISTRICT LOT 541 PLAN 210 and civic address 335 & 337 SMITHE ST. & 892 HOMER ST., and as such have personal knowledge of the matters to which I depose in this affidavit.

2. I make this affidavit in respect of each room ("room") on the property bearing room number: #1, #2, #3, #4, #5, #6, #7, #8, #10

3. From and after October 23, 2003 to the date of this affidavit, each room has consisted, and consists, of more than 320 square feet.

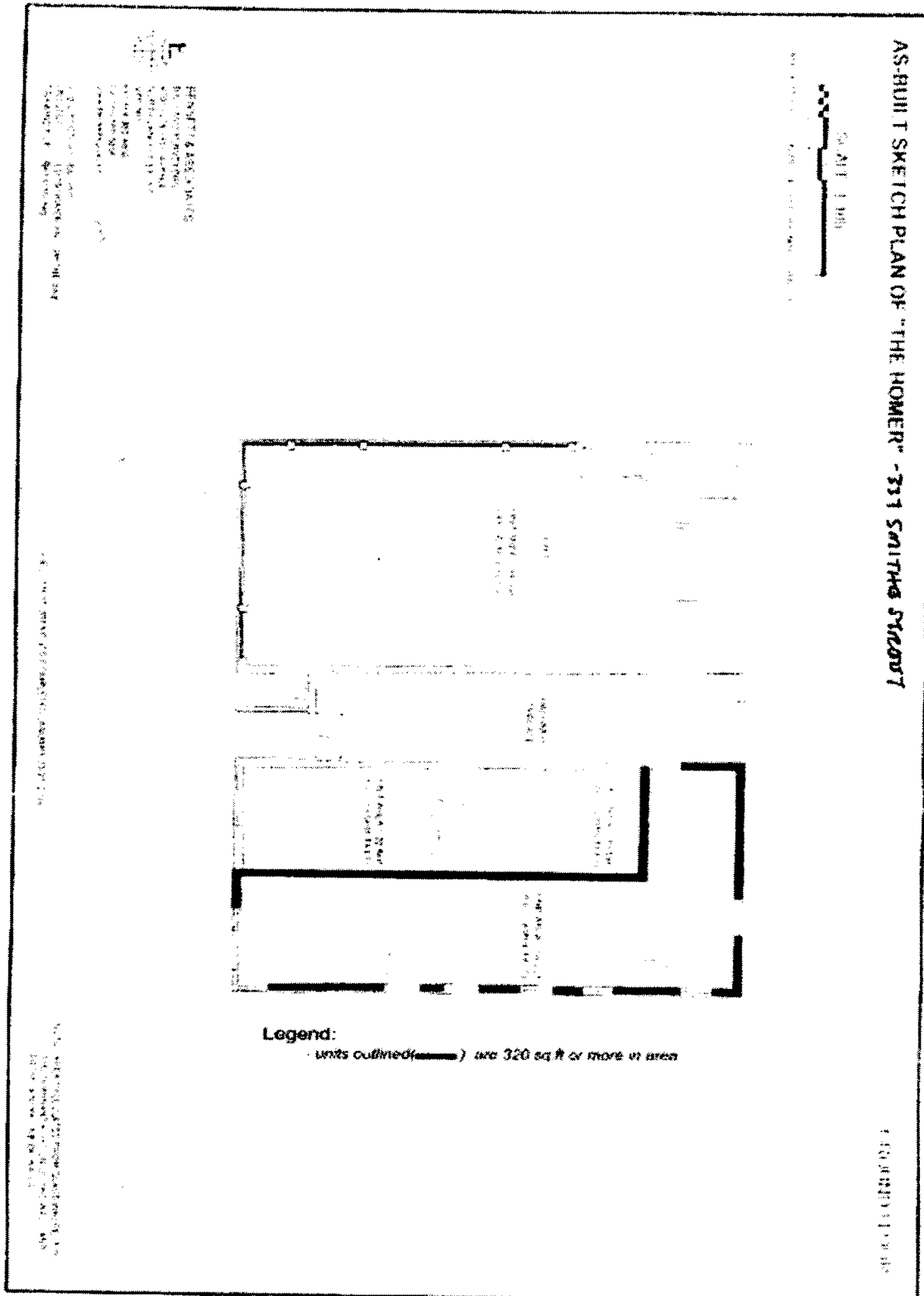
Sworn before me at Vancouver,
British Columbia this 16 day of
October, 2006

