



MEMORANDUM

June 10, 2008

TO: Mayor and Council

FROM: Vancouver Heritage Commission

cc: Brent Toderian, Director, Planning  
Ronda Howard, Assistant Director, City-wide and Regional Planning  
Marco D'Agostini, Senior Heritage Planner  
Thor Kuhlmann, Planner, City-wide and Regional Planning

SUBJECT: *Policy Report EcoDensity: Revised Charter and Initial Actions*,  
dated May 13, 2008

The Vancouver Heritage Commission ("VHC") is very encouraged by the changes in the latest version of the EcoDensity Policy Report, dated 13 May 2008 ("Report"). The VHC commends staff for the immense effort that they have expended in revising the Report. Furthermore, the VHC is pleased to see that several measures that acknowledge the importance of heritage conservation have been incorporated into the Report. With this said, the VHC believes the Report can be further improved with regards to how heritage is managed in the City. Consequently, this submission aims to provide pragmatic and reasoned suggestions on how to improve the Report in order to address our remaining concerns. As before, the VHC requests to be actively involved in all future work on the EcoDensity initiative.

**Guiding Principles**

The VHC has identified three guiding principles for framing its suggestions:

1. That any EcoDensity direction should work to providing stronger and more competitive heritage incentives, not to dilute or compromise the current incentives
2. That any EcoDensity direction should promote and encourage the preservation of the City's heritage assets, not create situations that make it easier to destroy these assets
3. That any EcoDensity direction should encourage the fullest retention of the City's heritage assets, not create situations whereby these assets are needlessly compromised or diminished in an attempt to make them conform to unrealistic green guidelines

These three guiding principles arise from the fact that heritage is an important civic asset that promotes sustainability, liveability, and options for smart density growth.

## **1. Providing Stronger and More Competitive Heritage Incentives**

Currently, the most effective tools used by the City's heritage planning department to encourage heritage preservation are Heritage Revitalization Agreements ("HRA") and the Heritage Density Bank. HRAs allow for additional density to be added to heritage retention project. The Heritage Density Bank allows for developers to place unused density from a heritage site into density bank for purchase, or, transfer the unused density to another project they are developing. Some of the proposed EcoDensity actions contemplate awarding density in exchange for amenities and other public benefits, or allowing increased density without the need to retain a heritage or character building, which could undermine the Heritage Density Bank and potentially undermine the need for HRAs.

### **A. Revised Action C-2: Interim EcoDensity Rezoning Policy**

This was previously Action 4 - *EcoDensity Demonstration in Lower Density Areas*, which was for demonstrating only one project in each neighbourhood of various new types of housing. Now it has become a rezoning policy that implements unlimited numbers of projects in any area prior to further planning processes or area rezoning. This is a significant change from the last draft and could negatively impact existing heritage incentive programs.

Since increasing density, unit numbers, and various zoning bylaw relaxations are the primary tools for HRAs and heritage retention, this rezoning policy will directly undermine existing heritage incentive tools. To minimize this, the interim rezoning policy should require the retention of existing heritage and character buildings as an integral part of any rezoning proposal where ever possible. Also, additional heritage tools will be required to replace the existing incentives that are eliminated or weakened under this policy.

The update of the heritage inventory should be completed so that heritage buildings can be identified and considered as part of any rezoning planning process or development application. One option would be to implement this policy through the Vision Implementation Committees with some further local area planning and guidelines, so that contextual neighbourhood character is respected. This is less likely if the implementation process is centralized as proposed. The VHC would like to be part of any future work on this action.

### **B. Revised Action C-6: More Options for Rental Secondary Suites**

This action is for more options for secondary suites. Since secondary suites are one of the incentives used for heritage retention, allowing suites outright with additional FSR in new construction could undermine existing heritage incentives. To avoid this, consider allowing additional secondary suites (i.e., more than would be allowed for non-heritage or non-character buildings) as an incentive to retain existing heritage and character buildings.

### **C. Revised Action C-7: Public Amenity and Public Benefit Cost Recovery and Funding Tools**

This action contemplates reviewing the City's existing structure for funding and providing incentives for public amenities and public benefits. The VHC has always maintained that heritage is a public amenity and a public benefit. As such, it should have access to appropriate incentive tools to promote heritage retention.

