

CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: August 21st, 2008 Author: James Boldt Phone No.: 604.873.7449

RTS No.: 07554 VanRIMS No.: 08-2000-20

Meeting Date: October 16, 2008

TO: Vancouver City Council

FROM: The Director of Planning, in consultation with the Director of Legal

Services

SUBJECT: Heritage Revitalization Agreement and Designation - 255 East 7th Avenue,

'The Vancouver Brewery Garage'

RECOMMENDATIONS

- A. THAT Council authorize the Director of Legal Services to prepare and sign on the City's behalf a Heritage Revitalization Agreement for 'The Vancouver Brewery Garage' located at 255 East 7th Avenue, to:
 - secure the rehabilitation, protection and on-going maintenance of this 'C' category Vancouver Heritage Register building; and
 - vary the Zoning and Development By-law to permit increases in density and height in excess of that permitted in the zoning.
- B. THAT 'The Vancouver Brewery Garage', listed in the 'C' evaluation category on the Vancouver Heritage Register at 255 East 7th Avenue, be designated as Protected Heritage Property.
- C. THAT Council instruct the Director of Legal Services to bring forward for enactment a by-law to authorize the Heritage Revitalization Agreement and a by-law to designate the building as Protected Heritage Property.

GENERAL MANAGER'S COMMENTS

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

COUNCIL POLICY

The following Council adopted policies are applicable:

- Heritage Policies and Guidelines
- Brewery Creek IC-3, C-3A, C-2C, and RM-4/4N Guidelines
- Mount Pleasant Policies and Guidelines

The Heritage Polices and Guidelines state that the buildings "identified on 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."

The Mount Pleasant Policies and Guidelines also state that Council should "protect heritage buildings in all parts of Mount Pleasant" including offering "...incentives such as added floor space ratio and height where developers maintain existing buildings..." and to "...seek designation as a condition of the approval of rezonings and approval of major conditional uses involving buildings listed in the Vancouver Heritage Register."

The Brewery Creek Guidelines reinforce the recognition of the historic Brewery Creek water course through design and landscaping.

SUMMARY AND PURPOSE

The purpose of this report is to seek Council's approval for the designation of the heritage building located at 255 East 7th Avenue, listed in the 'C' evaluation category on the Vancouver Heritage Register, and a Heritage Revitalization Agreement (HRA) to secure the rehabilitation and long term preservation of the heritage building. The proposed HRA will result in variances to the Zoning and Development By-law to permit height and density in excess of that permitted in the zoning as set forth in Development Application Number DE411440. The recommended Heritage Revitalization Agreement and designation will provide an incentive to the property owner to rehabilitate and preserve the heritage building at 255 East 7th Avenue, which is to be known as 'The Vancouver Brewery Garage'.

BACKGROUND

Site: The site is located in the IC-3 zoning district in the Mount Pleasant neighbourhood. (see the map, Appendix 'A'). The site is comprised of ten legal parcels, with a frontage on 7th Avenue of 244 ft., a frontage on 6th Avenue of 194 ft. and a frontage on Scotia Street of 142 ft. The heritage building is located at the corner of 7th Avenue and Scotia Street. The heritage building has been occupied by several auto body repair businesses for many years. The north-south lane to the west of the site will provide the vehicular access to the site (no east- west lane currently exists through the site, nor is one proposed or required). The site slopes approximately eight feet from the south boundary on 7th Avenue down to the north boundary on 6th Avenue.

Context: The site is located at the convergence of several zoning district boundaries, with IC-3 zoned land immediately to the north, C-3A to the south, RM-4 to the east and IC-2 to the west. The building at the corner of 6th Avenue and Scotia Street (280 East 6th Avenue is a 'B' listed, designated heritage building, known as 'The Candy Factory', which was converted to

Artist Studios with residential units in 1993. There are other significant historic buildings in the vicinity including the 'Ashnola Apartments' at 203 East 6th Avenue (a 'B' listed building on the Vancouver Heritage Register) and the 'Western Front' building at 303 East 8th Avenue (these buildings all appear on the historic map on page 2 in Appendix 'B').

Immediately to the south of the subject site is a vacant site approved for the development of a nine-storey multiple dwelling building ('The Elyse' at 2321 Scotia Street). To the southwest, is 1 Kingsway, the City's new civic centre project, a ten storey, mixed use building which is nearing completion.

Heritage Value: 'The Vancouver Brewery Garage' was constructed sometime between 1913 and 1926 on the former Doering and Marstrand Brewery site adjacent to Brewery Creek, which is now almost entirely covered by roads and development (see the maps in Appendix 'B'). A brewery was first constructed on the site around 1888, at a time when a number of industries thrived along the Creek, including tanneries and other breweries. 'The Vancouver Brewery Garage' is one of the few surviving legacies of the early industrial and residential neighbourhood, and is one of the dwindling numbers of surviving heritage industrial buildings in the City.

'The Vancouver Brewery Garage' is a rare example of Mission Revival style architecture. The character defining elements of the building include its simple, expressive massing and two-storey clerestory structure, expressed structural bays, regular rhythm of double hung wooden sash windows, heavy timber structure, unique clay tile wall construction, and its corner location adjacent to the former Brewery Creek course. As far as can be determined, the building has always been used for industrial purposes, primarily auto repair and associated uses, and as such its continued use as an industrial building is also of value.

DISCUSSION

Development Proposal and Application: In June 2007, The IBI Group submitted a "preliminary" development application (DE411440) for the development of a mixed-use project comprising artist live studios and residential uses, as permitted in the zoning, retaining only the façade of the heritage building. Staff concluded with the applicant early on that retention of the façade alone would not be supported. Staff directed the applicant to explore the retention of the entire building and encouraged them to consider retaining industrial or commercial uses in the heritage building.

A revised "complete" development application was submitted on April 25, 2008, which proposes the following (see drawings in Appendix 'E'):

- the rehabilitation, conservation and designation of the heritage building in its entirety;
- the adaptive re-use of the heritage building by converting it from Automotive Repair to Artist Studio use (no residential uses are proposed in the heritage building);
- subdivision of the site to retain the heritage building on its own legal parcel;
- development of a new mixed-use artist studio and residential building of approximately 190,000 sq. ft. on the remainder of the site, including a requested height variance from 60 feet (permitted) to 84.6 feet; and

• a proposed overall Floor Space Ratio (FSR) of 3.43, including the heritage building, noting that 3.0 FSR is permitted in the district schedule (see Table 1 below).

The developer, Main Street Title Holdings Inc. (Amacon) has indicated they plan to retain ownership of the heritage building following completion of the project.

Related to the uses proposed in the heritage building at 255 East 7th Avenue, a development permit application has been submitted to adaptively reuse the proposed heritage building at 190 Prior Street (formerly 901 Main Street) which would involve the eviction of approximately 30 artists who currently have leased studio space in the building. On February 12th and 21st, 2008, Council heard from all registered speakers at the Public Hearing on the proposed HRA/Heritage Designation of 190 Prior Street, including the artists noted above. The Public Hearing concluded on February 21, and Council referred discussion and decision to the Regular Council meeting on March 11, 2008, in order to allow the applicant and the artists who would be evicted to further develop a proposal for report back by staff. On March 11th, 2008, Council unanimously approved the recommended HRA and designation regarding 190 Prior Street. As part of a Council approval, Amacon has agreed to lease at least a half of the heritage building at 255 East 7th Avenue (approximately 5,000 sq. ft.) as artist studio space for ten years (see Appendix 'C').

Council approval is required for the requested variances in height and density. As well, Council approval of the designation of the heritage building will be required as a condition of the development application.

Requested Heritage Bonus Density: The owner is seeking compensation in the form of onsite density, in accordance with Council's Heritage Policies and Guidelines, in exchange for the rehabilitation, designation, and long term preservation of 'The Vancouver Brewery Garage'. The amount additional density is approximately 24,719 sq. ft. The permitted and proposed densities, and the resulting floor space ratios (FSR), are noted in the table below:

Building	Permitted Density	Proposed Density
New building (mixed use)*	3.0 FSR (approx. 175,131 sq. ft.)	3.25 FSR (approx. 189,130 sq. ft.)
Heritage Building	-	10,720 sq. ft.
Total	3.0 FSR (approx. 175,131 sq. ft.)	3.43 FSR** (approx. 199,850 sq. ft. or 14% over permitted)

Table 1: Proposed Densities

^{*} The proposed uses in the new building are Artist Studio with associated residential units, and Dwelling Units. Artist Studio with associated residential units are distinguished from dwelling units primarily by the types of activities allowed in the units, and may be very similar in layout and appearance. The zoning permits a

maximum of 1.0 FSR for "pure" dwelling uses and 2.5 FSR for Artist Studio with associated residential uses, subject to meeting the overall prescribed 3.0 FSR limit.