A Commissioner for taking Affidavits
for British Columbia


Owner's signature

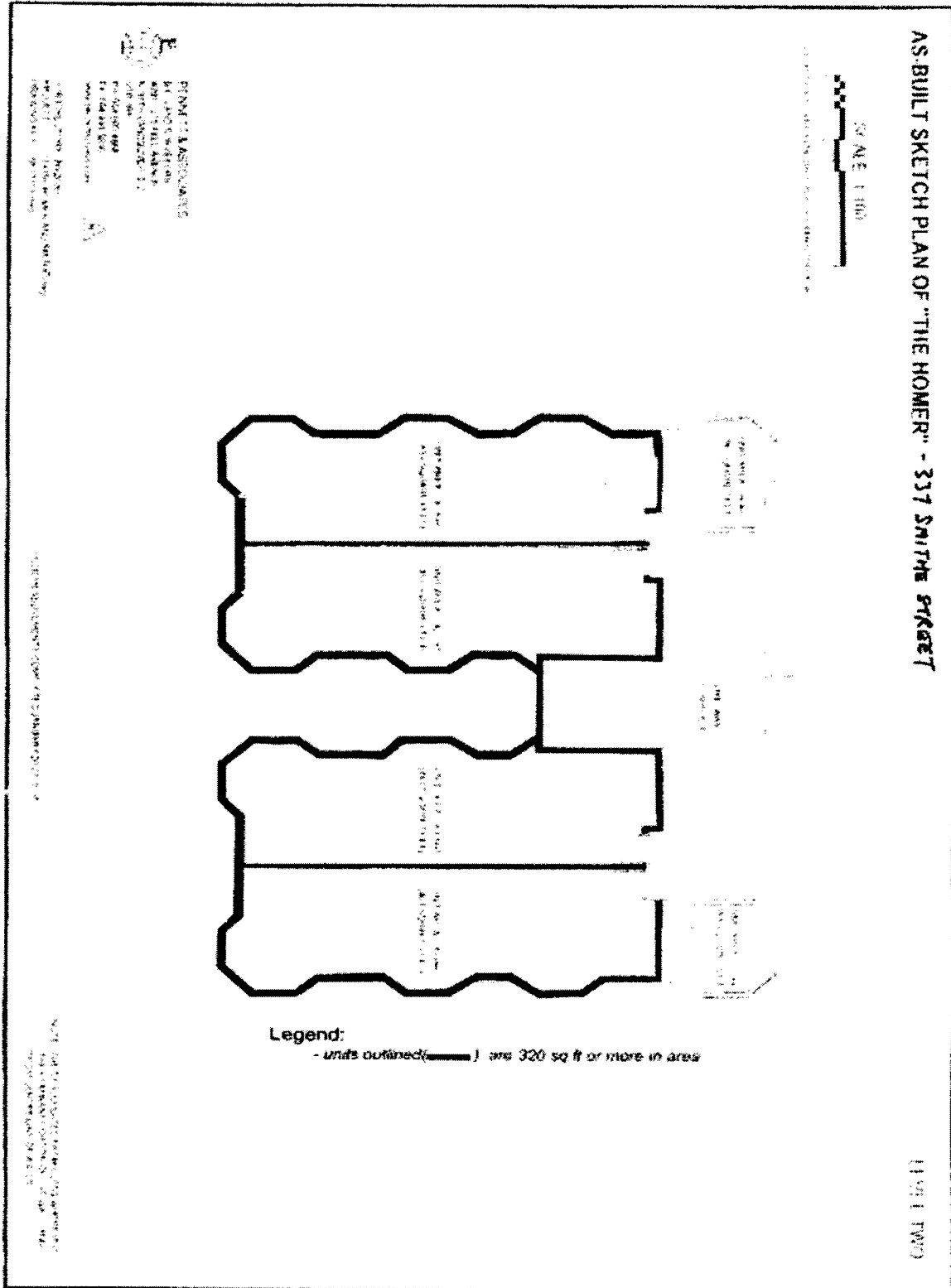
NATALIE R. GARTON
Barrister & Solicitor
McCarthy Tétrault LLP
1300 - 777 DUNSMUIR STREET
VANCOUVER, B.C. V7Y 1K2
DIRECT 604-643-5960

(Commissioner's Stamp or Seal must be provided)

