



Supports Item No. 3  
P&E Committee Agenda  
October 22, 2009

POLICY REPORT  
DEVELOPMENT AND BUILDING

Report Date: October 2, 2009  
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Meeting Date: October 22, 2009

TO: Standing Committee on Planning and Environment  
FROM: Director of Planning  
SUBJECT: DODP and HA: Office Conversion Policy Amendment - Addition of DODP Areas L, M and N

***RECOMMENDATION***

THAT, in order to monitor the conversion of significant office buildings in mixed use areas in Downtown South (Downtown Official Development Plan (DODP) areas 'L1', 'L2', 'M' and 'N'), Council adopt the revised "DODP, HA Districts: Office Conversion Policy" as contained in Appendix A.

***GENERAL MANAGER'S COMMENTS***

The General Manager of Community Services recommends APPROVAL of the foregoing.

***COUNCIL POLICY***

Metro Core Jobs and Economy Land Use Plan-Terms of Reference (2005)  
Metro Core Jobs and Economy Land Use Plan- Issues and Directions Report (2007)

In May 2009, City Council passed the following resolution:  
"THAT, subject to approval of the "DODP, HA Districts: Office Conversion Policy", Council directs staff to report back on the possible inclusion of areas 'L', 'M' and 'N' of the Downtown Official Development Plan (DODP) in the policy, following consultation with affected property owners"

### ***SUMMARY AND PURPOSE***

At the May 5, 2009 Regular Council Meeting, Council expressed a desire to consider adding areas 'L' (composed of areas 'L1' and 'L2'), 'M' and 'N' of the Downtown Official Development Plan (DODP) to the "DODP, HA Districts: Office Conversion Policy".

The "DODP, HA Districts: Office Conversion Policy" is intended to monitor the conversion of existing office space in mixed use portions of Downtown as well as the Gastown and Yaletown heritage areas. The Office Conversion Policy does not prohibit the conversion of office space to residential uses in these areas, but rather requires a report to consider whether the conversion is in the public interest.

This report recommends the addition of DODP areas 'L', 'M' and 'N' through the adoption of a revised "DODP, HA Districts: Office Conversion Policy" as contained in Appendix A.

### ***BACKGROUND***

Areas 'L' (composed of both 'L1' and 'L2'), 'M' and 'N' of the Downtown Official Development Plan (DODP) make up a large portion of the Downtown South neighbourhood, as identified in Figure 1 below.