** Noting the above, regarding the total FSR proposed for the site, the breakdown of uses in the new building is 1.0 FSR for dwelling uses and 2.25 FSR for the artist studios with residential units. The heritage building, for which an artist studios use with no residential is proposed, accounts for about 0.18 FSR.

The basement of the heritage building is proposed to be enlarged by underpinning the building and excavating out the area to provide ancillary storage and utility areas for the building and for the artist studios and other tenants on the main level. As part of the HRA the basement area would be precluded from being developed as separate tenancies and is to be excluded from the calculation of density (see drawings in Appendix 'D').

Requested Height Variance: A height variance of 24.6 feet (from 60 feet permitted to 84.6 feet) is proposed to allow density to be allocated on the site in a manner which preserves the entire heritage building.

Condition of the Heritage Building and the Scope of Work Proposed: The heritage building is in reasonable condition. A Conservation Plan has been submitted by the heritage consultant detailing the rehabilitation process. The original stucco-over-clay tile construction is unusual and rare. Where exposed (on the north side) the tile will need to be re-clad in stucco. Later cinder block additions on the north and west side will be removed as part of the proposal and the exposed areas re-clad to match the existing walls as well. The heavy timber framed structure would be retained intact with minor structural upgrades as required. Existing wood sash windows will be restored where possible, including the glazed, central clerestory. Windows which cannot be retained and repaired will be replicated. Some original window openings and doorways have been modified or removed over the years - the original openings, where they can be determined, will be reintroduced and associated windows or doors replicated to match the original configuration as much as possible. Contemporary over-head metal doors will be added to the north side to accommodate activities related to the proposed Artist Studio use, along with new skylights (which will not be visible from the street) to bring more light into the building (see drawings in Appendix 'D').

A subdivision is also proposed to allow the heritage building to remain on its own land parcel. This reduces Building By-law upgrades which would likely be required if the building were to be located on a residential site. Such upgrades would likely impact the conservation of the building and increase rehabilitation costs.

Comments of the Vancouver Heritage Commission: On May 26th the Vancouver Heritage Commission reviewed the development application and made the following comments:

RESOLVED

THAT, regarding the project at 299 East 7th Avenue (255 East 7th Avenue), the Vancouver Heritage Commission (VHC) supports the project as presented at its meeting on May 26, 2008, specifically noting the following:

- Statement of Significance and Conservation Plan;
- new openings and doors/windows; and;

FURTHER THAT the VHC supports the 14% heritage density increase noting that 1/3 of the increase is included within the heritage building itself.

CARRIED UNANIMOUSLY

Compatibility with Community Planning Objectives:

Use: The intent of the IC-3 zoning is to:

".. permit a mix of light industrial, live arts, and theatre, residential, and related uses that are generally compatible with adjoining residential and commercial districts. Service uses compatible with and complementing light industrial uses and a limited number of office uses are also permitted, but not general retail stores. The general intent of the external design regulations is to achieve certain public objectives with respect to the historic Brewery Creek water course."

The proposed uses in the heritage building and the new building are permitted in the district schedule and configured in a way which is consistent with the intent of the zoning. While the HRA does not restrict the use of the heritage building (other cultural, industrial, or commercial uses could be permitted in the building in the future) the conversion of the heritage building to an artist studio use as currently proposed, which would allow for a variety of activities related to the production of art, is highly appropriate for the area and provides much needed studio space for cultural activities in the City.

Urban Design: In addition to retaining the existing heritage building, the development application indicates a new building comprising a seven-storey south block and an eight-storey north block on the far west side of the property, joined by a lower portion. The difference in the number of storeys is accounted for by the grade drop across the site from south to north. The building turns and continues along 6th Avenue, stepping down to the east, in order to respond to the smaller building at 280 East 6th Avenue (see drawings in Appendix 'E'). Staff have assessed the proposal compared to what would likely be constructed if the heritage building was demolished and the site redeveloped. New development without the heritage building would likely entail construction of a 60 foot high, six storey, mixed-use building with an FSR of 3.0 (or approximately 175,000 sq. ft.), extending across the full width of the site on both the 6th and 7th Avenue frontages. Therefore staff conclude that the proposal is comparable in massing and scale to what would likely be built on the site without the heritage building.

On May 21st, 2008, the Urban Design Panel unanimously supported the application noting that the types of units being proposed provide valuable affordable housing, and that the rehabilitation of the heritage building is commendable. While recognizing the constraints created by the retention of the heritage building, the Panel did have concerns about the massing and expression of the new building and its impact. The Panel asked the applicant to "consider design development to the massing to provide a more elegant step down at the north side and a better transition to the red low-rise building (Candy Factory), and consider more height for the south mass".

Subsequent to the Urban Design Panel's review, the applicant approached staff with proposed revisions to address several of the Panel's concerns, including an improvement of the massing around the building at 280 East 6th Avenue, by relocating the density into an eighth storey on the south block of the new building. Despite the additional storey on the south block, the density is being re-distributed without changing the originally proposed height of 84.6 feet, or the proposed density of 3.43 FSR (see the drawing on page 1 of Appendix 'G').

Staff conclude that re-allocating the density as described above would allow for a number of improvements including the following:

- an opportunity for decreased shadowing to the north across 6th Avenue by "carving away" mass on the highest edge on the north side of the new building;
- decreased massing and shadowing impact on the neighbouring building at 280 East 6th
 Avenue by reducing building mass around this property; and
- greater articulation of the massing of the south façade of the new building to improve its expression, in response to comments from the Urban Design Panel noted above.

The HRA also contains a provision to exempt two rooftop enclosures (which provide access to green roofs on the north and south blocks of the new building) from the height calculation as they cannot be excluded as rooftop appurtenances because they contain residential stairs (see Appendix 'E'). Identical exemption provisions have been supported and incorporated in recent rezonings where the enclosure provides access to green roofs in buildings which contain approved sustainability measures, including intensive green roofs and areas for edible landscape. The heights of these enclosures are not dissimilar in size compared to roof top appurtenances which may currently be excluded from height in the Zoning and Development By-law. Conditions of the development permit will ensure these access enclosures are as small as possible and that the proposed roof areas contain the appropriate sustainable features.

Based on a detailed view analysis, staff conclude that any view impacts created by the proposal, including the additional storey on the south block and the roof top enclosures described above, are nominal. Therefore staff support the height and density variances.

Summary of Proposed Variances and Financial Proforma Analysis: Staff conclude that a Heritage Revitalization Agreement (HRA) is required for the variances in density and height as follows:

Table 2- Summary of Proposed Variances

Regulation	Maximum Permitted	Proposed Variance
Density (total for site)	3.0 FSR	3.43 FSR*
Height (new building)	18.3 metres (60 feet)	25.8 metres (84.6 feet)**
	(approximately 6 storeys)	(approximately 8 storeys)

^{*} includes the heritage building

Staff conclude the proposed variances allow for the conservation of a valuable heritage industrial building in its original configuration in exchange for a supportable level of compensation in the form of bonus on-site density. The proposal manages the proposed density and height in a way which minimizes impacts on surrounding properties. Staff conclude that the project presents a high level of urban and landscape design, and that the proposed uses are appropriate for the neighbourhood. A detailed review of the applicant's

^{**} excluding the green roof access enclosures described above

financial analysis has been conducted by Real Estate Services staff, who conclude that the developer is not making an undue profit with regard to the additional density being proposed as compensation for the rehabilitation, designation, and long-term preservation of the heritage building. Therefore staff conclude the proposed variances in height and density are supportable.