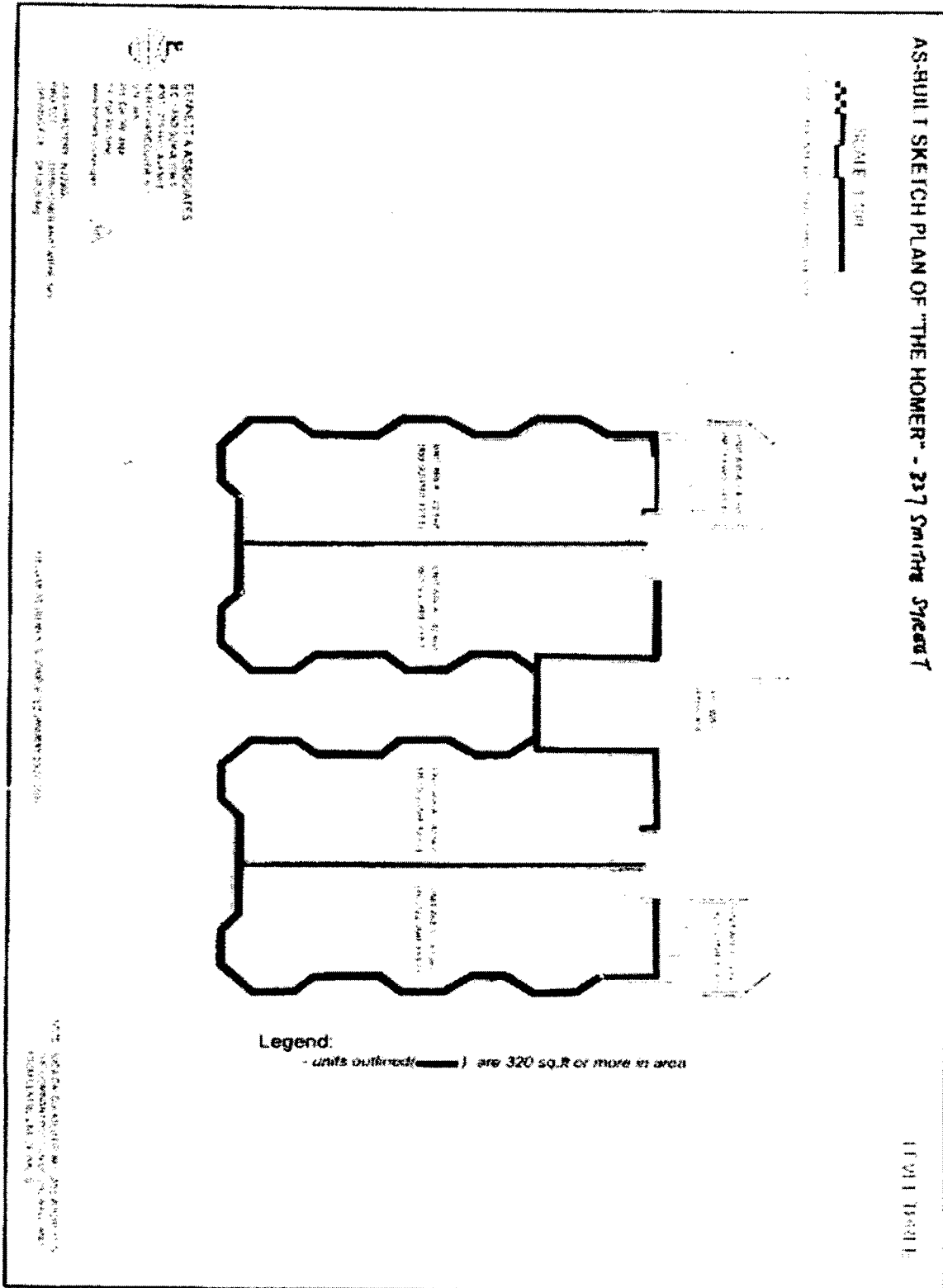
Existing Layout and Dimensions of SRA-designated Units at 335 and 337 Smithe Street
(cont'd):



Existing Layout and Dimensions of SRA-designated Units at 335 and 337 Smithe Street
(cont'd):



Existing Layout and Dimensions of SRA-designated Units at 335 and 337 Smithe Street
(cont'd):



Rent Roll - 335 and 337 Smithe:

UNIT #	TENANT	MONTHLY RENT
335 SMITHE STREET		
1	Melvin ██████████	\$350.00
2	And ██████████	\$350.00
3	Ant ██████████ 6004 ██████████	\$420.00
4	VACANT	\$350.00
5	Ab ██████████	\$315.00
6	VACANT	\$365.00
7	VACANT	\$375.00
8	VACANT	\$415.00
9	W ██████████ ██████████	\$657.00
	Totals:	<u>\$3,597.00</u>
337 SMITHE STREET		
1	Nath ██████████	\$715.00
2	Mar ██████████	\$820.00
3	VACANT	\$820.00