Reworking the current incentive tools could have a deleterious effect on heritage preservation by:

- a. Reducing the current levels of incentives available to heritage projects
- b. Providing better incentives for projects that do not contemplate heritage retention

Either one of these potential outcomes could result in the loss of heritage structures because the heritage incentives would no longer justify the anticipated expense of the project.

One goal for reworking the current tools should be to establish a competitive suite of incentives available to heritage projects. The VHC recognizes that this action item falls within the "further work needed" grouping. Therefore, the VHC would like to be part of any further work in this action item to ensure this goal is achieved.

#### **D. Revised Action C-8: Discretionary Density Increase for Public Benefits**

This action discusses how the proposed 10% additional density bonus may be awarded to developments within the Downtown and Central Broadway area that provide public benefits. As noted in the "What we've heard" section for this action, there are concerns about how this might affect current heritage incentives. Namely, there are concerns that the discretionary 10% bonus might come to replace the current bonus available through the Heritage Density Bank. Such an outcome would undermine the bank and devalue the 1.3 million square feet (FSR) currently in the bank—essentially dissolving the system and bankrupting the developers that have invested in it.

In developing this action, staff must be very mindful of its effect on how heritage density is awarded. The goal should be to create a system wherein any discretionary density bonuses should build upon bonuses available through heritage sources. The VHC recognizes that this action item falls within the "further work needed" grouping. Therefore, the VHC would like to be part of any further work in this action item to ensure this goal is achieved.

#### **E. Revised Action C-11: Priority to Applications with Green Leadership**

This action proposes that buildings that meet a very high green standard be given "front-of-line" status. Currently, heritage developments, cultural projects, and social housing projects receive this status. "Front-of-line" status is also considered one of the more effective tools for promoting heritage projects in the City.

The main problem, from a heritage perspective, is that if the "green bar" is set too low, heritage projects will lose one of its main incentives. This is in addition to staff being overwhelmed by the number of "green" development requests.

The VHC suggests that the green bar be set at a level that continues to privilege projects that currently receive priority status (i.e., heritage, cultural, and social housing). This is especially important given the fact that the existing priority

recipients will only comprise a small percentage of the total number of potential green-inclusive applicants. Furthermore, as green technology decreases in cost and increases in efficiency (a good thing!), an increasing number of green applicants might qualify for priority status. Consequently, it would be important to re-assess the green bar on a frequent basis to ensure a proper equilibrium is maintained.

## **2. Promoting and Encouraging the Preservation of the City's Heritage Assets**

The City's heritage assets include heritage structures, meritorious character structures, historic streetscapes, and historic districts. The Report includes revised actions that seek to re-evaluate height and density in the historic districts, the RS-5 zoning, and introducing backyard/laneway housing. The VHC's primary concern with these revised actions is that they do not create situations that destroy, erode, or create prejudice against the City's heritage assets.

### **A. Revised Action B-1: Historic Precinct Height Study**

This revised action contemplates introducing policies that would add extra density and height to the Gastown, Hastings, Chinatown, and Victory Square historic districts. Any policy would be based on the results of the Historic Precinct Height Study, which is currently underway. The aim would be to include appropriate and suitable density and height in carefully considered locations in the districts.

The VHC's previous submission to Mayor and Council was that this action item be removed from the EcoDensity actions. This resulted from the fact that not enough information was available to positively determine the intent of the previous action. Additionally, it was noted that these districts derive most of their value from streetscapes and how the heritage assets in these neighbourhoods create a synergistic whole—inappropriate development could upset the delicate heritage ecology that could thrive in these areas.

The revised action provides better context and detail around how heritage will be dealt with. Namely, decisions that affect the districts' heritage assets will be based on the precinct height study and careful consultation. However, the VHC still recommends caution when dealing with these districts. The heritage assets found in them are finite.

Given the complexity and delicacy of introducing density and height into these districts, it is strongly recommended that this action be excluded from the EcoDensity initiative. The complexity of introducing any additional density or height into these districts requires its own focus, and would be much better contemplated outside the scope of the EcoDensity initiative. Necessarily, the VHC requests to remain an active participant in any further development of these areas. Additionally, the VHC recommends that district statements of significance be written for each district (if the district does not have one already).