SUMMARY OF THE PUBLIC REVIEW PROCESS AND NOTIFICATION

Following standard notification procedures, signs describing the project were installed on site and 661 neighbouring property owners were notified, in writing, and invited to comment on the proposal. The applicant has met with various owners and residents in surrounding buildings and the City and applicant co-hosted an Open House on June 12th, 2008, to seek further input. A petition was received in advance of the City's notification letters having been sent out (see Appendix 'H' for a detailed summary of the public consultation process).

Twelve written responses were received as a result of the City's notification letter. Six respondents support the project and six respondents, while not opposed to development per se, expressed concern that the project has not "earned" the additional density and height which are requested, and that the project creates impacts with regard to shadowing, views, and increased traffic.

Staff have reviewed the responses and conclude that the bonus density sought by the developer as compensation for the rehabilitation, designation, and long term preservation of the heritage building is supportable financially. Staff have reviewed the impacts on views created by the proposed new building and the shadowing on neighbouring buildings to the north and conclude that such impacts are nominal in comparison to what would likely be constructed on the site if the heritage building was demolished. Staff conclude that the massing, scale, and character of the proposal is in keeping with the intent of the zoning district and all applicable policies and guidelines. Engineering Services staff conclude the vehicle trips generated by this development, when added to the existing traffic volumes on adjacent streets, would represent a nominal increase in traffic impact. Therefore staff conclude that the additional height and density of the proposal are supportable (see Appendix 'H' for detailed responses to concerns, including references to analysis drawings included in the Appendices).

ECODENSITY AND SUSTAINABILITY

While Ecodensity polices do not apply to the application as it was received before May 13th, 2008, the proposal nonetheless contains many sustainable features, including storm water management systems, green roofs, and "low-E" windows arranged to minimize solar gain. Staff will require that the sustainability measures proposed be fully resolved and clarified in the drawings as a condition of the development application.

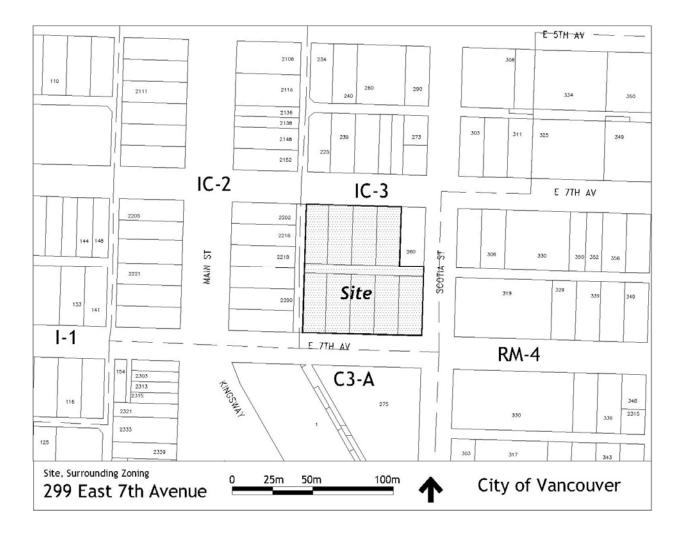
FINANCIAL IMPLICATIONS

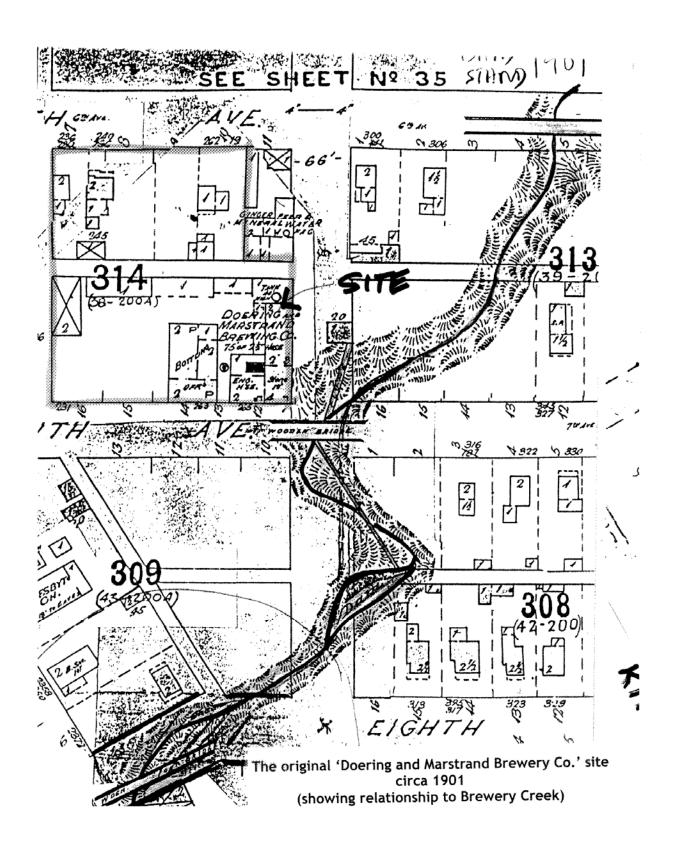
Approval of the report recommendations will have no financial implications with respect to the City's operating expenditures, fees, or staffing.

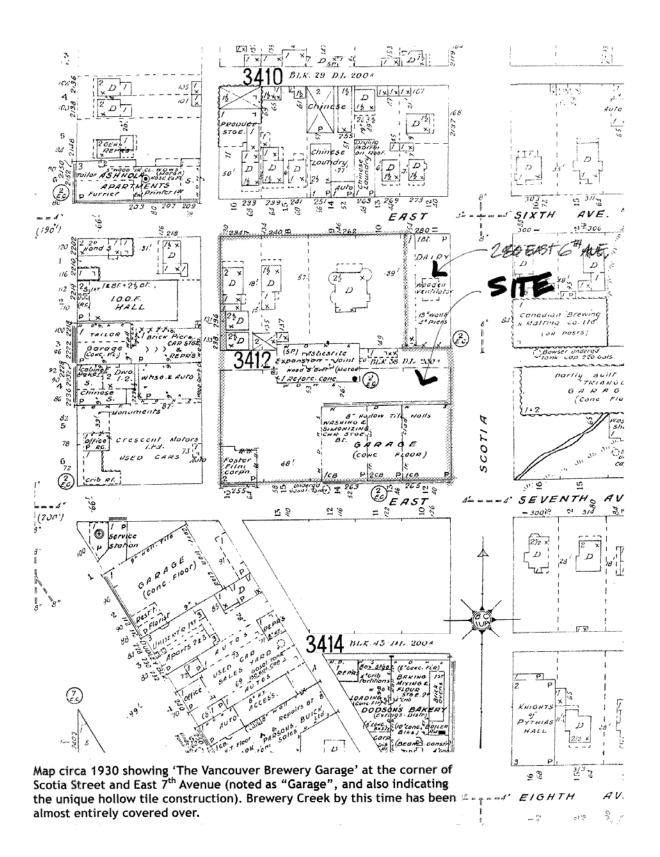
CONCLUSION

In summary, staff conclude that the additional on-site bonus density proposed as compensation to the owner for the rehabilitation, designation, and long term preservation of 'The Vancouver Brewery Garage' located at 255 East 7th Avenue is supportable, and that the additional density and height proposed can be accommodated on the site in a new building. The project is consistent with Council adopted policies, including the Heritage Policies and Guidelines and the Mount Pleasant Policies and Guidelines, which endorses variances of height and density to retain existing buildings in the community. The Vancouver Heritage Commission and Urban Design Panel unanimously support the project and note its many exemplary qualities, including its sustainable design features. Therefore staff support the designation of 'The Vancouver Brewery Garage' as protected heritage property and the proposed variances in height and density.

* * * * *







190 Prior Street - Summary of Application and Issues Related to Artist Studio Space:

A Development Permit Application DE 411105 has been submitted to adaptively reuse the proposed heritage building at 190 Prior Street (formerly 901 Main Street) for retail and residential uses and to construct an addition to the rear of the heritage building for residential units, and for which an HRA is proposed. As part of the redevelopment of the building, approximately 30 artists who have leased studio space in the building will have to be evicted.