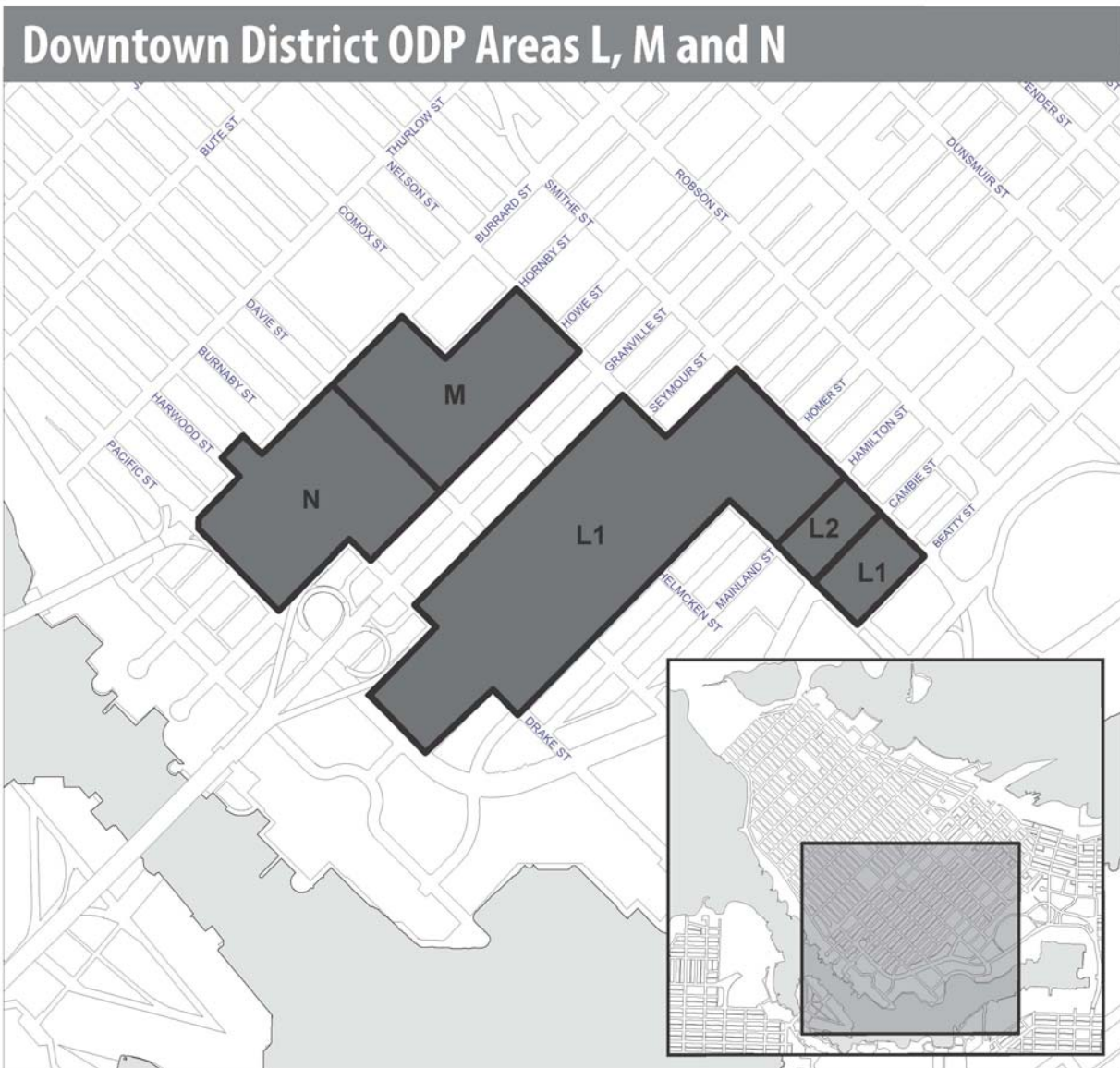


Figure 1: Map of Downtown Development Areas 'L' ('L1' and 'L2'), 'M' and 'N'.

Prior to the Central Area Plan, areas 'L', 'M' and 'N' were zoned primarily for commercial use. The Central Area Plan consolidated the Central Business District (CBD) and identified Downtown South (including areas 'L', 'M' and 'N') as a suitable location for residential intensification to provide housing for employees working in the CBD.

Since that time, areas 'L', 'M' and 'N' have developed very quickly. While most of the development in areas 'L', 'M' and 'N' have been residential, some new office space was developed during this time (e.g. 910 Mainland St., 1085 Homer St.) and a number of significant office buildings built prior to the Central Area Plan remain. The addition of areas 'L', 'M' and 'N' to the Office Conversion Policy would affect 16 properties ranging in size from 50,586 to 245,234 sq.ft.

At the Regular Council Meeting on May 5, 2009, Council approved the "DODP, HA Districts: Office Conversion Policy" as a part of the Metro Core policies and zoning changes. The Office Conversion Policy applied to Downtown District areas 'C2', 'C3', 'G' and 'H'. At that time, Council expressed a desire to investigate including Downtown District areas 'L', 'M' and 'N' to the Office Conversion Policy following consultation with affected property owners.

### *DISCUSSION*

The existing office space in areas 'L', 'M' and 'N' plays a role in providing job space capacity Downtown by providing local area jobs and a diversity of job space types. This office space also helps to support associated services, restaurants and businesses that serve the community.

Although the zoning in areas 'L', 'M' and 'N' allows both commercial and residential uses, the City has discretion with the zoning. The Office Conversion Policy does not restrict the conversion of office to residential uses but rather requires a report to Council for any significant office conversion (over 50,000 square feet for areas 'L', 'M' and 'N'). Council then can consider whether the conversion is in the public interest by examining proximity to rapid transit, the general pace of office conversion, the current supply of downtown office space, access to amenities for new residents and whether the conversion will result in the protection of a heritage resource.

### *CONSULTATION*

Owners of affected properties in areas 'L', 'M' and 'N' (i.e. owners of office buildings over 50,000 sq.ft.) were notified and invited to a meeting at the Chateau Granville on Wednesday, September 30, 2009 between 3:00 and 5:00 p.m. Two stakeholders attended the meeting to ask general questions and express their support for the addition of areas 'L', 'M' and 'N' to the Office Conversion Policy. To date, no opposition to the addition of areas 'L', 'M' and 'N' has been heard from affected citizens or property owners.

### *FINANCIAL IMPLICATIONS*

There are no financial implications for the City's operating budget.

### *CONCLUSION*

The addition of areas 'L', 'M' and 'N' to the Office Conversion Policy will allow Council to monitor the conversion of office space over a greater portion of mixed use areas of Downtown. Staff recommend that areas 'L', 'M' and 'N' be added to the "DODP, HA Districts: Office Conversion Policy".