Rent Roll - 335 and 337 Smithe (cont'd):

UNIT #	TENANT	MONTHLY RENT
4	Mary [REDACTED] [REDACTED] / Kevin [REDACTED]	\$820.00
5	Co [REDACTED] 778 [REDACTED]	\$820.00
6	R [REDACTED] [REDACTED]	\$820.00
7	Ni [REDACTED]	\$820.00
8	Ca [REDACTED]	\$765.00
10	Jake [REDACTED] Joel [REDACTED]	\$900.00
1A	James [REDACTED] 778 [REDACTED]	\$365.00
4A	Karl [REDACTED] 778 [REDACTED]	\$365.00
5A	Greg [REDACTED]	\$350.00
8A	Lawr [REDACTED]	\$365.00
9A	Scott [REDACTED]	\$600.00
9B	VACANT	
	TOTALS:	<u>\$9,945.00</u>

Letter of Understanding signed by Amacon with the City regarding its Tenant Relocation Plan:



COMMUNITY SERVICES GROUP
Housing Centre

March 2, 2007

COV - HOUSING CENTRE

RECEIVED

RECEIVED

Amacon Development (Homer) Corp.
c/o Richard Wittstock, Vice-President, Development
300 - 911 Homer Street
Vancouver, BC
V6B 2W6

MAR 09 2007

MAR 07 2007

Referred to CATHY BLINER

File No: _____

Dear Mr. Wittstock:

RE: Tenant Relocation Plan - 335 & 337 Smithe Street (Homer Apartments)

Thank you for your recent submission of a tenant relocation proposal. This letter is to confirm what we discussed with respect to the successful delivery of your relocation plan in order to ensure that all tenants are in agreement and satisfied with the relocation procedures.

The following applies to all eighteen (18) remaining tenants residing in the two buildings at 335 and 337 Smithe:

1. Information meetings will be set up by Amacon to allow tenants the opportunity to find out time lines of the development, compensation package, and future housing opportunities within the renovated building;
2. Continual and open communication will be established following the initial information meeting in order to address tenants' concerns with respect to the forthcoming relocation (you might consider retaining the services of a tenant assistance advocate);
3. All tenants can expect to continue residing in their respective units, until such time the Development Permit and the Building (Demolition) Permit become issuable and proper termination notices have been served by Amacon in accordance with the requirements of the Residential Tenancy Act;
4. Amacon will work with each tenant to assist him/her in finding future accommodation by providing them with a list of available comparable accommodation in the area;
5. Transportation assistance could be arranged where necessary for elderly tenants and for tenants with physical disabilities;
6. As per the relocation proposal you recently submitted, all tenants will be provided compensation equivalent to two months' rent. As well:
 - a. Each tenant will be made aware that Amacon will cover any moving costs associated with their relocation.
 - b. Assist tenants with telephone and cable hook-ups as required.

Letter of Understanding signed by Amacon with the City regarding its Tenant Relocation Plan
(cont'd):

7. Prior to the issuance of the SRA Permit, Amacon will provide to the Housing Centre the following:
 - a. All correspondence sent by Amacon to each tenant regarding the tenant relocation assistance program;
 - b. A letter of acknowledgment signed by each tenant indicating that s/he is in agreement with the relocation process and compensation package;


8. Once all tenants have been relocated, Amacon will provide to the Housing Centre the following:
 - a. A copy of the official termination notice with a list of all the residents at the time and their unit numbers;
 - b. A relocation activities report indicating each tenant's name and new address and the date of his/her relocation.

I trust the above captures all of the necessary steps and terms and conditions necessary to ensure a comprehensive tenant relocation program.

If you are agreeable to the above-noted terms and procedures, please sign this letter of understanding in the space provided below and return to my attention at the City of Vancouver Housing Centre, Suite 310, East Tower, 555 West 12th Avenue, Vancouver, BC, V5Z 3X7.

Staff will append this letter of understanding (with your original signatures) to the HRA/SRA joint report to Council.