On February 12th and 21st, 2008, Council heard from all registered speakers at the Public Hearing on the proposed HRA/Heritage Designation of 190 Prior Street, including the artists noted above. The Public Hearing concluded on February 21, and Council referred discussion and decision to the Regular Council meeting on March 11, 2008, in order to allow the applicant and the artists who would be evicted to further develop a proposal for report back by staff. On March 11th, 2008, Council unanimously approved the recommended HRA and designation regarding 190 Prior Street, including the following additional recommendation:

"THAT the owner enter into an agreement with the City, drawn to the satisfaction of the Director of Legal Services, to confirm the owner-initiated offer not to seek issuance of the Building Permit for 190 Prior Street related to Development Permit 411105 until arrangements to the satisfaction of the Director of Legal Services, Director of Planning and Managing Director of Cultural Services have been met regarding provision for secured artist studio

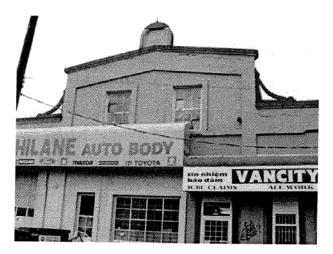
class "A" space at 299 East 7th Avenue which will include without limitation, the following provisions:

- minimum aggregate artist studio class "A" space of not less than 5,000 square feet;
- minimum lease terms of not less than 10 years."

Legal Services staff advises that the agreement described above has been completed and entered into.

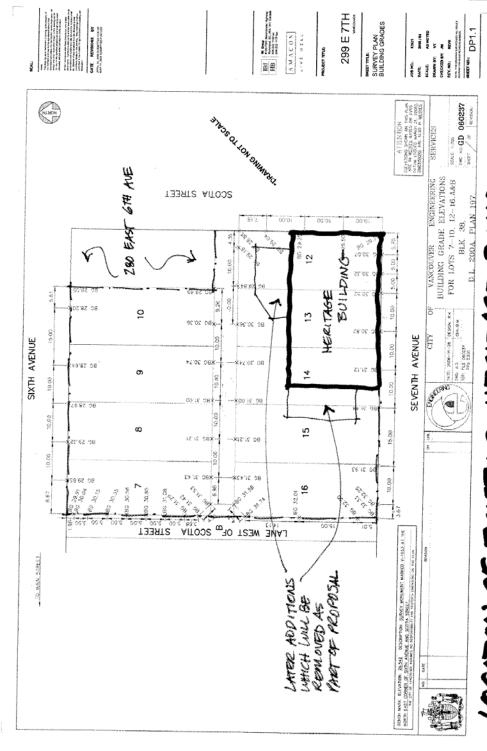


Front of the Heritage Building from 7th Avenue

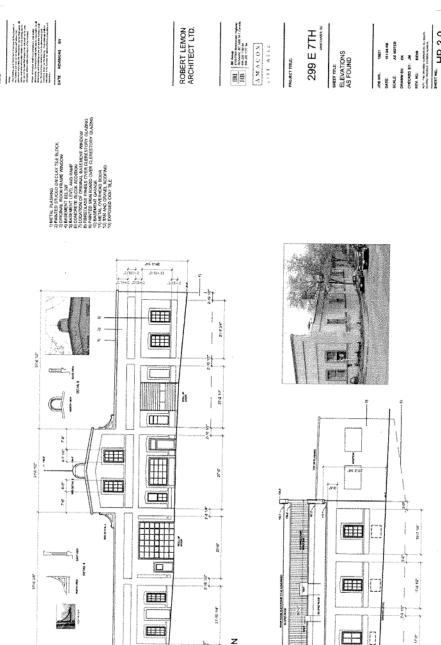


Central clerestory of the Heritage Building showing some of the "Mission Revival Style" details

PHOTOS OF THE HERITAGE BUILDING AT 255 EAST 7TH AVENUE

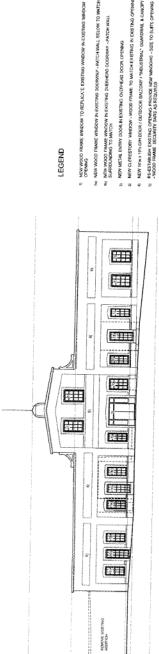


LOCATION OF EXISTING HERITAGE BUILDING.
ON THE SITE



SOUTH ELEVATION

EAST ELEVATION



NEW WOOD FRAME WINDOW TO REPLICATE EXISTING WINDOW IN EXISTING WINDOW OPENING

14 NEW WOOD FRAME WINDOW IN EXISTING DOORWAY -PATCH WALL SELOW TO MATCH

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2) NEW METAL ENTRY DOOR IN EXISTING OVERHEAD DOOR DIENAVG

3. NEW CLERESTORY WARDOW - WOOD FRAME TO MATCH EXISTING IN EXISTING OPENINGS

NEW 19w x 19h GH CROCK CUTBOOR BALLONY / THOUSTRIAL" GLARDRAIL A CANCEY

SOUTH ELEVATION

NEW STUCCO RENDERING ON EXISTING EXPOSED TERRACOTTA

ROBERT LEMON ARCHITECT LTD.

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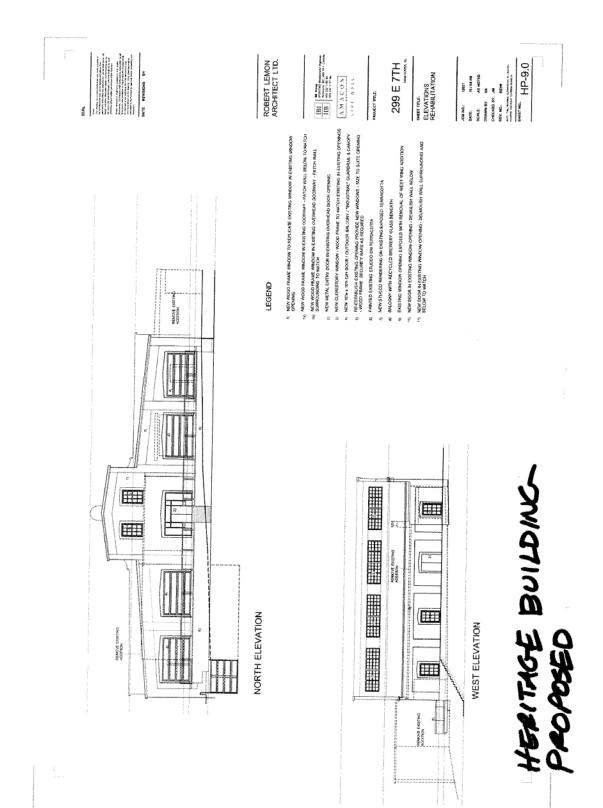
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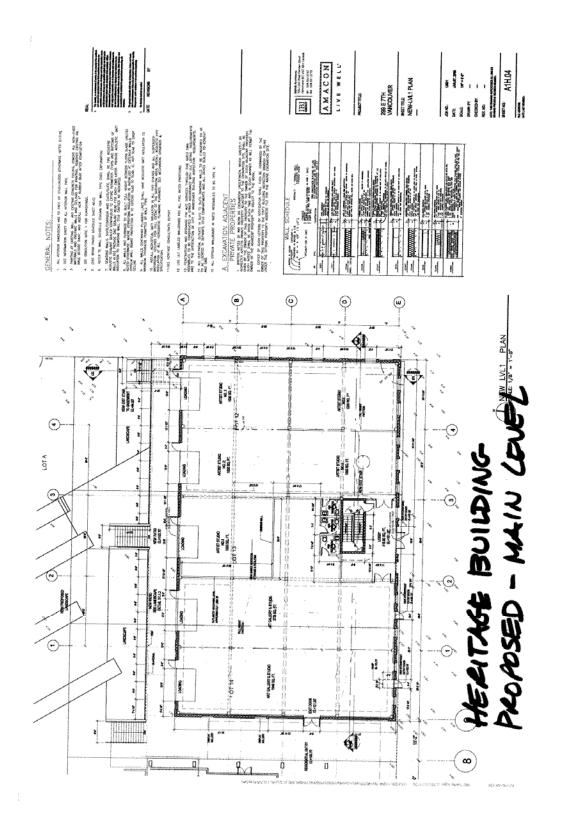
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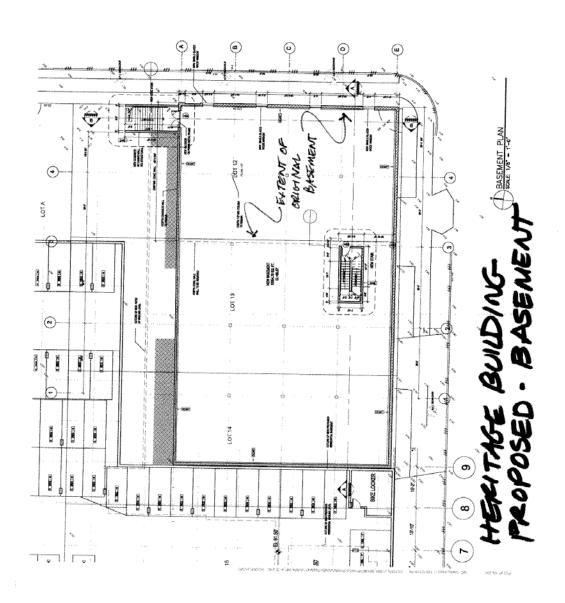
EAST ELEVATION