### **B. Revised Action B-3: Greener RS5 Character Design Guidelines**

This revised action discusses reviewing and revising the current RS-5 zoning to allow greener design guidelines. This action was added to the Report to address two perceived issues:

- a. That the current character-based guidelines result in mediocre architecture

- b. That the current process to deal with RS-5 zoning applications consumes an inordinate amount of staff time to process

The VHC does not see a logical correlation between the development of green design guidelines for RS-5 zoning and solving the two perceived logistic challenges posed by the current zoning. Furthermore, introducing newer greener guidelines may result in the destruction of heritage assets in the RS-5 zoning. What is more, the Building Code and other City initiatives are already being changed to require green practices in all building types, including single family homes—rendering this Action a duplication of effort. Consequently, the VHC suggests removing this action from the Report.

**C. Revised Action C-1: An “Eco-CityPlan”**

This action is for a city-wide long-term plan. One of City staff’s future tasks is updating the heritage register. Ideally this update should be done in advance of long-term planning so that the City’s heritage assets can be considered as part of the planning process.

**D. Revised Action C-5: Issues and Options for Backyard / Laneway Housing**

This revised action discusses options and issues with introducing backyard and laneway housing. The VHC supports pursuing options for backyard and laneway housing. The caveat, as highlighted in the action’s text, is that heritage assets must not be compromised if a backyard or laneway house is added to a lot with an existing heritage asset. Also, to avoid undermining existing heritage incentive programs, laneway housing should be used as an incentive for the retention of heritage and character buildings.

**E. Revised Action C-9: Leftover Lots in older Apartment Zones**

This action considers allowing relaxations to develop the left over lots in existing multi-family areas. As noted in the Report, these lots are often the last heritage assets in an area, contain affordable housing units, and would provide little benefit to increasing density, with considerable loss of liveability. The VHC supports City staff’s recommendation that this action not be authorized.

**3. Encourage the Fullest Retention of the City’s Heritage Assets**

All heritage assets have character defining elements, which are normally identified through a thorough assessment process. These elements identify what is special about the asset, and more importantly, what must be preserved in order to maintain the asset’s integrity and authenticity. Changing any of these elements diminishes, and could potential destroy, the asset’s heritage value. When proposing to make any heritage structure more sustainable, it is important to understand that some green actions may irrevocably alter the structure’s heritage values, and this should be avoided where ever possible.

**A. Revised Action A-1: Rezoning Policy for Greener Buildings**

This action item discusses introducing LEED and BuiltGreen BC building standards for all new applicable rezonings. This action introduces many welcome initiatives to promote sustainable development and green building techniques within the City. The action will also require all HRA heritage components to make reasonable efforts to increase their green performance, where appropriate.

The VHC believes that additional guidelines should be introduced that give better direction on what is meant by “reasonable efforts” and “where appropriate.” Since developers will be required to make an effort to “green” their heritage component, the fear is that essential characteristics might be risked in order to demonstrate that a “reasonable effort” has been made. Any guidance documents should make strong reference to heritage statements of significance and to the principles outlined in Parks Canada’s *Standards and Guidelines for the Conservation of Historic Places in Canada* (1999).

Until such further guidance is in place, the VHC suggests that this revised action not be applicable to HRAs.

### Comments on the Draft EcoDensity Charter

In the VHC’s 26 February 2008 submission to Mayor and Council, we recommended the following:

#### *An Eco-City*

*The Commission strongly encourages the City to move this section to the top of the Charter to frame all other actions in their current order.*

*The Commission observes that an “Eco-City” is the ultimate goal of the Charter. The wording of the Eco-City section makes a clear distinction between the end goal of EcoDensity (i.e., environmental, economic, social and cultural sustainability) and the preferred means used to achieve it (e.g., new and existing tools, such as density, heritage conservation, green new construction, and so forth). Moving the EcoCity section to the top of the Charter will both frame the items that follow by establishing a logical hierarchy between goals and means and help to guide the reader through the content of the Charter.*

*The Commission recommends adding a bullet under Eco-City with language that defines “EcoDensity”, “affordability” and “liveability,” and a principle stating that EcoDensity will promote and advance affordability and liveability. Density should not be an end in itself, but is a tool aimed at making the City more liveable and affordable. Stating this dynamic would help clarify the role of density in making Vancouver a better city in which to live. Furthermore, the definition of “liveability” should include the intrinsic value of heritage retention.*

In the Report’s third draft, the Eco-City section has been moved closer to the top, however, not to the top. Although the new wording is improved, it still has density as a priority over the other holistic aspects of sustainability as defined in the Eco-City section. Consequently, the VHC recommends that:

- the above VHC-suggested wording still be added to this item
- the City move this item to the top of the Charter

\* \* \* \* \*