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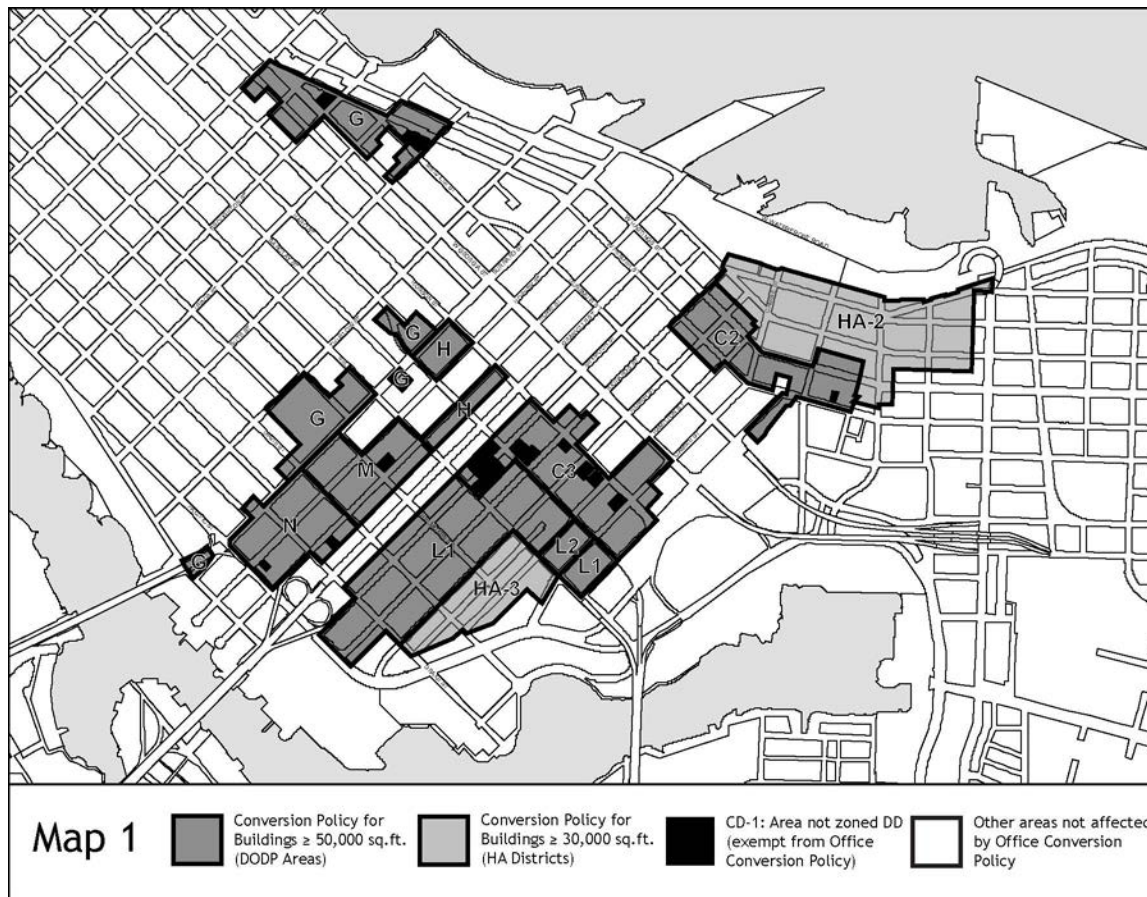
## DODP and HA: Office Conversion Policy (DODP Areas C2, C3, G, H, L1, L2, M and N; HA Districts HA-2 and HA-3)

### 1.0 Application and Intent

The policy is intended to be used in the evaluation of inquiries and applications for conversion of significant, existing office space to residential use in areas of Downtown where zoning provides the option of both commercial and residential uses.

The policy applies to Downtown District Areas C2, C3, G, H, L1, L2, M and N and Historic Area Districts HA-2 (Gastown) and HA-3 (Yaletown), as shown in the Map 1.

The zoning in these areas generally anticipates mixed-use, and there are numerous existing, significant office buildings. Although the zoning does permit both residential and commercial use, the City has discretion within the zoning. This conversion policy does not prohibit residential conversion of office space, but rather initiates a report to Council, where appropriate, to consider whether the conversion is in the public interest. In this way, the City is able to monitor the conversion of significant office buildings.



## 2.0 Definitions

For the purpose of this document:

- a) "Office" means any office, including banks and financial institutions.
- b) "Existing office space" means any building containing office commercial use, as exists as of October XX, 2009.
- c) "Heritage building" means a building listed on the Vancouver Heritage Register or a building that could qualify for listing on the Vancouver Heritage Register.

## 3.0 Application of the Office Conversion Policy

The Office Conversion Policy applies to buildings in the following areas:

- DODP Areas C2, C3, G, H, L1, L2, M and N containing *50,000 square feet* or more of existing office floor space; and
- Historic Area Districts HA-2 and HA-3 containing *30,000 square feet* or more of existing office floor space.

## 4.0 Conditions for Consideration of Conversion

- 4.1 Proposals and development applications to convert existing office space to residential use may be subject to a report to City Council at the discretion of the Director of Planning.
- 4.2 The report to Council will assess enquiries and development applications for conversion based on consideration of the following criteria:
  - a) The current supply of office space and the projected demand for the next 25 years in the Downtown, including the Heritage Districts.
  - b) The amount of office space being converted and the general pace of office space conversion.
  - c) Whether the building is on the Vancouver Heritage Register (or is a post 1940 building worthy of inclusion on the VHR), is at risk, and heritage designation will result.
  - d) The quality of the development proposal in terms of liveability and design with consideration to the level of and proximity to land uses and amenities that support residential use.
  - e) Proximity of rapid transit stations to support sustainable commuting alternatives through highly accessibility and maximize the benefits of existing transit investments.