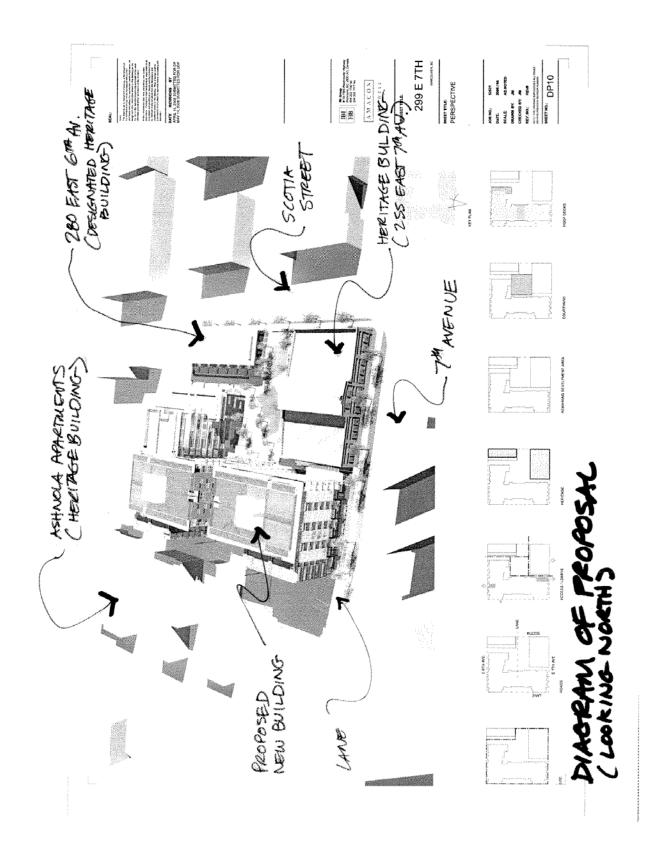
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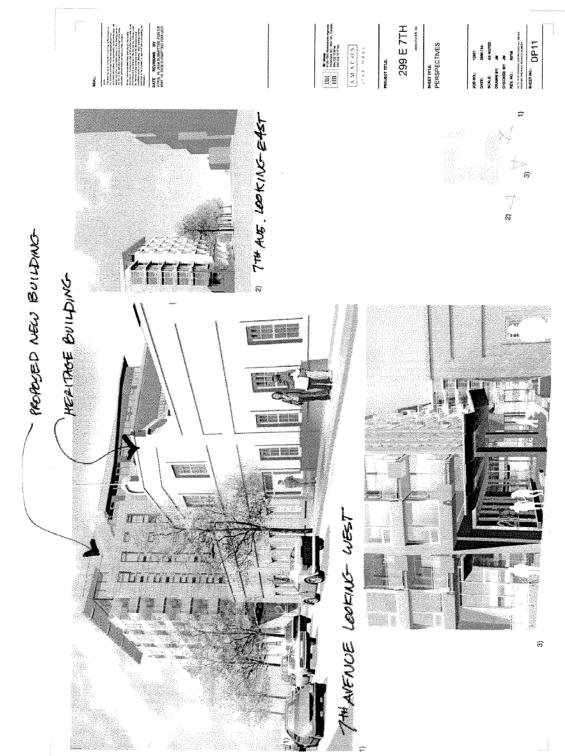








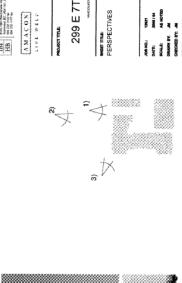




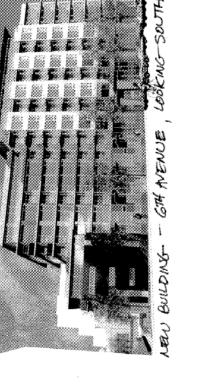
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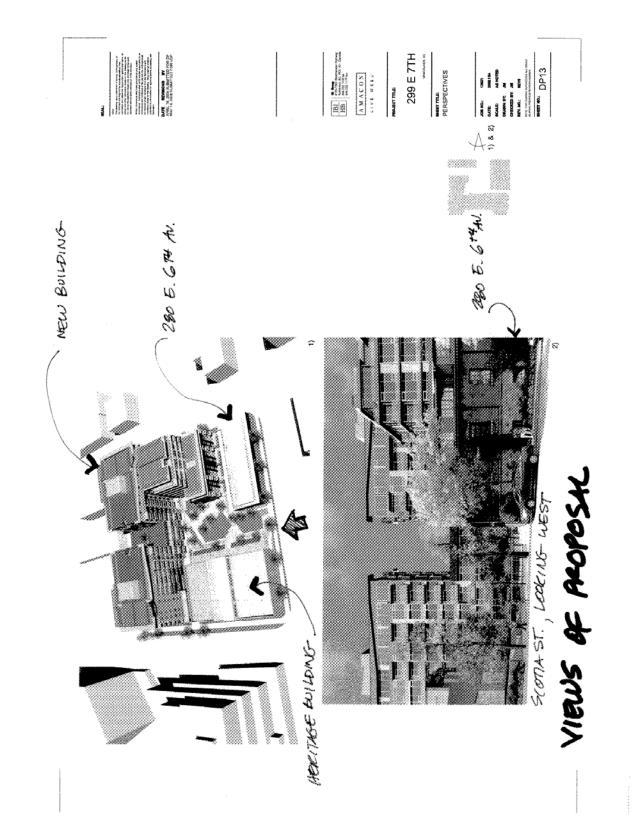