Yours truly,

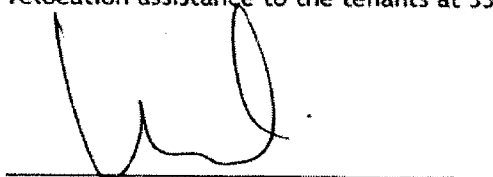


Catherine Wong
SRA By-law Co-ordinator

catherine.wong@vancouver.ca
453 W. 12th Avenue Vancouver BC V5Y 1V4
Phone: 604.873.7975
Fax: 604.871.6488

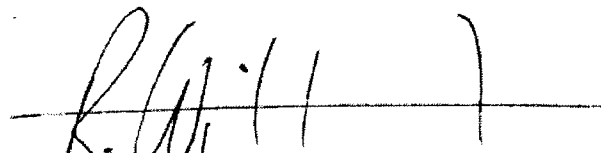
/cw

I acknowledge and agree that this letter fairly represents our intention to provide tenant relocation assistance to the tenants at 335 and 337 Smithe Street, Vancouver, BC.



Marcello DeCotiis, Director
Amacon Development (Homer) Corp.

MARCH 7/2007
Date



Richard Wittstock, VP, Development
Amacon Development (Homer) Corp.

MARCH 7, 2007
Date

SRA Conversion/Demolition Permit Application and Affidavit:



CITY OF VANCOUVER
 COMMUNITY SERVICES
 Housing Centre

**SINGLE ROOM ACCOMMODATION
 CONVERSION* or DEMOLITION*
 PERMIT APPLICATION**

SR No. 420017

Civic Address: 335 & 337 Smithe St
 Legal Description: Lot 18 + 19 Subdivision _____ Block 66 District Lot 541 Plan 210
 Building Name: _____

This area must be completed by the person signing this application.

Your Name: MARIELLO DELOTTIS You are the:
 Mailing Address: 300-911 HOMER ST 01 Property Owner
 City: VANCOUVER 02 Agent for Property Owner
 Postal Code: V6B 2W6
 Phone Number: (604) 602-7700
 Company Name: AMANDA DEVELOPMENT (HOMER) CORP.

Note: If the applicant is NOT the property owner, a letter of consent signed by the owner must also be submitted.

Owner's Information (if owner is a corporation, provide Incorporation Certificate and names and addresses of all directors & associates):

Property Owner's Name <u>PLEASE SEE ATTACHED</u>	
Address:	City:
Postal Code:	Phone Number:
Property Owner's Name	
Address:	City:
Postal Code:	Phone Number:
Property Owner's Name	
Address:	City:
Postal Code:	Phone Number:

This application is to: (Check applicable box)

001 Convert* occupancy of designated room(s)
 002 Change term or nature of tenancy of designated room(s)
 003 Change frequency of rent payments for designated room(s)
 004 Convert* vacant designated room(s)
 005 Repair or alter designated room(s)
 006 Demolish* designated room(s)
*see definitions of "conversion" and "demolition" on reverse side of form under "Explanatory Notes"

Total # of storeys in this building: (2 bldgs) 3 1/2
 Total # of SRA rooms in this building: 4
 Total # of non-SRA rooms in this building: 10
(OVER 3204)

Describe nature of the proposed conversion or demolition:
To DEMOLISH 15 Suites with "SUB-PAR" Living STANDARDS
IN ORDER TO DEVELOP 15 BRAND NEW MARKET
RENTAL SUITES TO BE COVENANTED TO THE CITY IN FUTUREITY.

SRA Conversion/Demolition Permit Application and Affidavit (cont'd):

City of Vancouver Single Room Accommodation Conversion or Demolition Permit Application - continued

THIS SECTION MUST BE COMPLETED:	OFFICE USE
Are there any permanent residents needing to relocate as a result of this proposed conversion? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes, you must provide the following information:	
1. The number of permanent residents that will be affected? <u>15</u>	
2. A list of names of the residents needing relocation, their room nos. and length of residency	
3. Proposed relocation strategy for existing tenants	
You must also include with this application the following required supporting documents:	
1. An affidavit, sworn by the owner or, if the owner is a corporation, by a director of the corporation, setting out why the owner wants to convert or demolish the designated room	
2. Records required under the Hotel Guest Registration Act or Hotel Room Tax Act, tax assessment records, guest ledgers, and daily rent receipts, for the current calendar year and for the three immediately preceding calendar years, in respect of the designated room	
3. One set of floor plans of the existing and proposed floor layout as described below*	
4. Tentative schedule for construction (if applicable)	

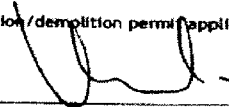
* Explanatory Notes:

- Definition of "conversion" or "convert" means the following under the Single Room Accommodation By-law:
 - (a) a change in the form of occupancy, intended form of occupancy, or customary form of occupancy of a designated room from living accommodation for a permanent resident to living accommodation for a transient guest or to another purpose,
 - (b) a change in the term or nature of the tenancy to which a permanent resident has the right in respect of a designated room,
 - (c) a change in the frequency of the rent payments a permanent resident must make in respect of a designated room,
 - (d) an occupancy or use, or the suffering or allowing of an occupancy or use, of a vacant designated room for a purpose other than living accommodation for a permanent resident,
 - (e) a repair or alteration to a designated room or any improvement or fixture in it or a replacement of any such improvement or fixture, except for repairs or alterations that are minor in nature and have no material effect on the enjoyment by permanent residents of their living accommodation,
 - (f) a reclassification of a building or any portion of a building from Class 1-residential to any other class referred to in the Assessment Act and its regulations, or
 - (g) a loss of exemption in respect of a designated room from an obligation to pay or remit hotel room tax under the Hotel Room Tax Act and its regulations;
- Definition of "demolition" or "demolish" means the following under the Single Room Accommodation By-law:
 - "to pull, knock, or tear down or to raze, wholly or partially, a designated room"
- Floor plans must be legible, drawn to a scale NOT less than 1/8" to 1", and must:
 - (a) include dimensions and layout of all floor levels including basement and underground parking;
 - (b) identify on each floor:
 - rooms that provide accommodation for permanent residents;
 - rooms that provide accommodation for transient guests (tourists);
 - rooms that provide other non-residential accommodation uses (e.g., lounge, storage rooms, etc.);
 - (c) indicate on each floor the square footage of all rooms and common areas;

Office Use Only

As owner or owner's agent, I have verified that the information contained within this document and associated applications and plans is correct, and describes a use, a building or a work which complies with all relevant by-laws and statutes. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and save harmless the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect of anything done or not done pursuant to this application or fact sheet or ensuing permit, including negligence and/or the failure to observe all by-laws, acts or regulations.

Further, I acknowledge that any information and documents provided with this SRA conversion/demolition permit application will be attached to the report to Council and as such, be made available to the public.

SIGNED AT VANCOUVER, BC THIS 18 DAY OF OCTOBER 2006 
Signature of Applicant

SRA Conversion/Demolition Permit Application and Affidavit (cont'd):

Canada

Province of British Columbia

In the Matter of the City of Vancouver
Single Room Accommodation By-law (the "By-law")

AFFIDAVIT

I, MARCELLO DE COTTIS, of 300-911 HOMER ST.
Vancouver, British Columbia, make oath and say as follows:

1. I am a director of AMADON DEVELOPMENT (HOMER) CORP., the registered owner of real property in Vancouver, British Columbia bearing the legal description PARCEL IDENTIFIER: 004-422-473 LOT 18 BLOCK 66 DISTRICT LOT 541 PLAN 210; PARCEL IDENTIFIER: 004-431-243 LOT 19 BLOCK 66 DISTRICT LOT 541 PLAN 210 and civic address 335 & 337 SMITHE ST. & 892 HOMER ST., and as such have personal knowledge of the matters to which I depose in this affidavit.


2. I wish to convert or demolish the following rooms in the building on the property for the following purpose:

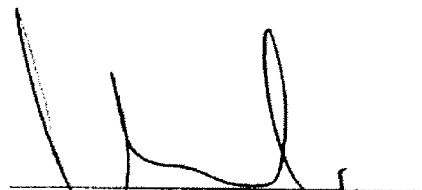
Room Nos:

335 SMITHE ST.: #1, #2, #3, #4, #5, #6, #7, #8, #9
337 SMITHE ST.: #1A, #4A, #5A, #8A, #9A, #9B

Purpose: TO RENOVATE 337 SMITHE ST. INTO 15
MORE EFFICIENT BRAND NEW MARKET RENTAL
UNITS TO BE COVENANTED TO THE CITY IN
PERPETUITY.

Sworn before me at Vancouver,
British Columbia this 18 day of
October, 2006


A Commissioner for taking Affidavits
for British Columbia


Owner's signature

NATALIE R. GARTON
Barrister & Solicitor
McCarthy Tétrault LLP
1300 - 777 DUNSMUIR STREET
VANCOUVER, B.C. V7Y 1K7
DIRECT 604-643-5981

(Commissioner's Stamp or Seal must be provided)