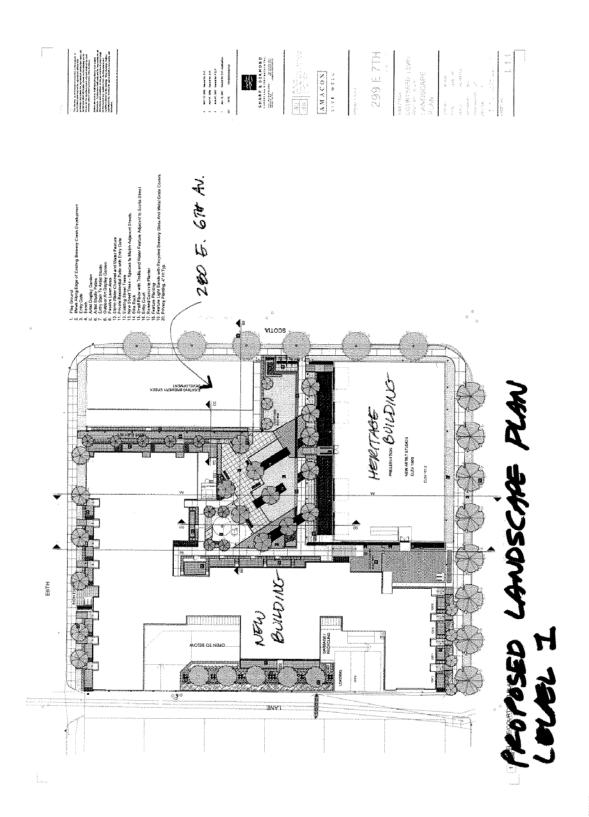


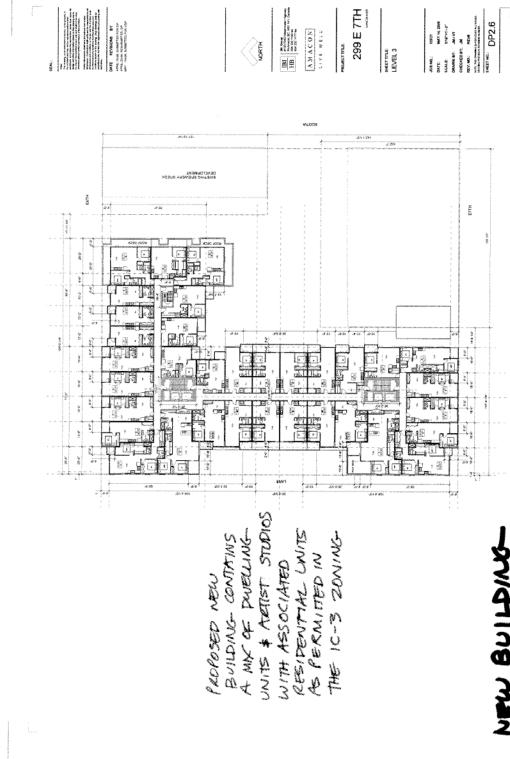
299 E 7TH



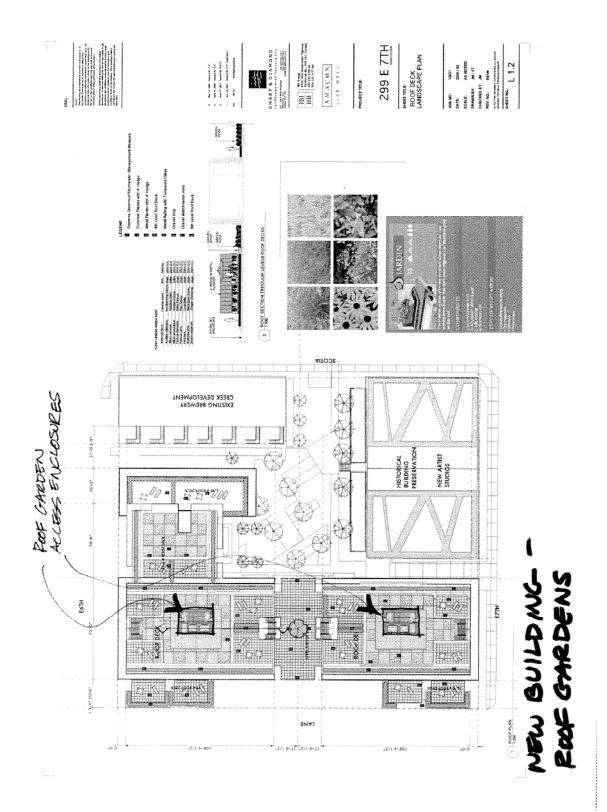
VIEWS OF PROPOSAL

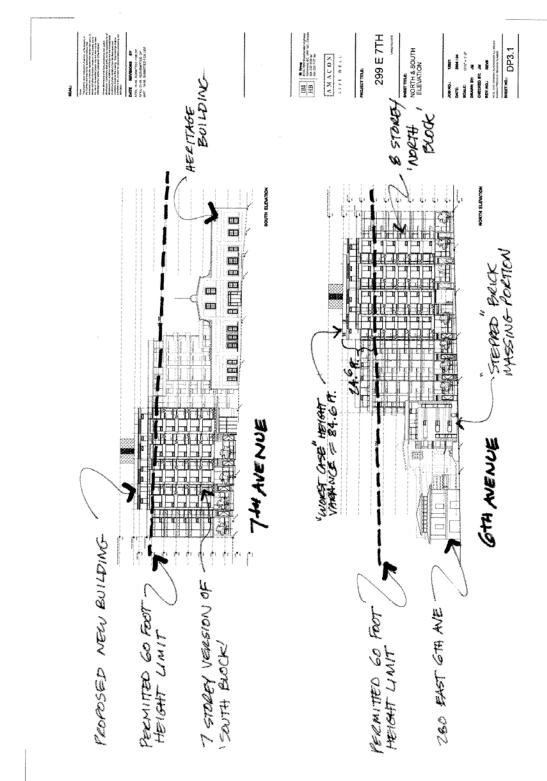




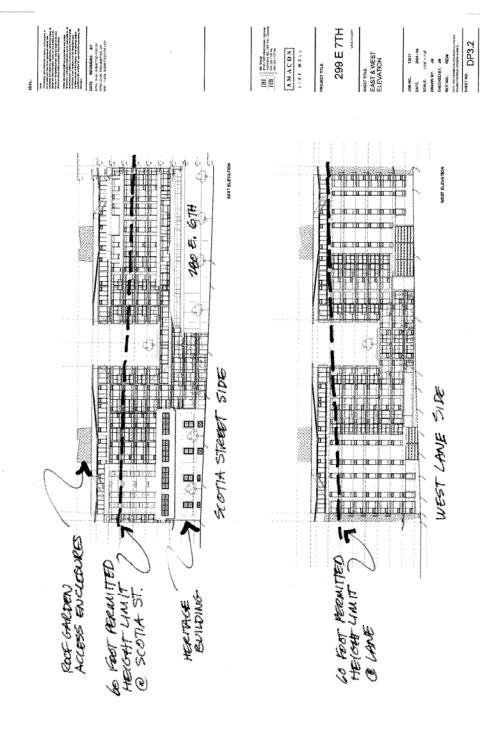


New Building-Example of Floor Labout - Level 3

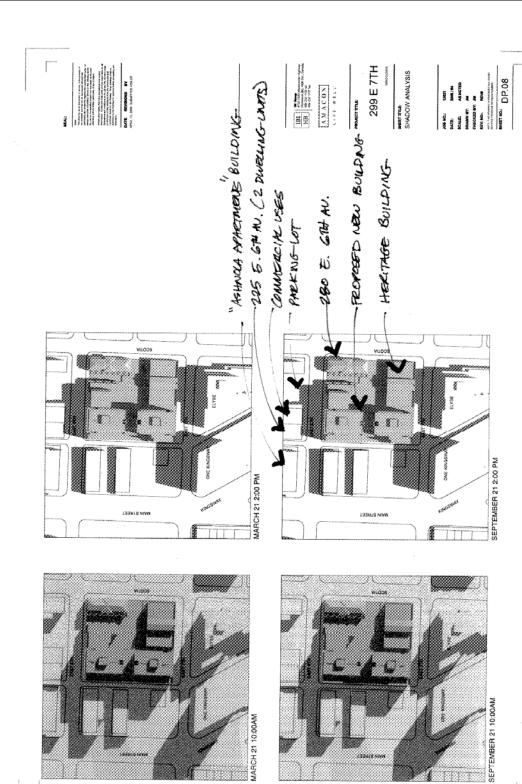




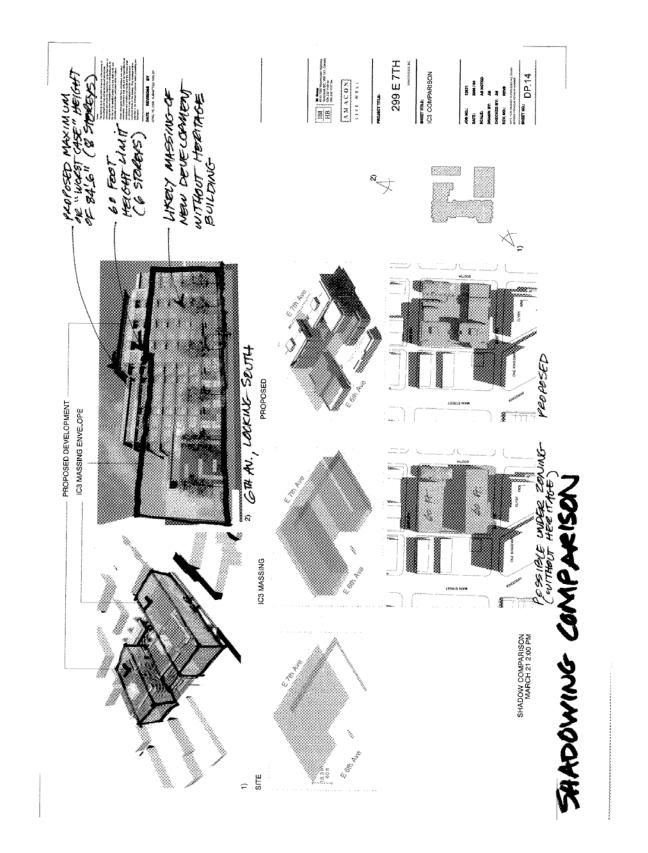
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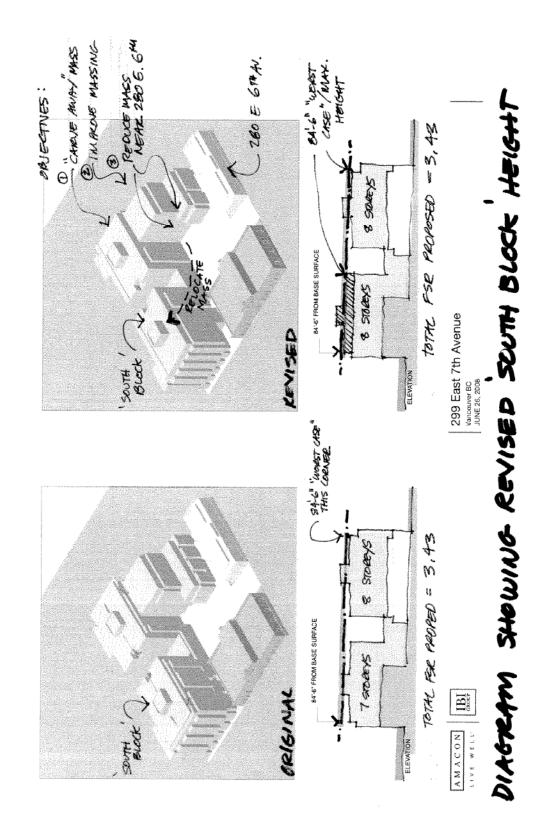


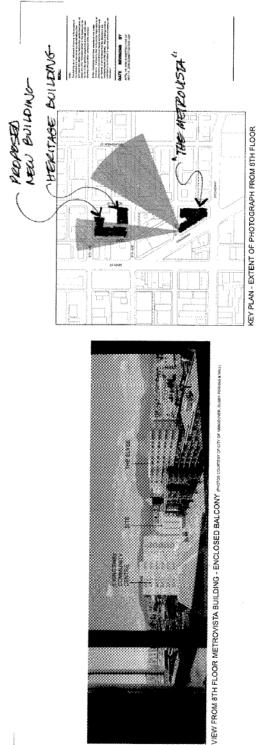
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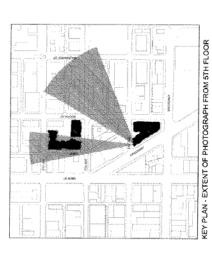


Example of SHADOW ANALYSIS





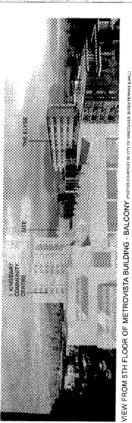




299 E 7TH wedges

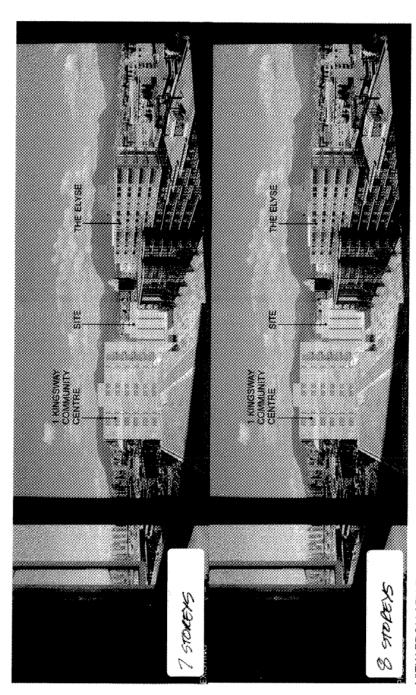
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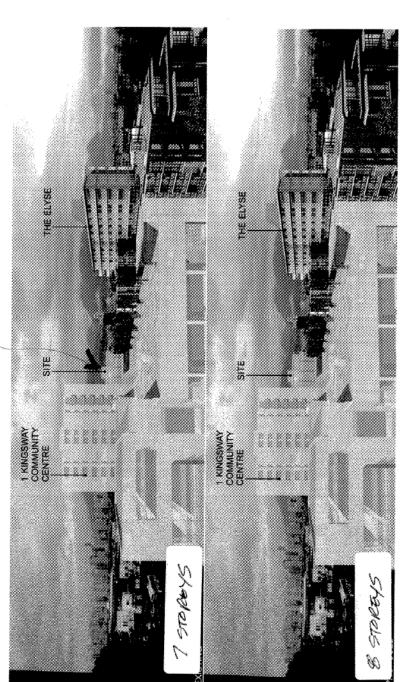


VIEW FROM 8TH FLOOR METROVISTA BUILDING - ENCLOSED BALCONY (PHOTOS COURTESY OF CITY OF VANCOUVER BUSBY PERKINS & WILL)

AMACON IBI

299 East 7th Avenue Vancouver BC UNE 26, 2008

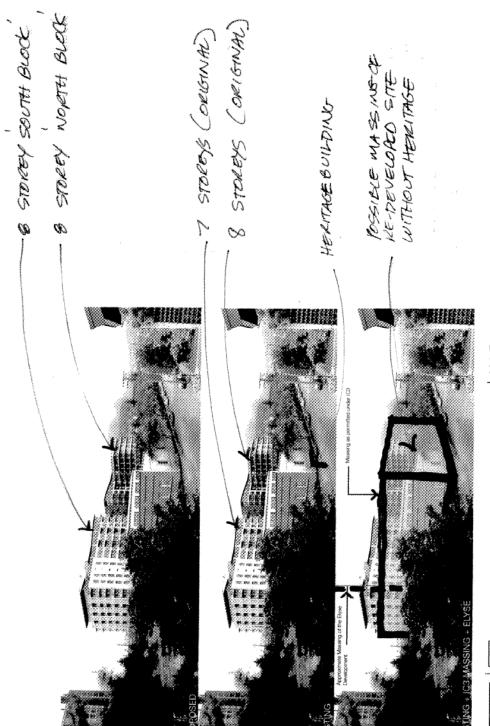
EXAMPLE OF VIEW ANALYSIS CONVERENCE 7 STORES VERSUS 8 STOREY SOUTH BLOCK



/IEW FROM 5TH FLOOR OF METROVISTA BUILDING - BALCONY (PHOTOS COURTESY OF CITY OF VANCOUVER, BUSBY PERKINS & WILL)

AMACON IBI

299 East 7th Avenue vancouver BC JUNE 26, 2008



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AMACON GROUP

VIEW ANALYS FROM 1930 F. CIT AL BACONY

DETAILED SUMMARY OF THE PUBLIC REVIEW PROCESS AND NOTIFICATION

Following standard notification procedures, signs describing the project were installed on site and 661 neighbouring property owners were notified, in writing, and invited to comment on the proposal. The applicant has indicated they have met with owners/residents in surrounding residential buildings and various neighbourhoods groups, including the Brewery Creek Strata, the Metro Vista Strata, the Landmark Belvedere Strata, the Mount Pleasant BIA, the Drift Society, and local business owners, and the City and applicant co-hosted an Open House on June 12th, 2008, to seek further input.

<u>Response to Notification:</u> Twelve written responses were received as a result of the notification letter. Six respondents support the project and six respondents, while not opposed to development per se, expressed concern that the project has not "earned" the additional density and height which are requested. Specific comments include:

Supporting the application:

- preservation of the heritage building is very important in terms of the Brewery Creek "watershed" area and the specific relationship of the Vancouver Brewery Garage and the Candy Factory building;
- creation of additional artist studio work-only space is beneficial;
- the proposal complies with the vision of the Community Development Plan, developed in 1987;
- the development will encourage a cleaner, safer and friendlier environment in the area;
- the compensatory density is justified; and
- the occupants of the additional live/work and residential units will add to the vitality of the neighbourhood.

Opposing the application:

- The scale of the building is out of keeping with the surrounding residential area (zoned RM-4);
- The properties on the north side of 6th Avenue will be shadowed by the proposed development;
- The scale of the project will negatively impact the heritage building at 280 East 6th Avenue;
- The applicant has not demonstrated that the cost of restoring the heritage building warrants the requested density;
- The proposed materials (glass and concrete) do not respect the predominantly brick character of the area;
- The proposal has not "earned" height and density through sustainability measures; and
- The project will increase traffic and parking problems already existing in the area.

<u>Petition:</u> Prior to the City's notification process taking place, a local property owner undertook a campaign to collect signatures on a petition which states opposition to any relaxation of the IC-3 regulations regarding height, density or parking. 368 signatures were collected. In the preamble to the petition, the reasons for opposing the relaxations are noted as follows:

- The neighbourhood will become more crowded than would have been expected;
- There will be more noise and traffic;
- There are already parking issues in the neighbourhood; and
- Views and sunlight will be negatively affected by the additional height and building form.

<u>Open House:</u> Twenty-one people signed in at the Open House event. Six comment sheets were returned. Two respondents supported the proposal. Four respondents opposed the proposal, for similar reasons as were given in response to the notification letter. Density, height, light, parking and the cost/benefit of restoring the heritage building were all mentioned. One respondent, a business owner on Main Street, was particularly concerned about the increase in traffic in the lane as a result of the proposed development.

<u>Staff Response to Comments:</u> The main concerns identified above are summarized below with staff responses:

(1) The scale of the new building is out of keeping with the surrounding residential (RM-4 zoned) areas

Response: The proposed height variance is to allow density which normally could have been constructed in the area the heritage building occupies to be re-located on the site so that the heritage building may be preserved. While the proposed new building is two storeys higher than what normally would be permitted in the district, the highest portions are limited primarily to the west side of the site, furthest away from the RM-4 zoned apartment areas east of Scotia Street. The proposed new building is also shorter than 1 Kingsway to the south, which is CD-1 zoned, and is comparable in height and density to the approved (but not yet constructed) building on the C-3A zoned site at 2321 Scotia Street, directly to the south of the subject site. Staff conclude that the scale of the proposed new building is appropriate for the site and similar to what could be developed on non-heritage sites in the area, and that the proposal, including the heritage building, provides a good transition in massing and scale to the RM-4 zoned sites east of Scotia Street.

(2) The properties on the north side of 6th Avenue will be shadowed by the proposed development

<u>Response</u>: Staff conclude that the increased shadowing impact will be minimal relative to what would likely be built on the site if the heritage building was demolished and the site redeveloped (see drawings in Appendix 'F'). Conditions of the development permit will require that mass on the upper north edge of the new building be "carved away" to improve light access as much as possible to minimize the impact of the increased height.

(3) The scale of the proposal will negatively affect the property at 280 East 6th Avenue.

Response: Staff conclude that the proposal will not create any more impact on the building at 280 East 6th Avenue compared to what would likely be constructed on the site if the heritage building was demolished. If redeveloped without the heritage building, a new 60 foot high building, extending from the west lane to the east property line on Scotia Street, would likely be approved on the south side of the site, and a similar sized building, or wing, would likely be constructed on the north side of the site abutting the property at 280 East 6th Avenue. Preservation of the low heritage building, with no additions, will allow a considerable amount of sunlight to reach the property at 280 East 6th throughout the year, and there will be less overlook impacts from the south compared to what would likely be built without the heritage building. Conditions of the development permit will ensure that opportunities for further improvements in shadowing and privacy impact will be maximized for the portion of the new building near the property at 280 East 6th Avenue. The proposed landscaping will provide additional visual amenity to the residents of 280 East 6th Avenue.

(4) The applicant has not demonstrated that the cost of restoring the heritage building warrants the requested density

Response: As noted in the discussion in the main body of the report, a detailed review of the applicant's financial analysis has been conducted by Real Estate Services staff, who conclude that the developer is not making an undue profit with regard to the additional density being proposed as compensation for the rehabilitation, designation, and long-term preservation of the heritage building. The Vancouver Heritage Commission also notes the modest increase in density and that the heritage building itself contains approximately 1/3 of the bonus density (see "Comments of the Vancouver Heritage Commission").

(5) the proposed materials (glass and concrete) do not respect the predominantly brick materials of the area.

Response: The IC-3 zoning district does not prescribe a particular form or material for new development, and in fact, by regulation, requires glazed areas on facades facing streets, especially at ground level. Staff and the Urban Design Panel conclude that the proposed new building compliments the industrial nature of the area through the use of industrial-type materials and appropriate colours, including the use of brick on the portion of the proposed new building closest to the building at 280 East 6th Avenue. The Director of Planning will require, as a condition of the development application approval, that the use of brick as a finish material be increased, particularly at the pedestrian level.

(6) the proposal has not earned the height and density through sustainability measures

<u>Response:</u> As noted in the discussion in the main body of the report, while Ecodensity polices do not apply to the application as it was received before May 13th, 2008, the proposal contains many sustainable features, including storm water management systems, green roofs, and "low-E" windows arranged to minimize solar gain. The Urban Design Panel supports these measures and further requests that the developer consider incorporating areas for urban agriculture in the project, as well as exploring further improvements with regard to solar gain at the penthouse level. Staff will require that the

sustainability measures proposed be fully resolved and clarified in the drawings, and that the recommendations of the Urban Design Panel in this regard be incorporated.

(7) the proposal will increase traffic and parking problems in the area, including noise

<u>Response:</u> The development application will provide the required number of off- street parking spaces as per the Parking By-law. Engineering Services staff conclude that the number of vehicle trips generated by this development, when added to the existing traffic volumes on adjacent streets, would represent a nominal increase in traffic impact.

The proposed development is located in a mixed-used neighbourhood with shopping areas (Kingsgate mall) and two new community centres (Mount Pleasant and Olympic Village) close to the development where there are a number of on-street car-sharing vehicles stationed in the neighbourhood. In addition, the #3 Main/Downtown and the #8 Fraser/Downtown bus routes are a block away from the development, and the #84 UBC/VCC Station bus route and the Main Street SkyTrain station are just a few blocks away from the development. It is therefore expected that some residents would use non-vehicular modes of transportation for their daily and occasional commutes, reducing traffic impacts on the neighbourhood.

Required off-street parking and loading access for the heritage building will be accommodated within the proposed new building and secured by appropriate legal means. All vehicular access and loading will be provided from the existing lane on the west side of the site, which would also occur if the site was redeveloped without the heritage building.

(8) views will be negatively impacted by the proposed new building

Response: Based on an analysis of view impacts as part of the review of the application, staff conclude that views will only be modestly impacted compared to what would likely be constructed on the site if the heritage building was demolished. The building at 288 East 8th Avenue (the 'Metrovista'), a block away, was identified has having some view impact issues. Detailed analysis, including studies constructed by the applicant from photographs taken at different residents' balconies, demonstrates that even where the proposed building is visible and intrudes into "mountain" views (generally at the 5th to 8th floors), the impacts are nominal (as can be seen in the studies in Appendix 'G', the proposed building appears smaller and lower than surrounding buildings and only impacts approximately 5% of the "view aperture", or view angle, from these units). Staff conclude that the proposed height variance creates nominal view impacts and is supportable.

Staff also received corresponded from the Strata at 280 East 6th Avenue requesting the City require the developer of 299 East 7th Avenue provide a 13 foot by 34 foot easement for the property at 280 East 6th Avenue for additional outdoor space for the residents, in addition to an existing 4 foot by 45 foot easement on the property which provides access to, and egress from, the property. Staff have advised the Strata President that such an easement would not be required as a condition of the development application approval and that any discussions on such matters are between the two property owners. However, staff will ensure that the impacts of the proposed development on the property at 280 East 6th Avenue will be reduced as much as possible through conditions of the development application approval.

In summary, staff conclude that the concerns raised regarding the proposal have been addressed and that the proposed variances in height and density are warranted in exchange for the rehabilitation, designation, and long term preservation of the heritage building. The proposal is consistent with not only the Heritage Polices and Guidelines but also the Mount Pleasant Guidelines which state that variances of height and density should be considered in return for the retention of existing buildings in the area. Therefore staff support the requested variances in height and density.